City of
HUNTINGTON PARK California

NOTICE OF CANCELLED MEETING

OF THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF HUNTINGTON PARK, CALIFORNIA

NOTICE IS HEREBY GIVEN that the December 15, 2014 regular meeting of the Successor Agency to the Community Development Commission of the City of Huntington Park is **CANCELLED**.

The next regular meeting is scheduled for January 5, 2015, at 6:00 p.m. in the Council Chambers at the City Hall, 6550 Miles Avenue, Huntington Park, CA.

Donna G. Schwartz, CMC
Interim City Clerk

DATED: December 11, 2014

6550 Miles Avenue, Rm. 148 • Huntington Park, CA 90255-4393
Tel. (323) 584-6230 • Fax (323) 588-4577

www.huntingtonpark.org

CITY OF HUNTINGTON PARK

City Council Meeting Agenda
Monday, December 15, 2014

6:00 p.m.
City Hall Council Chambers
6550 Miles Avenue
Huntington Park, CA 90255

Rosa E. Perez
Mayor

Karina Macias
Vice Mayor

Ofelia Hernandez
Council Member

Mario Gomez
Council Member

Valentin Palos Amezquita
Council Member

All agenda items and reports are available for review in the City Clerk's Office and www.hpca.gov. Any writings or documents provided to a majority of the City Council regarding any item on this agenda (other than writings legally exempt from public disclosure) will be made available for public inspection in the Office of the City Clerk located at 6550 Miles Avenue, Huntington Park, California 90255 during regular business hours, 7:00 a.m. to 5:30 p.m., Monday – Thursday, and at the City Hall Council Chambers during the meeting.

Any person who requires a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in the public meeting may request such modification, accommodation, aid or service by contacting the City Clerk's Office either in person at 6550 Miles Avenue, Huntington Park, California or by telephone at (323) 584-6230. Notification in advance of the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

PLEASE SILENCE ALL PAGERS, CELL PHONES AND OTHER ELECTRONIC EQUIPMENT WHILE COUNCIL IS IN SESSION. Thank you.

Public Comment

The Council encourages all residents of the City and interested people to attend and participate in the meetings of the City Council.

Prior to the business portion of the agenda, the City Council and all other agencies meeting on such date will convene to receive public comments regarding any agenda items or matters within the jurisdiction of such governing bodies. This is the only opportunity for public input except for scheduled public hearing items. The Mayor or Chairperson will separately call for testimony at the time of each public hearing. If you wish to address the Council, please complete the speaker card that is provided at the entrance to the Council Chambers and place it in the box at the podium. When called upon by the Mayor or Mayor's designee, each person addressing the Council shall step up to the microphone and state his/her name or organization he/she represents for the record. Each speaker will be limited to three minutes per Huntington Park Municipal Code 2-1.207. Time limits may not be shared with other speakers and may not accumulate from one period of public comment to another or from one meeting to another. All comments or queries shall be addressed to the Council as a body and not to any specific member thereof. Pursuant to Government Code Section 54954.2(a)(2), the Ralph M. Brown Act, no action or discussion by the City Council shall be undertaken on any item not appearing on the posted agenda, except to briefly provide information, ask for clarification, provide direction to staff, or schedule a matter for a future meeting.

Additions/Deletions

Items of business may be added to the agenda upon a motion adopted by a minimum two-thirds vote finding that there is a need to take immediate action and that the need for action came to the attention of the City or Agency subsequent to the agenda being posted. Items may be deleted from the agenda upon the request of staff or Council.

Consent Calendar

All matters listed under the Consent Calendar are considered to be routine and will all be enacted by one motion. The City Council Members have received detailed staff reports on each of the items recommending an action. There will be no separate discussion of these items prior to the time the Council votes on the motion unless members of the Council, staff, or the public request specific items to be discussed and/or removed from the Consent Calendar for separate action.

Important Notice

The City of Huntington Park shows replays of City Council Meetings on Local Access Channel 3 and over the Internet at www.hpca.gov. Your attendance at this public meeting may result in the recording and broadcast of your image and/or voice as previously described.

CALL TO ORDER

ROLL CALL Mayor Rosa E. Perez
Vice Mayor Karina Macias
Council Member Ofelia Hernandez
Council Member Valentin Palos Amezquita
Council Member Mario Gomez

PLEDGE OF ALLEGIANCE

INVOCATION

PRESENTATIONS AND ANNOUNCEMENTS

Presentation by Senator Ricardo Lara on Legislative Affairs

Presentation of Badges to Senior Officers

"Certificates of Appreciation" to City Employee Retirees

Presentation on Responsible Beverage Service and Sales (RBSS) Training

"Certificates of Appreciation" to those who Volunteered at the College Application Workshop

"Certificates of Appreciation" to Volunteers from Aspire Pacific Academy Middle School and Linda Marquez High School who provided meals during Thanksgiving at the Salvation Army

PUBLIC COMMENT

For both open and closed session each speaker will be limited to three minutes per Huntington Park Municipal Code Section 2-1.207.

STAFF RESPONSE

RECESS TO CLOSED SESSION

CLOSED SESSION

1. Pursuant to California Government Code Sections 54956.9(d)(2) and 54956.9(e)(2) – Conference with Legal Counsel to Discuss Matter Involving Potential Litigation and/or Significant Exposure to Litigation – [One (1) potential matter]

2. Pursuant to Government Code Section 54956.9(d)(4) - Conference with Legal Counsel – Anticipated Litigation/Initiation of Litigation (Deciding Whether to Initiate Litigation): [One (2) potential matter]

3. Pursuant to Government Code Section 54956.8 – Conference with Real Property Negotiator
   Location of Property: 6335 Rita Avenue, Huntington Park, CA 90255
   City's Negotiator(s): Interim City Manager Julio Morales and City Attorney Isabel Birrueta
   Party Negotiating With: Parallel Acquisitions & Holdings

   Under Discussion: Discussion of both price and terms of payment as related to purchase of subject property

4. Pursuant to Government Code Section 54956.8 – Conference with Real Property Negotiator
   Location of Property: 5959-6169 Alameda Street, Huntington Park, CA 90255
   City's Negotiator(s): Interim City Manager Julio Morales and City Attorney Isabel Birrueta
   Party Negotiating With: Nicholas Alexander
   Under Discussion: Discussion of both price and terms of payment as related to purchase of subject property

5. Pursuant to Government Code Section 54957(b)(1) – Public Employee Employment
   Name of Position Under Consideration: Interim City Manager
   AND
   Closed Session Pursuant to Government Code Section 54957.6 (a) – Conference
   with Labor Negotiator Regarding Unrepresented Employee –
   Title of Position Subject to Negotiation: Interim City Manager
   City's Designated Representatives for Negotiations: Existing Interim City Manager Julio Morales and Isabel Birrueta, City Attorney

6. Pursuant to Government Code Section 54957(b)(1) – Public Employee Employment
   Name of Position Under Consideration: Parks & Recreation Director
   AND
   Closed Session Pursuant to Government Code Section 54957.6 (a) – Conference
   with Labor Negotiator Regarding Unrepresented Employee –
   Title of Position Subject to Negotiation: Parks & Recreation Director
   City's Designated Representatives for Negotiations: Interim City Manager Julio Morales and Isabel Birrueta, City Attorney

7. Pursuant to Government Code Section 54957.6(a) – Conference with Labor Negotiator Regarding Represented Employees
   City's Designated Representative(s) for Negotiations: Julio Morales, Interim City Manager
   Employee Organization: General Employees Association
   AND
   Pursuant to Government Code Section 54957(b)(1) – Public Employee Employment
   Name of Position(s) Under Consideration: Building Inspector, Permit Technician

RECONVENE TO OPEN SESSION

CLOSED SESSION ANNOUNCEMENT

CONSENT CALENDAR

OFFICE OF THE CITY CLERK

Approve the reading by title of all ordinances and resolutions. Said titles which appear on the public agenda shall be determined to have been read by title and further reading waived.

FINANCE

1. Approve Accounts Payable and Payroll Warrants dated December 15, 2014

2. Approve Professional Services Agreement (PSA) with Matsumoto Consulting for Continued Financial Management Services

RECOMMENDATION OF ITEM UNDER CONSIDERATION:

1. Approve the professional service agreement with Terry Matsumoto of Matsumoto Consulting LLC for financial management services; and

2. Authorize the Interim City Manager to execute the professional service agreement.

3. Approve Second Amendment to Agreement with Vasquez and Company, LLP for Financial Auditing Services.

RECOMMENDATION OF ITEM UNDER CONSIDERATION:

1. Approve Second Amendment to Agreement with Vasquez and Company, LLP for financial auditing services; and

2. Authorize the Interim City Manager to execute the agreement.

HUMAN RESOURCES

4. Resolutions Revising Job Specs for Assistant Chief of Police, Creation of Police Management Analyst and Police Administration Manager

RECOMMENDATION OF ITEM UNDER CONSIDERATION:

1. Adopt Resolution 2014-63, Approving and Adopting New Class Specifications for the Position of Police Administration Manager;
2. Adopt Resolution 2014-64, Approving and Adopting New Class Specifications for the Position of Police Management Analyst; and
3. Adopt Resolution 2014-65, Repealing Resolution No. 83-29 and Adopting New Class Specifications for the Position of Assistant Chief of Police.

PARKS AND RECREATION

5. Request to Authorize Agreement with O Entertainment for 4th of July Celebration

RECOMMENDATION OF ITEM UNDER CONSIDERATION:

1. Review and authorize (3) three year agreement with O Entertainment to produce the City's annual 4th of July Celebration.

PUBLIC WORKS

6. Approve First Amendment to Agreement with United Pacific Waste (UPW) & Recycling Services for Additional Refuse Service; Previously Authorized by Council on December 1, 2014

RECOMMENDATION OF ITEM UNDER CONSIDERATION:

1. Approve First Amendment to Agreement with United Pacific Waste & Recycling Services for additional refuse service on Pacific Blvd; and

2. Authorize the Interim City Manager to execute the agreement.

7. Approve Second Amendment to Agreement with Administrative Services Cooperative, Inc. for Dial-A-Ride Services

RECOMMENDATION OF ITEM UNDER CONSIDERATION:

1. Approve Second Amendment to Agreement with Administrative Services Cooperative, Inc. for Dial-A-Ride services; and

2. Authorize the Interim City Manager to execute the agreement.

CITY ATTORNEY

8. Consideration of Ratification and Final Action to Approve Amendment to Employment Agreement for Interim City Manager Pursuant to Government Code Section 53262 and 54956

CITY MANAGER

9. Consideration of Approval of Appointment of Interim Finance Director Candidate and Ratification and Final Action to Approve Employment Agreement for Interim Finance Director Pursuant to Government Code Section 53262 and 54956

10. Consideration of Ratification and Final Action to Approve Employment Agreement for Parks and Recreation Director Pursuant to Government Code Section 53262 and 54956

END OF CONSENT CALENDAR

PUBLIC HEARING

COMMUNITY DEVELOPMENT

11. Resolution Approving the Analysis of Impediments to Fair Housing Choice (AI)

RECOMMENDATION OF ITEM UNDER CONSIDERATION:

1. Conduct a public hearing;

2. Consider all public testimony and staff's analysis; and

3. Adopt Resolution No. 2014-66 approving the Analysis of Impediments to Fair Housing Choice for the City of Huntington Park as required by the U.S. Department of Housing and Urban Development (HUD).

REGULAR AGENDA

PUBLIC WORKS

12. Status Update on Solid Waste Collection Service Transition

CITY MANAGER

13. Authorization to Draft Resolution Stating City's Preferred Northern Alignment for the West Santa Ana Branch Transit Corridor Project

RECOMMENDATION OF ITEM UNDER CONSIDERATION:

1. Authorize the Interim City Manager to draft a resolution stating the City's preferred northern alignment for the West Santa Ana Branch Transit Corridor Project.

14. Discussion/Approval of Tivoli Light Reconfiguration

DEPARTMENTAL REPORTS (Information only)

WRITTEN COMMUNICATIONS

COUNCIL COMMUNICATIONS

Mayor Rosa E. Perez

Vice Mayor Karina Macias

Council Member Ofelia Hernandez

Council Member Valentin Palos Amezquita

Council Member Mario Gomez

ADJOURNMENT

NEXT REGULAR MEETING OF THE CITY OF HUNTINGTON PARK CITY COUNCIL MONDAY, January 5, 2015 AT 6:00 P.M.

I Donna G. Schwartz, hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted at City of Huntington Park City Hall and made available at www.hpca.gov on the 11th of December, 2014.

Donna G. Schwartz, CMC, Interim City Clerk

CITY OF HUNTINGTON PARK
DEMAND REGISTER
12/01/2014

Payee Name	Invoice Number	Account Number	Description 1	Transaction Amount	Prepaid Y\N
A BETTER THRIFT SHOP	21403-24460	681-0000-228.70-00	WATER FINAL BILL REFUND	138.47	N
				138.47	
AAA ELECTRICAL SUPPLY INC	106645-00	535-8016-431.61-45	STREET LIGHTING LAMPS	349.54	N
				349.54	
AARON CRUZ	10/27-12/01/14	111-6060-466.33-20	FOLKLORICO ADV	105.60	N
	10/27-12/01/14	111-6060-466.33-20	FOLKLORICO INT	52.80	N
	10/27-12/01/14	111-6060-466.33-20	FOLKLORICO BEG	237.60	N
	10/28-12/09/14	111-6060-466.33-20	FOLKLORICO BEG	132.00	N
	10/28-12/09/14	111-6060-466.33-20	FOLKLORICO INT	105.60	N
				633.60	
ACTION INVESTMENTS REALTY	20277-25710	681-0000-228.70-00	WATER FINAL BILL REFUND	143.94	N
				143.94	
ACTION RESEARCH	571	287-8055-432.61-20	SOCIAL MARKETING WORKSHOP	1,161.00	N
				1,161.00	
ADOLFO PACHECO	11/10-12/03/14	111-6060-466.33-20	KARATE CLASS	243.20	N
	11/13-12/11/14	111-6060-466.33-20	GUITAR CLASS	121.60	N
				364.80	
ADT SECURITY	530790336	111-6022-451.56-41	DEC 14-FEB 15 ALARM SRVCS	189.03	N
				189.03	
ADVANCED INC	14860	111-7010-421.56-41	DEC 14 JANITORIAL SERVICE	160.00	N
	14855	111-6022-451.56-41	DEC 14 JANITORIAL SERVICE	5,776.16	N
	14855	111-7020-421.56-41	DEC 14 JANITORIAL SERVICE	3,675.44	N
	14855	111-8022-419.56-41	DEC 14 JANITORIAL SERVICE	2,107.97	N

CITY OF HUNTINGTON PARK
DEMAND REGISTER
12/01/2014

Payee Name	Invoice Number	Account Number	Description 1	Transaction Amount	Prepaid Y\N
	14855	111-8020-431.56-41	DEC 14 JANITORIAL SERVICE	341.68	N
				12,061.25	
AFSCME COUNCIL 36	PPE 12/07/14	802-0000-217.60-10	AFSCME DUES	680.40	Y
				680.40	
AHRON AHRONI	1894967 JP	745-9031-413.52-30	CLAIM SETTLEMENT	2,010.00	Y
				2,010.00	
ALL CITY MANAGEMENT SERVICES	37195	111-7022-421.56-41	CROSSING GUARD SERVICES	4,652.17	N
				4,652.17	
ALMA NAVARRO	50165/50384	111-0000-347.60-00	REFUND-EL CAPITAN THEATER	33.00	N
				33.00	
ALVAKA NETWORKS	153543	111-7010-421.56-41	NETWORK MANAGEMENT	1,220.00	N
	153376	111-7010-421.56-41	NETWORK MANAGEMENT	1,220.00	N
	153521SA	111-7010-421.56-41	NETWORK MANAGEMENT	1,080.00	N
	153397	111-7010-421.56-41	NETWORK MANAGEMENT	5,289.00	N
	153564	111-7010-421.56-41	NETWORK MANAGEMENT	5,289.00	N
	153528SA	111-7010-421.56-41	NETWORK MANAGEMENT	1,057.50	N
				15,155.50	
AMERI PRIDE UNIFORM SERVICES INC	1400974199	111-8020-431.16-20	LAUNDRY RENTAL SERVICES	123.23	N
	1400974199	741-8060-431.61-20	LAUNDRY RENTAL SERVICES	23.00	N
	1400979363	741-8060-431.61-20	LAUNDRY RENTAL SERVICES	23.00	N
	1400979363	111-8020-431.16-20	LAUNDRY RENTAL SERVICES	112.73	N
	1400969298	111-8020-431.16-20	LAUNDRY RENTAL SERVICES	106.48	N
	1400969298	741-8060-431.61-20	LAUNDRY RENTAL SERVICES	23.00	N
	1400984470	741-8060-431.61-20	LAUNDRY RENTAL SERVICES	23.00	N

CITY OF HUNTINGTON PARK
DEMAND REGISTER
12/01/2014

Payee Name	Invoice Number	Account Number	Description 1	Transaction Amount	Prepaid Y\N
	1400984470	111-8020-431.16-20	LAUNDRY RENTAL SERVICES	106.48	N
	REF 186471	111-8020-431.16-20	CREDIT FOR OVERPAYMENT	-101.00	N
				439.92	
AMERICAN FAMILY LIFE ASSURANCE	PPE 12/07/14	802-0000-217.50-40	CANCER INSURANCE	106.58	Y
				106.58	
AMTECH ELEVATOR SERVICES	DVL04010C14	111-8022-419.56-41	ELEVATOR SERVICE	565.92	N
				565.92	
ANA NAVARRO	49333/50357	111-0000-347.20-00	REFUND-YOUTH BASKETBALL	60.00	N
				60.00	
ANGELA CORNEJO	118125	111-0110-411.66-05	ICE-CITY COUNCIL MEETINGS	4.35	N
				4.35	
ANTONIO TORREJON	18387-25264	681-0000-228.70-00	WATER DEPOSIT REFUND	300.00	N
				300.00	
ARROWHEAD MOUNTAIN SPRING WATER CO.	14K0001984541	741-8060-431.43-20	WATER DELIVERY-PW	25.41	N
				25.41	
ARROYO BACKGROUND INVESTIGATIONS	508	111-7010-421.56-41	BACKGROUND CHECK	1,350.00	N
				1,350.00	
AT&T	5927977	111-9010-419.53-10	ACCT # 323-562-3128-044	97.04	N
	5967039	111-9010-419.53-10	ACCT # 323-581-2942-365	21.67	N
	5967041	111-9010-419.53-10	ACCT # 323-581-8443-140	16.74	N
	5927979	111-9010-419.53-10	ACCT # 323-583-0593-325	15.27	N
	5927982	111-9010-419.53-10	ACCT # 323-583-8419-053	25.91	N

CITY OF HUNTINGTON PARK
DEMAND REGISTER
12/01/2014

Payee Name	Invoice Number	Account Number	Description 1	Transaction Amount	Prepaid Y\N
	5928813	111-9010-419.53-10	ACCT # 323-583-8991-035	97.04	N
	5969275	111-9010-419.53-10	ACCT # 323-584-0785-316	16.74	N
	5946724	111-9010-419.53-10	ACCT # 323-584-6274-974	307.29	N
	5969653	111-9010-419.53-10	ACCT # 323-584-6726-219	16.74	N
	5927983	111-9010-419.53-10	ACCT # 323-585-9359-921	30.70	N
	5927985	111-9010-419.53-10	ACCT # 323-587-2716-694	17.05	N
	5929858	111-9010-419.53-10	ACCT # 323-588-9231-614	17.05	N
	5927987	111-9010-419.53-10	ACCT # 323-589-5717-677	17.05	N
	5967076	111-9010-419.53-10	ACCT # 331-841-0775-853	32.17	N
	5967077	111-9010-419.53-10	ACCT # 331-841-0777-811	32.17	N
	5967104	111-9010-419.53-10	ACCT # 335-451-0062-974	66.88	N
	5968140	111-9010-419.53-10	ACCT # 337-841-4290-978	542.85	N
	5967165	111-9010-419.53-10	ACCT # 337-841-4291-984	32.17	N
	5928315	111-7010-421.53-10	ACCT # 323-277-9548-467	216.28	N
	5927981	111-7010-421.53-10	ACCT # 323-583-5688-180	17.05	N
	5948530	111-7010-421.53-10	ACCT # 323-585-5117-826	0.26	N
	5927986	111-7010-421.53-10	ACCT # 323-588-5892-232	17.58	N
	5928316	111-7010-421.53-10	ACCT # 323-589-0792-856	99.05	N
	5969593	111-7010-421.53-10	ACCT # 323-722-8457-708	51.69	N
	5967106	111-7010-421.53-10	ACCT # 336-256-2901-905	179.55	N
	5967185	111-7010-421.53-10	ACCT # 339-341-3517-026	89.76	N
	5969547	219-0250-431.53-10	ACCT # 323-581-4657-532	17.07	N
	5967621	219-0250-431.53-10	ACCT # 323-588-1507-373	62.80	N
	5894582	286-8050-432.61-20	ACCT # 322-2438	200.92	N
	5922322	681-8030-461.53-10	ACCT # 323-773-8138-237	108.66	N
	5967116	681-8030-461.53-10	ACCT # 336-257-1599-771	84.90	N
				2,548.10	
AT&T MOBILITY	X11142014	111-7010-421.53-10	ACCT # 870062392	800.45	N
				800.45	

CITY OF HUNTINGTON PARK
DEMAND REGISTER
12/01/2014

Payee Name	Invoice Number	Account Number	Description 1	Transaction Amount	Prepaid Y\N
AT&T MOBILITY SETTLEMENT FUND	11/1/05-9/30/10	745-9031-413.52-30	CLAIM SETTLEMENT	41,216.71	Y
				41,216.71	
AVANTI SYSTEMS LLC	21311-9440	681-0000-228.70-00	WATER FINAL BILL REFUND	153.03	N
				153.03	
AY NURSERY INC.	84041	535-6090-452.61-20	TREE FOR SLP	32.70	N
				32.70	
AYDE BRAVO	50257/50338	111-0000-228.20-00	DEPOSIT REFUND-SH	500.00	N
				500.00	
BEST EQUIPMENT SERVICE	38013	741-8060-431.43-20	2 CIRCUIT BOARDS-REPLACED	1,259.09	N
				1,259.09	
BOB BARKER COMPANY INC.	WEB000345076	121-7040-421.56-14	JAIL CLEANING SUPPLIES	142.41	N
	WEB000344936	121-7040-421.56-14	JAIL CLEANING SUPPLIES	361.10	N
				503.51	
BUILDING NEWS	57862	111-8010-431.61-20	2012 GREEN BOOK	233.62	N
				233.62	
CALIF PUBLIC EMPLOYEES RETIREMENT	PPE 11/23/2014	802-0000-217.30-10	EMPLOYEE RETIREMENT BENEF	35,954.33	N
	PPE 11/23/2014	802-0000-218.10-10	EMPLOYEE RETIREMENT BENEF	24,897.99	N
	PPE 11/23/2014	802-0000-218.10-10	EMPLOYEE RETIREMENT BENEF	67,206.59	N
				128,058.91	
CALIFORNIA AUTO REBUILDERS	56566	741-8060-431.43-20	TRUCK MASTER-WHEEL CYL	394.58	N
	56612	741-8060-431.43-20	WHEEL CYL. 37167 & 37168	91.56	N

CITY OF HUNTINGTON PARK
DEMAND REGISTER
12/01/2014

Payee Name	Invoice Number	Account Number	Description 1	Transaction Amount	Prepaid Y\N
				486.14	
CALIFORNIA CONSULTING	737	111-0210-413.56-41	MONTHLY RETAINER DEC 14	4,000.00	N
				4,000.00	
CALPERS	1457	746-0213-413.52-30	JUL 14 HEALTH PREMIUM	165,486.67	N
	1457	217-0230-413.28-00	JUL 14 HEALTH PREMIUM	115,881.84	N
	1457	746-0213-413.56-41	JUL 14 ADMIN FEES	472.48	N
	1457	217-0230-413.56-41	JUL 14 ADMIN FEES	472.48	N
				282,313.47	
CALVO FAMILY, LTD PARTNERSHIP	760	111-0000-228.70-00	OL O/P REFUNDS	13.00	N
				13.00	
CARLA ENRIQUETA TORRES GARCIA	11/20-12/18/14	111-6060-466.33-20	PEE WEE SPORTS	44.80	N
	11/21-12/19/14	111-6060-466.33-20	CREATIVE LITTLE HANDS	89.60	N
	09/15-11/19/14	111-6060-466.33-20	START RIGHT-A4	994.40	N
	09/15-11/19/14	111-6060-466.33-20	START RIGHT-A5	542.40	N
	09/16-11/25/14	111-6060-466.33-20	START RIGHT-A6	632.80	N
				2,304.00	
CASA BONITA SENIOR APARTMENTS	DECEMBER 2014	242-5098-463.73-15	TENANT SUBSIDY REMBRSMNT	9,807.58	N
				9,807.58	
CATHY TELLEZ-BENAVIDES	50106/50388	111-0000-228.20-00	DEPOSIT REFUND-RAUL PEREZ	75.00	N
				75.00	
CELL BUSINESS EQUIPMENT	IN1638214	111-0210-413.43-05	COPIER SRVCS 10/20-11/19	97.29	N
	IN1638214	111-0110-411.61-20	COPIER SRVCS 10/20-11/19	97.28	N
	IN1638278	111-7010-421.44-10	COPIER LEASE EXPENSES	451.15	N

CITY OF HUNTINGTON PARK
DEMAND REGISTER
12/01/2014

Payee Name	Invoice Number	Account Number	Description 1	Transaction Amount	Prepaid Y\N
				645.72	
CENTURY 21 POWERHOUSE REALTY	49902/50315	111-0000-228.20-00	DEPOSIT REFUND-SLP	500.00	N
				500.00	
CHARTER COMMUNICATIONS	DEC 2014	121-7040-421.56-14	CHARTER TV	130.34	N
	DEC 2014	111-9010-419.61-20	BASIC TV	11.68	N
				142.02	
CITY OF HUNTINGTON PARK - STANDARD	PPE 12/07/14	802-0000-217.50-70	STANDARD LIFE INSURANCE	900.91	N
				900.91	
CITY OF HUNTINGTON PARK FLEXIBLE	PPE 12/07/14	802-0000-217.30-30	SECTION 125	411.83	Y
				411.83	
CITY OF HUNTINGTON PARK GEA	PPE 12/07/14	802-0000-217.60-10	GENERAL EMPL & ASSN DUES	137.75	Y
				137.75	
CITY OF HUNTINGTON PARK- LEGAL SHLD	PPE 12/07/14	802-0000-217.60-50	LEGAL SHIELD	147.16	N
				147.16	
COLONIAL SUPPLEMENTAL INSURANCE	PPE 12/07/14	802-0000-217.50-40	SUPPLEMENTAL INSURANCE	72.91	Y
	PPE 12/07/14	802-0000-217.50-40	SUPPLEMENTAL INSURANCE	1,717.81	Y
				1,790.72	
COMSERCO, INC.	70977	741-8060-431.43-20	MAINTENANCE - PW	140.00	N
	70985	741-8060-431.43-20	MAINTENANCE - PD	1,002.00	N
				1,142.00	
COUNTY OF L.A. DEPT OF PUBLIC WORKS	14110603336	221-8014-429.56-41	TRAFFIC SIGNAL AGREEMENT	275.65	N

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				275.65	
COUNTY OF L.A. PUBLIC LIBRARY	JULY-SEPT 2014	239-5210-463.57-86	AFTERSCHOOL HOMEWORK PGRM	3,893.83	N
				3,893.83	
DAKTRONICS, INC.	401202	111-6010-451.74-10	READER BOARD RPLCMNT PRTS	152.96	N
				152.96	
DANIEL'S JANITORIAL SERVICES	1570	111-0000-228.70-00	OL O/P REFUNDS	19.82	N
				19.82	
DAPPER TIRE CO.	41253337	741-8060-431.43-20	NEW TIRES FOR UNIT# 954	344.25	N
				344.25	
DATA TICKET INC.	57730	111-7065-441.56-41	ANIMAL ENFRCMNT CITATION	155.00	N
				155.00	
DE LAGE LANDEN	43313470	111-0210-413.43-05	COPIER CHARGES - ADMIN	64.05	N
	43313470	111-0110-411.61-25	COPIER CHARGES - ADMIN	64.05	N
	43360621	111-7010-421.44-10	COPIER LEASE PAYMENT - PD	685.56	N
				813.66	
DEFENDER SECURITY COMPANY	10841	111-0000-228.70-00	OL O/P REFUNDS	30.00	N
				30.00	
DEKRA-LITE INDUSTRIES, INC.	ORD035266-C	232-5010-419.73-10	40" CLASSIC BOW SKYLINE	11,560.41	N
				11,560.41	
DEL ROSARIO MEDICAL CLINIC, INC	10845	111-0000-228.70-00	OL O/P REFUNDS	60.00	N

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				60.00	
DEPARTMENT OF CORONER	15ME0102	111-7030-421.56-41	AUTOPSY REPORTS	84.00	N
				84.00	
DESI ALVAREZ	NOV 2014	681-8030-461.56-41	CONSULTING SRVCS WATER	6,720.00	N
	NOV 2014	283-8040-432.56-41	CONSULTING SRVCS WATER	2,240.00	N
	DEC 2013	111-8010-431.56-41	LOAD REDUCTION REPORT	50,000.00	Y
				58,960.00	
DF POLYGRAPH	2014-9	111-7010-421.56-41	POLYGRAPH EXAMINATION	350.00	N
				350.00	
DIEGO A DE LA ROSA	3150147	111-0000-351.10-10	PRKNG CITATION REFUND	90.00	N
				90.00	
DISH NETWORK	12/12-1/11/15	111-7010-421.61-20	ACCT# 8255707080881936	54.88	N
				54.88	
DONNA G. SCHWARTZ	106	111-1010-411.56-41	CITY CLERK CONSLTNG SRVCS	1,480.00	Y
				1,480.00	
DOOLEY ENTERPRISES, INC.	50774	111-7010-421.61-22	AMMUNITION	1,182.60	N
				1,182.60	
DULCE MARIA CHAVEZ	11/01-12/06/14	111-6060-466.33-20	KINDER BALLET	516.80	N
	11/01-12/06/14	111-6060-466.33-20	PRE BALLET	456.00	N
	11/01-12/06/14	111-6060-466.33-20	INT BALLET	273.60	N
	11/01-12/06/14	111-6060-466.33-20	BEG BALLET	668.80	N

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				1,915.20	
EBENEZER LIBRERIA CRISTIANA	3026	533-0000-318.40-00	BID REFUND	216.30	N
				216.30	
EMERGENCY RESPONSE	T2014-820	111-7030-421.56-41	CRIME SCENE CLEANUP	650.00	N
				650.00	
ENRIQUE MENDEZ	726398	239-7055-424.61-20	SAMSUNG TABLET CHARGER	16.32	N
				16.32	
ENTERPRISE FM TRUST	2677222	229-7010-421.74-10	TOYOTA HIGHLANDER LEASE	20,000.00	N
				20,000.00	
ENVIRO COMMUNICATIONS, INC.	HP-01-15	222-4010-431.56-41	MONTHLY RETAINER-JAN 14	7,000.00	N
	HP-01-15	221-8014-429.56-41	FEDERAL TRACKER	1,000.00	N
				8,000.00	
ESTELA RAMIREZ	11/12-12/10/14	111-6060-466.33-20	AEROBICS & PILATES	83.20	N
	11/10-12/09/14	111-6060-466.33-20	AEROBIC BODY TONING	457.60	N
				540.80	
EWING IRRIGATION PRODUCTS, INC.	8938875	535-6090-452.61-20	IRRIGATION SUPPLIES	1,590.56	N
				1,590.56	
F&A FEDERAL CREDIT UNION	PPE 12/07/14	802-0000-217.60-40	F&A CREDIT UNION	20,810.68	N
				20,810.68	
FEDEX	2-853-62379	111-7010-421.61-20	SHIPPING CHARGES	6.91	N

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				6.91	
FIRST CHOICE SERVICES	473700	111-9010-419.61-20	COFFEE SUPPLIES	87.56	N
				87.56	
FLATIRON ELECTRIC GROUP, INC.	537-003R	221-4010-431.73-10	RETENTION	83,197.71	N
				83,197.71	
GALLS	BC0115825	111-7022-421.61-24	UNIFORM-PD	91.50	N
				91.50	
GERARDO A. MARTINEZ	NOV 2014	111-0110-411.56-41	INTERPRETING SERVICES	450.00	N
				450.00	
GILBERT LAVORIN	8012	111-7020-421.43-10	ELECTRIC GATE-REPAIR/SRVC	1,350.00	N
				1,350.00	
GLOBALSTAR USA	100000006070731	111-7010-421.61-20	ACCOUNT# 1.50018653	53.00	N
				53.00	
GLOCK PROFESSIONAL, INC.	100064303	111-7010-421.59-10	ARMORER'S COURSE	250.00	Y
	100064270	111-7010-421.59-10	ARMORER'S COURSE	250.00	Y
				500.00	
GRAFFITI PROTECTIVE COATINGS INC.	3326-1014	220-8070-431.56-41	BUS STOP MAINTENANCE	6,151.86	N
	2205-1014	111-8095-431.56-75	GRAFFITI REMOVAL-PARKS	6,175.00	N
	1005-1014	111-8095-431.56-75	GRAFFITI REMOVAL-CITYWIDE	20,521.10	N
	1005-1014	239-8095-431.56-75	GRAFFITI REMOVAL-CITYWIDE	4,666.66	N
				37,514.62	

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HDL COREN & CONE	22912-IN	111-9010-419.56-41	CONTRACT SRVCS SALES TAX	1,200.00	N
	22912-IN	111-9010-419.56-41	AUDIT SRVCS SALES TAX	949.19	N
				2,149.19	
HERBERT MIRANDA	11/3-11/07/14	111-7010-421.59-10	MILEAGE REIMBURSEMENT	360.64	N
				360.64	
HERNANDEZ SIGNS, INC.	1074	222-4010-431.73-10	17 PARKING SIGNS	6,812.50	N
	1090	111-7020-421.43-10	PD GANG UNIT DOOR SIGN	27.25	N
	13857	111-8022-419.43-10	HUMAN RESOURCES-DOOR SIGN	150.00	N
				6,989.75	
HUNTINGTON PARK CAR WASH	OCTOBER 2014	741-8060-431.43-20	CITY CAR WASH SERVICES	1,004.00	N
				1,004.00	
HUNTINGTON PARK POLICE MGMT ASSN.	PPE 12/07/14	802-0000-217.60-10	POLICE MANAGEMENT DUES	65.00	Y
				65.00	
HUNTINGTON PARK POLICE OFFICER ASSN	PPE 12/07/14	802-0000-217.60-10	POLICE OFFICERS ASSN DUES	53.30	Y
	PPE 12/07/14	802-0000-217.60-10	POLICE OFFICERS ASSN DUES	4,283.60	Y
				4,336.90	
IMPACT TIRE SERVICE	4461	741-8060-431.43-20	ALIGNMENT UNIT# 955	90.00	N
	4460	741-8060-431.43-20	TIRE BALANCE UNIT#954	32.00	N
	4434	741-8060-431.43-20	FRONT & REAR ALIGNMENT	90.00	N
				212.00	
ISMAEL E. AGUILAR	18727-14936	681-0000-228.70-00	WATER FINAL BILL REFUND	66.16	N
				66.16	

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JDS TANK TESTING & REPAIR INC	6890	741-8060-431.43-20	DESIGNATED OPERATOR	135.00	N
				135.00	
JERRY'S AUTO BODY, INC.	28669	741-8060-431.43-20	REPAIR & REFINISH UNIT903	1,878.67	N
				1,878.67	
JOEL GORDILLO	DEC 14	223-9010-419.56-41	FILM & BROADCAST-MEETINGS	1,650.00	N
				1,650.00	
JOHN VACLAVIK	50329/50370	111-0000-228.20-00	DEPOSIT REFUND-SLP #1 & 2	150.00	N
				150.00	
JOSE CORONADO	18705-14308	681-0000-228.70-00	WATER FINAL BILL REFUND	147.36	N
				147.36	
JOSSLYN ROBLES	49878/50283	111-0000-347.60-00	REFUND-EL CAPITAN THEATER	33.00	N
				33.00	
JUANA PLACENCIA	13122	111-0000-228.70-00	OL O/P REFUNDS	8.14	N
				8.14	
KAREN WARNER ASSOCIATES	647	239-5060-463.56-41	FAIR HOUSING PROFILE	9,985.00	N
	638	239-5060-463.56-41	FAIR HOUSING WORKSHOP	2,815.93	N
	647	242-5060-463.56-41	FAIR HOUSING PROFILE	9,985.00	N
	638	242-5060-463.56-41	FAIR HOUSING WORKSHOP	2,815.93	N
				25,601.86	
KONICA MINOLTA PREMIER FINANCE	266840495	111-7040-421.44-10	COPIER LEASE PAYMENT	1,416.63	N
				1,416.63	

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LB JOHNSON HARDWARE CO #1	669379	111-8022-419.43-10	CAULKING FOR WINDOW SEAL	23.95	N
	669579	111-8022-419.43-10	CABLE TIES FOR DECORATION	38.66	N
	669458	535-6090-452.61-20	BUSHING	4.44	N
	669504	535-6090-452.61-20	PVC PIPES	24.96	N
	669442	741-8060-431.43-20	THREADED ROD-COUPLING NUT	26.25	N
				118.26	
LIFESTEPS	14	242-5098-463.73-15	TENANT BASE ASSISTANCE	36,329.00	N
				36,329.00	
LINGO INDUSTRIAL ELECTRONICS	32179	221-8014-429.61-20	VISOR & BACKPLATES	1,591.40	N
				1,591.40	
LIZETTE MONTANO	49049/50381	111-0000-347.60-00	REFUND-EL CAPITAN THEATRE	51.00	N
				51.00	
LORRAINE MENDEZ & ASSOCIATES, LLC	150	239-5060-463.56-41	CDBG & HOME ADMIN SRVCS	4,278.01	N
	150	242-5060-463.56-41	CDBG & HOME ADMIN SRVCS	850.00	N
	150	239-5040-463.56-41	CDBG & HOME ADMIN SRVCS	720.00	N
	151	242-5098-463.73-15	HOME & ADMIN TBRA PROGRAM	19,660.00	N
				25,508.01	
LOS ANGELES COUNTY FIRE DEPARTMENT	IN0212929	741-8060-431.43-20	HAZ MATERIALS DISCLOSURE	261.00	N
	IN0207331	741-8060-431.43-20	HAZ MATERIALS DISCLOSURE	2,818.00	N
				3,079.00	
LUCIA CASTILLO	11/07-12/19/14	111-6060-466.33-20	PRE BALLET	425.60	N
	11/07-12/19/14	111-6060-466.33-20	KINDER BALLET	486.40	N
	11/07-12/19/14	111-6060-466.33-20	BEG BALLET	547.20	N

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				1,459.20	
LUCKY TOURS CHARTER INC	891	111-0240-466.55-40	TRANSPORTATION SERVICES	700.00	N
				700.00	
LUZ MARIA FRANCO	49046/50380	111-0000-347.60-00	REFUND-EL CAPITAN THEATRE	33.00	N
				33.00	
MARIA OJEDA	49068/50394	111-0000-347.20-00	REFUND-YOUTH BASKETBALL	65.00	N
				65.00	
MARX BROS FIRE EXTINGUISHER CO INC.	H076205	111-6022-451.56-41	FIRE EXTINGUISHER SERVICE	75.00	N
				75.00	
MCCULLAH FENCE COMPANY	20141109	535-6090-452.61-20	CHAINLINK FENCE REPAIRS	1,970.00	N
				1,970.00	
MCMASTER-CARR SUPPLY CO.	13094665	111-6022-451.43-10	REC CENTER SHOWER CURTAIN	82.85	N
	14368817	111-8022-419.43-10	CITY HALL DOOR LOCK PARTS	40.57	N
				123.42	
MIGUEL RENTERIA	47417/50371	111-0000-228.20-00	DEPOSIT REFUND-SLP	500.00	N
				500.00	
MISC-ONE TIME VENDORS	5/2/2014	111-7010-421.11-00	EMPLOYEE DEDUCTION	130.00	Y
				130.00	
MOBILE ID SOLUTIONS, INC.	59781	111-6010-451.74-10	INK CARTRIDGE-ID PRINTER	227.95	N
				227.95	

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MOCEAN	65585	239-7055-424.61-20	UNIFORM-PD	176.77	N
				176.77	
MUSCLE MAN FITNESS EQUIPMENT	1009	111-6010-451.43-25	LABOR & PARTS-GYM REPAIR	161.18	N
				161.18	
NANCY NAVARRO	50165/50383	111-0000-347.60-00	REFUND-EL CAPITAN THEATRE	33.00	N
				33.00	
NATION WIDE RETIREMENT SOLUTIONS	PPE 12/07/14	802-0000-217.40-10	PAYROLL SUMMARY	300.00	N
	PPE 12/07/14	802-0000-217.40-10	NATIONWIDE RETIREMENT SOL	21,048.08	N
				21,348.08	
NEXUS IS, INC.	SVC0079767	111-7010-421.53-10	SERVICE CALL	65.00	N
				65.00	
NORMA URENA	11/10-12/09/14	111-6060-466.33-20	ZUMBA KIDS	112.00	N
	11/12-12/11/14	111-6060-466.33-20	FALL CARDIO KICK BOX	112.00	N
				224.00	
OK PRINTING DESIGN & DIGITAL PRINT	1	239-5030-465.61-20	BUSINEES CARDS-COUNCIL	143.06	N
	1	111-0110-411.61-25	BUSINEES CARDS-COUNCIL	87.20	N
	1	111-0210-413.43-05	BUSINEES CARDS-COUNCIL	414.20	N
	3	239-5030-465.61-20	LOGO FOLDERS-CD, CM, CC	299.75	N
	3	111-0110-411.61-25	LOGO FOLDERS-CD, CM, CC	599.50	N
	3	111-0210-413.43-05	LOGO FOLDERS-CD, CM, CC	299.75	N
				1,843.46	
OLIVAREZ MADRUGA PC	12490	111-0220-411.32-70	GENERAL LEGAL SRVC-OCT 14	46,121.01	N
	12490	681-8030-461.32-70	WATER RESOURCES-OCT 14	114.00	N

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	12490	112-8026-431.32-70	TRASH ISSUES-OCT 14	114.00	N
				46,349.01	
OLIVIER & DOYLE BODY SHOP	10714	741-8060-431.43-20	REPAIR & REFINISH UNIT194	1,527.68	N
				1,527.68	
ORIENTAL TRADING COMPANY, INC.	668365162-01	111-6020-451.61-35	MUSIC SUPP-TINY TOT PRGRM	149.99	N
				149.99	
PAC HP HOLDINGS LLC	DECEMBER 2014	111-7022-421.44-10	PD SUBSTATION RENT	115.76	N
				115.76	
PACIFIC PROPERTIES INC TDC	20083-25944	681-0000-228.70-00	WATER FINAL BILL REFUND	135.34	N
				135.34	
PARKEV KRMOIAN	DEC-14	222-4010-431.73-10	DEPOSIT-PATIO PROJECT	3,341.25	Y
				3,341.25	
PENSKE CHEVROLET	171875	741-8060-431.43-20	REPAIRS FOR UNIT# 144	95.96	N
				95.96	
PGG ENTERPRISE CORP	1336	111-0000-341.10-00	REFUND-APPEAL APPLICATION	542.62	N
				542.62	
PRAJIN ENTERPRISES, LP	10003	111-0000-228.70-00	OL O/P REFUNDS	37.60	N
				37.60	
PRO FORCE LAW ENFORCEMENT	218685	111-7010-421.61-20	TASER	7,173.12	N
				7,173.12	

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PROCUREIT	PITI4728	111-7010-421.61-20	SOFTWARE SUPPORT	369.23	N
				369.23	
PRUDENTIAL OVERALL SUPPLY	50672053	111-6010-451.56-41	MAT CLEANING-HPCC	40.58	N
	50672054	111-6010-451.56-41	MAT CLEANING-SLP	74.97	N
				115.55	
REDWOOD TOXICOLOGY LABORATORY INC	942820149	111-7010-421.61-21	DRUG TESTING	202.50	N
				202.50	
RICK CURIEL	535628	111-7030-421.61-20	REIMBURSEMENT-DOG FOOD	51.22	N
				51.22	
RICOH USA, INC.	5033475533	111-6010-451.56-41	COPIER LEASE-PARKS	216.41	N
				216.41	
ROSA JIMENA OCHOA	11/07-12/19/14	111-6060-466.33-20	HIP HOP II	55.20	N
	10/28-12/09/14	111-6060-466.33-20	HIP HOP I	312.80	N
				368.00	
ROSA MUNOZ	45758/50351	111-0000-228.20-00	DEPOSIT REFUND-ROOM #2	150.00	N
				150.00	
S & S WORLDWIDE, INC.	8374291	239-6060-466.61-20	ART SUPPLIES-ASP	65.38	N
				65.38	
SC FUELS	2641207	741-8060-431.62-30	7,966 GASOLINES 12-01-14	21,367.54	N
				21,367.54	
SCMAF SOUTHEAST	2825	111-6040-451.61-35	AWARDS & INSTALLATION	90.00	N

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				90.00	
SHELL	93055663406	741-8060-431.62-30	05/11-06/04/14 - FUEL	248.34	N
	93055663406	741-8060-431.62-30	05/11-06/04/14 - FUEL	248.34	Y
				496.68	
SMART & FINAL	120269	111-6020-451.61-35	SENIOR TRIP FOOD SUPPLIES	23.07	N
	123916	111-6020-451.61-35	EMPLOYEE LUNCHEON	247.97	N
	124866	111-6020-451.61-35	EMPLOYEE LUNCHEON	40.12	N
	129634	111-6020-451.61-35	FOOD SUPPLIES-TREE LIGHTN	54.92	N
	130259	111-0110-411.66-05	SUPPLIES-COUNCIL MEETINGS	96.93	N
				463.01	
SONSRAY MACHINERY, LLC	W00500-03	741-8060-431.43-20	RESEAL STABILIZER CYLIND	484.51	N
				484.51	
SOUTHEAST CHURCHES SERVICES CENTER	JUL-SEP 2014	239-5210-463.57-83	EMERGENCY FOOD PROGRAM	2,500.00	N
				2,500.00	
SOUTHERN CALIFORNIA EDISON	10/03-11/18/14	681-8030-461.62-20	ACCT # 2-28-120-2671	6,522.44	N
	10/03-11/18/14	535-8016-431.62-10	ACCT # 2-28-120-2671	17,499.44	N
	10/27-11/25/14	535-8016-431.62-10	ACCT # 2-28-688-4416	43.97	N
	10/06-11/05/14	221-8014-429.62-10	ACCT # 2-23-189-3090	3,425.34	N
	09/29-11/07/14	111-6022-451.62-10	ACCT # 2-03-995-0639	13,909.38	N
	09/29-11/07/14	681-8030-461.62-20	ACCT # 2-03-995-0639	20,940.71	N
	09/29-11/07/14	111-8022-419.62-10	ACCT # 2-03-995-0639	476.35	N
	10/17-11/17/14	111-8020-431.62-10	ACCT # 2-01-855-1671	1,074.77	N
	10/27/2014	231-3024-415.62-10	ACCT # 2-18-373-3120	7.57	N
	10/27/2014	221-8014-429.62-10	ACCT # 2-01-855-2612	0.54	N
	10/27/2014	221-8014-429.62-10	ACCT # 2-32-914-2632	0.39	N
	10/27/2014	221-8014-429.62-10	ACCT # 2-33-807-1848	1.37	N

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	10/27/2014	681-8030-461.62-20	ACCT # 2-01-854-8644	130.95	N
	10/27/2014	681-8030-461.62-20	ACCT # 2-01-854-7885	0.55	N
	10/27/2014	681-8030-461.62-20	ACCT # 2-01-854-7307	44.91	N
	10/27/2014	111-6022-451.62-10	ACCT # 2-01-854-9089	0.20	N
	10/27/2014	111-6022-451.62-10	ACCT # 2-01-854-7539	0.22	N
	10/27/2014	111-6022-451.62-10	ACCT # 2-01-854-7232	1.43	N
	10/27/2014	111-6022-451.62-10	ACCT # 2-01-855-1630	0.20	N
	10/27/2014	111-6022-451.62-10	ACCT # 2-01-855-2836	0.22	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-28-666-9395	0.29	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-28-688-3939	0.31	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-29-519-1068	1.05	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-29-265-1361	0.74	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-29-265-1346	0.72	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-29-265-1551	1.21	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-01-855-1648	0.60	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-32-117-2827	5.09	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-01-855-3073	1.35	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-29-179-3396	4.07	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-28-688-3640	0.26	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-28-688-3798	0.28	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-29-179-3933	3.45	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-29-179-4006	0.47	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-28-688-4051	0.32	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-28-688-4127	0.29	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-28-688-4242	0.39	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-28-688-4333	0.70	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-23-626-6821	1.65	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-03-684-7622	1.44	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-01-854-8206	0.31	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-01-854-8958	0.97	N
	10/27/2014	535-8016-431.62-10	ACCT # 2-01-854-9170	1.09	N

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Payee Name	Invoice Number	Account Number	Description 1	Transaction Amount	Prepaid Y\N
	10/27/2014	535-8016-431.62-10	ACCT # 2-28-666-9353	0.37	N
				64,108.37	
SPARKLETTS	4533656111314	111-0210-413.61-20	WATER DELIVERY-ADMIN	18.20	N
	4533656111314	111-0110-411.61-20	WATER DELIVERY-CITY COUNC	18.20	N
				36.40	
STACEY RUIZ	50145/50392	111-0000-347.60-00	REFUND-EL CAPITAN THEATRE	33.00	N
				33.00	
STATE WATER RESOURCES CONTROL	WD-0103191	111-8010-431.56-41	STORM WATER ANNUAL PERMIT	21,848.00	N
	WD-0105010	283-8040-432.56-41	SANITARY SEWER ANN PERMIT	11,195.00	N
				33,043.00	
SUNGARD PUBLIC SECTOR INC.	92222	111-3013-415.43-05	CASH LOCKBOX MODIFICATION	400.00	N
				400.00	
T&T PUBLIC RELATIONS	14-012	222-4010-431.56-41	LOGO DESIGN & STYLE GUIDE	6,000.00	Y
				6,000.00	
TAXFORMSTORE.NET	8137	111-3010-415.61-20	2014 TAX FORMS	244.76	N
				244.76	
TOPO RANCH LLC	21109-14292	681-0000-228.70-00	WATER FINAL BILL REFUND	176.01	N
				176.01	
TRG PARTNERS, INC	20683-24310	681-0000-228.70-00	WATER FINAL BILL REFUND	154.06	N
				154.06	
U.S. BANK	PPE 12/07/14	802-0000-217.30-20	PARS-PART TIME	1,599.61	Y

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Payee Name	Invoice Number	Account Number	Description 1	Transaction Amount	Prepaid Y\N
	PPE 12/07/14	802-0000-217.30-20	HP-PARS CITY CONTRIBUTION	3,198.76	Y
	PPE 12/07/14	802-0000-218.10-05	HP-PARS CITY CONTRIBUTION	11,151.52	Y
	PPE 12/07/14	802-0000-218.10-05	CITY OF HP PARS REP	3,275.00	Y
				19,224.89	
UNDERGROUND SERVICE ALERT OF SO CAL	1120140123	111-8010-431.56-41	77 NEW TICKETS-DIG ALERT	115.50	N
				115.50	
UNIFIED NUTRIMEALS	560	111-6055-451.57-42	CITY WIDE FOOD PROGRAM	781.20	N
				781.20	
UNITED WAY OF GREATER	PPE 12/07/14	802-0000-217.60-20	UNITED WAY	15.00	Y
				15.00	
UNIVERSITY OF SOUTHERN CALIFORNIA	1151	111-0110-411.58-19	EXECUTIVE EDUCATION PRGRM	275.00	Y
				275.00	
UPS	F911X6464	111-7010-421.61-20	SHIPPING CHARGES-PD	122.14	N
	F911X6474	111-7010-421.61-20	SHIPPING CHARGES-PD	13.16	N
				135.30	
URBAN FUTURES INCORPORATED	210564	216-0230-413.56-41	PROFFESIONAL SERVICES	2,150.00	N
				2,150.00	
VALENTIN PALOS AMEZQUITA	5/16-5/19/2013	111-0110-411.58-20	PER DIEM-REPLACE C#181352	30.00	N
	5/2-5/3/2013	111-0110-411.58-20	PER DIEM-REPLACE C#181122	35.00	N
				65.00	
VAN SIGNS	11/5/2014	222-4010-431.73-10	LED SIGN POLE CONSTRCT	3,200.00	Y

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Payee Name	Invoice Number	Account Number	Description 1	Transaction Amount	Prepaid Y\N
				3,200.00	
VARITEK INC.	100565	111-7040-421.61-31	COPIER REPAIR-PD	294.02	N
				294.02	
VAVRINEK, TRINE, DAY & CO, LLP	109575	111-3013-415.56-41	OCT 14 PROFESSIONAL SRVCS	4,800.00	N
				4,800.00	
VERIZON WIRELESS	9735577730	111-9010-419.53-10	ACCT# 572557978-00001	141.46	N
				141.46	
VICTOR & VIOLETA AMAYA	12161-6620	681-0000-228.70-00	WATER FINAL BILL REFUND	27.31	N
				27.31	
WALTERS WHOLESALE ELECTRIC COMPANY	2086011-01	535-8016-431.61-45	STL PARK LIGHTING	654.00	N
	2085944-00	535-8016-431.61-45	STL CABLE SPLICERS	129.68	N
	2085841-00	535-8016-431.61-45	STL PLUG CONNECTORS	47.80	N
	2085129-00	535-8016-431.61-45	STL CONDUIT	14.47	N
	2085454-00	535-8016-431.61-45	STL WIRE CRIMP KIT	79.18	N
	2086430-00	221-8014-429.61-20	TS BREAKER	111.24	N
	2085318-01	221-8014-429.61-20	TS UNISTRUT BRACKETS	295.83	N
	2085747-00	111-7020-421.43-10	PD LIGHTING BALLAST	219.34	N
	2086135-00	111-8022-419.43-10	CLERK OFFICE REMODEL PRTS	101.77	N
				1,653.31	
WASTE MANAGEMENT	Q8550-3	285-8050-432.73-10	10 BIG BELLY TRASH & RECY	24,997.48	Y
				24,997.48	
WAXIE SANITARY SUPPLY	74948017	535-6090-452.61-20	TOILET PAPER-PARKS	566.54	N

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Payee Name	Invoice Number	Account Number	Description 1	Transaction Amount	Prepaid Y\N
				566.54	
WELLS FARGO	2404603MV006QBE	741-8060-431.62-30	CHEVRON-GAS	63.68	Y
	2416407MV2LRBOY	111-0210-413.61-20	TARGET-EXTERNAL HARDRIVE	70.68	Y
	2470780MYLSP2VX	111-0210-413.64-00	10/28 STAFF MEETING-FOOD	86.75	Y
	2475542MY4EGH9D	111-0110-411.58-19	NALEO MEMBRSHP/CNFRNC FEE	200.00	Y
	2475542MY4EGH9D	111-0110-411.58-20	NALEO MEMBRSHP/MEDIA FEE	200.00	Y
	2470780MZLSP2VY	111-0210-413.64-00	TIGER GRANT MEETING-FOOD	99.74	Y
	2449398N48B4GAA	111-0110-411.66-05	MEETING REFRESHMENTS-CC	20.00	Y
	2475542N43JLAGA	111-0110-411.66-05	11/3/14 MEETING DINNER-CC	104.10	Y
	2461043N503TZJ1	111-0110-411.58-13	WATER SUMMIT FALL SEMINAR	418.15	Y
	2461043NA03TL3B	111-0110-411.58-13	WATER SUMMIT FALL SEMINAR	12.01	Y
	2461043N503TZJ1	111-0110-411.58-12	WATER SUMMIT FALL SEMINAR	418.15	Y
	2461043NA03TL3Q	111-0110-411.58-12	WATER SUMMIT FALL SEMINAR	39.96	Y
	2449215NJ61FRDK	111-0110-411.66-05	11/17/14 MEETING DINNER	120.28	Y
	2449398NM8B4G15	111-0110-411.66-05	MARIACHI-REFRESHMENTS	40.50	Y
	2490604NL15E1PR	111-0110-411.58-20	NALEO WASHINGTON DC	159.16	Y
	2449215MXRPJQWV	111-7010-421.59-10	PSA TRAINING	150.00	Y
	2471705MVTD14G1	111-7010-421.61-20	DELTA AIR-J. CISNEROS	25.00	Y
	2486948MV7LPL0M	111-7010-421.61-20	ACE METRO CAB	51.42	Y
	2490604MY15B2QL	111-7010-421.59-10	IACP CONFERENCE HOTEL	766.98	Y
	2416407N67DN3D4	111-6020-451.61-35	VETERANS DAY-FOOD	180.00	Y
	2469216N500RP28	111-6020-451.61-35	COSTUMES - TREE LIGHTING	23.58	Y
	2469216N6005TH9	111-6020-451.61-35	COSTUMES - TREE LIGHTING	10.38	Y
	2469216N700QHF2	111-6020-451.61-35	COSTUMES - TREE LIGHTING	64.38	Y
	2469216NA002DW7	111-6020-451.61-35	COSTUMES - TREE LIGHTING	104.88	Y
				3,429.78	
WELLS FARGO BANK-FIT	PPE 12/07/14	802-0000-217.20-10	WELLS FARGO BANK FIT	53,998.38	N
				53,998.38	

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Payee Name	Invoice Number	Account Number	Description 1	Transaction Amount	Prepaid Y\N
WELLS FARGO BANK-MEDICARE	PPE 12/07/14	802-0000-217.10-10	PAYROLL SUMMARY	320.74	N
	PPE 12/07/14	802-0000-217.10-10	WELLS FARGO BANK MEDICARE	6,970.10	N
				7,290.84	
WELLS FARGO BANK-SIT	PPE 12/07/14	802-0000-217.20-20	WELLS FARGO SIT	19,842.74	N
				19,842.74	
WESTERN EXTERMINATOR COMPANY	2708377	535-6090-452.56-60	EXTERMINATOR SRVCS OCT 14	129.00	N
	2708377	111-6022-451.56-41	EXTERMINATOR SRVCS OCT 14	85.00	N
	2708377	111-8022-419.56-41	EXTERMINATOR SRVCS OCT 14	45.00	N
	2708377	111-8020-431.56-41	EXTERMINATOR SRVCS OCT 14	62.00	N
				321.00	
WESTERN STATES HOLIDAY DECORATING	112614	232-5010-419.73-10	CUSTOM SKYLINE DECORATION	5,000.00	N
				5,000.00	
WOODCRAFT RANGERS	50120/50339	111-0000-228.20-00	DEPOSIT REFUND-SLP SOCIAL	500.00	N
				500.00	
XEROX CORPORATION	77139696	111-7030-421.44-10	COPIER BASE CHARGE	484.63	N
	77139695	111-8020-431.43-05	CNTRCT SRVCS XEROX COPIES	118.02	N
	77139695	285-8050-432.43-05	CNTRCT SRVCS XEROX COPIES	118.00	N
	77139695	681-8030-461.43-05	CNTRCT SRVCS XEROX COPIES	118.00	N
				838.65	
ZEE MEDICAL, INC.	140698363	741-8060-431.43-20	FIRST AID KIT SUPPLIES	74.55	N
				74.55	
				1,259,404.46	

CITY OF HUNTINGTON PARK

Finance Department
City Council Agenda Report

December 15, 2014

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

APPROVE PROFESSIONAL SERVICE AGREEMENT WITH MATSUMOTO CONSULTING FOR CONTINUED FINANCIAL MANAGEMENT SERVICES

IT IS RECOMMENDED THAT THE CITY COUNCIL:

1. Approve the professional service agreement with Terry Matsumoto of Matsumoto Consulting LLC for financial management services; and

2. Authorize the Interim City Manager to execute the professional service agreement.

BACKGROUND

In order to assist in providing continued management of the City's finances and the annual financial reports, it is recommended that the City retain financial management expert under a professional services agreement. The contracted position will manage accounting functions and the preparation of the City's Comprehensive Annual Financial Report (CAFR).

1. Accounting and Financial Reporting

Mr. Terry Matsumoto of the firm Matsumoto Consulting LLC will serve as Controller. Mr. Matsumoto will provide professional services, professional accounting functions and preparation of the City's Comprehensive Annual Financial Report ("CAFR"). By way of background, Mr. Matsumoto has served as Chief Financial Officer for Metro and is familiar with many of our financial practices and policies.

FISCAL IMPACT/FINANCING

Matsumoto Consulting will be paid $100 per hour and will work approximately 40 hours per week. The consultant will be retained through a professional services agreement and will not receive any employee benefits. Therefore, the cost of hiring the consultant have a neutral financial impact on the Finance Department Budget.

CONCLUSION

Upon Council approval, the Interim City Manager will execute the professional service agreement with Terry Matsumoto for financial management services.

Respectfully submitted,

JULIO MORALES
Interim City Manager

ATTACHMENTS

A: Professional services agreement – Matsumoto Consulting LLC

PROFESSIONAL SERVICES AGREEMENT
(Engagement: Financial Management Support Services)
(Parties: City of Huntington Park and Matsumoto Consulting LLC)

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this 15th day of December 2014 (hereinafter, the "Effective Date"), by and between the CITY OF HUNTINGTON PARK, a municipal corporation ("CITY") and MATSUMOTO CONSULTING LLC, a (hereinafter, "CONTRACTOR"). For the purposes of this Agreement CITY and CONTRACTOR may be referred to collectively by the capitalized term "Parties." The capitalized term "Party" may refer to CITY or CONTRACTOR interchangeably.

RECITALS

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

WHEREAS, CITY requires the following professional services: professional accounting functions and preparation of the CITY's Comprehensive Annual Financial Report ("CAFR"), among other duties as assigned; and

WHEREAS, Contractor represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees; and

WHEREAS, Contractor further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement;

WHEREAS, the execution of this Amendment was approved by the Huntington Park City Council at its Regular Meeting of December 15, 2014.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, Agency and Contractor agree as follows:

I.
ENGAGEMENT TERMS

1.1 SCOPE OF SERVICES: Subject to the terms and conditions set forth in this Agreement and all exhibits attached and incorporated hereto, CONTRACTOR agrees to perform the services and tasks set forth in Exhibit **"A"** (hereinafter referred to as the **"Scope of Services"**).

CONTRACTOR further agrees to furnish to CITY all labor, materials, tools, supplies, equipment, services, tasks and incidental and customary work necessary to competently perform and timely complete the services and tasks set forth in the Scope of Services. For the purposes of this Agreement the aforementioned services and tasks set forth in the Scope of Services shall hereinafter be referred to generally by the capitalized term "Work."

1.2 TERM: This Agreement shall commence on December 15, 2014 and terminate on June 30, 2015, unless terminated as provided elsewhere in this Agreement (hereinafter, the "Term"). Upon the conclusion of the Term, this Agreement may renew for an additional an additional amount of time, upon approval from the City Manager, unless CITY issues written notice sixty (60) days in advance of its intent not to authorize any additional extension term(s). Nothing in this Section shall operate to prohibit or otherwise restrict the CITY's ability to terminate this Agreement at any time for convenience or for cause.

1.3 COMPENSATION: During the term of this Agreement and any extension term provided herein, CONTRACTOR shall perform the Services set forth in Section 1.1 above and Exhibit "A" at the rate of ONE HUNDRED DOLLARS ($100.00) per hour. CONTRACTOR further agrees that the total compensation for work performed during the initial term of this agreement, inclusive of any extension term, shall not exceed the sum total of ONE HUNDRED THOUSAND DOLLARS ($100,000.00) (hereinafter, the "Contract Price"), unless such added expenditure is first approved by the CITY acting in consultation with the City Manager and the Director of the Finance Department. In the event CONTRACTOR's charges are projected to exceed the Contract Price prior to the expiration of the Term or any single extension term, CITY may suspend CONTRACTOR's performance pending CITY approval of any anticipated expenditures in excess of the Contract Price or any other CITY-approved amendment to the compensation terms of this Agreement.

1.4 PAYMENT OF COMPENSATION: Following the conclusion of each calendar month, CONTRACTOR shall submit to CITY an itemized invoice indicating the services and tasks performed during the recently concluded calendar month, including services and tasks performed and the reimbursable out-of-pocket expenses incurred. If the amount of CONTRACTOR's monthly compensation is a function of hours worked by CONTRACTOR's personnel, the invoice shall indicate the number of hours worked in the recently concluded calendar month, the persons responsible for performing the Work, the rate of compensation at which such services and tasks were performed, the subtotal for each task and service performed and a grand total for all services performed. Within fifteen (15) calendar days of receipt of each invoice, CITY shall notify CONTRACTOR in writing of any disputed amounts included in the invoice. CITY shall not withhold applicable taxes or other authorized deductions from payments made to CONTRACTOR.

1.5 ACCOUNTING RECORDS: CONTRACTOR shall maintain complete and accurate records with respect to all matters covered under this Agreement for a period of three (3) years after the expiration or termination of this Agreement. CITY shall have the right to access and examine such records, without charge, during normal business hours. CITY shall further have the right to

audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

1.6 ABANDONMENT BY CONTRACTOR: In the event CONTRACTOR ceases to perform the Work agreed to under this Agreement or otherwise abandons the undertaking contemplated herein prior to the expiration of this Agreement or prior to completion of any or all tasks set forth in the Scope of Services, CONTRACTOR shall deliver to CITY immediately and without delay, all materials, records and other work product prepared or obtained by CONTRACTOR in the performance of this Agreement. Furthermore, CONTRACTOR shall only be compensated for the reasonable value of the services, tasks and other work performed up to the time of cessation or abandonment, less a deduction for any damages, costs or additional expenses which CITY may incur as a result of CONTRACTOR's cessation or abandonment.

II.
PERFORMANCE OF AGREEMENT

2.1 CITY'S REPRESENTATIVES: The CITY hereby designates the City Manager and the Finance Director, (hereinafter, the "CITY Representatives") to act as its representatives for the performance of this Agreement. The Interim City Manager shall be the chief CITY Representative. The CITY Representatives or their designee shall act on behalf of the CITY for all purposes under this Agreement. CONTRACTOR shall not accept directions or orders from any person other than the CITY Representatives or their designee.

2.2 CONTRACTOR REPRESENTATIVE: CONTRACTOR hereby designates Terry Matsumoto to act as its representative for the performance of this Agreement (hereinafter, "CONTRACTOR Representative"). CONTRACTOR Representative shall have full authority to represent and act on behalf of the CONTRACTOR for all purposes under this Agreement. CONTRACTOR Representative or his designee shall supervise and direct the performance of the Work, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Agreement. Notice to the CONTRACTOR Representative shall constitute notice to CONTRACTOR.

2.3 COORDINATION OF SERVICE; CONFORMANCE WITH REQUIREMENTS: CONTRACTOR agrees to work closely with CITY staff in the performance of the Work and this Agreement and shall be available to CITY staff and the CITY Representatives at all reasonable times. All work prepared by CONTRACTOR shall be subject to inspection and approval by CITY Representatives or their designees.

2.4 STANDARD OF CARE; PERFORMANCE OF EMPLOYEES: CONTRACTOR represents, acknowledges and agrees to the following:

A. CONTRACTOR shall perform all Work skillfully, competently and to the highest standards of CONTRACTOR's profession;

B. CONTRACTOR shall perform all Work in a manner reasonably satisfactory to the CITY;

C. CONTRACTOR shall comply with all applicable federal, state and local laws and regulations, including the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 *et seq*.);

D. CONTRACTOR understands the nature and scope of the Work to be performed under this Agreement as well as any and all schedules of performance;

E. All of CONTRACTOR's employees and agents possess sufficient skill, knowledge, training and experience to perform those services and tasks assigned to them by CONTRACTOR; and

F. All of CONTRACTOR's employees and agents (including but not limited subcontractors and subconsultants) possess all licenses, permits, certificates, qualifications and approvals of whatever nature that are legally required to perform the tasks and services contemplated under this Agreement and all such licenses, permits, certificates, qualifications and approvals shall be maintained throughout the term of this Agreement and made available to CITY for copying and inspection.

The Parties acknowledge and agree that CONTRACTOR shall perform, at CONTRACTOR's own cost and expense and without any reimbursement from CITY, any services necessary to correct any errors or omissions caused by CONTRACTOR's failure to comply with the standard of care set forth under this Section or by any like failure on the part of CONTRACTOR's employees, agents, contractors, subcontractors and subconsultants. Such effort by CONTRACTOR to correct any errors or omissions shall be commenced immediately upon their discovery by either Party and shall be completed within seven (7) calendars days from the date of discovery or such other extended period of time authorized by the CITY Representatives in writing and in their sole and absolute discretion. The Parties acknowledge and agree that CITY's acceptance of any work performed by CONTRACTOR or on CONTRACTOR's behalf shall not constitute a release of any deficiency or delay in performance. The Parties further acknowledge, understand and agree that CITY has relied upon the foregoing representations of CONTRACTOR, including but not limited to the representation that CONTRACTOR possesses the skills, training, knowledge and experience necessary to perform the Work skillfully, competently and to the highest standards of CONTRACTOR's profession.

2.5 <u>ASSIGNMENT</u>: The skills, training, knowledge and experience of CONTRACTOR are material to CITY's willingness to enter into this Agreement. Accordingly, CITY has an interest in the qualifications and capabilities of the person(s) who will perform the services and tasks to be undertaken by CONTRACTOR or on behalf of CONTRACTOR in the performance of this Agreement. In recognition of this interest, CONTRACTOR agrees that it shall not assign or transfer, either directly or indirectly or by operation of law, this Agreement or the performance of any of CONTRACTOR's duties or obligations under this Agreement without the prior written consent of the CITY. In the absence of CITY's prior written consent, any attempted assignment

or transfer shall be ineffective, null and void and shall constitute a material breach of this Agreement.

2.6 CONTROL AND PAYMENT OF SUBORDINATES; INDEPENDENT CONTRACTOR: The Work shall be performed by CONTRACTOR or under CONTRACTOR's strict supervision. CONTRACTOR will determine the means, methods and details of performing the Work subject to the requirements of this Agreement. CITY retains CONTRACTOR on an independent contractor basis and not as an employee. CONTRACTOR reserves the right to perform similar or different services for other principals during the term of this Agreement, provided such work does not unduly interfere with CONTRACTOR's competent and timely performance of the Work contemplated under this Agreement and provided the performance of such services does not result in the unauthorized disclosure of CITY's confidential or proprietary information. Any additional personnel performing the Work under this Agreement on behalf of CONTRACTOR are not employees of CITY and shall at all times be under CONTRACTOR's exclusive direction and control. CONTRACTOR shall pay all wages, salaries and other amounts due such personnel and shall assume responsibility for all benefits, payroll taxes, Social Security and Medicare payments and the like. CONTRACTOR shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: Social Security taxes, income tax withholding, unemployment insurance, disability insurance, workers' compensation insurance and the like.

2.7 REMOVAL OF EMPLOYEES OR AGENTS: If any of CONTRACTOR's officers, employees, agents, contractors, subcontractors or subconsultants is determined by the CITY Representatives to be uncooperative, incompetent, a threat to the adequate or timely performance of the tasks assigned to CONTRACTOR, a threat to persons or property, or if any of CONTRACTOR's officers, employees, agents, contractors, subcontractors or subconsultants fail or refuse to perform the Work in a manner acceptable to the CITY, such officer, employee, agent, contractor, subcontractor or subconsultant shall be promptly removed by CONTRACTOR and shall not be re-assigned to perform any of the Work.

2.8 COMPLIANCE WITH LAWS: CONTRACTOR shall keep itself informed of and in compliance with all applicable federal, State or local laws to the extent such laws control or otherwise govern the performance of the Work. CONTRACTOR's compliance with applicable laws shall include without limitation compliance with all applicable Cal/OSHA requirements.

2.9 NON-DISCRIMINATION: In the performance of this Agreement, CONTRACTOR shall not discriminate against any employee, subcontractor, subconsultant, or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental disability or medical condition.

2.10. INDEPENDENT CONTRACTOR STATUS: The Parties acknowledge, understand and agree that CONTRACTOR and all persons retained or employed by CONTRACTOR are, and shall at all times remain, wholly independent contractors and are not officials, officers, employees, departments or subdivisions of CITY. CONTRACTOR shall be solely responsible for the negligent acts and/or omissions of its employees, agents, contractors, subcontractors and

subconsultants. CONTRACTOR and all persons retained or employed by CONTRACTOR shall have no authority, express or implied, to bind CITY in any manner, nor to incur any obligation, debt or liability of any kind on behalf of, or against, CITY, whether by contract or otherwise, unless such authority is expressly conferred to CONTRACTOR under this Agreement or is otherwise expressly conferred by CITY in writing.

III.
INSURANCE

[RESERVED NO TEXT]

IV.
INDEMNIFICATION

4.1 The Parties agree that CITY, the CITY's elected and appointed officials, officers, employees, agents and authorized volunteers (hereinafter, the "City Indemnitees") should, to the fullest extent permitted by law, be protected from any and all loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the City Indemnitees with the fullest protection possible under the law. CONTRACTOR acknowledges that CITY would not enter into this Agreement in the absence of CONTRACTOR's commitment to indemnify, defend and protect CITY as set forth herein.

4.2 To the fullest extent permitted by law, CONTRACTOR shall indemnify, defend and hold harmless the City Indemnitees from and against all liability, loss, damage, expense, cost (including without limitation reasonable attorneys' fees, expert fees and all other costs and fees of litigation) of every nature to the extent caused by CONTRACTOR's negligent performance under this Agreement, including but not limited to the negligent acts, errors or omissions of CONTRACTOR or CONTRACTOR's officers, employees, agents, servants, contractors, subcontractors or subconsultants or the failure of the same to comply with any of the duties, obligations or standards of care set forth herein. The duty to indemnify, defend and hold harmless under this subsection shall not encompass a duty to indemnity, defend or hold harmless for liability, loss, suit, damage, expense, or cost caused by the negligence or willful misconduct of any or all of the City Indemnitees.

4.3 As to the duties to indemnify under Sections 4.1 and 4.2 of this Article, above, CITY shall have the right to offset against the amount of any compensation due CONTRACTOR under this Agreement any amount due CITY from CONTRACTOR as a result of CONSULTANT's failure to pay CITY promptly any indemnification arising under this Article and related to CONTRACTOR's failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.

4.4 As to the duties to indemnify under Sections 4.1 and 4.2 of this Article, above, the obligations of CONTRACTOR under this Article will not be limited by the provisions of any workers'

compensation act or similar act. CONTRACTOR expressly waives its statutory immunity under such statutes or laws as to CITY and CITY's elected and appointed officials, officers, employees, agents and authorized volunteers.

4.5 As to the duties to indemnify under Sections 4.1 and 4.2 of this Article, above, CONTRACTOR agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Article from each and every subcontractor or any other person or entity involved by, for, with or on behalf of CONTRACTOR in the performance of this Agreement. In the event CONTRACTOR fails to obtain such indemnity obligations from others as required herein, CONTRACTOR agrees to be fully responsible and indemnify, hold harmless and defend CITY and CITY's elected and appointed officials, officers, employees, agents and authorized volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONTRACTOR's subcontractors or any other person or entity involved by, for, with or on behalf of CONTRACTOR in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of CITY's choice.

4.6 As to the duties to indemnify under Sections 4.1 and 4.2 of this Article, above, CITY does not, and shall not, waive any rights that it may possess against CONTRACTOR because of the acceptance by CITY, or the deposit with CITY, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

4.7 As to the duties to indemnify under Sections 4.1 and 4.2 of this Article, above, the duties to indemnify, defend and hold harmless as set forth under this Section, shall survive the early termination or normal expiration of this Agreement and shall be in addition to any other rights or remedies which the CITY may have at law or in equity.

V.
TERMINATION

5.1 TERMINATION WITHOUT CAUSE: CITY may, by written notice to CONTRACTOR, immediately terminate this Agreement at any time for convenience and without cause by giving written notice to Consultant of such termination, which notice shall specify the effective date of such termination. Upon such termination for convenience, CONTRACTOR shall be compensated only for those services and tasks which have been performed by CONTRACTOR up to the effective date of the termination. CONTRACTOR may not terminate this Agreement except for cause as provided under Section 5.2, below. If this Agreement is terminated as provided herein, CITY may require CONTRACTOR to provide all finished or unfinished Documents and Data, as defined in Section 6.1 below, and other information of any kind prepared by CONTRACTOR in connection with the performance of the Work. CONTRACTOR shall be required to provide such Documents and Data within fifteen (15) calendar days of CITY's written request. No actual or asserted

breach of this Agreement on the part of CITY pursuant to Section 5.2, below, shall operate to prohibit or otherwise restrict CITY's ability to terminate this Agreement for convenience as provided under this Section.

5.2 EVENTS OF DEFAULT; BREACH OF AGREEMENT:

A. In the event either Party fails to perform any duty, obligation, service or task set forth under this Agreement (or fails to timely perform or properly perform any such duty, obligation, service or task set forth under this Agreement), an event of default (hereinafter, "Event of Default") shall occur. For all Events of Default, the Party alleging an Event of Default shall give written notice to the defaulting Party (hereinafter referred to as a "Default Notice") which shall specify: (i) the nature of the Event of Default; (ii) the action required to cure the Event of Default; (iii) a date by which the Event of Default shall be cured, which shall not be less than the applicable cure period set forth under Sections 5.2.B and 5.2C below or if a cure is not reasonably possible within the applicable cure period, to begin such cure and diligently prosecute such cure to completion. The Event of Default shall constitute a breach of this Agreement if the defaulting Party fails to cure the Event of Default within the applicable cure period or any extended cure period allowed under this Agreement.

B. CONTRACTOR shall cure the following Events of Defaults within the following time periods:

i. Within three (3) business days of CITY's issuance of a Default Notice for any failure of CONTRACTOR to timely provide CITY or CITY's employees or agents with any information and/or written reports, documentation or work product which CONTRACTOR is obligated to provide to CITY or CITY's employees or agents under this Agreement. Prior to the expiration of the 3-day cure period, CONTRACTOR may submit a written request for additional time to cure the Event of Default upon a showing that CONTRACTOR has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 3-day cure period. The foregoing notwithstanding, CITY shall be under no obligation to grant additional time for the cure of an Event of Default under this Section 5.2 B.i. that exceeds seven (7) calendar days from the end of the initial 3-day cure period; or

ii. Within fourteen (14) calendar days of CITY's issuance of a Default Notice for any other Event of Default under this Agreement. Prior to the expiration of the 14-day cure period, CONTRACTOR may submit a written request for additional time to cure the Event of Default upon a showing that CONTRACTOR has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 14-day cure period. The foregoing notwithstanding, CITY shall be under no obligation to grant additional time for the cure of an Event of Default under this Section 5.2B.ii that exceeds thirty (30) calendar days from the end of the initial 14-day cure period.

In addition to any other failure on the part of CONTRACTOR to perform any duty, obligation, service or task set forth under this Agreement (or the failure to timely perform or properly

perform any such duty, obligation, service or task), an Event of Default on the part of CONTRACTOR shall include, but shall not be limited to the following: (i) CONTRACTOR's refusal or failure to perform any of the services or tasks called for under the Scope of Services; (ii) CONTRACTOR's failure to fulfill or perform its obligations under this Agreement within the specified time or if no time is specified, within a reasonable time; (iii) CONTRACTOR's and/or its employees' disregard or violation of any federal, state, local law, rule, procedure or regulation; (iv) the initiation of proceedings under any bankruptcy, insolvency, receivership, reorganization, or similar legislation as relates to CONTRACTOR, whether voluntary of involuntary; (v) CONTRACTOR's refusal or failure to perform or observe any covenant, condition, obligation or provision of this Agreement; and/or (vii) CITY's discovery that a statement representation or warranty by CONTRACTOR relating to this Agreement is false, misleading or erroneous in any material respect.

C. CITY shall cure any Event of Default asserted by CONTRACTOR within forty-five (45) calendar days of CONTRACTOR's issuance of a Default Notice, unless the Event of Default cannot reasonably be cured within the 45-day cure period. Prior to the expiration of the 45-day cure period, CITY may submit a written request for additional time to cure the Event of Default upon a showing that CITY has commenced its efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 45-day cure period. The foregoing notwithstanding, an Event of Default dealing with CITY's failure to timely pay any undisputed sums to CONTRACTOR as provided under Section 1.4, above, shall be cured by CITY within five (5) calendar days from the date of CONTRACTOR's Default Notice to CITY.

D. CITY, in its sole and absolute discretion, may also immediately suspend CONTRACTOR's performance under this Agreement pending CONTRACTOR's cure of any Event of Default by giving CONTRACTOR written notice of CITY's intent to suspend CONTRACTOR's performance (hereinafter, a "Suspension Notice"). CITY may issue the Suspension Notice at any time upon the occurrence of an Event of Default. Upon such suspension, CONTRACTOR shall be compensated only for those services and tasks which have been rendered by CONTRACTOR to the reasonable satisfaction of CITY up to the effective date of the suspension. No actual or asserted breach of this Agreement on the part of CITY shall operate to prohibit or otherwise restrict CITY's ability to suspend this Agreement as provided herein.

E. No waiver of any Event of Default or breach under this Agreement shall constitute a waiver of any other or subsequent Event of Default or breach. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

F. The duties and obligations imposed under this Agreement and the rights and remedies available hereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. In addition to any other remedies available to CITY at law or under this Agreement in the event of any breach of this Agreement, CITY, in its sole and absolute discretion, may also pursue any one or more of the following remedies:

i. Upon written notice to CONTRACTOR, the CITY may immediately terminate this Agreement in whole or in part;

ii. Upon written notice to CONTRACTOR, the CITY may extend the time of performance;

iii. The CITY may proceed by appropriate court action to enforce the terms of the Agreement to recover damages for CONTRACTOR's breach of the Agreement or to terminate the Agreement; or

iv. The CITY may exercise any other available and lawful right or remedy.

CONTRACTOR shall be liable for all legal fees plus other costs and expenses that CITY incurs upon a breach of this Agreement or in the CITY's exercise of its remedies under this Agreement.

G. In the event CITY is in breach of this Agreement, CONTRACTOR's sole remedy shall be the suspension or termination of this Agreement and/or the recovery of any unpaid sums lawfully owed to CONTRACTOR under this Agreement for completed services and tasks.

5.3 SCOPE OF WAIVER: No waiver of any default or breach under this Agreement shall constitute a waiver of any other default or breach, whether of the same or other covenant, warranty, agreement, term, condition, duty or requirement contained in this Agreement. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

5.4 SURVIVING ARTICLES, SECTIONS AND PROVISIONS: The termination of this Agreement pursuant to any provision of this Article or by normal expiration of its term or any extension thereto shall not operate to terminate any Article, Section or provision contained herein which provides that it shall survive the termination or normal expiration of this Agreement.

VI.
MISCELLANEOUS PROVISIONS

6.1 DOCUMENTS & DATA; LICENSING OF INTELLECTUAL PROPERTY: All Documents and Data shall be and remain the property of CITY without restriction or limitation upon their use or dissemination by CITY. For purposes of this Agreement, the term "Documents and Data" means and includes all reports, analyses, correspondence, plans, drawings, designs, renderings, specifications, notes, summaries, strategies, charts, schedules, spreadsheets, calculations, lists, data compilations, documents or other materials developed and/or assembled by or on behalf of CONTRACTOR in the performance of this Agreement and fixed in any tangible medium of expression, including but not limited to Documents and Data stored digitally, magnetically and/or electronically. This Agreement creates, at no cost to CITY, a perpetual license for CITY to copy, use, reuse, disseminate and/or retain any and all copyrights, designs, and other intellectual

property embodied in all Documents and Data. CONTRACTOR shall require all subcontractors and subcontractor working on behalf of CONTRACTOR in the performance of this Agreement to agree in writing that CITY shall be granted the same right to copy, use, reuse, disseminate and retain Documents and Data prepared or assembled by any subcontractor or subcontractor as applies to Documents and Data prepared by CONTRACTOR in the performance of this Agreement.

6.2 CONFIDENTIALITY: 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 without prior written consent by CITY. CITY shall grant such consent if disclosure is legally required. Upon request, all CITY data shall be returned to CITY upon the termination or expiration of this Agreement. CONTRACTOR shall not use CITY's name or insignia, photographs, or any publicity pertaining to the Work in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of CITY.

6.3 FALSE CLAIMS ACT: CONTRACTOR warrants and represents that neither CONTRACTOR nor any person who is an officer of, in a managing position with, or has an ownership interest in CONTRACTOR has been determined by a court or tribunal of competent jurisdiction to have violated the False Claims Act, 31 U.S.C., Section 3789 et seq. and the California False Claims Act, Government Code Section 12650 et seq.

6.4 NOTICES: All notices permitted or required under this Agreement shall be given to the respective Parties at the following addresses, or at such other address as the respective Parties may provide in writing for this purpose:

CONTRACTOR:
Matsumoto Consulting LLC
Attn: Terry Matsumoto
3381 Manning Court
Los Angeles, CA 90064

CITY:
City of Huntington Park
City Manager's Office
6550 Mile Avenue
Huntington Park, CA 90255
Phone: (323) 584-6223

Such notices shall be deemed effective when personally delivered or successfully transmitted by facsimile as evidenced by a fax confirmation slip or when mailed, forty-eight (48) hours after deposit with the United States Postal Service, first class postage prepaid and addressed to the Party at its applicable address.

6.5 COOPERATION; FURTHER ACTS: The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as is reasonably necessary, appropriate or convenient to achieve the purposes of this Agreement.

6.6 SUBCONTRACTING: CONTRACTOR shall not subcontract any portion of the Work required by this Agreement, except as expressly stated herein, without the prior written approval of CITY. Subcontracts (including without limitation subcontracts with subcontractors), if any, shall contain a provision making them subject to all provisions stipulated in this Agreement, including provisions relating to insurance requirements and indemnification.

6.7 CITY'S RIGHT TO EMPLOY OTHER CONSULTANTS: CITY reserves the right to employ other contractors in connection with the various projects worked upon by CONTRACTOR.

6.8 PROHIBITED INTERESTS: CONTRACTOR warrants, represents and maintains that it has not employed nor retained any company or person, other than a *bona fide* employee working solely for CONTRACTOR, to solicit or secure this Agreement. Further, CONTRACTOR warrants and represents that it has not paid nor has it agreed to pay any company or person, other than a *bona fide* employee working solely for CONTRACTOR, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, CITY shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of CITY, during the term of his or her service with CITY, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

6.9 TIME IS OF THE ESSENCE: Time is of the essence for each and every provision of this Agreement.

6.10 GOVERNING LAW AND VENUE: This Agreement shall be interpreted and governed according to the laws of the State of California. In the event of litigation between the Parties, venue, without exception, shall be in the Los Angeles County Superior Court of the State of California. If, and only if, applicable law requires that all or part of any such litigation be tried exclusively in federal court, venue, without exception, shall be in the Central District of California located in the City of Los Angeles, California.

6.11 ATTORNEYS' FEES: If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing Party in such litigation shall be entitled to have and recover from the losing Party reasonable attorneys' fees and all other costs of such action.

6.12 SUCCESSORS AND ASSIGNS: This Agreement shall be binding on the successors and assigns of the Parties.

6.13 NO THIRD PARTY BENEFIT: There are no intended third party beneficiaries of any right or obligation assumed by the Parties. All rights and benefits under this Agreement inure exclusively to the Parties.

6.14 CONSTRUCTION OF AGREEMENT: This Agreement shall not be construed in favor of, or against, either Party but shall be construed as if the Parties prepared this Agreement together through a process of negotiation and with the advice of their respective attorneys.

6.15 SEVERABILITY: If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

6.16 AMENDMENT; MODIFICATION: No amendment, modification or supplement of this Agreement shall be valid or binding unless executed in writing and signed by both Parties, subject to CITY approval. The requirement for written amendments, modifications or supplements cannot be waived and any attempted waiver shall be void and invalid.

6.17 CAPTIONS: The captions of the various articles, sections and paragraphs are for convenience and ease of reference only, and do not define, limits, augment, or describe the scope, content, or intent of this Agreement.

6.18 INCONSISTENCIES OR CONFLICTS: In the event of any conflict or inconsistency between the provisions of this Agreement and any of the exhibits attached hereto, the provisions of this Agreement shall control.

6.19 ENTIRE AGREEMENT: This Agreement including all attached exhibits is the entire, complete, final and exclusive expression of the Parties with respect to the matters addressed herein and supersedes all other agreements or understandings, whether oral or written, or entered into between CITY and CONTRACTOR prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any Party which are not embodied herein shall be valid or binding. No amendment, modification or supplement to this Agreement shall be valid and binding unless in writing and duly executed by the Parties pursuant to Section 6.15, above.

6.20 COUNTERPARTS: .This Agreement shall be executed in three (3) original counterparts each of which shall be of equal force and effect. No handwritten or typewritten amendment, modification or supplement to any one counterparts shall be valid or binding unless made to all three counterparts in conformity with Section 6.16, above. One fully executed original counterpart shall be delivered to CONTRACTOR and the two remaining counterparts shall remain with the City for archiving and day-to-day reference by the department responsible for administering the Agreement on the City's behalf.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed the day and year first appearing in this Agreement, above.

CITY OF HUNTINGTON PARK:

By:_____
Julio Morales, Interim City Manager

MATSUMOTO CONSULTING LLC:

By:_____

Name:_____

Title:_____

APPROVED AS TO FORM:

By:_____
Isabel Birrueta, City Attorney

EXHIBIT "A"
SCOPE OF WORK

Matsumoto Consulting LLC shall assist with accounting functions and the preparation of the City's Comprehensive Annual Financial Report (CAFR), among other duties as assigned. The consultant shall perform the following duties:

1. Supervises independent auditors and accountants;

2. Reviews, approves, and audits payments, invoices, payrolls, and demands;

3. Directs and participates in the review of all financial transactions;

4. Controls the expenditure of appropriated funds, enforces compliance with generally accepted standard accounting systems and fiscal procedures;

5. Plans and develops accounting procedures for recording and maintaining accounting records;

6. Provides information of fund appropriation balances and prepares financial statements and reports such as monthly expenditure revenue reports;

7. Prepares and supervises the preparation of reports;

8. Review and provide recommendations with regard to the City's financial policies;

9. Attend City Council meetings to explain financial matters, as needed;

10. Provide guidance with regard to the City's budget;

11. Performs other related duties as assigned or as situation requires.

CITY OF HUNTINGTON PARK

Finance Department
City Council Agenda Report

December 15, 2014

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

APPROVE SECOND AMENDMENT TO AGREEMENT WITH VASQUEZ AND COMPANY, LLP FOR FINANCIAL AUDIT SERVICES

IT IS RECOMMENDED THAT THE CITY COUNCIL:

1. Approve Second Amendment to Agreement with Vasquez and Company, LLP for financial audit services; and

2. Authorize the Interim City Manager to execute the agreement.

BACKGROUND

In August 2008 City Council approved a three-year contract with Vasquez and Company, LLP for professional financial audit services. In 2011, the City Council extended the agreement with Vasquez and Company to perform audit services for FY 2012-13.

While a request for proposal solicitation is not feasible at this time, given the timing of State Controller and a number of other reporting requirements, staff would propose to undertake such solicitation ahead of next year's audit. However, in order to carry out the City's FY 2013-14 audit, staff recommends extending the existing agreement with Vasquez and Company through June 30, 2016.

FISCAL IMPACT/FINANCING

Based upon the scope of services provided in the October 10, 2014, letter to the City (attached), we estimate audit costs not to exceed $80,000.

CONCLUSION

Upon approval, the Interim City Manager will execute the second amendment to the agreement with Vasquez and Company, LLP for financial audit services.

Respectfully submitted,

JULIO MORALES
Interim City Manager

ATTACHMENTS

A. Second Amendment to Agreement with Vasquez and Company, LLP

2014
SECOND AMENDMENT
TO PROFESSIONAL SERVICES AGREEMENT
(Engagement: Professional Auditing Services)
(Parties: City of Huntington Park and Vasquez & Co., LLP)

THIS SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT (the "Second Amendment") to that certain document entitled "Professional Services Agreement" (the "Master Agreement") executed as of August 18, 2008, by and between the City of Huntington Park, a municipal corporation (hereinafter, "City") and Vasquez & Co., LLP (hereinafter, "Consultant") is made and entered into this ____day of _____ 2014. For the purposes of this Second Amendment, City and Consultant may be referred to collectively by the capitalized term "Parties." The capitalized term "Party" may refer to City or Consultant interchangeably.

RECITALS

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

WHEREAS, on or about August 18, 2008, the Parties executed and entered into the Master Agreement which is attached hereto as Exhibit "A"; and

WHEREAS, on or about June 30, 2011, the Parties executed and entered into a First Amendment to the Master Agreement, which as attached hereto as Exhibit "B"; and

WHEREAS, the City desires to continue the following additional professional services: auditing services; and

WHEREAS, Consultant has represented to City that it has the requisite skill and experience to safely and competently perform the desired professional services within the City; and

WHEREAS, an Amendment is permissible pursuant to Section 7.11 of Master Agreement, provided that it is in writing and executed by both Parties; and

WHEREAS, the execution of this Second Amendment was approved by the Huntington Park City Council at its Regular Meeting of December 15, 2014.

NOW, THEREFORE, in consideration of the mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

1. Section 1 (Term) is amended in its part to read as follows: The term of the Master Agreement is hereby extended for an additional period commencing from December 15, 2014 and expiring on June 30, 2016 (the "Term"). Nothing in this Section shall operate to prohibit or otherwise restrict the City's ability to terminate this Agreement at any time for convenience or for cause.

2. Except as otherwise set forth in this Second Amendment, and the First Amendment, the Master Agreement shall remain binding, controlling and in full force and effect. This Second Amendment together with the First Amendment and Master Agreement shall constitute the entire, complete, final, and exclusive expression of the Parties with respect to the matters addressed in both documents.

3. The provisions of this Second Amendment shall be deemed a part of the Master Agreement and except as otherwise provided under this Second Amendment, the Master Agreement and all provisions contained therein shall remain binding and enforceable. In the event of any conflict or inconsistency between the provisions of this Amendment and the provisions of the Master Agreement, the provisions of this Amendment shall control, but only in so far as such provisions conflict with the Master Agreement and no further.

4. This Amendment shall be executed in three counterparts, with one such fully executed counterpart returned to Consultant upon execution.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS THEREOF, the Parties hereto have caused this Second Amendment to the Master Agreement to be executed on the day and year first appearing above.

CITY OF HUNTINGTON PARK:

By:_____
Julio Morales, Interim City Manager for the City of Huntington Park

Date: _____

VASQUEZ & CO., LLP

By:_____

Date: _____

APPROVED AS TO FORM:

By:_____
Isabel Birrueta, City Attorney

Date: _____

Attachment “A”

(See attached Master Agreement)

CITY OF HUNTINGTON PARK

AGREEMENT FOR PROFESSIONAL AUDITING SERVICES

THIS AGREEMENT, made and entered into this 18th day of August, 2008, (the "Effective Date") by and between the City of Huntington Park, a municipal corporation and the Community Development Commission of the City of Huntington Park, located in the County of Los Angeles, State of California, hereinafter referred to as the "City" collectively and Vasquez & Co., LLP, hereinafter referred to as the "Contractor."

ARTICLE 1. TERM OF AGREEMENT

Section 1.01. This Agreement will become effective on August 18th 2008, and will continue for the period of THREE YEARS unless terminated pursuant to the terms of this Agreement.

ARTICLE 2. SERVICES TO BE PERFORMED BY CONTRACTOR

Section 2.01. Scope of Services. In compliance with all terms and conditions of this Agreement, the Contractor shall provide those services specified in the "REQUEST FOR PROPOSALS FOR PROFESSIONAL AUDITING SERVICES," CONTRACTOR'S PROPOSAL SUBMITTED IN RESPONSE and CONTRACTOR'S ENGAGEMENT LETTER attached hereto as Exhibits "A," "B" and "C" respectively and incorporated herein by this reference, which services may be referred to herein as the "services" or "work" hereunder. In the event of any inconsistency between the terms of Contractor's proposal, Contractor's engagement letter and this Agreement, the terms of this Agreement shall govern.

As a material inducement to the City entering into this Agreement, Contractor represents and warrants that Contractor is a provider of first class work and services and Contractor is experienced in performing the work and services contemplated herein and, in light of such status and experience, Contractor covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials shall be of good quality, fit for the purpose intended. For purposes of this Agreement, the phrase "highest professional standards" shall mean those standards of practice recognized by one or more first-class companies performing similar work under similar circumstances.

Section 2.02. Compliance with Law. All services rendered hereunder shall be provided in accordance with applicable ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental agency having jurisdiction in effect at the time service is rendered. Contractor hereby represents and warrants full compliance with any and all applicable laws including employment and labor laws applicable to the this agreement. Each and every provision required by law to be included in this Agreement shall be deemed to be included, and this Agreement shall be read and enforced as though they were included.

Section 2.03. Familiarity with Work. By executing this Contract, Contractor warrants that Contractor (a) has thoroughly investigated and considered the Scope of Services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement.

Contractor In Charge

Section 2.04. Gilbert R. Vasquez, will serve as principal-in–charge of service responsibilities and the event coordinator for all obligations contained herein. Vedeo Tinana, will serve as the principal responsible for the management of the Contractor's obligations under this Agreement.

Section 2.05. It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principal(s) were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the services hereunder.

Section 2.06. Contract Officer. The Contract Officer shall be the Director of Finance of the City of Huntington Park, or other contract officer as may be designated by the Director of Finance. It shall be the Contractor's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Contractor shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder relating to service issues, shall mean the approval of the Contract Officer.

ARTICLE 3. COMPENSATION FOR SERVICES

Section 3.01. As consideration for the services to be performed by Contractor, City agrees to pay Contractor in accordance with the cost proposal continued in Contractors proposal.

ARTICLE 4. OBLIGATIONS OF CONTRACTOR

Section 4.01. Contractor agrees to devote the time and care necessary to perform the services, as described in Article 2, in a competent and safe manner.

Section 4.02. Reports. Contractor shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement and as the Contract Officer shall require. Contractor hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Contractor agrees that if Contractor becomes aware of any facts, circumstances, techniques, or events that may or shall materially decrease the cost of the work or services contemplated herein, Contractor shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated decreased cost related thereto.

Section 4.03. Records. Contractor shall keep, and require subcontractors to keep, such 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. 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. Such records shall be maintained for a period of Five (5) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required.

Section 4.04. Ownership of Documents. All documents, data and other materials prepared supporting the issuance of the opinions on the financial statements in performance of this Agreement the property of the City. Consultant may supply copies of all such documents, data and other materials to the City at City's request, provided that such disclosure does not undermine the independence or validity of the audit process.

Legal Responsibilities

Section 4.05. Contractor shall secure, pay for and maintain in full force and effect for the duration of this Agreement all required workers compensation insurance and all insurance required herein. In addition, Contractor shall keep itself informed of, and shall comply with, federal, state and local laws and regulations which affect its performance under this Agreement.

Section 4.06. Licenses, Permits, Fees and Assessments. Contractor shall obtain at its sole cost and expense and licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Contractor shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor's performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City against any such fees, assessments, taxes penalties or interest levied, assessed or imposed against City hereunder.

Assignment

Section 4.07. Neither this Agreement nor any duties or obligations under this Agreement may be assigned by Contractor without the prior written consent of City.

ARTICLE 5. OBLIGATIONS OF CITY

Cooperation of City

Section 5.01. City shall cooperate with Contractor to provide any needed access to records and documents, for performance of the obligations contained in this Agreement.

ARTICLE 6. TERMINATION OF AGREEMENT

Termination upon Notice

Section 6.01. City may terminate this Agreement upon giving a thirty (30) day prior written notice to Contractor. Contractor may terminate this Agreement upon giving One hundred twenty days (120) prior written notice to City.

Termination upon Assignment

Section 6.02. Notwithstanding any other provision of this Agreement, the Agreement shall terminate automatically, without prior notice, upon an assignment in violation of Section 4.07, herein.

ARTICLE 7. GENERAL PROVISIONS

Independent Contractor

Section 7.01. Contractor is and at all times shall remain as to City a wholly independent contractor. Contractor shall not at any time or in any manner become, represent that it or any of its principals or employees have become, officers, employees or agents of the City. Contractor shall comply with all applicable provisions of the Workers' Compensation Act and Labor Code of the State of California. Contractor shall not have any claim or right to any benefits or privileges available to any employee of the City such as health insurance and any other similar benefit or benefits.

Waiver of Breach

Section 7.02. No waiver of the breach of any of the covenants, agreements, restrictions, or conditions of this Agreement by either party to this Agreement shall be construed to be a waiver of any succeeding breach of the same or other covenants, agreements, restrictions or conditions of this Agreement. No delay or omission of either party to this Agreement in exercising any right, power or remedy herein provided in the event of default shall be construed as a waiver thereof or acquiescence therein, or be construed as a waiver or a variation of any of the terms of this Agreement.

Indemnity

Section 7.03. Contractor and City agree that City, its employees, agents, attorneys, commissions, boards and elected and appointed officials should, to the extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorneys fees, litigation costs, defense costs, court costs or any other cost arising out of or in any way related to Contractor's performance or the terms of this Agreement. Contractor shall indemnify, defend, and hold harmless City, its employees, agents, attorneys, commissions, boards and elected and appointed officials from any and all liability, claims, suits, actions, proceedings, losses, expenses or costs of any kind (including attorney fees and costs) incurred in relation to, as a consequence of or arising out of or in any way related to this Agreement or Contractor's performance under this Agreement.

Insurance

Section 7.04. Contractor shall maintain policies of comprehensive public liability and property damage insurance with limits of not less than $1,000,000 per occurrence. Contractor shall add City, its officers, employees and agents as additional insured on any policy of insurance required under this Agreement. Contractor shall provide City with evidence of the insurance required herein, satisfactory to City, consisting of certificates of insurance that attach separate

additional insured endorsement pages (form CG 20 10 11 85) which will state the City of Huntington Park, its officers, employees, and agents as additional insured. Coverage shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to City or any employee or agent of City, allow for the application of all coverage available, and require 30 days notice to City by certified mail of any cancellation or reduction in available limits or changes in the terms of coverage.

Contractor and City further agree as follows:

(a) Nothing contained in this Section is to be construed as affecting or altering the legal status of the parties to this Agreement. The insurance requirements set forth in this Section are intended to be separate and distinct from any other provision in this Agreement and shall be interpreted as such.

(b) All insurance coverage and limits provided pursuant to this Agreement shall apply to the full extent of the policies involved, available or applicable. Nothing contained in this Agreement or any other agreement relating to the City or its operations limits the application of such insurance coverage.

(c) Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only and is not intended by any party to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

(d) For purposes of insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards, performance of this Agreement.

(e) In the event any policy of insurance required under this Agreement does not comply with these requirements or is cancelled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Contractor.

(f) Any actual or alleged failure on the part of City or any other additional insured under these requirements to obtain proof of insurance required under this Agreement shall in no way waive any right or remedy of City or any additional insured, in this or any other regard.

(g) Contractor agrees to require all subcontractors or other parties hired for this project to provide general liability insurance naming as additional insureds all parties to this Agreement. Contractor agrees to obtain certificates evidencing such coverage and make reasonable efforts to ensure that such coverage is provided as required herein. Contractor agrees to require that no contract used by any subcontractor, or any contract Contractor enters into on behalf of City, will reserve the right to charge back to City the cost of insurance required by this Agreement. Contractor agrees that upon request, all agreements with subcontractors or others with whom Contractor contracts with on behalf of City will be submitted to City for its review. Failure of City to request copies of such agreements will not impose any liability on City, or its employees.

(h) If Contractor is a Limited Liability Company, general liability coverage must be amended so that the Limited Liability Company and its managers, affiliates, employees, agents, and other persons necessary or incidental to its operation are insureds.

(i) Contractor agrees to provide immediate notice to City of any claim or loss against Contractor that includes City as a defendant. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.

Section 7.05. Non-liability of City Officers and Employees. No officer, official, employee, agent, representative, or volunteer 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.

Section 7.06. Conflict of Interest. No officer, official, employee, agent, representative, or volunteer of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his or her financial interest or the financial interest of any corporation, partnership or association in which he or she is, directly or indirectly, interested, in violation of any State statute or regulation. The Contractor warrants that it has not paid or given and shall not pay or give any third party any money or other consideration for obtaining this Agreement.

Section 7.07. 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 insure 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.

Notices

Section 7.08. Any notice to be given hereunder by either party to the other shall be in writing and affected either by personal delivery, or by certified mail, postage prepaid, return receipt requested. Mailed notices shall be addressed to the City in care of the City's Director of Finance, and City Manager, City of Huntington Park, 6550 Miles Avenue, Huntington Park, California 90255-4393, and to Contractor, in care of Gilbert Vasquez at 801 S. Grand Ave Suite 400, Los Angeles, California 90012; however, each party may change the address by written notice in accordance with this section. Notices delivered personally will be deemed served as of actual receipt; mailed notices will be deemed served as of the second (2nd) day after mailing.

Entire Agreement of the Parties

Section 7.09. This Agreement supersedes any and all other Agreements, either oral or written, between the parties hereto with respect to the rendering of services by Contractor to City and contains all of the covenants and agreements between the parties with respect to the rendering of

such services in any manner whatsoever. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, oral or otherwise, have been made by any party or anyone acting on behalf of any party, which is not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding. Any modification of this Agreement will be effective only if it is in writing executed by the parties hereto.

Section 7.10. The covenants and agreements contained herein are binding on the parties hereto, their legal representatives, heirs, successors and assigns. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

Section 7.11. 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 in the form of a formal executed written amendment.

Section 7.12. Severability. In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in 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 phrases, sentences, clauses, paragraphs, or sections 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.

Section 7.13. 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.

Governing Law

Section 7.14. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

Attorneys' Fees

Section 7.15. In the event that either of the parties to this Agreement institute any action or proceeding against the other relating to the provisions of this Agreement, then and in that event, the unsuccessful party in such action or proceeding shall reimburse the prevailing party for the reasonable expenses of attorneys' fees and disbursements incurred therein by the prevailing party in addition to any associated award.

Venue

Section 7.16. This Agreement is made, entered into, executed and is to be performed in Huntington Park, Los Angeles County, California, and any action filed in any court for the interpretation or enforcement of the terms, covenants and conditions referred to herein shall be filed in the applicable court in Los Angeles County, California.

EXECUTED in duplicate at Huntington Park, California, on the date and year first hereinabove written.

CONTRACTOR

Gilbert R. Vasquez, Vasquez and Company.LLP.
Its: Managing Partner

CITY OF HUNTINGTON PARK

Elba Guerrero, Mayor

ATTEST:

Rosanna Ramirez, City Clerk

EXHIBIT “A”

CITY OF HUNTINGTON PARK
REQUEST FOR PROPOSALS

FOR
PROFESSIONAL AUDITING SERVICES

ELBA PADILLA
DIRECTOR OF FINANCE/CITY TREASURER
CITY OF HUNTINGTON PARK
6550 MILES AVENUE
HUNTINGTON PARK, CA 90255

CITY OF HUNTINGTON PARK
REQUEST FOR PROPOSALS
PROFESSIONAL AUDITING SERVICES

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CITY OF HUNTINGTON PARK
REQUEST FOR PROPOSALS
PROFESSIONAL AUDITING SERVICES

I. INTRODUCTION

A. General Information

The City of Huntington Park and Huntington Park Community Development Commission are requesting proposals from qualified certified public accountant firms to audit its financial statements for the three fiscal years beginning with the fiscal year ending June 30, 2008, with the option of auditing its financial statements for each of the four (4) subsequent fiscal years, in addition to performing other financial audits and reviews as specified below. These audits are to be performed in accordance with auditing standards generally accepted in the United States of America, the standards set forth for financial audits contained in *Government Auditing Standards (1994)* issued by the Comptroller General of the United States, and the U.S. Office of Management and Budget (OMB) Circular A-133 *Audits of State and Local Governments and Non-Profit Organizations.*

There is no expressed or implied obligation for the City of Huntington Park to reimburse responding firms for any expenses incurred in preparing proposals in response to this request. Materials submitted by respondents are subject to public inspection under the California Public Records Act (Government Code Sec. 6250 et seq.), unless exempt.

To be considered, four (4) copies of a proposal must be received by Elba Padilla, Director of Finance/City Treasurer at 6550 Miles Avenue #116, Huntington Park, CA 90255, by **4:30 p.m. on July 15, 2008**. The City reserves the right to reject any or all proposals submitted.

During the evaluation process, the City of Huntington Park reserves the right, where it may serve the City's best interest, to request additional information or clarification from proposer, or to allow corrections of errors or omissions. At the discretion of the City of Huntington Park, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The City reserves the right to retain all proposals submitted and to use any idea(s) in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in the request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City of Huntington Park and the firm selected.

It is anticipated the selection of a firm will be completed by **July 24 2008**. Following the notification of the selected firm, a recommendation and proposed contract will be prepared for review and approval by the City Council at its **August 4, 2008** meeting. The City reserves the right to reject any or all proposals, to waive any non-material irregularities or information in any proposal, and to accept or reject any items or combination of items.

B. Term of Engagement

It is the intent of the City to contract for the services presented herein for a term of five (5) years. The City of Huntington Park reserves the right to extend the term of this contract for four (4) additional one-year terms subject to the satisfactory negotiation of terms, including a price acceptable to both the City and the selected firm.

The proposal package shall present all inclusive audit fees for each year of the contract term.

II. NATURE OF SERVICES REQUIRED

A. Scope of the Work to be Perform

The City of Huntington Park desires a Comprehensive Annual Financial Report (CAFR) and its component unit financial statements for the City of Huntington Park and Huntington Park's Community Development Commission to be prepared by the independent auditor and be fully compliant for GASB 34 for the fiscal year ended June 30, 2008 and each of the subsequent years, June 30, 2009, June 30, 2010, June 30, 2011 and June 30, 2012 of the audit firm's contract with the City. The City will be planning to submit the CAFR to the California Society of Municipal Finance Officers (CSMFO) for review in their Certificate of Award for Outstanding Financial Reporting program and to the Government Finance Officers Association (GFOA) for review in their Certificate of Achievement for Excellence in Financial Reporting program.

The selected independent auditor will be required to perform the following tasks.

1. The audit firm will perform an audit of all funds of the City of Huntington Park. The audit will be conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller of the United States. **The City's Comprehensive Annual Financial Report (CAFR) will be prepared and word processed by the audit firm.** The CAFR will be in full compliance with GASB 34. The audit firm will render their auditors' report on the basic financial statements which will include both Government-Wide Financial Statements and Fund Financial Statements. The audit firm will also apply limited audit procedures to Management's Discussion and Analysis (MD&A) and required supplementary information pertaining to the General Fund and each major fund of the City.

   The audit firm will conduct a financial and compliance audit of the Huntington Park Community Development Commission. The compliance audit shall include the provisions of laws and regulations identified in the Guidelines for Compliance Audits of California Redevelopment Agencies, issued by the State Controller. The auditors shall prepare GASB 34 compliant component unit financial statements for each year of the engagement.

2. The audit firm will perform a single audit on the expenditures of federal grants in accordance with OMB Circular A-133 and render the appropriate audit reports on Internal Control over Financial Reporting based upon the audit of the City's financial statements in accordance with *Government Auditing Standards* and the appropriate reports on compliance with Requirements Applicable to each Major Program, Internal Control over Compliance and on the Schedule of Expenditures of Federal Awards in Accordance with OMB Circular A-133. The single audit report will include appropriate schedule of expenditures of federal awards, footnotes, findings and questioned costs, including reportable conditions and material weaknesses, and follow up on prior audit findings where required.

3. The audit firm shall perform agreed-upon auditing procedures pertaining to the City's GANN Limit (Appropriations Limit) and render a letter annually to the City regarding compliance.

4. The audit firm shall issue a separate "management letter" that includes recommendations for improvements in internal control, accounting procedures and other significant observations that are considered to be non-reportable conditions. Management letters shall be addressed to the City Manager.

5. The audit firm shall prepare the Annual State Controller's Reports for the City of Huntington Park and the Huntington Park Community Development Commission, and possibly the Annual Street Report (currently use the State's services).

B. Auditing Standards to be Followed

To meet the requirements of this Request for Proposals, the audit shall be performed in accordance with:

1. Generally accepted auditing standards as set forth by the American Institute of Certified Public Accounts;

2. The standards applicable to financial audits contained in *Government Auditing Standards* (l994 Revision), issued by the Comptroller General of the United States;

3. The provisions of the Single Audit Act as amended in 1996; and

4. The provisions of U. S. Office of Management and Budget (OMB) Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations.*

C. Working Paper Retention

All working papers and reports must be retained at the auditor's expense for a minimum of seven (7) years, unless the firm is notified in writing by the City of Huntington Park of the need to extend the retention period. The auditor will be required to make working papers available

to the City of Huntington Park or any government agencies included in the audit of federal grants. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

D. Irregularities and Illegal Acts

Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the following parties: City Manager; City Attorney; and the Director of Finance/City Treasurer.

III. DESCRIPTION OF THE GOVERNMENT

A. Background Information

The City of Huntington Park is located in the southeast portion of Los Angeles County, approximately 5 miles southeast of Los Angeles and services an area of 3.5 square miles with a population of 64,929. The City's fiscal year begins on July 1 and ends on June 30.

The City of Huntington Park was incorporated on September 1, 1906 as a general law city which operates under the council/manager form of government. The city government is divided into six departments: Administration, Finance, Police, Community Development, Public Works, and Recreation and Community Services. The City contracts with an outside firm to operate and maintain the water system but the City processes the monthly billing. The City also contracts to provide transportation services. Fire, paramedic and animal control services are provided by the County of Los Angeles and the Southeast Area Animal Control Authority, respectively.

The City of Huntington Park's operating budget in FY 2006-07 is approximately $100 million for all funds combined including the Huntington Park Community Development Commission.

B. Fund Structure

The City of Huntington Park uses the following fund types and account groups in its financial reporting:

Fund Type/Account Group	City	RDA	
General Fund	1		
General Reserve Fund			
Special Revenue Fund	12		
Debt Service Fund		3	
Capital Projects Fund		4	
Enterprise Fund	2		
Fiduciary Fund			
General Fixed Assets Account Group	1		
General Long-Term Debt Account Group	1		

C. Component Units

The City is defined, for financial reporting purposes, in conformity with the Governmental Accepting Standards Board's *Codification Governmental Accounting and Financial Reporting Standards*, Section 2100. Using these criteria, component units are included in the City's financial statements.

The management of the City identified the following component unit (with fiscal year ending June 30) for inclusion in the City's financial statements:

Huntington Park Community Development Commission

This component unit is to be audited as part of the audit of the City's financial statements. The contact person and record location is the same as the primary unit.

D. Magnitude of Finance Operations

The Finance and Treasury Services Department is headed by Elba Padilla, Director of Finance and City Treasurer and consists of 15 employees. The principal functions performed and the number of employees assigned to each is as follows:

Function	Number Of Employees
Accounting	6
Accounts Payable	1
Payroll	1
Finance Assistant/Cashier	6
Administrative Assistant/Information Systems	1

E. Computer Systems

The City's computerized systems are run on a Local Area Network (LAN). The accounting functions are computerized using Sungard/HTE Systems software on an IBM window based. The applications operating on this system are general ledger, accounts payable, payroll, human resources, miscellaneous accounts receivable, cash receipts, fixed assets, business license, parking citations and utility billing.

F. Availability of Prior Reports and Work Papers

Vavrinek, Trine, Day & Co., LLP in Rancho Cucamonga, CA conducted the City's most recent audit. The work papers of the previous audits are the property of the previous auditor and can be reviewed by the successful Proposer. The following financial statements were prepared or audited by Vavrinek, Trine, Day & Co., LLP.

1. City of Huntington Park Comprehensive Annual Financial Report;
2. A Single Audit Report; and
3. Component Unit Financial Statements for the Huntington Park Community Development Commission

IV. TIME REQUIREMENTS

A. Proposal Calendar

The following is a list of key dates up to, and including, the date proposals are to be submitted:

Date	Activity
June 18, 2008	Request for Proposal issued
July 15, 2008	Due date for proposals (due by 4:30 p.m.)
July 21-23, 2008	Oral Interviews (conducted at City's discretion)
August 4, 2008	Contract awarded by City Council

B. Date Audit May Commence

Audit planning, including all necessary planning for the implementation of GASB 34, documentation of systems of internal control and compliance and transaction testing should be completed during interim stage. It is expected the City will close its books and be ready for the final audit by the end of September. Before commencing the audit, Proposer should submit PBC listing within a reasonable time frame indicating all required reports and schedules and whether required in hardcopy or electronic format.

C. Date Reports Are Due

The auditor shall provide all drafts and recommendations for improvements to the Director of Finance and City Treasurer within a reasonable time period after the last day of field work. The auditor should be available for any meetings that may be necessary to discuss the draft audit reports. Once all issues of discussion are resolved, the completed CAFR, component unit financial statements, Single Audit report and other reports shall be delivered to the Director of Finance/City Treasurer. It is anticipated that this process will be completed and the final products to be delivered by December 1, 2008.

V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

A. Finance Department

The Finance Department staff will be available during the audit to assist the firm by providing information, documentation, and explanations. Elba Padilla, Finance Director/City Treasurer and Will Kaholokula, CPA, Accounting Supervisor, will be responsible for acting as the liaison between the audit firm and the accounting personnel.

B. Work Area, Telephone, and Office Equipment

The City will provide the auditor with reasonable work space, desks and chairs. The auditor will also be provided with access to a telephone, a computer with access to the general ledger system, and photocopying and FAX machines.

C. Report Preparation

Report preparation and editing of one final copy shall be the responsibility of the auditor. Final report will be forwarded to the City in electronic PDF file, so that we may distribute to other entities and place on the City's website.

1. *Comprehensive Annual Financial Report*

2. *Single Audit Report*

3. *Redevelopment Agency Financial Statements*

VI. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries concerning the Request for Proposals and the subject of the Request for Proposals must be made to:

   Elba Padilla
   Director of Finance & City Treasurer
   6550 Miles Avenue
   Huntington Park, CA 90255
   (323) 584-6201
   epadilla@huntingtonpark.org

CONTACT WITH PERSONNEL OF THE CITY OTHER THAN THE ABOVE REGARDING THIS REQUEST FOR PROPOSALS MAY BE GROUNDS FOR ELIMINATION FROM THE SELECTION PROCESS.

2. Submission of Proposal. Four (4) copies of the Proposal shall be received in the office of Finance Department of the City of Huntington Park **by 4:30 p.m. on July 15, 2008** for a proposal to be considered. The Proposal should address the items listed in sections C and D below.

The Proposal should be addressed as follows:

Elba Padilla
Director of Finance/City Treasurer
6550 Miles Avenue #116
Huntington Park, CA 90255

B. Format for Technical Proposal

1. Title Page showing the request for proposals subject; the firm's name; the name, address and telephone number of the contact person; and the date of the proposal.

2. Table of Contents identifying the materials submitted by section and page number. Cross-referencing to section and page number in the RFP would be helpful.

3. Signed Transmittal Letter briefly stating the Proposer's understanding of the work to be done; the commitment to perform the work within the time period; and the name(s) of the person(s) authorized to represent the Proposer, title, address, and telephone number.

4. Detailed Proposal following the order set forth in Section C below.

C. Contents of Technical Proposal

The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firm seeking to undertake an independent audit of the City in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than the form or manner of presentation. The Technical Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposals requirements.

The Technical Proposal should address all points outlined in the request for proposals (excluding any cost information which should only be included in the Sealed Dollar Cost Bid). The proposal should be prepared simply and economically, providing a straightforward, concise description of the Proposer's capabilities to satisfy the requirements of this request for proposals. While additional data may be presented, the following subjects must be included. They represent the criteria against which the proposal will be evaluated.

1. *License to Practice in California*

An affirmative statement should be included verifying the firm and all assigned key professional staff are properly licensed to practice in California.

2. *Independence*

   The firm should provide an affirmative statement that it is independent of the City of Huntington Park as defined by auditing standards generally accepted in the United States of America and the General Accounting Office's *Government Auditing Standards*.

3. *Firm Qualifications and Experience*

   To qualify the firm must have extensive experience in audits of local governments as well as experience with preparation of Comprehensive Annual Financial Statements in GASB 34 format. The Proposer should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed, and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis. Staff consistency is an important consideration.

   The Proposer should provide the range of activities performed by the local office, e.g., audit, accounting, tax service and/or management consulting services.

   The Proposer must provide a list of all current municipal clients.

   The Proposer is also required to submit a copy of a report on its most recent external quality control review (peer review), with a statement whether that quality control review included a review of specific government engagements (required by Government Audit Standards (1994).

   The Proposer shall also provide information on the results of any Federal or State desk reviews or field reviews of its audits during the past three (3) years. In addition, the Proposer shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with State regulatory bodies or professional organizations.

4. *Partner, Supervisory and Staff Qualifications and Experience*

   Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists who would be assigned to this engagement. Include resumes, indicating whether each such person is registered or licensed to practice as a certified public account in California. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past (3) three years and membership in professional organizations relevant to the performance of this audit.

   Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the City. However, in either case, the City retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the Proposer provided that replacements have substantially the same or better qualifications or experience.

5. *Similar Engagements with Other Government Entities*

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum - 5) performed in the last three (3) years that are similar to the engagement described in this request for proposals. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact. Also please indicate whether the audit was part of a Comprehensive Annual Financial Report prepared in conformance with the GASB 34 requirements. Information should be provided regarding clients that the firm serves that have received the CSMFO and GFOA awards.

Please provide a list of not less than five client references for which services similar to those outlined in the RFP are currently being provided. For each reference listed provide the name of the organization, dates for which the service(s) are being provided, type of service(s) being provided and the name, address and telephone number of the responsible person within the reference's organization. The City reserves the right to contact any or all of the listed references regarding the audit services performed by the Proposer.

6. *Specific Audit Approach*

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this request for proposals. In developing the work plan, reference should be made to such sources of information as City of Huntington Park's budget and related materials, organizational charts, manuals, programs, and financial and other management information systems.

Proposers will be required to provide the following information on their audit approach:

a. Proposed segmentation for the engagement;

b. Level of staff and number of hours to be assigned to each proposed segment of the engagement;

c. Sample size and the extent to which statistical sampling is to be used in this engagement;

d. Extent of use of EDP software in this engagement;

e. Type and extent of analytical procedures to be used in this engagement;

f. Approach to be taken to gain and document an understanding of the City's internal control structure;

g. Approach to be taken in determining laws and regulations that will be subject to audit test work; and

h. Approach to be taken in drawing audit samples for purposes of tests of compliance.

7. *Identification Anticipated Potential Audit Problems*
The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the City.

NO DOLLAR AMOUNTS SHOULD BE INCLUDED IN THE TECHNICAL PROPOSAL.

D. Contents of Cost Proposal

1. *Total All-Inclusive Maximum Price*

The cost proposal should contain all pricing information relative to performing the audit engagement as described in this request for proposals. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

The City will not be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed dollar cost bid. Such costs should not be included in the proposal.

The cost proposal should be submitted in the format provided in Attachment A, "AUDIT WORK COST PROPOSAL FORM" and Attachment B, "ESTIMATE OF COST."

2. *Manner of Payment*
Progress payment will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's proposal. Interim billings shall cover a period of not less than a calendar month.

VII. EVALUATION PROCEDURES

A. Review of Proposals

City Staff, consisting at a minimum, of the following, will evaluate submitted proposals:

Elba Padilla, Director of Finance/ City Treasurer
Will Kaholokula, CPA, Accounting Supervisor

B. Evaluation Criteria

Proposals will be evaluated using three (3) sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated and scored for both technical qualifications and price. The following represent the principal selection criteria, which will be considered during the evaluation process.

1. Mandatory Elements

   a. The audit firm is independent and licensed to practice in California.

   b. The firm has no conflict of interest with regard to any of the work performed by the firm for the City.

   c. The firm adheres to the instructions in this request for proposals on preparing and submitting the proposal.

   d. The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work.

   e. The firm's past experience and performance on comparable government engagements.

   f. The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.

   g. Adequacy of proposed staffing plan for various segments of the engagement.

   h. Thoroughness of approach to conducting the audit of the City and demonstration of the understanding of the objectives and scope of the audit.

   i. Commitment to timeliness in the conduct of the audit.

   j. Maximum fees to conduct the audit.

Attachment A

AUDIT WORK COST PROPOSAL FORM

Service	2007/08	2008/09	2009/10	2010/11	2011/12
City Financial Report	$	$	$	$	$
GANN Limit Review Report	$	$	$	$	$
CDC Financial Report	$	$	$	$	$
Management Letter-City & CDC	$	$	$	$	$
Annual State Controller Report City	$	$	$	$	$
Annual State Controller Report CDC	$	$	$	$	$
Annual Statement of Indebtedness CDC **(prepared by City but in the event that this is not possible)**	$	$	$	$	$
Total for Fiscal Year	$	$	$	$	$

Attachment B

ESTIMATE OF COST

Name of Firm: _____

Address: _____

_____

_____

Contact Name: _____

Contact Phone #: _____ Fax #: _____

Contact Email: _____

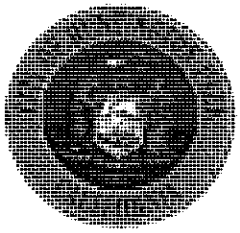
1. Auditor's Standard Billing Rates

Auditors Standard Hourly Billing Rates					
POSITION	**2007/08**	**$2008/09**	**2009/10**	**2010/11**	**2011/12**
Partner	**$**	**$**	**$**	**$**	**$**
Manager	**$**	**$**	**$**	**$**	**$**
Senior Accountant	**$**	**$**	**$**	**$**	**$**
Staff Accountant	**$**	**$**	**$**	**$**	**$**
Clerical	**$**	**$**	**$**	**$**	**$**

EXHIBIT “B”

TECHNICAL PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

CITY OF HUNTINGTON PARK



Submitted by

VASQUEZ & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS AND BUSINESS CONSULTANTS

An Independent Member of the BDO Seidman Alliance

Members AICPA Division of Firms ♦ Center for Public Company Audit Firms ♦ Registered with the PCAOB
801 S. Grand Avenue, Suite 400, Los Angeles, CA 90017-4646
(213) 629-9094 ♦ Fax (213) 996-4242 ♦ www.vasquezcpa.com
Contact: Mr. Gilbert Vasquez, CPA ♦ Date: July 15, 2008

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July 15, 2008

Elba Padilla
Director of Finance/City Treasurer
6550 Miles Avenue #116
Huntington Park, CA 90255

RE: Request for Proposals for Auditing Services

Vasquez & Company LLP (Firm) is pleased to respond to the City of Huntington Park and the Huntington Park Community Development Commission's (collectively the "City") request for proposal to audit their financial statements for the fiscal year ending June 30, 2008, with the option of auditing the financial statements of the City for each of the four (4) subsequent fiscal years.

Firm's Understanding

We understand that we will provide an auditing service to the City. Our audit approach is tailored to meet all technical requirements while maintaining professional skepticism without forgetting that we provide a service. We are able to achieve this by partner involvement in all phases of the audit and assigning experienced governmental audit staff to the engagement. Partner involvement will result in decisions being made on a timely basis and experienced staff will minimize disruption to your staff.

The scope of our services for the fiscal year ending June 30, 2008 with the option of auditing the financial statements of the City for each of the four (4) subsequent years would be as follows:

- Perform an audit of all funds of the City of Huntington Park in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States.
- Render an auditors' report on the basic financial statements to include both Government-wide Financial Statements and Fund Financial Statements.
- Prepare and word-process the City's Comprehensive Annual Financial Report (CAFR) in full compliance with the provisions of laws and regulations identified in the Guidelines for Compliance Audits of California Redevelopment Agencies.
- Perform a financial and compliance audit of the City of Huntington Park Community Development Commission in full compliance with GASB 34.
- Perform a single audit on the expenditure of federal grants in accordance with OMB Circular A-133 and render an opinion on the Internal Control over Financial Reporting based upon the audit of the City's financial statements in accordance with *Government Auditing Standards* and on compliance with Requirements Applicable to each Major Program, Internal Control over Compliance and on the Schedule of Expenditures of Federal Awards.
- Perform agreed-upon procedures pertaining to the City's GANN Limit (Appropriations Limit) and render a letter annually to the City regarding compliance.
- Issue a separate "management letter" addressed to the City Manager that includes recommendations for improvements in internal control, accounting procedures, and other significant observations that are considered to be non-reportable conditions.
- Prepare the Annual State Controller's Report for the City of Huntington Park and the Huntington Park Community Development Commission; and the Annual Street Report (if applicable).

At the conclusion of our audits we will be pleased to make a presentation to the City Council and the Agency's Board and/or the appropriate Audit Committee, during which we will discuss our audit approach, scope and results. We pride ourselves on our ability to convey complex information in an informative

fashion, free of bias, such that Management can evaluate the significance of the information and determine action plans as may be appropriate.

City Management can be assured that our audits will be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's *Government Auditing Standards (1994 revision),* the provisions of the Federal Single Audit Act of 1996, and the provisions of the U. S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Nonprofit Organizations,* and commit to perform the work within the agreed time period

Best Qualified to Perform the Engagement

Our FIRM is uniquely qualified to provide services to the City because of our size, resources, the level of professional expertise of our personnel and experience with similar engagements. We are well qualified to review and work with the City to ensure that the City's Comprehensive Annual Financial Report (CAFR) is consistent with the audited financial statements; in compliance with the Government Finance Officers Association (GFOA) certificate of achievement program requirements; the California Society of Municipal Finance Officers (CSMFO) requirements and that the report is completed and submitted within the specified timeframe. Our knowledge of the GFOA and CSMFO requirements is demonstrated by the fact that our staff has worked hand-in-hand with our clients in achieving their certificate awards.

Our FIRM has performed over 6,000 financial and compliance audits of governmental entities and nonprofit organizations in its 40-year untarnished history - a statement that cannot be made by many other firms. We have worked extensively with governmental entities and have the expertise to conduct quality audits in this area. We recently completed our term as auditors for the Single Audit of the County of Los Angeles – the largest single audit in the western United States. This audit was performed thoroughly, efficiently and on-time, something that had not occurred with the prior firm engaged to perform this service. Our Firm has been recognized by government agencies as having a depth of experience and skill that rivals larger national firms.

Financial and Compliance Audit Services

Our Firm has performed numerous audits of governmental organizations subject to financial and compliance audits. These audits were performed in accordance with auditing standards generally accepted in the United States, Government Auditing Standards, OMB Circular A-133 and its Compliance Supplement (when applicable), and the Office of the State Controller's Minimum Audit Requirements and Reporting Guidelines for California Special Districts (when applicable). A list of engagements completed over the years is as follows:

- County of Los Angeles (Subcontractor to KPMG)
- Port of LA (Subcontractor to KPMG)
- City of San Fernando
- City of Gardena
- City of Baldwin Park
- City of Cudahy
- City of Pico Rivera
- City of South Gate
- City of Needles Public Utility Authority
- Central Basin Municipal Water District
- Upper San Gabriel Valley Municipal Water District
- Water Replenishment District of Southern California
- Walnut Valley Water District
- Valley County Water District
- Local Agency Formation Commission for Los Angeles County
- Los Angeles County Metropolitan Transportation Authority
- Alameda Corridor Transportation Authority
- City of Pomona, Public Works Department
- City of Los Angeles, Dept. of Public Works, Bureau of Sanitation
- Southern California Association of Governments
- Los Angeles Community College District (Subcontractor to KPMG)
- Rio Hondo Community College District
- Compton Unified School District
- University of West Los Angeles School of Law
- Community Development Commission of the County of Los Angeles
- Economic Development Corporation of Los Angeles County
- Los Angeles County Law Library

We thank you for this opportunity to present our FIRM and its professional qualifications to the City. We trust that you will find Vasquez & Company LLP uniquely qualified to provide the City with professional auditing services. Mr. Gilbert R. Vasquez, Managing Partner of Vasquez & Company LLP, with offices located at 801 S. Grand Avenue, Suite 400, Los Angeles, CA 90017-4646, is authorized to represent and negotiate on behalf of our Firm. Should you have any questions or desire further assistance, please call Mr. Gilbert R. Vasquez, Managing Partner, at (213) 629-9094 extension 200.

Sincerely,

VASQUEZ & COMPANY LLP

Gilbert R. Vasquez
Managing Partner

LICENSE TO PRACTICE IN CALIFORNIA

Our Firm is properly licensed to conduct public accounting in California. Furthermore, the Firm holds valid business permits and other documents as required by the City, County, State, and other governmental and/or regulatory bodies to legally engage in and perform the services requested under this RFP. The Firm further assures that management-level engagement team members are properly licensed Certified Public Accountants in California. The Firm certifies that upon notification, it will inform the District of any suspension, termination, lapse, non-renewals, or restrictions of its licenses, certificates, or other required documents.

CALIFORNIA BOARD OF ACCOUNTANCY

Licensee Name:	VASQUEZ & CO LLP
License Type:	CPA - Partnerships
License Number:	6286
License Status:	CLEAR Definition
Expiration Date:	July 31, 2009
Issue Date:	July 28, 1997
Address:	801 S GRAND AVE #400
City:	LOS ANGELES
State:	CA
Zip:	90017-4646
County:	LOS ANGELES

Disciplinary Actions/License Restrictions: No

No records returned

This information is updated Monday through Friday - Last updated: JUN-25-2008

INDEPENDENCE

The Firm meets the independence requirements of the Government Auditing Standards, 2003 revision, published by the United States General Accounting Office ("Yellow Book") as it relates to the City.

It is our profession's nature to be objective and unbiased. People depend on the opinions of Certified Public Accountants and look upon their reports as fair and accurate representations. The nature of our work is detailed and analytical, yet highly cognizant of the overall perspective. It is also one of our professional tenets to be independent and impartial in expressing our opinions. We have often been placed in the position of being the bearer of unpleasant news in situations of non-compliance. It is our strict policy to be straightforward and impartial whether the news is favorable or unfavorable.

PROFESSIONAL RELATIONSHIPS WITH THE CITY

The Firm has not had in the past five years any professional relationships involving the City. In addition, the Firm will give the City written notice of any professional relationships entered into during the period we are engaged as the City's auditors that involves the City.

The Firm covenants that it presently has no interest, and shall not acquire any interest direct or indirect or otherwise, which would conflict in any manner or degree with the performance of the work required hereunder. We further covenant that, in the performance of this work, no subcontractor persons having such an interest shall be employed. We certify that no one who has or will have any financial interest in performing this work is an officer or employee of the City.

FIRM QUALIFICATIONS AND EXPERIENCE

Vasquez & Company LLP is a full service Certified Public Accounting firm comprised of 52 individuals. Founded in 1967, the Firm has 40 years experience in performing financial and compliance audits of not-for-profit organization, for-profit organizations, public agencies and publicly traded companies. As a local firm, we are able to offer timely, personalized attention. Our professionals deliver innovative yet practical solutions that help clients gain competitive advantage. The audits will be performed from headquarters located at 801 S. Grand Avenue, Suite 400, Los Angeles, CA 90017

PHYSICAL RESOURCES

The location of the office from which the work on this engagement will be performed is at 801 S. Grand Avenue, Suite 400, Los Angeles, CA 90017. We have a computer network with approximately twenty (20) workstations. All the auditors have laptop computers, which connect to the network via the Internet. Printers and scanners are also available for auditors to bring to the clients' offices, as needed.

PERSONNEL RESOURCES

The Firm consists of approximately 52 individuals as follows:

Partners	3
Principals	8
Managers	4
Supervisors	5
Seniors	15
Staff	7
No. of Professionals	**42**
Administrative	10
Total	**52**

GOVERNMENT PRACTICE TEAM

Our Government Audit team consisting of Mr. Gilbert Vasquez, CPA, Managing Partner, Mr. Lee Waddle, CPA, Quality Control Partner, Mr. Vedeo Tiñana, CPA, Government Practice Principal, and Ms. Cristy Canieda, CPA, Government Practice Manager, supported by a pool of senior auditors with an average of six years experience in conducting audits of cities, government agencies, and special districts, have assisted several of our clients in achieving their CSMFO Certificate of Award for Outstanding Financial Reporting and the GFOA Certificate of Achievement for Excellence in Financial Reporting. In addition to our Government Practice Management team mentioned above we will utilize on a full-time basis 1 audit supervisor and 1 senior auditor and on a part-time basis 2 senior auditors.

STAFF CONTINUITY

Our commitment to achieve long-term engagement continuity is accomplished through early planning and thorough management which increases audit efficiency and streamlines the audit process for the CITY. The selection of personnel we propose for assignment to this engagement has been based on the above criteria. The Firm covenants that it will not replace any of the "key management personnel" unless circumstances beyond our control occur (e.g. personnel leave the Firm). Each person to be assigned to the engagement has been chosen for his or her ability to repeat on future years' engagements.

RANGE OF SERVICES

Our Firm provides audit, consulting, tax, financial advisory, review and compilation services. Our audit services include financial statement audits of companies in private and public sectors, audits of federal grants under OMB A-133, compliance examination audits, overhead rate audits under FAR Part 31 for private companies or OMB A-122 for not-for-profit organizations. In addition, we provide internal audit services to augment the staffing needs of internal audit departments. Our Firm offers accounting services such as: detailed accounting transactions, handling receipts and bank deposits, personal bill paying, accounts receivables, business consulting and payroll preparation and reporting. Our financial advisory services include: management advisory services, pension plan design, business management and estate planning. Our tax services encompass tax return preparation for not-for-profit organizations, individuals, corporations and partnerships, sales and use tax review, business tax planning and consulting. The Firm provides complete technology assurance services for your information technology infrastructure. Our consultants can augment or provide your internal audit function for technology related matters; implement security strategies that enable your business; offer sound and practical advice that includes process control enhancements; or provide your organization with an appropriate technology control strategy. The Firm provides cost segregation services for commercial real estate owners. Our cost segregation services provide an independent third-party analysis of project costs that can provide a federal and in some cases, state tax advantage. In addition, we provide fraud examinations, IRS collections and procedures consulting and human resources consulting.

MUNICIPAL AND SPECIAL DISTRICT CLIENTS

The Firm has performed numerous audits of governmental organizations subject to financial and compliance audits and compliance examination audits, overhead rate audits under FAR Part 31 for private companies or OMB A-122 for not-for-profit organizations. Our financial and compliance audits are performed in accordance with auditing standards generally accepted in the United States, Government Auditing Standards, OMB Circular A-133 and its Compliance Supplement (when applicable), and the Office of the State Controller's Minimum Audit Requirements and Reporting Guidelines for California Special Districts (when applicable). A partial list of the engagements completed over the past five years is as follows:

- County of Los Angeles (Subcontractor to KPMG)
- Port of LA (Subcontractor to KPMG)
- City of San Fernando
- City of Gardena
- City of Baldwin Park
- City of Cudahy
- City of Pico Rivera
- City of Needles Public Utility Authority
- Central Basin Municipal Water District
- Upper San Gabriel Valley Municipal Water District
- Metropolitan Transportation Authority
- Community Development Commission of the County of Los Angeles
- Alameda Corridor Transportation Authority
- Valley County Water District
- City of Pomona, Public Works Department
- City of Los Angeles, Dept. of Public Works, Bureau of Sanitation
- Southern California Association of Governments
- Rio Hondo Community College District
- Los Angeles Community College District
- Compton Unified School District
- Los Angeles Unified School District
- University of West Los Angeles School of Law
- Los Angeles Community College District (Subcontractor to KPMG)

FEDERAL OR STATE DESK/FIELD REVIEWS/RECORD OF QUALITY CONTROL

The Firm is very proud of its untarnished record of quality professional service throughout its 40-year history of professional service and we state with pride that the Firm:

- Has never been sued,
- Has never had any complaints filed against it with the California State Board of Accountancy for substandard work or for any other reason,
- Has never settled any potential law suit,
- Has never been requested to resign from any engagement and,
- Has never received a negative desk or field review from any of our clients' cognizant agencies regarding any of our audits

The Firm is not currently involved in litigation with a current or former client nor is it aware of any pending or threatened claims or assessments.

PEER REVIEW

The Firm is a member of the American Institute of Certified Public Accountants ("AICPA") Division of Firms and received a clean opinion from the AICPA on its peer review, dated March 4, 2005. This review covered several government engagements, including a city comparable in size and audit scope to the CITY. A copy of the peer review opinion follows.

Center for
Public Company
Audit Firms
AICPA
Committed to Audit Quality

American Institute of Certified Public Accountants • Harborside Financial Center, 201 Plaza Three • Jersey City, NJ 07311-3881
201.938.3030 • 888.817.3277 • fax 201.521.5436 • www.aicpa.org/cpcaf

March 4, 2005

Gilbert R Vasquez, CPA
Vasquez & Company, LLP
510 W Sixth St Ste 400
Los Angeles, CA 90014

Dear Mr. Vasquez:

It is my pleasure to notify you that on February 23, 2005 the Center Peer Review Committee accepted the report on the most recent peer review of your firm, the related letter of comments, and your firm's response thereto. Those documents will now be placed in the public files of the Center for Public Company Audit Firms. The exit conference on your next review must occur by June 30, 2007.

As you know, the reviewer's opinion was unmodified. The Committee asked me to convey its congratulations to the firm.

Sincerely,

David Brumbeloe

David Brumbeloe, CPA
Chair
CPCAF Peer Review Committee

cc: Daniel Richard Matter, CPA

Firm Number: 10138115 Review Number: 212351

DANIEL MATTER & CO.
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER OF AICPA
DIVISION FOR CPA FIRMS
SECPS·PCPS

1302 EAST THOUSAND OAKS BOULEVARD
THOUSAND OAKS, CALIFORNIA 91362

TELEPHONE (805) 495-8205
(818) 703-7001
FACSIMILE (805) 495-7735

September 9, 2004

To the Partners
Vasquez & Company LLP
and the Center for Public Company Audit Firms Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Vasquez & Company LLP (the firm) applicable to non-SEC issuers in effect for the year ended December 31, 2003. The firm's accounting and auditing practice applicable to SEC issuers was not reviewed by us since the Public Company Accounting Oversight Board (PCAOB) is responsible for inspecting that portion of the firm's accounting and auditing practice in accordance with PCAOB requirements. A system of quality control encompasses the firm's organizational structure and the policies adopted and procedures established to provide it with reasonable assurance of complying with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of Certified Public Accountants (the AICPA). The design of the system, and compliance with it, are the responsibilities of the firm. Our responsibility is to express an opinion on the design of the system, and the firm's compliance with that system based on our review.

Our review was conducted in accordance with standards established by the Peer Review Committee of the Center for Public Company Audit Firms and included procedures to plan and perform the review that are summarized in the attached description of the peer review process. Our review would not necessarily disclose all weaknesses in the system of quality control or all instances of lack of compliance with it since it was based on selective tests. Because there are inherent limitations in the effectiveness of any system of quality control, departures from the system may occur and not be detected. Also, projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the system of quality control for the accounting and auditing practice applicable to the non-SEC issuers of Vasquez & Company LLP in effect for the year ended December 31, 2003 has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA, and was complied with during the year then ended to provide the firm with reasonable assurance of complying with applicable professional standards.

As is customary in a peer review, we have issued a letter under this date that sets forth comments relating to certain policies and procedures or compliance with them. The matters described in the letter were not considered to be of sufficient significance to affect the opinion expressed in this report.

Daniel Matter & Co.

PARTNER, SUPERVISORY AND STAFF QUALIFICATIONS AND EXPERIENCE

The Firm is able to assemble and manage multi-disciplinary teams of highly qualified and experienced professionals, drawing upon audit staff resources and the complementary capabilities of technical advisory groups. Based on our many years of experience, we are able to integrate the roles and functions of professional, administrative, and supporting staff into a common effort.

In our practice, we employ a team approach. Over time, we have found that our team concept is the most effective way in which to serve a client's diverse needs. Each member of our proposed team possesses a level of experience that is directly related to the tasks that he/she will perform. Our audit administration structure provides for a depth of experience and technical skills from our management personnel. This ensures that the City personnel will have continuous access to an appropriate, knowledgeable representative of the engagement team. The Firm and all assigned key professional staff are properly licensed to practice as Certified Public Accountants in California.

ENGAGEMENT TEAM

The success of any audit engagement depends on the people selected to actually conduct the audit. We consider it imperative that the selected engagement team:

- Possess and demonstrate the necessary technical skills to perform their assigned tasks in an efficient manner,
- Establish a "track record" of effective coordination among each other and with the client in order to meet the stated audit objective, and
- Establish continuity of effort from year to year and among each other in order to avoid "retraining" our personnel in subsequent years.

The engagement team we propose for the City's audits has been chosen based on the above criteria and their prior experience on similar engagements. A synopsis of the team members and their respective roles followed by their resumes is as follows:

Team Member	Role
Mr. Gilbert Vasquez, CPA Coordinating Partner	Mr. Vasquez will have the responsibility and authority for the audit engagement and act as the liaison between the City and the Firm.
Mr. Lee Waddle, CPA Quality Control Partner	Mr. Waddle will review all audit reports, financial statements and other information to ensure compliance with the Firm and all applicable standards.
Mr. Vedeo Tiñana, CPA Engagement Principal	Mr. Tiñana, will have the responsibility of directing the technical performance and oversee the operations of the engagement team.
Mr. Cristy Canieda, CPA Manager	Ms. Canieda will be responsible for managing the audit team's performance and providing guidance on all areas under audit.
Ms. Lori Vilano, EA, CPA Supervisor	Ms. Vilano will be responsible for supervising the audit team's day-to-day fieldwork, report preparation and presentations.
Ms. Clarinda Bareng, CPA Senior Auditor	Ms. Bareng will be the lead senior auditor performing day-to-day fieldwork participating in all audit procedures and report preparation.

GILBERT R. VASQUEZ, CPA

Managing Partner

Firm Position

Mr. Vasquez is the founder and managing partner of Vasquez & Company LLP. Since 1967, he has managed and directed a successful practice in public accounting, auditing, taxation and financial advisory services.

Areas of Expertise

Mr. Vasquez area of expertise is focused on accounting, taxation, financial, and compliance audits, internal control review of government agencies, nonprofit organizations, privately held companies and publicly traded companies.

Standards

Mr. Vasquez is familiar with conducting audits in accordance with the following standards/provisions:

- Generally Accepted Auditing Standards (GAAS)
- Single Audit Act Amendment of 1996 and OMB A-133
- OMB Circular A-122
- Generally Accepted Government Auditing Standards (GAGAS)
- Federal Acquisition Regulations
- Standards of the Public Company Accounting Oversight Board

Representation of Experience

Mr. Vasquez's experience includes his involvement in the following engagements:

- City of Baldwin Park
- City of Cudahy
- City of San Fernando
- City of Gardena
- County of Los Angeles
- Central Basin Municipal Water District
- Upper San Gabriel Valley Municipal Water District
- Needles Public Utility Authority
- Los Angeles County Metropolitan Transportation Authority
- Alameda Corridor Transportation Authority
- Port of Los Angeles
- City of Los Angeles, Bureau of Sanitation
- City of Pico Rivera (Water District)
- Valley County Water District
- Los Angeles Unified School District

Educational Background

Mr. Vasquez received his Bachelor of Science in Business Administration, with an emphasis in Accounting from California State University, Los Angeles. He is also a credentialed Professor of Accounting.

Professional Affiliations

Mr. Vasquez was a member of the 1984 Olympic Organizing Committee and currently serves on the Board of Directors of its successor organization, the Amateur Athletic Foundation of Los Angeles. Mr. Vasquez continues his membership on several Boards including the National Council of La Raza, Cal State LA Foundation and Manufacturers Bank.

Mr. Vasquez has also served as member of the Los Angels County Sheriff's Department Board as well as the Los Angeles Metropolitan YMCA Board. Past corporate board, associations include GTE of California, Glendale Federal Savings and Loan Association, and Blue Cross of California, and the American Power Products.

Continuing Professional Education

Following is a list of continuing education courses completed by Mr. Vasquez within the last three years:

Course Title	Provider	Location	Date
Yellow Book 2007 New Government Auditing Standards	Cal CPA Education Foundation	Los Angeles, CA	7/20/07
Applying A-133 to Nonprofits and Governmental Organizations	AICPA	Los Angeles, CA	7/23/07
2007 ALPFA Convention – Doing Business in Volatile Latin American Economics	ALPFA	Orlando, FL	8/04/07
2007 ALPFA Convention – State of the Internal Audit Profession Study	ALPFA	Orlando, FL	8/04/07
2007 ALPFA Convention – Accounting and Forensic Investigation	ALPFA	Orlando, FL	8/05/07
2007 ALPFA Convention – Dartboard Approach to Business Valuation	ALPFA	Orlando, FL	8/06/07
2007 NCPACA Convention – AICPA SAS 70 and CICA Section 5970	NCPACA	Toronto, Canada	9/01/07
2007 NCPACA Convention – Best Practices for Nonprofit Organizations	NCPACA	Toronto, Canada	9/01/07
2007 NCPACA Convention – Current Developments in Accounting	NCPACA	Toronto, Canada	9/02/07
Sarbanes – Oxley: Overview & Approach to Compliance	Maria Salinas for Vasquez & Company LLP	Los Angeles, CA	9/21/07
Sarbanes – Oxley: Overview and Approach to Compliance	Maria Salinas for Vasquez & Company LLP	Los Angeles, CA	10/29/07
Professional Conduct and Ethics	PASCPA	Los Angeles, CA	6/17/06
BDO Seidman Webinar: Nonprofit Political Activity and Lobbying in an Election Year	BDO Seidman LLP	New York, NY	4/04/06
115th Annual Convention of Bank Officers and Directors: Assessing Regulatory Challenges	California Bankers Association	Wailea, HI	5/04/06
115th Annual Convention of Bank Officers and Directors: BSA.AML and the US Patriot Act	California Bankers Association	Wailea, HI	5/05/06
115th Annual Convention of Bank Officers and Directors: Mergers and Acquisitions – A Case Study	California Bankers Association	Wailea, HI	5/05/06
115th Annual Convention of Bank Officers and Directors: What Drives the CA Banking Market?	California Bankers Association	Wailea, HI	5/06/06
SEC Reporting	Robert Walter for Vasquez & Company LLP	Los Angeles, CA	6/26 – 27/06
GASB for Local Government	Gary Caporicci for Vasquez & Company LLP	Los Angeles, CA	7/12/06
2006 ALPFA Convention – Fundamentals of Mergers & Acquisitions	ALPFA	Fort Worth, TX	8/06/06
2006 ALPFA Convention – Managing Global Transfer Pricing Documentation	ALPFA	Forth Worth, TX	8/07/06
Government Accounting Report (BISK)	Bisk Total Tape	Los Angeles, CA	1/01/05

Government Accounting Report (BISK)	Bisk Total Tape	Los Angeles, CA	2/01/05
Government Accounting Report (BISK)	Bisk Total Tape	Los Angeles, CA	3/01/05
Government Accounting Report (BISK)	Bisk Total Tape	Los Angeles, CA	4/01/05
Customize Pension Plan Designs & Roth 401(k)	R-Tech Consultants		2/16/05
Directors Certificate Program	Bankers Compliance Group	Los Angeles, San Francisco, CA	4/26-27/05
Government Accounting Report (BISK)	Bisk Total Tape	Los Angeles, CA	5/01/05
Pension Update Seminar	CMC Retirement Employee Benefits Specialists, Inc.	Glendale, CA	5/12/05
Government Accounting Report (BISK)	Bisk Total Tape	Los Angeles, CA	6/01/05
2005 Tax Landscape	American Skandia Continuing Education	Rosemont, IL	7/16/05
BDO Seidman Alliance Conference	BDO Seidman LLP	Los Angeles, CA	10/06/05
BDO Leadership Conference	BDO Seidman LLP	Nashville, TN	11/14-15/05

LEE WADDLE, CPA

Quality Control Partner

Firm Position

Mr. Waddle is the quality control partner for Vasquez & Company, LLP. Mr. Waddle has over 40 years of professional public and private accounting and auditing experience. Mr. Waddle oversees the Firm's quality control efforts, internal audit outsourcing practice, and acts as the Firm's primary expert witness.

Areas of Expertise

Mr. Waddle area of expertise is focused on financial and compliance audits, internal control review of government agencies, nonprofit organizations, privately held companies and publicly traded companies.

Standards

Mr. Waddle's is familiar with conducting audits in accordance with the following standards and provisions:

- Generally Accepted Auditing Standards (GAAS)
- Single Audit Act Amendment of 1996 and OMB Circular A-133
- OMB Circular A-122
- Generally Accepted Government Auditing Standards (GAGAS)
- Federal Acquisition Regulations
- Standards of the Public Company Accounting Oversight Board

Representation of Experience

Mr. Waddle's experience in this area includes his involvement in the following engagements:

- City of Baldwin Park
- City of Gardena
- City of Cudahy
- City of San Fernando
- Central Basin Municipal Water District
- Upper San Gabriel Valley Municipal Water District
- City of Needles Public Utility Authority
- Bureau of Sanitation – City of Los Angeles
- Compton Unified School District
- Rio Hondo Community College District
- AltaMed Health Services Corporation
- California Family Health Council, Inc.
- Northeast Valley Health Corporation
- Eisner Pediatric & Family Medical Center
- The Serra Project

Professional Background

Prior to joining the FIRM, Mr. Waddle served as Director of Internal Auditing for Tiger International and as Assistant Director of Internal Auditing for Whitaker Corporation. Mr. Waddle was a senior audit manager in charge of quality control for Ernst & Young, LLP in its Orange County office.

Educational Background

Mr. Waddle received his Bachelor of Science in Business Administration, with an emphasis in Accounting, from the California State University of Los Angeles. He is a member of the California Society of Certified Public Accountants. Mr. Waddle meets the FIRM and professional CPE requirements.

Continuing Professional Education

Following is a list of continuing education courses completed by Mr. Waddle within the last three years:

Course Title	Provider	Location	Date
Yellow Book 2007 – New Governmental Accounting Standards	Cal CPA Education Foundation	Los Angeles, CA	7/20/07
Applying A-133 to Nonprofit and Governmental Organizations	CA CPA Education Foundation	Los Angeles, CA	7/23/07
Sarbanes-Oxley Overview and Approach to Compliance	Maria Salinas for Vasquez & Company LLP	Los Angeles, CA	9/21/07
Audit Standards Update: The New Audit Risk Assessment Standards	CA CPA Education Foundation	Los Angeles, CA	8/09/07
Implementing the Risk Standards: Skills for the Engagement Team	CA CPA Education Foundation	Los Angeles, CA	8/06/07
Sarbanes-Oxley: Overview & Approach to Compliance	CA CPA Education Foundation	Los Angeles, CA	8/07/07
Practical Update Financial Accounting & Auditing	CA CPA Education Foundation	Los Angeles, CA	2/05/07
Where are Professional Standards Going?	CA CPA Education Foundation	Los Angeles, CA	2/02/07
Auditing Standards: Comprehensive Review w/ Overview of Attestation	CA CPA Education Foundation	Los Angeles, CA	1/24-25/07
25th Annual SEC & Financial Reporting Institute Conference	USC Leventhol School of Accounting	Los Angeles, CA	6/08/06
GASB Basic Financial Statements for State and Local Governments	CA CPA Education Foundation	Los Angeles, CA	7/12/06
Auditing: Practical Application of Current Standards	CA CPA Education Foundation	Los Angeles, CA	11/10/06
Fraud: New Accounting Paradigm	CA CPA Education Foundation	Los Angeles, CA	11/08/06
NPO: Accounting & Auditing Update	CA CPA Education Foundation	Los Angeles, CA	8/10/06
Small Business Accounting Standards Review	CA CPA Education Foundation	Los Angeles, CA	6/26/06
Ethics, Taxes & Financial Reporting	CA CPA Education Foundation	Los Angeles, CA	4/22/05
Yellow Book Update	Paul Koehler for Vasquez & Company LLP	Los Angeles, CA	1/20/05
24th Annual SEC and Financial Reporting Institute Conference	USC Marshall School of Business	Los Angeles, CA	6/02/05
Today's A&A Practice with an Eye on Fraud	Vasquez & Company LLP	Los Angeles, CA	7/08/05

VEDEO L. TIÑANA, CPA
Principal

Firm Position

Mr. Tiñana is a Principal with Vasquez & Company LLP. He has over 25 years of professional public accounting and auditing experience in a wide variety of industries.

Areas of Expertise

His area of expertise is focused on financial and compliance audits of public sector entities and various nonprofit organizations funded by the Federal government, State of California, County of Los Angeles, City of Los Angeles, and other local governments. In addition to significant accounting and auditing experience, he has extensive experience in contract audits, close-out audits involving direct and indirect cost rates and overhead rate audits.

Mr. Tiñana coordinated five CPA firms in a two-year Department of Labor (DOL) project involving quality control reviews of over 300 pensions and welfare benefit plans in conjunction with the DOL's efforts to effect a revision to the "CPA Guidelines on Audits of Pension Plans Covered by ERISA". The results of his findings were presented to the AICPA Committee on Governmental Auditing in Washington D.C.

Grant/Program Audits performed in accordance with program/grant guidelines and specific contract provisions are significantly represented in Mr. Tiñana's area of expertise. In this capacity, he was involved in extensive reviews of contracts of subgrantees of the City of Los Angeles, County of Los Angeles and County of Ventura. Over 300 subgrantees were audited, including for-profit entities and nonprofit agencies with revenues ranging between $50,000 and $7.5 million.

Standards

Mr. Tiñana is familiar with conducting audits in accordance with the following standards/provisions:

- Generally Accepted Auditing standards (GAAS)
- Single Audit Act Amendment of 1996 and OMB Circular A-133
- OMB Circular A-122
- Generally Accepted Government Auditing Standards (GAGAS)
- Federal Acquisition Regulations
- Standards of the Public Company Accounting Oversight Board

Representation of Experience

His experience in this area includes his involvement in the following engagements:

- Los Angeles County Metropolitan Transportation Authority (LACMTA)
- Alameda Corridor Transportation Authority
- Los Angeles Unified School District
- Rio Hondo Community College District
- Valley County Water District
- City of Baldwin Park
- Valley Economic Development Corporation
- Economic Development Corporation of Los Angeles County
- Compton Unified School District
- Community Development Commission of the County of Los Angeles

Continuing Professional Education

Following is a list of continuing education courses completed by Mr. Tiñana within the last three years:

Course Title	Provider	Location	Date
Yellow Book 2007 – New Governmental Auditing Standards	CA CPA Education Foundation	Los Angeles, CA	7/20/07
Applying A-133 to Nonprofits and Governmental Organizations	CA CPA Education Foundation	Los Angeles, CA	7/23/07
Governmental Accounting & Auditing Conference	CA CPA Education Foundation	Palm Springs, CA	5/17/06
25th Annual SEC & Financial Reporting Institute Conference	USC Marshall School of Business	Los Angeles, CA	6/08/06
New Financial Accounting Standards Board	CA CPA Education Foundation	Los Angeles, CA	6/15/06
GASB: Financial Statements for State &Local Govt.	Gary Caporicci for Vasquez & Company LLP	Los Angeles, CA	7/12/06
Statement of Cash Flows: Preparation & Analysis	CA CPA Education Foundation	Palm Springs, CA	10/26/06
The New K-1: Everything You Need to Know About Basic Calculations	CA CPA Education Foundation	Palm Springs, CA	10/27/06
Tax & Financial Planning for the High Net Worth Client	CA CPA Education Foundation	Palm Springs, CA	10/29/06
Risk Based Auditing Part 1: Effective Procedures	CA CPA Education Foundation	Palm Springs, CA	11/30/06
NPO: Tax Update	CA CPA Education Foundation	Palm Springs, CA	12/01/06
Financial Statement Disclosures: Common Problems and Their Solutions	CA CPA Education Foundation	Palm Springs, CA	12/12/06
A&A Update: Yellow Book & Performance Auditing	Vasquez & Company LLP	Los Angeles, CA	01/20/05
Today's Accounting & Auditing Practice with an Eye on Fraud	Vasquez & Company LLP	Los Angeles, CA	07/08/05
Government Accounting Standards Board Basic Financial Statements	Vasquez & Company LLP	Los Angeles, CA	7/22/05
Effective Financial Statement Analysis	CA CPA Education Foundation	Palm Springs, CA	11/28/05
New Financial Accounting Standards	CA CPA Education Foundation	Palm Springs, CA	11/29/05
Compilation & Review: Current Issues	CA CPA Education Foundation	Palm Springs, CA	11/30/05
Yellow Book Standards: 2003 Revision	CA CPA Education Foundation	Palm Springs, CA	12/02/05

CRISTY A. CANIEDA, CPA

Manager

Firm Position

Ms. Canieda is a Manager with Vasquez & Company LLP. She has over 16 years of public accounting experience.

Area of Expertise

Her area of expertise is in managing audits of cities, redevelopment agencies, special districts and nonprofit organizations; preparation of comprehensive annual financial reports, State Controller's reports, and compliance reviews and single audits in accordance with OMB Circular A-133.

Standards

Ms. Canieda is familiar with conducting audits in accordance with the following standards/provisions:

- Generally Accepted Government Auditing Standards
- Generally Accepted Auditing Standards
- Single Audit Act Amendment of 1996
- OMB Circular A-133; A-122 and A-87

Past Government Audit Experience

- City of Montebello
- City of Temecula
- City of Diamond Bar
- City of Mission Viejo
- City of Healdsburg
- City of Huntington Beach
- City of Baldwin Park
- Rio Hondo Community College District
- Compton Unified School District
- La Habra Heights Water District
- Rancho California Water District
- La Puente Valley County Water District
- Orange County Water District
- Jurupa Community Special District
- Monterey County Redevelopment Agency
- Coachella Valley Association of Governments
- Local Agency Formation Commission for Los Angeles County

Professional Background

Prior to joining Vasquez & Company LLP, Ms. Canieda was an Audit Supervisor with Diehl, Evans & Company, Irvine, California from 2004 to 2007 where her focus was planning, supervision, fieldwork, review of audits of cities, special districts and nonprofit organizations. From 1999 to 2003, she was an Assistant V.P. Financial Accounting with Colonial Mutual Group (Philippines); from 1991 to 1998 she was an Audit Manager and Manager, Tech. Standards and Continuing Education with PricewaterhouseCoopers (Manila, Philippines).

Education Background

Ms. Canieda received her Bachelor of Science in Accountancy (Cum Laude) Associate in Government Auditing (with Honors) from Enverga University, Lucena City, Philippines; Masters in Business Administration, Ateneo Graduate School of Business, Philippines. Subsequent to that time, she has attended numerous courses; seminars and conferences related to accounting and general financial business activities. Ms. Canieda is a licensed Certified Public Accountant, California, USA and Manila, Philippines.

Continuing Professional Education

Following is a list of continuing education courses completed by Ms. Canieda within the last three years:

Course Title	Provider	Location	Date
2004 Fed/California Tax Seminar	SpidelII	Anaheim, CA	1/18/05
GFS-Fund Accounting and Revenues and Receivables	Thompson/PPC	Irvine, CA	3/05/05
CFS-Budgetary Reporting	Thompson/PPC	Irvine, CA	3/6/05
Single Audit Update	Diehl, Evans & Co., LLP	Irvine, CA	6/10/05
Redevelopment Agency Updates	Diehl, Evans & Co., LLP	Irvine, CA	7/22/05
GASB Updates	Diehl, Evans & Co., LLP	Hilton, Del Mar	8/08/05
Planning a Governmental Audit	Thompson/PPC	Irvine, CA	12/29/05
Government Tax Seminar	Diehl, Evans & Co., LLP	Hyatt Regency, Irvine	12/14/05
2005 Fed/California Tax Seminar	Spidell	Costa Mesa, CA	1/06/06
Fraud in the Gov't. Environment	Diehl, Evans & Co., LLP	Irvine, CA	2/08/06
Paperless Workpapers	CCH	Irvine, CA	5/16/06
Audit Programs	Diehl, Evans & Co., LLP	Irvine, CA	7/28/06
2006 Tax Update Seminar	Spidell	Orange, CA	1/05/07
Intermediate Gov't. Accounting	GFOA	Newport Beach, CA	1/12/07
Performing Single Audit	Thompson/PPC	Irvine, CA	7/08/07
Planning Single Audit	Thompson/PPC	Irvine, CA	7/09/07
Sampling: Internal Control	Thompson/PPC	Irvine, CA	7/10/07
Audit Planning: Practical Guide	CAL CPA Education Foundation	Burbank, CA	1/17/08
Audit Sampling and Risk Assessment	BDO Seidman Alliance Annual Conference	Las Vegas, NV	5/5/08 – 5/6/08
Implementing the New Risk Assessment Standards Using PPC Approach	Maggie Smith for Vasquez & Company LLP	Los Angeles, CA	5/09/08
Gov't. Accounting / Audit Update	CAL CPA Education Foundation	Ontario, CA	5/15/08
Audit 401(k) Plans	BDO Seidman Alliance	Long Beach, CA	5/29/08
Fraud/Detecting Material Misstatements in an Audit	AICPA	Los Angeles, CA	7/02/08

LORENA T. VILANO, EA, CPA

Supervisor

Firm Position

Ms. Vilano is a Supervisor with Vasquez & Company LLP. She has over 15 years of public accounting experience.

Area of Expertise

Her area of expertise is in planning and supervising fieldwork of audits of cities, redevelopment agencies and other city component units such as child development and transportation departments; special districts such as water districts and school districts. She is experienced in the preparation of comprehensive annual financial reports, State Controller's reports, and compliance reviews and single audits in accordance with OMB Circular A-133.

Standards

Ms. Vilano is familiar with conducting audits in accordance with the following standards/provisions:

- Generally Accepted Government Auditing Standards
- Federal Acquisition Regulations
- Standards of the Public Company Accounting Oversight Board
- Generally Accepted Auditing Standards
- Single Audit Act Amendment of 1996
- OMB Circular A-133
- OMB Circular A-122

Past Experience

- County of Los Angeles
- City of Baldwin Park
- City of San Fernando
- City of Pico Rivera
- City of Needles Public Utility Authority
- Alameda Corridor Transportation Authority
- AltaMed Health Services Corporation
- Rio Hondo Community College District
- Rancho Santiago School District
- Los Angeles County Employees Retirement Association
- Tower Park Marina Investors, L.P.

Professional Background

Prior to returning to Vasquez & Company LLP, Ms. Vilano was a Senior Accountant with the City of Baldwin Park where her duties included maintaining funds for the City and the Community Development Commission (Redevelopment Agency), analyzed general ledger accounts and prepared journal entries as needed; reconciled redevelopment, workers compensation, general liability and bond statements; cash management – performing wire transfers for Local Agency Investment Fund bonds debt service payments, payroll and daily cash requirements for the General, Workers Compensation, Liability and other funds. Also she assisted in City and CDC budget preparation, prepared CAFR schedules, MD&A and prepared GFOA application and responses. Prior to that time she was a senior auditor with Vasquez & Company LLP where she performed audits and single audits of government entities and nonprofits organizations, quarterly reviews of SEC filings, including 10-Q/10-K.

Education Background

Ms. Vilano received her B.S.B.A. in Accounting from the University of the East, Manila, Philippines. She is a Certified Public Accountant in the State of California and is a member of the California Society of CPAs.

Continuing Professional Education

Following is a list of continuing education courses completed by Ms. Vilano within the last three years:

Course Title	Provider	Location	Date
2006 Gov't. Tax Seminar	Diehl Evans & Co. LLP	Costa Mesa, CA	12/10/06
GASB Update	Myer Hoffman, McCann	Irvine, CA	5/30/07
Applying A-133 to Nonprofits and Government	Vasquez & Company LLP	Los Angeles, CA	7/23/07
Yellow Book 2007 New Gov't. Auditing Standards	Vasquez & Company LLP	Los Angeles, CA	7/26/07
Understanding AMT. Keynote address & Form 990	2007 IRS Nationwide Tax Forum	Anaheim, CA	9/11-12/07
2007 Gov't. Tax Seminar	Diehl Evans & Co. LLP	Irvine, CA	12/31/07
Like-Kind Exchanges & Other Sales 5255D. QAS52250	Professional Education Services EA, CPA	Home Study	12/28/07
Corp & Partnership Income Taxation 5180D. QAS5180D	Professional Education Services EA, CPA	Home Study	1/03/08
2007 Spidell Fall Seminar	Spidell Publishing	Anaheim, CA	1/16/08
2008 Practical Accounting Update & Review	Spidell Publishing	Anaheim, CA	5/15/08
Detecting Misstatement Integrating Risk Assessment Standards	Vasquez & Company LLP	Los Angeles, CA	7/02/08

CLARINDA U. BARENG, CPA

Senior Auditor

Firm Position

Ms. Bareng is a senior auditor with Vasquez & Company LLP. She has fifteen years of accounting and auditing experience.

Area of Expertise

Her practice is focused on participation in financial and compliance audits and internal control review of government agencies, nonprofit organizations, privately held companies and employee benefit plan audits. She has also been a key participant in contract audits of professional service entities with government agencies including solid waste haulers and construction.

Standards

- Generally Accepted Auditing Standards
- Generally Accepted Government Auditing Standards
- Single Audit Act Amendment of 1996
- OMB Circular A-133
- OMB Circular A-122
- Federal Acquisition Regulation
- Standards of the Public Company Accounting Oversight Board

Professional Experience

Prior to joining Vasquez & Company LLP, Ms. Bareng gained extensive experience as a senior auditor with Diehl, Evans & Company where she performed audits of various cities (Irvine, Norwalk, Lakewood, Fullerton, Alhambra, Healdsburg and Montebello), special districts, nonprofit organizations and employee benefit plans. Her experience encompasses preparation of Comprehensive Annual Financial Reports, State Controller's Reports for the city clients mentioned above. She performed compliance reviews of various redevelopment agencies for the cities of Lakewood, Fullerton, Alhambra, Montebello and Marin County. She also has extensive experience in performing single audits of various federally funded programs of cities and nonprofit organization in accordance with OMB Circular A-133. Her experience includes agreed-upon procedures reviews of various solid waste haulers (Waste Management of Orange County, Direct Disposal, Federal Disposal, CR&R and Rainbow Disposal). These reviews included AB 939 compliance examinations of waste haulers. Prior to that time she was a chief accountant for the Delphi Group, Inc. (Philippines), a Finance and Administration Manager for Securities 2000, Inc. (Philippines) and was a senior auditor for PricewaterhouseCoopers (Manila, Philippines) where she assisted in planning and implementation of audit procedures, supervised staff auditors and performed audits of various for-profit companies operating in the banking, brokerage, insurance, investments houses, leasing and other financial institutions, manufacturing, wholesale distributions, technology and construction sectors.

Education

Ms. Bareng earned a Bachelors of Science in Accountancy (Cum Laude) from Polytechnic University of the Philippines. Subsequent to that time, she has attended numerous courses, seminars, and conferences related to accounting and general financial business activities. Ms. Bareng is a Certified Public Accountant licensed to practice in California and the Philippines.

Continuing Professional Education

Following is a list of continuing education courses completed by Ms. Bareng within the last three years:

Course Title	Provider	Location	Date
2005 Federal & Calif. Tax update	Diehl Evans & Company LLP	Costa Mesa, CA	1/06/06
Tax, 401K, Tax Library	Diehl Evans & Company LLP	San Clemente, CA	1/20/06
CCH Tax Research	Diehl Evans & Company LLP	Irvine, CA	1/26/06
Fraud Seminar	Diehl Evans & Company LLP	Irvine, CA	2/08/06
Core A&A	Diehl Evans & Company LLP	Irvine, CA	5/15/06
Engagement Workshop	Diehl Evans & Company LLP	Irvine, CA	5/17/08
Governmental Audit Update	Diehl Evans & Company LLP	Irvine, CA	7/28/06
GASB 44 Update	Diehl Evans & Company LLP	Mission Viejo, CA	8/09/06
RIA Research	Diehl Evans & Company LLP	Irvine, CA	8/11/06
Government Tax Seminar	Diehl Evans & Company LLP	Ontario, CA	12/14/06
SAS Update	Diehl Evans & Company LLP	Irvine, CA	2/09/07
Impact of SAS 112 on GFSA	Diehl Evans & Company LLP	Irvine, CA	6/01/07
Engagement Manager	Diehl Evans & Company LLP	Irvine, CA	6/15/07
Auditing Cash & Investments	Diehl Evans & Company LLP	Irvine, CA	6/29/07
Single Audit	Diehl Evans & Company LLP	Irvine, CA	7/11-12/07
Government Tax Seminar	Diehl Evans & Company LLP	Irvine, CA	12/13/07
The New Risk Assessment Standards	OT	Irvine, CA	12/27/07
Fraud: Exposures and Solutions	CSCP	Online	12/28/07
RIA and Types of Trusts	Diehl Evans & Company LLP	Irvine, CA	2/08/08
Tax Procedures and Trusts	Diehl Evans & Company LLP	Irvine, CA	2/22/08

SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENT ENTITIES

SIGNIFICANT ENGAGEMENTS PERFORMED IN THE PAST THREE YEARS

The Firm's major clients are government and non-profit organizations. We have worked extensively with governmental entities and have the expertise to conduct quality audits in this area. We have performed annual financial, compliance and single audits of cities for the past fifteen (15) years. We currently perform approximately twenty (20) public sector engagements, including audits of water districts, transportation authorities, school districts, community colleges and Cities. The government audit team we propose have ample experience in audits of Redevelopment Agencies, Housing Agencies, state and federal grants, Bus Lines and other enterprise operations for such clients as: City of Gardena, City of Baldwin Park, City of Cudahy, County of Los Angeles, and the Community Development Commission of Los Angeles County. Following is a list of the five (5) significant engagements performed in the last three years that are similar to the engagement described in this request for proposals:

Client/Contact/Address	Nature of Engagement	Engagement Partner/ Principal	Total Hours
County of Los Angeles Ms. Connie Yee Chief, Accounting Division 500 West Temple Street, Suite 603 Los Angeles, CA 90012 (213) 974-8321	Annual financial statement and *Single Audit (OMB A-133) Co-Auditors and subcontractors with KPMG 1992 to 2006	Mr. G. Vasquez Mr. L. Waddle Ms. B. Se	2,300
Community Development Commission of Los Angeles County (CDC) Mr. David Chang, Accounting Manager 2 Coral Circle Monterey Park, CA 91755 (310) 233-7480	Annual financial, compliance audit for inclusion in the CDC CAFR prepared in conformance with the **GASB 34** requirements, Single Audit (OMB A-133), Rental Housing Construction Programs audit, CDC Foundation audit, Cannon Apartments Project audit, Intra County Housing Corporation audit 2005 to current	Mr. G. Vasquez Mr. L. Waddle Mr. V. Tinana	1,232
City of Baldwin Park Ms. Hennie Apodaca, Interim Finance Director 14403 E. Pacific Avenue Baldwin Park, CA 91706 (626) 960-4011 ext. 120	Annual financial, compliance audit for inclusion in the City's CAFR prepared in conformance with the **GASB 34** requirements and Single Audit (OMB A-133), and the Redevelopment Agency Audit **GFOA and CSMFO Awards** 2000 to 2006	Mr. G. Vasquez Mr. L. Waddle Mr. V. Tinana	750
Southern California Association of Governments (SCAG) Mr. Wayne Moore,CFO 818 West Seventh Street, 12th Floor Los Angeles, CA 90017-3435 (213) 236-1804	Annual financial, compliance audit for inclusion in the SCAG CAFR prepared in conformance with the **GASB 34** requirements and Single Audit (OMB A-133), **GFOA Award** 2006 to current	Mr. G. Vasquez Mr. L. Waddle	550
City of San Fernando Ms. Lorena Quijano, Finance Director 117 McNeil Street San Fernando, CA 91340-2993 (818) 898-1244	Annual financial, compliance audit for inclusion in the City's CAFR prepared in conformance with the **GASB 34** requirements and Single Audit (OMB A-133), and Redevelopment Agency Audit, **GFOA and CSMFO Awards** 1993 to 2005	Mr. G. Vasquez Mr. L. Waddle Mr. V. Tinana	500

FIRM CLIENTS THAT HAVE RECEIVED CSMFO AND GFOA AWARDS

We are well qualified to work with the City to ensure that the audited financial statements are consistent with the Government Finance Officers Association (GFOA) certificate of achievement program checklist; the California Society of Municipal Finance Officers (CSMFO) requirements and that the report is completed and submitted within the specified timeframe.

Our knowledge of the GFOA and CSMFO requirements is demonstrated by the fact that our staff has worked hand-in-hand with our clients the cities of: San Fernando, Gardena, and Baldwin Park in achieving their certificate awards. We ensure that the Comprehensive Annual Financial Report (CAFR) is consistent with the audited financial statements; the GFOA certificate of achievement program checklist is fully completed and timely submitted to the GFOA by the December 31 deadline. The following clients may be contacted as references.

Client/Contact/Address	Nature of Engagement	Engagement Partner/ Principal	Total Hours
City of Gardena Mr. Mitchell Lansdale City Manager 1700 West 162nd Street Gardena, CA 90247 (310) 217-9500	Annual financial, compliance audit for inclusion in the City's CAFR prepared in conformance with the GASB 34 requirements, Single Audit (OMB A-133), Municipal Bus Line, Child Care Program '98 to 04 **GFOA and CSMFO Awards** 1998 to 2006	Mr. G Vasquez Mr. L. Waddle Ms. B. Se-Liban	900
City of Baldwin Park Ms. Hennie Apodaca Interim Finance Director 14403 E. Pacific Avenue Baldwin Park, CA 91706 (626) 960-4011	Annual financial, compliance audit for inclusion in the City's CAFR prepared in conformance with the GASB 34 requirements and Single Audit (OMB A-133), and the Redevelopment Agency Audit '00 to '04 **GFOA and CSMFO Awards** 2000 to present	Mr. G. Vasquez Mr. L. Waddle Mr. V. Tinana	750
Southern California Association of Governments (SCAG) Mr. Wayne Moore Chief Financial Officer 818 West Seventh Street, 12th Fl. Los Angeles, CA 90017-3435 (213) 236-1804	Annual financial, compliance audit for inclusion in the SCAG CAFR prepared in conformance with the **GASB 34** requirements and Single Audit (OMB A-133), **GFOA Award** 2006 to present	Mr. G. Vasquez Mr. L. Waddle	550
City of San Fernando Ms. Lorena Quijano Finance Director 117 McNeil Street San Fernando, CA 91340-2993 (818) 898-1244	Annual financial, compliance audit for inclusion in the City's CAFR prepared in conformance with the GASB 34 requirements and Single Audit (OMB A-133), and the Redevelopment Agency Audit, **GFOA and CSMFO Awards** 1993 to 2005	Mr. G. Vasquez Mr. L. Waddle Mr. V. Tinana	500
Central Basin Municipal Water District Aileen Umali-Hermoso, CPA, CGFM Budget and Finance Officer Telephone no. (310) 436-2622	Annual financial, compliance audit for inclusion in the District's CAFR prepared in conformance with the GASB 34 requirements and Single Audit (OMB A-133) and State Controller's Report **GFOA and CSMFO Awards** Client since: 1999 to present	Mr. L. Waddle/ Mr. G. Vasquez	450

OTHER CLIENT REFERENCES

In addition to the clients mentioned above who may be contacted as references, the firm offers the following additional client references

Client/Contact/Address	Nature of Engagement	Engagement Partner/ Principal
Upper San Gabriel Valley Municipal Water District Mr. Timothy Jochem General Manager 11310 Valley Boulevard El Monte, California 91731 (626) 443-2297	Annual financial, in conformance with the GASB 34 requirements, Single Audit (A-133, when necessary), and State Controller's report. 2005 to present	Mr. G. Vasquez Mr. L. Waddle
City of Needles Public Utility Authority Ms. Bonnie Lutrell Director of Finance 817 Third Street Needles, CA 92363 (760) 326-2115	Annual financial in conformance with the GASB 34 requirements, Single Audit (A-133, when necessary), and State Controller's Report 1998 to present	Mr. L. Waddle
City of Cudahy Ms. Mellie Deano Director of Finance 5220 Santa Ana Street Cudahy, CA 90201 (323) 773-5143 ext. 225	Annual financial, compliance audit for inclusion in the City's CAFR prepared in conformance with the GASB 34 requirements, Single Audit (OMB A-133), and the Redevelopment Agency 2000 to present	Mr. G. Vasquez Mr. L. Waddle Mr. V. Tinana
Rio Hondo Community College District Ms. Theresa Dreyfus Chief Financial Officer 3600 Workman Mill Rd. Whittier, CA 90608 (562) 692 - 0921	Annual financial, in conformance with the GASB 34 requirements l, compliance and Single Audit (OMB A-133); Child Care program 1996 to present	Mr. G. Vasquez Mr. L. Waddle Mr. V. Tinana
Compton Unified School District Ms. Teresa A. Santamaria, CPA Associate Superintendent Business Administration Services 500 S. Santa Fe Street Compton, CA 90220 (213) 639-4321 ext. 55031	Annual financial, in conformance with the GASB 34 requirements, compliance and Single Audit, (OMB A-133) 2004 to present	Mr. G. Vasquez Mr. L. Waddle Mr. V. Tinana
Los Angeles Community College District (Subcontractor with KPMG) Ms. Jeanette L. Gordon, Controller 770 Wilshire Boulevard, 6th Floor Los Angeles, CA 90017 (213) 891-2090	Annual financial, in conformance with the GASB 34 requirements, compliance and Single Audit (OMB A-133) 2006 to present	Mr. G. Vasquez Ms. Se-Liban
University of West Los Angeles School of Law Mr. Robert Brown, Esq., President 9920 S. La Cienega Blvd Inglewood, CA 90301-4423 (310) 342-5250	Annual financial, compliance and Single Audit (OMB A-133)	Mr. G. Vasquez Ms. Se-Liban

SPECIFIC AUDIT APPROACH

OVERVIEW

We know from our prior experience with other similar entities, coupled with our unique approach to auditing; our approach will result in a timely, efficient and cost-effective audit for the City. Our audit will be conducted with a minimum of disruption to ongoing day-to-day operations.

Our general audit approach for local government is a business approach. This means we spend more time understanding the overall nature of the City's business. We strongly emphasize early planning, communication and coordination of our efforts with City personnel, which results in the efficiency and timeliness of our procedures. Our approach stresses early resolution of audit, accounting and reporting-related issues.

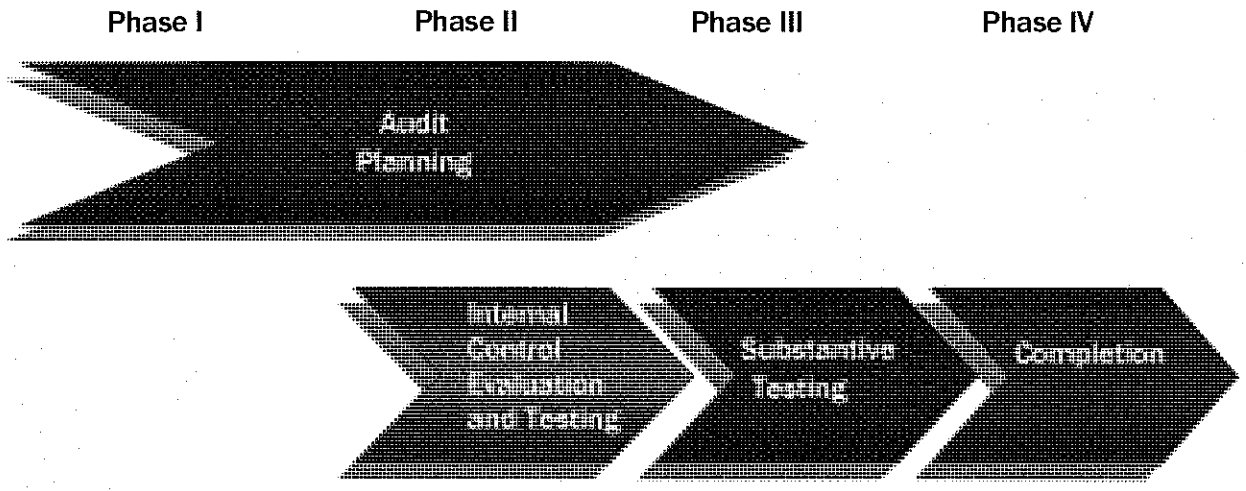
The FIRM utilizes a systems-based, control-oriented audit approach, which will allow our auditors to obtain an overall understanding of the City and its operating environment, while at the same time considering how to be more efficient in utilizing the City's accounting information system. The result of using this approach is that appropriate personnel resources can be directed to devote audit attention to the critical points in the transaction cycle.

Our analytical approach and audit working papers techniques are structured to assure consistency and also force the preparer to focus on areas where controls are weak or nonexistent and need improvement or implementation. Thus, we will be in a position to assist the City in identifying control weaknesses and developing practical corrective measures.

Proposed Segmentation of the Engagement

The size and depth of our staff, as well as our commitment to the City to provide year-to-year staff continuity, enables us to better coordinate our activities with those of the City's staff. Therefore, we can undertake a wide variety of assignments simultaneously, thereby avoiding delays and bottlenecks in the conduct of our audits.

The implementation of our audit approach to the CITY and its related entities will be divided into the following phases:



- Familiarize ourselves with operating environment
- Perform risk assessment procedures
- Perform preliminary analytical review
- Identify major programs for Single Audit testing
- Develop Audit Plan
- Discuss and agree on financial statement format
- Reevaluate the progress of the audit and make any changes on audit approach and procedures, if necessary.

- Assess internal control environment
- Perform SAS 99 (Fraud evaluation) procedures
- Identify internal control strengths and weaknesses
- Evaluate design and implementation of selected controls
- Test controls over financial reporting and administration of federal funds
- Understand accounting and reporting activities
- Draft internal control management letter comments

- Plan and perform substantive audit procedures
- Perform substantive compliance audit tests over federal programs
- Conduct final analytical review
- Consider Audit Evidence Sufficiency
- Conclude on critical accounting matters

- Perform completion procedures
- Draft CAFR. Perform overall evaluation of the financial statements and disclosures
- Review financial statements in accordance with GFOA Award criteria
- Draft management letter
- Draft auditors' reports on federal and state compliance
- Conduct Exit Conference with management, including discussion of proposed audit adjustments, internal control and compliance findings and management letter
- Issue auditors' reports and management letter

Phase I- Audit Planning

The planning phase lays the foundation for the direction of our audit efforts. With the implementation of the new Statement on Auditing Standards (SASs), planning is no longer a separate audit phase, but continues throughout the audit. We will perform risk assessment during the planning phase of the audit and develop our audit approach based on the results of our assessment. It encompasses the following steps:

Gaining and Documenting an Understanding of the City's Internal Control by:

- ❑ Conducting entrance conferences with the appropriate City officials. The agenda would include, but need not be limited to, the following:
    - The application of generally accepted accounting principles
    - Concerns of the City management
    - Report requirements, refinements and deadlines
    - Initial audit report and timing schedule
    - Assistance by the City personnel
    - Establishment of principal contacts
    - Progress reports process
    - New Single Audit Requirements and Other Compliance Issues
    - Consideration of Fraud in a Financial Statement Audit
    - The auditors' responsibility for fraud detection
    - Management's responsibility in fraud prevention
    - Scheduling inquiries of management and others (including non-accounting personnel) about the risk of fraud
- ❑ Expanding our understanding of the City and its Operating Environments. We will accomplish this by familiarizing ourselves and updating our knowledge of applicable background information pertinent to the City, its grants and funding structure through our review of the following:
    - Applicable state legislation
    - Organizational structure
    - Minutes of the City Council and other related entities
    - City charters, ordinances and bond covenants
    - Policies and procedures manuals, administrative codes, rules and regulations
    - Long-range plans of the City and other related entities
    - Operational and capital budgets
    - Description of the City's financial and other information systems
    - Recent financial statements and key operating statistics
    - Contracts and major commitments
    - Grant agreements
    - Cost allocation plans
    - Possible effects on the City of the actions of regulatory agencies
    - Fraud Risk Assessment Process
- ❑ Through our background knowledge of the City and its related entities, and as a result of our fact-finding process, we will conduct risk assessment procedures and develop an in-depth understanding of the areas of concern. We will be in a position to meet with the City management to discuss areas that might have a significant impact on timing and completion of the audits or that may be of special concern to management. We will review such areas in-depth to obtain an early understanding and resolution of any "problem" areas that may impede our progress and to develop our overall approach so that the City will have sufficient time to develop the data necessary for completion of the audit with minimum amount of disruption of the day-to-day routine. We will gather information needed to identify fraud risks.
- ❑ Our planning process will also include a specific review of computer activities performed by the City personnel.

- ❑ Throughout the audit, we will meet as a team to discuss the progress of the audit and make any changes on audit approach and procedures, if necessary

Phase II – Internal Control Evaluation and Testing

The steps included in this phase are as follows:

- Our systems evaluation approach enables us to obtain a better understanding of the various transaction cycles and sub-cycles and how they relate to each other. By using narrative and flowcharting techniques for each cycle, we will identify the critical points in the flow of financial information. Our basic technique begins with information contained in the financial statements and traces such information back to source data. This process is infinitely better than the traditional tedious method of going from source data to financial statements.
- We will identify the strengths and weaknesses in each of the transaction sub-cycles and sub-audit areas that have a bearing on the audit objectives. This identification of internal control strengths and weaknesses will enable the audit team to determine the emphasis to be placed on audit testing. It will also serve as a basis for the development of conclusions and recommendations regarding weaknesses in the systems of internal accounting control and opportunities for improving efficiency and effectiveness.
- We will test transaction cycles using statistical and judgmental sampling methodologies to determine whether the necessary control procedures are prescribed and followed satisfactorily. The sample size will range from 40 items to 60 items, depending on how we assess control audit risk and audit detection risk. In addition, if there are any deviations in our sample selection, we will expand the sample size and if the additional sample confirms the deviation problem, we will use statistical techniques to extrapolate the dollar value of the deviation.
- We will inquire of management and others (including non-accounting personnel) to identify fraud risks.
- Our engagement team will discuss and consider the susceptibility of financial statements to fraud and to emphasize professional skepticism. We will obtain information necessary to identify risks of material misstatement due to fraud. We will identify risks that may result in material misstatement due to fraud. We will assess the identified risks after considering an evaluation of the antifraud programs and controls. We will respond to the identified risks.
- We will provide periodic written progress reports on the planning and test work performed during the planning and interim fieldwork phases and discuss the schedule to complete the audits in the most economical manner.
- Single Audit – As part of internal control testing, we will perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.
- Our engagement service team will prepare a tailored audit program unique to the City based upon applicable single audit guidelines and the identification of internal control strengths. Our audit programs are tailored into a unique, efficient and effective document addressing the audit objectives, issues, and systems of the City.

Phase III – Substantive Testing

The third phase of our audits will be the testing or traditional fieldwork phase. The steps involved in this phase are as follows:

- ❑ Substantive Testing - The purpose of the substantive tests is to provide reasonable assurance of the validity of the information produced by the accounting system. These tests will include various detail tests and analytical procedures, including ratio analysis, comparisons of actual-to-budget information and other procedures.
- ❑ Analytical Review Procedures - Analytical review procedures, consisting of statistical, ratio, and trend analyses are performed during every phase of the audit, from the planning phase to reporting phase. These analytical testing techniques provide feedback on potential areas of audit concern as well as provide comfort concerning the overall reasonableness of the financial statements.
- ❑ We will assess identified fraud risks and respond to the fraud risk assessment.
- ❑ We will discuss all adjusting journal entries proposed by our auditors and explain them to the City personnel prior to recording. It is our practice to discuss issues and proposed audit entries with the program manager or management personnel immediately responsible for the program to ensure that we have not misunderstood that particular situation. This will ensure that the proposed entry or management comment and recommendation are accepted by the immediate manager in charge, and will ensure that the recommendation is feasible and makes business sense. It is also our policy to address issues and resolve them as they arise, and not wait until the end of the process and surprise management with a long list of issues that need to be addressed. In short, there will not be any surprises to anyone.
- ❑ Conduct Entrance and Exit Conferences with the City officials - We will meet with management at the outset of final fieldwork to discuss our approach to the final fieldwork and to update ourselves on any developments subsequent to interim fieldwork. We will also meet with the appropriate City officials at the completion of final fieldwork to summarize the results of the audits and discuss any significant findings before our comments are finalized in writing.

The final element in our work plan is the reporting to the City officials overseeing the audit in order to apprise them of our progress. We obviously believe communication is vital. We have stressed the importance of continuous close relationships throughout this proposal and have indicated the various points where we will meet for specific discussions and decision.

Thus, we believe we should have regular progress meetings between our top engagement personnel and the City officials. It is our intent to use these meetings to report:

- ❑ Accomplishments
- ❑ Outlook
- ❑ Problems that have to be resolved.

It is also our practice to work closely with the State Controller's office. Accordingly, we are available to meet with representative of the State Controller's office, City management, and grant program at any time throughout the engagement to ensure the efficient completion of the various audits and the acceptability of the related reports. Further, it is the strict pledge of the Firm to update the appropriate City personnel on a regular basis.

Phase IV - Reporting

The last phase of our audit involves preparation of Independent Auditors' Reports, Single Audit Reports, findings and our management letter comments. Because of our emphasis on early problem resolution in the planning phase of the examination and extensive interim test work, our final audit fieldwork will be mainly concerned with reviewing the fair presentation of the final numbers that will appear in the annual financial reports. Throughout the final phase, Mr. Waddle will monitor and review the work. The critical audit areas of each fund audited will be reviewed in the field by the engagement manager.

We will evaluate the audit evidence and communicate instances of possible fraud to the proper level of authority.

We will work closely with the City personnel to prepare the annual financial statements. Prior to the signing of our accountants' reports, a "cold" review of the draft reports and other documents will be performed, in order to evaluate the professional excellence of the examination. Mr. Waddle will then give his concurrence as to the propriety of the accountants' reports. Every effort will be made for early delivery of the reports to ensure prompt and satisfactory professional service.

Our Approach to the Preparation of Management Letter

Our general approach to the preparation of a management letter includes the following:

- A meaningful management letter does not just appear at the end of an audit; its preparation is a continuing process throughout the course of the audit. Indeed, to be most beneficial, the letter to management should be issued while the audit is in process, not well after the fact, as is often the case. We emphasize the importance of the management letter with the entire audit team and believe this continual awareness encourages the audit team to view audit situations in terms of constructive management letter comments.

- Our partners and managers devote a significant amount of time to our management letters to help ensure that events are properly interpreted and that suggestions are practical and cost-effective.

We believe that management letters are of equal importance with our opinion on the financial statements; accordingly, we devote considerable attention to developing meaningful comments to management. As auditors for the City, we will be interested in the City's overall success as an efficient, properly controlled and cost-effective unit of local government. Therefore, you can expect us to offer constructive suggestions regarding your operations. Indeed, while the profit motive is not the paramount objective of municipal government, this does not lessen the need to view the City as a business, and one that should be effectively and efficiently operated. Thus, we prefer to view management letters as more than a vehicle for citing and eliminating weaknesses in the system of internal accounting control. Our management letters place heavy emphasis on the operational side of the governmental unit, and our suggestions for improvements are designed to improve overall management and result in a better use of resources.

Consideration of Fraud

We will consider the risks of material misstatement of the financial statements due to fraud and design the audit to provide reasonable assurance of detecting fraud that results in the financial statements being materially misstated in accordance with SAS No. 99, *Consideration of Fraud in a Financial Statement Audit.* The consideration of fraud is not separate from the consideration of audit risk but is integrated into the overall risk assessment process. The procedures presented in fraud consideration may be performed concurrently with other procedures and the evaluation of fraud risks will occur continuously throughout the audit.

Level of Staff and Number of Hours for Each Segment of the Engagement

Staff Level	Planning	Internal Control Testing	City Financial Audit	CDC Financial Audit	Single Audit	REAC Report	Total Hours
Partners	0	0	12	3	3	0	8
Principal	12	0	34	0	6	0	52
Manager	32	12	76	8	12	4	144
Supervisor	0	0	0	0	0	0	0
Senior Auditor	58	50	174	28	0	8	318
Staff Auditor	8	0	44	0	88	0	140
Total	**110**	**62**	**340**	**39**	**109**	**12**	**672**

Sampling Sizes and the Extent to which Statistical Sampling Is to Be Used in the Engagement

We will test transaction cycles using statistical and judgmental sampling methodologies to determine whether the necessary control procedures are prescribed and followed satisfactorily. The sample size will range from 40 items to 60 items, depending on how we assess control audit risk and audit detection risk. In addition, if there are any deviations in our sample selection, we will expand the sample size and if the additional sample confirms the deviation problem, we will use statistical techniques to extrapolate the dollar value of the deviation.

Extent of Use of Computer Software in the Engagement

Computer Audit capabilities - All members of our staff are skilled at auditing in an electronic data processing (EDP) environment and have extensive experience with microcomputers and software applications. Our audit personnel have a wealth of experience in evaluating complex computerized accounting systems of governmental units. They are proficient at analyzing detailed financial records, which are computerized with automated subsystems.

We use computer-assisted audit techniques and various tests through and around the computer to audit large and/or complex EDP systems. Members of our engagement team have additional knowledge and training with computer auditing. All of our staff auditors carry to the field with them, "lap-top" computers so the use of electronic spreadsheets and specialized audit software packages are used extensively by our staff, making the audit process move faster.

Our audit staff generates all fund trial balances, lead sheets and detail working papers on laptop computers through either downloads or input of individual fund general ledger information. This process significantly reduces the amount of time City personnel must spend preparing audit schedules.

Type and Extent of Analytical Procedures to Be Used in the Engagement

The audit team will use our analytical review techniques to identify other areas that might require attention. Until the year-end account balances are finalized, our review will focus on budgets compared to actual/projected information. We can thus, identify certain sensitive areas to determine whether they are indeed areas requiring extra attention. We will also focus on unusual fluctuations occurring within individual funds to identify accounts and areas which merit further investigation.

Based on our understanding of the City's operating environment, through our analytical review and other planning procedures, we will meet with the City personnel to highlight areas to be emphasized during the audit. We will concentrate our efforts on the identified areas of audit concern and areas we know are important to the City Officials. Some of our preliminary audit concerns are elaborated as follows:

- Compliance with applicable laws, regulations and reporting requirements
- All matters of compliance with GASB statements and interpretations
- Receipt of all revenue to which the City is entitled
- Purchases are authorized and within budgetary limitations
- Encumbrances and liabilities are recorded and charged to proper budgetary accounts
- Proper accounting for fixed assets including infrastructure assets
- Proper recording of outstanding obligations.

Approach to Be Taken to Gain and Document an Understanding of the City's Internal Control Structure

In order to gain and document an understanding of the City's internal control structure, we will review the City's policies and procedures, meet with appropriate management personnel to ascertain actual operation of policies and procedures and carry out compliance tests to document internal control strengths and weaknesses. In reviewing controls over EDP systems emphasis would be placed on the following:

- Determination of the organizational and operational controls over the data being processed including but not limited to, system development and maintenance controls, hardware controls, and access controls
- Evaluation of the degree of "control consciousness" among personnel
- Determination of the potential impact of general control strengths and weaknesses
- Consideration of the possibility of management override of controls

Our principal sources of information for the EDP systems would be interviews with responsible accounting personnel, reviews of program documentation for the City's systems, walkthrough of the process as well as direct observations made by our audit team.

Approach in Determining Laws and Regulations that will be subject to Audit Test Work

With regard to planning for single audit requirements, we will perform the following:

- The City will be asked to prepare a schedule that lists each grant program it administered during the audit period. The grants should be categorized by grantor agency and grant numbers. The compliance requirements to be tested will be identified for all major grant programs received by the City. The compliance requirements for the major grants will be extracted from "Major Compliance Features of Programs Administered by State and Local Governments" for grants covered in that document.

- Compliance with Laws and Regulations -The purpose of testing compliance with laws and regulations is to determine whether the City is complying with laws and regulations, specifically as they apply to state and federal financial assistance. Compliance procedures will include reviewing state and federal grant requirements, applicable laws and regulations, allowable costs, eligibility, sub-recipient monitoring, and other specific agency requirements.

Approach to Be Taken in Drawing Audit Samples for Purposes of Test of Compliance

The Firm also utilizes statistical sampling whenever possible to reduce the number of test items selected and to increase the reliability of our testing procedures. The decision whether or not to utilize statistical sampling, in many instances, depends upon the degree of reliance to be placed on internal accounting controls. The stronger the internal controls, the more likely statistical sampling can and will be used. Statistical sampling is most often employed in our compliance testing procedures during the Single Audit.

IDENTIFICATION OF ANTICIPATED POTENTIAL AUDIT PROBLEMS

Assuming that the City is up-to-date with the necessary accounting records, and we receive full cooperation and all documents requested from City personnel within the agreed upon timeframe, the Firm does not anticipate any audit problems. However, there have been some changes in the auditing requirements that will require incremental time and effort to conduct and complete under generally accepted auditing standards.

GASB Statement No. 45
Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions

This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information (RSI) in the financial reports of state and local governmental employers.

This Statement generally provides for prospective implementation- that is, that employers set the beginning net OPEB obligation at zero as of the beginning of the initial year. Implementation is required in three phases based on a government's total annual revenues in the first fiscal year ending after June 15, 1999. The definitions and cutoff points for that purpose are the same as those in Statement No. 34, Basic Financial Statements-and Management's Discussion and Analysis- for State and Local Governments (GASB 34). This Statement is effective for periods beginning after December 15, 2007, for Phase 2 governments. Earlier implementation is encouraged.

GASB Statement No. 50 - Accounting and Financial Reporting for Intangible Assets

This Statement more closely aligns the financial reporting requirements for pensions with those for other postemployment benefits (OPEB) and, in doing so, enhances information disclosed in notes to financial statements or presented as required supplementary information (RSI) by pension plans and by employers that provide pension benefits. The reporting changes required by this Statement amend applicable note disclosure and RSI requirements of Statements No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans,* and No. 27, *Accounting for Pensions by State and Local Governmental Employers,* to conform with requirements of Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans,* and No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This Statement is effective for periods beginning after June 15, 2007, except for requirements related to the use of the entry age actuarial cost method for the purpose of reporting surrogate funded status and funding progress information for plans that use the aggregate actuarial cost method, which are effective for periods for which the financial statements and required supplementary information contain information resulting from actuarial valuations as of June 15, 2007, or later.

GASB Statement No. 51 - Accounting and Financial Reporting for Intangible Assets

This Statement requires that all intangible assets not specifically excluded by its scope provisions be classified as capital assets. Accordingly, existing authoritative guidance related to the accounting and financial reporting for capital assets should be applied to these intangible assets, as applicable. This Statement also provides authoritative guidance that specifically addresses the nature of these intangible assets. Such guidance should be applied in addition to the existing authoritative guidance for capital assets. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2009.

GASB Statement No. 52 - Land and Other Real Estate Held as Investments by Endowments

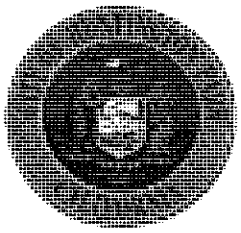
This Statement establishes consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. It requires endowments to report their land and other real estate investments at fair value. Governments also are required to report the changes in fair value as investment income and to disclose the methods and significant assumptions employed to determine fair value, and other information that they currently present for other investments reported at fair value.

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS STATEMENT ON AUDITING STANDARDS No. 103-111

The American Institute of Certified Public Accountants (AICPA) Audit Standards Board has issued eight Statements on Auditing Standards related to the assessment of risk in an audit of financial statements (SAS No. 103 – 111). SAS 103 – Audit Documentation is to establish standards and provide guidance on audit documentation. The auditor must prepare audit documentation in connection with each engagement in sufficient detail to provide a clear understanding of the work performed. SAS 104-111 collectively are the new risk assessment standards requiring the auditor to possess a far deeper understanding of the client business, risk and controls, in addition to designing and performing substantive test to detect fraud. To comply with these standards, we will need cooperation from the people involved with financial reporting processes and computer controls processes as far as providing the necessary information that we need to perform risk assessment procedures.

COST PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

CITY OF HUNTINGTON PARK



Submitted by

VASQUEZ & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS AND BUSINESS CONSULTANTS

BDO SEIDMAN ALLIANCE
An Independent Member of the BDO Seidman Alliance

Members AICPA Division of Firms ♦ Center for Public Company Audit Firms ♦ Registered with the PCAOB
801 S. Grand Avenue, Suite 400, Los Angeles, CA 90017-4646
(213) 629-9094 ♦ Fax (213) 996-4242 ♦ www.vasquezcpa.com
Contact: Mr. Gilbert Vasquez, CPA ♦ Date: July 15, 2008

July 15, 2008

Elba Padilla
Director of Finance/City Treasurer
6550 Miles Avenue #116
Huntington Park, CA 90255

RE: Request for Proposals for Auditing Services

Vasquez & Company LLP is pleased to submit our price proposal to the City of Huntington Park and its component units (collectively the "City") request for proposal to audit the financial statements for the fiscal year ended June 30, 2008, with the option of auditing its financial statements for each of the four (4) subsequent fiscal years.

Our fees for the services outlined in this proposal are based on our estimates of the time needed to complete the project at our standard hourly rates. You acknowledge that any fee estimates we have furnished are only our good faith estimates based on our understanding of the engagement assumptions and the facts and circumstances we are aware of at this time. If the bases of our estimates are inaccurate, the fees and expenses may be different from those we each anticipate. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. The fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. All pricing information contained in this cost proposal is negotiable.

Mr. Gilbert R. Vasquez, Managing Partner of Vasquez & Company LLP is authorized to negotiate the prices and contract provisions on behalf of our Firm.

We thank you for the opportunity to respond to your request for proposal. Should you have any questions regarding the information contained in the proposal, please contact Mr. Vasquez at 213-629-9094 ext. 200.

Sincerely,

VASQUES & COMPANY LLP

Gilbert R. Vasquez
Managing Partner

Attachment A

AUDIT WORK COST PROPOSAL FORM

Service	2007-08	2008-09	2009-10	2010-11	2011-12
City Financial Report	$ 39,600	$ 40,788	42,011	43,271	44,569
GANN Limit Review Report	500	500	500	500	500
CDC Financial Report	3,000	3,090	3,182	3,277	3,375
Management Letter – City & CDC	1,200	1,236	1,273	1,311	1,350
Annual State Controller Report – City	3,500	3,605	3,713	3,824	3,938
Annual State Controller Report – CDC	1,500	1,575	1,653	1,735	1,821
Annual Statement of Indebtedness CDC (prepared by City but in the event that this is not possible)	500	515	530	545	561
Total for Fiscal Year	**$ 49,800**	**$ 51,309**	**52,862**	**54,463**	**56,114**

Attachment B

ESTMATE OF COST

Name of Firm: Vasquez & Company LLP\

Address: 801 S. Grand Avenue, Suite 400, Los Angeles, CA 90017-4646

Contact Name: Gilbert R. Vasquez

Contact Phone: 213-629-9094 Contact Fax: 213-996-4242

Contact Email: grv@vasquezcpa.com

1. Auditor's Standard Billing Rates

Auditor's Standard Hourly Billing Rates					
POSITION	2007/08	2008/09	2009/10	2010/11	2011/12
Partner	250	262	275	288	302
Principal	250	262	275	288	302
Manager	160	168	176	184	193
Supervisor	140	147	154	161	169
Senior Auditor	120	126	132	138	144
Staff Auditor	90	94	98	102	107

EXHIBIT “C”

CONTRACT TO PROVIDE AUDIT SERVICES TO THE CITY OF HUNTINGTON PARK

EXHIBIT C

We are pleased to confirm our understanding of the services we are to provide City of Huntington Park (City) for the years ended June 30, 2008, 2009 and 2010. We will audit the financial statements of the City as of and for the years ended June 30, 2008, 2009 and 2010. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI), such as Management's Discussion and Analysis (MD&A), to accompany the City's basic financial statements. As part of our engagement, we will apply certain limited procedures to the City's RSI. These limited procedures will consist principally of inquiries of management regarding the methods of measurement and presentation, which management is responsible for affirming to us in its representation letter. Unless we encounter problems with the presentation of the RSI or with procedures relating to it, we will disclaim an opinion on it. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis (MD&A)
2) Budgetary Comparison Schedules
3) Required Supplementary Information
4) Statistical Section

Supplementary information other than RSI also accompanies the City's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and will provide an opinion on it in relation to the basic financial statements:

1) Schedule of Expenditures of Federal Awards
2) Statement of Agency Funds

The following additional information accompanying the basic financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and for which our auditor's report will disclaim an opinion.

1) Schedule of Funding Progress for PERS

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the basic financial statements taken as a whole. The objective also includes reporting on:

- Internal control related to the financial statements and compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The reports on internal control and compliance will each include a statement that the report is intended for the information and use of the audit committee, management, specific legislative or regulatory bodies, federal awarding agencies, and if applicable, pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Our audit will be conducted in accordance with U.S. generally accepted auditing standards; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with Circular A-133, and other procedures we consider necessary to enable us to express such opinions and to render the required reports. If our opinions on the financial statements or the Single Audit compliance opinions are other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; for the fair presentation in the financial statements of the financial position of the City and the changes in financial position and, where applicable, cash flows in conformity with U.S. generally accepted accounting principles; and for federal award program compliance with applicable laws and regulations and the provisions of contracts and grant agreements. Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein.

You are responsible for management decisions and functions. As part of the audit, we will prepare a draft of your financial statements, schedule of expenditures of federal awards, and related notes. In accordance with *Government Auditing Standards*, you will be required to review and approve those financial statements prior to their issuance and have a responsibility to be in a position in fact and appearance to make an informed judgment on those financial statements. Further, you are required to designate a qualified management-level individual to be responsible and accountable for overseeing our services.

Management is responsible for making all financial records and related information available to us, including identifying significant vendor relationships in which the vendor has the responsibility for program compliance and for the accuracy and completeness of that information.

Management's responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan.

Management is responsible for establishment and maintenance of a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous audits or other engagements or studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits or other engagements or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, and the timing and format related thereto.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because an audit is designed to provide reasonable, but not absolute assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Controls

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under professional standards, *Government Auditing Standards*, and OMB Circular A-133.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of test of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City's major programs. The purpose of those procedures will be to express an opinion on the City's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

Dispute Resolution Procedure

If any dispute, controversy, or claim arises in connection with the performance or breach of this agreement (including disputes regarding the validity or enforceability of this agreement), either party may, upon written notice to the other party, request facilitated negotiations. Such negotiations shall be assisted by a neutral facilitator acceptable to both parties and shall require the best efforts of the parties to discuss with each other in good faith their respective positions and, respecting their different interests, to finally resolve such dispute.

Each party may disclose any facts to the other party or to the facilitator that it, in good faith, considers necessary to resolve the dispute. However, all such disclosures will be deemed in furtherance of settlement efforts and will not be admissible in any subsequent litigation against the disclosing party. Except as agreed by both parties, the facilitator shall keep confidential all information disclosed during negotiations. The facilitator shall not act as a witness for either party in any subsequent arbitration between the parties.

Such facilitated negotiations shall conclude within sixty days from receipt of the written notice unless extended by mutual consent. The parties may also agree at any time to terminate or waive facilitated negotiations. The costs incurred by each party in such negotiations will be borne by it; the fees and expenses of the facilitator, if any, shall be borne equally by the parties.

If any dispute, controversy, or claim arises in connection with the performance or breach of this agreement (including disputes regarding the validity or enforceability of this agreement) and cannot be resolved by facilitated negotiations (or the parties agree to waive that process), then such dispute, controversy, or claim shall be settled by arbitration. The arbitration proceeding shall take place in the city in which Vasquez & Company, LLP office is providing the relevant services exists, unless the parties agree to a different locale. The proceeding shall be governed by the provisions of the Federal Arbitration Act (FAA) or, if a court of competent jurisdiction determines the FAA inapplicable, by the laws of the State of California. In any arbitration instituted hereunder, the proceedings shall proceed in accordance with the then current Arbitration Rules for Professional Accounting and Related Disputes of the American Arbitration Association (AAA), except that no pre-hearing discovery shall be permitted unless specifically authorized by the arbitration panel.

Such arbitration shall be conducted before a panel of three persons, one chosen by each party, and the third selected by the two party-selected arbitrators. The arbitration panel shall have no authority to award non-monetary or equitable relief, and any monetary award shall not include punitive damages. The confidentiality provisions applicable to facilitated negotiation shall also apply to arbitration. The award issued by the arbitration panel may be confirmed in a judgment by any federal or state court of competent jurisdiction.

Audit Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider.

Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of and sign the Data Collection Form that summarizes our audit findings. We will provide copies of our reports to the Organization; however, it is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the designated federal clearinghouse and, if appropriate, to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditor's reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audit. At the conclusion of the engagement, we will provide information to management as to where the reporting packages should be submitted and the number to submit.

Audit Documentation

The audit documentation for this engagement is the property of Vasquez & Company LLP and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to a Cognizant or Oversight Agency for Audit or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Vasquez & Company LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies. The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by the Cognizant Agency, Oversight Agency for Audit, or Pass-through Entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Attachment “B”

(See attached First Amendment)

FIRST AMENDMENT TO PROFESSIONAL AUDITING SERVICES AGREEMENT

THIS FIRST AMENDMENT TO THE PROFESSIONAL AUDITING SERVICES AGREEMENT ("First Amendment") is dated as of June 20, 2011, and is entered into by and between the City of Huntington Park, a California municipal corporation (hereinafter referred to as "City") and Vasquez & Co., LLP, (hereinafter referred to as "Contractor"). City and Contractor may at times herein be referred to as a "Party" and collectively referred to as the "Parties."

RECITALS

WHEREAS, City and Contractor entered into a Professional Auditing Services Agreement dated August 18, 2008 (the "Agreement") which will expire on August 18, 2011.

WHEREAS, The Parties desire to extend the Agreement to cover the audit for the period ending June 30, 2012, by which the Contractor shall continue to assist with auditing City's financial records, and all terms of the agreement, except those amended herein, shall remain unchanged and in full force and effect.

WHEREAS, City and the Contractor desire to enter into an amendment to the Agreement by which the length of the term of services that are to be provided by Contractor is extended to June 30, 2012.

NOW, THEREFORE, the Parties hereto agree as follows:

1. Extension of Agreement Term. The term of the Agreement is hereby extended to June 30, 2012 ("Agreement Period").
2. Effective Date. The effective date of this First Amendment is August 18, 2011.
3. No Other Modification. Except as amended herehy, the Agreement shall remain unchanged and in full force and effect.
4. Counterparts. This First Amendment may be executed in any number of counterparts, all of which shall constitute but one original.

IN WITNESS WHEREOF, the Parties have executed this First Amendment as of the day and year first written above.

City:
City of Huntington Park,
A Municipal Corporation

By: _____
Ofelia Hernandez, Mayor

Contractor:
Vasquez & Company, LLP

By: _____
Gilbert R. Vasquez, CPA,
Managing Partner

ATTEST:

By: _____
Rosanna Ramirez, City Clerk

CITY OF HUNTINGTON PARK

Human Resources Division
City Council Agenda Report

December 15, 2014

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

RESOLUTIONS ADOPTING NEW CLASS SPECIFICATIONS FOR THE POSITIONS OF ASSISTANT CHIEF OF POLICE, POLICE ADMINISTATION MANAGER, AND POLICE MANAGEMENT ANALYST

IT IS RECOMMENDED THAT THE CITY COUNCIL:

1. Adopt Resolution 2014-63, Approving and Adopting New Class Specifications for the Position of Police Administration Manager;
2. Adopt Resolution 2014-64, Approving and Adopting New Class Specifications for the Position of Police Management Analyst; and
3. Adopt Resolution 2014-65, Repealing Resolution No. 83-29 and Adopting New Class Specifications for the Position of Assistant Chief of Police.

BACKGROUND

Adoption of the resolutions stated above by the City Council is the final step in the process before the City can begin the recruitment for these positions. The Assistant Chief of Police class specifications have been revised from the original specifications approved back in 1983. The Police Administration Manager and the Police Management Analyst are new positions; the City Attorney has reviewed and approved the resolutions and class specifications.

Assistant Chief of Police – Policing in America has tremendously changed in last few decades. The Assistant Chief of Police is a critical leadership component of the Police Department. The position assists the Chief of Police with running the day to day operations. It is for this reason that the current class specification requirements such as duties, skills, education and training need to be updated to meet the demand of the profession in the 21st century.

Police Administration Manager – A new exempt civilian position that will be responsible for the Administration, Youth Services, Training, Records and

Communication sections. Creating a permanent civilian position will create a path of upward mobility for the professional staff and make the organization more effective, efficient and fiscally responsible.

Police Management Analyst – A new exempt civilian position will perform a full range of complex professional, administrative, technical and analytical duties. The Police Department currently has no position that can address the above duties. In this modern era Police Departments require employees to collect, analyze and disseminate complex data.

FISCAL IMPACT/FINANCING

Adoption of the resolutions has no fiscal impact to the City. Should the new positions be incorporated into the Police Department Budget there shall be no additional financial impact to the City's current General Fund budget (FY14/15). If action is taken to fill the above positions the Police Department, with approval, will freeze or remove from the Police Department General Fund budget one (1) Captain, one (1) Lieutenant, and one (1) Administrative Specialist position.

CONCLUSION

Upon adoption of the resolutions, the new class specifications will become effective.

Respectfully submitted,

JULIO MORALES,
City Manager

ATTACHMENTS

A. Resolution No. 2014-63, Approving and Adopting New Class Specifications for the position of Police Administration Manager

B. Exhibit A to Resolution No. 2014-63 City of Huntington Park Class Specifications for Police Administration Manager

C. Resolution No. 2014-64, Approving and Adopting New Class Specifications for the position of Police Management Analyst

D. Exhibit A to Resolution No. 2014-64 City of Huntington Park Class Specifications for Police Management Analyst

E. Resolution No. 2014-65, Repealing Resolution 83-29, and Approving Adopting New Class Specifications for the position of Assistant Chief of Police

F. Exhibit A to Resolution No. 2014-65 City of Huntington Park Class Specifications for Assistant Chief of Police

RESOLUTION NO. 2014 - 63

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUNTINGTON PARK APPROVING AND ADOPTING NEW CLASS SPECIFICATIONS FOR THE POSITION OF POLICE ADMINISTRATION MANAGER

WHEREAS, the City of Huntington Park has recently created a new employment position/classification titled "Police Administration Manager"; and,

WHEREAS, new class specifications have been created for this position/classification;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF HUNTINGTON PARK DOES RESOLVE AS FOLLOWS:

SECTION 1 The City Council of the City of Huntington Park hereby adopts and approves class specifications for the position of Police Administration Manager, a copy of which is attached hereto as Exhibit A, with a salary range of $7,455 to $9,153 per month, Salary Grid 201.

SECTION 3 The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this 15th day of December, 2014.

_____
Rosa E. Perez, Mayor

ATTEST:

_____
Donna G. Schwartz, CMC
Interim City Clerk

CITY OF HUNTINGTON PARK
CLASS SPECIFICATION

POLICE ADMINISTRATION MANAGER

Civil Service Status: Exempt Probationary Period: At-Will Classification Series: Police Series–Civilian Non-Sworn FLSA Status: Exempt	Bargaining Unit: Non-Represented Employees Approved by City Council: Resolution No.:

Class specifications are intended to present a descriptive list of the range of duties performed by employees in this class. Specifications are **not** *intended to reflect all duties performed within the job.*

DEFINITION

Under direction of the Chief of Police, manages, plans, directs, and coordinates the Police Department's Administration Division which includes Communications, Records, Youth Services, Crime Analysis and Information Systems; prepares and administers the Department's budget and grant acquisition; serves as a member of the Police Department Management Team; researches and prepares staff reports; develop, implements, and evaluates the Administrations systems and procedures; performs other related duties as required.

EXAMPLE OF DUTIES

The following duties are typical for this classification. Incumbents may not perform all of the listed duties and/or may be required to perform additional or different duties from those set forth below to address business needs and changing business practices.

- Under direction, manages, plans, directs, and coordinates the Police Department's Administration Division which includes Communications, Records, Youth Services, Crime Analysis and Information Systems; prepares and administers the Department's budget and grant acquisition; serves as a member of the Police Department Management Team; researches and prepares staff reports; develop, implements, and evaluates the Administrations systems and procedures; performs other related duties as required;
- Supervises, plans, directs, and coordinates all assigned Police Department personnel; conducts research into a variety of law enforcement and administrative issues; develops, implements and reviews operating procedures; ensures that activities/actions are conducted in accordance with related laws, ordinances, regulations, and policies;
- Oversees and maintains all department supplies; makes purchases; plans and coordinates equipment installations; administers all Police Department service contracts; ensures that the systems are maintained and operated efficiently and economically;
- Prepares and administers the Police Department's budget; researches and develops new procedures and proposals; prepares directives , which outline these procedures; participates in the development of department goals and objectives and policies;
- Prepare and oversee grant proposals; Monitor and administer all police grants;
- Manage all aspects of the Youth Services Division including Police Activities League (PAL), Teen Academy, LEAD'S and Junior LEAD'S;
- Oversee the appointment process of all personnel; coordinate and manage compliance of all staff training; Review and implement best practices regarding personnel training that is efficient, effective and fiscally responsible;

(Continued)

- Answers questions from the public by phone or in person; advises and provides liaison to other departmental staff, other City Departments, other agencies, and the public regarding responsible areas;
- Meets and consults with management staff, the public, legal advisors and representatives of other governmental agencies; coordinates activities with other law enforcement agencies;
- Establishes positive working relationships with representatives of community organizations, state/local agencies and associations, City management and staff, and the public;
- May make presentations to City Council, other governmental agencies, and a variety of civic organizations as directed by the Chief of Police;
- May be exposed to confidential and privileged information during the course of duties, which shall be maintained as such;
- Maintain the confidentiality of privileged information which he/she may be exposed to during the course or duties;
- Established positive working relationships with representatives of community organizations, state/local agencies and associations, City management and staff, and the public;
- Assumes responsibility for ensuring the duties of this position are performed in a safe, efficient manner;
- Performs other related duties as assigned or as situations requires.

MINIMUM QUALIFICATIONS

The following generally describes the knowledge and ability required to enter the job and/or be learned within a short period of time in order to successfully perform the assigned duties.

Knowledge of:

- Modern principles and practices of municipal criminal justice systems;
- Organization and functions of a municipal law enforcement agency;
- Principles and practices of law enforcement records management;
- Principles and practices of program and budget development, administration and evaluation;
- Modern law enforcement communications techniques and equipment;
- Automated law enforcement information systems and procedures;
- Methods and techniques of supervision, training and motivation;
- Basic principles of mathematics;
- Applicable federal, state and local laws, codes, and regulations;
- Methods and techniques of scheduling work assignments;
- Standard office procedures, practices, and equipment;
- Modern office practices, methods and equipment including a computer and applicable software;
- Methods and techniques for record keeping and report preparation and writing;
- Proper English, spelling, and grammar;
- Occupational hazards and standard safety practices.

Skills:

- Operate an office computer and a variety of word processing and software applications.

Ability to:

- Administer Police Department divisions;
- Interpret and explain laws, regulations and rules, as well as departmental policy and procedures;
- Plan, organize, direct, and evaluate the work of subordinate staff;
- Supervise and participate in the establishment of departmental goals, objectives, and methods for evaluating achievement and performance levels;
- Analyze complex law enforcement issues, evaluate alternatives and reach sound conclusions;
- Make adjustments to standard operating procedures as necessary to improve organizational effectiveness;
- Develop and implement plans for law enforcement services;
- Interpret and explain laws, regulations, rules, and departmental policies and procedures;
- Maintain appropriate flow of communication and chain of command;
- Identify and inform superiors of sensitive issues/situation;
- Supervise, train, and motivate assigned staff;
- Act quickly and calmly in emergency situations;
- Work flexible hours, including weekends and split shifts;
- Apply applicable laws, codes and regulations;
- Communicate clearly and concisely, both orally and in writing;
- Establish and maintain effective working relationships.

Education and Experience Guidelines – *Any combination of equivalent education, training and experience that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:*

Education/Training:

- A Bachelor's degree in Public Administration, Business Administration, Criminal Justice, or a closely related field from an accredited college or university. A Master's degree in Public or Business Administration or a closely related field is desirable.

CITY OF HUNTINGTON PARK
CLASS SPECIFICATION

POLICE ADMINISTRATION MANAGER

Civil Service Status: Exempt Probationary Period: At-Will Classification Series: Police Series–Civilian Non-Sworn FLSA Status: Exempt	Bargaining Unit: Non-Represented Employees Approved by City Council: Resolution No.:

Experience:

- Five (5) years or more of responsible administrative or management experience involving police records management, grants administration, records, communication, crime analysis, and budget preparation and analysis.

License or Certificates:

- A valid California Class C Driver's License.

Physical Requirements:

- Must meet approved physical and pre-placement medical standards for the position.

Bilingual Pay:

- Employees who qualify and are certified to speak Spanish may be eligible to receive bilingual pay.

RESOLUTION NO. 2014 - 64

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUNTINGTON PARK APPROVING AND ADOPTING NEW CLASS SPECIFICATIONS FOR THE POSITION OF POLICE MANAGEMENT ANALYST

WHEREAS, the City of Huntington Park has recently created a new employment position/classification titled "Police Management Analyst"; and,

WHEREAS, new class specifications have been created for this position/classification;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF HUNTINGTON PARK DOES RESOLVE AS FOLLOWS:

SECTION 1 The City Council of the City of Huntington Park hereby adopts and approves class specifications for the position of Police Management Analyst, a copy of which is attached hereto as Exhibit A, with a salary range of $5,422 to $6,657 per month, Salary Grid 169.

SECTION 3 The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this 15th day of December, 2014.

_____
Rosa E. Perez, Mayor

ATTEST:

_____
Donna G. Schwartz, CMC
Interim City Clerk

CITY OF HUNTINGTON PARK
CLASS SPECIFICATION

POLICE MANAGEMENT ANALYST

Civil Service Status:	Exempt	Bargaining Unit:	Non-Represented Employees
Probationary Period:	At-Will	Approved by City Council:	
Classification Series:	Management Analyst Series	Resolution No.:	
FLSA Status:	Exempt		

Class specifications are intended to present a descriptive list of the range of duties performed by employees in this class. Specifications are **not** *intended to reflect all duties performed within the job.*

DEFINITION

Under general direction of the Chief of Police, this experienced mid-management professional analyst position performs a full range of complex professional, administrative, technical and analytical duties requiring a high degree of discretion and independent judgment in the delivery of all assigned functions, including staff reports, city council agenda items, policy memos, special projects, financial preparation, research duties, and personnel and relations matters.

Provides critical oversight to police initiatives, workflow functions, ongoing operations and capital projects. Serves as a liaison to high-level management staff activities, including meetings, events and forums.

EXAMPLE OF DUTIES

The following duties are typical for this classification. Incumbents may not perform all of the listed duties and/or may be required to perform additional or different duties from those set forth below to address business needs and changing business practices.

- Represents the City to community organizations, and other government agencies and the general public;
- Researches, investigates and analyzes departmental and interdepartmental operations and administrative issues, including but not limited to functions, organization structures, record procedures involving forms, financial records, documents and payrolls, work output and workload, expense control, layout and equipment;
- Prepares organization and work flow charts, spreadsheets, policy and procedural manuals and written reports using automated equipment and a variety of computer software packages;
- Prepares and is responsible for or assists in the preparation and administration of department or program budget;
- Plans, organizes, prepares materials staff reports and makes presentations to the general public, to the City Manager, City Council, department heads, and other government agencies;
- Researches public and private grant programs and plans and prepare for grant applications and then manages grants;
- Assist in negotiating and preparing contracts between the City and community service providers and monitors contract compliance and administration;
- Researches, monitors, and tracks legislation and conducts surveys and studies related to community or departmental projects, analyzes resulting data and prepares oral or written presentations;

(Continued)

- Attends workshops and seminars and presents information to appropriate personnel for follow-up action;
- Coordinate and assist with Human Resources issues/problems in department and/or division;
- Plans, designs and implements monitoring systems for marketing, communications and other programs and activities;
- Coordinate new employee orientation and issuing of equipment, uniforms and ID cards;
- Coordinate employee training programs, administer, and oversee employee training records;
- Serves as department liaison with other departments or outside agencies;
- May act as department liaison between contractors and residents or commercial accounts to handle customer service issues and complaints;
- Plans and coordinates programs and/or projects and submits required related reports to other departments or government agencies;
- Confers with City officials and employees on matters of administration, finance, and operation;
- Prepares, manages and implements request for proposals and the bid process;
- Coordinates resources from other departments to develop and implement projects or programs;
- Conduct in special projects undertaken for purposes of standardization, efficiency, productivity and economy;
- May manage departments or divisions technology equipment;
- Prepares renderings, charts, maps, diagrams and models for presentation from data gathered personally or by other staff, using automated equipment, drafting or drawing techniques;
- Coordinates activities with technical and professional consultants, contractors, and City staff;
- Conducts development and design of programs based on need;
- Prepare requests for proposals and managing contracts;
- Recommends policy and procedures;
- Prepares correspondence, compiles and analyzes data;
- Response to public inquiries and complaints;
- Designs and implements systems and forms for use in operations;
- Attends meetings as appropriate;
- May supervise and evaluate and train subordinate employees;
- Maintain the confidentiality of privileged information which he/she may be exposed to during the course or duties;
- Established positive working relationships with representatives of community organizations, state/local agencies and associations, City management and staff, and the public;
- Assumes responsibility for ensuring the duties of this position are performed in a safe, efficient manner;
- Performs other related duties as assigned or as situations requires.

CITY OF HUNTINGTON PARK
CLASS SPECIFICATION

POLICE MANAGEMENT ANALYST

Civil Service Status: Exempt Probationary Period: At-Will Classification Series: Management Analyst Series FLSA Status: Exempt	Bargaining Unit: Non-Represented Employees Approved by City Council: Resolution No.:

MINIMUM QUALIFICATIONS

The following generally describes the knowledge and ability required to enter the job and/or be learned within a short period of time in order to successfully perform the assigned duties.

Knowledge of:

- Appropriate professional field or technology;
- Budgetary principles, practices and procedures;
- Analyses techniques, and trends affecting municipal government;
- Business practices and procedures;
- Statistical methods and research techniques;
- Applicable federal, state and local laws, codes and regulations;
- Basic principals on grant applications and proposal preparation;
- Basic principles of mathematics;
- Standard office procedures, practices and equipment;
- Methods and techniques for record keeping and report preparation and writing.
- Thorough understanding of municipal operations

Skills:

- Possess skills to word process general correspondence, spread sheets, and reports using a personal computer and software applications.
- Possess analytical and problem solving ability to collect, evaluate and interpret data and make sound recommendations on complex issues

Ability to:

- Conduct long-term planning and manage project or programs;
- Prepare and monitor contracts;
- Make effective oral, written and comprehensive presentations to large groups;
- Coordinate groups of people and/or resources effectively;
- Use graphic skills, and while not required, is highly desirable;
- Design and implement work flow systems;
- Attend evening meetings, including City Council;
- Collect, analyze, and interpret data;
- Analyze complex issues and problems, evaluate alternatives, and recommend practical solutions;
- Organize and prepare effective grant applications and proposals and administer grant;
- Prepare, administer, and monitor departmental, program and project budgets;
- Perform mathematical calculations quickly and accurately;
- Interpret, explain, and apply applicable laws, codes and regulations;
- Read, write, comprehend, and follow written and oral instructions;

(Continued)

- Read, interpret, and record data accurately; organize, prioritize, and follow-up on work assignments;
- Work independently and as part of a team;
- Make sound decisions within established guidelines;
- Analyze a complex issue and develop and implement an appropriate response;
- Observe safety principles and work in a safe manner;
- Communicate effectively and concisely, both orally and in writing;
- Establish and maintain smooth effective working relationships and resolve interpersonal conflicts;
- Handle confidential information with discretion;
- Understand and interprets federal law, state law, the municipal code, MOU's, administrative policies and departmental rules and other City policies relate to their respective job duties;
- Recommend policies and programs congruent with city codes and ordinances;
- Review and evaluate employee's job performance;
- Effectively supervise subordinates;
- Foster a team work environment;
- Plan, organize and prioritize progress;
- Lead, coach, instruct and motivate employees;
- Provide leadership and work instructions;
- Willingness to initiate, recommend and carry out personnel actions as required;
- Organize, assign, schedule and delegate workload among employees;
- Effectively manage workplace diversity issues in a diverse organization;
- Work necessary hours and times to accomplish goals, objectives and requires tasks;
- Effectively communicate both orally and in writing;
- Deal with all levels of employees and the public;
- Initiate and accomplish work in a timely manner;
- Assume responsibility for providing effective customer service;
- Effectively handle stressful situations;
- Work overtime as requested;
- Assume responsibility for maintaining a safe working environment;
- Develop necessary skills from on the job training and meet the standards of performance or higher for the classification.

CITY OF HUNTINGTON PARK
CLASS SPECIFICATION

POLICE MANAGEMENT ANALYST

Civil Service Status: Exempt Probationary Period: At-Will Classification Series: Management Analyst Series FLSA Status: Exempt	Bargaining Unit: Non-Represented Employees Approved by City Council: Resolution No.:

Education and Experience Guidelines – *Any combination of equivalent education, training and experience that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:*

Education/Training:

- A Bachelor's degree in Public Administration, Business Administration, Criminal Justice, or a closely related field from an accredited college or university. A Masters' degree in Public or Business Administration or a closely related field is desirable.

Experience:

- Three (3) years or more of responsible Administrative or Management Analyst experience, involving budget, management, organization, Human Resources or other related function, preferably with a government agency including one (1) year or more years of supervisory experience.

License or Certificate:

- A valid California Class C Driver's License and a satisfactory driving record.

Physical Requirements:

- Must meet approved physical and pre-placement medical standards for the position.

Bilingual Pay:

- Employees who qualify and are certified to speak Spanish may be eligible to receive bilingual pay.

RESOLUTION NO. 2014 - 65

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUNTINGTON PARK REPEALING RESOLUTION NO. 83-29 AND ADOPTING NEW CLASS SPECIFICATION FOR THE POSITION OF ASSISTANT CHIEF OF POLICE

WHEREAS, the City of Huntington Park adopted Resolution No. 83-29 which set forth class specifications and a salary range for the position of Assistant Chief of Police;

WHEREAS, modifications were made to the class specification, Example of Duties and Minimum Qualifications;

WHEREAS, the class specification, attached hereto, reflects the new format for all city wide specifications.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HUNTINGTON PARK DOES RESOLVE AS FOLLOWS:

SECTION 1 Resolution No. 83-29 is hereby repealed.

SECTION 2 The City Council of the City of Huntington Park hereby adopts and approves class specifications for the position of Assistant Chief of Police, a copy of which is attached hereto as Exhibit A, with a salary range of $10,149 to $12,461 per month, Salary Grid 232.

SECTION 3 The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this 15th day of December, 2014.

_____
Rosa E. Perez, Mayor

ATTEST:

_____
Donna G. Schwartz, CMC
Interim City Clerk

CITY OF HUNTINGTON PARK
CLASS SPECIFICATION

ASSISTANT CHIEF OF POLICE

Civil Service Status:	Exempt	Bargaining Unit:	Non Represented Employee
Probationary Period:	At-Will	Approved by City Council	
Classification Series:	Police-Sworn	Resolution No.:	
FLSA Status:	Exempt		

Class specifications are intended to present a descriptive list of the range of duties performed by employees in this class. Specifications are ***not*** *intended to reflect all duties performed within the job.*

DEFINITION

Under direction of the Chief of Police, this management position assists in planning, organizing and directing the activities and operations of the Police Department in the enforcement of law and the prevention of crime serves as acting Police Chief in the absence of the Police Chief; and performs related work as required.

EXAMPLE OF DUTIES

The following duties are typical for this classification. Incumbents may not perform all of the listed duties and/or may be required to perform additional or different duties from those set forth below to address business needs and changing business practices.

- Performs same or similar duties as required to be performed by Police Captain and as directed by Police Chief;
- Assists in the planning, organizing and directing of the maintenance of law and order; and the protection of life and property;
- Assists in the regulation of traffic;
- Assists in the apprehension, arrest, and detention of law violators;
- Represent the Police Department to other City departments, elected officials and outside agencies; explain and justify Police Department programs, policies and activities; negotiate and resolve sensitive, significant and controversial issues;
- Assist in the planning, directing and coordinating, through subordinate level, the Police Department's work plan; meet with management staff to identify and resolve problems; assign projects and programmatic areas of responsibility; review and evaluate work method and procedures;
- Assists in managing and participating in the development and administration of the Police Department budget; direct the forecast of additional funds needed for staffing, equipment, materials, and supplies; direct the monitoring of and approve expenditures; direct the preparation and implement budgetary adjustments as necessary;
- Assists in selecting, training, motivating and evaluating Police Department employees; provide or coordinate staff training; work with employees to correct deficiencies; implement discipline and termination procedures; direct employee investigations regarding police actions;
- Assists in coordinating Police Department activities with those of other departments and outside agencies and organizations; provide staff assistance to the City Manager and City Council in the absence of the Chief of Police; prepare and present staff reports and other necessary correspondence;
- Responds to citizen inquiries and resolve difficult and sensitive complaints;
- Participates on a variety of boards and commissions; attends and participates in professional group meetings; stays abreast of new trends and innovations in the law enforcement field;

(Continued)

- Assumes responsibility for ensuring that the duties of the position are performed in a safe, and efficient manner;
- Performs related duties as assigned or as situations requires.

MINIMUM QUALIFICATIONS

The following generally describes the knowledge and ability required to enter the job and/or be learned within a short period of time in order to successfully perform the assigned duties.

Knowledge of:

- Municipal police administration and management;
- Principles and techniques of organization, analysis, personnel management, training, budget administration, and administrative controls;
- Legal, technical, and operating practices of law enforcement, deployment of officers and equipment, and patrol operations;
- Causes, prevention, and control of crime and juvenile delinquency;
- Traffic enforcement, police records systems, and statistical reporting systems;
- Functions of mutual aid with the Police Departments of adjacent cities, State, and Federal law enforcement agencies and functions;
- Rules of evidence, arrest, custody of persons, search and seizure, civil rights, and related constitutional, legal and court decisions affecting police jurisdictions.

Skills:

- Possess skills in word processing correspondence, spreadsheets, and reports using a personal computer and software applications;
- Meets the minimum Police department standards for firearm proficiency.

Ability to:

- Analyze departmental operations and activities and prepare comprehensive reports;
- Prepare and submit the departmental budget;
- Establish and maintain favorable and effective working relations with City officials, officials of other jurisdictions, and the general public;
- Direct the activities of supervisors and, through them, a large number of subordinates, relying primarily on proper leadership and organization;
- Analyze usual and unusual metropolitan types of law enforcement problems and adopt effective courses of action;
- Understand and interpret provisions the Municipal Code, MOU's administrative policies and departmental rules and other City policies related to job duties;
- Review and evaluate employees job performance;

(Continued)

- Effectively supervise subordinates;
- Foster a teamwork environment;
- Plan, organize and prioritize progress;
- Lead, coach, instruct and motivate employees;
- Provide leadership;
- Provide work instructions;
- Willingness to initiate, recommend and carry out personnel actions as required;
- Organize, assign, schedule and delegate workload among employees;
- Speak before groups of people;
- Effectively manage workplace diversity issues in a diverse organization;
- Work necessary hours and times to accomplish goals, objectives and required tasks;
- Effectively communicate both orally and in writing;
- Deal with all levels of employees and the public;
- Initiate and accomplish work in a timely manner;
- Assume responsibility for providing effective customer service;
- Effectively handle stressful situations;
- Handle confidential information with discretion;
- Assume responsibility for maintaining a safe working environment;
- Establish professional working relationships and resolve interpersonal conflicts;
- Develop necessary skills from on-the-job training and meet the standards of performance or higher for the classification.

Education and Experience Guidelines – *Any combination of equivalent education, training and experience that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:*

Education/Training:

- A Bachelor's degree in Public Administration, Political Science, Business Administration, or a closely related field from an accredited college or university;
- Master=s degree in Public Administration or related field is highly desirable;
- Graduation from P.O.S.T. Command College or FBI National Academy highly desirable.

Experience:

- Five (5) years of extensive and responsible management level experience involving the administration and management of a comprehensive law enforcement program, at least four (4) years of which shall have been an administrative/supervisory permanent rank of Police Lieutenant or above.

License or Certificate:

- A valid California Class C Driver's License and a satisfactory driving record.
- Possession of a California P.O.S.T. Management Certificate.

Special Requirements:

- Must pass a Police Department background check;
- Requires wearing uniform.

Physical Requirements:

- Must meet approved physical and pre-placement medical standards for the position.

Bilingual Pay:

- Employees who qualify and are City-certified to speak and understand Spanish may be eligible to receive bilingual pay.

CITY OF HUNTINGTON PARK

Parks and Recreation Department
City Council Agenda Report

December 15, 2014

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

REQUEST TO AUTHORIZE AGREEMENT WITH O ENTERTAINMENT FOR 4TH OF JULY CELEBRATION

IT IS RECOMMENDED THAT THE CITY COUNCIL:

1. Review and authorize (3) three year agreement with O Entertainment to produce the City's annual 4th of July Celebration.

BACKGROUND

The 4th of July Celebration is one the City's largest community events. With this in mind, staff wanted to ensure a process that would guarantee that the event would continue in the future, especially during this economic downturn. In the past, the City has had to use funding from the General Fund to produce this event. We have been able to offset the cost over the years by seeking sponsors and other cost savings measures however, these approaches do not lend themselves to produce a sustainable event for years to come.

Staff realized that to ensure the event continued, we needed to find a fiscally responsibly option to fund the event. Last year was the first year we tested a new model and with a few minor changes we are confident that O Entertainment will be able to produce this event for the next three years with no out of pocket cost to the City. If approved, we plan to continue with this model, and enter into an agreement with O Entertainment for 3 years to provide the following:

- ✓ Event infrastructure, including: stage, sound, entertainment, booths, porta potties, chairs, tables, etc.
- ✓ Food booths and beer garden
- ✓ Event security
- ✓ Carnival rides

O Entertainment also agrees to pay the City $10,000 or 10% of all revenue (whichever is higher) for each year of the agreement. Additionally, it is important to remember that this agreement is for the 4th of July Festival portion on the event and not the fireworks.

FISCAL IMPACT/FINANCING

There will be no negative impact to the General Fund as a result of this action.

LEGAL AND PROGRAM REQUIREMENTS

The agreement has been reviewed by the City Attorney and approved to form.

CONCLUSION

Upon Council approval, staff will execute the agreement and file with the City Clerk's Office.

Respectfully submitted,

JULIO MORALES
Interim City Manager

Josette Espinosa
Director of Parks and Recreation

ATTACHMENTS

A. O Entertainment Agreement

TEMPORARY ACCESS LICENSE AGREEMENT

THIS LICENSE AGREEMENT ("License") is made and entered into as of _____, 2014, by and between the CITY OF HUNTINGTON PARK, a municipal organization organized under the laws of the State of California ("City"), and O Entertainment, Inc., a California corporation, ("Licensee"). For purposes of this License, the capitalized term "Parties" shall be a collective reference to both Licensee and City. The capitalized term "Party" shall refer to either Licensee or City interchangeably.

SECTION ONE:

FUNDAMENTAL LICENSE TERMS

1.1 **License:** City hereby issues to Licensee a License to enter upon real property located at the Circle Area of the City's Municipal Park located at 3401 E. Florence Avenue, Huntington Park, CA, as shown on the map attached hereto as Section Four and incorporated herein by this reference ("Premises"), for the purpose or activity specified in Paragraph 1.2.

1.2 **Use of Premises:** For and during the term of this License, and any extension or renewal thereof, Licensee shall use the Premises solely and exclusively for the purpose(s) or activity(ies) as described and delineated in Section Five hereto and incorporated herein by this reference ("Use of Premises") and for ingress and egress to the Premises from the closest public street for such activities.

1.3 **Term:** This License shall commence on **JULY 1, 2015** ("Commencement Date") and shall continue to and terminate at 11:59 p.m. local time on **JULY 9 2017** ("Expiration Date"). This License and the Licensee's rights hereunder may not be extended beyond the Expiration Date unless such extension is set forth in writing and signed by both City and the Licensee. Notwithstanding the foregoing or any other provision of this License, City may terminate this License with or without cause, or for any reason, at any time, by giving Licensee a ten (10) days written notice of termination.

BY PLACING ITS INITIALS HERE, LICENSEE ACKNOWLEDGES THAT IT HAS READ AND UNDERSTANDS THE PROVISIONS OF THIS LICENSE THAT ALLOWS CITY TO TERMINATE THIS LICENSE AT ANY TIME WITH OR WITHOUT CAUSE AS SET FORTH HEREINABOVE.

Licensee: _____

1.4 **License Consideration:** As consideration for the issuance of this License, Licensee shall pay to City a License Fee specified in Section Six hereunder, in accordance with the procedures set out in Section Two (General Provisions).

1.5 **Notices and Payments:** All payments, notices and other writings required to be delivered under this License to either party shall be delivered in accordance with the provisions of Section Two ("General Provisions"), to City at the address set forth in Section Two, and to Licensee at the address set forth in this Section One.

1.6 **Attachments:** This License incorporates by reference the following Attachments to this License:

Section One: Fundamental License Terms
Section Two: General License Provisions
Section Three: Special License Provisions
Section Four: Map of the Premises
Section Five: Use of Premises
Section Six. License Fee Schedule

1.7 **Integration:** This License represents the entire understanding of City and Licensee as to the License and all other matters contained herein. No prior oral or written understanding shall be of any force or effect with regard to those matters covered by this License. This License supersedes and cancels any and all previous negotiations, arrangements, agreements or understandings, if any, between the parties, and none shall be used to interpret this License.

IN WITNESS WHEREOF, the parties have executed and entered into this License as of the date first set forth above.

CITY OF HUNTINGTON PARK By: _____ Julio Morales, Interim City Manager **ATTEST:** By: _____ Donna Schwartz, Interim City Clerk **APPROVED AS TO FORM:** _____ Isabel Birrueta, City Attorney, City of Huntington Park	**OENTERTAINMENT** By:_____ Name:_____ Title:_____ By:_____ Name:_____ Title:_____ **Licensee Information:** Address for Notices: Attn: ROY HASSETT 539 E. BIXBY RD. #59 LONG BEACH, CA 90807

SECTION TWO:

GENERAL LICENSE PROVISIONS

2.1 Payment of License Fee

2.1.1. Transmittal of Payments: Licensee shall make all License Fee payments, and pay all other sums due under this License, in lawful money of the United States, by check payable to "CITY OF HUNTINGTON PARK," and shall personally deliver all payments without any notice or demand to City at the address set forth in Paragraph 2.8.1 below.

2.1.2. No Offsets: All License Fees and other sums due under this License shall be paid without offset or deduction, and shall be deemed payments on account. Neither the payment by Licensee nor the acceptance by City of any License Fee or other sum in an amount which is less than the amount due and payable pursuant to this License, nor the issuance of any statement showing as due and payable an amount less than is properly due and payable pursuant to the terms of this License, shall constitute an agreement by City modifying this License or a waiver of City's right to receive all sums provided for in this License. No endorsement or statement on any check or any letter accompanying any check or payment shall be deemed an accord or satisfaction, and City shall accept all checks and payments from Licensee without prejudice to City's right to recover the balance of the amount due or to pursue any other remedy in this License or as otherwise provided by law.

2.2 Charges for Delinquent Payment of License Fee

2.2.1. If any payment of any License Fee or any other sum due City is not received by City within ten (10) days after the due date, Licensee shall be deemed delinquent in its License Fee payment and a late charge of one and one-half percent (1.5%) of the delinquent amount, plus the sum of One Hundred Dollars ($100.00), shall become immediately due and payable to City. An additional charge of one and one-half percent (1.5%) of such delinquent License Fee payment (excluding late charges) shall be added for each additional calendar month (or portion thereof) that the delinquent sum remains unpaid.

2.2.2. Licensee and City hereby acknowledge and agree that such late charges do not represent and shall not be deemed to be an interest payment, but that such late charges represent a fair and reasonable estimate of the costs and expenses that City will incur by reason of Licensee's late payment.

2.2.3. Acceptance by City of any delinquent License Fee payment or late charge shall in no way constitute a waiver of Licensee's default with respect to such overdue and delinquent payment, or in any way impair, prevent or restrict City from exercising any of its rights or remedies set forth in this License or otherwise provided at law.

2.3 Use of Premises

2.3.1. Conditions of Use: For and during the term of this License, and any extension or renewal thereof, Licensee's use of the Premises shall be subject to the following conditions, covenants and restrictions:

2.3.1.1 Except as provided in this License, the Premises shall be used only for the purposes specified in Paragraph 1.2 above and Section Five hereunder, and the Premises shall not be used for any other use or purpose whatsoever, without the prior written consent of City.

2.3.1.2 Licensee shall not cause, permit or suffer any Hazardous Material to be brought upon, left, used or abandoned on the Premises. For purposes of this paragraph, the term "Hazardous Material" shall mean: (i) any chemical, pollutant, contaminant, pesticide, petroleum or petroleum product or by product, radioactive substance, solid waste (hazardous or extremely hazardous), special, dangerous or toxic waste, hazardous or toxic substance, chemical or material regulated, listed, referred to, limited or prohibited under any Environmental Law, including without limitation: (a) friable or damaged asbestos, asbestos-containing material, polychlorinated biphenyls ("PCBs"), chlorinated solvents and waste oil; (b) any "hazardous substance" or "hazardous waste" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §§ 9601 et seq.), as amended ("CERCLA"); or the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq.), as amended ("RCRA") or any Environmental Law of the State of California; and (ii) even if not prohibited, listed, limited or regulated by an Environmental Law, all pollutants, contaminants, hazardous, dangerous or toxic chemical materials, wastes or any other substances, including without limitation, any petroleum material or fractions thereof or additives thereto, any industrial process or pollution control waste (whether or not hazardous within the meaning of RCRA) which pose a hazard to the environment, or the health and safety of any person or impair the use or value of any portion of the Property. The term "Environmental Law" shall mean all applicable past, present or future federal, state and local statutes, regulations, directives, ordinances, rules, court orders, judicial and administrative decrees, arbitration awards and the common law, which pertain to environmental matters, contamination of any type whatsoever, or health and safety matters, as such have been amended, modified or supplemented from time to time (including any present and future amendments thereto and re-authorizations thereof), including, without limitation, those relating to: (i) the manufacture, processing, use, distribution, treatment, storage, disposal, generation or transportation of Hazardous Materials; (ii) air, soil, surface, subsurface, surface water and groundwater; (iii) releases; (iv) protection of wildlife, endangered species, wetlands or natural resources; (v) the operation and closure of underground storage tanks; (vi) health and safety of employees and other persons; and (vii) notification and record keeping requirements relating to the foregoing. Without limiting the above, Environmental Laws also include the following: (i) CERCLA; (ii) RCRA; (iii) the Emergency Planning and Community Right to Know Act of 1986 (42 U.S.C. §§ 11001 et seq.), as amended; (iv) the Clean Air Act (42 U.S.C. §§ 7401 et seq.), as amended; (v) the Clean Water Act (33 U.S.C. §§ 1251 et seq.), as amended; (vi) the Toxic Substances Control Act (15 U.S.C. §§ 2601 et seq.), as amended; (vii) the Hazardous Materials Transportation Act (49 U.S.C. §§ 1801 et seq.), as amended; (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. §§ 136 et seq.), as amended; (ix) the Federal Safe Drinking Water Act (42 U.S.C. §§ 300f et seq.), as amended; (x) the Federal Radon and Indoor Air Quality Research Act (42 U.S.C. §§ 7401 et seq.); (xi) the Occupational Safety and Health Act (29 U.S.C. §§ 651 et seq.), as amended; and (xii) any state, county, municipal or local statutes, laws or ordinances similar or analogous to (including counterparts of) any of the statutes listed above.

2.3.1.3 Licensee shall not maintain, commit or permit the maintenance or commission of any waste or any nuisance (as defined in California Civil Code section 3479) on the Premises, and Licensee shall not use or permit the use of the Premises for any unlawful purpose.

2.3.1.4 City or its authorized representative shall have the right at all reasonable times to enter upon the Premises and inspect the general condition of the Premises to determine if Licensee is complying with the terms, conditions, requirements and provisions of this License.

2.3.2. Utilities and Services: Licensee shall be solely responsible for obtaining all utility service and for the payment of all utility charges, including but not limited to water and power, supplied to the Premises.

2.3.3. Permits and Approvals: Licensee shall obtain at its own sole cost and expense, any and all governmental permits, approvals, licenses or other authorizations which may be required in connection with the use of the Premises as set forth in this License, including but not limited to approvals for business licenses, zoning or use permits, or any approvals that may be required under the California Environmental Quality Act, Surface Mining Second Reclamation Act, any rules or restrictions relating to environmental protection or protection of endangered species, or other provisions of law. No approval or consent given under this License by City shall affect or limit Licensee's obligations hereunder, nor shall any approvals or consents given by City, in its capacity as a party to this License, be deemed to be approval as to compliance or conformance with any applicable governmental codes, laws, orders, rules or regulations.

2.4 Insurance: Without limiting Licensee's indemnification obligations, Licensee shall not enter or occupy the Premises until Licensee has obtained all of the insurance required herein from a company or companies acceptable to City, and Licensee shall maintain all such insurance in full force and effect at all times during the term of this License and any extension or renewal thereof. Insurance shall be placed with insurers having a current A.M. Best rating of no less than A-:VII or equivalent or as otherwise approved by City.

2.4.1. Licensee shall take out and maintain the following insurance:

2.4.1.1 Workers' Compensation and Employer's Liability Insurance: Licensee shall cover or insure under the applicable laws relating to workers' compensation insurance all of its employees working on or about the Premises, in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any Acts amendatory thereof. Licensee shall provide worker's compensation insurance and employer's liability insurance with limits not less than One Million Dollars ($1,000,000) each occurrence, One Million Dollars ($1,000,000) disease policy limit, and One Million Dollars ($1,000,000) disease each employee. Such policy of workers' compensation insurance shall contain the following separate endorsements:

(a) "Insurer waives all rights of subrogation against the City of Huntington Park, its officers, directors, employees, representatives and volunteers."

(b) "This insurance policy shall not be suspended, voided, reduced in coverage or in limits, cancelled, limited, non-renewed or materially changed for any reason by the insurer until thirty (30) days after receipt by the City of Huntington Park of a written notice of such cancellation, limitation or reduction of coverage."

2.4.1.2 Commercial General Liability Insurance providing coverage in the following minimum limits:

(a) Combined single limit of Five Million Dollars ($5,000,000) per occurrence for Bodily Injury, Personal Injury or Death and Property.

(b) Damage Coverage shall be at least as broad as Insurance Services Office (ISO) Commercial General Liability coverage (occurrence Form CG 0001).

(c) If Commercial General Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503 or ISO CG 2504, or insurer's equivalent endorsement provided to City), or the general aggregate limit shall be twice the required occurrence limit.

2.4.1.3 Comprehensive Automobile Liability Insurance, including owned, non-owned, leased, hired, and borrowed automobiles and similar vehicles, providing the following minimum limits:

(a) Combined single limit of One Million Dollars ($1,000,000) per occurrence for Bodily Injury or Death and Property Damage.

(b) Coverage shall be at least as broad as Insurance Services Office (ISO) Business and Auto Coverage (Form CA 0001) covering any auto.

2.4.2. Endorsements: The policies of liability insurance provided for in Paragraphs 2.4.1.2 and 2.4.1.3 shall specify that this specific License is insured and that coverage for injury to participants resulting from Licensee's activities is not excluded, and shall be in a form satisfactory to City and contain the following separate endorsements:

(a) "The City of Huntington Park, its officers, directors, employees, representatives and volunteers, are declared to be additional insureds on all of the above policies with respects to the operations and activities of the named insured at or from the premises of the City of Huntington Park. The coverage shall contain no special limitations on the scope of protection afforded to the City of Huntington Park, its officers, directors, employees, representatives and volunteers."

(b) "This insurance policy shall not be suspended, voided, reduced in coverage or in limits, canceled, limited, non-renewed, or materially changed for any reason until thirty (30) days after receipt by the City of Huntington Park of a written notice of such cancellation, limitation or reduction of coverage."

(c) "This insurance policy is primary insurance and no insurance held or owned by the designated additional insureds shall be called upon or looked to cover a loss under said policy; the City of Huntington Park shall not be liable for the payment of premiums or assessments on this policy."

(d) "Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City of Huntington Park, its officers, directors, employees, representatives, or volunteers."

(e) "This insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability."

2.4.3. Evidence of Coverage: Licensee shall at the time of the execution of the License present to City the original policies of insurance required by this Paragraph 2.4 or a certificate of the insurance, with separate endorsements (Insurance Services Office Form CG 2026, or equivalent), showing the issuance of such insurance and the additional insured and other provisions and endorsements required herein and copies of all endorsements signed by the insurer's representative. All policies shall contain the Licensee's name and location of the Premises on the certificate. At least thirty (30) days prior to the expiration of any such policy, a signed complete certificate of insurance, with all endorsements provided herein, showing that such insurance coverage has been renewed or extended, shall be filed with City. Licensee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

2.4.4. Review of Coverage: City shall have the right at any time to review the coverage, form, and limits of insurance required under this License. If, in the sole and absolute discretion of City, the insurance provisions in this License do not provide adequate protection for City, City shall have the right to require Licensee to obtain insurance sufficient in coverage, form and limits to provide adequate protection and Licensee shall promptly comply with any such requirement. City's requirements shall not be unreasonable, but shall be adequate in the sole opinion of City to protect against the kind and extent of risks which may exist at the time a change of insurance is required, or thereafter.

2.4.5. Deductibles: Any and all deductibles must be declared and approved by City prior to execution of this License.

2.4.6. License Contingent Upon Coverage: Notwithstanding any other provision of this License, this License shall be null and void at all times when the above-referenced original policies of insurance or Certificate of Insurance or Renewal Certificates or Endorsements are not on file with City.

2.5 Indemnification

2.5.1. City Not Liable: City shall not be liable at any time for any loss, damage or injury whatsoever to the person or property of any person or entity whatsoever, including but not limited to any employee, invitee, agent or contractor of Licensee, resulting from or arising out of any act or omission of Licensee or of any person or entity holding under Licensee, the

physical condition or state of the Premises, or the occupancy or use of the Premises or any part thereof by or under Licensee, or any act or omission in the exercise of any right or the performance of any obligation under this License, or directly or indirectly from any state or condition of the Premises, or any part thereof.

2.5.2. Indemnification: Irrespective of any insurance carried by Licensee for the benefit of City, and notwithstanding any other provision or statement of precedence of this License to the contrary, Licensee shall indemnify and hold City, its officers, directors, employees, representatives and volunteers (collectively "City Personnel") harmless from and against any and all actions, claims, demands, judgments, attorneys' fees, costs, damages to persons or property, penalties, obligations, expenses or liabilities of any kind that may be asserted or claimed by any person or entity (including, but not limited to, any employee, invitee, agent or contractor of Licensee) in any way arising out of or in connection with this License, the operations carried on by Licensee on the Premises or any lands to which Licensee has access hereunder, or the occupation or use of the Premises by Licensee or any person or entity holding under Licensee (collectively, "Claims"), whether or not there is concurrent active or passive negligence on the part of City, and/or acts for which the City would be held strictly liable, but excluding the sole active negligence or willful misconduct of City. In connection therewith:

2.5.2.1 Licensee shall defend and hold City and City Personnel harmless from any and all Claims, whether caused in whole or in part by City's active or passive negligence, and/or acts for which City and/or City Personnel would be held strictly liable, but excluding any Claim that results from the sole active negligence or willful misconduct of City or City Personnel; and Licensee shall pay all expenses and costs, including attorneys' fees, incurred in connection therewith.

2.5.2.2 Licensee shall promptly pay any judgment rendered against Licensee or City covering any Claim, and hold and save City and City Personnel harmless therefrom, whether such Claim was caused in whole or in part by City and/or City Personnel's active or passive negligence, and/or acts for which City and/or City Personnel would be held strictly liable, but excluding the sole active negligence and willful misconduct of City and/or City Personnel.

2.5.2.3 In the event City is made a party to any action or proceeding filed or prosecuted for or arising out of or in connection with any Claim, Licensee shall pay to City any and all costs and expenses incurred by City in any such action or proceeding, together with reasonable attorneys' fees.

2.5.2.4 All of the indemnity obligations of Licensee under this Paragraph 2.5.2, or as otherwise set forth in this License, shall survive the expiration or earlier termination of this License.

2.6 Legal Relations and Responsibilities

2.6.1. Nature of Relationship: City and Licensee understand and agree that the only relationship between them created by this License is that of Licensor and Licensee, and that this License is a license and not a lease, profit a prendre, or any other interest in the Premises,

and does not create, and shall not be construed to create, any agency, partnership, joint venture, landlord-tenant or other relationship between City and Licensee.

2.6.2. Compliance with Laws: Licensee shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the activities of Licensee under this License, or the possession or use of the Premises by Licensee, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. Licensee shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, City, its officers, directors, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by Licensee or any person or entity holding under Licensee.

2.6.3. Assignment: The License granted hereby is personal to Licensee and any assignment of said License by Licensee, voluntarily or by operation of law, shall automatically terminate this License, unless Licensee has obtained the prior written consent of City, which may be withheld, in its sole and absolute discretion, for any reason or no reason at all.

2.6.4. Acknowledgment of City's Title: Licensee hereby acknowledges the title of City in and to the Premises, including the real property fixtures and improvements existing or erected thereon, and Licensee hereby covenants and promises never to assail, contest or resist City's title to the Premises.

2.6.5. Liens: Licensee shall maintain the Premises free from and clear of any claims, obligations, liabilities, liens, encumbrances and charges, including but not limited to any claims, liens or charges arising out of or in connection with the furnishing of materials or the performance of labor on the Premises. Licensee further shall protect and indemnify City and the Premises from and hold them, and each of them, harmless against any and all such claims, obligations, liabilities, liens, encumbrances and charges.

2.6.6. Taxation: A possessory interest subject to property taxation may be created by this License. It is understood and agreed that if such a possessory interest is created, Licensee shall be responsible for the payment of all property taxes levied on such interest, and that City shall have no responsibility therefor. Licensee shall be solely responsible for any second allotted taxes or charges that may be revised or imposed on Licensee's activities taken hereunder, including any severance or other taxes.

2.6.7. Condemnation. In the event the Premises or any portion of the Premises is acquired under the power of eminent domain, or transferred by way of negotiated agreement in lieu of, or under threat of eminent domain, City shall receive and be entitled to all just compensation that may be awarded for the taking, including but not limited to just compensation for the property taken, any damage for injury to the remainder, and damage for any loss of business goodwill, excepting only damages or compensation specifically awarded for any relocation benefits that may be available to Licensee, and any compensation for tangible personal property losses or improvements pertaining to the realty owned by Licensee, all of which shall be recoverable by Licensee.

2.6.8. City's Reservations

2.6.8.1 City hereby reserves the right to grant easements and rights-of-way for pole or tower lines for transmission of electricity, and easements, leases and rights-of-way for telephone, telegraph, telecommunication facilities, gas, water, sewer and oil lines, for roads and highways, and for other similar uses over and across the Premises at any location or locations within the Premises. In the event Licensee determines that the granting or exercise of any such easement, lease, or right-of-way significantly interferes with Licensee's possession or use of the Premises, Licensee's only remedy shall be to terminate this License upon thirty (30) days written notice to City. Licensee shall not interfere with any easements or rights-of-way pertaining to or affecting the Premises.

2.6.8.2 City hereby reserves the right to sell, transfer or otherwise dispose of any portion of the Premises at any time. In the event of such sale, transfer or disposition, and notwithstanding any other provision of this License, this License shall, upon the close of escrow or the conveyance of title, terminate as to the portions of the Premises sold, transferred or disposed of, and Licensee shall release the same from the terms of this License and from any encumbrance which results from this License, and shall promptly quit the Premises, in accordance with .Sections 2.6.10 and 2.6.11 below.

2.6.9. Waiver of Claims: As a material part of the consideration to City under the License, Licensee hereby waives any and all claims that it may have against City during the term of this License, or any extension or renewal thereof, for any damage to goods, wares and merchandise upon or about the Premises, and for any injury to Licensee, its employees, agents, invitees, or to third parties in or about the Premises, from any cause arising at any time.

2.6.10. Surrender of Possession: At the expiration or termination of this License, whether with or without cause, Licensee shall promptly quit and surrender the Premises in a good state of repair.

2.6.11. Disposition of Abandoned Property: If Licensee abandons or quits the Premises or is dispossessed thereof by process of law or otherwise, title to any personal property left on the Premises for five (5) or more days after such event shall at City's opinion, be deemed to have been abandoned and transferred to City. City shall have the right to remove and dispose of any and all such property without liability therefor to Licensee or to any person or entity claiming under Licensee, and City shall have no duty to account for such property. Licensee agrees to reimburse City for any and all costs associated with City transferring or disposing of Licensee's personal property pursuant to this Section.

2.6.12. Premises "As-Is": Licensee acknowledges that the Premises are being provided to Licensee on an "as-is" basis, and Licensee takes and occupies the Premises without reliance upon any representation by City, or any of its officers, employees, agents or representatives, or any other person, concerning the Premises, their fitness for Licensee's intended use or any other particular purpose or use, the Premises' state of title, their income-producing history, potential or capabilities, their value, or any other promise, representation or inducement not expressly set forth in this License.

2.6.13. No Representation or Warranty Concerning Premises: Licensee acknowledges that neither City, nor any of its officers, employees, agents or representatives, has made any written or oral representation, promise, or warranty, expressed or implied, concerning the Premises, their fitness for Licensee's intended use or any other purpose or use, their income producing history, potential or capabilities, their value, or any other matter not expressly set forth in this License.

2.6.14. Disputes: In the event that any action is commenced by a Party to this License against the other to enforce its rights or obligations arising from this License or seeking to interpret this License, the prevailing Party in such action, in addition to any other relief and recovery ordered by the court, shall be entitled to recover all statutory costs, plus reasonable attorneys' fees. Should City be named in any suit brought by any third party against Licensee in connection with or in any way arising out of Licensee's occupancy or use of the Premises under this License, Licensee shall pay to City its costs and expenses incurred in such suit, including reasonable attorneys' fees.

2.6.15. Security Measures: Licensee acknowledges that the Premises are licensed to and accepted by Licensee in an "as-is" condition, and that the License Payments and other sums payable from Licensee to City hereunder do not include the cost of any site preparation or security guard or any other security services or measures. Licensee further acknowledges that City makes no representation or warranty, express or implied, regarding the security of the Premises or the need for or propriety of any security measures at the Premises; and Licensee further acknowledges that City shall have no obligation whatsoever to provide guard service or any other security measures. Licensee expressly assumes all responsibility for the protection and security of the Premises, Licensee, its agents, employees, invitees and property within the Premises from any and all acts of any third party.

2.6.16. No Obligation to Third Parties: Execution and issuance of this License shall not be deemed to confer any rights upon, directly, indirectly or by way of subrogation, nor obligate either of the parties hereto to any person or entity other than City and Licensee.

2.6.17. Waiver: Any waiver by any Party of a breach of any provision of this License shall not be deemed a continuing waiver or a waiver of any subsequent breach whether of the same or of another provision hereof.

2.6.18. City's Liability on Termination: Licensee hereby waives all damages or claims for damage that may be caused by any action of City in terminating this License (either with or without cause), or taking possession of the Premises as provided in this License or at law, and Licensee waives all claims for damages to or loss of such property of Licensee as may be in or upon the Premises upon the termination of this License.

2.6.19. Copies of Reports. Licensee shall provide to City copies of all surveys, engineering information, analysis, environmental reports, tests and studies and any other information obtained or generated by Licensee in connection with Licensee's use of the Premises.

2.7 Maintenance and Repair of Premises

2.7.1. Licensee's Obligation to Maintain Premises: Licensee shall at all times during the term of this License, and any extension or renewal thereof, at its sole cost and expense, remove all trash and debris from the Premises. Licensee shall also keep and maintain in good condition and in substantial repair (all to the satisfaction of City in its sole discretion), the Premises and all appurtenances and every part thereof, including improvements of any kind erected, installed or made on or within the Premises. Licensee shall at all times in the maintenance and use of the Premises and the buildings, structures, facilities, improvements and equipment thereon, comply with all laws, ordinances and regulations pertaining thereto, and all conditions and restrictions set forth herein. Licensee expressly agrees to maintain the Premises in a safe, clean, wholesome, and sanitary condition and free of trash and debris, to the complete satisfaction of City and in compliance with all applicable laws.

2.7.2. Licensee's Default of its Maintenance Duties: In the event that Licensee fails, neglects or refuses to remove trash or debris deposited by Licensee or its invitees on the Premises or to maintain or make repairs or replacements as required by this License, City shall notify Licensee in writing of such failure or refusal. Should Licensee fail or refuse to correct such default within five (5) days of receipt of such written notice from City, City may, but shall not be required to, itself or by contract, undertake the necessary maintenance, repair or replacements; and the cost thereof, including but not limited to the cost of labor, materials and equipment and procurement of insurance, plus an administrative fee in the amount of fifteen percent (15%) of the sum of such costs, shall be paid by Licensee to City within five (5) days of Licensee's receipt of a statement of such costs from City. Any such maintenance, repair or replacement by or on behalf of City shall not be deemed to be a waiver of Licensee's default under this License, and shall not in any way impair, prevent or restrict City from exercising any of its rights or remedies set forth in this License or otherwise provided at law.

2.7.3. FORCE MAJEURE: Any prevention, delay, nonperformance or stoppage due to any of the following causes shall excuse nonperformance for a period equal to such obligations imposed by this License. The causes referred to above are strikes, walkouts, labor disputes, failure of power, irresistible superhuman cause, acts of public enemies of the State or United States, riots, insurrections, civil commotion, inability to obtain labor or material or reasonable substitutes for either, governmental restrictions or regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this License), casualties not contemplated by insurance provisions of this Agreement, or other causes beyond the reasonable control of the Party obligated to perform.

2.8 Miscellaneous

2.8.1. Notices: Any notice, payment or instrument required or permitted to be given or delivered by this License may be given or delivered by personal delivery or by depositing the same in any United States mail depository, first class postage prepaid, and addressed as follows:

If to City: CITY OF HUNTINGTON PARK
Attention: Director of Parks & Recreation
3401 East Florence Avenue
Huntington Park, California 90255

If to Licensee: To such name and address set forth for Licensee in Section One of this License,

or such other person or address as either Party may direct in writing to the other; provided, however, that such new or different person or address shall not become effective until acknowledged in writing by the Party to who directed. Except where service is by personal delivery or by registered or certified mail, return receipt requested, service of any instrument or writing shall be deemed completed forty-eight (48) hours after deposit in a United States mail depository.

2.8.2. Warranty of Authority: Each officer of City and Licensee affixing his or her signature to this License warrants and represents by such signature that he or she has the full legal authority to bind his or her respective Party to all of the terms, conditions and provisions of this License, that his or her respective Party has the full legal right, power, capacity and authority to enter into this License and perform all of its provisions and obligations, and that no other approvals or consents are necessary in connection therewith.

2.8.3. Headings: The titles and headings of Sections and Paragraphs of this License, as herein set forth, have been inserted for the sake of convenience only, and are not to be taken, deemed or construed to be any part of the terms, covenants or conditions of this License, or to control, limit or modify any of the terms, covenants or conditions hereof.

2.8.4. Time of Essence: Time is of the essence of this License. Failure to comply with any requirement, including but not limited to any time requirement, of this License shall constitute a material breach of this License.

2.8.5. Construction and Amendment: This License shall be construed, interpreted, governed and enforced in all respects according to the laws of the State of California and as if drafted by both City and Licensee. No amendment, change or modification of this document shall be valid unless in writing, stating that it amends, changes or modifies this License, and signed by all of the Parties hereto.

2.8.6. Successors: Subject to the provisions of Paragraph 2.6.3 above, this License, and all of the terms, conditions and provisions herein, shall inure to the benefit of, and be binding upon, City, Licensee, and their respective successors and assigns.

2.8.7. Re-Entry: No entry or re-entry into the Premises by City shall be construed as an election to terminate this License, unless prior thereto or concurrently therewith written notice of intent to terminate is given by City to Licensee. City's entry into possession of the Premises without having elected to terminate shall not prevent City from making such an election and giving Licensee notice thereof.

2.8.8. Partial Invalidity: If any term, covenant, condition or provision of this License is held by a court of competent jurisdiction to be invalid, void, illegal, or unenforceable,

the remainder of the provisions hereof shall remain in full force and effect and shall in no way affect, impair, or invalidate any other term, covenant, condition or provision contained in this License.

2.8.9. Further Assurances: Each of the Parties hereto shall execute and deliver any and all additional papers, documents and other assurances and shall do any and all acts and things reasonably necessary in connection with the performance of their obligations hereunder and to carry out the intent of the Parties hereto.

2.8.10. Precedence: In the event of any conflict between Sections of this License, Section One shall prevail over Sections Two, Three and Four, and Section Three shall prevail over Section Two.

2.8.11. Statutory References. All references in this Agreement to particular statutes, regulations, ordinances, or resolutions of the United States, the State of California, or the County of Los Angeles shall be deemed to include the same statute, regulation, ordinance or resolution as hereafter amended or renumbered, or if repealed, to such other provisions as may thereafter govern the same subject.

[END GENERAL LICENSE PROVISIONS]

SECTION THREE:

SPECIAL LICENSE PROVISIONS

3.1 Licensee shall supply the Director of Parks & Recreation (the "Director") with a complete and detailed layout map of the set-up for Licensee's use of the Premises (the "Layout Map") not less than fifteen (15) days before the Commencement Date. No work shall commence on the Premises unless and until approval of the Layout Map has been obtained from the Director.

3.2 Licensee shall remove all of its equipment and property from the Premises by July 9 , 2014 at 5:00 p.m.

3.3 Licensee agrees that, if the Premises are not completely vacated by July 9, 2014 at 5:00 p.m., all of Licensee's remaining equipment and property may be removed from the Premises and stored at Licensee's expense. City in no way assumes any responsibility for any equipment or property left by Licensee on the Premises.

3.4 Licensee shall keep all of Licensee's equipment and personnel at least 30 ft. away from the Department of Water and Power, power right-of-way lines running along Bissell Street and shall keep such area free and clear of all obstruction including parked vehicles, tents, rides, etc.

3.5 Licensee shall comply with all obligations contained herein and in the attached timeline, attached hereto as Exhibit "A" and incorporated herein by this reference.

3.6 Personnel

3.6.1. Licensee's personnel shall not sleep on or about the Premises or public streets, except in self-contained mobile homes or trailers indicated in the Layout Map.

3.6.2. Licensee's personnel shall not use the Premises for any services such as City's shower and restroom facilities.

3.6.3. Licensee shall have an emcee provide entertainment during all operational hours of the events contemplated under this License.

3.7 Motor Vehicles and Equipment

3.7.1. Licensee's vehicles will be allowed on the Premises for loading and unloading only during those specific hours set for that purpose. Licensee shall use caution not to damage sprinkler heads or trees on the Premises. Any such damage shall be paid for by Licensee pursuant to Paragraph 3.12.4 of this Agreement.

3.7.2. Vehicles that are not an operating part of the event are not to be parked or stored on any Municipal Park facility or public street, except along the railroad right-of-way parking area east of the ball diamonds on the Premises. This area may be used as parking for twenty-four (24) hours immediately prior, during, and for twenty-four (24) hours immediately after the event.

3.7.3. Equipment and vehicles likely to drip oil or other liquids shall have proper ground covers installed under them for the protection of the property on which they are parked.

3.7.4. Maintenance of vehicles and equipment (including, but not limited to, repairing, painting, washing, or lubricating) is not allowed on the Premises.

3.8 Building, Safety and Health

3.8.1. Prior to set-up, Licensee shall be required to obtain a building permit for all electrical, equipment and bleacher installations from the City Building Department located in Room 145, City Hall. No permit will be issued without a copy of a "Service Order" from H. P. Consolidated (562-663-3400) indicating that arrangements have been made for trash pick-up.

3.8.2. The Premises shall at all times be subject to inspection by the City's Building, Police, Fire, and Health Departments, which shall have the authority to shut down Licensee's use of the Premises if there exists any danger to the health and/or safety of the participants, spectators, or public, or if there is a violation of any law or ordinance.

3.8.3. The use of the Premises shall conform to the requirements of Sub-Chapter 2, Title 19, California Code of Regulations and all other government-related fire prevention and safety codes. Licensee shall also coordinate inspection of all tents by the fire department prior to the date of the City inspection.

3.8.4. Licensee shall ensure that tents, booths, bleachers, equipment, carnival rides, and any other facilities are erected and maintained in compliance with State, County, and City Building and Safety Regulations.

3.8.5. Licensee shall ensure that all electrical equipment and installations comply with the Safety Codes of the State of California and City's Electrical Ordinances. Licensee shall not be permitted to tie into any City electrical lines without prior written approval from the City's Director of Public Works. Licensee must have all electrical work completed by a licensed electrician; said electrician shall be responsible for obtaining any permit or approval required for the operation of any generators to be used.

3.8.6. Food Vendors (profit and non-profit) shall be required to obtain the County Health Department's approval by July 10, 2014, at Department of Health Services, 245 South Fetterly Avenue, Los Angeles, CA 90022. Public health licenses and permits shall be retained on site and available for inspection at all times. Licensee shall notify all vendors of this requirement.

3.8.7. Licensee shall provide a minimum of twenty (20) lighted comfort stations for the convenience of the public, including two (2) for the handicapped. The comfort stations shall be cleaned and serviced on a regular and daily basis as needed and at least three (3) times per day.

3.8.8. Licensee shall make all necessary arrangements for the pick up of debris and refuse from the Premises and for the proper disposal of all such refuse.

3.9 Approval Prior to Opening Operation. Licensee shall not commence its operation of the event and event set up until all equipment and properties have been inspected and approved by the appropriate City and County Departments. All equipment and properties shall be ready for inspection by 1:00 p.m. on July 3, 2014. Licensee shall pay to City an additional fee of $150 per hour for each hour after 1:00 p.m. on July 3, 2014 until all equipment and material are removed from the Premises.

3.10 City Vendors. City vendors retain the right to sell concession items in the Municipal Park of which the Premises is a part, but shall remain outside the Premises where Licensee vendors are selling during the term of this License.

3.11 Restoration of Premises

3.11.1. Licensee shall leave the Premises in the same condition they were in prior to the Commencement Date.

3.11.2. City reserves the right to inspect the Premises at any time.

3.11.3. Licensee shall be liable for the cost of any repairs the City Manager determines are necessary to restore the Premises to the condition it was in prior to the Commencement Date.

3.12 Deposit and Fees

3.12.1. Licensee shall deposit $2,500 in the form of cash, a cashier's check or money order (payable to the "City of Huntington Park"), with the City's Recreation Administrative Office at least ten (10) days prior to the Commencement Date. The deposit shall be refunded if the Premises are left in the same condition they were in prior to the Commencement Date (i.e., clean and undamaged), as determined by the City Manager, and all required fees and charges have been paid to City. The deposit or portion thereof, shall be released to the Licensee by the Finance Department upon demand of the Director of Parks & Recreation.

3.12.2. Licensee shall be responsible for any amount over $2,500 required to cover restoration charges and/or additional fees and charges required herein.

3.12.3. Within twenty-four (24) hours after the Expiration Date, Licensee shall pay City for Police Officers it provided pursuant to Section 3.13 herein. Payment shall be made at the Huntington Park Police Department located at 6552 Miles Ave., Huntington Park, CA. Licensee will pay for at least two officers all three days of event operation to include one supervisor and one officer.

3.12.4. Within forty-eight (48) hours after the Expiration Date, Licensee shall pay City any restoration charges and/or fees/charges not covered by the deposit required under Section 3.12.1 herein.

3.12.5. Licensee shall pay to City ten percent (10%) of all gross entry sales or 10 Thousand Dollars ($10,000), whichever is greater. Within twenty-four (24) hours after the Expiration Date, Licensee shall prepare a written report detailing the number of daily

entry, gross sales, and the ten percent (10%) net to City or $10,000. The report along with the check shall be personally submitted to the City at the address set forth in Paragraph 2.8.1 above.

3.13 Police, Security and Special Events Staff

3.13.1. Licensee shall submit a written security plan to the Police Department for the Use of Premises which shall be approved by the Chief of Police or his designated officer at least fifteen (15) days prior to the Commencement Date. The written security plan shall include the following:

3.13.1.1 Crowd estimated and any anticipated security problems.

3.13.1.2 The company name, address, and telephone number of any retained private security firm, and their representative.

3.13.1.3 The number of both uniformed and non-uniformed security personnel to be assigned to the event at all times with their specific security assignments.

3.13.1.4 The number of security officers, if any, who will be armed.

3.13.1.5 Scheduling for security officers 30 minutes prior and after public operation.

3.13.1.6 Any other information required by the Chief of Police.

3.13.2. The Chief of Police shall have final authority to approve, modify or revoke the security plan and to assign City police officers at the expense of Licensee, based on the need for public safety.

3.13.3. Licensee shall notify the Chief of Police or his designee at least twenty-four (24) hours before any change in the operating schedule or security plan for the use of Premises.

3.13.4. Licensee shall maintain at least two (2) security guards on the Premises at all times from July 3, 2014 through July 9, 2014. Licensee shall also have at least twenty (20) security guards present when gates open. Such security personnel must be dedicated for security purposes only. Licensee shall maintain security logs for security personnel and shall have said log sheets available to police and City personnel at all times.

3.13.5. Licensee will pay for at least two officers to remain on the Premises all three days of event operation to include one supervisor and one officer.

3.13.6. The areas where alcohol will be served will be monitored and Licensee shall comply with all laws and regulations relating to alcoholic beverages, including licensing.

3.14 Business License and Fees. Licensee shall obtain a City business license ten (10) days prior to the Commencement Date, at City Hall, 6550 Miles Avenue, Room 127, Huntington Park. License fees per operating day for Licensee engagements are $200.

3.14.1. County Health Department permits must be presented by food vendors prior to issuance of City license.

3.14.2. Non-profit organizations who are registered with the Internal Revenue Service as a 501C (3), and businesses with current City licenses are exempt from obtaining business license.

3.14.3. Ten (10) days in advance of the Commencement Date, Licensee shall submit a list of all vendors to the City's Business License Office.

3.15 Water Usage. City can provide water for use by Licensee at Licensee's expense at the normal water rate costs.

3.15.1. Licensee is allowed to use a 1/3" park water outlet which is metered and Licensee will be charged according to its water consumption.

3.15.2. If a larger water service is needed, Licensee may use fire hydrant hookups. A $1,000 deposit is required at least ten (10) days in advance of the Commencement Date at Room 127 at City Hall, 6550 Miles Avenue, Huntington Park, CA.

3.15.3. Water fees will be calculated from the consumption meter and water costs will be charged pursuant to Paragraph 3.12.4.

3.16 Should Licensee choose to vacate the City Property, Licensee's equipment and property must be inspected and approved by the appropriate City and County departments before Licensee will be allowed to resume its use of Premises. Licensee shall be responsible for paying all costs associated with said inspection.

[END SPECIAL LICENSE PROVISIONS]

SECTION FOUR:
MAP OF THE PREMISES

[END MAP OF THE PREMISES]

SECTION FIVE:

USE OF PREMISES

Licensee is hereby granted permission to use the Premises for the purpose of conducting an Independence Day event. Dates pertaining to the event are as follows:

2015

Wednesday, July 1, 2015	**Enter/Set-up - 6:00 a.m. - 10:00 p.m.**
Thursday, July 2, 2015	**Enter/Set-up – 6:00 a.m. - 10:00 p.m.**
Friday, July 3, 2015	**Enter/Set-up – Inspection @1:00 p.m.**
Saturday, July 4, 2015	**Gates open 5:00 p.m-10:30 p.m.**
Sunday, July 5, 2015	**Gates open - 5:00 p.m.10:30**
Sunday, July 6, 2015	**Gates open- 5:00 p.m-10:30 p.m.**
Monday, July 7, 2015	**Tear Down 6:00am-10:00pm**
Tuesday, July 7, 2015	**Tear Down 6:00 am-10:00pm**
Wednesday, July 8, 2015	**Tear Down 6:00am off premises by 12noon**

2016

Wednesday, June 29, 2016	**Enter/Set-up - 6:00 a.m. - 10:00 p.m.**
Thursday, June 30, 2016	**Enter/Set-up – 6:00 a.m. - 10:00 p.m.**
Friday, July 1, 2016	**Enter/Set-up – Inspection @1:00 p.m.**
Saturday, July 2, 2016	**Gates open 5:00 p.m-10:30 p.m.**
Sunday, July 3, 2016	**Gates open - 5:00 p.m.10:30**
Monday, July 4, 2016	**Gates open- 5:00 p.m-10:30 p.m.**
Tuesday, July 7, 2016	**Tear Down 6:00a.m.-10:00p.m.**
Wednesday, July 7, 2016	**Tear Down 6:00 a.m.-10:00p.m.**
Thursday, July 8, 2016	**Tear Down 6:00 a.m. off premises by 12 noon**

2017

Thursday, June 28, 2017	**Enter/Set-up - 6:00 a.m. - 10:00 p.m.**
Friday, June 29, 2017	**Enter/Set-up – 6:00 a.m. - 10:00 p.m.**
Saturday, July 1, 2017	**Enter/Set-up – Inspection @1:00 p.m.**
Sunday, July 2, 2017	**Gates open 5:00 p.m.-10:30 p.m.**
Monday, July 3, 2017	**Gates open - 5:00 p.m.10:30 p.m.**
Tuesday, July 4, 2017	**Gates open- 5:00 p.m.-10:30 p.m.**
Wednesday, July 5, 2017	**Tear Down 6:00 a.m.-10:00 p.m.**
Thursday, July 6, 2017	**Tear Down 6:00 a.m.-10:00 p.m.**
Friday, July 7, 2017	**Tear Down 6:00 a.m. off premises by 12 noon**

[END USE OF PREMISES]

SECTION SIX

LICENSE FEE SCHEDULE

Licensee shall pay to City ten percent (10%) of all gross entry sales or Ten Thousand Dollars ($10,000), whichever is greater. Within twenty-four (24) hours after the Expiration Date, Licensee shall prepare a written report detailing the number of entries of gross sales, and the ten percent (10%) net to City or $10,000. The report along with the check shall be personally submitted to the City at the address set forth in Paragraph 2.8.1 above.

[END OF LICENSE FEE SCHEDULE]

EXHIBIT "A"

TIMELINE

By Thursday, June 18, 2015	Licensee shall submit written security plan to the Police Dept. Chief of Police must approve plan. (See contract for plan requirements)
By Thursday, June 18, 2015	Licensee shall submit complete and detailed layout map of City's setup to the Director of Parks and Recreation
By Thursday, June 18, 2015:	Licensee shall submit evacuation plan to PD
By Monday, June 22, 2015	Licensee shall provide all insurance to the City for approval
By Tuesday, June 23, 2015	All food vendors must obtain County Health Department's approval, health licenses and permits (to be kept onsite during Use of Premises). *Licensee must notify all vendors of this requirement*
By Tuesday, June 23, 2015	Licensee shall submit $2,500 deposit payable to "City of Huntington Park" to the Recreation Office
By Tuesday, June 23, 2015	Licensee shall submit a list of all vendors to the City's Business License Office
By Tuesday, June 23, 2015	Licensee shall obtain a City business license from City Hall
By Tuesday, June 23, 2015	Licensee shall submit $1,000 deposit to City Hall Room 127 if large water service is needed
By Thursday, June 18, 2015	Licensee shall obtain a building permit for all electrical, equipment and bleacher installations from the City Building Department. No permit will be issued without a copy of a "service order" indicating that arrangements have been made for trash pick up
By Thursday June 18, 2015:	Licensee shall contact Dig Alert and receive approval
By Friday, July 3, 2015 (1 p.m.):	Appropriate City and County departments will inspect all equipment and property
By Wednesday July 7, 2015:	Licensee must remove all equipment and property from Premises by 5:00 p.m. Licensee will be charged $150 for every hour over they remain on City property
By Wednesday, July 15 2015:	Licensee must pay City any restoration charges and/or fees/charges not covered by the deposit

EXHIBIT "A"

TIMELINE

By Thursday, June 17, 2016	Licensee shall submit written security plan to the Police Dept. Chief of Police must approve plan. (See contract for plan requirements)
By Thursday, June 17, 2016	Licensee shall submit complete and detailed layout map of City's setup to the Director of Parks and Recreation
By Thursday, June 17, 2016:	Licensee shall submit evacuation plan to PD
By Monday, June 20, 2016	Licensee shall provide all insurance to the City for approval
By Tuesday, June 21, 2016	All food vendors must obtain County Health Department's approval, health licenses and permits (to be kept onsite during Use of Premises). *Licensee must notify all vendors of this requirement*
By Tuesday, June 21, 2016	Licensee shall submit $2,500 deposit payable to "City of Huntington Park" to the Recreation Office
By Tuesday, June 21, 2016	Licensee shall submit a list of all vendors to the City's Business License Office
By Tuesday, June 21, 2016	Licensee shall obtain a City business license from City Hall
By Tuesday, June 21, 2016	Licensee shall submit $1,000 deposit to City Hall Room 127 if large water service is needed
By Thursday, June 17, 2016	Licensee shall obtain a building permit for all electrical, equipment and bleacher installations from the City Building Department. No permit will be issued without a copy of a "service order" indicating that arrangements have been made for trash pick up
By Thursday June 17, 2016:	Licensee shall contact Dig Alert and receive approval
By Sunday, July 3, 2016 (1 p.m.):	Appropriate City and County departments will inspect all equipment and property
By Wednesday July 8, 2016:	Licensee must remove all equipment and property from Premises by 5:00 p.m. Licensee will be charged $150 for every hour over they remain on City property
By Wednesday, July 13 2016:	Licensee must pay City any restoration charges and/or fees/charges not covered by the deposit

EXHIBIT "A"

TIMELINE

By Thursday, June 15, 2017	Licensee shall submit written security plan to the Police Dept. Chief of Police must approve plan. (See contract for plan requirements)
By Thursday, June 15, 2017	Licensee shall submit complete and detailed layout map of City's setup to the Director of Parks and Recreation
By Thursday, June 15, 2017:	Licensee shall submit evacuation plan to PD
By Monday, June 19, 2017	Licensee shall provide all insurance to the City for approval
By Tuesday, June 20, 2017	All food vendors must obtain County Health Department's approval, health licenses and permits (to be kept onsite during Use of Premises). *Licensee must notify all vendors of this requirement*
By Tuesday, June 20, 2017	Licensee shall submit $2,500 deposit payable to "City of Huntington Park" to the Recreation Office
By Tuesday, June 20, 2017	Licensee shall submit a list of all vendors to the City's Business License Office
By Tuesday, June 20, 2017	Licensee shall obtain a City business license from City Hall
By Tuesday, June 20, 2017	Licensee shall submit $1,000 deposit to City Hall Room 127 if large water service is needed
By Thursday, June 15, 2017	Licensee shall obtain a building permit for all electrical, equipment and bleacher installations from the City Building Department. No permit will be issued without a copy of a "service order" indicating that arrangements have been made for trash pick up
By Thursday June 15 2017:	Licensee shall contact Dig Alert and receive approval
By Monday, July 3, 2017 (1 p.m.):	Appropriate City and County departments will inspect all equipment and property
By Friday, July 7, 2017:	Licensee must remove all equipment and property from Premises by 5:00 p.m. Licensee will be charged $150 for every hour over they remain on City property
By Wednesday, July 12 2017:	Licensee must pay City any restoration charges and/or fees/charges not covered by the deposit

CITY OF HUNTINGTON PARK

Public Works Department
City Council Agenda Report

December 15, 2014

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

APPROVE FIRST AMENDMENT TO AGREEMENT WITH UNITED PACIFIC WASTE & RECYCLING SERVICES FOR ADDITIONAL REFUSE SERVICE; PREVIOUSLY AUTHORIZED BY COUNCIL ON DECEMBER 1, 2014

IT IS RECOMMENDED THAT THE CITY COUNCIL:

1. Approve First Amendment to Agreement with United Pacific Waste & Recycling Services for additional refuse service on Pacific Blvd; and

2. Authorize the Interim City Manager to execute the agreement.

BACKGROUND

The City Council authorized the Interim City Manager to execute the first amendment to the Solid Waste Handling Services agreement with United Pacific Waste (UPW) for additional refuse service on Pacific Blvd. on December 1, 2014. The final form of the agreement is being presented for City Council approval.

FISCAL IMPACT/FINANCING

The City Council approved the proposal from UPW on December 1, 2014, to collect trash and recyclables on Pacific Blvd. The cost to collect the 139 existing trash receptacles located on Pacific Blvd. sidewalks, two times per day, seven days per week, is $16,680 per month.

CONCLUSION

Upon approval, the Interim City Manager will execute the first amendment to the Solid Waste Handling Services agreement with UPW for additional refuse service on Pacific Blvd.

Respectfully submitted,

JULIO MORALES
Interim City Manager

ATTACHMENTS

A. First Amendment to Agreement with UPW

2014
FIRST AMENDMENT
TO SOLID WASTE HANDLING AGREEMENT
(Engagement: Additional Refuse Services)
(Parties: City of Huntington Park and United Pacific Waste & Recycling Services)

THIS FIRST AMENDMENT TO SOLID WASTE HANDLING SERVICES AGREEMENT (the "Amendment") to that certain document entitled "Solid Waste Handling Services Agreement" (the "Master Agreement") executed as of August 18, 2014, by and between the City of Huntington Park, a municipal corporation (hereinafter, "City") and United Pacific Waste & Recycling Services (hereinafter, "Contractor") is made and entered into this **15th day of December 2014**. For the purposes of this Agreement, City and Contractor may be referred to collectively by the capitalized term "Parties." The capitalized term "Party" may refer to City or Contractor interchangeably.

RECITALS

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

WHEREAS, on or about August 18, 2014, the Parties executed and entered into the Master Agreement which is attached hereto as Exhibit "A"; and

WHEREAS, the City desires to continue the following additional solid waste handling services: refuse collection services; and

WHEREAS, Contractor has represented to City that it has the requisite skill and experience to safely and competently perform the desired professional services within the City; and

WHEREAS, an Amendment is permissible pursuant to Section 29.7 of Master Agreement, provided that it is in writing and executed by both Parties.

WHEREAS, the execution of this Amendment was approved by the Huntington Park City Council at its Regular Meeting of December 1, 2014.

NOW, THEREFORE, in consideration of the mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

1. Section 8 (Solid Waste Handing Services Provided by Contractor) is amended in part to reflect the performance of additional services and tasks set forth in Contractor's proposal (dated November 24, 2014). The aforementioned proposal is attached and incorporated into this Amendment and the Master Agreement Exhibit "B" and shall be referred to as the "Scope of Work." Contractor further agrees to furnish to City all labor, materials, tools, supplies, equipment, services, tasks and incidental and customary work necessary to competently perform and timely complete the services and tasks set forth in the Scope of Work. For the purposes of this Agreement the aforementioned services and tasks set forth in the Scope of Work shall hereinafter be referred to generally by the capitalized term "Work." Neither Contractor nor anyone acting on Contractor's behalf shall commence with the performance of the Work or any other related tasks until City issues a written notice to proceed (hereinafter, the "Notice to Proceed").

2. Section 24 (Compensation) of the Master Agreement is hereby amended in part by increasing the amount of the Contract Price by the sum of Two Hundred Twenty Nine Thousand Five Hundred Sixty Dollars ($229,650.00), which shall reflect the Not-to-Exceed amount for the additional services reflected in Exhibit "B."

3. Except as otherwise set forth in this Amendment, the Master Agreement shall remain binding, controlling and in full force and effect. This Amendment together with the Master Agreement shall constitute the entire, complete, final, and exclusive expression of the Parties with respect to the matters addressed in both documents.

4. The provisions of this Amendment shall be deemed a part of the Master Agreement and except as otherwise provided under this Amendment, the Master Agreement and all provisions contained therein shall remain binding and enforceable. In the event of any conflict or inconsistency between the provisions of this Amendment and the provisions of the Master Agreement, the provisions of this Amendment shall control, but only in so far as such provisions conflict with the Master Agreement and no further.

5. This Amendment shall be executed in three counterparts, with one such fully executed counterpart returned to Contractor upon execution.

IN WITNESS THEREOF, the Parties hereto have caused this Amendment to the Master Agreement to be executed on the day and year first appearing above.

[SIGNATURE PAGE TO FOLLOW]

CITY OF HUNTINGTON PARK:

By:_____
Julio Morales, Interim City Manager
City of Huntington Park

Date: _____

APPROVED AS TO FORM:

By:_____
Isabel Birrueta, City Attorney

Date: _____

UNITED PACIFIC WASTE & RECYCLING SERVCIES

By:_____

Date: _____

Attachment “A”

(See attached Master Agreement)

AGREEMENT

BETWEEN

CITY OF HUNTINGTON PARK

AND

UNITED PACIFIC WASTE

FOR

SOLID WASTE HANDLING SERVICES

EFFECTIVE AUGUST 18TH, 2014

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AGREEMENT

This Agreement ("Agreement") is entered into to be effective as of the 18th day of August 2014, by and between the City of Huntington Park ("City") and United Pacific Waste, ("Contractor") (collectively, the "Parties") to provide an exclusive franchise for Solid Waste Handling Services within the City.

R E C I T A L S:

A. The Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 ("AB 939"), has declared that it is in the public interest to authorize and require local agencies to make adequate provision for the disposal of all Solid Waste within their jurisdictions.

B. Pursuant to California Public Resources Code Section 40059(a)(1), the City Council of the City has determined that the public health, safety, and welfare require that an exclusive franchise agreement be awarded to a qualified solid waste enterprise for Solid Waste Handling Services within the City Limits.

C. City and Contractor are mindful of the provisions of the laws governing the safe collection, transport, recycling, and disposal of Solid Waste, including AB 939, AB 341, the Resource Conservation and Recovery Act ("RCRA"), and the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"). City and Contractor desire to leave no doubts as to their respective roles, and to memorialize that by entering into this Agreement, City is not thereby becoming an "arranger" or a "generator" as those terms are used in CERCLA, and that it is Contractor, not City, who is "arranging for" the collection, transport for disposal, composting, and recycling of municipal Solid Waste in the City which may contain hazardous substances. City and Contractor understand and agree that it is Contractor, and not City, who will arrange to collect Solid Waste, that City has not, and, by this Agreement does not, instruct Contractor on its collection methods, nor supervise the collection process, nor do the Parties intend to place title to such Solid Waste in City, but rather intend that whatever, if any, title in and to such Solid Waste that otherwise might exist in or with City in the absence of this Agreement is hereby transferred to Contractor, and further that if Contractor gains title to such Solid Waste it is by operation of law and agreement with its Customers and is not the result of this Agreement. By entering this Agreement City and Contractor further desire to confirm that Contractor has agreed to indemnify the City in connection with any claims relating to the inadvertent or intentional collection, transportation and/or disposal of hazardous materials that may occur in connection with Contractor's performance under this Agreement.

E. Contractor has agreed, as part of this Agreement, to provide such services as are necessary or desirable to ensure City complies with the requirements of AB 939, AB 341 and Public Resources Code Section 40000, et seq.

C O V E N A N T S:

Based upon the foregoing Recitals and for good and valuable consideration, the receipt and sufficiency of which is acknowledged by each of the Parties, City and Contractor hereby agree as follows:

SECTION 1.
RECITALS

The Parties acknowledge the above recitals are true and correct and incorporate them herein as if they were fully restated.

SECTION 2.
DEFINITIONS

Whenever any term used in this Agreement has been defined by the California Public Resources Code, the definition of such term set forth therein shall apply unless the term is otherwise defined in this Agreement.

2.1 AB 341

"AB 341" shall mean Assembly Bill 341 from the 2011-2012 Regular Session of the California Legislature (Chapter 476, Statutes 2011).

2.2 AB 939

"AB 939" shall mean the California Integrated Waste Management Act of 1989, currently codified as California Public Resources Code Section 40000 et seq., as it may be amended from time to time.

2.3 Affiliate

"Affiliate" means a business in which Contractor owns a direct or indirect ownership interest, a business (including corporations, limited and general partnerships and sole proprietorships) which has a direct or indirect ownership interest in Contractor and/or a business which is also owned, controlled or managed by any business or individual which has a direct or indirect ownership interest in Contractor. For purposes of determining whether an indirect ownership interest exists, the constructive ownership provisions of Section 318(a) of the Internal Revenue Code of 1986, as in effect on the date of this Agreement, shall apply; provided, however, that (i) "ten percent (10%)" shall be substituted for "fifty percent (50%)" in Section 318(a)(2)(C) and in Section 318(a)(3)(C) thereof; and (ii) Section 318(a)(5)(C) shall be disregarded. For purposes of determining ownership under this paragraph and constructive or indirect ownership under Section 318(a), ownership interest of less than ten percent (10%) shall be disregarded and percentage interests shall be determined on the basis of the percentage of voting interest or value which the ownership interest represents, whichever is greater.

2.4 Animal Waste

"Animal Waste" shall mean animal carcasses, dead animals, and/or parts or portions of dead animals. Animal Waste shall not include manure.

2.5 Applicable Laws

"Applicable Laws" shall mean all federal, state, county, and local laws, regulations, rules, orders, judgments, decrees, permits, approvals, or other requirements of any governmental agency having jurisdiction over an aspect of this Agreement that are in force on the Effective Date, and as may be enacted, issued or amended thereafter, including without limitation City's Municipal Code, AB 939 and AB 341.

2.6 Billings

"Billings" or "Billing" or "Bill" means the statements of charges provided to Customers for services rendered by Contractor pursuant to the terms of this Agreement.

2.7 Bins

"Bins" shall mean a Container, including dumpsters, compactors, and any similar such devices with a capacity of under ten (10) cubic yards.

2.8 Bulky Items

"Bulky Items" means Solid Waste that cannot and/or would not typically be accommodated within a Cart including specifically: furniture (including chairs, sofas, mattresses, and rugs); appliances (including refrigerators with and without Freon, ranges, washers, dryers, water heaters, dishwashers, plumbing, small household appliances and other similar items, commonly known as "white goods"); residential wastes (including wood waste, tree branches, scrap wood, in the aggregate not exceeding one cubic yard per Collection); and clothing. For purposes of this Agreement, and notwithstanding any provision hereof to the contrary, Bulky Items shall specifically include items commonly known in the waste industry as "brown goods," "e-waste" and "universal waste" (including, without limitation all types of electronic waste, stereos, televisions, computers and monitors, cellular phones, VCRs, microwaves and other similar type of equipment and products), batteries, and fluorescent light tubes. Bulky Items do not include car bodies, Construction and Demolition Debris or (with the exception of appliances/white goods described above) items that cannot reasonably and safely be loaded and unloaded into a vehicle by two people using equipment of the type which, pursuant to industry standards, would normally be carried in a vehicle used in Collecting Bulky Items. In the event a question arises as to whether a specific item, or category of items meets the definition of Bulky Items, City shall be responsible to determine whether said definition shall apply, which determination shall be final and binding on the Parties.

2.9 Cart

"Cart" means a plastic Container with a hinged lid and wheels serviced by an automated or semi-automated process, as opposed to a manual process of lifting and dumping.

2.10 City

"City" shall mean the City of Huntington Park, a municipal corporation, located in Los Angeles County, California.

2.11 City Council

"City Council" shall mean the City Council of City.

2.12 City Limits

"City Limits" shall mean the territorial boundaries of the City together with all amendments and changes thereto, which boundaries are depicted on maps, incorporated herein by reference, that are kept on file in the office of the City Clerk of the City of Huntington Park, and which are from time to time amended to reflect changes.

2.13 City Manager

"City Manager" shall mean the City Manager of the City of Huntington Park or his or her designee.

2.14 Collect/Collection

"Collect" or "Collection" shall mean to take physical possession of, transport, and remove Solid Waste from a Premises.

2.15 Commercial Premises

"Commercial Premises" means Premises upon which business activity is conducted, including but not limited to retail sales, services, wholesale operations, manufacturing and industrial operations, but excluding Residential Premises upon which business activities are conducted when such activities are permitted under applicable zoning regulations and are not the primary use of the property. Notwithstanding any provision to the contrary herein, in the Municipal Code, or otherwise, for purposes of this Agreement, Premises upon which hotels and motels are operated and upon which Multi-Family Dwellings exist shall be deemed to be Commercial Premises.

2.16 Container

"Container" means any and all types of Solid Waste receptacles, including Carts and Bins.

2.17 Contractor

"Contractor" shall mean United Pacific Waste, the entity granted the franchise pursuant to this Agreement, or any party permitted pursuant to the terms hereof permitted to become the successor or assignee thereof.

2.18 Customer

"Customer" or "Customers" shall mean any person receiving Solid Waste Collection services from Contractor within the Franchise Area.

2.19 Dwelling Unit

"Dwelling Unit" shall mean one or more rooms designed for occupancy by one family for living and sleeping purposes and containing kitchen facilities or an area designed for the preparation of food for use solely by one family.

2.20 Effective Date

"Effective Date" shall mean August 18th, 2014.

2.21 Environmental Laws

"Environmental Laws" means all federal and state statutes, county, local and City ordinances concerning public health, safety and the environment including, by way of example and not limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC §9601 et seq.; the Resource Conservation and Recovery Act, 42 USC §6901 et seq.; the Federal Clean Water Act, 33 USC §1251 et seq.; the Toxic Substances Control Act, 15 USC §2601 et seq.; the Occupational Safety and Health Act, 29 USC §651 et seq.; the California Hazardous Waste Control Act, California Health and Safety Code §25100 et seq.; the Carpenter-Presley-Tanner Hazardous Substance Account Act, California Health and Safety Code §25300 et seq.; the Porter-Cologne Water Quality Control Act, California Water Code §13000 et seq.; the Safe Drinking Water and Toxic Enforcement Act, California Health and Safety Code §25249.5 et seq.; as currently in force or as hereafter amended, and all rules and regulations promulgated thereunder.

2.22 Food Waste

"Food Waste" shall mean compostable Organic materials, excluding Green Waste, including but not limited to: (i) all food (including fruits, vegetables, meat, poultry, seafood, shellfish, bones, rice, beans, pasta, bread, cheese and eggshells); (ii) food-soiled paper (including napkins, paper towels, paper plates); and (iii) tea bags, coffee grounds and filters.

2.23 Franchise Area

"Franchise Area" shall mean all Premises within the City Limits, including Premises which may be annexed and thereby added to the City Limits following the Effective Date.

2.24 Franchise Fee

"Franchise Fee" shall mean the franchise fee set forth and more fully defined in Section 11 hereof.

2.25 Green Waste

"Green Waste" means tree trimmings, grass cuttings, dead plants, leaves, branches and dead trees (not more than six (6) inches in diameter or 48 inches in length) and similar materials as more fully described herein.

2.26 Gross Receipts

"Gross Receipts" shall mean and include all monies, fees, charges, consideration, and revenue received by or imputed to Contractor and any Affiliate of Contractor, in connection with, arising from, or in any way attributable to the Solid Waste Handling Services carried out by or on behalf of Contractor pursuant to this Agreement. Gross Receipts includes, without limitation, monthly or quarterly Customer charges that are received by Contractor for Collection of Solid Waste, without subtracting Franchise Fees, fees imposed and collected pursuant to this Agreement, sums collected in connection with Temporary Services, and transportation charges. Gross Receipts does not include revenue from the sale of Recyclable Material, Green Waste, food waste, and other material which is diverted from disposal.

2.27 Hazardous Substance

"Hazardous Substance" shall mean any of the following: (a) any substances defined, regulated or listed (directly or by reference) as "Hazardous Substances," "hazardous materials," "Hazardous Wastes," "toxic waste," "pollutant" or "toxic substances" or similarly identified as hazardous to human health or the environment, in or pursuant to (i) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC §9601 et seq.(CERCLA); (ii) the Hazardous Materials Transportation Act, 49 USC §5101, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC §6901 et seq.; (iv) the Clean Water Act, 33 USC §1251 et seq.; (v) California Health and Safety Code §§25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air Act, 42 USC §7401 et seq.; and (vii) California Water Code §13050; (b) any amendments, rules or regulations promulgated thereunder to such enumerated statutes or acts currently existing or hereafter enacted; and (c) any other hazardous or toxic substance, material, chemical, waste or pollutant identified as hazardous or toxic or regulated under any other applicable federal, state or local laws or regulations, including any of the Environmental Laws, currently existing or hereinafter enacted, including, without limitation, friable asbestos, polychlorinated biphenyl's ("PCBs"), petroleum, natural gas and synthetic fuel products, and by-products.

2.28 Hazardous Waste

"Hazardous Waste" means all substances defined as Hazardous Waste, acutely Hazardous Waste, or extremely Hazardous Waste by the State of California in Health and Safety Code §25110.02, §25115, and §25117 or in the future amendments to or recodifications of such statutes or identified and listed as Hazardous Waste by the US Environmental Protection Agency (EPA), pursuant to the Federal Resource Conservation and Recovery Act (42 USC §6901 et seq.), all future amendments thereto, and all rules and regulations promulgated thereunder.

2.29 Multi-Family Dwelling

"Multi-Family Dwelling" means any building or lot containing more than one Dwelling Unit at which Contractor determines (and City agrees) the Dwelling Units must receive Solid Waste Collection services through the use of shared Bins, since they are not reasonably able to store Carts or otherwise receive individualized Solid Waste Collection services through the use of the automated Collection system utilizing Carts contemplated by this Agreement for Single

Family Dwellings. Unless otherwise determined as set forth above, any Premises upon which four (4) or more Dwelling Units exists shall be deemed to be a Multi-Family Dwelling. Any ambiguity as to whether a Customer's Premises qualifies for purposes of this Agreement as a Single Family Dwelling or Multi-Family Dwelling shall be resolved by the City Manager whose decision shall be final.

2.30 Municipal Code

"Municipal Code" shall mean City's Municipal Code.

2.31 Organics

"Organics" shall mean compostable materials including Food Waste and Green Waste.

2.32 Person

"Person" shall mean any individual, firm, association, organization, partnership, corporation, business trust, joint venture, the United States, the State of California, the County of Los Angeles, towns, cities, and special purpose districts.

2.33 Premises

"Premises" shall mean any land, building, and/or structure within the City Limits where Solid Waste is generated or accumulated.

2.34 Recyclable Material

"Recyclable Material" or "Recyclables" shall mean that Solid Waste discarded within the Franchise Area which is capable of being recycled, including Green Waste.

2.35 Residential Premises

"Residential Premises" shall mean all premises upon which Dwelling Units exist. Notwithstanding any provision to the contrary herein, in the Municipal Code, or otherwise, for purposes of this Agreement, Premises upon which hotels and motels are operated or upon which Multi-Family Dwellings exist shall be deemed to be Commercial Premises.

2.36 Rolloff Box

"Rolloff Box" means Solid Waste Collection Containers of ten (10) yards or larger, including compactors.

2.37 Senior Citizen

"Senior Citizen" shall mean a Customer that is the head of the household at a Single Family Dwelling as demonstrated by utility bills, a lease, or other reasonable documentation, at least sixty-two (62) years of age and the recipient of supplemental social security benefits.

2.38 Single Family Dwelling

"Single Family Dwelling" means a building or lot containing one Dwelling Unit, and for purposes of this Agreement includes buildings and lots with more than one Dwelling Unit where such Dwelling Units are determined by the City to be reasonably able to receive individualized Solid Waste Collection service by the automated process utilizing Carts contemplated herein. Any ambiguity as to whether a Customer's Premises qualifies as a Single Family Dwelling or Multi-Family Dwelling shall be resolved by the City Manager whose decision shall be final.

2.39 Solid Waste

"Solid Waste" shall mean and include all discarded putrescible and nonputrescible solid, semisolid, and liquid wastes, including garbage, trash, Refuse, rubbish, construction waste, industrial waste, commercial Solid Waste, Bulky Items, and any other discarded solid, semisolid, and liquid waste permitted to be disposed of at a Class III landfill and which are included within the definition of "Nonhazardous Solid Waste" set forth in the California Code of Regulations, as it may be amended from time to time. Solid Waste does not include hazardous (Class I) waste, low-level radioactive waste, untreated medical waste, or Special Wastes as defined herein.

2.40 Solid Waste Handling Services

"Solid Waste Handling Services" means the Collection, transfer, transport, recycling, processing, and disposal of Solid Waste for Premises within the City.

2.41 Special Wastes

"Special Wastes" shall mean wastes other than Solid Waste including sewage, sludge, industrial sludge, asbestos, auto bodies, tires, used motor oil, Hazardous Waste, Animal Waste, explosive substances, radioactive materials, and other materials which may not be disposed of at a Class III landfill or which require special handling.

2.42 Temporary Service

"Temporary Service" shall mean Solid Waste Handling Services provided by Contractor on an as-needed and temporary basis to any Premises within the City in conjunction with construction, demolition, cleanup or other projects, and by use of temporarily placed Bins or Rolloff Boxes.

2.43 Term

"Term" shall have the meaning ascribed in Section 6 of this Agreement.

2.44 Transformation

"Transformation" means incineration, pyrolysis, distillation, gasification, or biological conversion other than composting. "Transformation" does not include composting.

SECTION 3.
GRANT OF EXCLUSIVE FRANCHISE FOR SOLID WASTE HANDLING SERVICES FROM ALL RESIDENTIAL AND COMMERCIAL PREMISES, AND FOR PROVIDING TEMPORARY SOLID WASTE HANDLING SERVICE

3.1 Scope of Franchise

Except as hereinafter expressly set forth, City hereby grants to Contractor and Contractor hereby accepts from City, for the Term hereof, the exclusive contract, right, and privilege to Collect, transport, and dispose of all Solid Waste generated or accumulated within the Franchise Area. The exclusive franchise, right and privilege to provide Solid Waste Handling Services within City granted to Contractor by this Agreement shall be interpreted to be consistent with all applicable state and federal laws, now in effect and adopted during the Term of this Agreement, and the scope of this Agreement shall be limited by all applicable current and developing laws and regulations. In the event that future interpretations of current law or future enactments limit the ability of City to lawfully grant Contractor the scope of services as specifically set forth herein, Contractor agrees that the scope of this Agreement will be limited to those services and materials which may be lawfully provided, and that City shall not be responsible for any lost profits claimed by Contractor as a result thereof.

3.2 Matters Excluded from Scope of Franchise

Notwithstanding any other provisions set forth in this Agreement to the contrary, the exclusive franchise granted herein shall exclude the Collection, transportation, recycling, and disposal of:

(A) any Solid Waste otherwise within the scope of this Agreement which is transported by a Self Hauler as that term is used in the Municipal Code, or any other City ordinance, resolution, regulation or policy, as such may be adopted or amended from time to time;

(B) the sale or donation of Recyclable Material by the person or entity that generated such Recyclable Material (the "Generator") to any person or entity other than Contractor; provided, however, to the extent permitted by law, if the Generator is required to pay monetary or non-monetary consideration for the Collection, transportation, transfer, or processing of Recyclable Material to any person or entity other than Contractor, the fact that the Generator receives a reduction or discount in price (or in other terms of the consideration the Generator is required to pay) shall not be considered a sale or donation;

(C) any Solid Waste otherwise within the scope of this Agreement which is Collected or transported to a disposal or recycling facility by City employees in the course and scope of their employment with City;

(D) the Collection, transportation, or disposal of Hazardous Waste; Universal Waste; E-Waste; biohazardous waste; untreated medical waste; infectious waste; Animal

Waste; used cooking fats, oils, grease and similar waste; or other materials which do not constitute Solid Waste;

(E) the Collection, transportation, and disposal of Construction and Demolition Waste by a contractor, handyman, repairman, or other similar service provider, using its own equipment, as an incidental part of the services provided to its Customers, rather than as a hauling service, provided that such waste is not Collected or transported by a third party hired for the primary purpose of Collecting and transporting said materials;

(F) the Collection, transportation, and disposal of Green Waste and related Solid Waste by a gardener, or landscaper, as an incidental part of the gardening or landscaping services provided to its customers, rather than as a hauling service provided that such Solid Waste is not collected or transported by a third party hired for the primary purpose of Collecting and transporting said materials; and

(G) Solid Waste Handling Services provided by any Person having a legal right to continue doing so, pursuant to Public Resources Code Section 49520, et. seq., or otherwise, as long as and to the extent such legal right continues to exist; except that to the degree any territory in which Contractor has a franchise granted by another governmental entity is annexed into City during the Term, Contractor agrees the provisions of this Agreement shall apply to such territory and further acknowledges that this Agreement constitutes any notice required by the Public Resources Code in connection therewith.

SECTION 4.
ENFORCEMENT OF EXCLUSIVITY

Contractor shall be responsible for enforcing the exclusivity of this Agreement. City shall reasonably assist Contractor in its efforts to enforce the exclusivity hereof. In addition, City shall adopt such ordinances or other regulations as it deems to be necessary or desirable to protect the exclusive rights granted herein. City shall have the right, but not the obligation, to enforce the exclusivity hereof, including by instituting appropriate legal proceedings, and/or to request that Contractor do so. Contractor shall have an affirmative obligation to enforce such exclusivity provisions when requested to do so by City. Contractor shall reimburse City for its reasonable legal costs, extraordinary administrative costs (including staff time), or other expenses incurred in connection with City's actions to either enforce the exclusivity hereof, or to assist Contractor in doing so.

SECTION 5.
ACCEPTANCE; WAIVER

Contractor agrees to be bound by and comply with all the requirements of this Agreement. Contractor waives Contractor's right to challenge the terms of this Agreement under federal, state, or local law, or administrative regulation. Contractor waives any right or claim to serve the City or any part of the City under any prior grant of franchise, contract, license, or

permit issued or granted by any governmental entity including any right under Section 49520 of the Public Resources Code.

SECTION 6.
TERM

The term of this Agreement (the "Term") shall be for an approximate period of seven (7) years and ten (10) months commencing on the Effective Date. The Solid Waste Collection services provided to Customers shall commence on January 1, 2015 ("Service Commencement Date"). The Term of the Agreement shall end at midnight on June 30, 2022, unless this Agreement is terminated sooner pursuant to Section 18 hereof, or otherwise. The City Council shall have the unilateral option to exercise three (3) one (1) year extensions to the Term of the Agreement such that if all three (3) one (1) year extension options are exercised, the Term of the Agreement expires at midnight on June 30, 2025. Prior to exercising each one (1) year extension option, the City Council may, at its discretion, require the City Manager to conduct a performance review during fiscal years 2020-2021, 2021-2022, and 2022-2023 respectively, after receiving an advance deposit from Contractor to cover the cost of such review, in an amount subject to the City Manager's reasonable determination, but not to exceed seventy-five thousand dollars ($75,000) per performance review. Contractor shall be responsible for all costs of such performance review up to seventy-five thousand dollars ($75,000) per review, and said performance review will be separate from and in addition to the performance review set forth in Section 17.

If the City Council does not exercise the option to extend the Term as set forth above, as evidenced by a formal action of the Council taken in a duly noticed open meeting, on or before December 31 of the year preceding the expiration of the current Term, said option shall expire and this Agreement shall automatically terminate at midnight on June 30, 2022 if no options have been exercised, or June 30, 2023 or June 30, 2024, respectively, if one or two one (1) year extensions have been previously exercised. While it is the intent of the City Council to exercise the forgoing option to extend the Term absent a negative performance review, if one is conducted, the decision to exercise said option shall be subject to the City Council's sole, absolute and unfettered discretion.

SECTION 7.
CONDITIONS TO EFFECTIVENESS OF AGREEMENT

The satisfaction of each and all of the conditions set out below, each of which may be waived in whole or in part by City in writing, is a condition precedent to the effectiveness of this Agreement, and a condition of Contractor's continued right to the benefits conveyed herein:

7.1 Accuracy of Representation

All representations and warranties made by Contractor and set forth in this Agreement shall be accurate, true, and correct on and as of the Effective Date of this Agreement.

7.2 Absence of Litigation

There shall be no litigation pending in any court challenging the award of this Agreement to Contractor or the execution of this Agreement or seeking to restrain or enjoin its performance.

7.3 Furnishing of Insurance and Bonds, Letter of Credits, or Asset Pledge

Contractor shall have furnished evidence of the insurance and sureties required by Sections 14 and 15 hereof, and shall comply with all ongoing requirements relating thereto.

7.4 Effectiveness of City Council Action

The City Council's Resolution approving this Agreement shall have become effective pursuant to California law.

7.5 Payment of Fees and Costs

Contractor shall have made payment to City of all fees, costs and other payments due as more fully set forth in Section 11.

SECTION 8.
SOLID WASTE HANDLING SERVICES
PROVIDED BY CONTRACTOR

8.1 General

8.1.1 Equipment

Contractor shall furnish all labor, supervision, materials, supplies, and equipment necessary to provide for all services required by the terms of this Agreement.

8.1.2 Disposal and Processing Facilities

Contractor has provided a list of facilities that it intends to use for the disposal, processing, and/or reuse of Solid Waste and Recyclable Materials Collected pursuant to this Agreement, which is attached hereto as Exhibit C and incorporated herein by reference. Contractor shall not utilize other facilities for these purposes without first updating Exhibit C and obtaining the prior written consent of the City Manager, which consent shall not be unreasonably withheld. In the event any disposal or processing facility is located within City Limits, City may require Contractor to utilize such facility if doing so would not increase Contractor's overall company costs, including, but not limited to any disposal or operating facilities operated by Contractor. If City requires Contractor to utilize a disposal or processing facility within City Limits and there would be an increase to Contractor's costs to do so, Contractor and City shall meet and confer in good faith to determine a fair and reasonable adjustment to the maximum rates set forth on Exhibit A or the Franchise Fee in order to compensate Contractor for using a facility within City Limits.

8.1.3 Performance Standards

Contractor shall perform Solid Waste Handling Services as required hereunder in a workmanlike manner consistent with good housekeeping standards and all relevant provisions of Applicable Laws.

8.1.4 Noise and Disruption

Contractor shall perform Solid Waste Handling Services as required hereunder in such a manner as to minimize noise and other disruptive impacts including, without limitation, those upon traffic. Contractor shall use its best efforts to coordinate its Collection schedules such that street sweeping on any given street shall occur the business day following Collection of Solid Waste by Contractor.

8.1.5 Collection Times

Contractor shall not commence Collection of Solid Waste for Customers at Commercial Premises (excepting Multi-Family Dwellings) until 6:00 a.m. and for Customers at Residential Premises and at Multi-Family Dwellings until 7:00 a.m., nor shall such activities occur after 7:00 p.m. for Customers at Commercial Premises (excepting Multi-Family Dwellings) and 6:00 p.m. for Customers at Residential Premises and at Multi-Family Dwellings. The City Manager may require Contractor to comply with time frames applicable to Residential Premises in connection with Collection of Solid Waste for Customers at Commercial Premises whose premises are in close proximity to Residential Premises. Close proximity is typically considered five hundred (500) feet, but the ultimate distance shall be determined by the City Manager in his or her sole discretion and may result in an established distance that is more or less than five hundred (500) feet. Solid Waste Collection at Residential Premises and at Multi-Family Dwellings shall not occur on Saturdays; excepting Temporary Bin Services and Collection occurring on Saturdays following such holidays as may be approved by the City Manager. No Solid Waste Collection shall occur on Sundays at Residential Premises or at Multi-Family Dwellings, except in exceptional circumstances for which specific approval is given by the City Manager. Except as noted herein, Solid Waste Collection may occur at Commercial Premises on Saturdays and Sundays; provided, however, no such service shall occur on Sundays in connection with any Premises at which the City Manager determines such service would be contrary to the public interest.

8.1.6 Collection Schedule

As of the Service Commencement Date, the Collection routes utilized by Contractor shall be the same as the Collection routes set forth in the City's Request for Proposal for Solid Waste Handling Services (i.e., the Collection routes currently in place immediately prior to the Effective Date). However, during the Term of the Agreement, the City shall use its best efforts to work with Contractor and the City's street sweeper to establish more efficient and cost effective Collection routes. All Collection routes shall be subject to final approval by the City Manager. Customers at all Residential and Commercial Premises within the City will have not less than one established Collection day each week. Contractor shall provide notice to each Customer of its established Collection day(s), and shall provide at least one week's notice to

Customers of any change in their established Collection day(s). Notwithstanding any provision herein to the contrary, should any established Collection day fall on a legal holiday, or on any other holiday which is observed by either a landfill or other lawful disposal site to which Solid Waste is taken for disposal, or a recycling facility to which Recyclable Material is taken, Contractor shall provide for Collection one (1) day later during the pick-up week, and the regular Collection schedule shall be resumed the following week. A pick-up week shall be defined as Monday through Saturday for Residential Premises and Multi-Family Dwellings and as Monday through Sunday for Commercial Premises (excepting Multi-Family Dwellings). Contractor may not change its established Collection schedules without obtaining the prior written consent of the City Manager.

8.1.7 Commingling of Routes

Contractor shall not during its Collection process commingle Solid Waste Collected hereunder with Solid Waste Collected in any other City, or on behalf of any other entity operating or existing within City that is not subject to this Agreement, and is specifically prohibited from combining Collection routes related to services provided pursuant to this Agreement with Collection routes for other jurisdictions it may service.

8.1.8 Replacement of Containers

Contractor shall, whenever possible, return Carts to the parkway adjacent to the curb, and not the street gutter, upon completing Collection. Contractor shall replace all Bins in the location upon the property of each Customer utilizing Bins designated for storage of Bins, and shall secure gates, doors, and/or enclosures when applicable.

8.1.9 Contractor's Containers

(A) Contractor's Containers shall meet the minimum standards set forth on the attached Exhibit B.

(B) Contractor shall provide three sizes of Carts (small, medium and large) having capacities of approximately 35 gallons, 64 gallons and 96 gallons. Notwithstanding the foregoing, the Parties recognize that different vendors provide Carts of slightly different dimensions, and hence the capacity of Cart sizes specified in this Agreement may vary slightly, but in no case by more than 10% of the noted capacities.

(C) Contractor shall be responsible to maintain and replace, as necessary, all of its Containers.

(D) All Contractor's Containers shall be maintained by Contractor in good repair, and any question as to the meaning of this standard shall be resolved by the City Manager.

(E) Contractor shall deliver Containers to each Customer at no additional charge.

(F) Contractor shall ensure it maintains an accurate list that contains the total number of Carts at each service address and the serial number or other identifying information associated with each Cart located at such address. Contractor shall keep this list up to date at all times, provide it to City upon request, and shall include a current updated list with each annual report as set forth in Section 23.3. In addition, Contractor shall provide this list to City within thirty (30) days of the Service Commencement Date.

(G) All Carts shall be maintained by Contractor in a watertight condition, as shall all Bins which are used primarily for the disposal of Solid Waste containing liquids.

(H) Upon request and up to one time per calendar year, Contractor shall exchange a Customer's Cart for a "like new" Cart at no additional charge. In addition, within twenty-four (24) hours after notification (Sundays and holidays excepted), Contractor shall repair and maintain, remove graffiti from, and replace lost, stolen or damaged Carts at no charge to Customers. However, Contractor shall be entitled to charge Customers for the replacement of any Cart that has been damaged by a Customer's willful neglect or abuse, ordinary wear and tear excepted, with such charges being subject to the City Manager's approval and at a fee no higher than Contractor's actual cost of repair and replacement.

(I) Contractor shall at Customer's request annually refurbish, replace, and steam clean as necessary all Bins and Rolloff Boxes at no charge to Customers. City may require the steam cleaning or replacement of Bins utilized at restaurants, bars and grocery stores/markets more frequently if it determines such action is needed to protect public health and safety. Additional steam cleaning or replacement shall be provided when required by City or requested by a Customer at a charge not to exceed the maximum rate set forth in Exhibit A hereto.

(J) Contractor shall remove any graffiti that appears on its Containers within twenty-four (24) hours (Sundays and holidays excepted) after becoming aware of it at no charge to Customers.

(K) All Bins and Rolloff Boxes shall be kept freshly painted in a uniform fashion and shall be identified with Contractor's name and phone number in letters not less than three inches high on its exterior so as to be visible when the Container is placed for use.

(L) At a Customer's request, Contractor shall provide Bins with locking lids and locks and may charge rates to Customers for locking Bins which do not exceed the maximum rates set forth on Exhibit A.

8.1.10 Missed Pick-ups

In case of a missed pick-up called in by a Customer, Contractor shall Collect Solid Waste and Recyclable Material from such Customer no later than the next day of the pick-up week following the date of the call. Records of the addresses of all missed pick-ups shall be maintained by Contractor, and shall be reported to City upon request. If Contractor demonstrates to the satisfaction of the City Manager a pattern of ongoing late "set-outs" by a given Customer,

missed pick-ups resulting from late set-outs by that Customer shall not be counted as missed pick-ups in evaluating Contractor's performance hereunder. The Customer service phone system required by Section 10.8.2 hereof is intended, among other things, to serve as a "hotline" for Customers to call in the event Solid Waste placed for Collection is not Collected by Contractor and to facilitate having such Solid Waste Collected as soon as reasonably possible, and in no event later than as required by the provisions hereof.

8.1.11 Record of Non-collection

As more fully set forth herein, Contractor shall Collect all Solid Waste placed for Collection by Customers in Containers, excepting materials that do not meet the definition of Solid Waste (such as hazardous materials) or which are commingled with such materials. Whenever Contractor determines not to Collect any Solid Waste deposited for Collection, Contractor shall leave a tag at least 2" by 6" in size, indicating the reason for Contractor's refusal to do so. This information may be either handwritten or left by means of a check system (i.e., checking off boxes on a preprinted form). The tag shall provide Contractor's business name and its local telephone number and shall be securely fastened to the Container or the article refused. Contractor shall maintain a record of all such taggings at its place of business. Such record shall contain the date of such notice, street address, reason for non-collection, and a summary of any communications between Contractor and the Customer involved. Such notice shall be retained so that it may be inspected by representatives of City upon request.

8.2 Residential Solid Waste Handling Service

8.2.1 Single Family Dwellings – Automated Collection

Contractor shall provide each Customer at a Single Family Dwelling with one Cart designated for the Collection of mixed Solid Waste (a Refuse Cart). Contractor shall provide each such Customer with a ninety-six (96) gallon Refuse Cart, excepting that any Customer requesting a smaller Refuse Cart(s) shall be provided with a sixty-four (64) gallon or thirty-five (35) gallon Refuse Cart instead. Contractor shall Collect all Solid Waste placed out for Collection in a Refuse Cart by each Customer at a Single Family Dwelling not less than once per week using an automated Collection system at rates that do not exceed the maximum rates set forth in Exhibit A. Upon request from any Customer at a Single Family Dwelling, Contractor shall provide such Customer with one or more additional Refuse Carts, and shall Collect all Solid Waste placed for Collection in such additional Refuse Carts at rates that do not exceed the maximum rates set forth in Exhibit A. Wherever feasible, Customers shall be directed by Contractor to place Carts for Collection either on the parkway adjacent to the curb, in front of their Premises, or adjacent to their Premises in the alley or easement in the rear of their Premises. If a Customer and Contractor cannot agree upon a Collection location, or if City determines the selected location may cause safety or other concerns, City may make the final determination of the Collection location. It is the intent of the parties that the services provided under this Agreement will result in an automated Collection system that includes source separation of recyclable materials. Accordingly, if Solid Waste is routinely placed for Collection other than in a Refuse Cart, Contractor shall work with the Customer involved to determine if the Customer is in need of additional or larger Refuse Carts. The City Manager is authorized to require Contractor to deliver additional Refuse Carts to any such Customers or to require such other

action of Contractor as is reasonably deemed necessary to ensure the Collection system, including specifically the recycling programs, contemplated by this Agreement is achieved.

8.2.2 Single Family Dwellings – Senior Citizen Discount

Contractor shall provide any Customer at a Single Family Dwelling who meets the definition of a Senior Citizen with a 20% percent rate reduction ("Senior Citizen Discount"). Contractor may require a Customer requesting a Senior Citizen Discount to present documentation demonstrating that the Customer qualifies for such rate reduction. Contractor may charge Customers receiving a Senior Citizen Discount rates that do not exceed the maximum rates set forth in Exhibit A. Any dispute as to whether a Customer qualifies for Senior Citizen Discount shall be resolved by the City Manager whose determination shall be final.

8.2.3 Walk-Out Service

Contractor shall provide eligible Customers with "walk-out service" as set forth in this paragraph at no additional charge. This service shall require Contractor to use its own forces to bring a Customer's Carts from a Customer's backyard, side yard, or such other location at which Customer's Containers are regularly stored, to Contractor's Collection Vehicle; and, after disposal of the contents thereof, returning said Containers to the location where they are regularly stored. To be eligible for this service, a Customer shall have a DMV issued disabled person placard/license plates, and provide a letter to Contractor from a physician confirming the Customer is unable to move his/her Carts to the curb, and that to the best of the physician's knowledge there is no other capable persons living in Customer's household to provide this service. Contractor may require each eligible Customer to provide a new letter from a physician on an annual basis in order to maintain eligibility for walk-out service. Any dispute regarding a Customer's eligibility for walk-out service shall be resolved by the City Manager. Contractor may provide Customers who are not eligible for free walk-out service pursuant to the forgoing with walk-out service at a rate which shall not exceed the maximum rate set forth in Exhibit A. Contractor may require as a condition of walk-out service that a Customer sign a standardized agreement, the terms of which shall be subject to City's approval, which authorizes entry onto the Customer's property and holds Contractor harmless from liability (including specifically liability related to pets escaping) associated with Contractor providing such service.

8.2.4 Recycling Program for Single Family Dwellings Using Carts

Contractor shall provide each Customer at a Single Family Dwelling with one (1) ninety-six (96) gallon Cart designated for the Collection of Recyclables (a Recycling Cart) at no additional charge. Any Customer requesting smaller Recycling Cart(s) shall be provided with a sixty-four (64) gallon or thirty-five (35) gallon Recycling Cart(s) by Contractor instead of the standard ninety-six (96) gallon Cart noted above. Upon request from any Customer at a Single Family Dwelling, Contractor shall provide such Customer with one or more additional Recycling Carts at no additional charge. Contractor shall Collect Recyclable Material placed in Recycling Carts for Collection from each Customer at a Single Family Dwelling on the same day as such Customer's Refuse Cart is Collected, utilizing an automated Collection process. Customers shall be directed to place Recycling Carts in the same location for Collection as Refuse Carts. At a

minimum the following materials shall be allowed to be deposited by Customers for Collection in Recycling Carts aluminum cans; glass jars and bottles; bi-metal, and tin cans; empty aerosol containers; polyethylene terephthalate plastic ("PET"); high density polyethylene plastic ("HDPE"); plastics types 3 – 7; plastic bags, shrink wrap, plastic toys and tools, and other plastic materials (if readily identifiable as being recyclable); juice boxes and milk cartons (aseptic packaging, Tetra Pak© and waxed cardboard); coat hangers and metal foil; newspaper; mixed paper (e.g., ledger, computer, junk mail, magazines, paperback books cereal boxes, envelopes, paper shopping bags and non-metallic wrapping paper); corrugated cardboard; and telephone books.

8.2.5 Curbside Grease Collection Program

If ever required by the applicable sanitation district, or other regulatory agency, Contractor shall design a program for the collection of grease, fat, oils and similar waste generated from household cooking activities (the "Curbside Grease Collection Program") that the City Manager finds satisfactory and approves. Contractor shall be responsible to ensure the Curbside Grease Collection Program complies with all Applicable Laws and regulations. At such time as (if) a Curbside Grease Collection Program is implemented, Contractor and City shall meet and confer in good faith to determine a fair and reasonable adjustment to the maximum rates set forth on Exhibit A in order to compensate Contractor for implementing such a program.

8.2.6 Green Waste Program for Single Family Dwellings Using Carts

Contractor shall provide all Customers at Single Family Dwellings to whom it provides Refuse Carts, with a ninety-six (96) gallon Cart for Collection of commingled green waste (a "Green Waste Cart") at no additional charge. Any Customer requesting a smaller Green Waste Cart(s) shall be provided with a sixty-four (64) gallon or thirty-five (35) gallon Green Waste Cart(s) by Contractor instead of the standard ninety-six (96) gallon Cart noted above. Upon request from any Customer at a Single Family Dwelling, Contractor shall provide such Customer with one or more additional Green Waste Carts at no additional charge. Contractor shall Collect Green Waste placed in Green Waste Carts for Collection from each Customer on the same day as such Customers' Refuse Cart is Collected, using an automated collection process. Customers shall be directed to place Green Waste Carts in the same location for Collection as Refuse Carts.

8.2.7 Multi-Family Dwelling Customers

Contractor shall comply with all requirements applicable to Commercial Customers, set forth below, in connection with Multi-Family Dwellings, and further shall comply with the specific provisions contained herein related to such Dwellings. Contractor shall provide all Customers at Multi-Family Dwellings with Bins meeting the minimum standards set forth in Exhibit B for the Collection of mixed Solid Waste ("Mixed Waste Bins"), and shall Collect all Solid Waste placed therein for Collection not less than once per week, at rates that do not exceed the maximum rates set forth in Exhibit A. Contractor shall provide a number of Bins reasonably needed for Solid Waste Collection at each Premises at which Multi-Family Dwellings exist bearing in mind both the number of Dwellings and space limitations. Contractor shall endeavor to provide at least one (1) Mixed Waste Bin for every ten (10) Dwelling Units located at each

Multi-Family Dwelling. If warranted by specific circumstances, and upon written approval of the City Manager, at any given Multi-Family Dwelling, Mixed Waste Carts may be utilized instead of Mixed Waste Bins, and/or the minimum number of Mixed Waste Bins/Carts may be adjusted. Rates for Customers at Multi-Family Dwellings receiving Mixed Waste Carts shall not exceed the maximum rates set forth on Exhibit A for Residential Cart Service. In the case of Multi-Family Dwellings in which Carts are used instead of Bins, Contractor may charge each Dwelling Unit rates that do not exceed the maximum rates set forth on Exhibit A for Residential Cart Service and each Dwelling Unit shall be entitled to receive one (1) refuse Cart, one (1) recycling Cart, and one (1) green waste Cart. Contractor may charge each Dwelling Unit rates that do not exceed the maximum rates set forth on Exhibit A for Residential Cart Service regardless of whether the Dwelling Unit elects to receive fewer Carts than authorized above. However, the Contractor may charge Customers for additional Carts in excess of the one (1) refuse Cart, one (1) recycling Cart, and one (1) green waste Cart at rates that do not exceed the maximum rates set forth on Exhibit A for Residential Cart Service.

The size of Mixed Waste Bins utilized, and the frequency of their Collection, shall be mutually agreed upon by Contractor and its Customers, except that Collection shall occur not less than one time per week and City shall have the right to impose minimum requirements for Bin sizes and more frequent Collection should it determine such action is needed to protect public health, safety and welfare. In the event of any dispute as to the adequacy of the number of Bins at any given Multi-Family Dwelling, the City Manager shall have the ability to approve the number of Mixed Waste Bins used at such location. In the event extra pickups are required at a Multi-Family Dwelling in any given month, Contractor may charge the Person who manages or owns the Multi-Family Dwelling for such pickups an amount that does not exceed the maximum rate for "extra dumps" as set forth in the attached Exhibit A.

8.2.8 Multi-Family Dwelling Recycling Program

Contractor shall offer and provide a recycling program to all Customers at Multi-Family Dwellings (the "Multi-Family Dwelling Recycling Program") that at a minimum meets the standards required under AB 341. Contractor shall also assist the City in identifying Customers at Multi-Family Dwellings that are not in compliance with the recycling requirements set forth in AB 341. Contractor shall be responsible for ensuring that its Multi-Family Dwelling Recycling Program, combined with its other programs, enables it to achieve the required diversion rates specified in this Agreement and may be required to modify its program from time to time, at no additional cost to the City or Customers, to meet such diversion requirements. Contractor shall produce, keep current, and provide public information specifically outlining its Multi-Family Dwelling Recycling Program, which shall specifically include the annual publication and distribution of a brochure describing this service to all applicable Customers in City.

Contractor's Multi-Family Dwelling Recycling Program shall at a minimum include the following. First, Contractor shall have a representative conduct a site visit for each Customer at a Multi-Family Dwelling that does not receive Collection service for Recyclable Materials from Contractor for the purpose of establishing said service. Fifty percent (50%) of the Customers shall be contacted within the first six (6) months from the Service Commencement Date of this Agreement, and one hundred percent (100%) of the Customers shall be contacted within the first twelve (12) months after the Service Commencement Date of this Agreement. Contractor shall,

every six (6) months, provide to City an updated log of the above site visits that at a minimum includes: (1) the name and address of the Customer; (2) the date of the site visit; (3) the name and phone number of the person contacted; and (4) the reason provided by Customer for not establishing a recycling program.

Six (6) and twelve (12) months after the Service Commencement Date of this Agreement Contractor shall provide City with the following three (3) lists: (1) Customers at Multi-Family Dwellings participating in Contractor's Multi-Family Dwelling Recycling Program; (2) Customers at Multi-Family Dwellings reporting to Contractor that they achieve recycling via an in-house or third party recycling program that meets the requirements under Applicable Laws; and (3) Customers at Multi-Family Dwellings without a known recycling program. The foregoing three lists shall at a minimum: (1) state the Customer's name, address, and contact information; (2) indicate whether the Customers are subject to the State's recycling requirements under AB 341; and (3) provide details on the Solid Waste Collection service Customer receives from Contractor, including the quantity and type of Containers, frequency of Collection, and recycling services (if applicable).

In addition to the above, Contractor shall visit all new Customers at Multi-Family Dwellings within thirty (30) days from when the new service is commenced. Contractor shall also conduct on-site visits to Customers at Multi-Family Dwellings throughout the Term of this Agreement to implement new or optimize the existing Multi-Family Dwelling Recycling Program.

Contractor shall provide all Multi-Family Dwellings with two options for diverting Recyclable Materials from the landfill: (1) on-site source separated Containers; or (2) mixed waste Containers.

8.2.8.1 Source Separated Recycling Program

For Customers that wish to select an onsite separation program, Contractor shall conduct a site visit to ensure there is adequate space for source separated Containers (a separate Container for refuse and a separate Container for Recyclable Materials). Contractor shall also conduct an education and outreach program that, at a minimum, includes: (1) handout materials (including brochures) with details on the source separated program and Contractor contact information; (2) additional handouts for display on bulletin boards; (3) door hangers with program information; and (4) townhall meetings for Customers to ask follow-up questions, receive further information, and sign up for source separated service. Contractor shall also provide Customers of Multi-Family Dwellings with a blue recycling bag printed in both English and Spanish to store comingled Recyclable Materials prior to such materials being deposited in a Collection Container. All blue recycling bags shall have details designating the proper materials to be placed in each Container.

Customers selecting an onsite separation program shall receive Containers designed for Recycling purposes, and Contractor may charge rates for such Containers which do not exceed fifty percent (50%) of the maximum rates set forth on Exhibit A for refuse service. The intent of Contractor's program is to incentivize Customers to Recycle by saving, and accordingly Contractor intends to charge rates that are less than the rates for mixed waste processing for

Customers who seek to Recycle by on site separation. Contractor shall ensure any such programs are cost neutral such that by adding on site separation programs a Customer's rates for all services provided by Contractor at a minimum stay the same, and ideally such rates should decrease. Contractor shall place source separated Containers in a location selected by the Customer and subject to approval by City.

8.2.8.2 Mixed Waste Processing Recycling Program

Customers that choose a mixed waste processing Bin shall be able to mix all Solid Waste, including refuse, Recyclable Materials, and Green Waste into one Bin. The maximum rates set forth on Exhibit A for refuse service presume this service is provided and Customers shall be informed of this when service options are explained. Contractor shall comply with Section 8.6.7 in processing Solid Waste from mixed waste processing Bins.

8.2.9 Bulky Item Service for Single Family Dwellings and Multi-Family Dwellings with Less Than Four Dwelling Units

Contractor shall provide Bulky Item Collection services to residents living at all Single Family Dwellings and Multi-Family Dwellings (where less than four (4) Dwelling Units exist on a single Premises) in City at no charge on an on-call basis. The no-charge Bulky Item Collection service set forth in this Section shall only apply to Bulky Items generated at the Dwelling Unit at which Customer calling for service resides and is limited to up to four (4) items per scheduled pick up per week. Customers are limited to scheduling one Bulky Item Collection service per week. In order to receive such service, residents shall provide Contractor with notice by phone of the number and type of Bulky Items to be collected. Bulky Item Collection service calls shall be responded to within a reasonable time but not longer than one (1) business day from the date of Customer's call for service. Contractor shall produce, keep current, and provide public information specifically outlining its Bulky Item Collection service, which shall specifically include the annual publication and distribution of a brochure describing this service to residents of all Single Family Dwellings in City. Contractor may charge rates for the Collection of each Bulky Item in excess of four (4), or for each Bulky Item Collected as part of an additional Collection in a single week, that do not exceed those set forth on Exhibit A.

8.2.10 Bulky Item Service for Multi-Family Dwellings

Contractor shall provide Bulky Item Collection service to Multi-Family Dwellings (where four (4) or more Dwelling Units exist on a single Premises) in the same manner as to other Commercial Premises as set forth in Section 8.3.3 below. Contractor shall produce, keep current, and provide public information specifically outlining its Bulky Item Collection service, which shall specifically include the annual publication and distribution of a brochure describing this service to residents of all Multi-Family Dwellings in City.

8.2.11 Bulky Item Diversion

Bulky Items Collected pursuant to this Agreement may not be landfilled until the following hierarchy of diversion efforts has been followed by Contractor:

a. Reuse as is (if energy efficient);

b. Disassemble for reuse or Recycling;

c. Recycle, Transformation, other means of diversion; and

d. Disposal.

This hierarchy is intended to preclude the use of front or rear loading packer vehicles for Bulky Items unless the compaction mechanism is not used to compact the Bulky Items. The disposition of Bulky Items shall be tracked by Contractor and this information shall be included in Contractor's quarterly reports to City.

8.2.12 Proper Handling of Bulky Items

Contractor shall properly handle all materials required to be collected as Bulky Items, including specifically items that require special handling pursuant to the Environmental Laws, such as materials that constitute "universal waste" and/or "e-waste."

8.2.13 Residential Sharps Collection Program

Contractor shall design and implement at no cost to all Customers at Residential Premises and Multi-Family Dwellings a program for the collection of used needles (the "Sharps Collection Program") that the City Manager finds satisfactory and approves. Contractor shall be responsible to ensure the Sharps Collection Program complies with all Applicable Laws. It is anticipated that any Sharps Collection Program at a minimum will allow for Customers to mail used needles to a specific collection location, in specialized packaging with pre-paid postage provided by Contractor.

8.2.14 Residential Non-Controlled Medication Collection Program

If requested to do so by City, or otherwise required by law, Contractor shall design and present a program to City for the collection of unused non-controlled medicines (the "Non-Controlled Medication Collection Program") that the City Manager finds satisfactory and approves. Contractor shall be responsible to ensure any Non-Controlled Medication Collection Program complies with all Applicable Laws. It is anticipated that any Non-Controlled Medication Collection Program at a minimum will allow for Customers to mail unused medication (excepting controlled substances) to a specific Collection location, in specialized packaging provided by Contractor, and/or deliver unused medication (excepting controlled substances) to a location in or near City designated by Contractor. At such time as (if) a Non-Controlled Medication Collection Program is implemented, Contractor and City shall meet and confer in good faith to determine a fair and reasonable adjustment to the maximum rates set forth on Exhibit A in order to compensate Contractor for implementing such a program.

8.2.15 Electronic Waste Collection

Notwithstanding Sections 8.2.9 and 8.2.10, Contractor shall provide unlimited electronic waste or "e-waste" Collection service to Customers at Single Family and Multi-Family Dwellings at no charge on an on-call basis. E-waste shall include, but is not limited to, stereos, televisions, computers and monitors, cellular phones, VCRs, microwaves, and other similar type

of equipment and products. Customers are limited to scheduling five (5) e-waste Collections per week. In order to receive such service, Customers shall provide Contractor with notice by phone of the number and type of e-waste to be collected. E-waste Collection service calls shall be responded to within a reasonable time but not longer than one (1) business day from the date of Customer's call for service. Contractor shall produce, keep current, and provide public information specifically outlining its e-waste Collection service, which shall specifically include the annual publication and distribution of a brochure describing this service to residents of all Single Family and Multi-Family Dwellings in City.

8.3 Commercial Solid Waste Handling Services

8.3.1 Commercial Bins and Rolloff Boxes

Contractor shall provide all Customers at Commercial Premises ("Commercial Customers") with at least one Bin and/or Rolloff Box for Collection of mixed Solid Waste, and shall Collect all Solid Waste placed therein for Collection not less than once per week, at rates that do not exceed the maximum rates set forth in Exhibit A. Contractor shall provide additional Containers to Customers and shall provide additional Collections upon request, or as may be required by City's Municipal Code, health and safety requirements, or by the City Manager, and may charge rates for such services which do not exceed the maximum rates set forth in Exhibit A. Bins and Rolloff Boxes shall be Collected by Contractor from the location upon each Customer's property designated for their storage, and replaced to that location with gates and/or doors secured, as applicable, after Collection is completed, unless different arrangements are agreed upon by the Customer and Contractor.

8.3.2 Commercial Carts

As an alternative to the requirements of Section 8.3.1 and upon written approval of the City Manager, Contractor shall offer Collection in 96 gallon Refuse Carts to Commercial Customers that do not have space for, or do not generate enough waste to require the use of Bins for Collection. Rates for Customers at Commercial Premises (excepting Multi-Family Dwellings) receiving such service shall not exceed the maximum rates set forth on Exhibit A for Commercial Refuse Carts. Rates for Customers at Multi-Family Dwellings receiving such service shall not exceed the maximum rates set forth on Exhibit A for residential Cart service. If Contractor and Customer have a disagreement as to whether a Refuse Cart is appropriate, or if City determines the Collection in a Refuse Cart causes health and safety or other concerns, the City Manager shall make the final determination as to whether Collection in a Refuse Cart may occur.

8.3.3 Commercial Bulky Item Service

Contractor shall provide unlimited Bulky Item Collection services to Commercial Customers on an on-call basis. Contractor may charge rates for such services which shall not exceed the maximum rates set forth in the attached Exhibit A. Bulky Item Collection service calls shall be responded to within a reasonable time but not longer than seven (7) days from the date of the Customer's call for service. Contractor shall produce, keep current, and provide public information specifically outlining the Bulky Item pick-up service. Bulky Items Collected

pursuant to this Section are subject to the diversion and handling requirements set forth in Sections 8.2.11 and 8.2.12.

8.3.4 Commercial Recycling Services

Contractor shall offer and provide a commercial recycling program (the "Commercial Recycling Program") that at a minimum meets the standards required under AB 341. Contractor shall assist the City in identifying Commercial Customers that are not in compliance with the recycling requirements set forth in AB 341. Contractor shall be responsible for ensuring that its Commercial Recycling Program, combined with its other programs, enables it to achieve the required diversion rates specified in this Agreement and may be required to modify its program from time to time, at no additional cost to the City or Customers, to meet such diversion requirements. Contractor shall produce, keep current, and provide public information specifically outlining its Commercial Recycling Program, which shall specifically include the annual publication and distribution of a brochure describing this service to all applicable Customers in City.

Contractor's Commercial Recycling Program shall at a minimum include the following. First, Contractor shall have a representative conduct a site visit for each Commercial Customer that does not receive Collection service for Recyclable Materials from Contractor for the purpose of establishing said service. Fifty percent (50%) of the Customers shall be contacted within the first six (6) months from the Service Commencement Date of this Agreement, and one hundred percent (100%) of the Customers shall be contacted within the first twelve (12) months after the Service Commencement Date of this Agreement. Contractor shall, every six (6) months, provide to City an updated log of the above site visits that at a minimum includes: (1) the name and address of the Customer; (2) the date of the site visit; (3) the name and phone number of the person contacted; and (4) the reason provided by Customer for not establishing a recycling program.

Six (6) and twelve (12) months after the Service Commencement Date of this Agreement Contractor shall provide City with the following three (3) lists: (1) Commercial Customers participating in Contractor's Commercial Recycling Program; (2) Commercial Customers reporting to Contractor that they achieve recycling via an in-house or third party recycling program that meets the requirements under Applicable Laws; and (3) Commercial Customers without a known recycling program. The foregoing three lists shall at a minimum: (1) state the Customer's name, address, and contact information; (2) indicate whether the Customers are subject to the State's recycling requirements under AB 341; and (3) provide details on the Solid Waste Collection service Customer receives from Contractor, including the quantity and type of Containers, frequency of Collection, and recycling services (if applicable).

In addition to the above, Contractor shall visit all new Commercial Customers within two weeks from when the new service is commenced. Contractor shall also conduct on-site visits to Commercial Customers throughout the Term of this Agreement to implement new or optimize the existing Commercial Recycling Program.

Contractor shall provide all Customers at Commercial Premises with two options for diverting Recyclable Materials from the landfill: (1) on-site source separated Containers; or (2) mixed waste Containers.

8.3.4.1 Source Separated Recycling Program

For Customers that wish to select an onsite separation program, Contractor shall conduct a site visit to ensure there is adequate space for source separated Containers (a separate Container for refuse and a separate Container for Recyclable Materials). Contractor shall also conduct an education and outreach program that, at a minimum, includes: (1) handout materials (including brochures) with details on the source separated program and Contractor contact information; (2) educational training for owners or managers for Commercial Premises; (3) site visits, including follow-up visits to ensure source separated program is being implemented successfully; and (4) placement of brochures in areas designated by the Huntington Park Chamber of Commerce and within City Hall.

Customers selecting an onsite separation program shall receive Containers designed for Recycling purposes, and Contractor may charge rates for such Containers which do not exceed fifty percent (50%) of the maximum rates set forth on Exhibit A for refuse service. The intent of Contractor's program is to incentivize Customers to Recycle by saving, and accordingly Contractor intends to charge rates that are less than the rates for mixed waste processing for Customers who seek to Recycle by on site separation. Contractor shall ensure any such programs are cost neutral such that by adding on site separation programs a Customer's rates for all services provided by Contractor at a minimum stay the same, and ideally such rates should decrease. Contractor shall place source separated Containers in a location selected by the Customer and subject to approval by City.

8.3.4.2 Mixed Waste Processing Recycling Program

Customers that choose a mixed waste processing Bin shall be able to mix all Solid Waste, including refuse and Recyclable Materials into one Bin. The maximum rates set forth on Exhibit A for refuse service presume this service is provided and Customers shall be informed of this when service options are explained. Contractor shall comply with Section 8.6.7 in processing Solid Waste from mixed waste processing Bins.

8.3.5 Scout and Push Out Services

Certain Commercial Premises within the City Limits are uniquely configured such that Contractor may determine that a smaller vehicle may be needed to retrieve a Customer's Container in order for a regular Collection vehicle to service the Container ("Scout Service"). Certain Commercial Premises may be configured such that a Customer’s Container must be manually moved in order to be serviced by a Collection Vehicle (“Push Out Service”). Contractor shall provide Scout Service and Push Out Service to Commercial Premises as it deems appropriate, however Contractor may not charge for either Scout Service or Push Out Service.

8.3.6 District 1

An area within City designated as District 1 ("District 1") requires Contractor use two (2) employees to service the Containers and provide for a more thorough clean up job within five (5) feet of each Container. District 1 is the area including Pacific Boulevard that is bound to the north and south by Florence Avenue and Randolph Street, and to the east and west by Rita Avenue and Rugby Avenue. Contractor may charge rates for Collection service provided to District 1 which shall not exceed the maximum rates set forth in the attached Exhibit A.

8.3.7 Organics Program

In the event CalRecycle, or any federal, state, or local law or regulation, imposes upon City, Customer or Contractor an Organics program requirement ("Organics Requirement"), Contractor shall, at no additional charge to City or Customer, design and present a program to City to comply with such requirement(s), which program shall meet the City Manager's reasonable approval ("Organics Program"). Upon approval by the City Manager of the Organics Program, Contractor shall provide, at no additional charge, all necessary services (including Collection, processing and reporting services) to City and Customers to ensure that City and Customers can meet the Organics Requirement.

In addition to the above, Contractor shall provide the following services even if an Organics Requirement is not imposed ("Organics Service"):

(A) Upon request, Contractor shall provide Organics (Food Waste, or mixed Food and Green Waste) Cart Collection service to Customer(s) that request this service at rates that do not exceed the maximum rates set forth in Exhibit A.

(B) Upon request, Contractor shall provide Green Waste (excluding Food Waste) Cart Collection service to Customers at Multi-Family Dwellings (excepting Customers at Multi-Family Dwellings receiving Cart service who are entitled to a Green Waste Cart at no additional charge) at rates that do not exceed the maximum rates set forth in Exhibit A.

The above Organics Service shall be provided in phases as follows: (1) for Customers in District 1 (defined in Section 8.3.6) Organics Service shall be available by July 1, 2015; (2) for all Customers (excepting District 1 Customers) Organics Service shall be phased in during calendar years 2016 and 2017; and (3) the Organics Service shall be available to all Customers by December 31, 2017.

8.4 Other Collection Programs As May Be Required by Law

In the event CalRecycle, or any federal, state, or local law or regulation, imposes upon City or Contractor a requirement for the implementation of any source separated program for the Collection of any waste material (whether or not meeting the definition of Solid Waste hereunder) not already covered by this Agreement, whether Commercial or Residential in nature, Contractor shall design and present a program to City to comply with such requirement, which program shall meet the City Manager's reasonable approval ("Proposed Program"). Except with respect to programs which are required due to Contractor's failure to achieve the diversion

requirements set forth herein (which programs are subject to Section 8.6.6), at such time as (if) any such Proposed Program is implemented, Contractor and City shall meet and confer in good faith to determine a fair and reasonable adjustment to the maximum rates set forth on Exhibit A in order to compensate Contractor for implementing said Proposed Program.

In determining a fair and reasonable rate adjustment, City may consider the cost to Contractor in providing the Proposed Program. If City and Contractor cannot agree on a rate adjustment for the Proposed Program within ninety (90) days from the date City first requests Contractor design and present the Proposed Program to City, then City may enter into an agreement with another party for the services that would be provided by Contractor's Proposed Program and Contractor agrees that the Proposed Program shall be exempt from the exclusivity granted to Contractor in this Agreement.

Contractor shall present the Proposed Program within thirty (30) days of a request to do so by City. The Proposed Program shall include a detailed description of the following: (1) Containers to be used and method of Collection; (2) equipment to be used (e.g., vehicle number, models, capacity, and age); (3) number of employees required for the Proposed Program; (4) materials to be Collected; (5) promotional and public education materials; and (6) a one-year projected financial analysis of the Proposed Program's operations in an operating statement format, including documentation of the key assumptions underlying the projections, and the support for those assumptions.

8.5 Temporary Services

Contractor shall provide Temporary Services on an on call basis to any Customer requesting such service pursuant to the following conditions:

(A) Bins and Rolloff Boxes utilized in connection with Temporary Services shall meet the minimum standards set forth herein.

(B) No charges excepting rates not exceeding the maximum rates set forth in the attached Exhibit A related to Bins or Rolloff Boxes utilized in connection with Temporary Services shall be imposed by Contractor, unless approved in accordance with Section 8.8 (Special Services).

(C) Temporarily placed three (3) cubic yard Bins may be used for small cleanup type projects at Single Family and Multi-Family Dwellings; provided, however, Bins used for such purposes shall not remain at the same address for a period that exceeds four consecutive weeks. Bins used for Temporary Service shall not remain in any public rights-of-way for a period exceeding two consecutive weeks. Bins may not be placed in any public rights-of-way so as to create a safety hazard or so as to block any right-of-way to a degree that it is not reasonably usable. Bins placed in City's rights-of-way shall be subject to such requirements as may be imposed by City, and at a minimum shall be equipped with reflectors, reflective tape, reflective paint, or other reflective devises which, to the satisfaction of the City Manager, make such Bins reasonably visible to vehicle traffic at night.

(D) Contractor shall work with Customers requesting construction and demolition debris Collection services to ensure that requirements under the City's ordinance regulating the recycling and disposal of construction and demolition waste are met, including, but not limited to, ensuring that each covered project meets the minimum required diversion level. Contractor agrees to comply with all provisions of the ordinance, as may be amended from time to time, and to provide services for construction contractors in City as may be contemplated by any such ordinance at no charge (such as assistance in preparing plans for the collection, recycling and disposal of construction and demolition waste in accordance with this Agreement and providing data for reporting to the City).

(E) In addition to complying with any related requirements that may exist in any ordinance which may be in effect in City regulating construction and demolition waste, including specific diversion levels that may be required by any such ordinance, Contractor shall make all reasonable efforts to recycle all construction and demolition waste it Collects, especially to the degree such loads contain clean inert materials. Towards this end, Contractor shall make available to Customers involved in construction separate containers within which to Collect different types of marketable materials, such as dirt, steel, concrete and wood.

8.6 Recycling Obligations and Public Education Program

8.6.1 Minimum Requirements for Recyclable Materials, Green Waste and Rolloff Boxes

Contractor shall utilize a truck dedicated for the purpose of Collecting Green Waste from Customers, such that Green Waste which has been separated prior to Collection, once Collected, is not commingled with other Solid Waste (including Recyclable Material). Similarly, Contractor shall utilize a truck dedicated for the purpose of Collecting Recyclable Materials, such that Recyclable Material Collected in Recycling Carts or Recycling Bins, once Collected, is not commingled with other Solid Waste (including Green Waste). All material Collected by Contractor in Recycling Carts or Bins pursuant to this Agreement shall be delivered to a properly permitted facility for recycling and reuse purposes. All Green Waste separated prior to Collection and thereafter Collected by Contractor pursuant to this Agreement (including specifically materials Collected in Green Waste Carts and Holiday Trees) shall be delivered to a properly permitted facility for recycling, mulching, composting, or alternative uses for which diversion credit is provided as may be approved by CalRecycle. Contractor shall not be entitled to a rate adjustment if the State eliminates diversion credit for Green Waste used as alternative daily cover. All Rolloff Boxes, whether for Commercial Customers or Temporary Service shall be delivered to a properly permitted facility for recycling and reuse purposes.

8.6.2 Extent of Applicable Franchise Rights

Nothing in this Agreement shall be construed as giving Contractor the right to Collect Recyclable Material which has not been discarded and placed for Collection by Contractor in the location designated for that purpose.

8.6.3 AB 939 Obligations, Guarantee, and Indemnification

8.6.3.1 Warranties and Representations

Contractor warrants and represents that it is aware of and familiar with City's Source Reduction and Recycling Element (the "SRRE"), that it is familiar with City's waste stream, and that it has the ability to and will provide sufficient programs and services to ensure City will meet or exceed the diversion goals (including, without limitation, amounts of Solid Waste to be diverted, time frames for diversion, and any other requirements) set forth in AB 939 and AB 341, and all amendments thereto, and that it shall do so without imposing any costs or fees other than those set forth on the attached Exhibit A (including if it implements new programs to achieve such goals which are not called out herein). Stated otherwise, Contractor acknowledges that it is responsible for ensuring that its various programs achieve the diversion requirements hereunder, and that it may be required to modify its programs from time to time, at no additional cost to the City or Customers, to meet such diversion requirements. Contractor specifically acknowledges that the City's current mandated diversion goal as set forth pursuant to the Applicable Laws is 50%, and that this is subject to possible modification pursuant to the provisions of AB 341.

8.6.3.2 Mutual Cooperation.

City and Contractor shall reasonably cooperate in good faith with all efforts by each other to meet City's diversion and other compliance requirements imposed by AB 939, AB 341 and other Applicable Laws. In this regard, City's obligations shall include, without limitation, making such petitions and applications as may be reasonably requested by Contractor for time extensions in meeting diversion goals, or other exceptions from the terms of AB 939, AB 341 and other Applicable Laws.

8.6.3.3 Waste Reduction and Program Implementation

Contractor shall implement the programs identified in the SRRE and Household Hazardous Wastes Element ("HHWE") of the City's General Plan immediately upon the Service Commencement Date hereof, and will implement any programs required by any amendments or modifications thereto. On and after the Service Commencement Date, Contractor shall provide City with monthly, quarterly and annual written reports in a form adequate to meet City's AB 939 and AB 341 related filing and reporting requirements to CalRecycle and to the County of Los Angeles throughout the Term of this Agreement wherein City's performance under the above programs shall be set forth in detail. Contractor shall be responsible to prepare, or assist City with the preparation of, all reports and other information as may be required by any agency, including specifically, the State of California, in order to comply with AB 939 and/or AB 341. Contractor shall reimburse City for any costs City incurs in appearing before CalRecycle and/or the County of Los Angeles in relation thereto.

8.6.3.4 Guarantee and Indemnification

Contractor warrants and guaranties that it will carry out its obligations under this Agreement such that: (i) both it and City will at all times be in compliance with the requirements of all Applicable Laws including specifically AB 939 and AB 341, and (ii) City will meet or exceed the diversion requirements (including, without limitation, amounts of Solid Waste to be

diverted, time frames for diversion, and any other requirements) set forth in AB 939, AB 341 and all amendments thereto. In this regard, Contractor agrees that it will, in addition to any other requirement contained herein, at its sole cost and expense:

(A) to the extent legally permitted, defend, with counsel approved by City, indemnify, and hold harmless City and City's officials, employees, and agents from and against all fines and/or penalties and other liabilities which may be imposed by CalRecycle or any other regulatory agency if: (1) Contractor fails or refuses to timely provide information relating to its operations which is required pursuant to this Agreement or any Applicable Laws and such failure or refusal prevents or delays City from submitting reports required by Applicable Laws in a timely manner; or (2) the source reduction and recycling goals, diversion goals, program implementation requirements, or any other requirements of Applicable Laws are not met with respect to the waste stream Collected under this Agreement;

(B) assist City in responding to inquiries from CalRecycle;

(C) assist City in preparing for, and participating in, any review of City's SRRE pursuant to Applicable Laws;

(D) assist City in applying for any extension, including under Public Resources Code Section 41820, if so directed by City;

(E) assist City in any hearing conducted by CalRecycle relating to City's compliance with Applicable Laws;

(F) assist City with the development of and implement a public awareness and education program that is consistent with the City's SRRE and HHWE, as well as any related requirements of Applicable Laws;

(G) provide City with recycling, source reduction, and other technical assistance related to compliance with the Applicable Laws;

(H) defend, with counsel acceptable to City, City and City's officials, employees, and agents against the imposition of fines and/or penalties, or any other liabilities, issued by CalRecycle pursuant to AB 939;

(I) be responsible for and pay, any fees, penalties or other costs imposed against the City by CalRecycle, and indemnify and hold harmless City from and against any fines, penalties, or other liabilities, levied against it for violation of AB 939's diversion requirements, or violation of any other provision of the Applicable Laws, arising from or in any way related to Contractor's performance of its obligations under this Agreement.

8.6.4 Guaranteed Minimum Contractor Recycling Rate

Contractor shall divert a minimum of thirty-one percent (31%) of all Solid Waste it Collects under this Agreement for each calendar year beginning January 1, 2015 ("Recycling Diversion

Requirement"). Diversion of materials not Collected by Contractor shall not be counted towards meeting the Recycling Diversion Requirement. For the purposes of this section, Contractor diversion includes only Recycling methods, Transformation, and/or other forms of converting Solid Waste into energy which are accepted by the State toward meeting the City's diversion goal under AB 939. Contractor shall not be entitled to a reduction in the Recycling Diversion Requirement, or a rate adjustment, if:

- Transformation or other facilities are no longer available for any reason;
- CalRecycle diversion credit under AB 939 or other Applicable Laws is no longer provided for Solid Waste sent to a Transformation facility; or
- CalRecycle diversion credit under AB 939 or other Applicable Laws is no longer provided for Green Waste used as alternative daily landfill cover.

To comply with this section, Contractor is required to submit timely tonnage reports supporting the Recycling Diversion Requirement, and to provide supporting documentation as may be requested by City or its designee as part of, or independent of, an audit. Failure to meet, and fully support, the Recycling Diversion Requirement may result in City assessing liquidated damages in accordance with Section 18.7.3.6 and/or termination of this Agreement pursuant to Section 18.6(G).

8.6.5 Waste Generation/Characterization Studies

Contractor acknowledges that City must perform Solid Waste generation and disposal characterization studies periodically to comply with the requirements of AB 939. Contractor agrees to participate and cooperate with City and its agents and to accomplish studies and data collection and prepare reports, as needed and directed by City, to determine weights and volumes of Solid Waste Collected and characterize Solid Waste generated, disposed, transformed, diverted or otherwise handled/processed to satisfy the requirements of AB 939.

8.6.6 Implementation of Additional Diversion Services

In the event City does not meet (i) the current diversion goal of 50% imposed by AB 939, (ii) diversion requirements as modified under AB 341 when applicable, or (iii) the Recycling Diversion Requirement with respect to all waste generated in City, City may direct Contractor to perform additional services (including the implementation of new diversion programs) or modify the manner in which it performs existing services, and Contractor agrees to do so at no additional charge. Pilot programs and innovative services which may entail new Collection methods, and use of new or alternative waste processing and disposal technologies are included among the kinds of changes which City may direct.

8.6.7 Processing of Bin and Roll-Off Box Solid Waste

For Customers that select mixed waste processing described in Sections 8.2.8 and 8.3.4 and for all Rolloff Boxes, Contractor shall, prior to landfilling, process all Solid Waste from each Container to recover Recyclable Materials. The material recovery facility used to process the mixed waste must maintain compliance with CalRecycle standards for a high diversion facility,

as defined by CalRecycle, for the purpose of meeting mandatory commercial recycling requirements for mixed waste. Contractor shall be required to achieve the minimum recovery rate for processing Solid Waste from mixed waste Bins and Rolloffs which is the higher of 22% or as required by CalRecycle to meet the above standard for a high diversion facility. The minimum recovery rate shall apply solely to the processing of mixed waste and excludes all source separated waste, including waste Collected from construction and demolition projects, as well as source separate Recyclable Materials and Green Waste.

8.7 Additional Services

As part of the consideration for entering into this Agreement, Contractor shall provide the following additional services at no charge, and shall not adjust its rates to Customers to offset costs incurred in providing any of the following services:

8.7.1 Monitoring and Cleaning of Bin Enclosures

Contractor shall work with the City Manager in identifying and resolving continual problems with overflowing Bins or Bin enclosures, and/or other unsanitary conditions caused by Customers. Contractor shall clean out any overflowing Bins or Bin enclosures within City within twenty-four (24) hours of notification by City. Contractor may bill Customers for any such services when they are required by City at rates subject to approval by City.

8.7.2 Public Service Calls From City Departments

Contractor shall, free of charge, within twenty-four (24) hours respond to calls from City's Maintenance and Code Enforcement Divisions and from its Police Department, to provide Containers for and/or dispose of Bulky Items and other Solid Waste as a result of illegal or unauthorized dumping, or other Code enforcement matters, occurring within City. Contractor agrees that if requested to provide such services in connection with abatement activities for which reimbursement is sought from the property owner by City through abatement liens or otherwise, Contractor will provide billing information sufficient for City to include it in its liens, and Contractor will be paid at such time as the abatement lien is paid, or reimbursement is otherwise obtained by City from the property owner. Upon receipt of a call for service from City made pursuant to this Section, Contractor shall advise City within four (4) hours as to when service will be provided, and unless otherwise agreed by City service shall be provided within twenty-four (24) hours.

8.7.3 Collection at City Sponsored Events

Contractor shall provide Solid Waste and Recyclable Materials Collection at all City-sponsored or supported non-profit events. The number, type and service requirements for these events may vary from year to year. This service shall include providing servicing and storing Containers (cardboard boxes and liners, Carts, Bins and/or Rolloff Boxes) to Collect and Dispose of all Solid Waste Collected, and providing, servicing and storing Containers to Collect and process source-separated Recyclable Materials. Contractor shall provide these services at no cost to the City or the event sponsors.

8.7.4 Portable Deluxe Toilets at City Sponsored Events

Contractor shall obtain, deliver, promptly service, and collect Porta-Kan portable toilets and wash stations (including wash basins and soap dispensers) for all City-sponsored or supported non-profit events. Contractor acknowledges that the actual number of portable toilets and wash stations requested by City or the event holder will vary and Contractor agrees to obtain, deliver, promptly service, and collect the requested number of portable toilets and wash stations at no cost to the City or to the event holder. At least two (2) of the portable toilets and wash stations provided by Contractor at each event shall be handicap accessible.

8.7.5 Recycling Assistance for Special Events

Contractor shall assist persons designated by City (whether City employees or private individuals) who are responsible to coordinate special events or events in large venues (such as concerts or sporting events) in the implementation of recycling programs. Contactor shall be responsible to prepare and submit to City a "waste reduction and recycling plan" prior to such events, and within 30 days following each such event shall submit a waste characterization report listing the amount of each material collected for disposal and recycling at the event.

8.7.6 Holiday Trees

For at least two weeks following December 25th each year, Contractor shall, free of charge, pick up all Holiday Trees placed out for Collection by Customers. Such trees shall not be comingled with other Solid Waste and shall be delivered to a proper facility for processing, rather than disposal, as required by the provisions hereof.

8.7.7 Handling of Electronic Waste

Contractor shall Collect electronic waste, or "e-waste," and/or universal waste, from any Customer in the manner set forth herein, but shall handle and dispose of such materials in accordance with all Applicable Laws.

8.7.8 City-Wide Clean Up Events

Contractor shall promote and conduct at least two Bulky Item and Solid Waste drop-off events (clean-up days) per year at no cost to City. Contractor shall obtain prior approval for the date of the events (typically on a Saturday) from City, and for the location of the events. On event day, Contractor shall accept all Solid Waste and Bulky Items dropped off by City residents. Residency will be proved by driver's license, utility bills, or other method approved by City. Contractor may impose the following restrictions on material Collected:

- No single item that cannot be handled by two workers will be accepted.
- The following items will not be Collected: Hazardous Substances, Hazardous Waste, including waste oil or anti-freeze; concrete and dirt; excepting that all materials defined as Bulky Items, including televisions, monitors and other items referred to as "e-waste," shall be Collected by Contractor and be properly handled in accordance with all Applicable Laws.

Contractor shall record by class and weight (in tons) the Solid Waste Collected during the cleanup events. Contractor shall record the types and weights (in tons) of Solid Waste diverted during these cleanups from the landfill through recycling, reuse, Transformation or other means of diversion.

8.8 Special Services

Contractor may provide special pickup procedures or services in addition to the services described herein for Customers who request or require such services at reasonable rates established by Contractor, which rates are subject to approval by the City Manager. Contractor shall notify the City Manager of any such services prior to such time as they are provided in order to allow the City an opportunity to conduct necessary inspections, review the proposed rate, and impose appropriate regulations.

SECTION 9.
MINIMUM STANDARDS FOR CONTRACTOR'S SOLID WASTE HANDLING SERVICE COLLECTION VEHICLES

9.1 General

Contractor shall provide vehicles for the Collection of Solid Waste ("Collection Vehicles") that are sufficient in number and capacity to efficiently perform the work required by this Agreement in strict accordance with its terms. Contractor is expressly obligated to provide such Collection Vehicles and routes as are required to meet the service standards set forth herein. Contractor shall have available on Collection days sufficient back-up vehicles for each type of Collection Vehicle used to respond to complaints and emergencies. Upon or prior to the Effective Date of this Agreement and prior to the start of any extension period of this Agreement pursuant to Section 6, Contractor shall provide City with a report containing the information required under South Coast Air Quality Management District's Rule 1193(d)(7).

9.2 Air Quality/Fuel Requirements

Contractor's Collection Vehicles shall comply with all rules and regulations of the South Coast Air Quality Management District, the Air Resource Board, and any other regulatory body that may be in effect during the Term of this Agreement, as well as other federal, state and local laws and regulations that may be enacted during the Term of this Agreement. Contractor's Collection Vehicles shall meet or exceed such air quality standards as may be adopted by the forgoing regulatory bodies during the Term. Contractor's Collection Vehicles shall comply with the requirements in the South Coast Air Quality Management District's Rule 1193.

9.3 Specific Requirements

Each Collection Vehicle utilized by Contractor in the performance of this Agreement shall meet the following minimum standards:

(A) Each Collection Vehicle must be fueled by Compressed Natural Gas ("CNG").

(B) Each Collection Vehicle shall be registered with the California Department of Motor Vehicles.

(C) Each Collection Vehicle shall be inspected regularly by Contractor to ensure it meets the requirements of the California Vehicle Code and the California Highway Patrol. Contractor shall provide copies of its Biannual Inspection of Terminal ("BIT") inspection reports to City within 30 days of its receipt of such reports and shall make all records related to its vehicles, including Contractor's maintenance records, available to City upon request by the City Manager.

(D) Each Collection Vehicle shall be equipped with devices capable of covering every open section of the vehicle in which Solid Waste may be placed and, while operating upon the public rights-of-way, shall be covered so as to prevent any Solid Waste from falling or being blown or otherwise dislodged from the vehicle.

(E) Each Collection Vehicle shall be continuously maintained so as to both: (1) meet the highest industry standards with regards to efforts to prevent liquid from leaking and to the degree possible ensure each Collection Vehicle is "watertight" and "leak-proof" and, (2) at all times comply with the provisions of all laws and regulations including the Vehicle Code and any applicable NPDES permit, with regard to materials leaking from Collection Vehicles. Contractor shall be responsible to promptly clean any spillage or Solid Waste that leaks or otherwise escapes the vehicle.

(F) As frequently as determined necessary by the City Manager, each Collection Vehicle shall be painted, shall have routine body work performed, and shall be cleaned, so that such vehicles do not become unsightly, as determined by the City Manager. Each vehicle shall be painted with Contractor's colors and identifying information as required herein.

(G) Contractor's name, local or toll free telephone number, and a vehicle number shall be visibly printed or painted in letters not less than five (5) inches in height on both sides of each Collection Vehicle. Any other information or signage printed, painted, or displayed on Contractor's Collection Vehicles, when such Vehicles are providing Collection services within City Limits, shall be subject to approval by City.

(H) Contractor shall allow City two times a year, with the timing solely determined by the City, and at no additional charge, to place City advertisements related to City and City sponsored events on Contractor's Collection Vehicles while such Collection Vehicles are providing Collection services within City Limits. The cost of production and mounting the signage on the Collection Vehicles is the responsibility of Contractor.

(I) Each Collection Vehicle shall be maintained in a clean and sanitary condition both inside and out.

(J) Each Collection Vehicle shall carry a broom, shovel, and operable fire extinguisher, and shall be equipped with a communication device sufficient to allow the driver to communicate directly with Contractor's dispatcher and/or main office.

(K) Each Collection Vehicle shall be kept in good repair and working order, and shall be equipped with appropriate safety equipment, including any new safety related technologies that become standard in the waste industry, and at a minimum shall have a video monitor based back-up system, or its equivalent. Contractor shall keep a sufficient supply of replacement parts and equipment on hand to ensure adequate vehicle maintenance and timely and continuous performance of the services contemplated by this Agreement.

(L) Contractor shall inspect each Collection Vehicle daily to ensure that all equipment is operating properly. Collection Vehicles which are not operating properly shall be removed from service until repaired and operating properly. Contractor shall perform all scheduled maintenance functions upon Collection Vehicles in accordance with the manufacturer's specifications and schedule. Contractor shall repair, or arrange for the repair of, all of its vehicles and equipment for which repairs are needed because of accident, breakdown or any other cause so as to maintain all equipment in a safe and operable condition. Contractor shall keep accurate records of all Collection Vehicle maintenance and repair, recorded according to date and mileage, including signed verifications that repairs and maintenance has been properly performed, and shall make such records available to City upon request.

(M) No Collection Vehicle shall be utilized if it is leaking brake, hydraulic, or other fluids, and Contractor shall clean up any leaks or spills from their vehicles per the NPDES permit in effect at the time. No fluids shall be washed into storm drains at any time. All NPDES dry-cleaning measures shall be complied with. All Collection Vehicles must be equipped with absorbent for such cleanup efforts.

(N) Upon request, Contractor shall furnish City a written inventory of all equipment, including Collection Vehicles, used in providing service pursuant to this Agreement. This inventory shall list all equipment by manufacturer, ID number, date of acquisition, type and capacity.

(O) Contractor shall utilize Collection Vehicles of a size, weight, nature, and type so as to not be unreasonably intrusive on the community with respect to noise, emissions, maneuverability, safety, and other factors and to avoid or minimize pavement damage and wear and tear of the street or adjacent properties, as approved by the City Manager.

(P) Contractor shall not load Collection Vehicles in excess of the manufacturer's recommendations or limitations imposed by state or local laws or regulations. Noise levels of equipment used for Collection shall not exceed 75db (seventy-five decibels) when measured at a distance of twenty-five (25) feet from the vehicle, five (5) feet from the ground.

(Q) All Collection Vehicles used in the City shall be no more than ten (10) years of age at any time during the Term.

9.4 Costs of Operation and Damages

Contractor shall be responsible for any costs incurred in connection with ensuring all Collection Vehicles comply with all Applicable Laws, including without limitation any such laws and regulations that may now exist or hereinafter be adopted relating to noise, fuels, emission standards, or weight limits.

9.5 City Inspection

City may cause or require any Collection Vehicle used in performance of this Agreement to be inspected and tested at any time and in such manner as may be appropriate to determine that the vehicle is being maintained in compliance with the provisions of this Agreement.

9.6 Correction of Defects and Removal of Vehicles from Use within City

Contractor agrees to immediately remove from service, and replace or repair, to the City's satisfaction, any Collection Vehicle which City determines to be of unsightly appearance, unsafe, unsanitary, leaking, out of compliance with any law or regulation or this Agreement, or otherwise in an unsatisfactory operating condition; and any such vehicle shall not be returned to service until the City Manager gives his written consent for its return.

SECTION 10.
CONTRACTOR'S SOLID WASTE HANDLING SERVICE PERSONNEL

10.1 Uniforms

Each of Contractor's Collection employees shall wear a clean uniform bearing Contractor's name.

10.2 Identification of Employees

Contractor shall provide identification badges, cards or similar devices, for all of its employees, and all authorized subcontractors, who may make personal contact with residents of the City. City may require Contractor to notify Customers yearly of the form of said identification.

10.3 Employee List

Contractor shall provide a list of current employees and authorized subcontractors to City upon request.

10.4 Driver's License

Each employee operating a vehicle as part of his or her duties shall, at all times, carry a valid operator's license for the type of vehicle he or she is operating. All employees who may have contact with Customers in the course of performing their duties shall possess the ability to communicate effectively with Customers.

10.5 Screening of Field Employees

Contractor shall make reasonable efforts to determine if its employees working in the field (i.e., drivers of Collection Vehicles, and employees otherwise involved in Collection at Customer Premises) have been convicted of a felony, and shall identify any such employees known to it to City. City shall have the ability to require that any employee so identified by Contractor not work in the field within City.

10.6 Discontinued Use of Unsatisfactory Employees

No employee shall continue to have any involvement whatsoever with regard to any work in anyway relating to or arising from this Agreement if City gives notice to Contractor that such employee is determined by City to be discourteous, disorderly, inefficient, or otherwise objectionable (provided the term "otherwise objectionable" shall not permit City to "ban" an employee for reasons that violate public policy; and, further, City shall give a reason for requesting the "ban" of any employee from engaging in work related to this Agreement).

10.7 Training and Legal Compliance

Contractor shall provide operating and safety training that meets minimum OSHA standards for all personnel, and shall comply with all laws and regulations applicable to its employees and personnel.

10.8 Customer Service

10.8.1 Office Hours; Local Participation

Contractor shall maintain a local office within the City Limits for communication with the public that at a minimum will be open from 8:00 a.m. to 5:00 p.m. Monday through Friday, and 8:00 a.m. to 12:00 p.m. Saturday, holidays excepted. At least one responsible and qualified representative of Contractor, capable of communicating in English and Spanish, shall be present and available during all times that an office is required to be open as noted above ("Office Hours"), for personal communication with the public regarding Billings (including the acceptance of in person Bill payments), complaints, customer service inquiries, etc. and a similarly qualified person shall be available for communication with the public by phone during any times other than Office Hours when Collection is occurring.

Contractor shall endeavor to establish a local presence in the City. Contractor may achieve such presence by joining, and maintaining a membership in, the Greater Huntington Park Area Chamber of Commerce, and by otherwise participating in the local community, such as by sponsoring local events, regularly attending City events and City Council meetings.

10.8.2 Telephone Customer Service Requirements

10.8.2.1 Toll Free Number

Contractor shall maintain a toll free telephone number that rings at an office at all times during Office Hours. Both English and Spanish speaking personnel will be

available during Office Hours to assist Customers with telephonic inquiries. Contractor shall have the ability (through the use of outside resources or otherwise) to communicate with Customers who only speak Spanish to ensure their inquiries, questions, complaints and other matters are dealt with in a reasonably timely fashion. All such personnel shall be polite and responsive, and shall be sufficiently knowledgeable, and have the authority to respond and/or advise Customers seeking assistance. Contractor's telephone system shall be adequate to handle the volume of calls typically experienced on the busiest days. Contractor shall provide City with a 24-hour emergency number to a live person, not voice-mail.

10.8.2.2 Call Responsiveness

Contractor shall make reasonable attempts to answer all phone calls within five (5) rings. If a call has been placed on hold for three (3) minutes, the caller will either be switched to a message center which shall be responsible to obtain the caller's address and phone number, or a Customer service representative will obtain the Customer's address and a number at which the call can be returned. Contractor shall make at least three attempts within the next twenty-four (24) hour period to return the call, with the first such attempt not more than one (1) hour after the caller leaves the message. If Contractor is unsuccessful in contacting the Customer after following this procedure, it shall send a letter to the caller indicating its efforts.

10.8.3 Complaint Documentation

All service complaints shall be directed to Contractor. Contractor shall log all complaints received and said log shall include the date and time the complaint was received, the name, address and telephone number of the complaining party, a description of the complaint, the name of the employee recording the complaint and the action taken by Contractor to respond to and remedy the complaint. All written Customer complaints and inquiries shall be date-stamped when received. All complaints shall be initially responded to within one (1) business day (Monday through Friday) of receipt. Contractor shall log action taken to respond to and remedy the complaint. Daily logs of complaints shall be retained for a minimum of twenty-four (24) months. All Customer service records and logs kept by Contractor shall be available to City upon request. City shall, at any time during regular Office Hours, have access to Contractor's Customer service department for purposes that may include monitoring the quality of Customer service or researching Customer complaints. Contractor shall provide to City on a monthly, quarterly, and annual basis, a complaint log, in a form satisfactory to the City, that includes all of the complaints logged pursuant to this Section, the complainant and the resolution.

10.8.4 Resolution of Customer Complaints

Disputes between Contractor and its Customers regarding the services provided in accordance with this Agreement may be resolved by the City. The City's decision shall be final and binding. Should Contractor and Customers not be able to establish a mutually acceptable fee to be charged for special services as set forth in Section 8.8, the matter shall be dealt with pursuant to this Section, be determined by the City, and the City's decision shall be final. Intervention by the City is not a condition precedent to any rights or remedies third parties might

otherwise have in any dispute with Contractor. Nothing in this Section is intended to affect the remedies of third parties against Contractor.

10.8.5 Government Liaison

Contractor shall designate in writing a "Government Liaison" who shall be responsible for working with City and/or City's designated representative(s) to resolve Customer complaints. City shall have the right to approve Contractor's choice for a liaison. It is anticipated that the Government Liaison will regularly attend City events involving community outreach programs and will routinely attend City Council meetings.

10.9 Education and Public Awareness

10.9.1 General

Contractor acknowledges and agrees that education and public awareness are critical, key and essential elements of any efforts to achieve the requirements of AB 939 and AB 341. Accordingly, Contractor agrees to exploit opportunities to expand public and Customer knowledge concerning needs and methods to reduce, reuse and recycle Solid Waste and to cooperate fully with City in this regard.

10.9.2 Written Program Materials

Contractor shall maintain a program of providing information relevant to the need and the methods to reduce, reuse and recycle Solid Waste, and Contractor upon request from City, may include such information along with bills provided to Customers. All public education materials shall be approved in advance by City. Contractor shall keep a record of all promotional and public education materials utilized, and shall provide quarterly reports summarizing its public outreach and education efforts.

10.9.3 Public Outreach

At a minimum, Contractor shall conduct school assemblies and promote recycling through presentations and educational materials to the Chamber of Commerce, homeowners associations, construction contractors and other civic groups. Contractor shall also provide articles on recycling for local newsletters.

10.9.4 On-going Education Requirements

In order to promote public education, in addition to any other materials it develops, Contractor shall create the following public education materials and programs at its expense, which will be distributed as indicated below. All of these materials and programs shall be produced and/or available in both English and Spanish languages, and all written materials shall be approved by City in advance of distribution, and shall bear the City seal, unless otherwise approved by the City.

10.9.4.1 Quarterly Newsletter

On and after the Service Commencement Date, Contractor shall produce and distribute to Customers four (4) quarterly newsletters each year during the Term of this Agreement. The content of each quarterly newsletter shall be determined by the City Manager and may include, but is not limited to: information on City-sponsored or supported non-profit events; information on City-wide clean up events; and other City-related articles and information.

10.9.4.2 Annual Notices

Not less than once each year during the Term of this Agreement, Contractor shall prepare and distribute to each Customer a brochure providing relevant information about Contractor's services, including, at a minimum: information regarding access to and use of available services; Collection schedules; holiday Collection schedules; information about mandatory commercial recycling and program offerings; Contractor's Customer service numbers; procedures to begin and terminate services; and information promoting and explaining available programs, such as Recycling, Green Waste, Holiday Tree and Bulky Item Collections, the availability of Household Hazardous Waste and e-waste Collection, and the proper handling and disposal of such wastes.

10.9.4.3 How-To Brochure

Contractor will prepare and distribute a brochure packet to new Customers when they start service. This packet will contain updated information on how to use the Contractor-provided Carts, when, where and how to place Solid Waste for Collection, and who to contact with service or Billing questions.

10.9.4.4 Corrective Action Notice

Contractor shall develop a corrective action notification form for use in instances where a Customer sets out inappropriate materials for Collection, that explains the appropriate manner for disposal of such items.

10.9.4.5 Contractor Representative

Contractor shall retain on its staff an individual who shall as part of his or her job function routinely visit civic groups, school assemblies, and homeowners' associations, to promote and explain the Recycling and other programs that Contractor offers, and participate in demonstrations, and civic events.

10.9.4.6 Web Site Page

Contractor shall dedicate one page of its web site to City services, which shall include at least the following information: a listing of contact names and numbers for Customer Service; Collection schedules, including holiday schedules; available programs, including Recycling, Green Waste, Holiday Tree and Bulky Item Collections; information about mandatory commercial recycling and program offerings; and the

procedures to begin and terminate services. During the first six months following the implementation of new services hereunder, this web page shall also provide information explaining the new service, and the proper use of Carts. Contractor shall assist the City in establishing a link to this web page from the City's web site.

SECTION 11.
CONTRACTOR'S CONSIDERATION

In addition to any other consideration set forth herein, as part of its consideration for entering this Agreement, and for the exclusive franchise, right and privilege to provide Solid Waste Handling Services within City as specified herein Contractor shall provide the following:

11.1 Reimbursement of Negotiation Costs

Contractor shall pay to City a one-time lump sum payment, not to exceed Two Hundred and Fifty Thousand Dollars ($250,000), to reimburse the City for its actual staff expenses and out-of-pocket costs (including specifically consultant and legal fees) it incurred in connection with the Request for Proposals ("RFP") process for Solid Waste Handling Services, the negotiation of this Agreement, and ultimate award of this Agreement. City shall provide an invoice to Contractor for the amount due pursuant to this Section on or before October 1, 2014 and the outstanding amount shall be paid by Contractor within thirty (30) days of being invoiced by City or on October 31, 2014, whichever comes later.

11.2 Administrative Cost Reimbursement

On or before October 31, 2014, and then on or before July 1 each year thereafter (with the payment after October 31, 2014 coming due on or before July 1, 2015), Contractor shall make a payment to City in the amount more fully set forth in this paragraph intended to defray its administrative costs related to this Agreement (the "Administrative Cost Reimbursement"). City shall not be required to send Contractor an invoice for the Administrative Cost Reimbursement, and instead Contractor's obligation shall automatically become due within 30 days of executing this Agreement, and then on July 1 each year thereafter. The amount of the annual Administrative Cost Reimbursement shall be the sum of: (1) Fifty Thousand Dollars ($50,000.00) [adjusted annually by the change in CPI as calculated under Section 24.3], intended for use with ongoing compliance review as noted in Section 27.3; plus (2) City's actual legal and consultant fees and out of pocket costs incurred in the administration of this Agreement, including fees and costs associated with analyzing new legislation, considering requests from Contractor (including specifically, without limitation, requests for rate increases), and otherwise analyzing issues that arise in connection with this Agreement. For the Administrative Cost Reimbursement due on or before October 31, 2014, City shall provide an invoice to Contractor on or before October 1, 2014 and the outstanding amount shall be paid by Contractor within thirty (30) days of being invoiced by City or on October 31, 2014, whichever comes later. Commencing with the payment due July 1, 2015, invoices for the Administrative Cost Reimbursement will be provided to Contractor by City and shall be due to City within thirty (30) days of the date such invoice is mailed by City, or on July 1, whichever comes later. If any Administrative Cost Reimbursement is not paid by Contractor within thirty (30) days after the above stated due date, and in addition to any other remedy provided by law, Contractor shall pay

to City a penalty in an amount equal to ten percent (10%) per month, or portion thereof, of the amount owing until paid.

11.3 Franchise Fee

Contractor shall pay to City, a franchise fee equal to fifteen percent (15%) of Contractor's annual Gross Receipts each year, or portion thereof, throughout the Term of this Agreement (the "Franchise Fee"). Said Franchise Fee shall be paid to City monthly on or before the fifteenth (15th) day of each month. Should any such due date fall on a weekend or holiday in which the City's business offices are closed, payment shall be due on the first day thereafter in which the City's business offices are open. The amount of each payment shall be equal to fifteen percent (15%) of Contractor's Gross Receipts in the calendar month preceding the date payment was due. The Franchise Fee due hereunder shall apply to Gross Receipts of Contractor collected after the expiration of the Term hereof relating to Contractor's performance during the Term hereof. Franchise Fees shall be accompanied by a statement certified by an officer of Contractor attesting to the accuracy of the amounts paid, and setting forth the basis for their calculation in a manner acceptable to City.

11.4 Services at City Facilities

Contractor shall provide Collection services at all Premises owned and/or operated by the City, at no cost to City and shall provide Containers for such service as City deems appropriate for each of its various Premises (i.e., Carts, Bins or Rolloff Boxes). Such services shall be provided for all existing City facilities, as they may be expanded from time to time, as well as all new or additional facilities acquired/constructed during the Term hereof at no additional cost. Contractor shall carry out its obligations pursuant to this provision in a manner, and to a degree, approved by the City Manager.

Contractor shall, at no additional charge, provide City with an unlimited number of sealable, lockable, watertight storage containers for City’s Public Works yard.

11.5 Bulky Item Cost Reimbursement

Within 30 days of executing this Agreement, and then on or before July 1 each year thereafter, Contractor shall make a payment to City in the amount more fully set forth in this paragraph intended to defray its administrative costs related to Bulky Item pick-ups City performs (the "Bulky Item Cost Reimbursement"). City shall not be required to send Contractor an invoice for the Bulky Item Cost Reimbursement, and instead Contractor’s obligation shall automatically become due within 30 days of executing this Agreement, and then on July 1 each year thereafter. The amount of the annual Bulky Item Cost Reimbursement shall be Twenty-Five Thousand Dollars ($25,000.00) [adjusted annually by the change in CPI as calculated under Section 24.3]. If the Bulky Item Cost Reimbursement is not paid by Contractor within thirty (30) days after the above stated due date, and in addition to any other remedy provided by law, Contractor shall pay to City a penalty in an amount equal to ten percent (10%) per month, or portion thereof, of the amount owing until paid.

11.6 Shredding Service for City Documents

Contractor shall provide, at no charge, on-site shredding and Collection of designated City documents on an on-call basis and not less than four (4) times a year. Contractor shall carry out its obligations pursuant to this provision in a manner, and to a degree, approved by the City Manager.

SECTION 12.
CHARGE FOR LATE PAYMENTS

In the event Contractor fails to timely make any of the payments provided for in this Agreement (whether reimbursements, Franchise Fees, payments of funds collected in connection with billing services, or otherwise), Contractor shall pay to City, as additional consideration, a sum of money equal to five percent (5%) of the amount due. This amount is required in order to defray those additional expenses and costs incurred by City by reason of the delinquent payment including, but not limited to, the cost of administering, accounting for, and collecting said delinquent payment and the cost to City of postponing services and projects necessitated by the delay in receiving the revenue. In addition, any amounts not paid to City by Contractor within sixty (60) days of the due date shall be subject to interest in the amount of ten percent (10%) per annum, calculated on a daily basis for each day such sums remain past due.

SECTION 13.
CONTRACTOR'S BILLING SERVICES AND SYSTEMS

13.1 Billing

Contractor shall provide services pursuant to this Agreement at rates it sets, charges to, and collects from Customers; provided, however, Contractor's rates shall not exceed those set forth in the attached Exhibit A, which sets out the maximum rates that may be charged by Contractor for the various different service options that may occur hereunder, as such maximum rates may be adjusted from time to time pursuant to the terms hereof. Contractor shall provide all Customers with itemized Bills, detailing charges for all services, including charges for late payments, as well as the period of service to which the Bill applies. Contractor acknowledges that it, and not Customers, is to pay a Franchise Fee and the other fees noted herein to City as consideration for this Agreement. Accordingly, Contractor's Bills shall not include separate itemization of a "Franchise Fee" or other similar designation relating to fees which Contractor is required to pay to City. Contractor shall reproduce and include in any Billing, at no additional cost, one page informational "inserts" provided by City.

Billings may be made every two (2) months in advance of, or subsequent to services being provided for all Customers at Single Family or Multi-Family Dwellings utilizing Carts for Collection, and on a monthly basis in advance for all other Customers. Premises ordering service after the first of the month or canceling service prior to the end of the month shall be charged on a prorated per-pickup basis.

13.1.1 Suspension of Service Due to Non-Payment

13.1.1.1 Residential Premises and Customers at Multi-Family Dwellings with Cart Service.

Customers at Residential Premises and Customers at Multi-Family Dwellings receiving Collection services via Carts who have not remitted required payments within thirty (30) days after the date of Billing shall be notified on forms approved by the City Manager. Said forms shall contain a statement that the Customer's account is delinquent and must be paid within forty-five (45) days from the date of Billing to avoid delinquent fees. Contractor may not discontinue service due to non-payment of Bills for said Customers. Any delinquent fees or service charges to be imposed in connection with those delinquent accounts shall be set by Contractor and be subject to City Manager approval. If Contractor provides City with all the information necessary and requested by City to place delinquent Customer accounts on the annual tax roll, City shall assist Contractor in placing those delinquent accounts on said annual tax roll. Notwithstanding any other provision in this Section, if the City determines that it is no longer desirable or feasible for it to assist Contractor in placing delinquent accounts on the annual tax roll, Contractor may, instead, stop service for those delinquent accounts in the same manner specified in Section 13.1.1.2.

13.1.1.2 Commercial Premises.

Customers at Commercial Premises (excepting Customers at Multi-Family Dwellings receiving Collection services via Carts) who have not remitted required payments within thirty (30) days after the date of Billing shall be notified on forms approved by the City Manager. Said forms shall contain a statement that the Customer's account is delinquent, must be paid within forty-five (45) days from the date of Billing to avoid delinquent fees and services may be discontinued fifteen (15) days from the date of the notice if payment is not made before that time. If payment is not made by the expiration of said fifteen (15) day period, Contractor may discontinue service to that Customer forty-eight (48) hours thereafter. Contractor shall resume Solid Waste Collection on the next regularly scheduled Collection day for any Customer whose service is discontinued upon receipt of payment of delinquent fees and any related service restart charges in accordance with the maximum rates set forth in Exhibit A, or at such sooner time as directed to do so by City. Contractor may not charge for service during any period in which service was suspended. Any delinquent fees or service charges to be imposed in connection with delinquent accounts shall be set by Contractor and be subject to City Manager approval. A deposit equal to the maximum rate for one month's service as set forth on Exhibit A, as such rates may be amended from time to time, may be required of accounts which have been discontinued for non-payment prior to re-instituting service at such accounts. Contractor shall provide City with reasonable advance notice prior to suspending service to any Customer and City reserves the right to require Contractor continue to provide service to any Customer to, among other things, avoid negatively impacting public health or safety.

13.1.1.3 Collection for Delinquent Accounts.

As of the Effective Date of this Agreement, City desires to assist Contractor with the collection of charges associated with delinquent accounts. Thus, in addition to, or as an

alternative to discontinuing service as set forth in Section 13.1.1.2, Contractor may request City's assistance in placing the delinquent accounts on the annual tax roll. If Contractor provides City with all the information necessary and requested by City to place delinquent Customer accounts on the annual tax roll, City shall assist Contractor in placing those delinquent accounts on said annual tax roll. Notwithstanding any other provision in this Section, if the City determines that it is no longer desirable or feasible for it to assist Contractor in placing delinquent accounts on the annual tax roll, Contractor may, instead, stop service for those delinquent accounts in the same manner specified in Section 13.1.1.2.

13.1.2 Unoccupied Premises

During any time when a Premises is unoccupied for at least thirty (30) days, and Collection services are not provided by Contractor, Contractor shall not Bill such Premises for Solid Waste Collection. Contractor shall remove its Containers from any Premises after being notified by a Customer that service is to be cancelled as a result of the Premises being unoccupied. The Customer at any such Premises shall be responsible to provide notice to Contractor to cease service due to a vacancy, as well as reasonable evidence pursuant to such guidelines as the City Manager is hereby authorized to develop, demonstrating the Premises was vacant for the period in question. Such Customers shall be entitled to a refund from Contractor for any amounts paid to Contractor for each thirty (30) day period during which the vacancy exists. Any Customer grievance regarding a claim that a Premises was unoccupied and received no service, and hence should not be Billed for a given period pursuant to this Section, may be appealed by the Customer to the City Manager whose decision shall be final. It is the intent of the Parties that a Contractor shall not be entitled to charge for services which are not needed or used. Accordingly, the time frame set forth in this Section is not intended to suggest that Contractor may bill Customers for up to 30 days of service in situations in which no service is needed or used due to a vacancy.

13.2 Minimum Requirements for Billing Statements

In addition to any other pertinent data, Billing statements mailed by Contractor shall be printed to contain the following information, and the language contemplated for compliance with this requirement shall be subject to the City Manager's approval:

(A) A "statement date" indicating the date the Bill is generated and mailed.

(B) For Residential Cart service: the service address associated with the account, the billing address, an itemized quantity of each type of service the Customer receives, the maximum rate charged for each type of service, and the serial numbers or other identifying information associated with each Cart. Customers should be able to determine from the Bill the types of services they are receiving and the rates charged for each individual service. Under this Agreement, a Bill for a Single Family Dwelling may correspond with one service address, but multiple Dwelling Units may exist for that service address. Thus, a Bill for a Single Family Dwelling may have more than one sets of Carts (i.e., Refuse, Recycling, and Green Waste Carts) being Billed at the standard rate, and the Bill should make clear the number of sets of Cart(s) to which it applies, as well as their serial number or other identifying information tied to each Cart.

(C) A notice to Customers that payments are due within thirty (30) days of the statement date, an advisement that the Customer's account will become delinquent if payment is not received by the 30th day following the statement date, an advisement of the date and time by which payments must be received in order to avoid delinquent fees (i.e., 4:00 p.m. on the 45th day following the statement date), and a notification of the amount of fees that will be imposed and the potential for service interruptions if payments are not received by the specified date and time.

(D) An advisement to Customers that payment can be made in the following manner:

(1) by mailing payment to Contractor at such address as Contractor may designate; or

(2) by automatic withdrawal from a checking account;

(3) by major credit card on-line (i.e., via the Internet); or

(4) in person at Contractor's local office pursuant to Section 10.8.1 by cash, check, credit card or other acceptable forms of payment.

(E) An advisement that inquiries relating to Solid Waste Collection should be directed to Contractor, including an address, phone number and internet site, for such inquiries.

13.3 Billing System

13.3.1 Computerization of Account Information

Contractor shall provide and maintain, at its expense, computer equipment sufficient to operate pertinent computer programs and otherwise provide the services required by this Section. Contractor shall create, at its own expense, computer programs sufficient to operate a computerized billing system, permanently maintain all account records and otherwise meet the requirements of this Section.

13.3.2 Minimum Computer Programming Requirements

In addition to any other requirements set forth herein, the programs created by Contractor to operate and maintain the billing system shall at a minimum be able to perform the following functions:

(A) create a permanent record of any adjustment to a Customer's account;

(B) work in connection with a backup system such that all Customer account data and records is protected from a computer failure and permanently preserved on not less than a daily basis; and

(C) allow Customers to make payments on-line (i.e., via the Internet) by a major credit card.

13.3.3 Billing Inquiries

All Billing inquiries shall be entered into the computerized billing system. Contractor's computer programs shall keep a permanent record of all Billing inquiries and all adjustments to Customer Bills resulting therefrom.

13.3.4 Distribution of Public Information

If requested to do so by City, and at no charge to City, Contractor shall insert any printed material prepared by City into its Billing statements for delivery to its Customers. City shall not request Contractor to include any printed material in its Bills if such material is of a size, shape, or weight that would increase Contractor's postage costs or if such material does not fit into the envelopes utilized by Contractor to mail the Bills. Any printed material to be included in the Bills to be mailed by Contractor shall be provided to Contractor within a reasonable time in advance of Contractor's scheduled mailing date, such that the insertion of such material into Billing envelopes does not delay their scheduled mailing date.

13.4 Payment, Accounting Systems

13.4.1 Collection and Processing of Payments

13.4.1.1 Accounting and Deposit of Funds

All payments received by Contractor shall be appropriately credited to Customer accounts, deposited in a bank account and accounted for in a businesslike manner utilizing generally accepted accounting principles. To facilitate audits and record keeping Contractor shall make all withdrawals from its bank accounts by check, ACH debit/credit or wire, regardless of whether the withdrawal is to provide funds to City, Contractor, or any permissible subcontractor of Contractor.

13.4.1.2 Allocation of Funds

With respect to payments received from each Customer, unless a Customer specifically directs a different allocation, funds shall be allocated first to outstanding charges for Solid Waste Collection, then to any related delinquency fees or other administrative charges, up to the amount of any outstanding balance. Any overpayment shall be credited to future Bills in the same sequence, or returned to Customers as appropriate.

SECTION 14.
FAITHFUL PERFORMANCE

14.1 Sureties

14.1.1 Initial Surety

On or before October 31, 2014, as security for Contractor's faithful performance of the obligations of this Agreement, including, but not limited to the transition and payment of fees owed pursuant to Section 11, Contractor shall provide a surety mechanism (the "Initial Surety") as more fully defined below in the amount of Two Hundred Thousand Dollars ($200,000.00). The Initial Surety may be comprised of either a performance bond, an irrevocable letter of credit, or asset pledge, or a combination of the three. If a letter of credit is utilized to satisfy some or all of the Initial Surety requirement, it shall be drawn upon a financial institution with an office within one hundred (100) miles of City, and otherwise in a form acceptable to the City Attorney. The performance bond, if any, shall be issued by a duly authorized corporate surety company authorized to do business in California, and in a form acceptable to the City Attorney. The asset pledge, if any, shall be free and clear of any liens or other encumbrances, and in a form acceptable to the City Attorney. The cost of the Initial Surety shall be the sole responsibility of Contractor. The Initial Surety shall be released within thirty (30) days from the earlier of: (1) December 31, 2015, provided that City determines, in accordance with its ongoing compliance review described in Section 27.3, that Contractor is in full compliance with all the terms and provisions of this Agreement, or (2) December 31, 2016.

14.1.2 Agreement Surety

On or before November 15, 2014, as security for Contractor's faithful performance of all obligations of this Agreement, Contractor shall provide a surety mechanism (the "Agreement Surety") as more fully defined below in the amount of Five Hundred Thousand Dollars ($500,000.00). The Agreement Surety may be comprised of either a performance bond or an irrevocable letter of credit, or a combination of both. If a letter of credit is utilized to satisfy some or all of the Agreement Surety requirement, it shall be drawn upon a financial institution with an office within one hundred (100) miles of City, and otherwise in a form acceptable to the City Attorney. The performance bond, if any, shall be issued by a duly authorized corporate surety company authorized to do business in California, and in a form acceptable to the City Attorney. The cost of the Agreement Surety shall be the sole responsibility of Contractor. The Agreement Surety shall be released within thirty (30) days after both (i) the expiration of the Term of this Agreement; and (ii) Contractor's satisfactory performance of all obligations hereunder.

14.1.3 Forfeiture of Sureties

In the event Contractor shall for any reason become unable to, or fail in any way to, perform as required by this Agreement, City may declare a portion or all of the Initial Surety and/or Agreement Surety, as may be necessary to recompense and make whole the City, forfeited to the City. Upon partial or full forfeiture of the Initial Surety and/or Agreement Surety, Contractor shall restore the Initial Surety and/or Agreement Surety to its original amount within

thirty (30) days of the City's notice to do so. Failure to restore the Initial Surety and/or Agreement Surety to its full amount within thirty (30) days shall be a material breach of this Agreement.

14.1.4 Use of Sureties by City

Notwithstanding any provision hereof to the contrary, thirty (30) days following City providing Contractor with written notice of its failure to pay City any amount owing under this Agreement, the Initial Surety and/or Agreement Surety may be utilized by City for purposes including, but not limited to: (1) Payment of sums due under the terms of this Agreement which Contractor has failed to timely pay to City, including specifically liquidated damages; and (2) Reimbursement of costs borne by City to correct violations of this Agreement not corrected by Contractor.

14.2 Replacement Letter of Credit

City may draw upon the entire letter of credit (if any) utilized to meet Contractor's obligations pertaining to the Initial Surety and/or Agreement Surety, and convert it to a cash deposit, if Contractor fails to cause the letter of credit to be extended or replaced with another satisfactory letter of credit no later than sixty (60) days prior to its expiration.

SECTION 15.
INSURANCE COVERAGE

Contractor shall procure and maintain during the entire Term of this Agreement the following types of insurance, and shall maintain the following minimum levels of coverage, which shall apply to any claims which may arise from or in connection with Contractor's performance hereunder or the actions or inactions of any of Contractor's officers, agents, representatives, employees, or subcontractors in connection with Contractor's performance. The insurance requirements hereunder in no way limit Contractor's various defense and indemnification obligations, or any other obligations as set forth herein.

15.1 Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. The most recent editions of Insurance Services Office Commercial General Liability coverage ("occurrence" form CG 00 01).

2. The most recent editions of Insurance Services Office form number CA 00 01 1001 covering Automobile Liability, code 1 "any auto".

3. Workers' Compensation insurance as required by the Labor Code of the State of California and Employers Liability insurance.

15.2 Minimum Limits of Insurance

Contractor shall maintain in force for the Term of this Agreement limits no less than:

15.2.1 Comprehensive General Liability

Five Million Dollars ($5,000,000.00) limit aggregate and Five Million Dollars ($5,000,000.00) limit per occurrence for bodily injury, personal injury and property damage. Such limits can be achieved through a combination of primary and excess liability policies.

15.2.2 Automobile Liability

Five Million Dollars ($5,000,000.00) limit aggregate and Five Million Dollars ($5,000,000.00) limit per accident for bodily injury and property damage. Such limits can be achieved through a combination of primary and excess liability policies.

15.2.3 Workers' Compensation and Employers Liability

Workers' compensation limits as required by the Labor Code of the State of California and Employers Liability limits of One Million Dollars ($1,000,000.00) per accident.

15.3 Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by City. If, in the reasonable opinion of the City, Contractor does not have sufficient financial resources to protect the City from exposure with respect to any deductibles or self-insured retentions Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

15.4 Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

15.4.1 General Liability and Automobile Liability Coverage

City and its elected and appointed officials, officers, employees, agents and volunteers shall be named as additional insureds in connection with liability arising out of activities performed by or on behalf of Contractor; Premises owned, leased or used by Contractor; and vehicles owned, leased, hired or borrowed by Contractor. The coverage shall contain no special limitations on the scope of protection afforded to City or its elected and appointed officials, officers, employees, agents and volunteers. Contractor's insurance coverage shall be the primary insurance for the City and its elected and appointed officials, officers, employees, agents and volunteers in connection with the above enumerated categories. Any insurance or self-insurance maintained by City or its elected and appointed officials, officers, employees, agents and volunteers shall be in excess of Contractor's insurance and shall not contribute with it. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to City or its elected and appointed officials, officers, employees, agents and volunteers. Coverage shall state that Contractor's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

15.4.2 Workers' Compensation and Employers Liability Coverage

The insurer shall agree to waive all rights of subrogation against City and its elected and appointed officials, officers, employees, agents and volunteers for losses arising from work performed by Contractor for City.

15.4.3 All Coverages

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to City.

15.5 Acceptability of Insurers

The insurance policies required by this Section shall be issued by an insurance company or companies authorized to do business in the State of California and with a rating in the most recent edition of Best's Insurance Reports of size category VII or larger and a rating classification of A or better, unless otherwise approved by the City Manager.

15.6 Verification of Coverage

Contractor shall furnish City with certificates of insurance and with original endorsements affecting coverage required by this Article. The certificates and endorsements for each insurance policy are to be signed by a Person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on forms provided by or acceptable to City and are to be received and approved by City before work commences. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

15.7 Loss or Reduction in Insurance

In the event that Contractor fails to retain or maintain insurance with the scope and amounts of coverage required hereunder, City shall have the right, but not the obligation to either terminate this Agreement, or obtain insurance coverage as required herein on behalf of Contractor and utilize funds from the Initial Surety and/or Agreement Surety defined in Section 14 to pay the cost of providing such coverage.

SECTION 16.
ASSIGNMENT, SUBLETTING, AND TRANSFER; REQUIREMENTS AND LIMITATIONS

16.1 General

Contractor shall not assign its rights, nor delegate, subcontract or otherwise transfer its obligations under this Agreement (collectively referred to as an "Assignment") to any other Person without the prior approval by the City Council. The City Council has unfettered discretion to approve or deny such an Assignment. Any such Assignment made without the

approval by the City Council shall be void and the attempted Assignment shall constitute a material breach of this Agreement.

16.2 Assignment to be Broadly Interpreted

For purposes of this Section, the term "Assignment" shall be given the broadest possible interpretation, and shall include, but not be limited to: (i) a sale, exchange or other transfer of substantially all of Contractor's assets dedicated to service under this Agreement to a third party; (ii) a sale, exchange or other transfer of any membership interest of Contractor to a third party; (iii) any dissolution, reorganization, consolidation, merger, re-capitalization, stock issuance or re-issuance, voting trust, pooling agreement, escrow arrangement, liquidation or other transaction which results in a change of ownership or control of Contractor; (iv) any assignment by operation of law, including those resulting from mergers or acquisitions by or of Contractor or any of its Affiliates, insolvency or bankruptcy, making assignment for the benefit of creditors, writ of attachment for an execution being levied against this Agreement, appointment of a receiver taking possession of Contractor's property, or transfer occurring in the event of a probate proceeding; and (v) any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of any such transfer or change of ownership, or change of control of Contractor.

16.3 Nature of Agreement – Personal to Contractor

Contractor acknowledges that this Agreement involves rendering a vital service to City's residents and businesses, and that City has selected Contractor to perform the services specified herein based on (1) Contractor's experience, skill and reputation for conducting its Solid Waste Handling Services in a safe, effective and responsible fashion, at all times in keeping with applicable Environmental Laws, regulations and best Solid Waste management practices, and (2) Contractor's financial resources to maintain the required equipment and to support its indemnity obligations to City under this Agreement. City has relied on each of these factors, among others, in choosing Contractor to perform the services to be rendered by Contractor under this Agreement.

16.4 Procedure for Consideration of Assignment

If Contractor requests City's consideration of and consent to an Assignment, the City Council may deny, approve or conditionally approve such request in its sole and absolute discretion. Under no circumstances shall City be obliged to consider any proposed Assignment if Contractor is in default at any time during the period of consideration. Should the City consent to any Assignment request, such Assignment shall not take effect until all conditions relating to the City's approval have been met Any request for an Assignment shall be made in a manner to be prescribed by the City Manager, and no request by Contractor for consent to an Assignment need be considered by City unless and until Contractor has met (or with respect to matters that would only occur upon completion of the Assignment if approved, made reasonable assurances that it will meet) the following requirements:

(A) Contractor shall undertake to pay City its reasonable direct and indirect expenses, including administrative, investigative, consulting, and attorneys' fees and costs

necessary to investigate the suitability of any proposed assignee, and to review and finalize any documentation required as a condition for approving any such Assignment (collectively the "Administrative Assignment Fee"). An advance non-refundable payment in an amount to be determined by the City Manager towards the Administrative Assignment Fee shall be paid to the City prior to City's consideration of any Assignment request, although Contractor shall be responsible to pay all costs incurred by City in considering a request for Assignment, including those in excess of the aforesaid deposit amount, regardless of whether City consents to the Assignment.

(B) If requested to do so, Contractor shall furnish City with audited financial statements of the proposed assignee's operations for the immediately preceding three (3) operating years.

(C) Contractor shall furnish City with satisfactory proof: (i) that the proposed assignee has at least ten (10) years of Solid Waste management experience on a scale equal to or exceeding the scale of operations conducted by Contractor under this Agreement; (ii) that in the last five (5) years, the proposed assignee has not suffered any significant citations or other censure from any federal, state or local agency having jurisdiction over its Solid Waste management operations due to any significant failure to comply with state, federal or local laws, including the Environmental Laws and that the assignee has provided City with a complete list of such citations and censures; (iii) that the proposed assignee has at all times conducted its operations in an environmentally safe and conscientious fashion; (iv) that the proposed assignee conducts its Solid Waste management practices in accordance with sound Solid Waste management practices in full compliance with all federal, state and local laws regulating the Collection and disposal of Solid Waste including Hazardous Substances; and, (v) of any other information required by City to ensure the proposed assignee can fulfill the terms of this Agreement in a timely, safe and effective manner.

(D) The proposed assignee shall execute an agreement assuming all of Contractor's rights and liabilities under this Agreement.

SECTION 17.
REVIEW OF SERVICES AND PERFORMANCE

17.1 Performance Hearing

(A) Commencing in or about July 2015, and on a biennial basis thereafter, City may hold a hearing to review Contractor's Solid Waste Collection efforts, source reduction, processing and other diversion services and overall performance under this Agreement (the "Solid Waste Services and Performance Review Hearing"). The purpose of the Solid Waste Services and Performance Review Hearing is to provide for a discussion and review of technological, economic, and regulatory changes in Collection, source reduction, recycling, processing and disposal to achieve a continuing, advanced Solid Waste Collection, source reduction and recycling and disposal system; and to ensure services are being provided by Contractor with adequate quality, effectiveness and economy and in full compliance with the terms of this Agreement. Topics for discussion

and review at the Solid Waste Services and Performance Review Hearing shall include, but shall not be limited to, services provided, feasibility of providing new services, application of new technologies, Customer complaints, amendments to this Agreement, developments in the law, new initiatives for meeting or exceeding AB 939's goals and where applicable AB 341's goals, regulatory constraints and Contractor performance. City and Contractor may each select additional topics for discussion at any Solid Waste Services and Performance Review Hearing.

(B) In addition to the Solid Waste Services and Performance Review Hearings City may hold in accordance with the immediately preceding paragraph, if the number of Customer complaints regarding Contractor's Solid Waste Collection are deemed by City to be excessive, City may, at any time (subject to the paragraph immediately below), hold a Solid Waste Services and Performance Review Hearing.

(C) City shall notify Contractor of its intent to hold a Solid Waste Services and Performance Review Hearing at least ninety (90) days in advance thereof. The notice will indicate whether the hearing will occur before City staff, the City Council, or such other body as the City may designate in the notice. Forty-five (45) days after receiving notice from City of a Solid Waste Services and Performance Review Hearing, Contractor shall submit a report to City which may contain such information as it wished to have considered, and shall contain the following:

(1) Current diversion rates and a report on Contractor's outreach activities for the past year.

(2) Recommended changes and/or new services to improve the City's ability to meet the goals of AB 939 and AB 341 and to contain costs and minimize impacts on rates.

(3) Any specific plans for provision of changed or new services by Contractor.

(D) The reports required by this Agreement regarding Customer complaints shall be used as one basis for review of Contractor's performance, and Contractor may submit other relevant performance information and reports for consideration at the Solid Waste Services and Performance Review Hearing. In addition to the above, City may request Contractor to submit any other specific information relating to its performance for consideration at the Solid Waste Services and Performance Review Hearing, and any Customer may submit comments or complaints during or before the Hearing, either orally or in writing. Contractor shall be present at and participate in the Solid Waste Services and Performance Review Hearing.

17.2 Performance Satisfaction Survey

If requested by the City, Contractor will create and conduct a survey at Contractor's expense in preparation for any Solid Waste Services and Performance Review Hearing held pursuant to Section 17.1. City shall notify Contractor of its desire for such a survey at least ninety (90) days in advance of the Solid Waste Services and Performance Review Hearing. The purpose of the survey is to determine Customer satisfaction with current Collection services and

Customer service provided by Contractor. The Survey will be distributed to a minimum of ten percent (10%) of the Customers, selected at random. Contractor shall obtain City's approval of the survey's content, format, and mailing list prior to its distribution. The City may require that Contractor have Customer responses to the survey returned directly to the City. The Survey results shall be made available to the City thirty (30) days prior to the Solid Waste Services and Performance Review Hearing.

SECTION 18.
CITY'S REMEDIES; DEFAULT AND TERMINATION

18.1 Notice of Default

If the City Manager determines that Contractor has defaulted in the performance of any obligation hereunder, or that Contractor's performance pursuant to this Agreement with respect to such matters has not been in conformity with reasonable industry standards which are obtained in similar cities in Southern California, the provisions of this Agreement, the requirements of the Municipal Code, the requirements of CalRecycle, including, but not limited to, requirements for source reduction and recycling or any other applicable federal, state, or local law or regulation, including but not limited to the laws governing transfer, storage, or disposal of special wastes, or hazardous wastes, the City Manager may provide written notice to Contractor of such default. The City Manager may, in such written notice, set a reasonable time within which correction of such default shall be made. Unless a longer or shorter time is otherwise specified by the City Manager, a reasonable time for correction shall be thirty (30) days from the date such written notice is given.

18.2 Failure to Cure

If Contractor fails to correct, to the satisfaction of the City Manager, all deficiencies contained in the written notice thereof within the specified time, or if it is not reasonably possible to correct such deficiencies within the specified time, and Contractor fails to commence to correct or remedy such deficiencies within the specified time and diligently effect such correction or remedy thereafter, then the City Manager may refer the matter to the City Council for review, or review the matter himself.

18.3 Review by City Manager

If the City Manager reviews the matter and determines that Contractor has failed to properly or adequately cure any default set forth above, the City Manager, in the exercise of his discretion, may terminate this Agreement, or take such other action as he deems appropriate to pursue any remedy available to City. A decision or order of the City Manager shall be final and binding on Contractor unless Contractor files a "Notice of Appeal" with the City Clerk within five (5) business days of the date the notice of the City Manager's decision is given. The City Manager shall schedule any appeal for consideration by the City Council at the earliest feasible City Council Meeting following the date a Notice of Appeal is given to City.

18.4 City Council Review

In the event an appeal of a decision of the City Manager is filed, or if the City Manager refers the matter to the City Council without rendering a decision, the City Council shall set the matter for consideration before the City Council as a regular agenda item. In reviewing the matter the City Council may consider any information reported by the City Manager regarding the deficiencies, and shall give Contractor, or its representatives and any other interested person, a reasonable opportunity to be heard. The City Council shall determine whether Contractor has failed to properly or adequately perform as set forth above, and if so whether to terminate the Agreement, or to pursue any other remedy available to City.

18.5 Performance During Reviews

Contractor's performance under this Agreement is not excused during any period of time when its performance is under review as set forth above, including at any time prior to a final decision as to whether such performance is deficient.

18.6 Termination without Right to Cure

The above right of termination as a result of Contractor's failure to timely cure any deficiency is in addition to City's right to terminate this Agreement without affording Contractor an opportunity to cure in circumstances where Contractor is determined by City to have materially breached this Agreement. City shall thus be afforded the right to terminate this Agreement in the event of any material breach hereof by Contractor without affording Contractor the right to cure as a result of any action, inaction or circumstance which is a legally defined material breach, or is defined herein as a material breach, and/or under any of the following circumstances which are hereby specifically defined as material breaches:

(A) If Contractor practices, or attempts to practice, any fraud upon City.

(B) If Contractor becomes insolvent, unable, or unwilling to pay its debts, or upon listing of an order for relief in favor of Contractor in a bankruptcy proceeding.

(C) If Contractor willfully violates any orders or rulings of any regulatory body having jurisdiction over Contractor relative to this Agreement. So long as City's rights are not prejudiced during the pendency of any challenge to such orders or rulings by Contractor, Contractor may contest any such orders or rulings by appropriate proceedings conducted in good faith, in which case no material breach of this Agreement shall be deemed to have occurred until a final ruling has been rendered.

(D) If Contractor ceases to provide Solid Waste Handling Services, including Collection of Solid Waste and/or Recyclable Material, as required under this Agreement over all or any portion of the Franchise Area for a period of seven (7) days or more, for any reason not specified as a force majeure event hereunder.

(E) If Contractor fails to materially comply with any insurance or indemnification requirement set forth in this Agreement.

(F) If City is required to pay any fine or penalty, which is not paid on its behalf by Contractor or which Contractor fails, refuses, neglects or is unable to pay or indemnify City against, relating to any diversion or other requirement of AB 939 and/or AB 341.

(G) If Contractor, Contractor's shareholders, Contractor's directors, or any senior management level employee of Contractor (defined for purposes of this provision as any representative of Contractor who regularly is in communication with or regularly has contact with any member of the City Council or City Manager, or any of Contractor's employees who communicate with any City Department Head or City employee with decision making authority on matters related to the performance of the Agreement) is convicted of a Criminal Matter (as defined herein). For purposes of this Section the term Criminal Matter refers to any felony or misdemeanor offense having any relationship to either Solid Waste Handling Services or public corruption (including, without limitation, bribery, conflict of interest related allegations, vote selling, or any similar type charges).

(H) If Contractor fails to meet the Recycling Diversion Requirement in Section 8.6.4 for any calendar year under this Agreement.

18.7 Liquidated Damages

18.7.1 General

The City finds, and Contractor agrees, that as of the time of the execution of this Agreement, it is impractical, if not impossible, to reasonably ascertain the extent of damages which shall be incurred by City as a result of a breach by Contractor of certain specific obligations under this Agreement. The factors relating to the impracticability of ascertaining damages include, but are not limited to, the fact that: (i) substantial damage results to members of the public who are denied services or denied quality or reliable service; (ii) such breaches cause inconvenience, anxiety, frustration, and deprivation of the benefits of the Agreement to individual members of the general public for whose benefit this Agreement exists, in subjective ways and in varying degrees of intensity which are incapable of measurement in precise monetary terms; (iii) that the services that are the subject of this Agreement might be available at substantially lower costs than alternative services and the monetary loss resulting from denial of services or denial of quality or reliable services is impossible to calculate in precise monetary terms; and (iv) the termination of this Agreement for such specific breaches, and other remedies are, at best, a means of future correction and not remedies which make the public whole for past breaches.

18.7.2 Service Performance Standards; Liquidated Damages for Failure to Meet Standards

The parties further acknowledge that consistent, reliable Solid Waste Handling Service is of utmost importance to City and that City has considered and relied on Contractor's representations as to its quality of service commitment in entering this Agreement with it. The parties further recognize that some quantified standards of performance are necessary and appropriate to ensure consistent and reliable service and performance. The parties further

recognize that if Contractor fails to achieve the performance standards, or fails to submit required documents in a timely manner, City and its residents will suffer damages and that it is and will be impractical and extremely difficult to ascertain and determine the exact amount of damages which City will suffer. Therefore, without prejudice to City's right to treat such breaches as an event of default, the parties agree that the following liquidated damage amounts represent a reasonable estimate of the amount of such damages for such specific breaches, considering all of the circumstances existing on the date of this Agreement, including the relationship of the sums to the range of harm to City that reasonably could be anticipated and the anticipation that proof of actual damages would be costly or impractical. In placing their initials at the places provided, each party specifically confirms the accuracy of the statements made above and the fact that each party has had ample opportunity to consult with legal counsel and obtain an explanation of the liquidated damage provisions at the time that the Agreement was made.

Contractor Initial Here MK City Initial Here _____

18.7.3 Calculations for Liquidated Damages

Contractor agrees to pay (as liquidated damages and not as a penalty) the amounts set forth below for each type of action warranting such damages:

18.7.3.1 Collection Reliability

(A) For each failure to commence service to a new Customer account within seven (7) days after order, which exceed five (5) such failures annually: $150.00.

(B) For each failure, which exceeds ten (10) such failures annually, to Collect Solid Waste from any established Customer on the scheduled Collection day and not Collected within the period described in this Agreement: $150.00.

(C) For each failure to Collect Solid Waste, which has been properly set out for Collection, from the same Customer on two (2) consecutive scheduled pickup days: $150.00.

18.7.3.2 Collection Quality

(A) For each occurrence of failure to properly return empty Containers to avoid pedestrian or vehicular traffic impediments or to place Containers upright with lids secured which exceeds ten (10) such occurrences annually: $150.00.

(B) For each occurrence of excessive noise or discourteous behavior which exceeds ten (10) such occurrences annually: $250.00.

(C) For each occurrence of Collecting Solid Waste during unauthorized hours which exceeds five (5) such occurrences annually: $250.00.

(D) For each occurrence of damage to private property in an amount in excess of $1,000 which exceeds five (5) such occurrences annually: $250.00.

(E) For each failure to clean up Solid Waste spilled from Containers, excepting amounts that are so nominal in nature that they would not reasonably be expected to be noticed by the driver of a Collection Vehicle, within 90 minutes that exceeds ten (10) such failures annually: $150.00.

18.7.3.3 Customer Responsiveness

(A) For each failure to initially respond to a Customer complaint within one (1) business day, which exceeds five (5) such occurrences annually, and for each additional day in which the complaint is not addressed: $250.00.

(B) For each failure to process Customer complaints to City as required herein, which exceeds five (5) such occurrences annually: $250.00.

(C) For each failure to remove graffiti from Containers or to replace with Containers bearing no graffiti, within twenty-four (24) hours (Sundays and holidays excepted) of a request from City: $150.00.

18.7.3.4 Timeliness of Submissions to City

(A) Any report shall be considered late until such time as a correct and complete report is received by City. For each calendar day a report is late, the daily liquidated damage amount shall be:

(1) Monthly Reports: $100.00 per day.

(2) Quarterly Reports: $250.00 per day.

(3) Annual Reports: $350.00 per day.

18.7.3.5 Cooperation During Transition With Subsequent Solid Waste Enterprise

(A) For each day routing information, including billing information and other operating records needed to service premises, is requested by City or any subsequent solid waste enterprise in accordance with Section 28 and is received after City-established due dates, both for preparation of a request for proposals and for any subsequent solid waste enterprise's implementation of service: $1,000/day.

(B) For each day delivery of keys, security codes, remote controls used to access garages, gates and bin enclosures, or other means of access to Solid Waste Containers is delayed beyond one (1) day prior to new solid waste enterprise servicing customers with access issues: $1,000/day.

(C) For delay in not meeting the requirements from Section 28 in a timely manner, in addition to the daily liquidated damages for breach under Sections 18.7.3.5(A)-(B) above, a one-time charge of: $35,000.

18.7.3.6 Minimum Hauler Recycling Requirements

For each calendar year, beginning in 2015, in which Contractor fails to meet the guaranteed Recycling Diversion Requirement set forth in Section 8.6.4: $40 for each ton below the tonnage level necessary to meet the Recycling Diversion Requirement.

18.7.4 Process for Assessment of Liquidated Damages

(A) City may determine the occurrence of events giving rise to liquidated damages through the observation of its own employees or representative or through an investigation of Customer complaints. It is the desire of the parties to work together to avoid the imposition of liquidated damages and accordingly City will endeavor to timely communicate to Contractor any information that it receives which might give rise the imposition of liquidated damages in order to facilitate Contractor's ability to correct any deficiency, or prevent the recurrence of any conduct for which liquidated damages might eventually be imposed.

(B) Prior to assessing liquidated damages, City shall give Contractor notice of its intention to do so. The notice will include a brief description of the incident(s)/non-performance. Contractor may review (and make copies at its own expense) all information in the possession of City relating to incident(s)/non-performance. Contractor may, within ten (10) days after receiving the notice, request a meeting with City. Contractor may present evidence in writing and through testimony of its employees and others relevant to the incident(s)/non-performance. City will provide Contractor with a written explanation of his or her determination on each incident(s)/non-performance prior to authorizing the assessment of liquidated damages. The decision of City shall be final.

(C) City may assess liquidated damages for each calendar day or event, as appropriate, that Contractor is determined to be liable in accordance with this Agreement.

18.7.5 Timing of Payment

Contractor shall pay any liquidated damages assessed by City within ten (10) days after they are assessed. If they are not paid within the ten (10) day period, City may proceed against any security required by this Agreement to obtain payment, and/or find Contractor in default and exercise its right to terminate this Agreement as set forth herein.

SECTION 19.
CONTRACTOR'S REMEDIES; ADMINISTRATIVE HEARING

19.1 Administrative Hearing

Should Contractor contend that City is in breach of any aspect of this Agreement, it shall give notice to the City Manager requesting an administrative hearing on the allegation. The

hearing shall occur as soon as reasonably possible, or on such date as mutually agreed by the parties, and shall be held before an impartial hearing officer to be determined by the City Manager. The hearing officer shall make an advisory ruling on Contractor's allegations, and suggest a remedy if a breach by City is determined to exist. The hearing officer's ruling and recommendations shall become final and binding if the parties so agree in writing within thirty (30) days of the date notice of the decision is given to both parties. Otherwise, the hearing officer's ruling shall have no further force or effect.

19.2 Other Remedies; Claims

Contractor shall be entitled to all available remedies in law or equity for City's breach of this Agreement; provided, however, Contractor shall not file or otherwise commence any action against City, in law or equity, in any court, until after an administrative hearing as set forth above has been completed, and the above noted thirty (30) day period to accept the hearing officer's decision has passed, or either City or Contractor has given timely written notice to the other that it will not accept the hearing officer's decision.

19.3 Actions for Damages

As a prerequisite to the filing and maintenance of any action for damages by Contractor against City arising out of this Agreement, Contractor shall present a claim to City, as required by Government Code Section 910 et seq., within 30 days of the date of the occurrence giving rise to the claim for damages.

SECTION 20.
CITY'S ADDITIONAL REMEDIES

In addition to any other remedies set forth herein, City shall be entitled to any or all of the following rights and remedies in the event of a breach of this Agreement by Contractor:

(A) The right to use Contractor's equipment for the purpose of Collecting, transporting, and/or disposing of Solid Waste, including Recyclable Material, for a period not to exceed six (6) months. In the case of equipment not owned by Contractor, Contractor shall assign to City, to the extent Contractor is permitted to do so under the instruments pursuant to which Contractor possesses such equipment, the right to use and possess the equipment. If City exercises its rights under this Section, City shall pay to Contractor the reasonable rental value of the equipment for the period of City's possession thereof (although payment may, if appropriate, occur in the form of a setoff against damages otherwise owed by Contractor pursuant to the terms hereof);

(B) The right to license others to perform the services otherwise to be performed by Contractor hereunder, or to perform such services itself; and

(C) The right to obtain damages and/or injunctive relief. Both parties recognize and agree that in the event of a breach of this Agreement by Contractor, City will suffer irreparable injury and incalculable damages sufficient to support injunctive relief, to specifically enforce the provisions of this Agreement, and to enjoin the breach hereof.

SECTION 21.
RIGHTS OF CITY TO PERFORM DURING EMERGENCY

21.1 Provision of Service

Should Contractor, for any reason whatsoever, refuse or be unable to provide Solid Waste Handling Services for a period of more than seventy-two (72) hours, and if as a result thereof, Solid Waste should accumulate in City to such an extent or in such a manner that the City Manager finds that such accumulation endangers or menaces the public health, safety, or welfare, City shall have the right, upon twenty-four (24) hours prior written notice to Contractor, during the period of such emergency, to temporarily take possession of any or all equipment and facilities of Contractor previously used in providing Collection, transportation, and disposal of Solid Waste and provide, through its own forces or otherwise, Solid Waste Handling Services which Contractor otherwise would be obligated to provide pursuant to this Agreement. Contractor agrees that in such event it shall fully cooperate with City to affect such a transfer of possession for City's use.

21.2 Possession of Equipment

Contractor agrees, that in the event of circumstances described in Section 21.1 above, City may take temporary possession of and use all of said equipment and facilities without paying Contractor any rental or other charge. Upon Contractor giving City notice that it is able to resume its normal responsibilities under this Agreement City shall either relinquish possession of all of the above mentioned property to Contractor.

21.3 Exclusions from Right to Possession of Equipment without Compensation

Specifically excluded from the circumstances in which City may possess and utilize Contractor's equipment without compensation are circumstances in which Contractor fails or refuses to provide Solid Waste Handling Services hereunder for any reason which is not a force majeure event as defined herein. In such circumstances City's right to utilize and possess Contractor's equipment shall be subject to the provisions of the above Section 20.

SECTION 22.
PRIVACY

Contractor shall strictly observe and protect the privacy rights of Customers. Information identifying individual Customers or the composition or contents of a Customer's Solid Waste stream, or any of the billing information pertaining to any Customers, shall not be revealed to any person, governmental unit, private agency, or company, unless upon the authority of a court of law, by statute, ordinance, or regulation of a governmental agency having jurisdiction, or upon valid authorization of the Customer. This provision shall not be construed to preclude Contractor from preparing, participating in, or assisting in the preparation of waste characterization studies or waste audits which may be required by AB 939 or this Agreement. Contractor shall not market or distribute, outside the normal course of its business, mailing lists with the names and addresses of Customers. The rights afforded Customers pursuant to this Section shall be in addition to any other privacy right afforded Customers pursuant to federal or state law.

SECTION 23.
REPORTS AND ADVERSE INFORMATION

The parties acknowledge that City will require reporting at various intervals by which information important to City can be complied and analyzed. Throughout the Term the parties agree to work together to address City's needs with respect to the information to be contained in reports prepared by Contractor. The following is intended as a starting point in order to have established an objective baseline for reporting, but the frequency and content of the reports called out below may be changed by agreement of the parties; provided any such change is approved by the City Manager in writing. Monthly reports shall be submitted within twenty (20) calendar days after the end of the report month. Quarterly reports shall be submitted within twenty (20) calendar days after the end of the calendar quarter.

23.1 Monthly Reports

At a minimum, Contractor shall report the following to City on a monthly basis: Solid Waste Collected by Contractor for each month, sorted by type of Solid Waste in tons broken down at a level acceptable to City (which at a minimum shall include: refuse, Green Waste, e-waste and universal waste item counts, types of recyclables including PET, HDPE, mixed plastics, aluminum, cardboard, mixed paper, sand, and concrete), as well as by customer type (i.e., single family, multi-family, commercial, roll-off, curbside, etc.); the facilities where all Solid Waste Collected was processed or disposed; warning notices issued for contaminated Recyclable Materials, and Green Waste Containers; and a narrative summary of problems encountered (including scavenging) and actions taken with recommendations for City, as appropriate.

23.2 Quarterly Reports

At a minimum, Contractor shall report the following to City on a quarterly basis: the information required in the monthly reports; the complaint summary for the quarter summarized by nature of complaints; copies of promotional and public education materials sent during the quarter; description of Contractor outreach activities conducted the previous quarter; and such other information or reports that the City may reasonably request or require. Contractor shall, upon demand by City, provide true and accurate copies of landfill tipping receipts, records showing delivery at processing or reuse facilities, and similar such documents in order to enable City to verify Contractor's quarterly reports.

23.3 Annual Reports

Within 30 days of the end of each calendar year during the Term of this Agreement and within thirty (30) days after the end of the Term, Contractor shall submit a written annual report, at its sole expense, in a form approved by City, which includes, but is not limited to, the following information:

(A) A summary of the previous year's activities including, but not limited to, services begun or discontinued during the reporting year, and the number of Customers broken down on a monthly basis;

(B) A summary of the total tons of Solid Waste Collected in City in the preceding year as well as a summary of the total tonnage diverted from the State's landfill systems during that time frame;

(C) Information and reports required by City to meet its reporting obligations imposed by AB 939 and the regulations implementing AB 939, in a form and content approved by the City Manager;

(D) A revenue statement, certified by the chief financial officer of Contractor, setting forth Franchise Fees paid and the basis for the calculation thereof, including specifically a breakdown of sources of revenue included in Gross Receipts and the amount of revenue derived from each such source comprising Gross Receipts;

(E) A list of Contractor's officers and the members of its Board of Directors, or as applicable a list identifying all Persons holding a membership interest in Contractor;

(F) A list of stockholders or other equity investors holding five percent (5%) or more of the interest in Contractor; and

(G) A list of each service address, the total number of Carts at each such address, types of services being Billed to each service address and the serial numbers associated or other identifying information associated with each cart at such address as required by Section 8.1.9(F).

23.4 Format of Reports

Each monthly, quarterly, and annual report shall be submitted to City, addressed to the City Manager or his or her designee. Records related to performance of this Agreement shall be maintained by Contractor in forms and by methods that facilitate flexible use of data contained in them to structure reports, as needed. The format of each report shall be approved by City. Contractor agrees to submit all reports to e-mail addresses designated by City in an electronic format approved by the City, compatible with City's software/computers at no additional charge.

23.5 Adverse Information

(A) Contractor shall provide City two copies of all reports and other material adversely affecting this Agreement submitted by Contractor to the United States Environmental Protection Agency, CalRecycle, the California Regional Water Quality Control Board, and any other federal, state, regional, or local regulatory agency. Copies shall be submitted to City simultaneously with Contractor's filing of such matters with said agencies. Contractor's routine correspondence to said agencies need not be automatically submitted to City, but shall be made available to City upon written request.

(B) Contractor shall submit to City copies of all pleadings, applications, notifications, communications, and documents of any kind submitted by Contractor to, as well as copies of all decisions, correspondence, and actions by, any federal, state, and local courts, regulatory agencies, and other government bodies relating in any manner to Contractor's performance of services pursuant to this Agreement. To the degree

authorized by law, any confidential data exempt from public disclosure shall be retained in confidence by City and its authorized agents and shall not be made available for public inspection.

(C) Contractor shall submit to City such other information or reports in such forms and at such times as City may reasonably request or require.

(D) All reports and records required under this or any other Section hereof shall be furnished at the sole expense of Contractor.

23.6 Disaster Plan

Within 90 days of the Effective Date, Contractor shall prepare an updated draft disaster debris cleanup implementation plan that sets forth procedures for collection of debris following a major disaster such as an earthquake, fire or other similar event. The disaster plan shall address priorities for cleanup at critical facilities, procedures for reimbursement for costs, describe communication plans, list key contact persons, and provide maps showing proposed sites for stockpiling of disaster debris that cannot be transported to the landfill. Contractor shall coordinate the plan with City's emergency service teams. The draft plan shall be presented to the City Manager for consideration and approval. The final plan shall be distributed to those employees of Contractor and City who would have a role in implementing it in the event of a disaster.

23.7 Failure to Report

The refusal of Contractor to file any of the reports required, or the inclusion of any materially false or misleading statement or representation made knowingly by Contractor in such report shall be deemed a material breach of the Agreement, and shall subject Contractor to all remedies, legal or equitable, which are available to City under this Agreement or otherwise.

SECTION 24.
COMPENSATION

24.1 Contractor Rates

Contractor shall provide services to Customers pursuant to this Agreement at rates it sets, charges to, and collects from Customers, which rates shall not exceed those set forth in the attached Exhibit A, which sets out the maximum rates that may be charged by Contractor, as such maximum rates may be adjusted from time to time pursuant to the terms hereof. The maximum rates set forth in Exhibit A are inclusive of all services to be provided, including transportation, disposal, and Container costs, and no other charges shall be imposed by Contractor for such services.

24.2 Resolution of Disputes Regarding Rate Adjustments

Any dispute regarding an adjustment to the maximum rates Contractor may charge, or the computation thereof, shall be decided by the City Manager. The rates in effect at the time such dispute is submitted to the City Manager shall remain in effect pending resolution of such

dispute. The effective date of the adjusted maximum rate following the resolution of any such dispute, whether retroactive or prospective, shall be determined by the City Manager.

24.3 Annual Consumer Price Index Adjustments

Commencing on July 1, 2017, the maximum rates as set forth in Exhibit A shall be adjusted, and such rates shall be adjusted annually thereafter on each subsequent July 1st during the Term hereof (the "Adjustment Dates"), by multiplying each rate by a percentage change in the average Consumer Price Index ("CPI") for All Urban Consumers, CUURA421SA0 not seasonally adjusted, all items index (CPI-U) – Los Angeles County, Riverside County, Orange County for the twelve (12) month period ending the December immediately prior to the applicable Adjustment Date versus the index average for the previous twelve months. At least forty-five (45) days prior to charging Customers any rate increased due to an increase in the CPI, Contractor shall obtain the City Manager's approval to do so. The City Manager shall approve such a request unless it is determined, based upon substantial evidence, that the requested adjustment to the maximum rate does not meet the requirements as set forth herein.

It is anticipated that to obtain City Manager's approval of Contractor's requested rate increase, Contractor shall provide all necessary information to justify the request. City will make an effort to verify information provided by Contractor, but ultimately Contractor bears the burden of ensuring the submitted information is correct and supported by all necessary documentation. Contractor agrees and acknowledges that City is entitled to rely, in good faith, on information submitted by Contractor, including mathematical calculations, CPI data, and other documentation, to justify Contractor's requested rate increase. In the event that there are errors in Contractor's requested rate increase request, including, but not limited to, an inaccurate rate adjustment request, inaccurate application of the rate increase formula described above, or usage of inaccurate data, Contractor acknowledges and agrees that City is entitled to seek recovery of damages on behalf of the public or impose future rate reductions to compensate for the errors. Contractor also waives any arguments or defenses Contractor now has or may have in the future, including estoppel, waiver, or other similar equitable remedies, with respect to any action, claim, demand, proceeding or suit in law or equity of any and every kind and description brought by or on behalf of City or Customers due to errors in Contractor's requested rate increase.

24.4 Limitations to Annual CPI Adjustments

Notwithstanding anything to the contrary in Section 24.3 above, the maximum annual adjustment occurring pursuant to Section 24.3 shall be limited by the provisions set forth below:

24.4.1 Three Percent (3%) Cap

Any maximum rate may not be increased in any given year by more than three percent (3%) without regard to any higher increase which may otherwise be justified by the formula set forth in Section 24.3. In the event an increase exceeds the three percent (3%) cap, the un-applied percentage may be rolled forward and applied to maximum rate increases in subsequent years to the extent, and provided that, no maximum rate increase exceeds the three percent (3%) cap.

24.4.2 Compliance with Agreement

No increase to the maximum rates shall occur if the City Manager determines that Contractor did not fully comply with all terms of this Agreement in the Rate Year preceding the increase, including without limitation, provisions hereof relating to reporting, diversion, and Customer service standards.

24.5 Discretionary Adjustments

Contractor may request an adjustment to the maximum rates set forth in Exhibit A at reasonable times other than as set forth in Section 24.3 for unusual changes in the cost of providing service under this Agreement. For each request for an adjustment to the maximum rates brought pursuant to this Section Contractor shall prepare a schedule documenting the extraordinary costs. Such request shall be prepared in a form acceptable to City with support for assumptions made by Contractor in preparing the estimate. City shall review Contractor's request and, in the City Council's sole judgment and absolute, unfettered discretion, make the final determination as to whether an adjustment to the maximum rates will be made, and, if an adjustment is permitted, the appropriate amount of the adjustment. City may consider increases or decreases in Contractor's total revenues and total cost of services when reviewing an extraordinary rate adjustment request. Contractor may not request an extraordinary increase in the maximum rates as a result of: changes in fees or taxes such as Social Security, disability or income tax; changes in the market value of Recyclables or processing costs for Recyclables or Green Waste; inaccurate estimates by Contractor of its cost of operations; or costs of compliance with South Coast Air Quality Management District and Air Resource Board rules and standards for Collection Vehicles.

24.6 Grants

From time to time, federal, state or local agencies including the City may provide to Contractor grants to assist in financing qualified programs provided by Contractor in the City (including, without limitation, grants for diversion programs and related equipment, alternative fuel vehicles and equipment, and Household Hazardous Waste Collection and Disposal). Contractor shall notify City upon receipt of any such grant funds that may be used to fund services provided pursuant to the terms of this Agreement. With the exception of grants already received by Contractor as of the Effective Date, and grants for Collection Vehicles, any funds received through grants for services in the City are intended to benefit City and its residents and businesses, and in essence are held by Contractor in trust on behalf of City. Accordingly, Contractor agrees that the total amount of compensation it receives from Customers hereunder, may be reduced by the amount of any such grant, unless the grant is used to pay for services in City. The City Council shall determine whether the reduction in Contractor's compensation shall be: (1) passed through to Customers designated by City as a reduction to maximum rates; (2) as an offset to the next increase to maximum rates requested by Contractor; (3) paid to City for use as City directs; or (4) applied in any combination of (1) through (3).

SECTION 25.
IDENTIFICATION OF CONTRACTOR

Contractor has agreed to use the name "United Pacific Waste" to identify itself to the public as the specific organization that shall provide all services under this Agreement. Unless otherwise approved in writing by City, this name shall be used for all correspondence, Billing statements, directory listings, references, signs, and vehicle and Bin identification.

SECTION 26.

INDEMNIFICATION

26.1 General

(A) Contractor hereby agrees to and shall indemnify and hold harmless City, its elected and appointed boards, commissions, officers, employees, and agents (collectively the "Indemnities") from and against any and all loss, liability, penalty, forfeiture, claim, demand, action, proceeding or suit in law or equity of any and every kind and description (including, but not limited to, injury to and death of any Person and damage to property, or for contribution or indemnity claimed by third parties) arising out of, resulting from, and/or in any way connected with this Agreement including: (1) the negligence or willful misconduct of Contractor, its officers, employees, agents, and/or subcontractors in performing services under this Agreement; (2) the failure of Contractor, its officers, employees, agents, and/or subcontractors to comply in all respects with the provisions of this Agreement, all Applicable Laws (including, without limitation, the Environmental Laws), ordinances and regulations, and/or applicable permits and licenses; (3) the acts of Contractor, its officers, employees, agents, and/or subcontractors in performing services under this Agreement for which strict liability is imposed by law (including, without limitation, the Environmental Laws); and (4) any challenge to the award of, or any provisions of this Agreement (including any claim that the application of any provision hereof violates any provision of the California Constitution). The foregoing indemnity and hold harmless provisions shall apply regardless of whether such loss, liability, penalty, forfeiture, claim, demand, action, proceeding, suit, injury, death or damage is also caused in part by any of Indemnities' negligence, but shall not extend to matters resulting from Indemnities' sole negligence, or willful misconduct. Contractor further agrees to and shall, upon demand of City, at Contractor's sole cost and expense, defend (with attorneys acceptable to City) City, its elected and appointed boards and commissions, officers, employees, and agents against any claims, actions, suits in law or equity or other proceedings, whether judicial, quasi-judicial or administrative in nature, arising or resulting from any of the aforementioned events, and to reimburse City for any and all costs and expenses City incurs in providing any such defense, either before, during or after the time Contractor elects to provide such defense, including any and all costs incurred in overseeing any defense to be provided herein by Contractor.

(B) Contractor, upon demand of City, made by and through the City Attorney, shall protect City and appear in and defend City and its elected officials, officers, employees and agents, in any claims or actions by third parties, whether judicial,

administrative or otherwise, including, but not limited to disputes and litigation over the definitions of "Solid Waste" or "Recyclable Material," the scope of the rights granted herein, conflicts between the rights granted herein and rights asserted by other Persons, or the limits of City's authority with respect to the grant of licenses, or agreements, exclusive or otherwise, asserting rights under the Dormant Commerce Clause or any other federal or state laws to provide Collection services in the City.

(C) The provisions of this Section shall not terminate or expire, shall be given the broadest possible interpretation, and shall survive the expiration or earlier termination of this Agreement.

26.2 Hazardous Substances Indemnification

(A) Without regard to any insurance coverage or requirements, and without limiting the above general indemnification obligation in any way, Contractor specifically agrees to and shall, to the maximum extent permitted by law, defend (with counsel acceptable to City) reimburse, indemnify, and hold City and its past and present officers, council members, employees, consultants and agents (hereinafter "Indemnified Parties") harmless from and against any and all claims, actions, liabilities, damages, demands, judgments, losses, costs, liens, expenses, suits, actions, attorneys' fees, consultant fees, penalties and any and all other losses, damages, fees and expenses of whatever kind or nature ("Claims") (including but not limited to response costs, investigative costs, assessment costs, monitoring costs, treatment costs, cleanup costs, removal costs, remediation costs, and similar costs, damages and expenses) that arise out of or are alleged to arise out of or in any way relate to any action, inaction or omission of Contractor that:

(1) results in any demand, claim, notice, order, or lawsuit, asserting that any Indemnified Party is liable, responsible or in any way obligated to investigate, assess, monitor, study, test, treat, remove, remediate, or otherwise cleanup, any Hazardous Contaminant (as defined herein); or

(2) relates to material Collected, transported, recycled, processed, treated or disposed of by Contractor.

(B) Contractor's obligations pursuant to this Section shall apply, without limitation, to:

(1) any Claims brought pursuant to or based on the provisions of the Environmental Laws, including without limitation the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6901 et seq., the Carpenter-Presley-Tanner Hazardous Substances Account Act (California Health & Safety Code Sections 25300 et seq.), the California Hazardous Waste Control Laws (California Health and Safety Code Sections 25100 et seq.), the California Porter-Cologne Act (California Water Code Section 13000 et seq.), and any and all amendments and regulations thereto, and any other federal, state, regional or local environmental statutory or regulatory provision;

(2) any Claims based on or arising out of or alleged to be arising out of the ownership, use, lease, sale, design, construction, maintenance or operation by Contractor of any facility;

(3) any Claims based on or arising out of or alleged to be arising out of the marketing, sale, distribution, storage, transportation, disposal, processing or use of any materials recovered by Contractor; and

(4) any Claims based on or arising out of or alleged to be arising out of any breach of any express or implied warranty, representation or covenant arising out of or in connection with this Agreement.

(C) The foregoing indemnity and defense obligations shall apply irrespective of the negligence or willful misconduct of Contractor or any Affiliate of Contractor.

(D) For purposes of this Agreement, the term "Hazardous Contaminant" shall mean any "hazardous material," as that term is defined under California Health & Safety Code Section 25501(o); any "hazardous substance," as that term is defined herein or under California Health & Safety Code Sections 25281(h), 25501(p), 25501.1 and under Title 42, Section 9601(14) of the United States Code; any "hazardous waste," as that term is defined herein and under Title 42, Section 6903(5) of the United States Code and under California Health & Safety Code Section 25501(q); any chemical which the Governor has identified as a chemical known to the State to cause cancer or reproductive toxicity pursuant to California Health & Safety Code Section 25249.8; any crude oil or refined or unrefined petroleum product or any fraction or derivative thereof; and any asbestos or asbestos-containing material. The term "Hazardous Contaminant" shall also include any and all amendments to the above-referenced statutory and regulatory provisions made before or after the date of execution of this Agreement.

(E) The provisions of this Section shall not terminate or expire, shall be given the broadest possible interpretation, and shall survive the expiration or earlier termination of this Agreement.

SECTION 27.
CONTRACTOR'S BOOKS AND RECORDS; AUDITS

27.1 Maintenance and Inspection of Records

Contractor shall maintain all records relating to the services provided hereunder, including but not limited to Customer lists, billing records, accounts payable records, maps, AB 939 compliance records, records reflecting the number of refuse, recycling and Green Waste routes and route hours by service category (such as residential, multi-family, commercial, roll-off, and special services), records demonstrating facilities, equipment and personnel used to perform services, records reflecting the number of refuse, recycling and Green Waste Containers in service by frequency of Collection for each customer group (such as single family, multi-family, commercial, roll-off); records reflecting the number of roll-off box pulls, and such other documents and materials which reasonably relate to Contractor's compliance with the provisions of this Agreement (the "Records"), for the full Term of this Agreement, and an additional period

thereafter of not less than three (3) years, or any longer period required by law. City shall have the right, upon five (5) business days advance notice, to inspect the Records. Such Records shall be made available to City at Contractor's regular place of business, but in no event outside the County of Los Angeles.

27.2 CERCLA Defense Records

City views the ability to defend against the Comprehensive Environmental Response, Compensation and Liability Act and related litigation as a matter of great importance. For this reason, the City regards the ability to prove where Solid Waste Collected in the City was taken for Disposal, as well as where it was not taken, to be matters of concern. Contractor shall maintain data retention and preservation systems which can establish where Solid Waste Collected in the City was landfilled (and therefore establish where it was not landfilled) for not less than five (5) years following the termination of this Agreement, and agrees to notify City's Risk Manager, City Clerk and City Attorney before destroying such records thereafter. At any time, including after the expiration of the Term hereof, Contractor shall provide copies of such records to City. The requirements of this Section shall survive the expiration of the Term of this Agreement.

27.3 Ongoing Compliance Review

City intends review Contractor's performance on an ongoing basis to ensure compliance with the terms and provisions of this Agreement, and it is City's intent that a designated portion of the Administrative Cost Reimbursement, as more fully described in Section 11.2, will be used to fund City's costs associated with ensuring Contractor's ongoing compliance. At a minimum, City intends to have internal staff or outside consultants annually review Contractor's performance to ensure ongoing compliance with the terms hereof, including, but not limited to, the payment of required fees, performance of the services stated herein, implementation of programs required under the Agreement, Contractor's maintenance and upkeep of records, and compliance with all Applicable Laws. Contractor shall provide any and all information reasonably requested by City in connection with its efforts to ensure compliance with the terms hereof, regardless of whether such information is specifically otherwise called out herein as an item that Contractor is required to maintain and provide to City.

27.4 Audits

27.4.1 Examination of Services

From time to time, anticipated to be at least once every other year, City may request Contractor to make available any or all of its records related to performance hereunder available to an independent auditor or examiner, to be selected by the City, for auditing and examination purposes (a "Discretionary Audit"). The first Discretionary Audit shall be performed in 2017 and shall be based on the Contractor’s reports and records through calendar year 2016. The scope of the Discretionary Audit and auditor or examiner will be determined by City and the scope may include, but is not limited to, compliance with terms of this Agreement, Customer service levels and Billing, fee payments, Gross Receipts, tonnage, and verification of diversion rates. Except as otherwise provided herein, City shall bear the cost of any Discretionary Audit

above the Contractor Audit Reimbursement (defined below). Should any Discretionary Audit reveal an underpayment of any Franchise Fee required pursuant to this Agreement, the amount of such underpayment shall become due and payable to City not later than fifteen (15) days after written notice of such underpayment is sent to Contractor by City, complete with any additional late charges as set forth herein.

Contractor shall reimburse City for the costs of a Discretionary Audit as follows ("Contractor Audit Reimbursement"): (1) sixty thousand ($60,000) for the first Discretionary Audit, and (2) forty thousand ($40,000) for each subsequent Discretionary Audit [adjusted annually by the change in CPI as calculated under Section 24.3]. If a Discretionary Audit reveals inaccuracies or inconsistencies in more than five percent (5%) of all Customer accounts, either with Contractor's operations or billing systems, or an underpayment of Franchise Fees of more than three percent (3%), Contractor shall bear the entire cost of such Discretionary Audit, including any additional audit costs associated with, to the extent deemed necessary by City, expanding the scope of the Discretionary Audit.

27.4.2 Route Audit

Contractor shall complete an audit at its expense of its Collection routes for all Customers at Residential and Commercial Premises at such times as may be requested by City; provided, however, that while City may request that such an audit occur at any time, it may not request such audits at Contractor's expense more than 7 times during the Term. The timing of such audits is at the City's discretion and may be required to be timed with the issuance of a request for proposals for a new agreement. The route audit, at minimum, shall consist of an independent physical observation by Person(s) other than the route driver or route supervisor of each Customer in the City. The route audit shall include, as a minimum, the following information for each account:

- Route Number;
- Truck Number;
- Account Name;
- Account Number;
- Account service address;
- Service Level per Billing System (quantity, size, frequency);
- Service Level per Routing System;
- Observed Containers (quantity, type and size);
- Serial number (or other coding if acceptable to the City Manager) identifying each Cart and its associated service address;
- Bin condition;

- Proper signage; and
- Graffiti.

Within thirty (30) days after the completion of the route audit, Contractor shall submit to City a report summarizing the results thereof which shall include:

- Identification of the routes;
- Truck numbers;
- Number of accounts, by route and in total;
- Number of Containers (broken down by type) per service address, per route and total number of Containers;
- Types of exceptions observed;
- Number of exceptions by type;
- Total monthly Billing, pre-audit;
- Total monthly Billing, post-audit (subsequent to corrections of identified exceptions);
- Percentage of the number of accounts with errors to the total number of accounts served; and
- Percentage of the "net" change in monthly Billing as a result of the audit to the total pre-audit monthly Billing.

The report shall include a description of the procedures followed to complete the audit, and shall include the names and titles of those supervising the route audits and the name and titles of those performing the observations. Additionally, the report shall include a description of the pre-audit training of the route auditors, particularly if temporary personnel are used. The report shall also include a description of the changes and Contractor's plans to resolve any exceptions. The route audit data and results of the audit shall be available for review by the City or its representative.

SECTION 28.
TRANSITION OBLIGATIONS

At the end of the Term, or in the event this Agreement is terminated for cause prior to the end of the Term, Contractor shall cooperate fully with City and any subsequent solid waste enterprise it designates to assure a smooth transition of services. Contractor's cooperation shall include, but not be limited to, providing route lists, billing information and other operating records needed to service all premises covered by this Agreement. The failure to cooperate with City following termination shall be conclusively presumed to be grounds for specific performance of this covenant and/or other equitable relief necessary to enforce this covenant.

Contractor shall provide any new solid waste enterprise with all keys, security codes and remote controls used to access garages, gates and bin enclosures. Contractor shall be responsible for coordinating transfer immediately after its final collection activities, so as to not disrupt services, including coordinating with the new solid waste enterprise on the removal of Contractor's Containers and the delivery of the new solid waste enterprise's Containers. Contractor shall provide City with detailed route sheets containing service names and addresses, billing names and addresses, monthly rate and service levels (number and size of containers and pickup days) at least 90 days prior to the transition date, provide an updated list two weeks before the transition, and a final updated list with any changes the day before the transition. Contractor shall provide means of access to the new solid waste enterprise at least one full business day prior to its first day of collection, and within sufficient time so as to not impede in any way the new solid waste enterprise from easily servicing all Containers.

SECTION 29.
GENERAL PROVISIONS

29.1 Force Majeure

Contractor shall not be in default under this Agreement in the event that its ability to provide Solid Waste Handling Services or Temporary Services, in compliance with its obligation to do so hereunder, is temporarily interrupted or discontinued for any of the following reasons: riots, wars, sabotage, civil disturbances, insurrections, strikes or other labor disturbances lasting five (5) days or less, explosion, natural disasters such as floods, earthquakes, landslides, and fires, or "other catastrophic events" which are beyond the reasonable control of Contractor. The term "other catastrophic events" does not include: (i) the financial inability of Contractor to perform; (ii) failure of Contractor to obtain any necessary permits or licenses from other governmental agencies; (iii) the failure to obtain the right, or the loss of the right, to use the facilities of any public utility where such failure is due in substantial part to the acts or omissions of Contractor; or (iv) strikes or other labor disturbances lasting longer than five (5) days.

29.2 Independent Contractor

Contractor is an independent contractor and not an officer, agent, servant, or employee of City. Contractor is solely responsible for the acts and omissions of its officers, agents, employees, and subcontractors, if any. Nothing in this Agreement shall be construed as creating a partnership or joint venture between City and Contractor. Neither Contractor nor its officers, employees, agents, or subcontractors shall obtain any rights to retirement or other benefits which accrue to City employees.

29.3 Pavement Damage

Contractor shall be responsible for the cost of repair of any extraordinary damage to the public streets located within the City resulting from providing the services required hereunder.

29.4 Property Damage

Any physical damage caused by the negligent or willful acts or omissions of employees, agents, or subcontractors of Contractor to private or public property shall be promptly repaired or replaced at Contractor's expense.

29.5 Right of Entry

Contractor shall not have the right, until Contractor receives permission from the property owner, to enter or drive on any private street, court, place, easement, or other private property for the purpose of providing Temporary Services and/or Solid Waste Handling Services pursuant to this Agreement.

29.6 Law to Govern; Venue

The laws of the State of California shall govern this Agreement. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Los Angeles.

29.7 Amendment

This Agreement is intended to carry out City's obligations to comply with the provisions of AB 939 and AB 341, as implemented by regulations of CalRecycle, as they from time to time may be amended. In the event that, after the Effective Date of this Agreement, AB 939 or AB 341 is amended, or other state or federal laws or regulations are enacted and prevent or preclude compliance with one or more provisions of this Agreement, such provisions shall be modified or suspended as may be necessary to comply with such state or federal laws or regulations. Except as otherwise expressly stated herein, no other amendment of this Agreement shall be valid unless it is in writing and duly executed by the parties.

29.8 Notices

All notices required or permitted to be given under this franchise shall be in writing and shall be personally delivered or sent by United States certified mail, postage prepaid, return receipt requested, and addressed as follows:

To City: City of Huntington Park
Attn: City Manager
6550 Miles Avenue
Huntington Park, CA 90255

To Contractor: United Pacific Waste
Attn: Michael Kandilian, CEO
4320 San Gabriel River Parkway
Pico Rivera, CA 90660

or to such other address as either party may from time to time designate by notice to the other given in accordance with this Section. Notice shall be deemed given on the date served if served personally between the hours of 8:00 a.m. to 5:00 p.m. on any regular business day for City's

business offices. If mailed, notice shall be deemed given three (3) business days from the date such notice is deposited in the United States mail in the manner proscribed above.

29.9 Savings Clause

If any non-material provision of this Agreement is for any reason held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and enforceability of any of the remaining provisions of this Agreement.

29.10 Exhibits Incorporated

Exhibits A through D are attached to and incorporated in this Agreement by reference.

29.11 Joint Drafting

This Agreement shall be interpreted as if it were drafted jointly by the parties to the Agreement.

29.12 Attorneys' Fees and Litigation Costs

In the event either party brings any action or proceeding to enforce or interpret the terms or provisions of this Agreement, the prevailing party in any such action or proceeding shall be entitled to recover its reasonable attorneys' fees and other litigation costs and expenses, including without limitation expert witness fees, consultant fees and costs. Without limiting its scope in any way, this provision is expressly intended to, and shall, apply to fees and costs incurred in any appeal.

29.13 City's Authorized Agent

Notwithstanding anything contained herein to the contrary, and excepting amendments hereto and such actions set forth herein specifically calling for City Council action or approval, the City Manager is designated as the City's authorized agent to take any action with regard to any matter, or enforce any right, set forth herein requiring action by the City.

29.14 Integrated Agreement

This Agreement contains the entire integrated agreement and understanding concerning the subject matter herein and supersedes and replaces any prior negotiations, promises, proposals, and agreements between the Parties, whether written or oral. The Parties acknowledges this document has been executed with the consent and upon the advice of counsel. Each of the Parties acknowledges that no party or agent or attorney of any other party has made any promise, representation, or warranty, express or implied, not contained in this Agreement, to induce the other party to execute this instrument.

29.15 Section Headings

The section headings in this Agreement are for convenience of reference only and are not intended to be used in the construction of this Agreement nor to alter or affect any of its provisions.

29.16 Compliance with Law

In providing the services required under this Agreement, Contractor shall at all times, at its sole cost, comply with all Applicable Laws, including the laws and regulations of the United States, the State of California, the provisions of the Municipal Code, and any federal, state, regional or local administrative and regulatory agencies, now in force and as they may be enacted, issued or amended.

"City"

CITY OF HUNTINGTON PARK

By: _____
Rosa E. Perez, Mayor

ATTEST:

By: _____
~~Rocio Martinez, Acting City Clerk~~
Yesenia Gomez, Jr. Deputy City Clerk

APPROVED AS TO FORM:

By: _____
A. Patrick Muñoz, Special Counsel

"Contractor"

United Pacific Waste

By: _____

Its: CEO

EXHIBIT A

MAXIMUM RATE SCHEDULE FOR SOLID WASTE HANDLING SERVICES

Residential Cart Service

Service Category	Rate Per Month	
	New Carts	Refurbished Carts
Standard Rate Per Dwelling Unit	$16.59	$15.34
Senior Rate Per Dwelling Unit (20% reduction)	$13.27	$12.27
Additional Refuse Cart	$6.50	$5.25
Additional Recycling Cart	$0	$0
Additional Green Waste Cart	$0	$0
Walk-Out Service for Disabled Customers	$0	$0
Walk-Out Service for Other Customers	$30.00	$30.00
For Each Bulky Item in excess of four (4) price per item	$25.00	$25.00

Commercial Services

Monthly Bin Rates							
Container Size/Type	Pickups per week						
	1	2	3	4	5	6	7
Outside of District 1 - Refuse							
96-gallon cart	$47.08	$70.00	$94.00	$118.00	$141.00	$183.00	$275.00
1 yd bin	$104.00	$108.00	$122.00	$136.00	$160.00	$254.00	$454.00
1.5 yd bin	$103.74	$190.59	$237.67	$298.04	$351.11	$432.50	$514.44
2 yd bin	$122.55	$207.44	$255.22	$317.93	$396.96	$475.79	$559.63
3 yd bin	$140.84	$225.96	$276.19	$345.23	$426.79	$515.47	$604.18
3 yd w/compactor	$300.00	$450.00	$600.00	$750.00	$900.00	$1,050.00	$1,250.00
4 yard bin	$159.79	$242.71	$298.66	$372.78	$459.32	$552.73	$646.18
4 yd w/compactor	$400.00	$550.00	$750.00	$900.00	$1,050.00	$1,150.00	$1,325.00
6 yard bin	$214.21	$302.46	$456.18	$594.82	$732.56	$870.32	$1,008.12
District 1 - Refuse							
96-gallon cart	$47.08	$76.00	$99.00	$123.00	$146.00	$188.00	$295.00
1 yd bin	$106.58	$118.00	$132.00	$146.00	$174.00	$268.00	$468.00
1.5 yd bin	$105.76	$195.00	$244.00	$298.00	$350.00	$435.00	$550.00
2 yd bin	$127.96	$194.71	$255.23	$325.00	$395.00	$475.00	$590.00
3 yd bin	$159.23	$205.40	$225.48	$269.37	$319.41	$391.50	$463.60
3 yd w/compactor	$350.00	$500.00	$650.00	$800.00	$950.00	$1,100.00	$1,350.00
4 yd w/compactor	$450.00	$600.00	$800.00	$950.00	$1,100.00	$1,200.00	$1,295.00
City-Wide							
Locking Bin Service	$3.78	$3.78	$3.78	$3.78	$3.78	$3.78	$3.78
Organics – 65-gal cart	$28.00	$56.00	$84.00	$112.00	$140.00	$168.00	$196.00

EXHIBIT A – REBALANCED RATES

MAXIMUM RATE SCHEDULE FOR SOLID WASTE HANDLING SERVICES
(CONTINUED)

Commercial Services (continued)

Service	Rate
Green Waste – 96-gallon cart (multi-family dwellings receiving bin service) *rate includes collection frequency of once per week*	$14.00/month
Extra Refuse Bin Pickups (standard and compactor)	
1 through 3 cubic yard bin	$45.63/pickup
4 cubic yard	$53.25/pickup
6 cubic yard	$76.06/pickup
Temporary 3-Yard Bin Service (delivery, dump, seven day rental)	$110.00/dump
Temporary Bin Rental per day beyond 7 without a pull	$7/day
Extra Bin Cleanings or Exchange beyond one per year (requested by City or Customer)	$45/cleaning or exchange
Restart Fee	$45
Bulky Items	$25/item

Roll-Off Box Services

Service Category	Rate
Pull Rate (includes 6 tons processing/disposal, delivery, and seven-day rental)	
- Standard Roll-Off Box	$495.00
- Low Boy Roll-Off Box	$495.00
- Compactor (all sizes)	$495.00
Per Ton Over 6 Tons	$56.00/ton
Roll-Off Box Rental per day beyond 7 without a pull	$10/day
Roll-Off Box Trip Charge (dry run, relocation)	$80/trip

EXHIBIT B

CONTAINER/BIN SPECIFICATIONS

- Contractor's Container specifications shall be consistent with the specifications submitted by Contractor to City for the City's Request for Proposal for Solid Waste Handling Services. All Containers utilized by Contractor shall meet the standards of the industry and shall perform to the reasonable satisfaction of the City Manager in order to be utilized in City. Container sizes specified within this Agreement may vary by manufacturer type and specifications up to 10% more or less in volume than that identified.

- Each Refuse, Green Waste and Recycling Cart utilized by Contractor shall be labeled on the inside in English and Spanish and with graphics so as to: (1) explain/depict the items for which it is designated to Collect, and (2) identify the name of Contractor and Contractor's phone number for service related issues, including complaints. In addition, each such Cart shall include information, in a format acceptable to City (such as hot stamping or stickers), regarding Contractor's Bulky Item service, and a phone number that Customers can call to access such service.

- The body of Refuse Carts shall be a uniform brown color, Recycling Carts shall be a uniform blue color and Green Waste Carts shall be a uniform green color.

- Any Cart distributed by Contractor in City after the Effective Date shall be newly manufactured and have never previously been used for the Collection of Solid Waste unless the City Council agrees to the option offered by Contractor to use refurbished Carts ("Refurbished Carts") manufactured by OTTO Industries, Inc. Refurbished Carts shall have at least a ten (10) year warranty commencing as of the date the Cart is delivered to each Customer. Refurbished Carts shall perform to the satisfaction of the City Manager. The City Manager shall have until September 2, 2014 to notify Contractor of City Council's intent to exercise the option to use Refurbished Carts. If City exercises the option to use Refurbished Carts, the maximum rate for Residential Cart Service shall be reduced by $1.25/month as set forth on Exhibit A.

- All Carts distributed pursuant to this Agreement shall have an identifying serial number hot stamped into the Cart body, or otherwise have an individual identification demarcation affixed to the Cart in a manner acceptable to the City Manager. Contractor shall keep current, and provide to City at the times set forth in this Agreement, a list of each address to which a Cart has been distributed and the serial number (or other acceptable identification) of all Carts at each such address.

- Upon request of any Customer, Contractor shall provide Bins with lids that close securely and which are capable of being locked at rates that do not exceed those set forth in Exhibit A.

EXHIBIT C

FACILITIES TO BE USED FOR DISPOSAL AND PROCESSING

Contractor shall use the following facilities for the processing, transfer, and/or disposal of all material collected under this Agreement, and shall obtain written advance approval from the City Manager prior to using alternative sites:

Puente Hills Materials Recovery Facility (MRF) – 2808 Workman Mill Road, Whittier, CA 90601

Downtown Diversion – 2424 E. Olympic Blvd., Los Angeles, CA 90021

Southeast Resource Recovery Facility (SERRF) – 120 Pier S. Avenue, Long Beach, CA 90802

Commerce Refuse-to-Energy Facility – 5926 Sheila Street, Commerce, CA 90040

Attachment “B”

(See attached Scope of Work)

United Pacific Waste
& Recycling Services

November 24, 2014

Mr. Julio Morales
City of Huntington Park
6550 Miles Ave
Huntington Park, CA 90255

Subject: *Proposal for Refuse Service*
Service Address: *Pacific Blvd., Huntington Park*

Dear Mr. Morales:

In accordance with our discussion, I am pleased to present my proposal to serve your waste management needs.

The owners of United Pacific Waste (UPW) have been serving the waste collection and recycling needs of the Greater Los Angeles area for almost 100 years. During its long history, the company has earned a reputation for providing extraordinary services at fair market prices. UPW has the proven ability to meet and exceed the needs and expectations of our customers. The company maintains a large fleet of radio dispatched vehicles to assure prompt response to extraordinary service needs.

If I am able to earn your business, I pledge to provide consistent, personal attention to your account and insure the highest level of quality service.

Our proposed service fees are as follows:

Current Service to be Provided

Qty.	Container Size	Service Level	Trash/Recycling	Monthly Rate
139	Street Side Litter Cans	7 x Week Twice Per Day	Trash	$16,680.00/month

Big Belly/Smart Belly Compactors

Qty.	Container Size	Service Level	Trash/Recycling	Monthly Rate
25	Street Side Litter Cans BigBelly/SmartBelly compactors	7 x Week Once Per Day	Trash/Recycling	$2,450.00/month

I will consider it a privilege to serve your account. If you have questions, please feel free to call me at (562) 699-7600 extension 101.

Cordially,

Michael Kandilian
Chief Executive Officer

P.O. Box 908 • Pico Rivera, CA 90660
Phone: 562•699•7600 • Fax: 562•699•7665
Website: www.upwrs.com

CITY OF HUNTINGTON PARK

Public Works Department
City Council Agenda Report

December 15, 2014

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

APPROVE SECOND AMENDMENT TO AGREEMENT WITH ADMINISTRATIVE SERVICES COOPERATIVE, INC. FOR DIAL-A-RIDE SERVICES

IT IS RECOMMENDED THAT THE CITY COUNCIL:

1. Approve Second Amendment to Agreement with Administrative Services Cooperative, Inc. for Dial-A-Ride services; and

2. Authorize the Interim City Manager to execute the agreement.

BACKGROUND

The City has contracted Administrative Services Cooperative, Inc. since 2009 to provide Dial-A-Ride services to senior citizens and persons with disabilities who live Huntington Park. In order to provide continuity of this valuable community service, it is recommended that the City exercise its option to renew the agreement for an additional three-year term, as provided in the original agreement. The current agreement expires in June 2015. All other terms of the agreement will remain intact.

FISCAL IMPACT/FINANCING

The amendment to the agreement will not change the existing financial terms. Dial-A-Ride services will continue to be entirely funded with Proposition A funds.

CONCLUSION

Upon approval, the Interim City Manager will execute the amendment to the agreement with Administrative Services Cooperative, Inc. for Dial-A-Ride services.

Respectfully submitted,

JULIO MORALES
Interim City Manager

ATTACHMENTS

A. Second Amendment to Agreement with Administrative Services Cooperative, Inc.

2014
SECOND AMENDMENT
TO DIAL-A-RIDE SERVICES AGREEMENT
(Engagement: Dial-A-Ride Services)
(Parties: City of Huntington Park and Administrative Services Cooperative, Inc.)

THIS SECOND AMENDMENT TO DIAL-A-RIDE SERVICES AGREEMENT (the "Second Amendment") to that certain document entitled "Dial-A-Ride Services Agreement" (the "Master Agreement") executed as of July 20, 2009, by and between the City of Huntington Park, a municipal corporation (hereinafter, "City") and Administrative Services Cooperative, Inc. (hereinafter, "Contractor") is made and entered into this **15th day of December 2014**. For the purposes of this Second Amendment, City and Contractor may be referred to collectively by the capitalized term "Parties." The capitalized term "Party" may refer to City or Contractor interchangeably.

RECITALS

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

WHEREAS, on or about July 20, 2009, the Parties executed and entered into the Master Agreement which is attached hereto as Exhibit "A"; and

WHEREAS, on or about August 16, 2010, the Parties executed and entered into the First Amendment which is attached hereto as Exhibit "B"; and

WHEREAS, the City desires to continue the subject contract services for an additional three (3) years, as permitted under Section 18 of the Master Agreement; and

WHEREAS, Contractor has represented to City that it has the requisite skill and experience to safely and competently perform the desired contract services within the City; and

WHEREAS, an amendment is permissible pursuant to Section 22 of Master Agreement, provided that it is in writing and executed by both Parties; and

WHEREAS, the execution of this Second Amendment was approved by the Huntington Park City Council at its Regular Meeting of December 15, 2014.

NOW, THEREFORE, in consideration of the mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

1. Section 18 (Term) is amended in part to read as follows: The Term of the Master Agreement is hereby extended for an additional three (3) years – commencing on July 21, 2015 and expiring on July 21, 2018.

2. Except as otherwise set forth in this Second Amendment and the First Amendment, the Master Agreement shall remain binding, controlling and in full force and effect. This Second Amendment along with the First Amendment and the Master Agreement shall constitute the entire, complete, final, and exclusive expression of the Parties with respect to the matters addressed in both documents.

3. The provisions of this Second Amendment shall be deemed a part of the Master Agreement and except as otherwise provided under this Second Amendment, the Master Agreement and all provisions contained therein shall remain binding and enforceable. In the event of any conflict or inconsistency between the provisions of this Second Amendment and the provisions of the Master Agreement, the provisions of this Second Amendment shall control, but only in so far as such provisions conflict with the Master Agreement and no further.

4. This Second Amendment shall be executed in three counterparts, with one such fully executed counterpart returned to Contractor upon execution.

IN WITNESS THEREOF, the Parties hereto have caused this Second Amendment to the Master Agreement to be executed on the day and year first appearing above.

CITY OF HUNTINGTON PARK:

By:_____
Julio Morales, Interim City Manager
City of Huntington Park

Date: _____

ADMINISTRATIVE SERVICES COOPERATIVE, INC.:

By:_____

Date: _____

APPROVED AS TO FORM:

By:_____
Isabel Birrueta, City Attorney

Date: _____

Attachment “A”

(See attached Master Agreement)

DIAL-A-RIDE SERVICES

This agreement ("Agreement") is made and entered into this 20th day of July 2009, between the CITY of Huntington Park, a municipal corporation (hereinafter referred to as the "CITY"), and Administrative Services Cooperative, Inc., a California corporation (hereinafter referred to as "CONTRACTOR").

RECITALS

Whereas, CITY desires to provide Dial-A-Ride services to the eligible elderly (sixty-two (62) years and older) and persons with disabilities who reside in Huntington Park; and

Whereas, CONTRACTOR operates a transportation service and is, therefore, capable of providing the Dial-A-Ride service; and

Whereas, CONTRACTOR has submitted a proposal for the performance of the services above described and warranted to CITY that it is possessed of the requisite skills needed in order to complete said services; and

Whereas, CITY has accepted the proposal submitted by CONTRACTOR and authorized the award of the Contract to CONTRACTOR.

AGREEMENT

Now, therefore, CITY and CONTRACTOR agrees as follows:

1. Contract Administrator: The City Council of the City of Huntington Park authorizes the City Manager or his authorized representative ("City Administrator") to administer this Agreement on behalf of the CITY. CONTRACTOR's designated representative shall administer this Agreement on behalf of CONTRACTOR, and shall have the authority to bind CONTRACTOR.

CITY OF HUNTINGTON PARK CITY CLERK 2009 AUG 11 PM 3:37

2. Project Description – General: CONTRACTOR shall perform the services described by CITY in its Request for Proposal (attached hereto as Exhibit "A" and fully incorporated herein by this reference) and in CONTRACTOR's response (attached hereto as Exhibit "B" and fully incorporated herein by this reference). CONTRACTOR will pick up and transport eligible passengers upon telephone request 24 hours a day, seven days a week (including holidays) within the stated geographic boundaries as identified in Exhibit "C" of this agreement, for a set CITY subsidized fare as set forth in Section 3 herein.

3. Service to be performed by CONTRACTOR: Services to be performed by CONTRACTOR under this Agreement shall be as follows:

   a. Accept telephone requests from any eligible rider referencing their program identification number for Dial-A-Ride service and dispatch a vehicle to the

pick-up location. The vehicle shall arrive at the pick-up location within 20 to 30 minutes from the time the telephone request was received by CONTRACTOR.

b. Days and Hours of Operation: CONTRACTOR shall provide reservations and rider services twenty-four (24) hours per day, seven (7) days per week including holidays.

c. Response Time: A Dial-A-Ride vehicle will arrive during a ten-minute "response window" that starts five (5) minutes after the customer calls. CONTRACTOR agrees that most vehicles shall arrive for customer pick-up within five (5) to fifteen (15) minutes from the time the initial call was made.

d. To maximize service efficiency and productivity, CONTRACTOR shall offer the following options for residents to reserve a trip:

   1. Reservation Service: Patrons may reserve a trip up to two (2) weeks in advance, specifying the time of pick-up and destination for a one-time only trip.

   2. Subscription Service: Patrons may schedule a standing pick-up for the same time daily or weekly. CONTRACTOR shall maintain a list of said appointments at its dispatch facility. In the event of contact termination said list shall be provided to CITY.

e. Swipe Cards: CONTRACTOR will propose and maintain a swipe card system which shall be used to identify the customer and generate billing for each trip. The cost of the swipe card system shall be built into CONTRACTOR's administrative costs charge, discussed below. CONTRACTOR understands and agrees that it shall not collect or request cash fares from Dial-A-Ride passengers.

f. CITY Dial-A-Ride customers shall pay a set fare per trip, as determined by the CITY or a program coupon. CONTRACTOR will invoice the CITY at each trip at the rate of $2.65 for the first 1/7 mile (flag drop), $2.45 each additional mile, and $26.53 per hour of wait time or traffic delay. In addition, a 15% administrative costs charge shall be added to all customer fares per trip.

g. Complaints: All complaints must be responded to by the CONTRACTOR within one week of the time the complaint is received. The response should be a form, which specifically addresses the complaint and explains the reason for the events, which precipitated the complaint. A copy of each complaint and any letter sent by CONTRACTOR in response to complaints must be sent to the City Administrator.

h. CONTRACTOR shall gather ridership data and report such information to the City Administrator on a monthly basis. The type of data to be collected and reported shall conform to the requirements set forth in Exhibit "A" and include the data and information obtained from the swipe cards.

i. Dedicated Telephone Line: CONTRACTOR shall provide a toll-free dedicated telephone number for use by Dial-A-Ride customers.

j. Vehicles, Maintenance, Appearance/Inspections:

1. Vehicles: It shall be CONTRACTOR's responsibility to maintain and operate all participating vehicles at its sole cost and expense, and CONTRACTOR shall pay all costs relating to maintenance, insurance, fuel, taxes, fringe benefits, licensing, dispatching, radio equipment, training, supervision, management, service monitoring, and vehicular accident reporting. All such liability shall be the sole responsibility of CONTRACTOR. Taxis shall have a taximeter with a current approval and inspection by the Department of Weights and Measures. Taxis must incorporate swipe card technology and CONTRACTOR agrees that it shall bear all costs for installation and maintenance of such devices. CONTRACTOR shall assure that participating vehicles meet all applicable codes and laws.

2. Appearance: All "in-city" Dial-A-Ride taxi vehicles shall be uniform in appearance and have the "Fiesta Taxi" logo and color scheme. For return medical trips outside of CITY, other ASC Co-op vehicles can be used. All Dial-A-Ride taxi vehicles shall be cleaned daily prior to each vehicle service day and shall be kept clean throughout the day. Vehicle exteriors shall be washed not less than once per week, and after any rain or other circumstances that compromise the vehicles' clean appearance. Floors shall be free of stains, paper or other debris, gum or other sticky substances. Windows shall be free of dirt, dust smudges, hands or fingerprints, exterior and interior. Dashboards, wheel wells, rails and ledges shall be kept clean, dirt and grease free. Seating areas shall be kept clean and in good repair with attention paid to cleaning upholstery on a regular basis. Wheelchair lifts shall be kept clean and in good repair.

CITY reserves the right to remove from service any vehicle that does not meet its appearance and cleanliness standards.

k. Upon receipt of notice from CITY, the CONTRACTOR shall promptly correct any deficiency in CONTRACTOR's performance of this Agreement.

4. <u>Service to be performed by the CITY</u>: In connection with the service and this agreement, the CITY shall:

a. Set public fares for the service.

b. Materials: The CITY shall provide the participants with the following program materials as necessary for the appropriate implementation of the program.

1. The CITY may in its discretion sell program coupons to eligible passengers to use for payment to CONTRACTOR's drivers in lieu of cash. The CITY is responsible for determining the documentary proof necessary to prove eligibility for purchase of coupons. CONTRACTOR acknowledges and agrees that it shall be the sole responsibility of CONTRACTOR to print and pay for the printing costs of all required coupons.

2. Brochures, fliers, and other documents necessary for the advertisement of the program.

5. Exclusivity: During the term of this Agreement, and to the extent permitted by law, CONTRACTOR shall have the exclusive right to operate the Dial-A-Ride service. CITY shall not enter into any agreement with any other person or entity for the operation of a similar system without the prior written consent of CONTRACTOR.

6. Changes: The CITY reserves the right to order an increase or decrease in the level of service provided with written notice. CONTRACTOR is required to make changes as requested within thirty (30) calendar days of the receipt of notice. If CONTRACTOR cannot or will not make the requested changes, or if costs for the changes cannot be agreed upon, CITY shall have the right to cancel this Agreement.

7. Compensation and Method of Payment: The CITY shall pay CONTRACTOR for services at the approved rate in effect at the time services are provided under this agreement, pursuant to the Price Proposal submitted by CONTRACTOR (attached hereto as Exhibit "D").

a. Payment Process: CONTRACTOR shall submit invoices to CITY no later than the 20th of the month for service provided the previous month. Invoices and required documentation will be on forms approved by CITY and will be accompanied by valid and fully filled out Trip Tickets listed on the invoice. Invoices submitted in a timely manner with all required documentation will result in payment in thirty (30) calendar days to CONTRACTOR. If the CITY disputes any items on an invoice, it may deduct that disputed item from payment until the dispute is resolved; CITY shall not, however, delay payment for undisputed portions of the invoice.

b. Fare and Tipping Policies: Drivers shall not solicit tips or other forms of gratuities. CONTRACTOR shall develop a plan to insure that this policy is

adhered to, including conducting on-board sting investigations. CONTRACTOR shall also have a policy that drivers will automatically be terminated from the program for soliciting tips.

8. Reporting Requirements:

a. Budget: The CONTRACTOR shall receive an annual budget from the CITY. This annual budget is the total funding available for all aspects of the program and services. The CONTRACTOR may not exceed the annual budget without prior written approval by the CITY. The CONTRACTOR must advise the CITY as to status of ridership and related expenses on a monthly basis, and must be included with the billing submitted to the CITY. Included in each monthly billing to the CITY must be statistics such as monthly ridership and year-to-date expenses. The CONTRACTOR shall also meet with the CITY as determined by either entity to review and discuss budget or related matters in order to see that the annual budget is not exceeded.

b. Submittals: CONTRACTOR shall submit all reporting documents required at the frequency established by CITY. These shall include, but not be limited to: monthly statistical reports submitted with monthly invoicing, driver's logs and office logs for dates requested for the purpose of documenting on time performance standards. CONTRACTOR shall also submit written reports on an irregular basis as requested by CITY for specific purposes. If required, CONTRACTOR shall provide a Federal Transit Administration National Transit Database Report (Formerly known as Section XV) to the Metropolitan Transportation Authority (MTA). CONTRACTOR shall be liable for the cost of any funding penalties due to the failure to comply with the reporting requirements.

c. Daily Records: Dispatch for CONTRACTOR shall also keep records of pick-up request orders taken. A "trip ticket" for each order shall include the caller's name, telephone number, pick-up and drop-off address, time the call was received, and time the call was dispatched.

d. Monthly Summaries: A monthly summary shall be attached to the CONTRACTOR's billing invoice and shall include, but is not limited to, the following: Passenger data by fare category or trip type; total vehicle miles and revenue miles; total vehicle hours and revenue hours; passenger per hour; miles per passenger fares collected; no shows and cancellations; response to passenger complaints; accidents or incident investigation findings. Information shall be broken down by day.

e. Incident Reports: Drivers shall be required to complete "incident reports" after any out of the ordinary occurrence during service. Such reports must be submitted for CITY review within 48-hours and should be submitted after

such incidents as disputes with or between passengers, passenger injury or accidents (during boarding or on-vehicle), and passenger misconduct or complaints.

f. Vehicle Accidents: CONTRACTOR shall have sole responsibility, at its own expense, for repair of Dial-A-Ride vehicles damaged in a vehicular accident. CITY shall retain the right of accident investigation as it sees fit; and may request drug/alcohol screening of a driver found to be at fault under specific circumstances.

g. Patron Complaints: CITY and CONTRACTOR shall investigate and document all complaints or citizen concerns as a part of program administration by collecting as much pertinent information regarding the complaint as possible from the complaining party. CITY may require complaint investigation on the part of CONTRACTOR. CITY reserves the right to exclude any of CONTRACTOR's employees or drivers from participating in the program due to findings relating to a complaint or service issue.

h. Retention/Review of Records: The CONTRACTOR will maintain all records pertaining to the services performed under this Agreement for a period of three (3) years. The CONTRACTOR shall make its records pertaining to this Agreement available to the CITY upon request during regular business hours either for inspection or audit.

9. Independent Contractor: CONTRACTOR is and at all times shall remain as to CITY a wholly independent CONTRACTOR. CONTRACTOR shall not at any time or in any manner become, represent that it or any of its principals or employees have become, officers, employees or agents of CITY. CONTRACTOR shall comply with all applicable provisions of the Workers' Compensation Act and Labor Code of the State of California. CONTRACTOR shall not have any claim or right to any benefits or privileges available to any employee of CITY such as health insurance and any other similar benefit or benefits.

10. Permits, Fees and Licenses: CONTRACTOR shall obtain at its sole cost and expense and licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. CONTRACTOR shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the CONTRACTOR 's performance of the services required by this Agreement, and shall indemnify, defend and hold harmless CITY against any such fees, assessments, taxes penalties or interest levied, assessed or imposed against CITY hereunder. CONTRACTOR shall provide CITY with proof of licenses, permits and approvals as may be required by law and this Agreement and which are necessary to perform the services described herein.

11. Insurance: During the term of this agreement, CONTRACTOR shall procure and maintain the following insurance from a company acceptable to CITY as described below:

a. Comprehensive general liability insurance with a combined single limit of not less than $1,000,000.00 per occurrence.

b. Worker's Compensation insurance with the State of California's statutory limits and employer's liability insurance with limits of not less than $1,000,000.00 per accident. Worker's Compensation shall cover all CONTRACTOR's employees and any of its independent contractor drivers.

c. Commercial Automobile liability insurance with a combined single limit of not less than $500,000.00 per occurrence. Such insurance shall:

1. Include coverage of all vehicles used in this service.
2. Name CITY, its elected and appointed officials, officers, employees, and agents as additional insured.
3. Be primary for all purposes.
4. Contain standard cross-liability provisions.

CONTRACTOR shall add CITY, its officers, employees and agents as additional insured on any policy of insurance required under this Agreement. CONTRACTOR shall provide CITY with evidence of the insurance required herein, satisfactory to CITY, consisting of certificates of insurance that attach separate additional insured endorsement pages which will state the City of Huntington Park, its officers, employees, and agents as additional insureds. CONTRACTOR shall provide CITY with evidence of the insurance required herein at least fifteen (15) days prior to the commencement of services. Such policies shall provide that they may not be cancelled without at least thirty (30) days' written notice to the CITY.

Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only and is not intended by any party to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. CITY reserves the right to modify required insurance coverage features, including but not limited to, policy types, additional insureds, and limits, in order to conform to and be consistent with risk management analyses and assessments. CITY shall notify CONTRACTOR in writing at least thirty (30) days in advance of any required insurance coverage modification.

If CONTRACTOR, for any reason, fails to maintain insurance coverage, which is required pursuant to this Agreement, the same shall be deemed a material breach of contract. CITY, at its sole option, may forthwith terminate this agreement and obtain damages from the CONTRACTOR resulting from said breach; alternatively, CITY

may purchase such required insurance coverage, and without further notice to CONTRACTOR, CITY may deduct from sums due to CONTRACTOR to pay any premium costs needed to maintain insurance during performance.

CONTRACTOR agrees to provide immediate notice to CITY of any claim or loss against CONTRACTOR that includes CITY as a defendant. CITY assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve CITY.

12. Worker's Compensation. CONTRACTOR certifies that it is aware of the provisions of the labor Code of the State of California which requires every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that code, and it certifies that it will comply with such provisions before commencing the performance of the work of this agreement.

13. Driver Qualifications. CONTRACTOR must have a personnel program, which includes recruitment, hiring, training and performance review. All drivers shall be legally licensed to operate a taxi and pass a fingerprint background check as established by the CITY's Business License requirements. Drivers must have a satisfactory Department of Motor Vehicles record. Drivers must receive sensitivity and safety training. Drivers are to be alert, clean, careful, courteous and competent in their driver skills. Drivers shall wear a uniform consisting of blue or black pants, white shirt and closed-toed shoes and name badge (this may be modified to reflect CONTRACTOR's standard uniform).

14. Mediation. The parties hereto shall mediate any dispute or controversy arising under this agreement, or in connection with any of the terms and conditions hereof. A third-party neutral mediation service shall be selected for mediation as agreed upon by the parties and the costs and expenses thereof shall be borne equally by the parties hereto. If the parties are unable to mutually agree upon the mediator to be selected hereunder, the CITY Council shall select such a neutral, third-party mediation service and the CITY Council's decision shall be final. The parties agree to utilize their good faith effort to resolve any such dispute or controversy so submitted to mediation. It is specifically understood and agreed by the parties hereto that referral of any such dispute or controversy, and mutual good faith effort to resolve the same thereby, shall be conditions precedent to the institution of any action or proceeding, whether at law or in equity with respect to any such dispute or controversy.

15. Indemnity. CONTRACTOR and CITY agree that CITY, its employees, agents, attorneys, commissions, boards and elected and appointed officials should, to the extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorneys fees, litigation costs, defense costs, court costs or any other cost arising out of or in any way related to CONTRACTOR's performance or the terms of this Agreement. CONTRACTOR shall indemnify, defend, and hold harmless CITY, its employees, agents, attorneys, commissions, boards and elected and appointed officials from any and all liability, claims, suits, actions, proceedings,

losses, expenses or costs of any kind (including attorney fees and costs) incurred in relation to, as a consequence of or arising out of or in any way related to this Agreement or CONTRACTOR's performance under this Agreement.

16. Notices. All notices herein required shall be in writing and delivered in person or sent by registered mail, postage prepaid.

Notice required to be given to CITY shall be addressed as follows:

City Manager
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Notice required to be given to CONTRACTOR shall be addressed as follows:

Administrative Services Cooperative, Inc.
Attn: William J. Rouse, General Manager
2129 W. Rosecrans Ave.
Gardena, CA 90249

17. Assignment. This agreement shall not be assigned by the CONTRACTOR without written consent of CITY.

18. Term. The term of this Agreement shall be from July 20, 2009 through July 20, 2013. Upon the expiration of the initial term, CITY shall have sole discretion to either allow the Agreement to expire or to extend the Agreement for up to two (2) additional three (3) year extensions, unless the Agreement is earlier terminated pursuant to the provisions described herein.

19. Request For Proposal. The CITY and CONTRACTOR acknowledge and agree that the Request for Proposal (RFP) and the CONTRACTOR's response to the RFP are included and shall become part of this Agreement (Exhibits "A" and "B," respectively).

20. Termination of Agreement.

A. Termination by CITY for Convenience.

1. CITY may, with thirty (30) days' written notice, terminate the Agreement for CITY's convenience and without cause.

2. Upon receipt of written notice from CITY of such termination for CITY's convenience, CONTRACTOR will:

a. cease operations as directed by CITY in the notice;

b. take actions necessary, or that CITY may direct, for the protection and preservation of the work; and

c. except for work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.

3. In case of such termination for CITY's convenience, CITY shall determine the amount of fees to be paid to CONTRACTOR for services rendered to the date of termination. This determination by the City Council, shall be final and conclusive.

B. Termination for Cause.

1. If either party fails to perform any term, covenant or condition in this Agreement and that failure continues for 15 calendar days after the non-defaulting party gives the defaulting party written notice of the failure to perform, this Agreement may be terminated for cause; provided, however, that if during the notice period the defaulting party has promptly commenced and continued diligent efforts to remedy the default, the defaulting party will have such additional time as is reasonably necessary to remedy the default.

2. In the event this Agreement is terminated for cause by the default of CONTRACTOR, CITY may, at the expense of CONTRACTOR AND ITS SURETY, COMPLETE THIS Agreement or cause it to be completed. Any check or bond delivered to the CITY in connection with this Agreement, and the money payable thereon, will be forfeited to and remain the property of CITY. All moneys due CONTRACTOR under the terms of this Agreement will be retained by CITY, but the retention will not release CONTRACTOR and its surety from liability for the default. Under these circumstances, however, CONTRACTOR and its surety will be credited with the amount of money retained, toward any amount by which the cost of completion exceeds the Agreement Sum and any amount authorized for extra services.

3. Termination for cause will not affect or terminate any of the rights of CITY as against CONTRACTOR or its surety then existing, or which may thereafter accrue because of the default; this provision is in addition to all other rights and remedies available to CITY under law.

C. Termination for Breach of Law.

In the event CONTRACTOR or any of its officers, directors, shareholders, employees, agents, subsidiaries or affiliates is convicted (i) of a criminal

offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of a contract or subcontract; (ii) under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as public consultant or CONTRACTOR; (iii) under state or federal antitrust statues arising out of the submission of bids or proposals; or (iv) for any other cause the CITY determines to be serious and compelling as to affect CONTRACTOR's responsibility as a public consultant or CONTRACTOR, including but not limited to, debarment by another governmental agency, then CITY reserves the unilateral right to terminate this Agreement or to impose such other sanctions (which may include financial sanctions, temporary suspensions or any other condition deemed appropriate short of termination) as it deems proper. CITY will not take action until CONTRACTOR has been given notice and an opportunity to present evidence in mitigation.

D. Termination upon Assignment.

Notwithstanding any other provision of this Agreement, the Agreement shall terminate automatically, without prior notice, upon an assignment in violation of Section 17, herein.

21. Entire Agreement of the Parties. This Agreement supersedes any and all other Agreements, either oral or written, between the parties hereto with respect to the rendering of services by CONTRACTOR to CITY and contains all of the covenants and agreements between the parties with respect to the rendering of such services in any manner whatsoever. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, oral or otherwise, have been made by any party or anyone acting on behalf of any party, which is not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding. Any modification of this Agreement will be effective only if it is in writing executed by the parties hereto.

The covenants and agreements contained herein are binding on the parties hereto, their legal representatives, heirs, successors and assigns. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

22. 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 in the form of a formal executed written amendment.

23. Severability. In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in 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 phrases, sentences, clauses, paragraphs, or sections 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.

24. Waiver of Breach. No waiver of the breach of any of the covenants, agreements, restrictions, or conditions of this Agreement by either party to this Agreement shall be construed to be a waiver of any succeeding breach of the same or other covenants, agreements, restrictions or conditions of this Agreement. No delay or omission of either party to this Agreement in exercising any right, power or remedy herein provided in the event of default shall be construed as a waiver thereof or acquiescence therein, or be construed as a waiver or a variation of any of the terms of this Agreement.

25. 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.

26. Non-liability of City Officers and Employees. No officer, official, employee, agent, representative, or volunteer 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.

27. Inconsistencies. In the event of any inconsistency or conflict between these terms and conditions and any other terms and conditions found in any attachments or exhibits, such terms shall be interpreted so as to eliminate any inconsistency, otherwise the terms and conditions on the face of this Agreement shall control.

28. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

29. Attorney's Fees. In the event that either of the parties to this Agreement institute any action or proceeding against the other relating to the provisions of this Agreement, then and in that event, the unsuccessful party in such action or proceeding shall reimburse the prevailing party for the reasonable expenses of attorneys' fees and disbursements incurred therein by the prevailing party in addition to any associated award.

30. Venue. This Agreement is made, entered into, executed and is to be performed in Huntington Park, Los Angeles County, California, and any action filed in any court for the interpretation or enforcement of the terms, covenants and conditions referred to herein shall be filed in the applicable court in Los Angeles County, California.

[THIS SECTION LEFT INTENTIONALLY BLANK]

EXECUTED in duplicate in Huntington Park, California, on the date and year first hereinabove written.

"CITY"
City of Huntington Park

By: _____
Mario Gomez, Mayor

"CONTRACTOR"
Administrative Services Cooperative, Inc.

By: _____
Print Name: Marco A. Soto

ATTEST:

_____
Rosanna Ramirez, City Clerk

EXHIBIT "A"

Exhibit "A"

CITY OF HUNTINGTON PARK
REQUEST FOR PROPOSAL

DEMAND FOR RESPONSIVE TRANSPORTATION SYSTEM FOR SENIOR CITIZENS AND DISABLED PERSONS/DIAL-A-RIDE

SUBMITTAL:	One (1) original and ten (10) copies must be received on or before 5:00 p.m., June 11, 2009.
Addressed to:	Office of the City Clerk
Address:	City of Huntington Park 6550 Miles Avenue, Room # 148 Huntington Park, California 90255
Mark envelopes:	PROPOSAL FOR DEMAND FOR RESPONSIVE TRANSPORTATION SYSTEM FOR SENIOR CITIZENS AND DISABLED PERSONS/DIAL-A-RIDE SHUTTLE SERVICES

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

INQUIRIES:

Direct questions for clarification of this Request for Proposals document in writing to:

Mr. Alan Shear, Assistant City Manager
6550 Miles Avenue
Huntington Park, California 90255

I. INTRODUCTION

The City of Huntington Park is requesting technical and cost proposals from qualified and experienced contractors to provide operations and maintenance services for the Demand Responsive Transportation System for Senior Citizens and Disabled Persons.

One (1) original, ten (10) copies of the proposal are to be submitted to City Clerk, 6550 Miles Avenue, City of Huntington Park, California 90255, on or before 5:00 p.m., June 1, 2009.

II. INFORMATION

The City of Huntington Park is issuing this Request for Proposal. Unless otherwise directed, all communications regarding this Request for Proposals should be directed in writing to Alan Shear, Assistant City Manager, City of Huntington Park.

Any revisions to the Request for Proposal will be issued and distributed as Addenda.

IMPORTANT NOTICE

The City of Huntington Park will not be responsible for oral interpretations given by any City employee, representative, or others. Bidders are cautioned that any statements made that materially change any portion of the proposal documents shall not be relied upon unless subsequently ratified by a formal written amendment to the proposal document. The issuance of a written addendum is the only official method whereby interpretation, clarification, or additional information can be given. If any addenda are issued to the Request for Proposal, the City will attempt to notify all prospective vendors who have secured same. However, it will be the responsibility of each vendor, prior to submitting their proposal, to contact Alan Shear, Assistant City Manager, City of Huntington Park, 655- Miles Avenue, Huntington Park, California 90255, (323) 584-6226, to determine if additional addenda were issued, and to make such addenda a part of its proposal.

III. SCOPE OF WORK

1. SERVICE CHARACTERISTICS

   A. Hours of Operation. Service shall operate seven days a week, fifty-two weeks per year, twenty-four hours a day, including all holidays. Three current invoices and operating

reports are attached in the Appendix One to illustrate current ridership levels.

B. Eligible Users. The service shall be available to city of Huntington Park residents and who are: (a) At least sixty-two (62) years of age; or (b) Disabled. The term disabled is intended to include all who are unable to use public transit because of illness, injury, age, or other permanent disability.

C. Identification. Each eligible resident who signs up to use the service shall have a uniquely numbered identification card bearing his/her name and photograph. The identification card will have an electronic strip on the reverse side, which can use to pay for taxi service by swiping the card in the taxi's mobile data terminal (MTD).

D. Swipe Cards: The contractor will propose a swipe card system as outlined in Appendix Two. The card will be used to identify the customer and generate billing for each trip. The cost of the swipe card system shall be built into the contractor's administrative charge.

E. Dedicated Telephone Number. The contractor will maintain a dedicated telephone number for the exclusive use of city of Huntington Park dial-a-ride users. The contractor will have its dispatchers and other staff members answer the line with the words "Huntington Park Dial-A-Ride".

F. Calling for a Ride. When a resident embarks on a dial-a-ride trip, he or she must telephone for a ride and report their identification number to the dispatcher. When the traveler begins the ride, the resident must show the driver their identification card to confirm their eligibility. Failure to identify himself or herself as an eligible user of the dial-a-ride to either the dispatcher or driver means that the traveler must pay the full fare, and the city will not pay for any portion of the trip.

G. Response Time. A dial-a-ride vehicle will arrive sometime during a ten-minute "response window" that starts ten minutes after the client calls. Most trips shall arrive within 20-30 minutes.

H. Pick-Up and Drop-Off Standards. Vehicles will offer curb-to-curb service for ambulatory senior rides, and portal-to-portal service for the disabled.

In curb-to-curb cases, because vehicles will arrive during a ten-minute response window, riders may not be standing at the curb; in these cases, the driver will beep the horn gently to signal arrival. In instances where riders cannot walk out to the curb but can walk as far as a driveway that is accessible to a vehicle, the driver will pull into the driveway to pick them up.

In portal-to-portal instances, drivers will, if necessary help disabled riders negotiate their exit from their dwelling by taking such actions as holding open a door, stepping a short way inside the dwelling to help with a wheelchair, or carrying a small package or handbag. Drivers are not expected to carry groceries into a dwelling.

I. Reservation Service. Patrons may reserve a trip up to two (2) weeks in advance, specifying the time of pick-up and destination for a one-time only trip.

J. Subscription Service. Patrons may schedule a standing pick-up for the same time daily or weekly. Contractor shall maintain a list of said appointments at its dispatch facility. In the event of contract termination, said list shall be provided to the City.

K. Aides for the Senior/Disabled. One aide may accompany each senior/disabled rider and shall not pay a fare. When reporting service data, the contractor shall report aides separately from eligible, registered users.

L. Service Area. Eligible city residents may be picked up and transported within all incorporated areas of the city of Huntington Park. In addition, they may be picked up from or transported to:

1. Designated Satellite Facilities (list attached)
2. Origin or destination within two-miles of the City limits

M. Fares. Will be set as follows:

Passengers will pay for fares using a swipe card described in previous sections. No cash fares shall be collected or requested from dial-a-ride passengers.

The city may change the fares at its discretion.

N. Billing. For each trip the contractor will invoice the city meter rates plus an administrative charge stated in Pricing Form (the "not-to-exceed" price proposal) submitted by the successful proposer. Charges are to be based per trip only, not on periods of time.

O. Shared Rides. The contractor will make every reasonable effort to create shared rides in order to minimize costs to the city.

To encourage shared rides, persons who are picked up at the same origin and delivered to the same destination in the same vehicle may ride for a single fare per dial-a-ride vehicle.

P. Management Reports. The contractor shall furnish a report with each month's billing giving standard boarding, trip, revenue, and cost statistics as shown in Appendix at the end of the request for proposals. 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.

The City reports data to the Los Angeles County Metropolitan Transportation Authority (LACMTA) Proposition A Incentive Fund program. The successful contractor shall assist the City in preparing these reports, including generating National Transit Database (NTD) reports as required.

Q. Complaints. All complaints must be responded to by the Contractor within one week of the time the complaint is received. The response shall be a form, which specifically addresses the complaint and explains the reason for the events, which caused the complaint. A copy of each letter sent by the contractor responding to complaints, or complaint form used to respond by telephone, shall be sent to the City of Huntington Park.

R. Responsibility of Contractor. Contractor shall provide all management and operational functions necessary for the success of the Huntington Park dial-a-ride service. Contractor must provide all vehicles, dispatch, drivers, insurance, fuel, and maintenance.

S. Flag Downs: Flag downs by passengers are not allowed at any time.

2. ADJUSTMENT TO SERVICE

It is probable that 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 requiring advance reservations.

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 canceling the contract.

3. QUALIFICATIONS OF CONTRACTOR

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

A. Is a transportation organization experienced in the provision of dial-a-ride services. Note: Services may also be known as dial-a-ride.

1. List the major relevant projects in which your firm has participated in either a lead or a support role; state the degree of involvement. A minimum of three (3) references from current clients or from clients served within the last three years is required for review.

2. Furnish brief resumes of the designated project manager and key project personnel.

B. Be a privately owned transportation company.

C. Be financially sound.

1. Please provide two years of audited financial statements.

D. Be able to commit enough vehicles to the Huntington Park Dial-A-Ride to be able to handle the highs and lows of the demand without subcontracting. Contractor can propose to subcontract wheelchair van trips.

4) LIAISON

Contractor shall coordinate closely with the city and relevant municipalities, agencies, and interest groups on all city transportation program matters and operation status. Under no circumstances shall Contractor represent or speak on behalf of the City. Contractor shall attend meetings with the city as requested. Contractor may be required to make presentations at community or service club-type meetings.

5) DRIVER QUALIFICATIONS

All drivers performing the Dial-A-Ride service shall meet the following minimum qualifications:

A) Be legally licensed to operate in Huntington Park per requirements listed in the Huntington Park Municipal Code.

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

C) Dressed in a conservative, safe manner (i.e. shirt, long pants, no open-toed sandals, and no tank tops).

D) Meet all City, County, State and Federal requirements.

6) DRUG TESTING

The Contractor shall conduct an ongoing drug and alcohol testing program which shall meet state and federal standards and is consistent with the requirements in the Huntington Park Municipal Code and may include a driving test, test on incident or accident, test on reasonable suspicion, random testing, and training of supervisors to recognize drug and alcohol symptoms. A list of testing laboratories shall be provided to the city and all employees tested.

7) SAFETY

The contractor shall have an ongoing safety program that promotes and rewards safe driving. Please attach a description of a

comprehensive safety plan that the proposer has adopted and that demonstrates proposer's commitment to safe transportation. The Contractor shall provide the name of a person trained and designated as the safety coordinator who shall report to the city as requested on safety issues and accident statistics as requested.

8) EQUIPMENT

Vehicles shall be easily recognized and marked as rides. Vehicles shall be maintained on a regular schedule with regular preventative maintenance inspections at a minimum of every 5,000 miles. Vehicle maintenance records shall be kept for at least one year as required by the California Highway Patrol. Contractor shall provide copies of the completed preventative maintenance checklists to the city.

Wheelchair accessible vehicles 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 of 1990 and all applicable amendments thereto.

Each vehicle shall be equipped with a fire extinguisher, ride meter with a current approval and inspection by the Department of Weights and Measures, a two-way radio, and a mobile data terminal for receiving rider information.

The proposer shall submit a photograph of a typical vehicle to be used in the proposed service.

The proposer shall describe the system used to ensure that the vehicles are washed and the interiors cleaned daily.

Maintenance records shall be submitted to the city upon request.

9) DISPATCHING

The contractor shall provide a dedicated telephone number, which shall be answered with the words "Huntington Park Dial-A-Ride". The contractor shall provide dispatching twenty-four (24) hours per day.

The dispatchers will be courteous and patient with all customers. All dispatchers shall be bilingual (English and Spanish).

Calls on the dedicated dial-a-ride number shall be answered within 30 seconds, and hold times shall not exceed two (2) minutes.

The proposer shall provide documentation that its radio service system will allow communication in all areas of the community and contain a back-up system.

Contractor shall dispatch its vehicles via a digital dispatch system, which is more reliable in a hilly area and eliminates radio noise in the vehicle.

Because the dispatcher is an invaluable component of a successful dial-a-ride program, the dispatcher shall have demonstrated experience in dispatching rides and putting together shared rides, in a timely manner.

10) LOSS OF DESIGNATED PROJECT MANAGER

The proposer commits to maintaining throughout the term of the contract the project manager designated in the proposal letter. Should the contractor's project manager no longer be available to administer the contract, the city of Huntington Park reserves the right to terminate the contract within thirty (30) days from the date when the designated project manager is no longer available.

However, the City shall not withhold authorization and approval of a replacement project manager in an unreasonable fashion.

IV. PROPOSAL FORMAT

1) PREPARATION OF PROPOSER FORM

Proposer shall be solely responsible for examining the entire request for proposal document, and any addenda the city may issue. Furthermore, the proposal period, and for informing itself with respect to any and all conditions (for example, changes in laws) which may in any way affect the amount of nature of the proposal, or the performance of the Services in the event Proposer is selected. No relief for error or omission will be given.

2) INTERPRETATION OF REQUEST FOR PROPOSALS

Proposer may request of the city in writing, prior to submission of proposal, clarification or interpretation of the RFP Documents. Where such interpretation or clarification requires a change in the RFP Documents, the city will issue an Addendum. Proposer shall

acknowledge receipt of any and all addenda in the Proposal Letter. The city shall not be bound by and proposer shall not rely on any oral interpretation or clarification of the RFP Documents.

3) PREPARATION OF PROPOSAL

The proposer shall submit its Proposal as specified in Section 2 of this document. The proposal shall include all items listed in Section VI. Proposal Letter and forms shall be executed by an authorized signatory. All proposals shall be prepared by and at the expense of the Proposer.

4) REJECTIONS OF PROPOSALS CONTAINING ALTERATIONS, ERASURES OR IRREGULARITIES

Unauthorized conditions, limitations, or provisos attached to a proposal will render it informal and may cause its rejections. The completed proposal forms shall be without interlineations, alterations, or erasures. Alternative proposals will not be considered unless called for. No oral, telegraphic, or telephonic proposals or modifications will be considered. The proposal may be withdrawn upon request by the proposer without opening of proposals, provided that the request is in writing, has been executed by the proposer or his duly authorized representative, and is filed with the City Clerk.

5) PROPOSAL BOND

All proposers shall furnish a proposal bond executed by a surety company licensed to do business in the State of California. The bond shall bind the proposer to indemnify the city against all losses, not to exceed the sum of the bond, which may be occasioned by failure to consummate the contract for services. Said proposal bond shall be in the sum of $5,000.00 (five-thousand dollars). A certified check or cashier's check, payable to the city of Huntington Park, or cash may be deposited in lieu of a proposal bond.

6) RETURN OF PROPOSERS BOND

Within thirty (30) calendar days after award of proposal, the city will return the proposal bonds or all other security deposits accompanying each bond, except that of the successful proposer. The successful proposer's bond will be returned upon signing of a contract.

7) FATIHFUL PERFOMANCE DEPOSIT

Concurrent with the execution of an Agreement and maintained throughout its duration, Contractor shall deposit with the Office of the City Clerk a cash deposit, irrevocable letter of credit, or other such document evidencing an irrevocable cash deposit payable to the city, in the amount of Twenty- Five Thousand Dollars ($25,000.00), in the form approved by the City Attorney, guaranteeing Permittee's faithful performance of the terms of this Agreement.

8) SUBMISSION OF PROPOSAL/PERIOD OF ACCEPTANCE

The proposer shall deliver in a sealed envelope bearing on the outside of the envelope the words "DIAL-A-RIDE PROPOSAL", ten (10) copies of its proposal to the City of Huntington Park Office of the City Clerk at 6550 Miles Avenue, Huntington Park, CA 90255 by 5:00 p.m. on June 11, 2009. It is the proposer's sole responsibility to assure that its proposal is received as stipulated.

The proposer agrees to provide the services it describes, at the price it offers if the city accepts its proposal within 90 days from the proposal due date.

9) BASIS OF AWARD

A. Request for Proposals will be evaluated based on an objective performance criterion and a points-based system to determine the most qualified proposer. The criteria and points are as follows.

Qualifications of Proposer	40
Financial Capability and Stability	30
Quality of Proposed Vehicles	15
Quality of Driver Service	15
TOTAL POINTS	100

B. The contract will be awarded only to a bidder who has (a) complied with all of the terms and provisions of the request for proposal; (b) a proposal that would be economical and serve the interest of the city.

C. The city further reserves the right to waive an informality or irregularity in the proposal when doing so would serve the public interest.

D. If awarded, a contract will be granted within ninety (90) calendar days from the proposal due date.

10) EXECUTION OF AGREEMENT

The agreement shall be signed by the successful proposer and returned with the required bonds within ten (10) days, not including Saturdays, Sundays and legal holidays, after the city has provided written notice that the proposal has been awarded. Failure to execute an agreement and file acceptable bonds and insurance documents as provided herein shall be just cause, at city option, for annulment of the contract award and forfeiture of the proposal bond.

Should the successful proposer decline to execute a contract, City Council has the option to either reject all proposals and call for new proposals or accept one of the other proposals. In case of proposal rejection, the proposer's security of the successful bidder who declined to execute a contract shall be forfeited to the city.

11) DEFINTION

For the purposes of this Request, the following words are defined as follows:

a) Fare – Shall mean the fare paid by the customers to the Dial-A-Ride driver for the trip.

The city will set the fares.

b) Flag Drop – shall mean the fixed amount charged for initiating a trip. The flag drop amount shall be set forth in the successful proposal and therefore in the formal contract as the flag drop that shall prevail throughout the term of the contract.

c) Shared Ride – Shall mean a trip in which a vehicle picks up more than one person from a common origin and delivers them to a common destination.

d) Trip – Shall mean the transport of a customer or customers from origin to destination, where destination as defined as the point at which the customer or customers leave the vehicle.

VII. CONTENTS OF PROPOSAL

I. GENERAL FORMAT OF PROPOSAL

The proposal shall constitute the Proposer's plan for completing the Scope of Work. Accordingly, the Proposer should present the technical approach demonstrating a well-structured, reasonable work plan. Proposers should refine and/or expand the Scope of Work in the RFP to reflect the particular plan they would use to perform the work. Proposers shall address any problems that they envision to be associated with the work, citing specific suggestions for avoiding these problems.

Ten (10) copies of the proposal shall be submitted in a sealed envelope bearing the words "DIAL-A-RIDE PROPOSAL", to the City Clerk by 5:00 p.m. on June 11, 2009. The proposals must be in the city Clerk's office by the day and time stipulated. Postmarks bearing the due date are not acceptable substitutes.

II. PROPOSAL FORMAT

The Proposal shall have the following components:

1. **Letter of Transmittal** Must be completed and executed by an authorized representative of the Proposer.

2. **Executive Summary**

3. **Understanding of the Service to be Provided**

4. **Methodology of Providing the Service** The proposal shall include a work plan which would delineate the approach Proposer would utilize to complete the work. The plan shall demonstrate the Proposer's understanding of the scope of services. As stated previously, it should refine and/or expand scope of services to reflect how Proposer would complete the work.

The work plan should include how the Dial-A-Ride service would be conducted from the customer telephone request to invoicing the city. If subcontractors are utilized, the Proposer must submit a description of each firm or person and the Work to be done by each subcontractor.

5. **Qualification and Experience** A qualification statement indicating general work experience specifically relevant to the Scope of Work. List any major projects in which your firm has participated (either in a lead or support role and state the degree of involvement). This section should include the following:

   a) Firms' background and qualifications
   b) Past Projects
   c) Current project underway and anticipated
   d) Any additional information deemed necessary

6. **Qualifications of Firm Employees** This section should incorporate resumes of the personnel assigned to the Huntington Park Dial-A-Ride program. This section should include a proposed organization chart of the proposer and a summary of each individual's duties.

7. **Three References** The proposer shall submit three (3) references of municipal clients for whom the proposer currently operates similar services.

8. **Price Proposal** price Proposal shall be submitted on the form provided.

9. **Required Forms**

   The proposal shall be valid for 90 calendar days from the date stipulated in the Proposal. If this offer is accepted within that time period, the Proposer agrees to furnish all services and items as stipulated in the RFP and any accompanying addenda.

   Huntington Park Dial-A-Ride passengers shall pay a set fare per trip. Proposer would invoice the city for each trip at the municipally approved cab meter rate in affect at that time plus any administration charge.

   Failure to submit all required forms and certifications duly executed by an authorized officer of the Proposer's firm may render the proposal incomplete and unresponsive and may cause its rejection.

XIII. INSURANCE, CONTRACT TERM AND OTHER REQUIREMENTS

I. INSURANCE

With respect to performance work under this agreement, Contractor shall maintain insurance from a company acceptable to city as described below:

A) Worker's Compensation insurance with Sate of California statutory limits and employer's liability insurance with limits of not less than $1,000,000 per accident. Worker's Compensation shall cover all employees and independent Contractor drivers.

B) Comprehensive general liability insurance with combined single limit of not less than $1,000,000 per occurrence. Such insurance shall:

1. Include coverage of all vehicles used in this service.
2. Name the city, its elected and appointed officials, officers, employees, and agents as additional insured.
3. Be primary for all purposes.
4. Contain standard cross-liability provisions.

C) Proposer or contractor shall:

1. Furnish a statement of insurance with the proposal describing to what extent they meet these requirements by types and amounts of coverage <u>or</u> provide copies of certificates of insurance already in place which meet the minimum requirements.

2. Furnish properly executed certificates of insurance to city prior to start of work under this agreement, such certificates shall clearly evidence all coverage required above and provide that such insurance shall not be materially changed, terminated, or allowed to expire except 30 days prior written notice to city and

3. Maintain such insurance from the time work first starts until completion of the work under this agreement.

II. TERM OF CONTRACT

The initial contract shall have a term of four (4) years. The city may, with approval by the Huntington Park City Council, extend the effective termination date of the contract on two (2) occasions, for a period of time not to exceed three (3) years per extension, by enacting an amendment to the contract that is mutually agreeable to both parties.

Negotiations for contract extension may begin three (3) months before the effective termination date of the agreement in force and they shall end forty-five (45) days after the beginning date for contract extension. Should the city and the contractor not agree to the terms of a contract extension, the city may request proposals for the service with the intent that the service will continue uninterrupted until a new contract is awarded.

III. AMENDATION OF CONTRACT

At any time during the contract, including those times when the contract is amended to extend the length of the contract, the city may, with the approval of the Huntington Park City Council, enact amendments to the contract that are mutually agreeable to both parties.

All amendments, with the exception of amendments that extend the length of the contract, shall take effect thirty (30) days from the date on which both parties formally agree in writing to enact the amendments unless the parties mutually agree to a shorter time period.

Any action that may result in an increase in the "not to exceed" prices committed to by the successful proposer may require the city to re-open the contract for competitive bidding.

IV. FAITHFUL PERFORMANCE DEPOSIT

Concurrent with the execution of an agreement and maintained throughout its duration, the contractor shall deposit with the Huntington Park City Clerk a cash deposit, irrevocable letter of credit, or other such document evidencing an irrevocable cash deposit payable to the city in the amount of twenty-five thousand dollars ($25,000), in a form approved by the City Attorney, guaranteeing the contractor's faithful performance of this agreement.

V. FEES, PERMITS, TAXES, AND CERTIFICATES

The contractor shall have the sole obligation to pay all license fees, assessments and taxes, including but not limited to use, sales, property, or other taxes, plus penalties and interest which may be imposed on the contractor as a result of the work under the contract.

The Contractor must obtain a business license from the city.

VI. PAYMENT

The contractor shall invoice the city monthly, submitting all management reports along with its invoice. The city shall pay the contractor monthly and within reasonable time from receipt of invoice, in a manner consistent with the city's normal accounts payable practices.

VII. TERMINATION OF THE CONTRACT

A. The city shall have the right to terminate the contract upon giving a thirty (30) day written notice of such termination to the contractor. In the event of such termination, the city shall determine the amount of fees to be paid to the contractor for services rendered to the date of termination. This determination, in the amount determined and as approved by the Huntington Park City Council, shall be final and conclusive.

B. Any of the following provisions may result in termination of the contract executed between the city and the successful proposer:

1. Bankruptcy of the contractor or assignment by it to the benefit of its creditors.
2. Failure or refusal of the contractor (after written warnings by the city) to perform the services specified in the contract in a manner satisfactory to the city.
3. Failure or refusal of the contractor to comply with the instructions of the city or with applicable federal, state, and local laws.
4. Any evidence of fraud or over-billing to the city.
5. Any loss of funding or non-appropriation of funds as a result of budget considerations.
6. Unavailability of the person designated in the contract as the contractor's project manager.

C. The contractor may terminate the contract by providing the city with written notification submitted at least forty-five (45) days before the contractor's desired date of contract termination.

D. The city and contractor may mutually terminate the contract if a new contract is established and approved by both parties.

VIII. PLANNING AND MARKETING

The successful proposer shall participate with the city in the design and implementation of changes in the services operating characteristics. Recognizing the proposers expertise, the successful proposer shall be requested to inform the city of any observations regarding modifications to the service routing, scheduling, marketing, etc. for purposes of improving the service.

It is noted that marketing costs should not be included in the proposer's cost for this contract. The city will address marketing efforts separately.

IX. EVALUATION OF THE PROPOSALS

In order for a Contractor's proposal to qualify for evaluation, the proposal must include documentation of the following:

- Knowledge of, and willingness to comply with, city of Huntington Park licensing and insurance requirements.
- Compliance with all applicable State, County, Regional and Federal requirements and policies.
- Statements of non-collusion.

Contractors who do not complete and submit all Exhibits will be disqualified from consideration for selection. Any false or misleading statements included in these prerequisites or in any other portion of the Contractor's proposal shall constitute grounds for the Contractor's disqualification.

All proposals will be examined during formal evaluation sessions by a team of city staff persons and transit professionals from other agencies, employing detailed uniform criteria which assign points to various items within each of 4 categories. These categories and the maximum attainable within each are as follows:

Category	Maximum Points
Qualifications of Proposer	40
Financial Capability and Stability	30
Quality of Proposed Vehicles	15
Quality of Driver Service	15
TOTAL POINTS	100

Screening and selection will take place through the process described below. Contract award will be made to the Contractors that submit the proposal considered the most responsive to the city of Huntington Park based on EVALUATION CRITERIA set forth under this section.

Negotiations may or may not be conducted with Contractors, hence, the proposal should include the Contractors most favorable terms, and conditions since selection may be made without discussion with any Contractor.

The screening and selection process will be as follows:

Step 1:

Sealed proposals will be opened and evaluated to determine compliance. Proposals meeting specified requirements will be considered responsive and will be included in Step 2.

Step 2:

Responsive proposals will be reviewed by an evaluation panel based on the EVALUATION CRITERIA of this RFP and the weighing assigned thereto. Weighted scores from all panel members will then be added and a percentage value will be calculated and assigned to each proposal. Following such evaluation, a decision will be made whether to award the contract without further discussion to the Contractor receiving the highest score, or to negotiate with Contractors within a competitive range.

Step 3:

If a decision is made to conduct negotiations, Contractors within a competitive range will be interviewed. The purpose of such interviews will be to obtain additional information or clarification of Contractor's proposals, and to discuss modifications of such proposals. At a minimum, the proposed Project Manager and a senior manager authorized to commit on behalf of the Contractor shall be present at interviews.

Contractors may be requested to submit "best and final" offers. Such offers shall include any modifications made to proposals.

The evaluation panel will then recommend one Contractor for operation of services, based on the results of the final scoring, for approval by the City Council of Huntington Park.

The city of Huntington Park reserves the right to withdraw this RFP at any time without prior notice. The city of Huntington Park makes no representations that any contract will be awarded to any Contractor responding to this RFP. The city of Huntington Park expressly reserves the right to reject any and all proposals without indicating any reasons for such rejection(s), to waive any irregularity or informality in any proposal or in the RFP procedure, and to be the sole judge of the responsibility of any Contractor and of the suitability of the materials and/or services to be rendered. **In addition, the city is under no obligation to award to the lowest bidder.**

CITY OF HUNTINGTON PARK
REQUEST FOR PROPOSAL

DEMAND FOR RESPONSIVE TRANSPORTATION SYSTEM FOR SENIOR CITIZENS AND DISABLED PERSONS

APPENDIX DOCUMENTS

1. Monthly Reports from Current Contractor
2. Description of Existing Swipe Card System
3. Satellite Point List
4. Pricing Form
5. Proposer's Affidavit

Date	2/28/2009
Invoice No.	287971
Customer	HPDAR
Terms	Net 30 Days

CITY OF HUNTINGTON PARK
6550 MILES AVE.
HUNTINGTON PARK, CA 90255

ATTN: ALAN SHEAR

Line	Qty	Voucher/Desc	Rate	Amount
1	1.0	FEBRUARY 2009	38,628.77	38,628.77
2	1.0	ADMIN FEE	5,794.32	5,794.32
3	4,028.0	.50 PER TRIP	0.50	2,014.00

46,437.09

Date	1/31/2009
Invoice No.	287869
Customer	HPDAR
Terms	Net 30 Days

CITY OF HUNTINGTON PARK
6550 MILES AVE.
HUNTINGTON PARK, CA 90255

ATTN: ALAN SHEAR

Line	Qty	Voucher/Desc	Rate	Amount
1	1.0	JANUARY 2009	43,426.72	43,426.72
2	1.0	ADMIN FEE	6,514.01	6,514.01
3	4,424.0	MJM .50 PER TRIP	0.50	2,212.00

52,152.73

Date	12/31/2008
Invoice No.	267608
Customer	HPDAR
Terms	Net 30 Days

CITY OF HUNTINGTON PARK
6550 MILES AVE.
HUNTINGTON PARK, CA 90255

ATTN: ALAN SHEAR

Line	Qty	Voucher/Desc	Rate	Amount
1	1.0	DECEMBER 2008	43,835.96	43,835.96
2	1.0	ADMIN. FEE	6,575.39	6,575.39
3	4,451.0	.50 PER TRIP MJM	0.50	2,225.50

52,636.8!

DIAL-A-RIDE PROGRAM OVERVIEW

The Dial-A-Ride Card program was established to assist participants with a quick and easy way to travel. Once you are registered to be part of the program you should receive your card within 15 business days.

To get to your destination:

1) Call and reserve a ride
2) Present your card for proof of participation
3) Allow the driver to swipe your card
4) Sit back and enjoy your ride.

Once at your destination:

1) Present your card again to the driver
2) Allow the driver to swipe your card
3) Pay for any difference if you are outside the service area
4) Sign the receipt
5) Keep a copy of the receipt
6) Don't forget to check your balance and add trips to your card by calling or going to the designated purchase point if needed

Thank you for using Dial-A-Ride Card!

Program Benefits:

- No more lost coupons.
- The passenger always knows how many trips are left on the card.
- Passengers can manage their trips more effectively.
- Passenger does not need to buy a new set of coupons/vouchers if their card is lost.
- Better tracking of trips.
- Cities can capture their NTD data through the swipe card system.

Place Label Here

Powered by MJM Innovations, Baltimore Maryland

www.mjminnovations.com

DIAL-A-RIDE CARD®

HOW THE PROGRAM WORKS

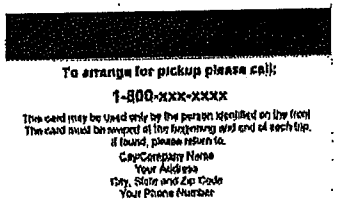
The purpose of the Dial-A-Ride Card Program is to increase program efficiencies and assist riders with a convenient and easy way to travel.

- At the start of the program, participants will be issued a Dial-A-Ride swipe card. The cards will be used to replace your existing "vouchers".
- Trips can be purchased at the city office or at a designated site in your service area.
- Your purchased trips will be applied to your new swipe card immediately.
- Participants will be able to call a designated number to make travel reservations and taxi or van service will be provided as specified.
- Simply present the card to the driver in place of the vouchers and it will be used to pay for taxi or van within approved boundaries.
- The driver will stop at the boundaries and swipe your card. The trips will then be immediately deducted from your card and you will receive a receipt.

FREQENTLY ASKED QUESTIONS

How do I schedule a pick up?

You will call the designated number located on the back of your card to schedule a trip.



How do I use my card?

Your card must be presented at the pick up and drop off. If you card does not have a picture, the driver will require you to show your identification. Please be sure to carry your card or you may be denied service.

What will happen with my vouchers?

Some programs will allow you to "cash in" your vouchers and apply them to your card. If you have questions, please call the city office to find out how this will be handled.

Can I share a ride with someone?

The city does allow for you to share a ride, but you must meet the following criteria:

- Are picked up and dropped off at the same point.
- You cannot lend your card to a friend or family member.

< Your Logo Here >

3950 0123 1234 1234
Susie Cardholder
TaxiCard

FREQENTLY ASKED QUESTIONS (CONT.)

What will happen if my trip is outside of the service area?

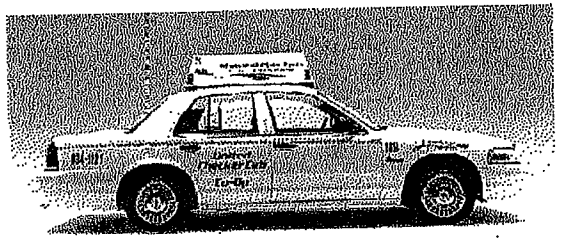
If you are planning to travel outside the program boundaries, please tell us at the time of the reservation. The driver is trained to stop at the boundary point, and swipe your card to end the trip. They will take you to your destination; however, you will be required to pay the difference in the fare.

Can my cab wait for me?

No. Sorry! The city does not allow any wait time. You will have to call again for another cab to pick you up. Round trips are not allowed on one swipe.

Should I get a receipt?

Yes! This allows you and the driver to know that the trip was authorized and how many trips are remaining on your account.



ASC
ADMINISTRATIVE SERVICES CO-OP

[redacted]

To: [redacted]

From: [redacted]
Fiesta Taxi
Date: March 1, 2004
Re: Satellite Points for Dial A Taxi program

As per our conversation Friday February 27, the following satellite points should be those listed on the Huntington Park coupon. Any additional locations can be added on as requested or needed bases.

St. Francis, 2638 E. Imperial Hwy., Lynwood

St. Francis, 2700 E. Slauson Ave., Huntington Park

St. Francis, 3621 Martin Luther King, Jr. Blvd., Lynwood

St. Francis, 403 S. Long Beach Blvd., Compton

Rancho Los Amigos Hospital, 7601 E. Imperial Hwy., Downey

Martin Luther King Hospital, 12021 Wilmington Blvd., Los Angeles

Kaiser, 9449 Imperial Ave., Downey

Kaiser, 7825 Atlantic Ave., Cudahy

Kaiser, 9333 Rosecrans Ave., Bellflower

Kaiser, 9400 Rosecrans Ave., Bellflower

Downey Regional Hospital, 11500 Brookshire Ave., Downey

CITY OF HUNTINGTON PARK
REQUEST FOR PROPOSAL

DEMAND FOR RESPONSIVE TRANSPORTATION SYSTEM FOR SENIOR CITIZENS AND DISABLED PERSONS

PRICING FORM

1. Proposed Taxi Rates

Flag Drop	$_____
Cost Per Mile	$_____
Other Cost (describe)	$_____

2. Administrative Costs _____%

Please describe cost components

NOTE:

The above form shall be used to quote pricing for the first year of the contract. The proposer shall state the methodology to be used to calculate future rate increases. Any change in pricing can only be approved the City Council.

Start-up costs are the responsibility of the successful contractor, if applicable.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

PROPOSER'S AFFIDAVIT

_____ being first duly sworn, deposes and says:

1. That he/she is the _____ of _____
(Title of Office)
(Name of Company)

hereinafter called "Proposer", who has submitted to the City of Huntington Park a proposal for

_____;

(Title of RFP)

2. That the proposal is genuine; that all statements of fact in the proposal are true;

3. That the proposal was not made in the interest or behalf of any person, partnership, company, association, organization or corporation not named or disclosed;

4. That the Proposer did not, directly or indirectly, induce solicit or agree with anyone else to submit a false or sham proposal, to refrain from proposing, or to withdraw his proposal, to raise or fix the proposal price of the Proposer or of anyone else, or to raise or fix any overhead, profit or cost element of the Proposer's price or the price of anyone else; and did not attempt to induce action prejudicial to the interest of the City of Huntington Park, or of any other Proposer, or anyone else interested in the proposed contract;

5. That the Proposer has not in any other manner sought by collusion to secure for itself an advantage over the other Proposer or to induce action prejudicial to the interests of the City of Torrance, or of any other Proposer or of anyone else interested in the proposed contract;

6. That the Proposer has not accepted any proposal from any subcontractor or materialman through any proposal depository, the bylaws, rules or regulations of which prohibit or prevent the Proposer from considering any proposal from any subcontractor or materialman, which is not processed through that proposal depository, or which prevent any subcontractor or materialman from proposing to any contractor who does not use the facilities of or accept proposals from or through such proposal depository;

7. That the Proposer did not, directly or indirectly, submit the Proposer's proposal price or any breakdown thereof, or the contents thereof, or divulge information or data relative thereto, to any corporation, partnership, company, association, organization, proposal depository, or to any member or agent thereof, or to any individual or group of individuals, except to the City of Huntington Park, or to any person or persons who have a partnership or other financial interest with said Proposer in its business.

8. That the Proposer has not been debarred from participation in any State or Federal works project.

Dated this ____ day of _____, 20_____.

_____

(Proposer Signature)

_____

(Title)

EXHIBIT "B"

Exhibit "B"

2129 W. Rosecrans Avenue
Gardena, CA 90249

June 10, 2009

Ms. Rosanna Ramirez
City Clerk's Office
City of Huntington Park
6550 Miles Avenue, Room #148
Huntington Park, CA 90255

Re: Demand Responsive Transportation System/Dial-A-Ride

Dear Ms. Ramirez:

We are pleased to have the opportunity to submit a bid for the Dial-A-Ride services for the City of Huntington Park.

Fiesta Taxi Cooperative, Inc. proposes to continue operating an innovative and cost effective Demand-Response taxicab-based Dial-A-Ride program that will maximize the level of service to the City of Huntington Park's senior and disabled residents.

With our service, and within the parameters set by the City, seniors and disabled residents will be able to live independently, stay connected to their community and enjoy the freedom of direct route travel.

Within 15 to 20 minutes from the time an order is placed, participants of the Dial-A-Ride program will continue to enjoy the comfort of curb to curb transportation service and unparalleled mobility in a late model sedan or an ADA-certified wheelchair accessible van.

The City of Huntington Park benefits from on-time service that exceeds any reasonable standards applied to and Dial-A-Ride program. Under our contract, our drivers are required to be onsite within 20-30 minutes after a Dial-A-Ride order has been placed. In the past two years, Fiesta Taxi has consistently provided on-time service in 97.3% of the orders (Please see the attached chart). By comparison, the City of Los Angeles requires a 76% on-time percentage for taxicab orders from all of the nine taxicab franchises.

There are two major reasons for our high on-time percentage. The first reason for the on-time service is that the vehicles are GPS dispatched and this allows the closest cab to serve a cab order. Secondly, there are 101 vehicles available to serve the Dial-A-Ride orders. Additionally, no other taxi company has more vehicle permits and licenses in the

2129 W. Rosecrans Avenue . Gardena, CA 90249 . (310) 715 - 1968 . Fax (310) 327 - 1703

program's service area. We pride ourselves on having an excellent service rate and it is impossible for any other bidder to come close to Fiesta Taxi's on-time performance.

Our proposal includes providing the City of Huntington Park a dedicated accessible wheelchair van for the Dial-A-Ride program. The accessible taxicab will be a minivan modified to meet ADA standards for accessibility. The vehicle will not only be available to the participants of the program, but also to the residents and visitors of the City of Huntington Park. In addition, the residents of Huntington Park will be able to use the wheelchair accessible vans from our other Dial-A-Ride programs in nearby communities. It is the policy of ASC to subsidize the purchase and operating costs of dedicated wheelchair vans and to provide additional incentives as needed to drivers who service the passengers requiring wheelchair accessible transportation. The funds needed for these incentives are taken from the administrative fee.

With our GPS-based "Pebble in the Pond Dispatch", also known as "Closest Cab Dispatch", Dial-A-Ride participants are assured the quickest possible service. The closest taxicab to the location will be quickly dispatched to the pick up address after the order is placed. In cities with Dial-A-Ride programs similar to what we are proposing in Huntington Park, such as Lynwood and South Gate, vehicles are often at the pickup location within 5 minutes after the passenger placed the order!

Participants can trust that they will be serviced by a friendly and courteous driver who has undergone Department of Justice background checks and every year must pass a federally certified drug and alcohol exam, which includes prescreening, random screening, annual screening and suspicion based screening. Drivers must also go through extensive training by our trainers who are certified by the National Safety Council as Defensive Driving Course (DDC)-IV instructors.

The City of Huntington Park's administration can feel confident that Fiesta Taxi's rich tradition of community partnerships and extensive experience in paratransit Dial-A-Ride service will provide the most cost effective and efficient transportation program.

In an effort to provide measures of accountability with real time data, we propose to utilize MJM Innovation's (MJM) EZTransport® swipe card system (Please see Attachment A). MJM's web-based tools for account management, reporting, and provider billing will be immediately available for City staff. **Each trip will be available for review as it occurs!**

With taxicab based Dial-A-Ride, the City enjoys a lower cost per passenger, while the passenger enjoys a higher level of service. **The service rates will be based on a meter rate and not an hourly rate.**

The operating model we are proposing is based on a blueprint created by Fiesta Taxi's management for the phenomenally successful Long Beach Dial-A-Lift program. Long Beach's program has been recognized as a tremendous success and has been

emulated by other cities including, Bell Gardens, Carson, Compton, Huntington Park, Lynwood, Paramount, South Gate and Torrance.

Fiesta Taxi can easily provide service during the program hours as defined in the RFP, which are the following: sevens days a week, fifty-two weeks per year, twenty-fours a day, including all holidays. However, if the City prefers to adjust their hours, we can easily manage that change with the web-based software from MJM.

We understand the Dial-A-Ride transportation services that the City of Huntington Park is seeking and we are committed to continuing to provide excellent service to the City of Huntington Park and its residents. The proposal we are submitting is valid for a period of 90 days.

Sincerely,

Marco A. Soto
Vice President of Marketing and Sales
Fiesta Taxi Cooperative, Inc.

FIESTA TAXI COOPERATIVE, INC.
Huntington Park Dial-A-Ride
Monthly On-Time Performance
June 2007 to May 2009

	Completed Trips	Service Within 30 Minutes
Jun-07	4,107	96.69%
Jul-07	4,069	97.76%
Aug-07	4,610	97.63%
Sep-07	4,848	97.48%
Oct-07	4,124	96.95%
Nov-07	4,288	97.23%
Dec-07	4,407	97.44%
Jan-08	4,548	97.90%
Feb-08	4,096	96.05%
Mar-08	4,712	97.37%
Apr-08	4,698	96.41%
May-08	4,837	96.56%
Jun-08	5,244	97.20%
Jul-08	5,207	97.17%
Aug-08	5,081	97.92%
Sep-08	4,728	97.52%
Oct-08	4,985	96.83%
Nov-08	4,550	97.65%
Dec-08	4,539	97.91%
Jan-09	4,426	94.37%
Feb-09	4,066	97.77%
Mar-09	4,680	98.59%
Apr-09	4,806	98.40%
May-09	5,133	98.48%
Total	**110,789**	**97.30%**

Executive Summary

The following is an overview of the contents of Fiesta Taxi's Proposal for the Demand Responsive Transportation System For Senior Citizens and Disabled Persons/Dial-A-Ride.

Methodology

In this section, Fiesta Taxi Cooperative, Inc. presents its understanding of the Scope of Work, including our experience in providing the Dial-A-Ride services that the City of Huntington Park is seeking. Please refer to pages 8 thru 45. We also discuss Fiesta Taxi's high quality of vehicles and driver services in detail.

In the discussion of our state-of-the art dispatch and communications system, pages 30-44, we explain our industry leadership in applying new technologies to the taxicab industry to improve the passenger's experience. We were the first company with computerized dispatch, the first with GPS-enabled computerized dispatch, and the first with online booking over the Internet. Over the past year and a half, we stayed ahead of our competition by becoming the first organization with to implement a completely paperless, GPS-based swipe card Dial-A-Ride program.

Also in this section, we describe, the Driver Qualifications, Training, Safety Measures and Accident Reporting. Fiesta Taxi has been providing the above for years, especially when it comes to its intensive program, trained by experienced and qualified instructors in the industry. For a more successful outcome, we still believe in the personal approach provided by a classroom environment. This provides the driver with a more dedicated and caring feel. We encourage this approach especially when it comes to customer care and those with special-needs.

Experience and Qualifications

In this section, Fiesta Taxi explains the structure of the organization. We provide a list of managers with their extensive experience, and Fiesta Taxi's strong background and history.

We outline the management team's duties and include their resumes.

References

In this section, Fiesta Taxi provides the City of Huntington Park with a list of references with detailed project information for each reference.

Pricing Proposal

In this section, we provide our pricing plan for the City's Dial-A-Ride program. We include a breakdown of costs and estimate the upcoming year's budget from the invoices included in the RFP.

Required Forms

In this section, we include the insurance documentation requested by the City.

Planning and Marketing

We include a marketing and outreach plan for the City of Huntington Park. We've also included copies of the bilingual Dial-A-Ride brochure for the City to review.

Financial Statements

In this section we provide you with proof of Fiesta Taxi's strong financial standing.

Attachments

In this section we include several important documents for the proposal. In Attachment A, we include the proposal for the swipe card system; Attachment B is a sample of proposed dedicated ramp van for the City of Huntington Park; Attachments C and D are the Non-Collusion Certifications and Proposer's Affidvavit as required by the City. Lastly, in Attachment E, you'll find several letters of recommendation we've obtained from community organizations, local businesses and senior housing facilities.

Understanding of Services to Be Provided

Fiesta Taxi Cooperative, Inc (Fiesta Taxi) proposes to administer the operation and maintenance of the City of Huntington Park's Dial-A-Ride program.

The central theme of Fiesta Taxi's proposal is as follows: To provide a complete transportation system that will be innovative, cost effective, and maximizes the level of service to the City's senior and disabled residents, while equally serving the traditionally underserved non-ambulatory population of Huntington Park.

Fiesta Taxi has reviewed the all of the requirements discussed in the Scope of Work, pages 2-9 of the RFP, and fully understands the City of Huntington Park's project.

Methodology

Hours of Operation

Currently, Fiesta Taxi operates the Huntington Park Dial-A-Ride program on a 24 hours a day, 7 days a week, 365 days a year basis. Fiesta Taxi will continue to operate the transportation services in this manner unless the City of Huntington Park proposes new service hours.

Fiesta Taxi looks forward to providing the City of Huntington Park with an excellent level of service during the program hours. As referenced in the letter of transmittal, the current on-time percentage is in the 97% range. Fiesta Taxi's drivers are able to service orders on such a timely manner because their vehicles have GPS dispatching and there are 101 vehicles in the service area which includes Huntington Park and the surrounding cities. The Dial-A-Ride orders also keep the drivers in the City because the participants are pleasant and they have developed a friendship with most of the users. In addition, the drivers have learned the ridership patterns for the program and they are present during the peak service hours.

If at some point the City of Huntington Park needed to adjust the service hours, the hours of operation could be adjusted on the MJM web-based system. The restrictions on the swipe card system as shown in the following illustration.

MJM Card Restrictions Tab

Limit RideCARTS Card Usage

The first check indicates the start time and the second check indicates the stop time.
The next two (2) additional checks will indicate the next start and stop time.
A single additional check will indicate an hour of usage.

Active Hours	Sun	Mon	Tue	Wed	Thur	Fri	Sat
On All Day	☐	☐	☐	☐	☐	☐	☐
OFF All Day	☐	☐	☐	☐	☐	☐	☐
Limit Usage	☐	☐	☐	☐	☐	☐	☐
Midnight							
1AM							
2AM							
3AM							
4AM							
5AM							
6AM							
7AM							
8AM							
9AM							
10AM							
11AM							
Noon							
1PM							
2PM							
3PM							
4PM							
5PM							
6PM							
7PM							
8PM							
9PM							
10PM							
11PM							
Midnight							
Active Hours	Sun	Mon	Tue	Wed	Thur	Fri	Sat

Eligible Users

Fiesta Taxi will adhere to the program eligibility requirements set by the City of Huntington Park.

Identification

The swipe cards issued by the City of Huntington Park, which are produced by MJM Innovations, will be used as the form of identification for the passengers. The drivers will request the swipe cards at the beginning of each trip to identify the eligible passengers.

Swipe Cards

MJ Management Service, LLC. (MJM Innovations, "MJM") will assist Fiesta Taxi in automating the City of Huntington Park Dial-A-Ride Program. In 2001, MJM developed EZ Transport® which has been used to manage millions of trips in aging and paratransit programs.

The EZTransport system consists of two components: the physical EZTransport card and the secure web application developed to manage the live trip data received from the vehicle's mobile data terminal (MDT). EZTransport cards can be produced using the standard design, with the City's name and logo or custom designed to your specifications. Cards can even be personalized with each rider's name and photograph for added controls.

The EZTransport cards are swiped at the beginning and end of each trip. Participant, time of trip, date of trip, GPS location of pick-up, drop-off and fare are just some of the live trip information that is instantly sent to the web application. In addition, the system captures most of the data necessary for the National Transit Database (NTD) reporting.

Web-based tools for account management, reporting, auditing, and provider billing will be at the fingertips of Huntington Park staff. Huntington Park staff will no longer have to wait for program information to be submitted. Each trip is available for review as it occurs.

Some of the benefits of implementing the EZTransport system include:

- Electronically track and capture "live" trip information
- Elimination of vouchers and coupons which minimize opportunities for program misuse
- Reduce fare collection to a simple card swipe
- Securely manage program information online
- Capture most of the NTD reporting data

Please review Attachment A of this proposal for more information about the EZ Transport® swipe card system.

Dedicated Phone Number:

Fiesta Taxi is proposing to use the existing toll-free number, 1-866-486-8775, for the Huntington Park Dial-A-Ride phone number. The greeting for each call will say, "Thank you for calling Huntington Park Dial-A-Ride. For quality assurance, your call may be recorded or monitored."

Calling for a Ride

The participant will be required to call the toll free number to schedule a trip for the Dial-A-Ride program. The customer service agent will request the last four digits of the participants MJM swipe card in order to verify that they are enrolled in the Dial-A-Ride program.

The driver will request the passenger's MJM swipe card at the beginning of the trip and at the end of trip so the card can be swiped through the Mobile Data Terminal (MDT) in the vehicle. Only the cardholder can use the card and the driver will verify this by checking the picture on the card.

Flag downs will not be permitted.

Response Time

The dispatch department will inform the passenger that a vehicle will arrive to service their call in five to fifteen minutes for calls for the Huntington Park Dial-A-Ride program. Fiesta Taxi will keep the service statistics with response times for the City of Huntington Park.

We will request that passengers requesting an ADA accessible van call 24 hours in advance to secure on-time service for their trip. Fiesta will accept same day orders for ADA accessible vans but the response time may be longer than fifteen minutes.

Pick Up and Drop Off Standards

Fiesta will offer curb-to-curb services for the senior citizens and portal-to-portal service for the disabled passengers.

Reservation Service

Participants will have the option of scheduling their Dial-A-Ride trip request up to two weeks in advance. We highly encourage the passengers who need a wheelchair accessible van to call 24 hours in advance for their trips so we can ensure timely service.

Subscription Service

Program participants will have the ability to place a standing order with our dispatch department for their regular appointments. We respectfully request that passengers call to cancel trips when they won't need their regularly scheduled trip.

Aides for the Seniors/Disabled

Program participants have the option of traveling with up to 4 passengers for the price of one. The drivers will enter the number of passengers in their Mobile Data Terminal at the beginning of each ride.

Service Area

Fiesta Taxi will transport passengers to the area designated by the City of Huntington Park. The program currently allows participants to travel anywhere in the City of Huntington Park, two-miles outside of the City and to designated satellite points.

Fares

Fiesta Taxi will not collect any cash fares from the program participants unless they have exceeded their allotted number of trips for the month. The Dial-A-Ride passengers will present their swipe cards as a form of payment.

Billing

Fiesta will bill the City of Huntington Park the meter rate mount for each of the trips taken in the month. The current meter rates are as follows:

Meter Rates
$2.65 Flag Drop (first 1/7th of a mile)
$0.35 For Each Additional 1/7th of a mile ($2.45 per mile)
$0.35 For Each 47.5 seconds of waiting time and/ or traffic delay ($26.53 per hour)

These rates were ratified by the City of Los Angeles in December 2006 and adopted by the County of Los Angeles and the City of Huntington Park. We respectfully request that the city adjust their meter rates to match the approved rates of the County of Los Angeles whenever an increase takes place.

Shared Rides

Fiesta Taxi will encourage participants to share rides to save trips on their cards and transportation funds for the City of Huntington Park. The shared ride option will be promoted at the outreach meetings held at senior housing facilities in the City of Huntington Park.

Management Reports

The swipe cards capture much of the data needed for the management reports at the beginning and end of each trip. Participant, time of trip, date of trip, GPS location of pick-up, drop-off and fare are just some of the live trip information that is instantly sent to the web application. In addition, the system captures most of the data necessary for the National Transit Database (NTD) reporting.

Complaints

Fiesta Taxi will keep a log of the complaints received from the Huntington Park Dial-A-Ride participants. Currently, all of the senior housing complexes in the City have a complaint form that can be faxed directly to the project manager. The complaint forms are in English and Spanish.

English Complaint Form

Huntington Park Dial-A-Ride Complaint Form

PASSENGER INFORMATION
Information

Date: Time In:

Passenger Name:

Address:

City: Huntington Park

Telephone:

Additional Phone Number:

Fax: E-mail:

Comment Form

☐ Comment ☐ Complaint

☐ Other

COMPLAINT/COMMENT

Report INFORMATION

Report Received By:

Date Report Was Submitted:

ACTION TAKEN

Follow-Up Date _____

Responsibilities of the Contractor

Fiesta agrees to provide all the management and operational functions necessary for the success of the Huntington Park Dial-A-Ride program.

Flag Downs

Please see the section on Calling for a Ride.

Vehicle Information

The taxis have a green body and yellow top. Fiesta Taxi is written in yellow on the front doors on both sides of the taxicab. Taxis are numbered in the 500, 600 and 700 series numbers. Our fleet includes full sized sedans, which can fit up to 4 passengers, vans which seat up to 6 passengers, and full-size vans which seat up to 7 passengers and accessible ramp vans for non-ambulatory passengers in wheelchairs.

Fiesta Taxi Cooperative, Inc. requires that vehicles are no older than nine years. This nine year rule follows the Los Angeles Department of Transportation's (LADOT) requirements. All vehicles introduced in the Fiesta fleet in 2009 are 2005 or newer. The Operations Manager inspects the vehicles to make sure that the vehicles are in good working condition and have a great appearance.

(Regular Sedan)

(Wheelchair Accessible Van)

(Regular Passenger Van)

(Large Passenger Van)

Liaison

Fiesta Taxi will attend community meetings and conduct presentations at the City's request. The project manager will represent Fiesta Taxi at City functions. The project manager will agree to not represent or speak on behalf of the City.

Driver Qualifications

In order to ensure that we contract only with safe drivers to operate our taxicabs, ASC screens the driving records of all applicants for its' member fleets. All drivers in all fleets have a valid California's driver's license. No candidate whose driving privileges are on probation, no candidate with more than two points on his or her driving record in the last year or three points in the last five years, and no candidate with any of the following violations will be permitted to drive: (a) driving under the influence of alcohol or drugs appearing on the record; (b) driving with a suspended license; (c) reckless driving; or (d) other serious offense.

The independent contractor drivers must meet City, County, State and Federal Standards where applicable. The drivers must also meet their peer approved standards of dressing in a conservative and safe manner.

ASC'S Driver Training Program

ASC's driver training program, through which all Fiesta Taxi drivers must pass, is conducted by trainers, all of whom have been certified by the National Safety Council as Defensive Driving Course (DDC)-IV instructors. As such, they have been certified to teach independent contractor drivers a complete course in defensive driving.

The following driver training program outlines provides an overview of the material covered when new drivers receive their initial training. Taxicab drivers must successfully complete the following:

- Map Reading. Drivers learn how to get from point to point using the Thomas Brothers Mapbook (which is integrated into the computerized dispatch system). Drivers learn many points of interest, including hotels, places of entertainment and parks, and how to distinguish between streets of similar names. The instructor emphasizes skills in identifying alternate routes to and from a location, and identifying the most direct and fastest routes, and which routes to avoid depending on conditions.

- Taxicab Rules and Regulations. This class covers the rules of the various cities that the driver drives in. Among other rules, drivers learn to identify the boundaries of the areas in which they are authorized to provide taxicab service.

- Computerized Dispatch System. Drivers learn how to operate the Mobile Data Terminal in each taxicab.

- Company policies, procedures and paper processing, and Dial-A-Ride rules and regulations.

- Driver Safety and Traffic Accident Procedures, which is taught by NSC DDC-IV certified trainers.

- Customer Relations. Is taught by a member of our Marketing Department who explains how to treat customers and develop business.

- Sensitivity Training. The day ends with 5 hours of Sensitivity Training, discussed below.

- Behind the wheel training with an experienced driver.

- Dial-A-Ride Program Training. This training began in January 2009. All existing and new drivers must complete a comprehensive training on all the Dial-A-Ride program rules to service types of orders. The drivers must learn the hours of operation, types of payment and they receive a training manual for their records once they complete the course.

Sensitivity Training Program

In addition to the above, all Fiesta Taxi drivers are required to attend the company's Sensitivity Training Program that deals with the issues that can arise when working with individuals with various disabilities and how they overcome the obstacles to mobility. The program teaches drivers exactly what type of assistance individuals may or may not need. It also addresses the feelings and frustrations commonly experienced by people with disabilities, and prepares the driver to deal with them. The training program is developed around three main topics:

1) Understanding The Capabilities and Needs of Special Passengers. This course is on videotape and is broken down into eight modules that are viewed individually. The modules include: a) Spinal cord injuries, strokes, and other mobility impairments; b) Mental retardation and autism; c) Vision impairments; d) Hearing impairments; e) Neuromuscular conditions; f) Epilepsy or seizure disorders; g) Alzheimer's disease; and h) Conditions related to aging.

When each module has been viewed, the drivers discuss what they have learned and any past experiences they may have had. This course also teaches the procedures to load and unload wheelchair passengers into and out of our vehicles, proper securement of wheelchairs using the 4 point tie-down system in vans, and how to use the vans'

wheelchair ramp properly. The course also instructs the driver on techniques for assisting passengers using scooters, walkers, canes, and other mobility devices.

2) Blood Borne Pathogens. This course is designed to educate the driver on the issues of AIDS and hepatitis. The course teaches safety procedures for accidents involving blood and bodily fluids, and it puts to rest the myths and misinformation surrounding AIDS.

3) Nobody's Burning Wheelchairs. This video course explains the Americans With Disabilities Act (ADA) and all the requirements under this legislation.

The continuing education of employees and drivers is an important element at ASC. During our initial training program and throughout the on-going training process, special emphasis is placed on customer safety and customer satisfaction. Next to safety, the most important thing we do is ensuring that the customer is totally satisfied with the service we provide.

Applicable retraining and refresher training for all personnel is an important element in our on-going training program. In-service and classroom training are provided through safety meetings. All drivers who have been involved in chargeable accidents must attend a four hour Saturday defensive driving course and safety program.

ASC's Preventive Safety Program represents management's commitment to providing a safe and effective transportation system. This program provides a systematic review of the hazards involving vehicles, machinery, the environment, and people, and taking planned and enforced preventive action to avoid identifiable hazards. The overall safety program is condensed in this summary to provide an initial understanding of key programs and how they will apply to the service.

It is the responsibility of the Training Manager to oversee and implement the Safety Program by:

- Establishing and enforcing appropriate safety regulations, rules, orders, directives and emergency procedures for both on-going and temporary hazards as they occur;
- Monitoring transit and other industries' safety solutions to improve or enhance safety;
- Identifying causes of hazards or accidents through investigations, reviews, and analysis of accidents and hazards, for continual training material review and improvement; and,
- Acting upon findings to incorporate aggressive and effective hazard controls into the safety and training program.

The primary goal of the Safety Program is to reduce the frequency and severity of accidents by positive implementation of the program. Measurable safety improvement

goals have been established and resources allocated to assure timely and cost effective accomplishment of these goals. Specific goals of the Preventive Safety Program are: i) Reduce accident frequency rates; ii) Identify cause of accidents to eliminate or reduce repeat occurrences; iii) Establish controls to prevent catastrophic accidents, fires, or other high hazard conditions throughout the system; iv) Assure ready access to state-of-the-art technology to minimize injury potential to employees or others; v) Determine the simplest and most effective solutions to accident prevention problems; vi) Measure Preventive Safety Program results to best verify forecasts of annual cost savings as the program is conducted and as new safety measures/controls are made operative.

List of Drivers Licensed in Huntington Park (2009)

The following is a list of drivers who are licensed or are in the process of being licensed in the City of Huntington Park for 2009.

#	Name	DL #	Status	Customer Account Number	License Number
1	Alberto Alegria	A8386814		10344	10-14926
2	Antonio C. Sanchez	N3117404		9071	10-13738
3	Arturo Estrada	A1324375		9462	10-14950
4	Carlos A Cordova Valle	B5215306	pending	11930	10-16306
5	Carlos Cortez	A5210933		11931	10-16308
6	Carlos Gomez Munoz	A4445488		9475	10-14211
7	Cesar Cabrales	C1333217		9464	
8	Cesar Ramos	A1317789	pending	9091	10-13761
9	Cicero Albuquerque	D5777431		10374	10-14948
10	Daniel Gonzalez	D4555475		11932	10-16309
11	Daniel Hernandez	A4942470		8991	10-13653
12	Edgardo Ceron	D3737375		10354	10-14934
13	Edwin Hercules	A4730462		9059	10-13725
14	Emerita Reyes	A4277935		11933	10-16311
15	Esteban Barajas	A3858621		9460	10-14953
16	Federico Kunzel	D6545569		11873	10-16269
17	Felix Reyes	A6265618		9463	10-14199
18	Fernando Fernandez	V8026819		9015	10-13678
19	Flavio Jimenez	C5968322	pending	11935	10-16312
20	Francisco Almendariz	A5657868		11936	10-16313
21	Francisco Ayala	B9252282		11937	10-16314
22	Francisco Discua	A3514779		9063	10-14949
23	Gerardo Gonzalez	N8338418	pending	11938	10-16315
24	German Parada	N7297871	pending	11939	10-16316
25	Ignacio Hernandez	N8373917		9461	10-14197
26	Ismael Hernandez	C3228823		9468	10-14204
27	Jaime Ramirez	C4297140		11940	10-16317
28	Javier Perez	D4580629	pending	10343	10-14925

29	Jehu Salazar	B5537352		11941	10-16318
30	Jorge Salazar	A6019675		9093	10-13763
31	Jose Antonio Marquez	C1714230		9077	10-13744
32	Jose Cardona	N7744931		9496	10-14232
33	Jose De Leon	A3676319		9482	10-14964
34	Jose Luis San Martin	E3304814		11962	10-16338
35	Juan M. Ruiz	N8242948		11967	10-16340
36	Leopoldo Diaz	U6024486		9469	10-14205
37	Luis Burguez	C0054796		11968	10-16341
38	Luis Pulido	N9824143		8944	10-13604
39	Luis Vasquez	C6770353		11969	10-16342
40	Maria Castro	A5400778	pending	11970	10-16343
41	Martin Higaldo	C5438293	pending	11971	10-16344
42	Mauricio G. Rios	D5775829		9078	10-13745
43	Mauro Aparicio	D6777324		9492	10-14223
44	Miguel Campos	B6179730	pending	11972	10-16345
45	Miguel Contreras	N6319128	pending	10356	10-14935
46	Moises Del Valle	B4883411		11973	10-16346
47	Pedro A. Llamas	D4412325		9465	10-14956
48	Ramiro Sandoval	C4854967		9494	10-14230
49	Raul Martinez	C6455567		10347	10-14928
50	Reyes Estrada	A8392753		11974	10-16347
51	Reynaldo Lemus	B5362617		8993	10-13655
52	Robert Parada	C4665023		8987	10-13648
53	Rodolfo Funes	N2514051		11975	10-16349
54	Roel Mazariegos	C6152139		9092	10-13762
55	Santiago Perez	A1322488		9472	10-14208
56	Tiburcio Cano	C5505053		9549	10-14296
57	Tomas Anders	A6928033		8848	10-13495
58	Tomas Quintana	K0841771		8927	10-13581

Driver Drug Testing

Drug and Alcohol Testing of Fiesta Taxi drivers will be performed under a contract with Norton or a similar professional, approved firm specializing in drug testing. Drivers are tested (1) prior to receiving permission to drive for the first time, (2) annually prior to their permit renewal, (3) when involved in an accident, (4) for cause when drug or alcohol use is suspected, and (5) randomly in accordance with federal guidelines.

The drugs that will be tested for include marijuana, cocaine, opiates, amphetamines, and phencyclidine. An initial drug screen shall be conducted on each specimen. For those specimens that are not negative, a confirmatory Gas Chromatography/Mass Spectrometry (GC/NIS) test will be performed. The test will be considered positive if the amounts present are above the minimum thresholds established in 49 CFR part 40.

Tests for alcohol concentration will be conducted utilizing a National Highway Traffic Safety Administration (NHTSA) approved evidential breath testing device operated by a trained breath alcohol technician. If the initial test indicates an alcohol concentration of 0.02 or greater, a second test will be performed to confirm the results of the initial test. An employee or driver who has a confirmed alcohol concentration of greater than 0.02 but less than 0.04 will result in removal form his/her position for eight hours unless a retest results in a measure of less than 0.02. An alcohol concentration of 0.04 will be considered a positive alcohol test and in violation of Fiesta Taxi policy.

An authorized independent clinic or laboratory conducts all tests and collection of samples. A strict Chain-of-Custody is enforced on all tests including the use of a Medical Review Officer before any results may be reported to the company. Tests are to be conducted within a specified amount of time from notification that a test is required. Any employee or driver that has a confirmed positive drug or alcohol test will be removed from his/her position, informed of educational and rehabilitation programs available, and evaluated by a Substance Abuse Professional (SAP). A positive drug and/or alcohol test will also result in disciplinary action up to and including termination.

Fiesta Taxi currently utilizes two drug testing facilities, Norton Medical Industries and Technimed. The Technimed drug testing facility is also used by the City of Huntington Park.

Drug Testing Locations:

Norton Medical
6265 Sepulveda Blvd.
Van Nuys, CA 91411

Technimed
3364 E. Slauson Avenue
Vernon, CA 90058

*Please review the attached Certification of Anti-Drug and Alcohol Misuse Prevention Program.

Safety

Fiesta Taxi's standards concerning driver safety records are excellent. We refer you to the driver safety program described above under "Ongoing Driver and Staff Training." The driver screening process ensures that no driver takes the wheel before his or her driving record from the Department of Motor Vehicles has been thoroughly reviewed. After this screening, as discussed below and in other parts of the Proposal, the driver is thoroughly trained on safety and company procedures.

However, drivers must also maintain a good driving record after they begin driving a taxicab. ASC's fleets are among the few taxicab operators that enroll every one of their drivers in the California Department of Motor Vehicles' Pull Notice Program, which provides immediate notification of any transactions which affect each driver's driving record. If a driver is involved in an accident or cited for a moving violation, the company learns of this fact regardless of whether the driver discloses it to us. This has enabled the company to identify drivers with poor driving records on an ongoing basis and take immediate corrective action.

In addition, ASC employs a full-time chief accident investigator who promptly responds to accident scenes to ensure the safety of our drivers and passengers.

As a further example of our commitment to safety, we are the only taxicab company operating in the South East area that requires bulletproof safety shields to be installed between the front seat and the back seat. Given that taxicab driving suffers from one of the highest homicide rates of any profession, it was important to ASC management to impose this rule for the safety of drivers.

The designated Safety Coordinator for the Dial-A-Taxi program is Michael Antoniano, our Chief Accident Investigator. He can be reached at (310) 715-1968.

Equipment

Each taxicab is a full-size four door sedan or minivan and is equipped with fully functioning air conditioning and heating, defrosters, speedometers, fuel gauges, flashers, lights, windshield washers/wipers, mirrors and seat belts. Each vehicle is also equipped with on-board radio and Mobile Data Terminal (MDT) for constant communication capability with dispatch. The seating capacity of these vehicles is a minimum of five passengers including the driver.

We have included a dedicated accessible wheelchair van in our bid (Please see Attachment B) for the City of Huntington Park. This dedicated accessible taxicab will be a minivan modified to meet ADA standards for accessibility. This dedicated vehicle will not only be available to the participants of the program, but also to the residents and visitors of the City of Huntington Park. It is our experience that the operating costs of the accessible wheelchair vans are much higher than the operating costs of a sedan used in

taxi service. In addition the time it takes to load and unload a passenger using a wheelchair is greater than the time needed for an ambulatory passenger. However as our proposed fees are based on the meter, i.e., time and distance traveled, there is no additional compensation for the driver. Therefore, it is the policy of ASC to subsidize the operating costs of dedicated wheelchair vans and to provide additional incentives as needed to drivers who service the passengers requiring wheelchair accessible transportation. The funds needed for these incentives are taken from the administrative fee we are proposing.

The wheelchair accessible vans comprise an important part of our fleet. The vans are altered in several ways to provide our customers the best service. The van has two four-point tie-down systems, as well as shoulder straps and lap belts fitted for use by passengers in wheelchairs. Each van comes with rear air conditioning as well.

Each accessible minivan has several available configurations, including capacity for two wheelchairs and two ambulatory passengers or four ambulatory passengers. With a removable front seat and no middle seat, the vans are very flexible and the passenger can choose where in the vehicle they want to ride.

For the passenger, there are three main advantages to these modified vans when compared to larger cutaway vans. First, the passenger trip is handled in the same way as other taxicab passengers – in a straight line from point of pick-up to point of drop-off. Thus the passenger's transportation time can be minimized. Second, minivans are much more comfortable and pleasant to ride in compared to cutaways. Third, the minivans are much easier, quicker and safer to enter and exit.

All vehicles in service are required to be clean, free of dents, scratches or other damage which materially and adversely affect the vehicle's appearance. Vehicles are also free of mechanical problems that render the vehicle unsafe, excessively noisy or uncomfortable to ride in. Fully detailed maintenance records are available for inspection at any time.

With respect to the meters used in our fleets, Taxi Equipment Company Inc. ("TEC"), also located in ASC's facilities is a licensed device repair station with the State of California Department of Agriculture Division of Weights and Measures. TEC has four state-licensed repair technicians for taximeters. Vehicles are calibrated over a one-mile course on an electrical Dynamometer, which is tested and meets federal and state standards.

All meters maintained by TEC are sealed and in compliance with regulations promulgated by federal and state agencies. The seal, which is required by certain municipalities and governmental entities, ensures that the meter will show any evidence of tampering. If the seal has been broken, then the meter must have been opened up. To our knowledge, using only licensed technicians and requiring that all meters are sealed, in not a universal practice within the taxicab industry. In addition, our policy is that all

meters in use in any fleet must be licensed with the Los Angeles County Department of Weights and Measures, and this also is not universally practiced within the industry.

TEC maintains the meters in the Fiesta Taxi cabs with security codes. The meters used are Centrodyne type taximeters. Whenever a vehicle's transmission, tires or differential is changed, the maintenance shop is required to forward the vehicle to a technician for verification of the meter's accuracy.

Maintenance

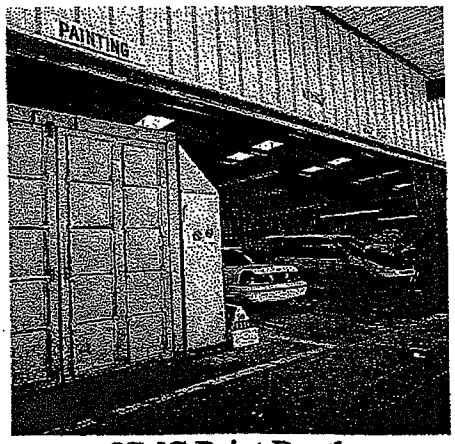
The Vehicle Maintenance Center

ASC has the largest, most extensive, and highest quality on-site maintenance facility of any cab operator in greater Los Angeles. The maintenance program is first-rate where safety at all levels is a primary concern, with particular effort devoted to preventive maintenance.

The Vehicle Maintenance Center (VMC) is operated by Citizen Automotive, Inc., one of the largest taxicab fleet maintenance companies in the Los Angeles area. Citizen also has a location on La Brea Avenue in Los Angeles. Citizen Automotive, Inc.'s physical address is 2129 W. Rosecrans Avenue, Gardena, CA 90249. It is owned and operated by Lev Karasik who has over 30 years of experience in operating and maintaining commercial vehicles.

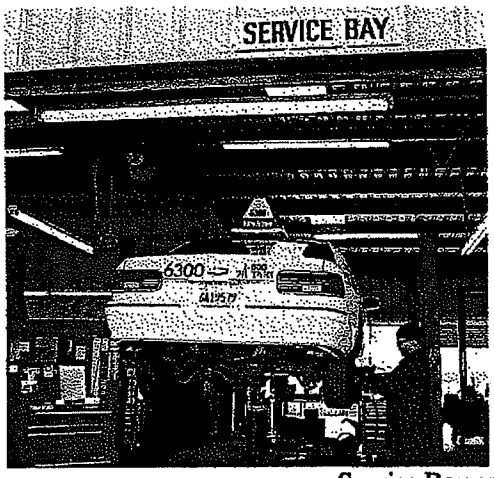
Maintenance management is aware that all facilities generate hazardous waste. The facility has a federal Environmental Protection Agency (EPA) waste generator number, which requires a waste manifest for hazardous and non-hazardous waste streams such as antifreeze, oil and related products, paint, tires and others. The company maintains licensed and regularly inspected on-site waste storage tanks.

The facility's paint booth has a permit for operation from the South Coast Air Quality Management District. Inspections revealed no infractions.



VMC Paint Booth

The vehicle maintenance center (VMC) is located in two structures encompassing over 20,500 square feet, at ASC's Gardena operations facility. These structures house: four electronics bays and an electronics shop; twelve mechanical bays and a parts department; and eight paint and body shop bays. General equipment includes 7 overhead lifts, floor jacks, transmission jacks, an air bumper jack, safety stands, and routine maintenance tools and safety gear.



Service Bay area with experienced Mechanics

The VMC is dedicated to maintaining the vehicles used to carry paying passengers in comfort and safety, with a minimum of downtime and a maximum of safety. The VMC is capable of ensuring that all vehicle maintenance systems and equipment necessary are well-maintained and functioning at maximum efficiency.

- Mechanical vehicle maintenance is supported by a 3,600 square foot parts department with top-of-the line inventory.

This would include original equipment parts for the ignition and fuel management systems, Gates hoses and belts, Moog front suspension and component parts, Bendix fleet brake pads, Dynometer-tested complete transmissions for quick exchange, Airtex water pumps, Modine radiators, and a complete line of lubricating products.

The interior and exterior of all vehicles used to perform under this contract will continue to be clean, free of damage to the passenger compartment and to the exterior of the vehicle. The fully equipped body shop will ensure that the vehicles will meet the standards of this program with a minimum of downtime. The eight-bay body and paint shop has a South Coast Air Quality Management District ("SCAQMD") approved paint booth that complies with all air quality control rules, regulations, ordinances and statutes. The body shop has a staff of eight.

Adjacent to the VMC is a commercial grade car wash used in the daily cleaning of vehicles. There is also a commercial vacuum cleaner for vehicle interiors at the car wash. The system meets and complies with the Clean Water Act and all applicable water standards of the State of California.

Preventive and Routine Vehicle Maintenance Programs Including Problem Handling

The company recognizes the value of preventative maintenance as a means to ensure the utmost safety of the passengers carried and of our drivers, as well as recognizing that prevention is more cost effective than deferring maintenance.

Routine maintenance is an essential part of the company's vehicle maintenance program and commitment and passenger and vehicle safety. Therefore, a comprehensive preventive maintenance program has been established that augments and enhances vehicle manufacturers' recommended service intervals. Each vehicle in the taxi fleet is tracked via computer for vehicle mileage and service requirements. The standards call for preventive maintenance to be performed every 5,000 miles (with a 500-mile window).

- Service performed every 5,000 miles includes brakes, routine oil and filter changes, front end alignments, filter cleaning, plus routine safety inspections and replacement if necessary of all belts, tires, batteries, windshield wipers, seat belts and exhaust systems.

- Additional services are performed at the manufacturer recommended intervals.

Dents or other body damage, squeaks and rattles on any vehicle are promptly repaired by the body shop. Likewise, any upholstery damage is repaired immediately. Smog inspections on all vehicles are performed in compliance with state and local laws. Additionally, all vehicles are available for City inspections upon demand.

Vehicles and equipment are cleaned regularly. Drivers are required to check the vehicle for fluids, safety lights, seat belts and overall roadworthiness at the beginning of each workday. If the driver notices any problems while he or she has the taxicab, the vehicle is removed from service and delivered to the maintenance department along with a Vehicle Repair Order detailing the problem(s). A visual inspection is performed on all exterior and interior lighting to verify that they are operational. The exterior and interior of the vehicle's windows are cleaned, the interior of the vehicle is vacuumed or swept out, and any debris is removed. Routine preventive maintenance takes place at regular intervals.

In addition to ASC's on-site maintenance, there are towing agreements with several local companies to ensure quick response times in the event of a breakdown or emergency involving a taxicab.

Vehicle Inspection Procedures Including Problem Handling

Without regulatory requirements, Fiesta Taxi has enacted and enforced rigorous vehicle condition standards that ensure that every customer will be transported in a clean, safe taxicab. The cooperative's Board of Directors has enacted vehicle age limitations

similar to those imposed by the City of Los Angeles on its franchised companies. Furthermore, road supervisors, Fiesta Taxi's operations and marketing staff, and the cooperative's President all actively inspect vehicles to make sure that they meet the standards of the cooperative. If a vehicle is found to have safety-related defects, it is immediately removed from service until the defect is corrected. Otherwise, drivers inspect each vehicle daily by going through a checklist of mechanical and cosmetic areas.

Dispatching

Dispatch and Communication Description of Facilities, Personnel and Technology

Dispatch Facility and Location

In 2006, Administrative Services Cooperative, Inc. relocated its call taking and dispatch operations for its four MADS-dispatched fleets (including Fiesta Taxi) to a newly built state-of-the-art call center developed by Call Center Services, LLC (CCSI), located at 1141 W. Silicon Circle, Suite A, St. George, Utah 84770.

CCSI – Call Center facility at St. George, Utah

CCSI answers and dispatches all requests for service on the incoming telephone order lines of ASC's MADS fleets.

CCSI's facility was designed with multiple redundancy to ensure a constant connection with ASC's MADS dispatch computers in Gardena. Data and voice transmissions are carried over a dedicated point-to-point T-1 line between the two facilities. This connection bypasses most of the Internet, including Los Angeles' One Wilshire building, meaning that occasional interruptions in the Internet are far less likely to result in communications failures between St. George and Gardena. The facilities are also connected through a back-up T-1 connection, provided through a separate vendor on an entirely separate backbone. An additional backup satellite connection provides a third level of security.

Taxicab trip orders are taken by CCSI calltakers in St. George, Utah, and instantly imported into ASC's MADS dispatch computers in Gardena, where they are dispatched in the same way that they have been dispatched in the past. More than 90% of all taxicab trips are dispatched by the computer, without dispatcher intervention, and dispatchers become involved in calls on an exception basis only.

Technology Capability and Future Plans

CCSI's programming staff is constantly moving forward with new technologies to improve the calltaking process.

In 1989, the ASC fleets led all other Los Angeles taxicab companies in adopting computerized dispatching technology. Developed with Motorola our system is known as MADS, Mobile Automated Dispatch System. We were designated as the beta site for the system. Today, MADS is still at the core of our dispatching center and continues to offer us these features and benefits:

- The particular version of MADS was written from the beginning to dispatch very large fleets; our operation hasn't begun to approach its operational boundaries.
- There are two MADS servers: the quiescent backup server mirrors in real time all MADS operations on the primary machine. Switchover, in the event of failure, can be done very quickly.
- With its integrated Global Positioning System (GPS) features, MADS also uses vehicle and pickup address GPS information in its *Pebble In The Pond (PITP)* implementation, a feature which prioritizes sending cabs closest to customer addresses for shorter response times (please see section below detailing *PITP*).
- MADS maintains a very large, well-indexed database of virtually every person who has ever booked a ride with us.
- Both MADS and our Televantage software-based telephone system are capable of delivering "ANI" (automatic number information) to the CSA terminals
- MADS includes an automated customer "callout" system. This system telephonically notifies customers that their cabs have arrived using pre-recorded messages.

- MADS currently features in-vehicle credit card acceptance. Cardholders are verified using Internet-based authentication links; the system also prints detailed charge slips, doing away with manual slips and "knuckle-buster" manually operated imprinters.
- One of the ongoing goals in our dispatch philosophy is to keep voice communications, often indistinct and intrusive, to a minimum. MADS supports messaging via the MDT's to and from the vehicles. The most common messages are stored ("canned") and can be sent by either side with one or two button presses.
- MADS can return estimated fares to customers at the time the trip is ordered. We use regularly updated MapQuest.com queries received via the Internet upon request.
- MADS dispatch system works in tandem with our new, custom-designed driver cashiering application.

Finally, all dispatch, cashiering, and account information is pumped daily into a data warehouse. This information is initially kept in an "online" state for at least six months, and then moved to a "nearline" state thereafter.

What is "Pebble in the Pond" Dispatching"?

Closest cab dispatch, also known as Pebble in the Pond, is a dispatching algorithm that efficiently distributes calls to taxicabs based on their proximity to the pickup address. During the busiest times, this system enables drivers to choose from only those calls that are closest to their taxicabs. This system reduces the amount of information the driver must process, while dramatically reducing service times and increasing driver efficiency.

When an address is entered in the system, the system automatically codes the call with latitude and longitude coordinates. Then, the system automatically creates three rings around the pickup address, with the first ring being, for instance, 1/2 mile, the second ring being 2 miles and the third ring being 4 miles away from the pickup point. The call is first put out to bid to all available taxicabs in the first, closest ring. Cabs outside the ring do not receive the opportunity to bid at all. If any driver bids on the call, then it will be assigned to that driver. If more than one driver bids on the call, then the system will award the call to the closest cab. If no driver bids on the call, then the bid is offered to all of the available cabs in the second, wider ring. The entire process takes less than 2 minutes. As a result of this system, our customers often see their cab waiting at the door in less than five minutes.

When the world moved into the Internet age, we at Fiesta Taxi realized that our taxi communications system, first implemented in 1989, could be greatly enhanced to improve customer service.

Early in 2003, we teamed up with IPMobileNet, Inc., of California, to jointly develop and deploy a digital data wireless network suitable to our expanding requirements. IPMobileNet has long specialized in wireless communication systems, especially for public safety organizations.

Each taxicab is equipped with a mobile data terminal (described below) featuring soft buttons and a color display. Each cab's mobile data radio has global positioning broadcast capability built into it. Automatically appended to each data transmission – whether voice, written, or meter functions – is GPS-generated latitude/longitude coordinates.

Because the system is all digital, voice and data transmissions are "packetized" and encrypted by the IPMobileNet system, which uses the radio spectrum more efficiently and gives users unique feature advantages over existing circuit-switched technologies, such as PCS, cellular, and existing radio frequency circuits.

Vehicles operating under this agreement feature MobileKnowledge® Mobile Data Terminals (MDT), graphical, touch-screen units that utilize Windows CE® operating systems and CF data wafers. These features allow us to custom-program these terminals to accommodate upgrades and new features.

The MDT color screen displays only those forms and control buttons that are relevant at the time of use. For example, when a taxi is in route to a dispatched pickup location, only the necessary functions ("soft buttons") and display data are on screen. As the trip enters a new aspect, the soft buttons and display elements change appropriately.

Dispatch Procedures and Service Documentation Capture

Our dispatch application not only offers flexible and reliable automatic order dispatching, but management control, real-time ride tracking and SQL-based report generation as well. Our system has been in continual use for the past 20 years and currently is in use in our Los Angeles center, as well as at our Orange County affiliate.

Our 24-hour computerized order entry system is a largely automated multi-step process that handles over 5,000 calls per day. The following scenario summarizes its basic features and details the benefits of operating with a sophisticated dispatch and scheduling system:

CCSI developed a new Windows-based interface as a front end to the MADS dispatch program. The Windows interface allows for the introduction of a number of technologies in the order-taking process that reduce both the time it takes to place an order and the incidence of errors.

The entire call taking process is an interview between the call taker and the customer. In most cases, the questions are scripted for the call taker on the computer screen, with possible answers in drop-down menus. Thus, these questions can be answered with mere clicks of the mouse, and without the need for typing. For major accounts such as Dial-A-Ride programs, CCSI makes extensive use of Flash technology to guide the calltaker through the specific rules and restrictions on the account.

Trip Entry Mode: NON-INTERVIEW CALLBACK# CALLS ON HOLD: 0

General Info

Fleet: S Pri: 25 Client #: Trip Type: P-PASS

Pass: Name (First Last): JANE DOE Resp Party: P-PASSEN

Pickup Address Info

Due: Wednesday 10/08/08 Time: 07:23AM

Phone #: 3107830321 Ext.:

Loc ID: 3107830321 TORRANCE CITY HALL

Street #: 3031 Apt/Unit:

Street: TORRANCE BLVD

City: TORRANCE TOR State: CA

Zone #: 682 1 CABS TORR./HAWTHOR

TORRANCE CITY HALL

LOS ANGELES COUNTY

Destination Address Info

Appt: Time:

Phone #: Ext.:

Loc ID:

Street #: Apt/Unit:

Street:

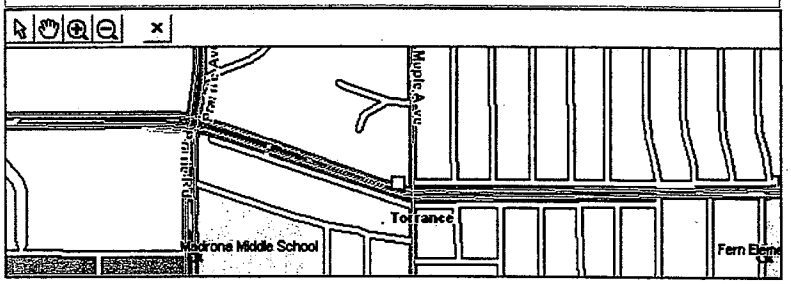
City: State:

Zone #:

Client Specific Fields

Comments

XX MAPLE AVE .... PASSENGER AT MAIN ENTRANCE



Miscellaneous Info

Requested By: VIP Trip

Person To See: POD Required

Escorts: Confirm Trip

Original Due: Call #: 0

Status: TDS #: 0

Entered Date: Entered By:

Confirmed at: by:

Pricing

Miles: 0 Driving Time:

Est Fare: $0.00 Call Rate: $0.00

MULT CABS

We should be there in 10 To 15 Minutes.

(Interview Complete. Press <F5> to save call information.)

ALT | F1= | F2= | F3= | F4= | F5= | F6= | F7= | F8= | F9= | F10= | F11= | F12= | ESC=CANCEL

Ready Fleet: User ID: 1089

Below is an actual **Order Entry Screen** used to enter a trip request. As soon as a calltaker or Customer Service Agent (CSA) enters a caller's telephone number, if this telephone number is recognized, the customer's previous order information appears on the screen. Pickup and drop off locations from previous trips are displayed and may be changed or reversed in an instant. This information is often accurate for the current call.

Trip Entry Mode: INTERVIEW CALLS ON HOLD: 1

General Info
Fleet: C Pri: 25 Client #: Trip Type: P-PASS
Pass: Name (First Last): Resp Party:

Pickup Address Info
Due: Wednesday 11/30/05 Time: 03:48PM
Phone #: Ext.:
Loc ID:
Street #: Apt/Unit:
Street:
City: State:
Zone #:

Destination Address Info
Appt: Time:
Phone #: Ext.:
Loc ID:
Street #: Apt/Unit:
Street:
City: State:
Zone #:

Client Specific Fields

Comments

Miscellaneous Info
Requested By: VIP Trip
Person To See: POD Required
Escorts: Confirm Trip
Original Due: Call #: 0
Status: TDS #: 0
Entered Date: Entered By:
Confirmed at: by:

Pricing
Miles: 0
Est Fare: $0.00 Call Rate: $0.00

HELLO, HOW CAN I HELP YOU.

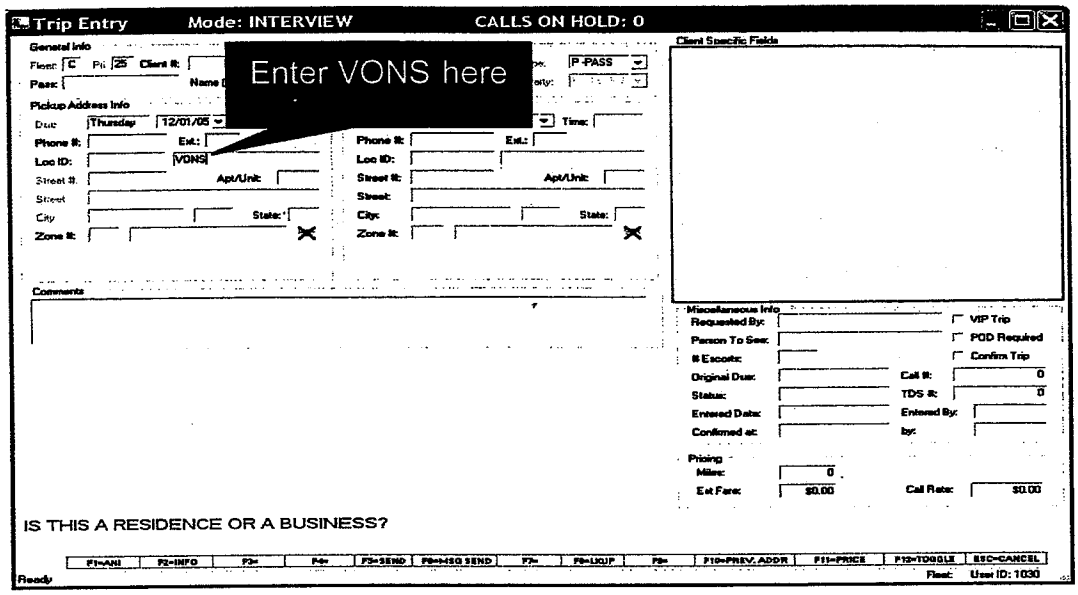
F1=ANI | F2=INFO | F3= | F4= | F5=SEND | F6=MSG SEND | F7= | F8=LKUP | F9= | F10=PREV. ADDR | F11=PRICE | F12=TOGGLE | ESC=CANCEL

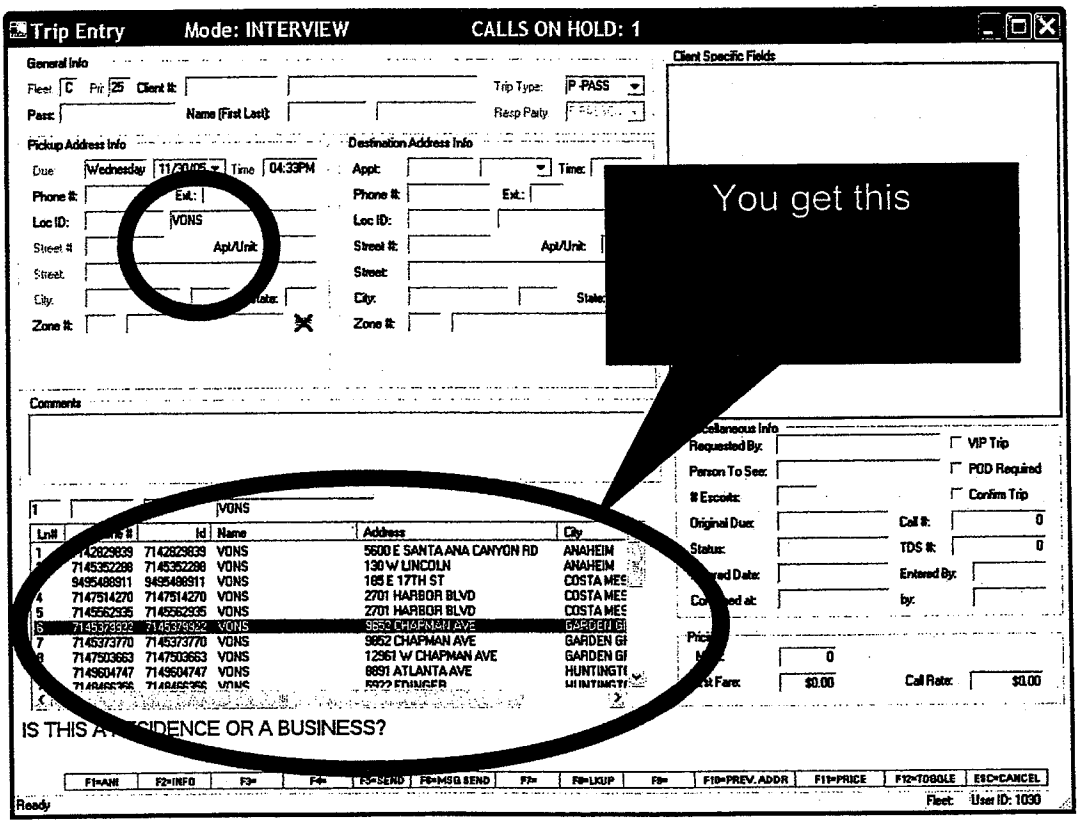
Ready Fleet User ID: 1030

Picture Above illustrates an Order Entry Form

The order entry procedure is as follows:

1. The phone switch distributes the call to the correct calltaker based on the phone line dialed and the qualifications of the calltaker.

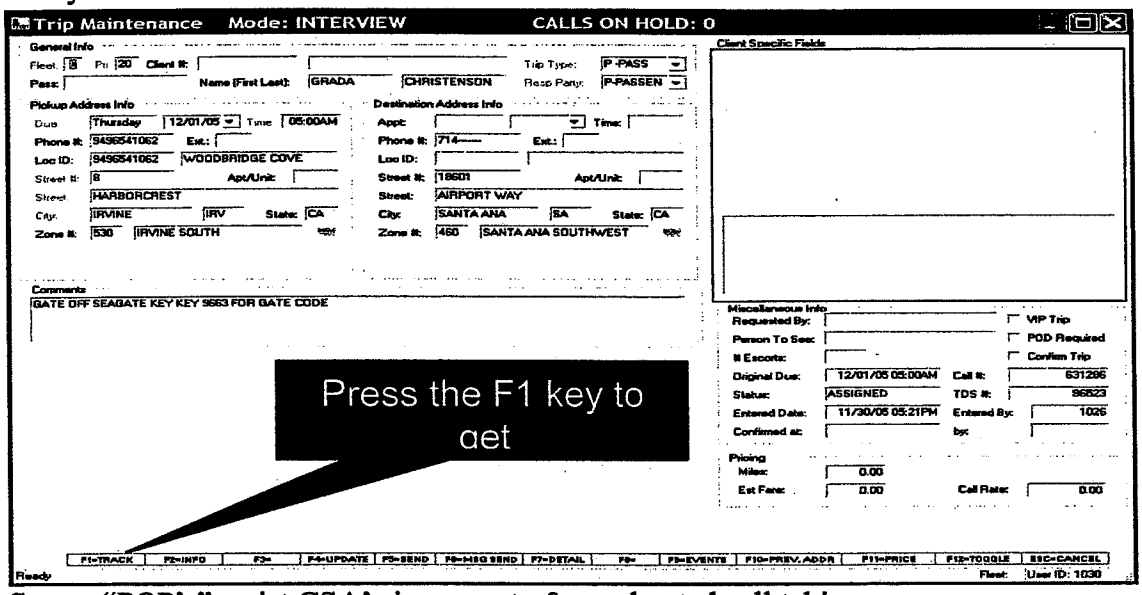




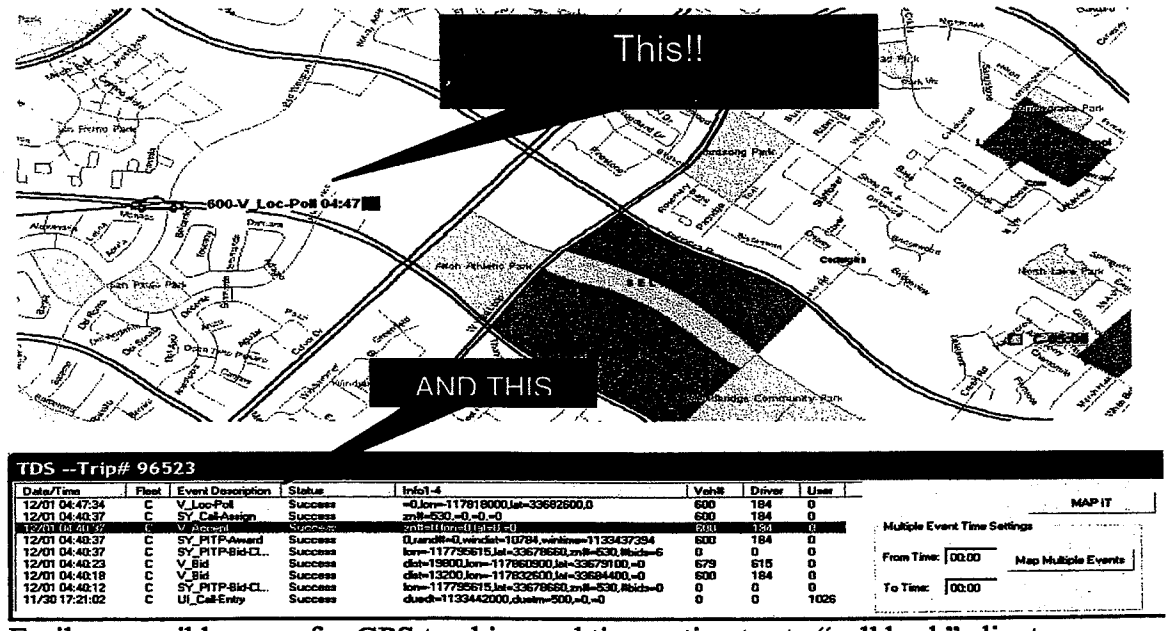
2. If the caller has placed an order before, the caller's caller ID prompts a screen pop of the previous order information without the need for the calltaker to request the caller's phone number. Included in this screenpop are the last ten previous pickup addresses for the caller in a drop-down menu.

3. Otherwise, the calltaker enters the pickup information in much the same way as has been done on MADS for the last 20 years.

The order information is instantly exported into ASC's MADS computers and dispatched to taxicabs by way of the GPS-based Pebble-In-the-Pond closest cab bid system.



Screen "POP's" assist CSA's in accurate & accelerated call taking.



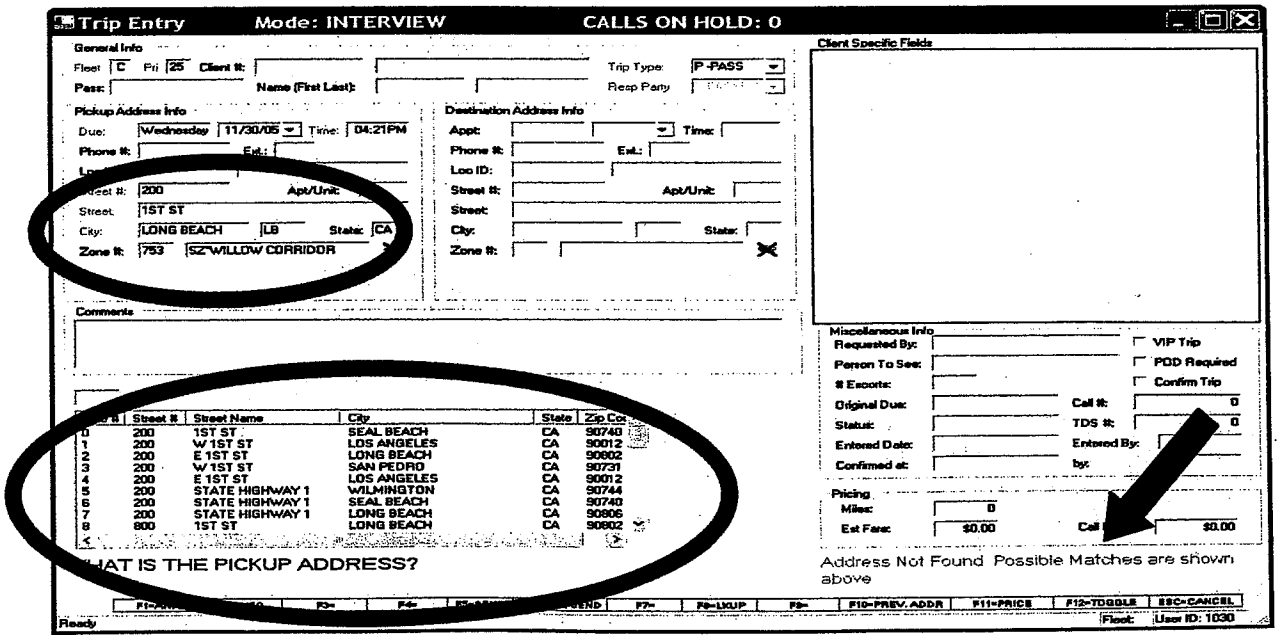
Easily accessible maps for GPS tracking and time estimates to "call back" clients

As mentioned above, CCSI makes extensive use of multiple technologies in its Windows-based calltaking function. One feature that illustrates the forward thinking involved is the following:

Customers who are calling back on an order already placed receive faster service, because the Caller ID screen pop prompts the calltaker to begin by asking if this call is about the previously placed order. Furthermore, if the cab has already been assigned, the calltaker is prompted to ask if the customer is asking for an ETA. If the answer is yes, then a screen pops up automatically with a map showing the location of the pickup address and the location of the taxicab, along with a script stating that "Your taxicab is 1.1 miles away and should arrive within 5 minutes." This technology eliminates the need for placing the customer on hold, and eliminates the need to interrupt the dispatcher to give the ETA information.

As can be seen from the above scenario, our system has a number of built-in safeguard features for handling calls that represent significant benefits, including:

- The immediate dispatch notification of a potential problem or delay with a trip;
- Creation of full records for immediate and future review by management;
- The ability to immediately recapture and recreate a trip history in the event of an inquiry, complaint or need of verification;
- The capability of filing advanced reservations into a pending call file and automatically recalling those trips and dispatching them at pre-determined times;
- Automatically flagging of potential problems and alerting dispatch to a potential problem before it becomes an inconvenience to a customer.



The above illustrates correcting a bad address.

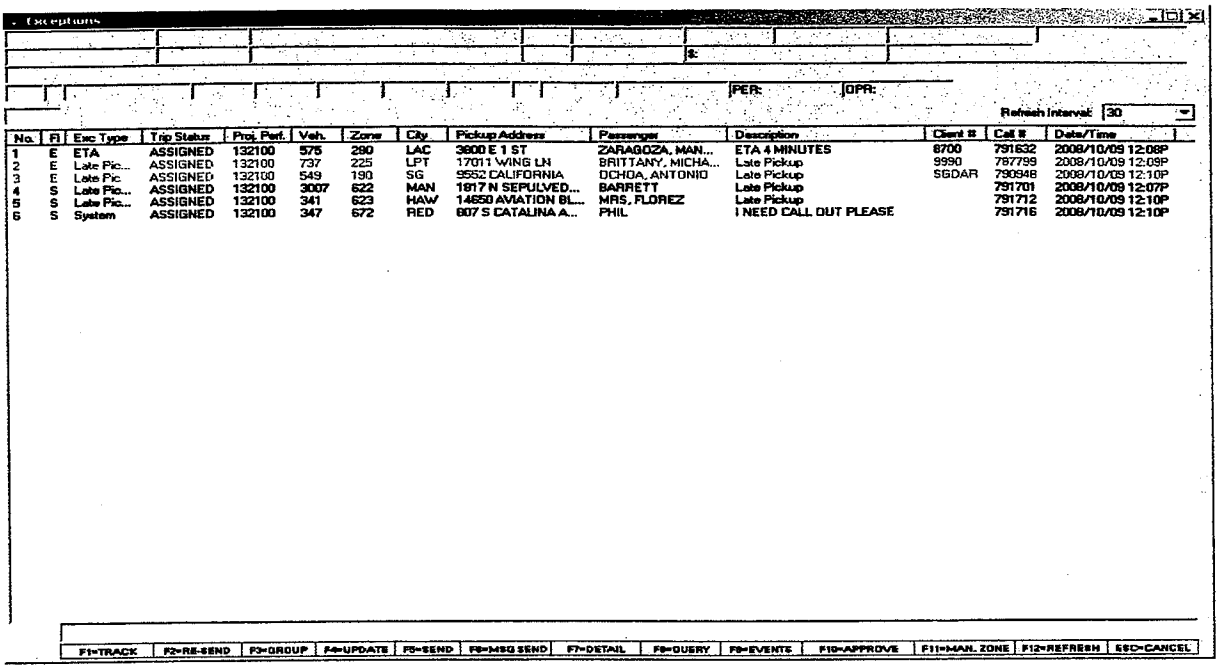
Each of these features, along with historical annotation, becomes a permanent part of every order entered into the system. This information can be accessed within 24 hours and used for a number of analytical, reporting and management evaluations.

MADS is internally managed on an "exception" basis; trip requests that cannot be handled by the computer are handed off to human dispatchers; customers who might require special considerations are accommodated as a priority. The task of handling those calls that are not routine in nature is made easier by dispatch "exception" screens that are intuitive in their operation.

Although experience and analysis over the years shows that most orders are "routine," every effort is extended to ensure that "exceptional" trip requests are promptly serviced.

Over the last 20 years, our dispatch center has received more than 20,000,000 orders, the vast majority of which orders were automatically dispatched with minimal to no human intervention. This system allows our dispatchers to focus on calls that require their intervention and immediate attention. The system helps structure these exceptions by automatically flagging them for intervention, displaying them on Exception Screens and providing for human intervention to manage unusual situations.

The following illustration is a reproduction of an actual **Exception Screen**, which constantly displays all trip requests that require human intervention. This screen is kept current by the system and allows the dispatcher to quickly resolve these trips. Only an estimated 10% of all trip requests entered into the system by the customer service agents appear here; the dispatch system is able to successfully dispatch most calls without time-consuming dispatcher intervention.



Exceptions

PER: OPR:

Refresh Interval: 30

No.	Fl	Exc Type	Trip Status	Proj. Perf.	Veh.	Zone	City	Pickup Address	Passenger	Description	Client #	Call #	Date/Time
1	E	ETA	ASSIGNED	132100	575	280	LAC	3800 E 1 ST	ZARAGOZA, MAN...	ETA 4 MINUTES	8700	791632	2008/10/09 12:08P
2	E	Late Pic...	ASSIGNED	132100	737	225	LPT	17011 WING LN	BRITTANY, MICHA...	Late Pickup	9990	787799	2008/10/09 12:09P
3	E	Late Pic	ASSIGNED	132100	549	190	SG	9552 CALIFORNIA	OCHOA, ANTONIO	Late Pickup	SGDAR	790948	2008/10/09 12:10P
4	S	Late Pic...	ASSIGNED	132100	3007	622	MAN	1817 N SEPULVED...	BARRETT	Late Pickup		791701	2008/10/09 12:07P
5	S	Late Pic...	ASSIGNED	132100	341	623	HAW	14650 AVIATION BL...	MRS. FLOREZ	Late Pickup		791712	2008/10/09 12:10P
6	S	System	ASSIGNED	132100	347	672	RED	807 S CATALINA A...	PHIL	I NEED CALL OUT PLEASE		791716	2008/10/09 12:10P

F1=TRACK | F2=RE-SEND | F3=GROUP | F4=UPDATE | F5=SEND | F6=MSG SEND | F7=DETAIL | F8=QUERY | F9=EVENTS | F10=APPROVE | F11=MAN. ZONE | F12=REFRESH | ESC=CANCEL

Exception Screen

As previously mentioned, MADS records, timestamps, and saves all information and events generated during the course of a call. All information entered into the system, everything a driver does, and every response to every event or occurrence is captured in the MADS Informix-based database. This internal database has three major functions:

- It serves as the core of the dispatch system; data from various tables are joined and drawn together to automatically dispatch calls, and provides information to operators on a real-time basis.

- Call information and history is retained in separate database tables for 24 hours in an "online" state. Operators may query these tables for pending and day-old calls, vehicle and driver status, and a number of other timely points. Vehicle, driver, operational, and client information is always available and can be updated by management personnel at any time.

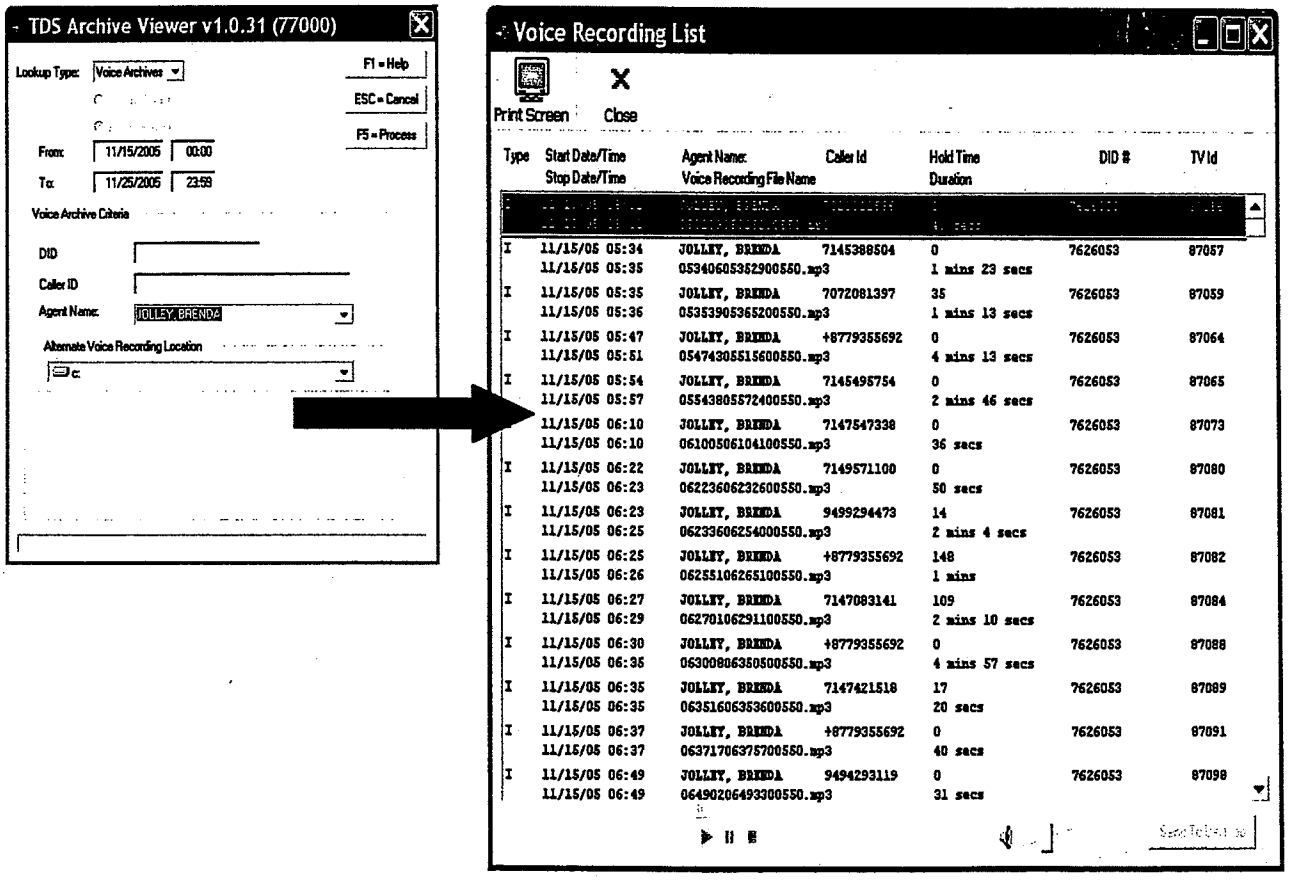
- Finally, every morning just after midnight, the MADS database prepares a number of export files which are sent to other servers which provide storage, analysis, lookup and reporting functions. Instant information about past calls is available at every Windows workstation throughout the company via a 4GL-based form which permits office personnel to extract and print call information at their desks. In addition, all call and system information from MADS is imported into our data warehouse.

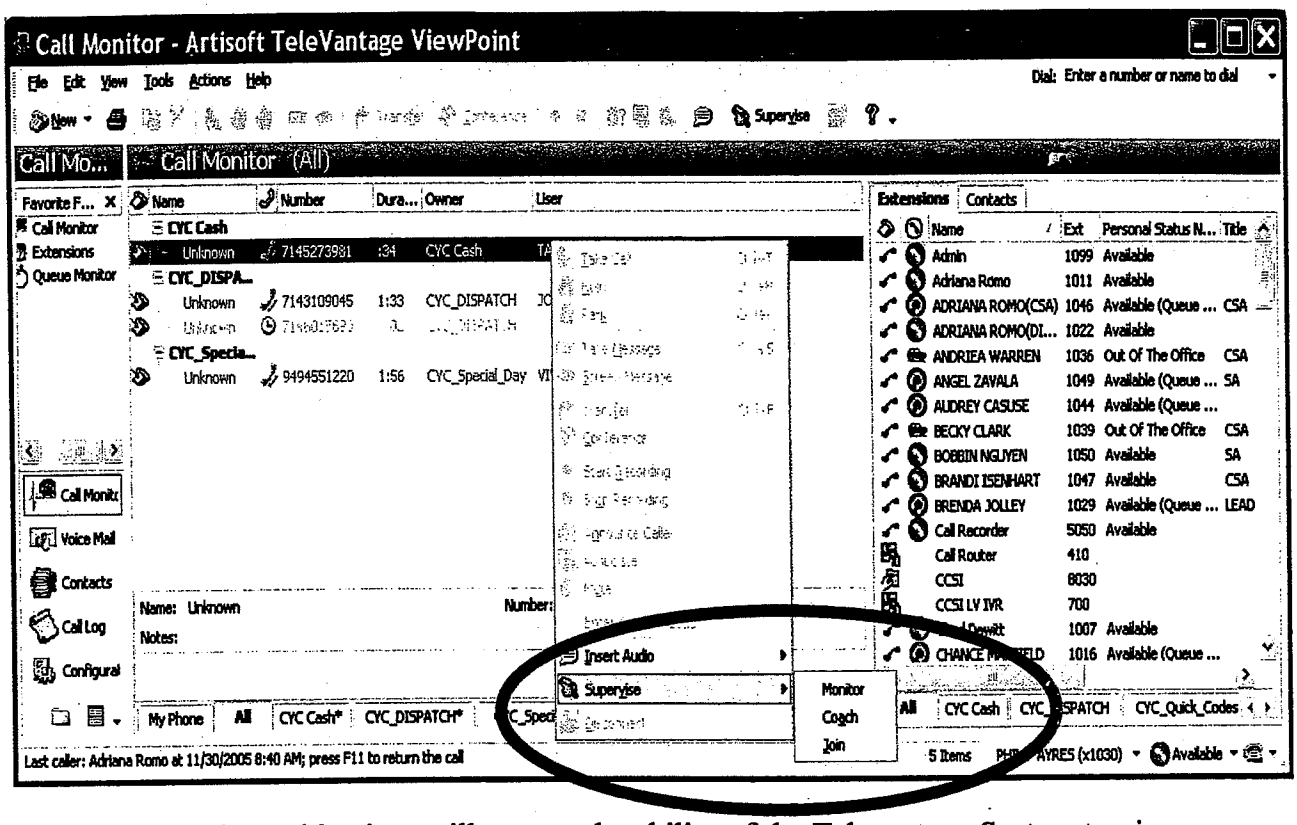
Dispatch Computer System, Phone System, Radio and Vehicle Technologies, Programs, and Frequencies

Orders taken by CCSI are imported into ASC's MADS dispatch system in Gardena and dispatched to taxicabs using the GPS-based Pebble-In-the-Pond closest cab bid system in the same way as before. Fiesta Taxi continues as the only taxicab company in Los Angeles to use a pure closest-cab dispatch system.

CCSI utilizes an advanced PC-based Televantage phone switch by Artisoft. This switch automatically records all incoming calls, converting each to a .wav file that is easily located and listened to, without the need for additional software. The Automatic Call Distribution functions of the Televantage switch are second to none, and allow full resume-based routing to calltakers based on call type, and the skill set necessary to handle that type of call. This allows more basic calls to be routed to newer calltakers, while more complicated calls, such as orders made for multiple trips by medical accounts, to be routed only to senior calltakers.

As a call center management tool, the Televantage switch offers many of the latest features, including real-time displays showing all necessary information related to calltaker status and calls in queue, as well as the ability for call center managers to listen in on calls, and to join them when necessary.





As mentioned above this picture illustrates the ability of the Televantage System to give managers the capability to monitor, coach, and join a call.

As previously mentioned, MADS is a Unix-based dispatching application originally created by the Motorola Communications group. This application has proven itself reliable and resilient over its many years of 24-hour daily operation. This particular system has been extensively customized by one of the original programmers who is to this day contracted by ASC.

Radio frequency communication is achieved through an Ethernet network to a custom-built Remote Network Controller Extension (RNCe) and a pair of redundant Internet Protocol Network Controllers (IPNC) supplied by IPMobileNet, Inc.

These units are connected by both land line and microwave circuits to base stations at several sites in Los Angeles and Orange counties, making it one of the most extensive radio coverage "umbrellas" in the nation. These sites include Mt. Lukens, Signal Hill, Pleasants Peak, Mossbank, Oat Mountain, and Catalina Island. These base stations provide full-time wireless connection to our vehicles throughout our contract areas.

Our agents use new digital telephones, which feature multiple incoming call indicators, LCD displays, and high-fidelity professional-quality microphone headsets. Supervisors can also monitor incoming calls, ensuring continued high levels of quality customer service. The supervisors are kept apprised of client call status by Windows-based station monitor computers in the call center.

Other Technology

The following section will set forth a number of technology advances available to all of Fiesta Taxi's customers, including Dial A Ride passengers. These features have been added over the last three years and have kept Fiesta Taxi, along with its ASC-sister fleets, as the industry's leaders.

Automated Calltaking

CCSI has been a leader in developing automated solutions for calltaking and order entry. For customers who choose these options, they provide the fastest and most accurate way of ordering a taxicab.

The first form is automatic call entry. When the telephone switch detects that there are a high number of calls in queue waiting to be answered by our customer service agents, automatic call entry is turned on. When the queue falls below the specified threshold, then the feature turns itself off. When it is on, the system compares the caller ID of the incoming call to see if it matches the telephone number on a previously entered order. If there is no match, the customer continues to wait in queue as he or she normally would. However, if the system finds one or more matching orders, then the system, using text-to-voice technology, asks the customer if he or she would like a cab at the most recent place of pick-up. For example, the system will ask, "If you would like a taxicab to pick you up at 300 S. Elm Street, press 1 now. Otherwise, please continue to hold for an operator." If the customer responds by pressing the number 1, the order is entered automatically and dispatched to the closest available taxicab without operator involvement. We average about 400 taxicab trip orders per week entered automatically in this manner, and the percent of these orders that are successfully dispatched is the highest of any type of order, attesting to its accuracy.

The second form of automated solutions for calltaking and order entry is our Interactive Voice Recognition (IVR) system for our frequent customers. IVR is a voice-to-text and text-to-voice technology that is used by many businesses. We were the first taxicab company in southern California to use it. We use the IVR system most often for businesses, and when set up, the system will recognize the caller ID of the caller, and offer a taxicab order to the caller. The caller needs to perform only two short steps to complete the order: press "1" to order the taxicab, and say the passenger's name. One frequent user of this solution is the Beach House hotel in Redondo Beach. When an employee calls, our system responds, "Beach House taxi service. Press 1 to order a taxicab." Once 1 is pressed, the system responds, "Please say the name of the passenger." A call is automatically created and dispatched for a pickup at the Beach House with the passenger's name correctly in the passenger-name field. We average about 120 orders per week using the IVR system, with 80% of those orders ending with a successful meter-on.

Zapper-Proof Meters

As the co-inventors (with NTS and Centrodyne) of Zapper-Proof meters, Fiesta Taxi has had in place GPS checking of meter distance and fare mismatch since October 2006. This fully operational system has identified several vehicles with fast meters by way of weekly reports – all due to routine maintenance issues. Those vehicles are immediately inspected and the meters are immediately recalibrated for accuracy. To date, no zappers have ever been found in Fiesta Taxi's taxicabs.

Internet Based Taxicab Trip Ordering

Taxicab trip orders are accepted over the Internet at www.fiestataxi.com. For cash trips, the user interface is provided by RideCharge (see below), which has similar agreements with taxicab companies in 30 cities around the United States and Canada, with the result being a more universal format for taxicab trip ordering on line. For account trips, the interface is provided by NTS.

RideCharge

ASC has a close relationship with RideCharge, dating almost back to the date that RideCharge was formed. RideCharge offers a reservation, payment and expense management and tracking solution for individuals and corporations.

RideCharge takes taxicab trip reservations in three ways. First, for registered users, taxicab trips can be ordered on line or by way of a Blackberry smart phone loaded with RideCharge's application. Second, RideCharge accepts orders through links on each ASC fleet's web page. Third, RideCharge developed a GPS-based taxicab trip ordering application for iPhones called TaxiMagic. RideCharge also has an SMS-based taxicab trip order application in development.

For registered users, payment for taxicab trips can be made directly over a smart phone with the RideCharge application. At any point during the trip, before or after the meter is turned off, the passenger can enter a payment amount in his or her Blackberry. That amount is sent through RideCharge into ASC's computers and into the taxicab, where the driver receives a message automatically over the MDT that the payment has been received by the passenger. No paperwork is necessary, and the driver's account is credited automatically the following morning.

777CAB

Fiesta Taxi has an agreement with GoFastCab to accept SMS-based taxicab trip orders from cell phones using the 777CAB (777222) short code. This ordering function is in development and should be deployed within the next 90 days. Customers will be able to send a text message with their address to the short code to order a taxicab for immediate pickup.

University Card

The University Card project is not a dispatch project, but a cashless, paperless payment option for passengers. ASC, along with NTS and DDS, developed an interface with the student accounting system at the University of Southern California (USC) that allows for USC students and employees to use their student ID cards and student accounts to pay for taxicab fares. The system works regardless of whether the taxicab was ordered in advance or if the student hails the cab on the street.

For USC, having this payment option helps to fill the transportation gap between the university's transportation services offered in the immediate vicinity of the campus, and regional transportation offerings of the MTA.

An ASC payment server has been housed on-site in USC's USCard center. At the beginning of the trip, the passenger offers the card to the driver, who then swipes the card to obtain notification that the card is valid. At the end of the trip, the actual meter amount is pulled from the smart meter, a 15% tip is added, and the account is settled. The automatic tip was necessary to prevent each transaction from requiring two approvals, one before tip and one after tip. The driver is notified of the tip and told not to request an additional tip. Two receipts print, one for the passenger and one for the driver. However, no signature is required. There is an override for the smart meter amount which is used in the event of DOT-authorized flat rates.

After settlement, early the following morning, all University Card transactions are automatically credited to the drivers' accounts with the total amount of each transaction, including tip, less a 5% handling fee.

Through continuous improvement in the University Card system, we have been able to increase our successful online transaction rate to 99%. This means that only 1% of transactions each week fail to be processed in real time through the MDT and the payment system.

Of course, given the location of USC, we expect for Yellow Cab to handle the vast majority of trips on this account. However, all ASC fleets have the ability to accept the cards for payment in order to accommodate students who travel from outside Los Angeles.

ASC has executed an agreement with Loyola Marymount University to implement the University Card system there. This system is in the late stages of development and should go on line before July 1, 2009.

Swipe Cards

Please review Attachment A for more information.

Loss of Designated Project Manager

Fiesta Taxi agrees to assign a project manager to the City of Huntington Park throughout the term of the contract. We understand that the City reserves the right to terminate the contract within thirty (30) days from the date when the designated project manager is no longer available.

Adjustments

Fiesta Taxi will work with the City of Huntington Park on any changes needed to improve the Dial-A-Ride program. We understand that the Contractor is required to make changes as requested within (30) calendar days of the receipt of notice.

Qualifications and Experience

Fiesta Taxi Cooperative, Inc. ("Fiesta Taxi") is a member of Administrative Services Cooperative, Inc. (ASC), which includes Los Angeles Yellow Cab, Long Beach Yellow Cab, South Bay Yellow Cab, and United Checker Cab. Fiesta Taxi combined with ASC and its' member fleets is the largest taxicab co-op operation in the Western United States with approximately 1,200 vehicles serving most of Los Angeles County.

Fiesta Taxi began in 1996 to service the growing Latino and Spanish-speaking population in the southeast communities of Los Angeles County. Fiesta Taxi has since grown into the largest operating taxi company servicing these areas. Due to its reliable service, Fiesta Taxi operates numerous municipal Dial-A-Ride programs for seniors and disabled residents. Throughout its existence, Fiesta Taxi has been honored with numerous accolades for its continued commitment and dedication to the communities it serves, including resolutions from the Federal, State and local governments.

Fiesta Taxi's (and ASC's) operations and maintenance facility is located at 2129 W. Rosecrans Avenue in the City of Gardena, California. The company is located within a 14,000 square foot, fully self-contained center situated on approximately four acres. The facility includes an eleven (11) bay, hydraulic lift equipped maintenance center, and an eight (8) bay fully equipped body shop, a parts department, a fully equipped two-way radio and electronics facility, a meter shop staffed by licensed technicians, and a commercial car/van wash.

The company recognizes the value of preventative maintenance as a means to ensure the utmost safety of the passengers. Therefore, vehicle maintenance is performed every 5,000 miles. Service includes brakes, routine oil and filter changes, front-end alignments, filter cleaning, plus routine safety inspections and replacement if necessary of all belts, tires, batteries, windshield wipers, seat belts and exhaust systems.

In 2006, ASC relocated its call taking and dispatch operations for its MADS dispatched fleets (including Fiesta Taxi Co-op) to a newly built state-of-the-art 5,000 square foot call center developed by Call Center Services, LLC (CCS). The facility includes 60 CSA stations and dispatch stations with the ability to handle 30,000 calls daily and operates 24 hours a day, seven days a week.

Fiesta Taxi's driver screening process ensures that no driver takes the wheel before his or her driving record from the Department of Motor Vehicles has been thoroughly reviewed. Fiesta Taxi enrolls every one of its drivers in the California Department of Motor Vehicles' Pull Notice Program, which provides immediate notification of any incidents that affect each driver's driving record. In addition, drivers must undergo numerous testing and background checks through the various city permits the drivers apply for.

Drug and Alcohol Testing of Fiesta Taxi drivers is performed by Norton Medical Industries, Inc. Drivers are tested prior to submitting their application for a driver's permit, annually prior to their permit renewal, when involved in a car accident, for cause when drug and alcohol use is suspected, and randomly as selected by Norton Medical in accordance with Federal Guidelines.

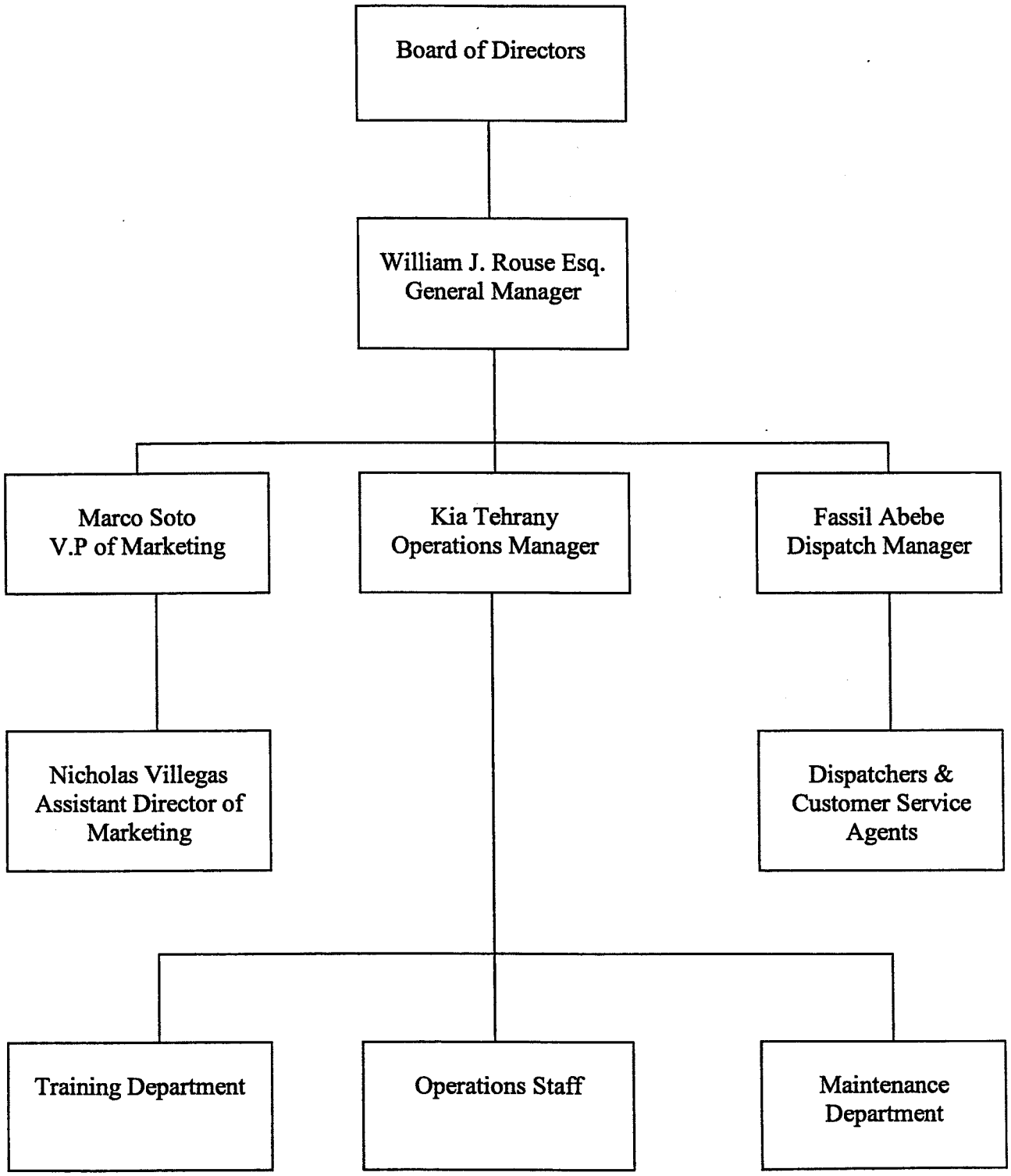
Financial Viability

Attached for your review are audited annual statements for Fiesta Taxi Cooperative Inc. for the years ending on December 31, 2006, 2007 and 2008. We request that all financial information contained in the proposal remain confidential.

Dial-A-Ride Experience/Major Projects/Past Projects

Fiesta Taxi is highly experienced in providing Dial-A-Ride transportation services. In the areas served by Fiesta Taxi, nine of the cities, including Huntington Park, have opted for a taxi-based Dial-A-Ride transportation for their resident's needs. Nearly all of the Dial-A-Ride programs serviced by Fiesta have elected to change from a coupon based system to a swipe card system. The cities can be assured that they will be provided with high-quality service with the latest technological advances. The following is a list of cities who use Fiesta Taxi for all or a portion of their Dial-A-Ride program: Bell Gardens, Compton, Huntington Park, Lynwood, Norwalk, Paramount, Santa Fe Springs, South Gate and Whittier.

Organizational Chart



Summary of Duties

For more on experience, let us look at some of the individuals involved in our organization. ASC has a long-term management contract with a superior management team headed by

Mr. William Rouse joined ASC's management team in 1998 – at first as de facto in-house counsel, then as its General Manager in February 2004. As General Manager, Mr. Rouse oversees all aspects of ASC's and its member cooperatives' operations, marketing, finance and other functions. Mr. Rouse is an attorney whose practice has ranged from employment law and civil rights to general corporate, transactional and unfair competition. He is part of the fourth generation of his family in the taxicab business. Mr. Rouse graduated from the University of Southern California in 1988 with a Bachelor of Science degree in Business Administration, with an emphasis in Finance and Business Economics. He received his law degree from the University of Southern California in 1992. He is a board member and Past President of the Transportation and Paratransit Association of California (TPAC), and he is Vice President and member of the Board of Directors of the Taxicab, Limousine and Paratransit Association (TLPA), the private, for-hire ground transportation industry's international trade association. Mr. Rouse has addressed several TPAC and TLPA conferences, as well as the 2007 conference of the International Association of Transportation Regulators on the subject of how taxicab companies can run an effective wheelchair accessible van program with independent contractor drivers.

Mr. Kia Tehrany has played a key role in the development of ASC's five fleet operation. As Director of Operations since 2001, Mr. Tehrany's experience and knowledge of the taxicab industry has helped maintain the company's unparalleled reputation as the industry leader. Currently, Mr. Tehrany oversees all operational matters of ASC's five fleet taxicab operation that includes approximately 1,175 vehicles. Mr. Tehrany owned and operated taxicab vehicles for ten years before becoming part of ASC's management team in 1997. Mr. Tehrany received his Bachelor of Arts degree from Pars University in Tehran, Iran in 1973.

Mr. Fassil Abebe oversees the operation of the entire dispatch department. He joined the ASC team in 1987 as a driver for L.A. Taxi. He showed so much interest in he company's overall well being that he was brought into the company in 1988 as a dispatcher where because of his determination was quickly promoted to Lead Dispatcher followed by his current role as Director of Communications. Mr. Abebe attended high school in Washington D.C. and attended Santa Monica Community College.

As Vice President of Marketing for Fiesta Taxi, Marco Soto is the project manager for Bell Gardens Medical Taxi Program, Compton Dial-A-Ride, Huntington Park Dial-A-Ride, Lynwood Dial-A-Ride, Norwalk Dial-A-Ride, Paramount Dial-A-Ride, Santa Fe Springs Dial-A-Ride, South Gate Dial-A-Ride and Whittier Medical Dial-A-Ride programs. Mr. Soto is volunteers a lot of his free time with community service

oriented organizations. He currently serves on the Board of Directors for the Huntington Park Chamber of Commerce. Mr. Soto is the proposed Project Manager for the Huntington Park Dial-A-Ride program.

There are more people at ASC whose lengthy experience in the taxicab and paratransit industries is an asset not only to ASC, but also to our customers in the City of Huntington Park than we can mention here. For example, many of our employees, including reservationists, dispatchers and managers, have been working for ASC for many years.

WILLIAM J. ROUSE

General Manager
Administrative Services Cooperative, Inc.

2129 W. Rosecrans Avenue
Gardena, California 90249
(310) 965-5807
Fax: (310) 324-2498
wjrouse@layellowcab.com

EDUCATION

May 1992 — **University of Southern California**, Los Angeles, California
Juris Doctorate
Moot Court Honors
Participated in Southern California Review of Law and Women's Studies
Licensed Attorney since December 1992

May 1988 — **University of Southern California**, Los Angeles, California
Bachelor of Science, Business Administration
Emphasis in Finance and Business Economics

PROFESSIONAL EXPERIENCE

February 2004 to present — **Administrative Services Cooperative, Inc.**, Gardena, California
General Manager

- Oversee through a management contract the operations of five taxicab fleets that operate 1,175 taxicabs in the greater Los Angeles area.
- Chief Operating Officer with oversight over operations, dispatch, accounting, marketing, regulatory compliance.

April 1998 to present — **Law Offices of William J. Rouse,** Gardena, California

- Represent the largest taxicab operation west of Houston, with 1,175 vehicles in operation, as de facto in-house counsel.
- Represent member taxicab fleets, management and drivers in a wide variety of litigation and transactional matters, including unfair competition, property damage recovery (subrogation), labor and employment, real estate and criminal law.
- Represent member taxicab fleets before various governmental and regulatory bodies.

June 1994 to April 1998 — **Law Offices of William J. Rouse,** Los Angeles, California

- Represented employees in litigation of employment law matters, including discrimination and sexual harassment, wrongful termination and contractual issues.
- Successfully briefed and argued to the California Court of Appeal the sexual harassment case Doe v. Capital Cities (1996) 50 Cal.App.4th 1038.
- Managed small business, including marketing, accounting and business planning.
- Addressed gatherings of attorneys and others on employment law topics.

December 1991 to June 1994 — **Law Offices of Leroy S. Walker/Walker & Barboza,** Los Angeles, California

- Represented employees in litigation of employment law matters, including discrimination and sexual harassment, wrongful termination and contract issues.

PUBLIC SERVICE

September 2001 to May 2006

President/Vice President/Commissioner, Board of Building & Safety Commissioners, Los Angeles, California

- Served two terms as President and one term as Vice President of Commission that hears building permit appeals and other Building & Safety related public hearings.

August 1999 to September 2001

Commissioner, El Pueblo de Los Angeles Historical Monument Authority, Los Angeles, California

- Member of the Commission that oversees and establishes policy for the El Pueblo Historical Monument, which includes Olvera Street.
- Was actively involved in a wide range of issues, including monument-merchant relations, event organizing, property management and establishing goals and policies.

TRADE ASSOCIATIONS

May 2004 to Present

President, Vice President, Secretary, Taxicab Paratransit Association of California

- Past President, previously served one year each as President, Vice President and Secretary, and member of executive committee of the statewide taxicab trade association of California.

November 2005 to Present

Vice President and Director, Taxicab Limousine Paratransit Association

- Appointed Vice President in October 2008. Member of Board of Directors of the international trade association for the private, for-hire transportation industry, based in Kensington, Maryland. One year of service on the Executive Committee and as co-chair of the Taxicab Steering Committee.

November 2006 to Present

Director, Long Beach Area Convention and Visitors Bureau

- Member of Board of Directors of one of the most dynamic and successful convention and visitors bureaus in the country.

OTHER SKILLS

Fluent in Spanish

Marco Andres Soto

7851 Central Avenue 323/972-9528
Stanton, CA 90680 msoto@layellowcab.com

Education

University of California at Los Angeles *Los Angeles, California*
Bachelor's Degree in Political Science *June 2001*

Work Experience

Fiesta Taxi Cooperative, Inc. *Los Angeles, California*
Vice President of Marketing and Sales *July 2007 – Present*

- Responsible for managing municipal Dial-A-Ride programs, strategic marketing plans, public affairs and governmental relations.
- Current project manager for the Bell Gardens Medical Taxi Program, Compton Dial-A-Ride, Huntington Park Dial-A-Ride, Lynwood Dial-A-Ride, Norwalk Dial-A-Ride, Paramount Dial-A-Ride, Santa Fe Springs Dial-A-Ride, South Gate Dial-A-Ride and Whittier Medical Dial-A-Ride programs.

Diverse Strategies for Organizing *Los Angeles, California*
Consultant *December 2001 – July 2007*

- Assisted developers, local, state and federal governments, Public relations firms and City Departments in developing consensus and building coalitions in support of their respective projects and legislative issues.
- Provided political consulting services to candidates: developed campaign and mail budgets, acquired endorsements, organized fundraisers, recruited paid and non-paid staff to work on campaigns and developed mail pieces to target voters.
- Worked on many projects in Los Angeles County to assist developers with their land use entitlement process. Implemented strategies that would secure a favorable outcome for our clients at public hearings/meetings.
- Produced and ensured funding for the largest Latino targeted slate mailer (1,000,000) in the State of California.

United States Secret Service *Los Angeles, California*
Stay-In-School College Program *January 1997 – September 2001*

- Responsible for assisting in the managing, directing, and organizing of the operational support functions of the counterfeit squad.
- Overlooked the completion and reconciliation of the Monthly Contraband Report.
- Assisted agents in promoting awareness of the characteristics of counterfeit currency to financial institutions, retail establishments, and local law enforcement agencies.

Office of Los Angeles Mayor Richard Riordan *Los Angeles, California*
Office Intern *Spring 1999*

- Served as an intern to then Special Assistant to the Mayor, Tom La Bonge.
- Performed administrative duties for the office.
- Drafted letters in response to constituent issues.

Community Service/Memberships

Huntington Park Chamber of Commerce *Huntington Park, California*
Member/Board of Directors

- Assist the Chamber of Commerce in promoting the businesses of Huntington Park.
- Represent the Chamber of Commerce at numerous city events.
- Volunteer at events hosted by the Chamber.

Rio Hondo College *Whittier, California*
Guest Lecturer

- Discuss political campaign experience and relevant issues with students in political science classes.

Latino Staffers (of Elected Officials) Coalition *Los Angeles, California*
Co-Founder / Member

- Organized campaign training seminars for the members.
- Invited elected officials as guest speakers to share their experiences with the organization.
- Coordinated monthly meetings and quarterly mixers.

Southwest Voter Registration Education Project *Los Angeles, California*
Voter Registration Volunteer

- Successfully volunteered on grass-roots voter registration projects throughout the County of Los Angeles
- Recruited and supervised youth volunteers while educating about the importance of voting.

Political Campaigns *Los Angeles, California*

Volunteer/Campaign Manager

- Served as a volunteer for various presidential, judicial, city council, state assembly, and school board campaigns.
- Volunteered at numerous phone banks and walked precincts for candidates.
- Managed a school board race and judicial race in Los Angeles County.
- Developed fundraising plans for campaigns.
- Designed and produced direct mail pieces for various campaigns.

Skills

- Microsoft: Windows 2000, Windows XP, Office: Word, Excel, PowerPoint, Outlook
- Fluent in Spanish
- Ability to facilitate public forums
- Experienced in fundraising and event planning

References

Dates of Service: 06/30/1985 to Present
Name: Palos Verdes Dial-A-Ride
Address: 38 Crest Road, Rolling Hills, CA 90274
Phone: (310) 544-7108
Contact Person: Mr. Martin Gombert, Administrator

Service:

ASC provides Dial-A-Ride transportation services to the City of Palos Verdes. The service is available 24 hours a day, 7 days a week to senior citizens and to any person with a qualifying disability. A participant can use the service anywhere in Palos Verdes and to satellite points. The participants can also go to any medical facility in Hermosa Beach, Manhattan Beach, Redondo Beach, San Pedro and Torrance.

Dates of Service: 4/1/2008 to Present
Name: South Gate Dial-A-Ride
Address: 4900 Southern Avenue, South Gate, CA 90280
Phone: 323-563-5478
Contact Person: Mr. Paul Adams, Director of Parks and Recreation

Service:
Fiesta Taxi is the Dial-A-Ride service provider for the City of South Gate. The Dial-A-Ride passengers must be 62 years or older or have a qualifying disability to use the service. The service is available 24 hours a day, 7 days a week, and 365 days a year. The participants are able to use the service anywhere within the city boundaries and to a list of approved satellite points. Passengers pay $10 per year for the program and they can use up to 30 trips per month. The city issues an MJM swipe card to the participants.

Dates of Service: 10/1/2000 to Present
Name: Paramount Medical Taxi Voucher Transit Services
Address: 15500 Downey Avenue, Paramount, CA 90723
Phone: 562-220-2121
Contact Person: Ms. Charissa Manor, Sr. Management Analyst

Service:
Fiesta Taxi provides Medical Taxi Voucher Transit Services to the City of Paramount. The passengers must be 60 years or older or have a qualifying disability to participate in the program. The service is available 7 days a week between the hours of 6:00 a.m. and 9:00 p.m. The transportation is valid to medical offices in the cities of Artesia, Bellflower, Compton, Downey, Lakewood, Long Beach, Lynwood and South Gate. The city issues an MJM swipe card to the participants.

Price Proposal
City of Huntington Park
Request for Proposal

Demand For Responsive Transportation System for Senior Citizens and Disabled Persons

Pricing Form

1. Proposed Taxi Rates

Flag Drop	**$2.65**
Cost Per Mile	**$2.45**
Other Costs (Waiting Time)	**$26.53 per hour of wait time**

2. Administrative Costs **15%**

The following is a cost estimate for the 1st year of operation based on the invoices provided by the City of Huntington Park:

Cost Description	Total
Estimated Average Cost of Trips Per Month (Based on 4,300 Trips Per Month)	42,000.00
Administrative Fees of 15% of Monthly Bill	6,300.00
EZ Transport Average Monthly Cost	2,150.00
Proposed Monthly Total	50,450.00
Total Estimates for Year 1	605,400.00

Required Forms

1. Workers Compensation Insurance

2. General Liability Insurance

3. Automobile Insurance

Planning and Marketing

In the initial phase of the outreach, we will conduct presentations to senior groups, medical facilities and to key constituencies in the city. We will meet with City staff at the with other city officials to get their input on how to increase participation in the program. The purpose of the presentations will be to inform the public about the Dial-A-Ride service in the City of Huntington Park and to gain the public's input on what they would like to see in the service.

Targeted Key Constituencies

- City Staff
- AARP and other Senior Groups
- Senior Housing Facilities
- Clinics
- Huntington Park City Council Members

We will inform the participants about the order placing process for the Dial-A-Ride program. The project manager will review all of the program rules with the participants and will provide brochures with the Dial-A-Ride information. These types of outreach sessions will be conducted on a regular basis.

Special presentations will be held with non-ambulatory passengers to review Fiesta Taxi's wheelchair accessible transportation program. The passengers will be introduced to the drivers who operate the wheelchair accessible vans. The project manager will review the order placing process with the passengers and answer questions related to the service.

For the outreach efforts to be effective, we need reach a diverse audience, including leader of key constituencies. We'll strive for diversity in meeting with people who represent:

- **Various demographics:** With diversity in race and gender.
- **City leadership:** Parks and Recreation staff members, City Commissioners, City Council Members
- **And who may speak and read different languages:** Public participation will be encouraged for non-English speakers. All public information materials will be in English, Spanish and in other languages as needed.

Partial List of Organizations to Contact:

Senior Housing Facilities
Local Non-Profit Organizations
Parent Groups at the Local Schools
Community and Mission Hospital

We know this unique approach to outreach will assure that the public is well informed about the Huntington Park Dial-A-Ride program. Our marketing department has the experience of launching many city-funded transportation programs and has been successful on using these outreach methods.

The steps described above will ensure the public is engaged in the launch of the program and provides their input. We will continue our outreach efforts throughout the contract period in order to ensure that residents of Lynwood are well informed about their transportation program. In addition, the monthly meetings with the seniors will assist us with identifying any issues with the program.

Bilingual Brochures for the Huntington Park Dial-A-Ride Program:

Dial A Ride / Fiesta Taxi
Fiesta Taxi offers economical taxicab service that provides curb-to-curb transportation service to the residents of Huntington Park who are age 62 or older and to individuals with a qualifying disability. The program operates 24-hours a day, seven days a week, including holidays. Passengers use a swipe card obtained at City Hall from the business license department for payment.

Registration and Card Purchase
To register for the program go to the Cashiers Office at City Hall, 6550 Miles Avenue, Monday through Thursday. All residents must bring proof of Huntington Park residency, proof of age, and proof of disability (if applicable). The cards are provided free of charge to qualifying participants but the passenger must pay for the trips which cost $0.25 each. Each participant is entitled to a maximum of 40 trips per month.

How to use the Service
Please call Fiesta Taxi using the Dial-A-Ride program's toll free number 866-486-8775. Once in the cab, you must present your Dial-A-Ride card to the driver. The driver will swipe your card at the beginning of the trip to verify the number of trips at the beginning of your trip and re-swipe your card at the completion of the trip to close the transaction. The drivers must provide you a receipt at the end of each trip. Please make sure to keep track of your trips.

Do not lend your card to a family member or friends. This program is reserved for qualifying participants.

Area Serviced by Dial-A-Ride
The taxicab service travels anywhere within Huntington Park City boundaries, 2-miles outside of the City, and to specific satellite medical locations outside of Huntington Park.

The passenger must pay cash for trips beyond the two-mile boundary of the program if the trips are not to a satellite point. The passengers must also pay cash for trips to the program's boundary for trips that are not starting from a satellite point.

Note:
One swiped transaction per trip, no roundtrips with one swipe. The program does not cover wait time.

Satellite Points

1. St. Francis, 2638 E. Imperial Hwy., Lynwood
2. St. Francis, 2700 E. Slauson Ave., Huntington Park
3. St. Francis, 3621 Martin Luther King Blvd., Lynwood
4. St. Francis, 403 S. Long Beach Blvd., Lynwood
5. Martin Luther King Hospital, 12021 Wilmington Blvd., Lynwood
6. Rancho Los Amigos, 12021 E. Imperial Hwy., Downey
7. Kaiser Clinic, 9449 Imperial Hwy., Downey
8. Kaiser, 7825 Atlantic Avenue, Cudahy
9. Kaiser Clinic, 9333 Rosecrans Avenue, Bellflower
10. 9400 Rosecrans Avenue, Bellflower
11. Downey Regional Hospital, 11500 Brookshire Avenue, Downey

Complaints and Questions
Please feel free to call Fiesta Taxi's Complaint Department at 310-965-5806 to register any complaints. You can also call Marco Sosa at 310-851-5050 for general questions about the program.

City of Huntington Park
Dial-A-Ride
Service Information

SERVICE IS PROVIDED
24 HOURS PER DAY
AND 7 DAYS A WEEK

FOR RESERVATIONS AND SERVICE:
CALL 866-486-8775

City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dial A Ride / Fiesta Taxi
Fiesta Taxi ofrece servicio de taxi a un precio económico qué proporciona viajes de puerta a puerta a los residentes mayores de 62 años de edad de la ciudad de Huntington Park y a personas con discapacidades. El programa funciona las 24 horas del día, los siete días de la semana, incluyendo los días festivos. Como parte del pago por viaje, los pasajeros usaran una tarjeta de identificación que se obtiene en el departamento de Finanzas del ayuntamiento.

Inscripción y Compra de la Tarjeta
Para inscribirse en el programa tiene que ir a la Oficina de Cajeros del departamento de Finanzas del ayuntamiento localizado en el 6550 Miles Avenue; de Lunes a Viernes. Los participantes deben traer prueba de residencia de Huntington Park, comprobante de edad, y prueba de la discapacidad (si corresponde). La tarjeta de identificación es gratuita para participantes qué califican pero hay un cobro de $5 para reemplazar una tarjeta perdida. Los participantes deben pagar una parte por los viajes. Cada viaje cuesta .25¢. Cada participante tiene el derecho a un máximo de 40 viajes por mes.

Cómo Utilizar el Servicio
Favor de llamar a Fiesta Taxi para reservar su viaje utilizando el número gratuito del programa de Dial-A-Ride 866-486-8775. Al entrar al taxi, debe presentar su tarjeta de identificación al conductor. El conductor registrara su tarjeta en el comienzo del viaje para comprobar el número de viajes y volverá a registrar su tarjeta al final del viaje para cerrar la transacción. Los conductores deben proporcionarle un recibo al final de cada viaje. Por favor, asegúrese de llevar un registro de sus viajes.

No preste su tarjeta a ningún miembro de su familia o a sus amistades. Este programa está reservado solo para los participantes que califiquen. Cualquier uso de la tarjeta por otra persona no autorizada tendrá como resultado la cancelación inmediata del programa.

Área de Servicio de Dial-A-Ride
El servicio de taxi circula en cualquier lugar dentro de los límites de la ciudad de Huntington Park, hasta dos (2) millas fuera de los límites de la ciudad, y a puntos específicos de clínicas médicas satélites fuera de la ciudad de Huntington Park.

El pasajero deberá pagar en efectivo por viaje pasando las dos (2) millas de los límites de la ciudad, si no es a una clínica médica satélite. Los pasajeros también deben pagar en efectivo por viajes a los límites de la ciudad de Huntington Park por viajes que no empiezan desde un punto satélite.

Nota:
Solo una transacción por viaje, no hay ida y vuelta con una transacción. El programa no cubre el tiempo de espera.

Puntos Satélite
1. St. Francis, 2638 E. Imperial Hwy., Lynwood
2. St. Francis, 2700 E. Slauson Ave., Huntington Park
3. St. Francis, 3621 Martin Luther King Blvd., Lynwood
4. St. Francis, 403 S. Long Beach Blvd., Lynwood
5. Martin Luther King Hospital, 12021 Wilmington Blvd., Lynwood
6. Rancho Los Amigos, 12021 E. Imperial Hwy., Downey
7. Kaiser Clinic, 9449 Imperial Hwy., Downey
8. Kaiser, 7825 Atlantic Avenue, Cudahy
9. Kaiser Clinic, 9333 Rosecrans Avenue, Bellflower
10. 9400 Rosecrans Avenue, Bellflower
11. Downey Regional Hospital, 11500 Brookshire Avenue, Downey

Quejas y Preguntas
Favor de llamar al Departamento de Quejas de Fiesta Taxi al número 310-965-5806 para presentar cualquier queja o para contestar sus preguntas. También puede llamar a la ciudad de Huntington Park al 323-584-6223 para presentar quejas o para contestar preguntas generales sobre el programa.

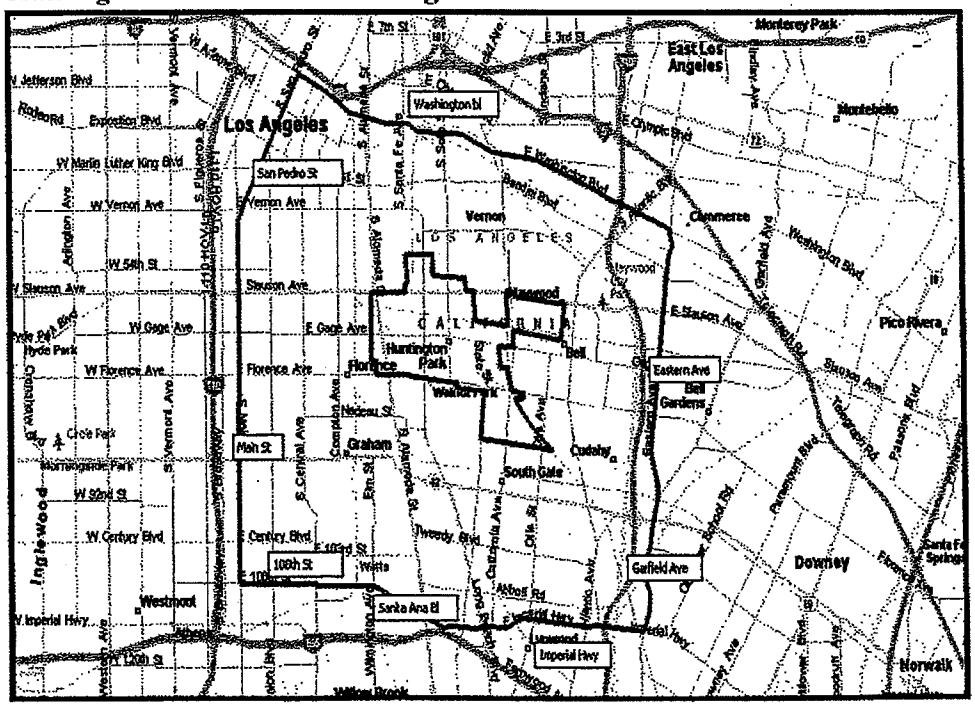
Ciudad de Huntington Park
Información de Servicio
Dial-A-Ride

Servicio las 24 horas al día, los 7 días de la semana

PARA RESERVACIONES Y SERVICIO:
Favor de llamar al: 866-486-8775

Ciudad de Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Huntington Park Dial-A-Ride Program Boundaries



Client#: 1251842 303ADMINSER

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 06/09/2009

PRODUCER
BB&T-John Burnham Ins Services
750 B Street Suite 2400
San Diego, CA 92101
619 231-1010

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
Administrative Services Cooperative Inc
2129 W. Rosecrans Avenue
Gardena, CA 90249

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: United National Insurance Compa	13064
INSURER B: Topa Insurance Company	18031
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY	CBL0635424	06/01/09	06/01/10	EACH OCCURRENCE	$1,000,000
		COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	$100,000
		CLAIMS MADE [X] OCCUR				MED EXP (Any one person)	$
		X BI/PD Ded:20000				PERSONAL & ADV INJURY	$1,000,000
						GENERAL AGGREGATE	$2,000,000
		GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC				PRODUCTS - COMP/OP AGG	$2,000,000
		AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT (Ea accident)	$
		ANY AUTO					
		ALL OWNED AUTOS				BODILY INJURY (Per person)	$
		SCHEDULED AUTOS					
		HIRED AUTOS				BODILY INJURY (Per accident)	$
		NON-OWNED AUTOS					
						PROPERTY DAMAGE (Per accident)	$
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
		ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	$
						AGG	$
B		EXCESS/UMBRELLA LIABILITY	XL26550	06/01/09	06/01/10	EACH OCCURRENCE	$4,000,000
		OCCUR [X] CLAIMS MADE				AGGREGATE	$4,000,000
							$
		DEDUCTIBLE					$
		RETENTION $					$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATU-TORY LIMITS / OTH-ER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	$
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	$
						E.L. DISEASE - POLICY LIMIT	$
		OTHER					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

*Administrative Services Cooperative, Inc.
L.A. Taxi Cooperative, Inc.
dba: Yellow Cab Co-Op
dba: L.A. Yellow
(See Attached Descriptions)

CERTIFICATE HOLDER

City of Huntington Park
City Clerk
6550 Miles Avenue
Rm 148
Huntington Park, CA 90255

CANCELLATION 10 Days for Non-Payment

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Masoud Shabri

© ACORD CORPORATION 1988

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

DESCRIPTIONS (Continued from Page 1)

dba: Yellow Cab
dba: Yellow Cab of L.A.
Long Beach Yellow Cab Co-Op, Inc.
dba: Long Beach Yellow Cab Co-Op
dba: Yellow Cab
Yellow Cab of South Bay Cooperative, Inc.
dba: South Bay Yellow Cab Co-Op
dba: Manhattan Beach Yellow Cab Co-Op
dba: Yellow Cab
South Bay Cooperative, Inc.
dba: United Checker Cab Co-Op
Fiesta Taxi Cooperative, Inc.
dba: Fiesta Taxi Co-Op
Taxi Systems, Inc.
Taxi Equipment Company, Inc.
Enterprise Finance, Inc.
TXC Finance, LLC
Wilmington Cab Company of California, Inc.
Van Ness Management, Inc.

Certificate Holder is named as additional insured as respects to the operations of the named insured. Per attached Form CG 2026 0704, Additional Insured-Designated Person or Organization.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)

City of Huntington Park
City Clerk
6550 Miles Avenue, Rm 148
Huntington Park, CA 90255

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

A. In the performance of your ongoing operations; or

B. In connection with your premises owned by or rented to you.

©ISO Properties, Inc., 2004

Client#: 1251842 303ADMINSER

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 06/10/2009

PRODUCER
BB&T-John Burnham Ins Services
750 B Street Suite 2400
San Diego, CA 92101
619 231-1010

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Mercury Casualty Company	11908
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

INSURED
Administrative Services
Cooperative, Inc. et al (*see below)
2129 West Rosecrans Avenue
Gardena, CA 90249

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
		GENERAL LIABILITY				EACH OCCURRENCE	$
		COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	$
		CLAIMS MADE / OCCUR				MED EXP (Any one person)	$
						PERSONAL & ADV INJURY	$
						GENERAL AGGREGATE	$
		GEN'L AGGREGATE LIMIT APPLIES PER: POLICY / PRO-JECT / LOC				PRODUCTS - COMP/OP AGG	$
A		AUTOMOBILE LIABILITY	AC11074832	01/01/09	01/01/10	COMBINED SINGLE LIMIT (Ea accident)	$350,000
		ANY AUTO				BODILY INJURY (Per person)	$
		ALL OWNED AUTOS					
		X SCHEDULED AUTOS				BODILY INJURY (Per accident)	$
		HIRED AUTOS					
		NON-OWNED AUTOS				PROPERTY DAMAGE (Per accident)	$
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
		ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	$
						AGG	$
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	$
		OCCUR / CLAIMS MADE				AGGREGATE	$
							$
		DEDUCTIBLE					$
		RETENTION $					$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATU-TORY LIMITS / OTH-ER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	$
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	$
						E.L. DISEASE - POLICY LIMIT	$
		OTHER					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

*L.A. Taxi Cooperative, Inc.
dba: Yellow Cab Co-Op
dba: L.A. Yellow
dba: Yellow Cab
(See Attached Descriptions)

CERTIFICATE HOLDER

City of Huntington Park
Attn: City Clerk
6550 Miles Avenue
Rm. 148
Huntington Park, CA 90255

CANCELLATION 10 Days for Non-Payment

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Masoud Shahri

© ACORD CORPORATION 1988

AC11074832 - Fiesta Taxi
Mercury Insurance Company
01/01/09 - 01/01/10

Year	Make	Model	VIN
2001	FORD	00501	2FAFP73W11X131252
2003	FORD	00505	2FAHP71W33X187210
2003	FORD	00508	2FAHP71W63X172524
2004	FORD	00512	2FAHP71W34X164592
2001	FORD	00515	2FAFP71W51X193692
2003	CHEV	00519	1GNDM19X93B102621
2001	FORD	00520	2FAFP71W71X157910
2001	LINC	00522	1LNHM82W91Y607293
2002	FORD	00523	2FAFP71W72X133818
2002	FORD	00524	2FAFP71W82X133844
2004	FORD	00525	2FAHP71W54X165209
2005	FORD	00527	2FAFP73W05X113346
2002	FORD	00528	2FAFP71W82X138607
2002	FORD	00529	2FAFP71W12X138576
2001	FORD	00534	2FAFP71W61X157932
2000	FORD	00537	2FAFP71W2YX183082
2004	FORD	00538	2FAHP71W44X170496
2002	FORD	00543	2FAFP71W22X135024
2003	FORD	00547	2FAFP71W03X185079
2002	FORD	00551	2FAFP71W02X155109
2000	LINC	00552	1LNHM82W2YY928313
2002	GMC	00553	1GKDM19X42B516983
2001	FORD	00554	2FAFP71W11X188926
2002	FORD	00556	2FAFP71W62X103841
2001	FORD	00561	2FAFP71W61X161110
2002	FORD	00568	2FAFP71W72X138615
2001	FORD	00571	2FAFP71WX1X158114
2003	FORD	00575	2FAHP71W73X172872
2003	FORD	00578	2FMZA50493BB60669
2000	FORD	00581	2FAFP71W6YX118333
2003	FORD	00583	2FAFP71W73X139412
2002	LINC	00584	1LNHM83WX2Y609344
2002	FORD	00586	2FAFP71W62X141246
2002	LINC	00587	1LNHM83W62Y615559
2003	CHEV	00588	1GNEL19X438138479
2003	FORD	00591	1FDRE11W33HB25965
2001	FORD	00593	2FAFP71W31X157189
2000	FORD	00595	2FAFP71W0YX141252
2001	FORD	00599	2FAFP71WX1X165497
2002	FORD	00621	2FAFP71W92X133707
2000	FORD	00622	2FAFP71W6YX141241
2001	FORD	00636	2FAFP71W61X157879
2004	FORD	00683	2FMZA516X4BA87359
2001	FORD	00731	2FAFP71W01X200676
2002	FORD	00732	2FAFP71W12X138609
2001	CHEV	00739	1GNDM19W11B144673
2003	FORD	00744	2FAHP71W63X145128
2003	FORD	00745	2FAFP71W43X126049
2003	GMC	00748	1GKDM19X33B503563
2005	FORD	00750	2FAHP71W04X104687
2001	FORD	00751	2FAFP71WX1X157898

AC11074832 - Fiesta Taxi
Mercury Insurance Company
01/01/09 - 01/01/10

Year	Make	Model	VIN
2002	CHEV	00752	1GNDX03EX2D120511
2000	FORD	00754	2FAFP71W4YX153033
2002	CHEV	00755	1GNDM19X62B112473
2000	FORD	00756	2FAFP71W1YX198270
2004	CHEV	00763	1GNDM19XX4B104136
2002	CHEVY	00765	1GNDX03E32D167878
2002	FORD	00766	2FAFP71WX2X155117
2002	FORD	00767	2FMZA514X2BB44106
2000	FORD	00769	2FAFP72W3YX100130
2001	FORD	00772	2FAFP71W01X127504
2003	FORD	0759	2FAHP71W23X169121
2004	FORD	516	2FAFP71W04X106768
2002	LINC	572	1LNHM81W62Y666353
2003	FORD	590	1FDRE11W53HB71541
2007	CHEV	597	1GNDU23197D112442
2003	DODG	771	1D4GP25B03B167616

DESCRIPTIONS (Continued from Page 1)

dba: Yellow Cab of L.A.
Long Beach Yellow Cab Co-Op, Inc.
dba: Long Beach Yellow Cab Co-Op
dba: Yellow Cab
Yellow Cab of South Bay Cooperative, Inc.
dba: South Bay Yellow Cab Co-Op
dba: Manhattan Beach Yellow Cab Co-Op
dba: Yellow Cab
South Bay Cooperative, Inc.
dba: United Checker Cab Co-Op
Fiesta Taxi Cooperative, Inc.
dba: Fiesta Taxi Co-Op
Taxi Systems, Inc.
Taxi Equipment Company, Inc.
Enterprise Finance, Inc.
TXC Finance, LLC
Wilmington Cab Company of California, Inc.
Van Ness Management, Inc.

Certificate Holder is named as additional insured as their interest may appear.

Per Vehicle List Attached.

Client#: 1251842 303ADMINSER

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 6/10/2009

PRODUCER
BB&T-John Burnham Ins Services
750 B Street Suite 2400
San Diego, CA 92101
619 231-1010

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Mercury Casualty Company	11908
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

INSURED
Administrative Services
Cooperative, Inc. et al (*see below)
2129 W. Rosecrans Avenue
Gardena, CA 90249

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
		GENERAL LIABILITY				EACH OCCURRENCE	$
		COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	$
		CLAIMS MADE / OCCUR				MED EXP (Any one person)	$
						PERSONAL & ADV INJURY	$
						GENERAL AGGREGATE	$
		GEN'L AGGREGATE LIMIT APPLIES PER:				PRODUCTS - COMP/OP AGG	$
		POLICY / PRO-JECT / LOC					
A		AUTOMOBILE LIABILITY	AC11085112	01/01/09	01/01/10	COMBINED SINGLE LIMIT (Ea accident)	$500,000
		ANY AUTO					
		ALL OWNED AUTOS				BODILY INJURY (Per person)	$
		X SCHEDULED AUTOS					
		HIRED AUTOS				BODILY INJURY (Per accident)	$
		NON-OWNED AUTOS					
						PROPERTY DAMAGE (Per accident)	$
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
		ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	$
						AGG	$
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	$
		OCCUR / CLAIMS MADE				AGGREGATE	$
							$
		DEDUCTIBLE					$
		RETENTION $					$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATU-TORY LIMITS / OTH-ER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	$
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	$
						E.L. DISEASE - POLICY LIMIT	$
		OTHER					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

*L.A. Taxi Cooperative, Inc.
dba: Yellow Cab Co-Op
dba: L.A. Yellow
dba: Yellow Cab
(See Attached Descriptions)

CERTIFICATE HOLDER

City of Huntington Park
Attn: City Clerk
6550 Miles Avenue
Rm. 148
Huntington Park, CA 90255

CANCELLATION 10 Days for Non-Payment

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Masoud Shabri

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AC110852112 - Fiesta Taxi
Mercury Insurance Company
01/01/09 - 01/01/10

Year	Make	Model	VIN
2001	FORD	518	2FAFP71W71X157664
2002	CHEV	589	2FNDN18X42B121558
2000	FORD	734	2FAFP71W07X203443
2001	CHEV	541	1GNDU03E51D284577
2002	FORD	517	2FAFP71W42X131220
2004	DODG	625	1D4GP24R34B503159
2005	CHEV	598	1GNDM19XX5B109399
2003	DODG	513	1D4GP24393B119431
2001	FORD	565	2FAFP71W21X173951
2006	CHEV	549	1GBDV13146D200835
2004	CHEV	562	1GNDM19X44B125810
2004	FORD	596	2FAHP71W14X165207
2001	LINC	736	1LNHM81W91Y620952
2000	FORD	768	2FMZA5143YBC81476

DESCRIPTIONS (Continued from Page 1)

dba: Yellow Cab of L.A.
Long Beach Yellow Cab Co-Op, Inc.
dba: Long Beach Yellow Cab Co-Op
dba: Yellow Cab
Yellow Cab of South Bay Cooperative, Inc.
dba: South Bay Yellow Cab Co-Op
dba: Manhattan Beach Yellow Cab Co-Op
dba: Yellow Cab
South Bay Cooperative, Inc.
dba: United Checker Cab Co-Op
Fiesta Taxi Cooperative, Inc.
dba: Fiesta Taxi Co-Op
Taxi Systems, Inc.
Taxi Equipment Company, Inc.
Enterprise Finance, Inc.
TXC Finance, LLC
Wilmington Cab Company of California, Inc.
Van Ness Management, Inc.

Certificate Holder is named as additional insured as their interest may appear.

Client#: 1251842 303ADMINSER

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 6/10/2009

PRODUCER
BB&T-John Burnham Ins Services
750 B Street Suite 2400
San Diego, CA 92101
619 231-1010

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
Administrative Services
Cooperative, Inc. et al (*see below)
2129 West Rosecrans Avenue
Gardena, CA 90249

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Mercury Casualty Company	11908
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
		GENERAL LIABILITY				EACH OCCURRENCE	$
		COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	$
		CLAIMS MADE / OCCUR				MED EXP (Any one person)	$
						PERSONAL & ADV INJURY	$
						GENERAL AGGREGATE	$
		GEN'L AGGREGATE LIMIT APPLIES PER: POLICY / PRO-JECT / LOC				PRODUCTS - COMP/OP AGG	$
A		AUTOMOBILE LIABILITY	AC11074829	01/01/09	01/01/10	COMBINED SINGLE LIMIT (Ea accident)	$1,000,000
		ANY AUTO					
		ALL OWNED AUTOS				BODILY INJURY (Per person)	$
		X SCHEDULED AUTOS					
		HIRED AUTOS				BODILY INJURY (Per accident)	$
		NON-OWNED AUTOS					
						PROPERTY DAMAGE (Per accident)	$
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
		ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	$
						AGG	$
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	$
		OCCUR / CLAIMS MADE				AGGREGATE	$
							$
		DEDUCTIBLE					$
		RETENTION $					$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATU-TORY LIMITS / OTH-ER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	$
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	$
						E.L. DISEASE - POLICY LIMIT	$
		OTHER					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

*L.A. Taxi Cooperative, Inc.
dba: Yellow Cab Co-Op
dba: L.A. Yellow
dba: Yellow Cab
(See Attached Descriptions)

CERTIFICATE HOLDER

City of Huntington Park
Attn: City Clerk
6550 Miles Avenue
Rm. 148
Huntington Park, CA 90255

CANCELLATION 10 Days for Non-Payment

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Masoud Shahri

 © ACORD CORPORATION 1988

AC11074829 - Fiesta Taxi
Mercury Insurance Company
01/01/09 - 01/01/10

Year	Make	Model	VIN
2003	CHEV	00502	1GNDM19X33B101075
2001	FORD	00506	2FAFP71W81X173954
2003	FORD	00507	2FAFP72W33X195149
2003	FORD	00531	2FAFP71W83X102904
2005	FORD	00540	2FAHP71W85X103112
2002	HOND	00548	5FNRL18692B010432
2000	FORD	00569	2FAFP71W7YX176077
2003	CHEV	00576	1GNDX03E53D196977
2001	FORD	00585	2FAFP71W61X202352
2001	FORD	00592	2FAFP71W51X151510
2004	FORD	00605	2FAHP71W74X164871
2002	CHEVY	00737	1GNDX03E82D168251
2000	FORD	00738	2FAFP71W9YX143193
2005	CHRY	00741	1C4GP45R55B308110
2003	FORD	00742	2FAHP71W03X163298
2002	GMC	00743	1GKDM19X22B514925
2003	FORD	00747	2FAHP71W33X172559
2003	CHEV	00753	1GNEL19X43B140393
2003	FORD	00761	1FDRE11W83HB71484
2002	CHEV	773	1GNDX03E12D171928

DESCRIPTIONS (Continued from Page 1)

dba: Yellow Cab of L.A.
Long Beach Yellow Cab Co-Op, Inc.
dba: Long Beach Yellow Cab Co-Op
dba: Yellow Cab
Yellow Cab of South Bay Cooperative, Inc.
dba: South Bay Yellow Cab Co-Op
dba: Manhattan Beach Yellow Cab Co-Op
dba: Yellow Cab
South Bay Cooperative, Inc.
dba: United Checker Cab Co-Op
Fiesta Taxi Cooperative, Inc.
dba: Fiesta Taxi Co-Op
Taxi Systems, Inc.
Taxi Equipment Company, Inc.
Enterprise Finance, Inc.
TXC Finance, LLC
Wilmington Cab Company of California, Inc.
Van Ness Management, Inc.

Certificate Holder is named as Additional Insured as their Interest may appear.

ACORD CERTIFICATE OF LIABILITY INSURANCE

OP ID KK
ADMIN-1

DATE (MM/DD/YYYY)
06/09/09

PRODUCER

Intercare Specialty Risk Ins
6970 Destiny Drive
Rocklin CA 95677
Phone: 916-577-1521 Fax: 866-206-8646

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: American International Group	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

INSURED

Administrative Services
2129 W. Rosecrans Ave.
Gardena CA 90249

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
		GENERAL LIABILITY				EACH OCCURRENCE	$
		COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurence)	$
		CLAIMS MADE / OCCUR				MED EXP (Any one person)	$
						PERSONAL & ADV INJURY	$
						GENERAL AGGREGATE	$
		GEN'L AGGREGATE LIMIT APPLIES PER: POLICY / PRO-JECT / LOC				PRODUCTS - COMP/OP AGG	$
		AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT (Ea accident)	$
		ANY AUTO					
		ALL OWNED AUTOS				BODILY INJURY (Per person)	$
		SCHEDULED AUTOS					
		HIRED AUTOS				BODILY INJURY (Per accident)	$
		NON-OWNED AUTOS					
						PROPERTY DAMAGE (Per accident)	$
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
		ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	$
						AGG	$
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	$
		OCCUR / CLAIMS MADE				AGGREGATE	$
							$
		DEDUCTIBLE					$
		RETENTION $					$
A		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	6922153	01/31/09	01/31/10	X WC STATUTORY LIMITS / OTHER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	$ 1000000
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	$ 1000000
						E.L. DISEASE - POLICY LIMIT	$ 1000000
		OTHER					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

CERTIFICATE HOLDER

CITYHPA

City of Huntington Park
City Clerk
6550 Miles Avenue Rm 148
Huntington Park CA 90255

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL _____ DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Kristen Day

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MJM INNOVATIONS

Moving Technology Forward

March 30, 2009

Alan Shear, Assistant City Manager
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mr. Shear:

I spoke with Marco Soto from ASC and he asked me to prepare a proposal to renew the MJM Innovations EZTransport® Swipe Card System for the City of Huntington Park Dial A Ride Program. Enclosed please find a proposal to extend the City of Huntington Park Dial-A-Ride program using the MJM EZTransport swipe card system. I provided an Executive Summary, a list of services, a scope of work and a current pricing proposal.

We have enjoyed working with your agency over the last 2 years and we are very excited with the possibility of extending our relationship with your agency, staff and participants.

Please review this information and if you have any comments or questions please feel free to call or email.

Sincerely,

Michael Stappler, Vice-President/CFO
(410) 664-0700, (410) 664-4018 fax
mstappler@mjminnovations.com
www.mjminnovations.com

MRS/sjs
Enclosures

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MJM INNOVATIONS

Moving Technology Forward

Executive Summary

Overview

MJM Innovations ("MJM") provides the hi-tech EZTransport System to eliminate the paper-based system used by agencies to track the services for transportation programs throughout the country. MJM installed the EZTransport for the City of Huntington Park Dial-A-Ride Program in 2007 and that system has been used to manage thousands of trips in the City since then. We have managed millions of trips for aging and paratransit agencies and providers since we installed our system in 2001.

The EZTransport system consists of two components: the physical EZTransport card and the secure web application we developed to mange the live trip data received from the vehicle's mobile data terminal (MDT). EZTransport cards can be produced using our standard design, an agency name or custom designed to your specifications. Cards can be personalized with each rider's name and photograph for added controls.

The EZTransport cards are swiped at the beginning and end of each trip. Participant, time of trip, date of trip, GPS location of pick-up, drop-off and fare are just some of the live trip information that is instantly sent to the web application.

Web-based tools for account management, reporting, auditing, and provider billing are available 24/7 for Huntington Park staff to utilize. Huntington Park staff does not have to wait for program information to be submitted. Each trip is available for review as it occurs.

Some of the benefits of implementing the EZTransport system include:

- Electronically track and capture "live" trip information
- Remove vouchers and coupons which minimize opportunities for program misuse
- Reduce fare collection to a simple card swipe
- Securely manage program information online
- Outsourced management services (optional, at an additional cost)

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The MJM Approach

Our goal is to develop and implement technology and systems that integrate hardware, software and management services. MJM can process transactions, monitor programs, integrate hardware and communications system and manage projects using swipe card technology, processing software, and a user friendly web based interface. We work with agencies to mold the system to meet their needs and change the system when change is needed.

The program managers can access our system to get detail down to an individual participant, provider, trip or date. All of the information that is collected is available to the program managers and is at their disposal through a secure web application.

Project Results and Performance

The Huntington Park Dial-A-Ride system utilizes the comprehensive card tracking system. The EZTransport Card integrates with the Administrative Services Co-op (ASC) existing mobile data terminals. We work together with ASC on a number of other projects including the cities of South Gate, Lomita, Palos Verde, Paramount and a large health maintenance provider. We are proud of our track record of performance with our customers. We will continue to provide the software and configure the hardware that's currently installed and integrated with our systems and provide the means for your staff to track the program usage through the EZTransport System. We will also recommend new solutions and approaches as the Dial-A-Ride program evolves in the future.

MJM Innovations

MJM was established in 1998 to provide technology solutions and management services to a variety of customers and clients. Our systems improve customer service and transaction tracking by providing a better, faster, less expensive and more secure system. The principals of MJM have operated a variety of companies, including service organizations, technology, retail and manufacturing companies. They bring a wealth of talent and experience in running organizations dedicated to providing a high level of service, quality products, and technical and customer support.

MJM manages electronic processing programs including credit card and voucher programs in Maryland, Washington DC, Texas, California, Florida, Kentucky and Ohio. We work in and around large urban cities including Baltimore, Houston and Austin TX, Jacksonville, FL, Nashville, TN, Charlotte, NC and San Diego, CA. We have a number of clients in the Los Angeles metropolitan area. MJM is part of a team that installed on a city wide technology project to upgrade the taxi industry capabilities in New York City. That project combined technology solutions, web based software, card processing, taxi meter equipment, advertising, wireless communications, text messaging to the vehicles, GPS coordinates and a host of hardware and software solutions. We work with multiple platforms of hardware and software, multiple providers, gateways, and transaction processing vendors.

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New features and options available for the EZTransport System; all of the services are optional-please contact us for pricing of these services:

- IVR system – Automated phone system applications. This can include balance inquiry and connect with the E-commerce features (loads and reloads).
- E-commerce – Participant can add value to card through the internet.
- Customer Report Writing – Services are available to write customized reports and modify the system; the initial costs are competitive and the annual license fee is renewable so your maintenance and support continue to be available.
- Management Services – Additional management, auditing, training, fare collection, reporting of cash collections and customer services are available.

Your agency can monitor a number of areas through the system or you can contract with MJM to provide these services at an additional charge such as:

Management:

- Control use of cards and trips with a variety of parameters including dollars and time
- Track and lock out lost and/or stolen cards
- Report modules including transactions and billing
- Fare/Trip Review; Audit trips by participant, provider or date ranges

Reporting:

- Transaction Report
- Detailed Trip Report
- Low Balance Report
- Lost/Stolen Card Report

Accounting:

- Validate and adjust transactions as needed
- View and Prepare Provider Invoices

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1501 Sulgrave Avenue, Suite 200 • Baltimore, Maryland 21209 • Tel: 410-664-0700 • Fax: 410-664-4018 • www.mjminnovations.com

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SCOPE OF SERVICES:

System License - License the use of the EZTransport System to the City of Huntington Park Dial-A-Ride Program throughout the length of the contract.

System Maintenance-

- Maintain Provider Accounts, Account Permissions and Security Access to the System
- Host/Manage Web Interface
- Warehouse/Maintain Program Data
- Swipe Card compatible
- Maintain administrative and member websites
- Interactive Voice Recognition System (IVR) for account management like balance inquiries and activations (available at an additional charge).
- Ecommerce is available for account reloads (available at an additional charge).

Card Services: - Print and distribute standard issue EZTransport cards; the cards are delivered to your central location for individual distribution.

EZTransport Training Program:

- EZTransport manuals are available to Huntington Park users.
- Web-based training for EZTransport web application Huntington Park users.
- EZTransport Help Desk Support.

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MJM INNOVATIONS

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Pricing for Huntington Park Dial-A-Ride Program

Software Licensing – Ongoing Licensing fees, host/manage the web interface, maintain administrator accounts and permissions, warehouse and maintain the program data, maintain accounts for each participant and maintain database container for participant data – Cost is included in Transaction Cost below.

System Features include: Standard Reports, Accounting Reports, Standard Software Releases, and MJM Technical Support (during normal business hours 8:30- 5:00 pm EST)

Card Printing and Distribution to a Central Location –Standard EZ Transport Cards with account number (additional customized cards can be provided at an additional charge)

New Participant Cards	$5.00 per card
Lost/Stolen/Replacement Cards	$5.00 per card

		Pricing
Transaction Cost Per Month (includes Ongoing Licensing fees, Warehouse and maintain program data, Host and manage web interface)	0 - 50,000 trips 50,001 - 100,000 trips 100,001+ Trips	$ 0.50/trip $ 0.35/trip $ 0.25/trip
Minimum Transaction cost is $5,000 per year; the trip volume is an annual (12 month) number of trips. The trips reset each year on the anniversary date of the contract.		

Notes:

1. Payment terms are as follows: Payment for transaction fees, new participant cards and replacement cards will be billed at the end of the month and are due upon receipt. All pricing is subject to sales tax or sales tax exempt certificate or documentation.

2. Standard new or replacement card processing will be completed within two weeks of receipt of request to print. Cards will be sent by standard mail to a central location. Upgraded shipping and freight options are available upon request and shipping charges and freight will be added as incurred.

3. The proposal does not include management services or auditing services. Additional optional management and or auditing services can be provided upon request. Custom projects and development are available at the hourly rate stated above. Custom projects and development will generate a Statement of Work with an estimated time line and pricing proposal prior to implementation. Custom software development, management services and auditing services will priced on an hourly basis, billed monthly and are due upon receipt.

4. MJM requires approximately sixty days to complete setup, configuration and training of any new and/or customer features installed for the EZTransport System.

5. **This proposal is valid for 90 days.**

MJM Innovations Proposal for Huntington Park California, Dial A Ride Program. Copyright © 2009 All rights reserved.

1501 Sulgrave Avenue, Suite 200 • Baltimore, Maryland 21209 • Tel: 410-664-0700 • Fax: 410-664-4018 • www.mjminnovations.com

ATTACHMENT A: Non-Collusion Certification

ATTACHMENT B: Proposer's Affidavit

ATTACHMENT C: Letters of Recommendation

Attachment A

NON-COLLUSION CERTIFICATION

The contents of this proposal and of any subsequently submitted best and final offer have been arrived at independently without collusion, consultation, communication or agreement, for the purpose of restricting competition, as to any other matter relating to such proposal with any other proposer or with any competitor; Unless otherwise required by law, the contents of this proposal and of any subsequently submitted best and final offer have not been knowingly disclosed by the proposer and will not knowingly be disclosed by the proposer prior to opening, directly or indirectly, to any other proposer or to any competitor; and No attempt has been made or will be made by the proposer to induce any other person, partnership or corporation to submit a proposal or a best and final offer for the purposes of restricting competition.

Dated: 6-08-09

Proposer: Fiesta Taxi Cooperative, Inc.

Authorized Signature: _____
Title: President

State of California

County of Los Angeles

Subscribed and sworn before me this 8th day of June, 2009, by
Roel Y. Mazariegos,
proved to me on the basis of satisfactory evidence
to the person who appeared before me (.) (,)

Signature Susan B. Ostanek
Signature of Notary Public SUSAN B. OSTANEK

My commission expires on Nov. 12, 2012

SUSAN B. OSTANEK
Commission # 1822168
Notary Public - California
Los Angeles County
My Comm. Expires Nov 12, 2012

Attachment B

STATE OF CALIFORNIA

PROPOSER'S AFFIDAVIT

COUNTY OF LOS ANGELES

Roel Y. Mazariegos being duly sworn, deposes and says:

1. That he is the President of the Board of Fiesta Taxi Cooperative, Inc. hereinafter called "Proposer", who has submitted to the City of Huntington Park a proposal for Responsive Transportation System for Senior Citizens and Disabled Persons/Dial-A-Ride for the City of Huntington Park.

2. That the proposal is genuine; that all statements of fact in the proposal are true;

3. That the proposal was not made in the interest or behalf of any person, partnership, company, association, organization not named or disclosed;

4. That the Proposer did not, directly or indirectly, induce, solicit or agree with anyone else to submit a false or sham proposal, to refrain from proposing, or to withdraw his proposal, to raise or fix the proposal price of the Proposer or of anyone else, or to raise or fix any overhead, profit or cost element of the Proposer's price or the price of anyone else; and did not attempt to induce action prejudicial to the interest of the City of Huntington Park, or of any other Proposer, or anyone else interested in the proposed contract;

5. That the Proposer has not in any other manner sought by collusion to secure for itself an advantage over the other Proposer or to induce action prejudicial to the interests of the City of Huntington Park, or of any other Proposer or of anyone else interested in the proposed contract.

6. That the Proposer has not accepted any proposal from any subcontractor or materialman through any proposal depository, the bylaws, rules or regulations of which prohibit or prevent the Proposer from considering any proposal from any subcontractor or materialman, which is not processed through that proposal depository, or which prevent any subcontractor or materialman from proposing to any contractor who does not use the facilities of or accept proposals from or through such proposal depository;

7. That the Proposer did not, directly or indirectly, submit the Proposer's proposal price or any breakdown thereof, or the contents thereof, or divulge information or data relative thereto, to any corporation, partnership, company, association, organization, proposal depository, or to any member or agent thereof, or to any individual or group of individuals, except to the City of Huntington Park, or to any person or persons who have a partnership or other financial interest with said Proposer in its business.

8. That the Proposer has not been debarred from participation in any State or Federal works project.

Dated this 8th day of June, 2009.

Signature

Title: President

State of California

County of Los Angeles

Subscribed and sworn before me this 8th day of June, 2009, by
Roel Y. Mazariegos,
proved to me on the basis of satisfactory evidence
to the person who appeared before me (.) (,)

Signature Susan B. Ostanek

Signature of Notary Public SUSAN B. OSTANEK

My commission expires on NOV. 12, 2012

SUSAN B. OSTANEK
Commission # 1822168
Notary Public - California
Los Angeles County
My Comm. Expires Nov 12, 2012

AARP[SM]

Attachment C

The power to make it better.®

May 11, 2009

City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

To Whom It May Concern:

I am writing this letter on behalf of Fiesta Taxi, who is the Dial-A-Ride service provider for many of my members. We have been working with Fiesta Taxi for many years and we like their service. They are very attentive to the needs of the seniors and they have developed a good relationship with the communities they service.

We hope to continue our relationship with Fiesta Taxi, and we would not hesitate to recommend their service to anyone in need of transportation. Should you require further information, please do not hesitate to contact me personally.

Yours truly,

Enrique A. Murillo
President
American Association of Retired Persons
3355 Gage Ave.
Huntington Park, CA 90055
323-919-7613

The Concord - Huntington Park

6900 Seville Avenue, Huntington Park, CA 90255 • (323) 589-5956 • Fax (323) 589-5957

5/18/2009

City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

To Whom It May Concern:

It is my pleasure to recommend Fiesta Taxi, a transportation service provider for some of our residents, as a cab of choice. They are very attentive to the needs of our seniors, and they are very responsive should we have occasion to contact them regarding service provided to our clients, as well as issues or additional requests.

Whenever we need a cab, Fiesta Taxi gives our residents prompt and courteous service. Drivers get out of their cabs and assist them with their walkers. Their drivers are courteous, reliable and uphold a high level of professionalism. Do not hesitate to contact me if you need any additional information.

Sincerely,

Ivan Alvarado
Resident Service Coordinator
Concord Huntington Park
6900 Seville Avenue
Huntington Park, CA 90255
(323) 582-4266

EQUAL HOUSING OPPORTUNITY

05/18/2009

City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

To Whom It May Concern:

As a community based Senior housing facility located in the City of Huntington Park, safe and reliable transportation is very important to our residents. Rugby Plaza has used Fiesta Taxi for a number of years and has been impressed with their professionalism and high quality customer service for our seniors.

Whenever we need a cab, Fiesta Taxi gives our seniors prompt and courteous service. Their drivers maintains the highest standards of excellence, efficiency and consistency in the transportation and handling of our residents.

We would recommend Fiesta Taxi to anyone in need of transportation. If you should need additional information regarding Fiesta Taxi's service please feel free to contact me.

Sincerely,

Name Armando Dominguez
Title Administrator
Rugby Plaza
Address 6330 Rugby Ave.
Huntington Park, CA 90255
Phone (323) 493-7084

Casa Bonita

Senior Apartments

05/18/2009

City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

To Whom It May Concern:

It is my pleasure to recommend Fiesta Taxi as the taxi cab of choice in the City of Huntington Park.

Casa Bonita has been able to rely on the outstanding service of Fiesta Taxi for numerous years. Fiesta Taxi maintains the highest standards of excellence, efficiency and consistency in the transportation and handling of our residents on a daily basis. Their drivers are courteous, reliable and uphold a high level of professionalism.

If you should need additional information regarding Fiesta Taxi's service please feel free to contact me.

Sincerely,

Isabel Juárez
Resident Manager
Casa Bonita Seniors Apartments
6512 Rugby Avenue
Huntington Park, CA 90255
(323) 581-1600
casabonita@wshousing.com

SEVILLE GARDENS
2701 Randolph St.. Suite 100, Huntington Park, CA 90255
(323) 583-8400 * Fax (323) 583-8111

May 18, 2009

City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

To Whom It May Concern:

It is my pleasure to recommend Fiesta Taxi, a transportation service provider for some of our residents, as a cab of choice. They are very attentive to the needs of our seniors, and they are very responsive should we have occasion to contact them regarding service provided to our tenants, as well as issues or additional requests.

Whenever we need a cab, Fiesta Taxi gives our residents prompt and courteous service. Drivers get out of their cabs and assist the seniors with their walkers. The drivers are courteous, reliable and uphold a high level of professionalism.

Do not hesitate to contact me if you need any additional information.

Sincerely,

Maggi Lieberman, Owner
Seville Gardens, LLC

Community & Mission Hospital
of Huntington Park

" Where Your Neighbors Go"
"Donde Van Sus Vecinos"

05/18/2009

City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

To Whom It May Concern:

As a community based Hospital located in the City of Huntington Park, safe and reliable transportation is very important to our patients. Community Mission Hospital has used Fiesta Taxi for a number of years and has been impressed with their professionalism and high quality customer service for our patients.

Whenever we need a cab, Fiesta Taxi gives our patients prompt and courteous service. Their drivers maintains the highest standards of excellence, efficiency and consistency in the transportation and handling of our patients.

We would recommend Fiesta Taxi to anyone in need of transportation. If you should need additional information regarding Fiesta Taxi's service please feel free to contact me.

Sincerely,

Marie Fuentes
1 Call Center Administrator
Community Mission Hospital
2623 E Slauson Ave
Huntington Park, CA Zip 90255

EXHIBIT "C"

Huntington Park Dial-A-Ride Program Boundaries

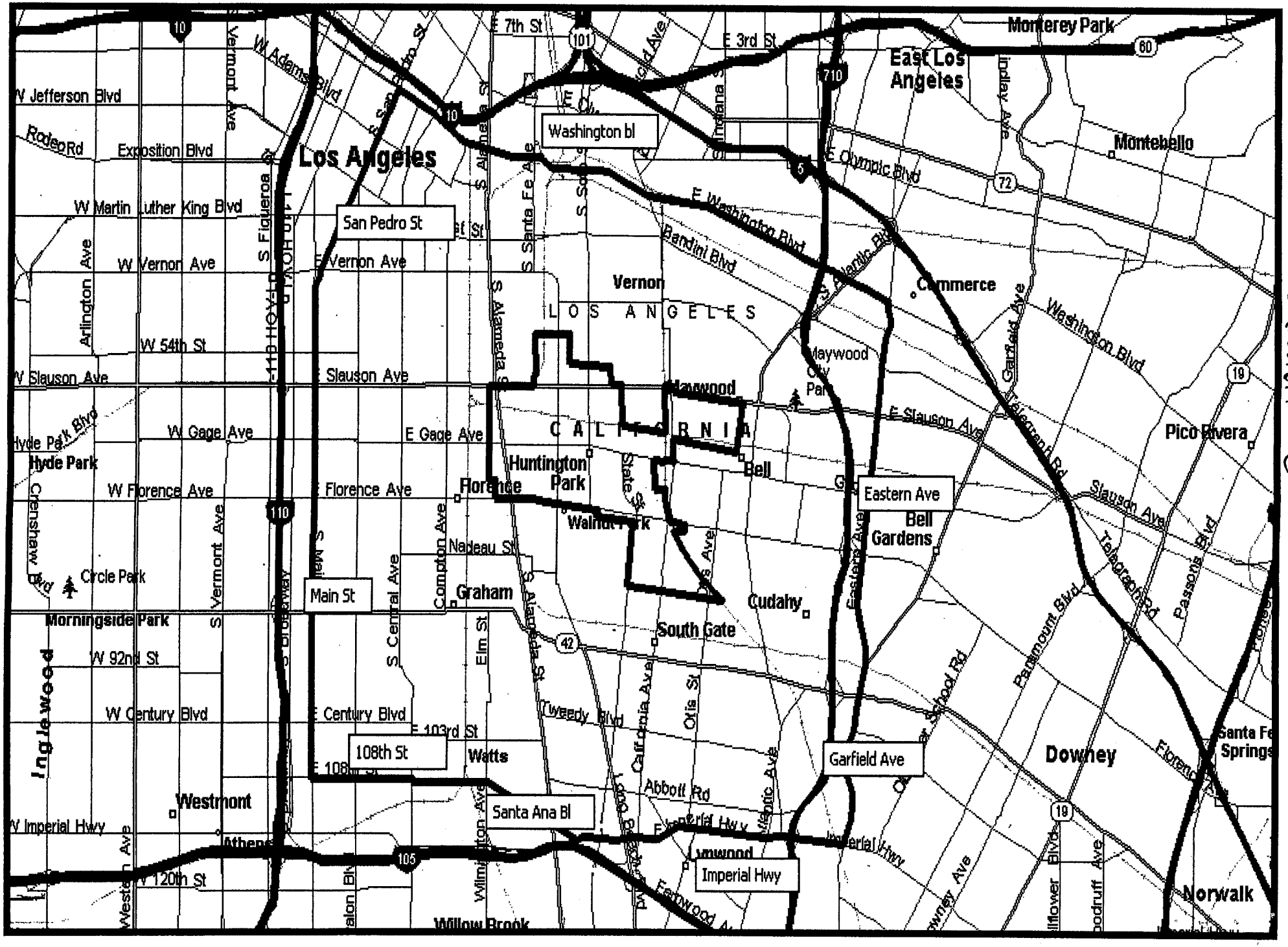


EXHIBIT "D"

Exhibit "D"

Price Proposal
City of Huntington Park
Request for Proposal

Demand For Responsive Transportation System for Senior Citizens and Disabled Persons

Pricing Form

1. Proposed Taxi Rates

Flag Drop	**$2.65**
Cost Per Mile	**$2.45**
Other Costs (Waiting Time)	**$26.53 per hour of wait time**

2. Administrative Costs **15%**

The following is a cost estimate for the 1st year of operation based on the invoices provided by the City of Huntington Park:

Cost Description	Total
Estimated Average Cost of Trips Per Month (Based on 4,300 Trips Per Month)	42,000.00
Administrative Fees of 15% of Monthly Bill	6,300.00
EZ Transport Average Monthly Cost	2,150.00
Proposed Monthly Total	50,450.00
Total Estimates for Year 1	605,400.00

SECOND AMENDMENT TO AGREEMENT FOR DIAL-A-RIDE SERVICES

SECOND AMENDMENT TO AGREEMENT FOR DIAL-A-RIDE SERVICES ("Second Amendment"), is made and entered into as of August 6, 2007, by and between the City of Huntington Park, a Municipal Corporation of the State of California ("City"), and Administrative Services Cooperative, a California Corporation ("Contractor"), with reference to the following:

RECITALS

WHEREAS, City and Contractor are parties to that certain Agreement, dated March 1, 2004 ("Agreement"), pursuant to which City contracted with Contractor to perform services as defined in the Agreement; and

WHEREAS, City and Contractor are parties to that certain First Amendment, dated March 20, 2007, pursuant to which City contracted with Contractor to perform services as defined in the Amendment; and

WHEREAS, City and Contractor desire to amend the existing Agreement to include provisions for administration of the EZ Transport System by MJ Management Services LLC ("MJM"), the software swipe-card system that Contractor and City both contracted to utilize; and

WHEREAS, Contractor as a licensee of MJM, herein agrees to carry out all reporting and data collection duties on behalf of the City as set forth herein.

NOW THEREFORE, City and Contractor hereby agree as follows:

1. **Services to be performed by Contractor**. In addition to the services specified in the Agreement, Contractor shall perform the following data collection, reporting and management activities:
   - **Daily and Weekly Reports** - include trip details such as date, time, card number, provider, driver identification, vehicle number, pickup and drop-off locations, GPS coordinates, fare amounts, trip verification (fare/mileage calculator) and participant usage.
   - **Monthly Reports** - provide a broader view of program performance, revealing trends not seen on the daily level.
   - **Statistical Reports** - include participants, payments to provider, fares, and trips.
   - **Track the status of every incident report by category and detail** - include calls and complaints by type, date, description, driver, and resolution.
   - **Fare and mileage using Route Calculation software** - to allow for a comparison of calculated fare and mileage to the fare and mileage submitted by the transportation providers.

SEP 12 '07 PM 3:11
2007 AUG 20 AM 9:24

- **Program parameters and guidelines** - verify information such as location of trip, authorization number, signature, and card imprint.

- **Typical trip range and fare** - review trips and compare them to program norms, looking at components such as frequency, fares, drivers, times, trip pattern, and travel history.

- **Additional reporting requirements**- Contractor shall also perform any and all additional reporting within the parameters of the EZ Transport system as may be needed by City.

2. **No Other Modification**. Except as amended hereby, the Agreement and shall remain unchanged and in full force and effect.

3. **Counterparts.** This Second Amendment may be executed in any number of counterparts, all of which shall constitute but one original.

IN WITNESS WHEREOF, the parties have executed this Second Amendment to Agreement for Dial-A-Ride Services as of the day and year first above written.

Contractor:

By: _____

MARCO A. SOTO, VP MARKETING,
Administrative Services Cooperative, Inc.

City:

CITY OF HUNTINGTON PARK,
A Municipal Corporation

By: _____
Elba Guerrero, Mayor

ATTEST:

By: _____
Rosanna Ramirez, City Clerk

THIRD AMENDMENT TO AGREEMENT FOR DIAL-A-RIDE SERVICES

THIS THIRD AMENDMENT TO THE AGREEMENT FOR DIAL-A-RIDE SERVICES ("Third Amendment"), is made and entered into as of April 6, 2009, by and between the City of Huntington Park, a Municipal Corporation of the State of California ("City"), and Administrative Services Cooperative, a California Corporation ("Contractor"), with reference to the following:

RECITALS

WHEREAS, City and Contractor are parties to that certain Agreement, dated March 1, 2004, as Amended on August 4, 2004 and March 20, 2007 (collectively the "Agreement"), pursuant to which City contracted with Contractor to perform services as defined in the Agreement; and

WHEREAS, City and Contractor desire to amend the term of the Agreement and to proceed on a month-to-month basis.

NOW THEREFORE, City and Contractor hereby agree as follows:

1. Term of Agreement. Upon the expiration of the Agreement, Contractor agrees to continue to provide its services to the City on a month-to-month basis.

2. Termination. Either Party may terminate this agreement by giving the other thirty (30) days prior written notice.

3. Effective Date. The effective date of this Third Amendment is April 6, 2009.

4. No Other Modification. Except as amended hereby, the Agreement shall remain unchanged and in full force and effect.

5. Counterparts. This Third Amendment may be executed in any number of counterparts, all of which shall constitute but one original.

IN WITNESS WHEREOF, the parties have executed this Third Amendment to Agreement for Dial-A-Ride Services as of the day and year first above written.

City:
CITY OF HUNTINGTON PARK,
A Municipal Corporation

By: _____
Mario Gomez, Mayor

Contractor:

By: _____
Administrative Services Cooperative, Inc.
Marco A. Soto

ATTEST:

By: Rosanna Ramirez, City Clerk

Attachment “B”

(See attached First Amendment)

FIRST AMENDMENT TO AGREEMENT FOR DIAL-A-RIDE SERVICES

FIRST AMENDMENT TO AGREEMENT FOR DIAL-A-RIDE SERVICES ("First Amendment"), is made and entered into as of August 16, 2010, by and between the City of Huntington Park, a municipal corporation of the State of California ("City"), and Administrative Services Cooperative, Inc., ("Contractor") with reference to the following:

RECITALS

WHEREAS, City and Contractor are parties to that certain Agreement, dated July 20, 2009 (the "Agreement"), pursuant to which City contracted with Contractor to perform services as defined in the Agreement; and

WHEREAS, City and Contractor now desire to amend the Agreement with regard to compensation and to extend the term of the contracted services for two additional years.

NOW THEREFORE, City and Contractor hereby agree as follows:

1. Term of Agreement. Paragraph 18 of the Agreement is hereby amended to extend the initial term of the Agreement for two (2) additional years.

2. Compensation. Contractor agrees to a limited-term reduction in compensation for a twenty-four (24) month period (the "adjusted period") beginning September 1, 2010. Paragraph 7 of the Agreement is hereby amended to reflect the reduction in compensation during the adjusted period.

   Commencing on September 1, 2010:

   A) Contractor agrees to reduce its administrative costs charge, as described in paragraph 3 subsection f, to ten percent (10%), effective for a twenty-four (24) month period; and
   B) Contractor agrees to develop and implement a "pre-pricing" or similar type program which establishes a set price to pre-determined locations (e.g. medical facilities) and which results in a net reduction per fare per trip, effective at minimum for a twenty-four (24) month period.

   At the conclusion of the adjusted period, Contractor's rates shall return to the levels described in the Agreement.

3. Effective Date. The effective date of this First Amendment is September 1, 2010.

4. No Other Modification. Except as amended hereby, the Agreement shall remain unchanged and in full force and effect.

5. Counterparts. This First Amendment may be executed in any number of counterparts, all of which shall constitute but one original.

IN WITNESS WHEREOF, the parties have executed this First Amendment as of the day and year first above written.

CONTRACTOR

[NAME], [TITLE]
Administrative Services Cooperative, Inc.

CITY OF HUNTINGTON PARK

John R. Noguez, Mayor

ATTEST:

Rosalina Ramirez, City Clerk

2014
FIRST AMENDMENT
TO EMPLOYMENT AGREEMENT
(Engagement: Interim City Manager)
(Parties: City of Huntington Park and Julio F. Morales)

THIS FIRST AMENDMENT TO EMPLOYMENT AGREEMENT (the "Amendment") to that certain document entitled "Employment Agreement" (the "Master Agreement") executed as of June 27, 2014, by and between the City of Huntington Park, a municipal corporation (hereinafter, "City") and Julio F. Morales (hereinafter, "Employee") is made and entered into this **15th day of December 2014**. For the purposes of this Agreement, City and Employee may be referred to collectively by the capitalized term "Parties." The capitalized term "Party" may refer to City or Employee interchangeably.

RECITALS

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

WHEREAS, on or about June 27, 2014, the Parties executed and entered into the Master Agreement which is attached hereto as Exhibit "A"; and

WHEREAS, in connection with Employee's notice of termination, Employee desires to cash out all accrued vacation, sick, COLA, holiday, and administrative leave hours accrued to date; and

WHEREAS, an Amendment is permissible pursuant to Section 9.5 of Master Agreement, provided that it is in writing and executed by both Parties.

WHEREAS, the execution of this Amendment was approved by the Huntington Park City Council at its Regular Meeting of December 15, 2014.

NOW, THEREFORE, in consideration of the mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

1. Pursuant to Section 6.2 of the Master Agreement (Termination by Employee), City agrees to pay Employee all compensation owed to him through the last day actually worked, plus an amount equal to the Base Salary Employee would have earned through the balance of the thirty (30) days' notice period, as well as all accrued vacation, sick, sick leave bank, COLA, holiday,

and administrative leave hours accrued to date. The subject compensation shall be taxed based on the rates reflected in the Employee's last regular paycheck.

2. Except as otherwise set forth in this Amendment, the Master Agreement shall remain binding, controlling and in full force and effect. This Amendment together with the Master Agreement shall constitute the entire, complete, final, and exclusive expression of the Parties with respect to the matters addressed in both documents.

3. The provisions of this Amendment shall be deemed a part of the Master Agreement and except as otherwise provided under this Amendment, the Master Agreement and all provisions contained therein shall remain binding and enforceable. In the event of any conflict or inconsistency between the provisions of this Amendment and the provisions of the Master Agreement, the provisions of this Amendment shall control, but only in so far as such provisions conflict with the Master Agreement and no further.

4. This Amendment shall be executed in three counterparts, with one such fully executed counterpart returned to Employee upon execution.

IN WITNESS THEREOF, the Parties hereto have caused this Amendment to the Master Agreement to be executed on the day and year first appearing above.

CITY OF HUNTINGTON PARK:

By:_____
Rosa E. Perez, Mayor

Date: _____

EMPLOYEE:

By:_____
Julio F. Morales

Date: _____

APPROVED AS TO FORM:

By:_____
Isabel Birrueta, City Attorney

Date: _____

Attachment “A”

(See attached Master Agreement)

2014
EMPLOYMENT AGREEMENT
(For the Position of Interim City Manager)

THIS EMPLOYMENT AGREEMENT ("Agreement") is entered into this 27th day of June 2014, by and between the CITY OF HUNTINGTON PARK, a municipal corporation ("CITY") and JULIO F. MORALES ("MORALES"), an individual. For purposes of this Agreement, the capitalized term "Parties" shall be a collective reference to both CITY and MORALES. The capitalized term "Party" may refer to either CITY or MORALES interchangeably and reasonably appropriate.

RECITALS

THIS AGREEMENT is made and entered into in consideration of the following:

WHEREAS, CITY and MORALES previously entered into an Employment Agreement pertaining to MORALES' employment with the CITY as Finance Director; and

WHEREAS, the City Council finds that MORALES possesses the education, training, experience and expertise necessary to perform the duties of Interim City Manager; and

WHEREAS, the Parties desire to execute this Agreement pursuant to the authority of and subject to the provisions of Government Code section 53260, et seq.; and

NOW, THEREFORE, in consideration of the mutual agreements contained herein, CITY and MORALES agree as follows:

SECTION 1. POSITION, DUTIES AND TERM.

1.1 POSITION. MORALES accepts employment with CITY as its Interim City Manager and shall perform all functions, duties and services set forth in Section 1.4 (Duties) of this Agreement, below.

1.2 EFFECTIVE DATE OF AGREEMENT/TERM. The effective date of this Agreement shall be June 27, 2014 (hereinafter, the "Effective Date"). This Agreement shall have a term of one (1) years commencing from the Effective Date (hereinafter referred to by the capitalized word "Term"). Upon the expiration of the Term, this Agreement shall continue on a month-to-month basis, subject to all of the terms and conditions set forth in this Agreement, until such time as CITY either executes a new agreement with MORALES or CITY terminates MORALES' employment with CITY.

1.3 EMPLOYMENT WITH CITY "AT-WILL."

A. MORALES' employment status with CITY shall be at-will and MORALES shall serve at the pleasure of the City Council as provided under Government Code Section 36506. MORALES acknowledges, understands and agrees that MORALES may not avail himself of any procedures, provisions or protections set forth under CITY's Employment Policies, as defined herein, in so far as such procedures, provisions or protections limit, restrict, modify, prohibit or regulate MORALES' status as an "at-will" employee of CITY or the ability of the City Council to terminate MORALES' employment at any time for cause or for convenience. For purposes of this Agreement, the capitalized term "Employment Policies" means and refers to any ordinance, resolution, regulation, rule or other written policy of CITY as the same may be

amended, modified or supplemented from time-to-time (including but not limited to Title II, Chapter 3 (Administration – Officers and Employees) of the Huntington Park Municipal Code and any written employment manual of the CITY which governs, regulates or otherwise relates to employment with CITY). CITY's Employment Policies shall not apply to MORALES in so far as such Employment Policies limit, restrict, modify or regulate (or may be interpreted to limit, restrict, modify or regulate) MORALES' status as an "at-will" employee of CITY.

B. Except as otherwise provided under Section 6 (Termination) of this Agreement, MORALES shall not be entitled to any pre-termination hearing or other similar proceeding or appeal proceeding as a precondition to any decision or action by the City Council to terminate MORALES' employment whether for cause or for convenience.

C. Nothing in this Agreement shall confer upon MORALES any right to any property interest in continued employment with CITY.

1.4 DUTIES. MORALES shall serve as the Interim City Manager and shall be vested with the powers, duties and responsibilities of the City Manager as set forth in the Huntington Park Municipal Code, as the same may be amended or modified from time-to-time by the City Council, the California Government Code, and City policies and procedures approved by the City Council, as may be provided from time to time. MORALES' performance of his duties shall be subject to the direction of the City Council. It is the intent of the Parties that the Interim City Manager shall use all reasonable efforts to keep the City Council fully informed of all significant operations or major undertakings of CITY. MORALES shall provide the City Council with regular status reports on the operations and activities of CITY. The Interim City Manager shall function as the chief executive officer of CITY. MORALES shall perform such duties as are customary and appropriate to the position of City Manager as well as such special duties as may be assigned to Interim City Manager from time to time by the City Council. Notwithstanding MORALES' duties as Interim City Manager, nothing in this Agreement shall be construed to prohibit direct communications between the City Council and employees of CITY in a manner consistent with CITY's Employment Policies and the laws of the State of California.

1.5 WORK HOURS. The position of Interim City Manager is an exempt position under state and federal wage and hour laws. MORALES' compensation (whether salary or benefits or other allowances) is not based on hours worked and MORALES shall not be entitled to any compensation for overtime. MORALES is expected to engage in those hours of work that are necessary to fulfill the obligations of the Interim City Manager's position. The Interim City Manager does not have set hours of work as the Interim City Manager is expected to be available at all times.

1.6 REGIONAL AND PROFESSIONAL ACTIVITIES. The City Council desires that MORALES be reasonably active in professional organizations that will promote the standing of CITY and advance CITY's goals, interests and policy objectives while also providing MORALES with opportunities for the type of professional development that will enhance his ability to serve CITY and perform his duties as Interim City Manager. Toward this end, MORALES may, upon reasonable notice and approval by the City Council, join professional organizations and participate in the activities of such organizations in so far as such participation promotes the interests of CITY and does not unduly interfere with the performance of MORALES' duties as Interim City Manager. These activities may include, without limitation, participation in the California Contract Cities Association, California League of Cities, Independent Cities Association, California City Management Foundation, Government Finance Officers Association, or other similar national, statewide, regional or professional organizations provided that such activities do not in any way interfere with or adversely affect MORALES' performance as Interim City Manager. CITY agrees to budget and, consistent with that

budget, pay for the dues and subscriptions of the Interim City Manager necessary for his participation in national, statewide, regional or professional organizations.

1.7 NON-CITY ACTIVITIES. In accordance with Government Code Section 1126, during the period of his employment, MORALES shall not accept, without the express prior written consent of the City Council, any other employment or engage, directly or indirectly, in any other business, commercial, or professional activity (except as permitted under Section 1.6 (Regional and Professional Activity), whether or not to pecuniary advantage, that is or may be competitive with CITY, that might cause a conflict-of-interest with CITY, or that otherwise might interfere with the business or operation of CITY or the satisfactory performance of MORALES' duties as Interim City Manager.

1.8 REIMBURSMENT. CITY shall reimburse MORALES for reasonable and necessary travel, subsistence and other business expenses incurred by MORALES in the performance of his duties or in connection with MORALES' participation in those authorized activities referenced under Section 1.6, above. All reimbursements shall be subject to and in accordance with any limitations or restrictions set forth under the laws of the State of California or any CITY-adopted reimbursement policies.

1.9 RESIDENCE. MORALES shall not be required to reside within the territorial boundaries of CITY. The foregoing notwithstanding, MORALES shall maintain a permanent residence within a reasonable distance to CITY so as to permit MORALES travel to CITY within sixty (60) minutes in the event of CITY emergencies.

SECTION 2. COMPENSATION.

2.1 BASE SALARY. MORALES shall receive a base annual salary of One Hundred Ninety-Six Thousand Three Hundred and Ninety-Two Dollars ($196,392.00) per year (hereinafter, the "Base Salary"). The Parties understand and agree that the amount of the Base Salary, as preliminarily established herein, may be adjusted from time to time by the City Council as provided under Section 2.2 (Performance Review) of this Agreement, below.

2.2 PERFORMANCE REVIEW. By February 1, 2015, the City Council will undertake a job performance review of MORALES. In conducting the review the parties may use the services of an experienced professional outside facilitator mutually agreed upon by the Parties. The performance review shall serve the following purposes and objectives: (i) to evaluate MORALES' overall job performance; (ii) to identify areas of notable progress and/or accomplishment and identify ways sustaining and/or improving upon such progress and/or accomplishments; (iii) to identify areas requiring improvement and how such improvement might be accomplished; (iv) to measure MORALES' success in meeting, achieving and/or exceeding City Council defined, goals, objectives, priorities, activities and programs over the preceding calendar year or since the last performance review; (v) to establish goals, objectives, priorities for the upcoming year; and (vi) to determine, what if any, adjustments or enhancement should be considered and approved to MORALES's compensation terms. The failure of CITY to undertake a performance evaluation shall not limit CITY's ability to terminate this Agreement pursuant to Section 6 (Termination).

2.3 BENEFITS. In addition to Base Salary, CITY shall also provide MORALES with the following benefits:

A. Medical Insurance, Dental Care and Vision Care.

i. Medical Insurance: CITY shall contribute the prevailing rate provided to its management staff (Non-Represented Employees) towards the cost of CalPERS Medical (Kaiser – Los Angeles Region) insurance for MORALES and his eligible dependents. If MORALES chooses a medical plan that does not utilize the full amount of the prevailing rate provided by CITY for medical benefits, CITY shall be under no obligation to pay MORALES the difference between the plan chosen and the prevailing rate. If MORALES can provide to the Human Resources Department proof of insurance elsewhere (e.g., through a spouse), MORALES may choose to forego medical insurance coverage through CITY and may instead receive, on a monthly basis, an amount equal to Fifty percent (50%) of the prevailing rate referenced above under Section 2.3 A (i).

ii. Dental Insurance: CITY shall contribute the prevailing rate provided to its management staff (Non-Represented Employees) towards a dental insurance policy for MORALES and his eligible dependents. If MORALES provides the Human Resources Department with proof of dental insurance from another source (e.g., through a spouse), MORALES may choose to forego dental insurance coverage through CITY. If MORALES chooses to forego his allotment of dental benefits, CITY shall be under no obligation to pay MORALES any cash sum in lieu of such benefits.

iii. Vision Care: CITY, on a monthly basis, shall contribute the prevailing rate for the Vision Services Plan for MORALES and his eligible dependents. If MORALES chooses to forego his allotment of vision benefits, CITY shall be under no obligation to pay MORALES any cash sum in lieu of such benefits.

B. Term Life Insurance. CITY agrees that during the period of employment it will provide MORALES with, and pay the annual premiums for, a term life insurance policy in an amount equal to One Hundred Thousand Dollars and No Cents ($100,000.00). MORALES shall nominate the beneficiary under such term life insurance policy.

2.4 USE OF CITY-OWNED AUTOMOBILE. In-lieu of an automobile allowance or reimbursement for use of a personal auto, MORALES shall also be given exclusive use of a CITY-owned or leased automobile subject to the following restrictions on use: (i) the automobile shall be used primarily for the purpose of commuting to and from work and for the performance of CITY business; (ii) MORALES will not allow the automobile to be driven by any third party, except by CITY personnel in the performance of CITY business or in the course of routine vehicle maintenance or repair; (iii) the automobile may not be used for, or in the furtherance of, any unlawful purpose or act or for private commercial gain; (iv) to the fullest extent permitted by law, MORALES waives and releases CITY from any workers compensation claim which MORALES may otherwise assert to the extent any injuries suffered by MORALES while driving the automobile were sustained while MORALES was using the vehicle for a non-CITY-related purpose (including, but not limited to, personal travel or entertainment or travel in connection with household errands or travel to and from work). MORALES may not use the vehicle for travel to locations outside of the State of California, without the prior approval of the City Council. CITY shall be responsible for paying: (i) all premiums for legally required automobile insurance; and (ii) all vehicle maintenance and repair. In accordance with CITY reimbursement policies, MORALES may claim reimbursement for gasoline expenses to the extent such expenses are incurred in the performance of CITY business.

2.5 JURY DUTY. MORALES will also receive Base Salary and benefits while responding to a jury summons or serving on a jury, up to a maximum of fourteen (14) business days. Any compensation for such jury duty (except travel pay) shall be remitted to CITY.

2.6 BUSINESS RELATED EQUIPMENT. MORALES will receive CITY issued cell phone to be used for telecommunications/technology that is used in part for the performance of CITY-related business.

2.7 INCREASES CONSISTENT WITH OTHER CITY EMPLOYEES. MORALES shall automatically be entitled to receive, at a minimum, the same benefits, and level of benefits, whether new or amended, as any benefit provided a CITY employee pursuant to agreement between the CITY and an employee union. However, the CITY maintains the right, through specific contract provisions, to give higher or additional benefits to MORALES as it may deem appropriate.

SECTION 3. ILLNESS OR INJURY; DISABILITY AND DEATH.

3.1 CESSATION OF WORK DUE TO NON-PERMANENT ILLNESS OR INJURY. In addition to any right of termination set forth under Section 1.3 (Employment With City "At-Will"), above, CITY reserves also the right to terminate MORALES' employment along with this Agreement if MORALES ceases to work as a result of illness or injury: (i) which does not arise out of the course of employment; (ii) which does not limit a major life activity within the meaning of California's Fair Employment & Housing Act; and (iii) where the cessation of work continues beyond the longer of the following: a period of four successive weeks beyond MORALES' accrued sick leave; or a period of twenty (20) consecutive days beyond a period of thirty (30) consecutive days of incapacity due to the illness or injury.

3.2 DISABILITY. In addition to any right of termination set forth under Section 1.3, above, CITY reserves the right to terminate MORALES' employment along with this Agreement in the event MORALES becomes physically or mentally unable to perform the Interim City Manager's functions and duties with reasonable accommodations and it reasonably appears that such incapacity will last for more than four (4) months. The foregoing notwithstanding, CITY may terminate MORALES if the disability poses a direct threat to CITY, MORALES or any other employees working for CITY and any reasonable accommodation attempted by CITY would not mitigate or eliminate such a threat. CITY will not provide a severance payment if MORALES is terminated under this Section of this Agreement.

3.3 ILLNESS, INJURY OR DISABILITY ARISING OUT OF THE COURSE OF EMPLOYMENT. In the event MORALES suffers a physical or mental disability arising out of the course of employment, CITY's ability to terminate MORALES solely and exclusively on the basis of the illness, injury or disability shall be subject to applicable workers compensation laws for the State of California, the Americans with Disabilities Act (42 U.S.C. Section 12101 et seq.) and the California Fair Employment and Housing Act. Further, MORALES' exclusive remedy or remedies against CITY for such illness, injury or disability shall be those legally required under the workers' compensation laws of the State of California.

3.4 MEDICAL EXAMINATION. MORALES agrees to submit to a medical and/or psychological examination by a qualified physician or psychiatrist selected by CITY, in the event a decision must be made under Sections 3.1 through 3.3. CITY and MORALES shall receive a copy of all medical reports related to the examination.

3.5 DEATH OF EMPLOYEE. This Agreement along with MORALES' employment shall terminate automatically upon MORALES' death.

3.6 COMPENSATION UPON TERMINATION. Except as otherwise provided under this Agreement, if MORALES' employment is terminated pursuant to this Section 3 (Illness or Injury; Disability and Death), CITY shall pay MORALES all Base Salary, benefits, and all accrued hours due and owing him through the last day actually worked. If termination is caused by MORALES' death, CITY shall provide the

compensation and benefits otherwise due MORALES to MORALES' executor, administrator, heirs, personal representatives, successors, and assigns. CITY will not provide for severance pay if MORALES is terminated under the provisions of Section 3.1 through 3.5, above.

SECTION 4. VACATION AND OTHER LEAVE

4.1 VACATION LEAVE. MORALES shall be allowed to sell back up to 120 hours of accrued and existing vacation hours on or before June 30th of each year. In addition to any accrued and unused vacation leave existing at the time of this Agreement, MORALES is eligible to accrue additional vacation leave at a rate of 12.66 hours per month of service. The foregoing notwithstanding, the maximum amount of vacation leave that MORALES may accrue at any given time shall be capped at Three Hundred and Four (304) hours total. If MORALES' accrued but unused vacation leave reaches 304 hours total, MORALES will stop accruing additional vacation leave unless and until the accrued vacation leave falls below 304 hours. Other than as outlined herein, unused vacation leave (accrued or otherwise) shall not be redeemable for any valuable consideration.

4.2 HOLIDAYS. MORALES shall receive paid holidays in accordance with CITY's current practices as such practices may be amended or modified from time to time by CITY by action of the City Council. Paid holidays will be those approved by CITY by action of the City Council.

4.3 ADMINISTRATIVE/PERSONAL LEAVE. MORALES shall be allocated a maximum of Fifty (50) hours of administrative/personal leave on July 1st of each CITY fiscal year. The maximum amount of administrative/personal leave that MORALES may accrue at any given time may not exceed fifty (50) hours total. Accrued but unused administrative/personal leave may not be rolled-over to the next CITY fiscal year and may not be sold back to CITY.

4.4 SICK LEAVE. MORALES shall accrue sick leave at a rate of eight (8) hours per month, subject to a maximum total accrual of Ninety-Six (96) hours per CITY fiscal year or prorated portion thereof. Sick leave shall be used by MORALES only in cases of actual sickness or disability of MORALES or a member of MORALES' immediate family, including MORALES' dependents. MORALES shall be paid for the amount of unused accumulated sick leave remaining, up to but not to exceed forty-eight (48) hours, or fifty percent (50%) of the total accrual of 96 hours at the end of each fiscal year, June 30th, and at the time of separation of employment except where separation occurs pursuant to Section 6.2 (Termination by Employee), below.

SECTION 5. RETIREMENT.

5.1 CITY shall provide retirement insurance in accordance with its contract with the California Public Employees' Retirement System, presently 2% at 55.

5.2 MORALES shall be enrolled in the PARS Stack Plan, presently 0.5% at 55, for continuous City of Huntington Park service when retired from CITY at age 55 or older, subject to MORALES completing a minimum of five (5) years of full-time service with CITY. The foregoing notwithstanding, over the course of each City fiscal year, MORALES shall be required to contribute toward MORALES' PARS benefit a sum equal to 1.5% of MORALES' Base Salary as defined herein.

SECTION 6. TERMINATION.

6.1 TERMINATION BY CITY FOR CONVENIENCE.

A. Except as otherwise provided under Subsection (B) of this Section below, CITY may terminate MORALES at any time for convenience and without cause, by providing MORALES thirty (30) days prior written notice thereof together with the applicable "severance payment" provided for below. In lieu of providing thirty (30) days prior written notice of termination, CITY may place MORALES on paid administrative leave status during the thirty (30) day notice period or any portion thereof. CITY may dismiss MORALES notwithstanding anything to the contrary contained in or arising from any Employment Policies or past CITY practices relating to the employment, discipline, or termination of its employees. The "severance payment" shall be an amount equal to six (6) months base salary, less any and all applicable or legally required deductions. MORALES shall also receive all applicable accrued vacation and/or sick leave and administrative/personal leave as provided herein together with any extension of benefits required under California law. The foregoing notwithstanding, in no event shall the "severance payment" include the payment of any sums prohibited pursuant to Government Code Section 53260 and any such sums shall be deducted from the "severance payment."

B. Prior to November 1, 2014 or within ninety (90) calendar days of the swearing-in of a newly elected or appointed City Councilmember or Mayor, the City Council may not act to terminate MORALES for convenience as authorized under Subsection (A) of this Section, above. The foregoing notwithstanding, nothing in this Subsection (B), shall preclude the City Council from terminating MORALES' employment for cause at any time as provided elsewhere under Section 6 of this Agreement.

6.2 TERMINATION BY EMPLOYEE. MORALES may terminate his employment for any reason, and at any time, with or without cause, by providing CITY with no less than thirty (30) days prior written notice. In such event, CITY shall have the option, in its complete discretion, to make MORALES' termination effective upon any date preceding the 30-day notice period, provided CITY pays MORALES all compensation due and owing him through the last day actually worked, plus an amount equal to the Base Salary MORALES would have earned through the balance of the thirty (30) day notice period, as well as all accrued vacation, sick, COLA, holiday, and administrative leave hours accrued to date. MORALES shall not receive a "severance payment" in the event he terminates his employment with CITY pursuant to this Section 6.2.

6.3 TERMINATION FOR CAUSE BY CITY. CITY may immediately terminate MORALES' employment with CITY and this Agreement at any time by providing MORALES written notice of his termination for cause. No "severance payment" shall be paid in the event MORALES' employment is terminated for cause, except that CITY shall pay MORALES for his accrued and unused vacation, sick and administrative leave, as provided for in this Agreement. For purposes of this Agreement, cause for termination shall include, but not be limited to, the following: (i) theft or attempted theft; (ii) material dishonesty; (iii) willful or persistent material breach of duties; (iv) engaging in unlawful discrimination or harassment of employees or any third party while on CITY premises or on CITY time; (v) conviction of either a felony, a criminal offense involving moral turpitude, or a felony or misdemeanor under the Political Reform Act or Government Code section 1090; (vi) engaging in conduct tending to bring embarrassment or disrepute to CITY; and/or (vii) unauthorized absences. MORALES expressly waives any right to any pre-termination or post-termination disciplinary, review or appeal proceedings set forth under CITY's Employment Policies. MORALES also expressly waives any right to any pre-termination or post-termination disciplinary, review or appeal proceedings set forth under the laws of the State of California or federal law, except to the extent that the contractual waiver contemplated herein is prohibited by applicable law.

6.4 TERMINATION OBLIGATION. MORALES agrees that all property, including without limitation, all equipment, tangible, Proprietary Information (as defined below), documents, records, notes, contracts, and computer-generated materials furnished to or prepared by him incident to his employment are the

property of CITY and shall be returned promptly to CITY upon termination of MORALES' employment. MORALES' obligations under this subsection shall survive the termination of his employment and the expiration or early termination of this Agreement.

6.5 BENEFITS UPON TERMINATION. All benefits to which MORALES is entitled under this Agreement shall cease upon MORALES' termination in accordance with this Section 6 (Termination), unless expressly continued under this Agreement, under any specific written policy or benefit plan applicable to MORALES, or unless otherwise required by law.

SECTION 7. PROPRIETARY INFORMATION.

7.1 DEFINITION. "Proprietary Information" means all information and any idea pertaining in any manner to the business of CITY and its respective officials, officers, employees, clients, consultants, or business associates, which was produced by any employee or agent of CITY in the course of his or her employment or otherwise produced or acquired by or on behalf of CITY. Proprietary Information shall include, without limitation, trade secrets, product ideas, inventions, processes, formulae, data, know-how, software and other computer programs, copyrightable material, marketing plans, strategies, sales, financial reports, forecasts and customer lists. All Proprietary Information not generally known outside of CITY's organization, and all Proprietary Information so known only through improper means, shall be deemed "Confidential Information." During his employment by CITY, MORALES shall use Proprietary Information, and shall disclose Confidential Information, only for the benefit of CITY and as is or may be necessary to perform his job responsibilities under this Agreement. Following termination, MORALES shall not use any Proprietary Information and shall not disclose any Confidential Information, except with the express written consent of CITY. MORALES' obligations under this Section shall survive the termination of his employment and the expiration of this Agreement.

SECTION 8. CONFLICT OF INTEREST.

8.1 MORALES shall not, during the term of this Agreement, individually, as a partner, joint venture, officer or shareholder, invest or participate in any business venture conducting business in the corporate limits of CITY, except for stock ownership in any company whose capital stock is publicly held and regularly traded, without prior approval of the City Council. MORALES shall also be subject to the conflict of interest provisions of the Government Code of the State of California, the City's Municipal Code, and any other conflict of interest regulations applicable to MORALES' employment with the City. For and during the Term of this Agreement and any extension term, MORALES further agrees that except for a personal residence or residential property acquired or held for future use as his personal residence, MORALES will not invest in any other real estate or property improvements within the corporate limits of CITY without the prior consent of the City Council.

SECTION 9. GENERAL PROVISIONS.

9.1 NOTICES. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be effective upon delivery by hand or three (3) business days after deposit in the United States mail, postage prepaid, certified or registered, and addressed to CITY at the address below, and or at the last known address maintained in MORALES' personnel file. MORALES agrees to notify CITY in writing of any change in his address during his employment with CITY. Notice of change of address shall be effective only when accomplished in accordance with this Section.

CITY's Notice Address:

City of Huntington Park
6550 Miles Avenue
Huntington Park, California 90255
Attn: Mayor and City Council

Interim City Manager's Address: [Deliver to last updated address in personnel file]

9.2 INDEMNIFICATION. Subject to, in accordance with, and to the extent provided by the California Tort Claims Act (Government Code Section 810 et seq.) CITY will indemnify, defend, and hold MORALES harmless from and against any action, demand, suit, monetary judgment or other legal or administrative proceeding, and any liability, injury, loss or other damages, arising out of any negligent act or omission occurring during the Term of this Agreement or any extension term. The City shall have the discretion to compromise or settle any such claim, demand or action and pay the amount of any settlement or judgment rendered thereon. Notwithstanding the foregoing, the City shall have no duty to indemnify, defend, or hold MORALES harmless from any criminal proceeding, or with regard to any civil, criminal or administrative proceeding initiated by him.

9.3 BONDING. CITY shall bear the full cost of any fidelity or other bonds required of the Interim City Manager under any laws or ordinance.

9.4. ENTIRE AGREEMENT. This Agreement is intended to be the final, complete, and exclusive statement of the terms of MORALES' employment by CITY. This Agreement supersedes all other prior and contemporaneous agreements and statements, whether written or oral, express or implied, pertaining in any manner to the employment of MORALES, and it may not be contradicted by evidence of any prior or contemporaneous statements or agreements. To the extent that the practices, policies, or procedures of CITY, now or in the future, apply to MORALES and are inconsistent with the terms of this Agreement, the provisions of this Agreement shall control.

9.5 AMENDMENTS. This Agreement may not be amended except in a written document signed by MORALES, approved by the City Council and signed by CITY's Mayor or designee.

9.6 WAIVER. Failure to exercise any right under this Agreement shall not constitute a waiver of such right.

9.7 ASSIGNMENT. MORALES shall not assign any rights or obligations under this Agreement. CITY may, upon prior written notice to MORALES, assign its rights and obligations hereunder.

9.8 SEVERABILITY. If any court of competent jurisdiction holds any provision of this Agreement to be invalid, unenforceable, or void, the remainder of this Agreement shall remain in full force and effect.

9.9 GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of California and the Parties agree that venue shall be in Los Angeles County, California.

9.10 INTERPRETATION. This Agreement shall be construed as a whole, according to its fair meaning, and not in favor of or against any party. By way of example and not in limitation, this Agreement shall not be construed in favor of the party receiving a benefit nor against the party responsible for any

the interpretation of the Agreement. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest, or assert that this Agreement was modified, cancelled superseded or changed by any oral agreement, course of conduct, waiver or estoppel.

9.11 ACKNOWLEDGMENT. MORALES acknowledges that he has had the opportunity to consult legal counsel in regard to this Agreement, that he has read and understands this Agreement, that he is fully aware of its legal effect, and that he has entered into it freely and voluntarily and based on his own judgment and not on any representations or promises other than those contained in this Agreement.

IN WITNESS WHEREOF, CITY has caused this Agreement to be signed and executed on its behalf by its Mayor and duly attested to by its City Clerk, and MORALES has signed and executed this Agreement, as of the date first indicated above.

CITY OF HUNTINGTON PARK

By: _____
Rosa E. Perez, Mayor

By: _____
JULIO F. MORALES

APPROVED AS TO FORM:

By: _____
Todd Litfin, Interim City Attorney

ATTEST:

By _____
Rocio Martinez, Senior Deputy City Clerk

2014
EMPLOYMENT AGREEMENT
(Engagement: Interim Finance Director)
(Parties: the City of Huntington Park and Jan Mazyck)

THIS 2014 EMPLOYMENT AGREEMENT ("Agreement") is entered into this __ day of _____, 2014, by and between the CITY OF HUNTINGTON PARK, a municipal corporation ("CITY") and Jan Mazyck ("MAZYCK"), an individual. For purposes of this Agreement, the capitalized term "Parties" shall be a collective reference to both CITY and MAZYCK. The capitalized term "Party" may refer to either CITY or MAZYCK interchangeably and as reasonably appropriate.

RECITALS

THIS AGREEMENT is made and entered into in consideration of the following:

WHEREAS, CITY desires to engage and employ MAZYCK to serve as the Interim Finance Director of CITY ("Finance Director") and MAZYCK desires employment as Interim Finance Director; and

WHEREAS, the CITY finds that MAZYCK possesses the education, training, experience and expertise necessary to perform the duties of Finance Director; and

WHEREAS, the Parties desire to execute this Agreement pursuant to the authority of and subject to the provisions of Government Code section 53260, et seq.; and

NOW, THEREFORE, in consideration of the mutual agreements contained herein, CITY and MAZYCK agree as follows:

SECTION 1. POSITION. DUTIES AND TERM

1.1. POSITION. MAZYCK accepts employment with CITY as its Interim Finance Director and shall perform all functions, duties and services set forth in Section 1.4 (Duties) of this Agreement, below.

1.2. EFFECTIVE DATE OF AGREEMENT/TERM. The effective date of this Agreement shall be December 15, 2014 (hereinafter, the "Effective Date"). This Agreement shall have a term of THIRTY-SIX (36) MONTHS commencing from the Effective Date (hereinafter referred to by the capitalized word "Term"). Upon the expiration of the Term, this Agreement shall continue on a month-to-month basis, subject to all of the terms and conditions set forth in this Agreement, until such time as CITY either executes a new agreement with MAZYCK or CITY terminates MAZYCK's employment with CITY.

1.3. EMPLOYMENT WITH CITY "AT-WILL."

A. MAZYCK's employment status with CITY shall be at-will and MAZYCK shall serve at the pleasure of the City Manager as provided under Government Code section 36506. MAZYCK acknowledges, understands and agrees that MAZYCK may not avail herself of any procedures, provisions or protections set forth under CITY's Employment Policies, as defined herein, in so far as such procedures, provisions or protections limit, restrict, modify, prohibit or regulate MAZYCK's status as an "at-will" employee of CITY or the ability of the City Council to terminate MAZYCK's employment at any time for cause or for convenience. For purposes of this Agreement, the capitalized term "Employment Policies" means and refers to any ordinance, resolution, regulation, rule or other written policy of CITY as the same may be amended, modified or supplemented from time-to-time (including but not limited to Title II, Chapter 3 (Administration - Officers and Employees) of the Huntington Park Municipal Code and any written employment manual of the CITY which governs, regulates or otherwise relates to employment with CITY). CITY's Employment Policies shall not apply to MAZYCK in so far as such Employment Policies limit, restrict, modify or regulate (or may be interpreted to limit, restrict, modify or regulate) MAZYCK's status as an "at-will" employee of CITY.

B. Except as otherwise provided under Section 6 (Termination) of this Agreement, MAZYCK shall not be entitled to any pre-termination hearing or other similar proceeding or appeal proceeding as a precondition to any decision or action by the City Council to terminate MAZYCK's employment whether for cause or for convenience.

C. Nothing in this Agreement shall confer upon MAZYCK any right to any property interest in continued employment with CITY.

1.4. DUTIES. MAZYCK shall serve as the Interim Finance Director and shall be vested with the powers, duties and responsibilities of the Finance Director as set forth in the Huntington Park Municipal Code, as the same may be amended or modified from time-to-time by the City Council, the California Government Code, and CITY policies and procedures approved by the City Council, as may be provided from time to time. MAZYCK's performance of her duties shall be subject to the direction of the City Manager. It is the intent of the Parties that the Finance Director shall use all reasonable efforts to keep the City Manager fully informed of all significant operations or major undertakings of CITY. MAZYCK shall provide the City Manager with regular status reports on the operations and activities of CITY. The Finance Director shall function as the chief executive officer of CITY. MAZYCK shall perform such duties as are customary and appropriate to the position of Finance Director as well as such special duties as may be assigned to Finance Director from time to time by the City Manager. Notwithstanding MAZYCK's duties as Interim Finance Director, nothing in this Agreement shall be construed to prohibit direct communications between the City Manager and employees of CITY in a manner consistent with CITY's Employment Policies and the laws of the State of California.

1.5. WORK HOURS. The position of Finance Director is an exempt position under state and federal wage and hour laws. MAZYCK's compensation (whether salary or benefits or other allowances) is not based on hours worked and MAZYCK shall not be entitled to any compensation for overtime. MAZYCK is expected to engage in those hours of work that are necessary to fulfill the obligations of the Finance Director's position. The Finance Director does not have set hours of work but is expected to work a forty (40) hour work week and to be available at all reasonable and relevant times.

1.6. REGIONAL AND PROFESSIONAL ACTIVITIES. The City Manager desires that MAZYCK be reasonably active in professional organizations that will promote the standing of CITY and advance CITY's goals, interests and policy objectives while also providing MAZYCK with opportunities for the type of professional development that will enhance her ability to serve CITY and perform her duties as Interim Finance Director. Toward this end, MAZYCK may, upon reasonable notice and approval by the City Manager, join professional organizations and participate in the activities of such organizations in so far as such participation promotes the interests of CITY and does not unduly interfere with the performance of MAZYCK's duties as Interim Finance Director.

These activities may include, without limitation, participation in the Government Finance Officers Associations, California Municipal Treasurers Associations, California Municipal Finance Officers Association, California Contract Cities Association, California League of Cities, Independent Cities Association, or other similar national, statewide, regional or professional organizations provided that such activities do not in any way interfere with or adversely affect MAZYCK's performance as Interim Finance Director. CITY agrees to budget and, consistent with that budget, pay for the dues, conference and travel fees, and subscriptions of the Finance Director necessary for her participation in national, statewide, regional or professional organizations.

1.7. NON-CITY ACTIVITIES. CITY acknowledges that MAZYCK operates a consulting firm known as Mazyck Advisors, LLC, which from time to time may require her to perform consulting services for various clients. CITY agrees that it will not require her to suspend or terminate her existing consulting services in connection with Mazyck Advisors, LLC provided that, in accordance with Government Code § 1126, during the period of her employment as Interim Finance Director, she shall not accept, without the express prior written consent of the City Council, any other employment or engage, directly or indirectly, in any other business, commercial, or professional activity, whether or not for pecuniary advantage, that is or may be competitive with CITY, that might cause a conflict-of-interest with CITY, or that otherwise might interfere with the business or operation of CITY or the satisfactory performance of her duties as Interim Finance Director.

1.8. REIMBURSEMENT. CITY shall reimburse MAZYCK for reasonable and necessary travel, subsistence and other business expenses incurred by MAZYCK in the performance of her duties or in connection with MAZYCK's participation in those authorized activities referenced under Section 1.6, above. All reimbursements shall be subject to and in accordance with any limitations or restrictions set forth under the laws of the State of California or any CITY-adopted reimbursement policies.

1.9. RESIDENCE. MAZYCK shall not be required to reside within the territorial boundaries of CITY. The foregoing notwithstanding, MAZYCK shall maintain a permanent residence within a reasonable distance to CITY so as to permit MAZYCK travel to CITY within sixty (60) minutes in the event of CITY emergencies.

SECTION 2. COMPENSATION.

2.1. BASE SALARY. Commencing December 15, 2014, MAZYCK shall receive a base annual salary of ONE-HUNDRED AND FIFTY-FIVE THOUSAND FIVE HUNDRED AND NINETY-TWO Dollars ($155,592.00) per year (hereinafter, the "Base Salary"). The Parties understand and agree that the amount of the Base Salary, as preliminarily established for the year 2014, may be adjusted from time to time by the City Manager as provided under Section 2.2 (Performance Review) of this Agreement, below.

2.2. PERFORMANCE REVIEW. Prior to May 1, 2015, the City Manager will undertake a job performance review of MAZYCK. By May 1st of each succeeding calendar year, the City Manager will undertake an annual job performance review of MAZYCK. The performance review shall serve the purpose and objective of evaluating MAZYCK's overall job performance. The failure of CITY to undertake a performance evaluation shall not limit CITY's ability to terminate this Agreement pursuant to Section 6 (Termination).

2.3. BENEFITS. In addition to Base Salary, CITY shall also provide MAZYCK with the following benefits:

A. **Medical Insurance, Dental Care and Vision Care**.

1. Medical Insurance: CITY shall contribute the prevailing rate provided to its management staff (Non-Represented Employees) towards the cost of CaIPERS Medical insurance equal to the Kaiser 3-Party Rate for the Los Angeles Region, which may be applied to MAZYCK and her eligible dependents. If MAZYCK chooses a medical plan that does not utilize the full amount of the prevailing rate provided by CITY for medical benefits, CITY shall be under no obligation to pay MAZYCK the difference between the plan chosen and the prevailing rate. If MAZYCK can provide to the Human Resources Department proof of insurance elsewhere (e.g., through a spouse), MAZYCK may choose to forego medical insurance coverage through CITY and may instead receive, on a monthly basis, an amount equal to fifty percent (50%) of the prevailing rate referenced above under Section 2.3 A (i).

2. Dental Insurance: CITY shall contribute the prevailing rate provided to its management staff (Non-Represented Employees) towards a dental insurance policy for MAZYCK and her eligible dependents. If MAZYCK provides the Human Resources Department with proof of dental insurance from another source (e.g., through a spouse), MAZYCK may choose to forego dental insurance coverage through CITY. If MAZYCK chooses to forego

her allotment of dental benefits, CITY shall be under no obligation to pay MAZYCK any cash sum in lieu of such benefits.

3. Vision Care: CITY, on a monthly basis, shall contribute the prevailing rate for the Vision Services Plan for MAZYCK and her eligible dependents. If MAZYCK chooses to forego her allotment of vision benefits, CITY shall be under no obligation to pay MAZYCK any cash sum in lieu of such benefits.

B. **Term Life Insurance**. CITY agrees that during the period of employment it will provide MAZYCK with, and pay the annual premiums for, a term life insurance policy in an amount equal to One Hundred Thousand Dollars and No Cents ($100,000.00). If available, additional coverage may be purchased at the cost of MAZYCK. MAZYCK shall nominate the beneficiary under such term life insurance policy.

2.4. USE OF CITY-OWNED AUTOMOBILE. MAZYCK, at her option, may receive a Four Hundred Dollar ($400) monthly car stipend; or, In-lieu of an automobile allowance or reimbursement for use of a personal auto, MAZYCK shall also be given exclusive use of a CITY-owned or leased automobile subject to the following restrictions on use: (i) the automobile shall be used primarily for the purpose of commuting to and from work and for the performance of CITY business; (ii) MAZYCK will not allow the automobile to be driven by any third party, except by CITY personnel in the performance of CITY business or in the course of routine vehicle maintenance or repair; (iii) the automobile may not be used for, or in the furtherance of, any unlawful purpose or act or for private commercial gain; (iv) to the fullest extent permitted by law, MAZYCK waives and releases CITY from any workers' compensation claim which MAZYCK may otherwise assert to the extent any injuries suffered by MAZYCK while driving the automobile were sustained while MAZYCK was using the vehicle for a non-CITY-related purpose (including, but not limited to, personal travel or entertainment or travel in connection with household errands or travel to and from work). MAZYCK may not use the vehicle for travel to locations outside of the State of California, without the prior approval of the City Manager. CITY shall be responsible for paying: (i) all premiums for legally required automobile insurance; and (ii) all vehicle maintenance and repair. In accordance with CITY reimbursement policies, MAZYCK may claim reimbursement for gasoline expenses to the extent such expenses are incurred in the performance of CITY business.

2.5. JURY DUTY. MAZYCK will also receive Base Salary and benefits while responding to a jury summons or serving on a jury, up to a maximum of fourteen (14) business days. Any compensation for such jury duty (except travel pay) shall be remitted to CITY.

2.6. BUSINESS RELATED EQUIPMENT. CITY shall also provide MAZYCK a smart phone for the performance of CITY-related business.

SECTION 3. ILLNESS OR INJURY; DISABILITY AND DEATH.

3.1. CESSATION OF WORK DUE TO NON-PERMANENT ILLNESS OR INJURY. In addition to any right of termination set forth under Section 1.3 (Employment With City "At-Will"), above, CITY reserves also the right to terminate MAZYCK's employment

along with this Agreement if MAZYCK ceases to work as a result of illness or injury: (i) which does not arise out of the course of employment; (ii) which does not limit a major life activity within the meaning of California's Fair Employment & Housing Act; and (iii) where the cessation of work continues beyond the longer of the following: a period of four successive weeks beyond MAZYCK's accrued sick leave; or a period of twenty (20) consecutive days beyond a period of thirty (30) consecutive days of incapacity due to the illness or injury.

3.2. DISABILITY. In addition to any right of termination set forth under Section 1.3, above, CITY reserves the right to terminate MAZYCK's employment along with this Agreement in the event MAZYCK becomes physically or mentally unable to perform the Finance Director's functions and duties with reasonable accommodations and it reasonably appears that such incapacity will last for more than four (4) months. The foregoing notwithstanding, CITY may terminate MAZYCK if the disability poses a direct threat to CITY, MAZYCK or any other employees working for CITY and any reasonable accommodation attempted by CITY would not mitigate or eliminate such a threat. CITY will not provide a severance payment if MAZYCK is terminated under this Section of this Agreement.

3.3. ILLNESS, INJURY OR DISABILITY ARISING OUT OF THE COURSE OF EMPLOYMENT. In the event MAZYCK suffers a physical or mental disability arising out of the course of employment, CITY's ability to terminate MAZYCK solely and exclusively on the basis of the illness, injury or disability shall be subject to applicable workers' compensation laws for the State of California, the Americans with Disabilities Act (42 U.S.C. section 12101 et seq.) and the California Fair Employment and Housing Act. Further, MAZYCK's exclusive remedy or remedies against CITY for such illness, injury or disability shall be those legally required under the workers' compensation laws of the State of California.

3.4. MEDICAL EXAMINATION. MAZYCK agrees to submit to a medical and/or psychological examination by a qualified physician or psychiatrist selected by CITY, in the event a decision must be made under Sections 3.1 through 3.3. CITY and MAZYCK shall receive a copy of all medical reports related to the examination.

3.5. DEATH OF EMPLOYEE. This Agreement along with MAZYCK's employment shall terminate automatically upon MAZYCK's death.

3.6. COMPENSATION UPON TERMINATION. Except as otherwise provided under this Agreement, if MAZYCK's employment is terminated pursuant to this Section 3 (Illness or Injury; Disability and Death), CITY shall pay MAZYCK all Base Salary, benefits, and compensation due and owing her through the last day actually worked. If termination is caused by MAZYCK's death, CITY shall provide the compensation and benefits otherwise due MAZYCK to MAZYCK's executor, administrator, heirs, personal representatives, successors, and assigns. CITY will not provide for severance pay if MAZYCK is terminated under the provisions of Section 3.1 through 3.5, above.

SECTION 4. VACATION AND OTHER LEAVE.

4.1. VACATION LEAVE. Upon execution of this Agreement, MAZYCK shall have One Hundred (100) hours of accrued and unused vacation leave. In addition to those 100 hours, MAZYCK is eligible to accrue additional vacation leave at a rate of 12.66 hours per month of

service. The foregoing notwithstanding, the maximum amount of vacation leave that MAZYCK may accrue at any given time shall be capped at three hundred and four (304) hours total. If MAZYCK's accrued but unused vacation leave reaches 304 hours total, MAZYCK will stop accruing additional vacation leave unless and until the accrued vacation leave falls below 304 hours. Unused vacation leave (accrued or otherwise) shall not be redeemable for any valuable consideration.

4.2. HOLIDAYS. MAZYCK shall receive paid holidays in accordance with CITY's current practices as such practices may be amended or modified from time to time by CITY by action of the City Council. Paid holidays will be those approved by CITY by action of the City Council.

4.3. ADMINISTRATIVE/PERSONAL LEAVE. MAZYCK shall be allocated a maximum of fifty (50) hours of administrative/personal leave on July 1st of each CITY fiscal year. The maximum amount of administrative/personal leave that MAZYCK may accrue at any given time may not exceed fifty (50) hours total. Accrued but unused administrative/personal leave may not be rolled-over to the next CITY fiscal year and may not be sold back to CITY.

4.4. SICK LEAVE. MAZYCK shall accrue sick leave at a rate of eight (8) hours per month, subject to a maximum total accrual of ninety-six (96) hours per CITY fiscal year or prorated portion thereof. Sick leave shall be used by MAZYCK only in cases of actual sickness or disability of MAZYCK or a member of MAZYCK's immediate family, including MAZYCK's dependents. MAZYCK shall be paid for the amount of unused accumulated sick leave remaining, up to but not to exceed forty-eight (48) hours, or fifty percent (50%) of the total accrual of 96 hours, at the time of separation of employment except where separation occurs pursuant to Section 6.2 (Termination by Employee), below.

SECTION 5. RETIREMENT.

5.1. CITY shall provide retirement insurance in accordance with its contract with the California Public Employees' Retirement System, presently two percent (2%) at age 55.

5.2. MAZYCK shall be enrolled in the PARS Stack Plan, presently 0.5% at age 55, for continuous City of Huntington Park service when retired from CITY at age 55 or older, subject to MAZYCK completing a minimum of five (5) years of full-time service with CITY. The foregoing notwithstanding, over the course of each CITY fiscal year, MAZYCK shall be required to contribute toward MAZYCK's PARS benefit a sum equal to one and one-half percent (1.5%) of MAZYCK's Base Salary as defined herein.

SECTION 6. TERMINATION.

6.1. TERMINATION BY CITY FOR CONVENIENCE.

A. Except as otherwise provided under Subsection (B) of this Section below, CITY may terminate MAZYCK at any time for convenience and without cause, by providing MAZYCK thirty (30) days prior written notice thereof together with the applicable "severance payment" provided for below. In lieu of providing thirty (30) days prior written notice of termination, CITY may place MAZYCK on paid administrative leave status during the thirty

(30) day notice period or any portion thereof. CITY may dismiss MAZYCK notwithstanding anything to the contrary contained in or arising from any Employment Policies or past CITY practices relating to the employment, discipline, or termination of its employees. The "severance payment" shall be an amount equal to six (6) months base salary, less any and all applicable or legally required deductions. MAZYCK shall also receive all applicable accrued vacation and/or sick leave and administrative/personal leave as provided herein together with any extension of benefits required under California law. The foregoing notwithstanding, in no event shall the "severance payment" include the payment of any sums prohibited pursuant to Government Code section 53260 and any such sums shall be deducted from the "severance payment."

B. Within ninety (90) calendar days of the swearing-in of a newly elected or appointed City Councilmember or Mayor, the City Manager may not act to terminate MAZYCK for convenience as authorized under Subsection (A) of this Section, above. The foregoing notwithstanding, nothing in this Subsection (B), shall preclude the City Manager from terminating MAZYCK 's employment for cause at any time as provided elsewhere under Section 6 of this Agreement.

6.2. T**ERMINATION BY EMPLOYEE.** MAZYCK may terminate her employment for any reason, and at any time, with or without cause, by providing CITY with no less than thirty (30) days prior written notice. In such event, CITY shall have the option, in its complete discretion, to make MAZYCK's termination effective upon any date preceding the 30-day notice period, provided CITY pays MAZYCK all compensation due and owing her through the last day actually worked, plus an amount equal to the Base Salary MAZYCK would have earned through the balance of the thirty (30) day notice period. MAZYCK shall not receive a "severance payment" in the event she terminates her employment with CITY pursuant to this Section 6.2.

6.3. TERMINATION FOR CAUSE BY CITY. CITY may terminate this Agreement at any time by providing MAZYCK written notice of her termination for cause. For purposes of this Agreement, cause for termination shall include, but not be limited to, the following:

A. Commitment of any illegal or unethical act involving personal gain to MAZYCK;

B. Willful or intentional failure or refusal to perform her duties and responsibilities consistent with her obligations under this Agreement, or to comply with lawful directives issued by the City Council and the City Manager pertaining to performance of her job duties and responsibilities;

C. Engaging in unlawful discrimination or harassment of employees or any third party while on CITY premises or time;

D. Material breach of the terms and conditions of this Agreement;

E. Any intentional or grossly negligent act or omission that:

i. materially and substantially impedes or disrupts the operations of CITY or its organizational units;

ii. is detrimental to MAZYCK's safety, the safety of any other CITY official, agent, or employee, or public safety; or

iii. violates properly established CITY rules or procedures as established by collective action of the City Council, including but not limited to the adoption of ordinances and resolutions

F. Commission of an act of moral turpitude. Under California law, acts of moral turpitude are acts including, but not limited to dishonesty, fraud, theft, violence or the threat of violence, driving under the influence, possession of controlled substances for sale, vandalism, abuse, lewd acts, and securities violations. The City Council will not make a finding or determination about whether MAZYCK has engaged in such conduct without first providing MAZYCK a full and fair opportunity to rebut, defend, and justify any such alleged act involving moral turpitude in an open or closed session, at MAZYCK's sole choice, provided that MAZYCK may be placed on administrative leave without pay pending the outcome of any CITY investigation of such acts;

G. Conviction of a felony, or plea of guilty or nolo contendere or conviction of a misdemeanor involving moral turpitude, provided that MAZYCK may be placed on administrative leave without pay should she be charged with any such crime;

H. Willful or negligent destruction, misappropriation, or misuse of public property, waste of public supplies, or use of public property or supplies for other than a public purpose;

I. Willful political activity involving the support of (or opposition to) candidates for City Council;

J. Willful and unlawful retaliation against any other CITY officer or employee or member of the general public who in good faith discloses, divulges, or otherwise brings to the attention of any appropriate authority any facts or information relative to actual or suspected violations of law occurring on the job or directly related thereto;

K. Violation of any conflict of interest or incompatibility of office laws including, but not limited to the Political Reform Act and Government Code § 1090;

L. Willful violation of any laws involving an abuse of office or position, as defined in Government Code § 53243.4;

M. Performance of material outside business interests;

N. Abuse of any prescription or non-prescription drugs, alcohol, or controlled substances that affect the performance of the Interim Finance Director's duties;

O. Engaging in conduct tending to bring embarrassment or disrepute to CITY; and/or

P. Unexcused absences from work for three (3) consecutive days without notice, except in case of emergency.

MAZYCK expressly waives any rights provided for under municipal, state or federal law to any form of pre- or post-termination hearing, appeal, or other administrative process pertaining to termination.

6.4. TERMINATION OBLIGATION. MAZYCK agrees that all property including, without limitation, all equipment, tangible Proprietary Information (as defined below), documents, records, notes, contracts, and computer-generated materials furnished to or prepared by her incident to her employment are the property of CITY and shall be returned promptly to CITY upon termination of MAZYCK's employment. MAZYCK's obligations under this subsection shall survive the termination of her employment and the expiration or early termination of this Agreement.

6.5. BENEFITS UPON TERMINATION. All benefits to which MAZYCK is entitled under this Agreement shall cease upon MAZYCK's termination in accordance with this Section 6 (Termination), unless expressly continued under this Agreement, under any specific written policy or benefit plan applicable to MAZYCK, or unless otherwise required by law.

SECTION 7. PROPRIETARY INFORMATION.

7.1. DEFINITION. "Proprietary Information" means all information and any idea pertaining in any manner to the business of CITY and its respective officials, officers, employees, clients, consultants, or business associates, which was produced by any employee or agent of CITY in the course of her employment or otherwise produced or acquired by or on behalf of CITY. Proprietary Information shall include, without limitation, trade secrets, product ideas, inventions, processes, formulae, data, know-how, software and other computer programs, copyrightable material, marketing plans, strategies, sales, financial reports, forecasts and customer lists. All Proprietary Information not generally known outside of CITY's organization, and all Proprietary Information so known only through improper means, shall be deemed "Confidential Information." During her employment by CITY, MAZYCK shall use Proprietary Information, and shall disclose Confidential Information, only for the benefit of CITY and as is or may be necessary to perform her job responsibilities under this Agreement. Following termination, MAZYCK shall not use any Proprietary Information and shall not disclose any Confidential Information, except with the express written consent of CITY. MAZYCK's obligations under this Section shall survive the termination of her employment and the expiration of this Agreement

SECTION 8. CONFLICT OF INTEREST.

8.1. MAZYCK shall not, during the term of this Agreement, individually, as a partner, joint venture, officer or shareholder, invest or participate in any business venture conducting business in the corporate limits of CITY, except for stock ownership in any company whose capital stock is publicly held and regularly traded, without prior approval of the City Manager. MAZYCK shall also be subject to the conflict of interest provisions of the Government Code of the State of California, the City's Municipal Code, and any other conflict of interest regulations applicable to MAZYCK's employment with CITY. For and during the Term of this Agreement and any extension term, MAZYCK further agrees that except for a personal residence or residential property acquired or held for future use as her personal residence, MAZYCK will not invest in any other real estate or property improvements within the corporate limits of CITY without the prior consent of the City Manager

SECTION 9. GENERAL PROVISIONS.

9.1. NOTICES. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be effective upon delivery by hand or three (3) business days after deposit in the United States mail, postage prepaid, certified or registered, and addressed to CITY at the address below, and or at the last known address maintained in MAZYCK's personnel file. MAZYCK agrees to notify CITY in writing of any change in her address during her employment with CITY. Notice of change of address shall be effective only when accomplished in accordance with this Section.

CITY's Notice Address:

City of Huntington Park
6550 Miles Avenue
Huntington Park, California 90255
Attn: City Manager

Interim Finance Director's Address:
[Deliver to last updated address in personnel file]

9.2. INDEMNIFICATION. Subject to, in accordance with, and to the extent provided by the California Tort Claims Act (Government Code section 810 et seq.) CITY will indemnify, defend, and hold MAZYCK harmless from and against any action, demand, suit, monetary judgment or other legal or administrative proceeding, and any liability, injury, loss or other damages, arising out of any negligent act or omission occurring during the Term of this Agreement or any extension term. CITY shall have the discretion to compromise or settle any such claim, demand or action and pay the amount of any settlement or judgment rendered thereon. Notwithstanding the foregoing, CITY shall have no duty to indemnify, defend, or hold MAZYCK harmless from any criminal proceeding, or with regard to any civil, criminal or administrative proceeding initiated by her.

Without limiting the application of this Section 9.2, nothing in this Agreement shall expand the CITY's defense and indemnification obligations beyond those provided in the Government Claims Act and Government Code sections 995-996.6. Further, in the event CITY provides funds for legal criminal defense pursuant to this sub-section and the terms of the Government Code, MAZYCK shall reimburse the CITY for such legal criminal defense funds,

and any paid leave provided, if MAZYCK is convicted of a crime involving an abuse of office or position as provided by Government Code sections 53243-53243.4.

9.3. BONDING. CITY shall bear the full cost of any fidelity or other bonds required of the Finance Director under any laws or ordinance.

9.4. ENTIRE AGREEMENT. This Agreement is intended to be the final, complete, and exclusive statement of the terms of MAZYCK's employment by CITY. This Agreement supersedes all other prior and contemporaneous agreements and statements, whether written or oral, express or implied, pertaining in any manner to the employment of MAZYCK, and it may not be contradicted by evidence of any prior or contemporaneous statements or agreements. To the extent that the practices, policies, or procedures of CITY, now or in the future, apply to MAZYCK and are inconsistent with the terms of this Agreement, the provisions of this Agreement shall control.

9.5. AMENDMENTS. This Agreement may not be amended except in a written document signed by MAZYCK, approved by the City Manager and signed by City Attorney.

9.6. WAIVER. Failure to exercise any right under this Agreement shall not constitute a waiver of such right.

9.7. ASSIGNMENT. MAZYCK shall not assign any rights or obligations under this Agreement. CITY may, upon prior written notice to MAZYCK, assign its rights and obligations hereunder.

9.8. SEVERABILITY. If any court of competent jurisdiction holds any provision of this Agreement to be invalid, unenforceable, or void, the remainder of this Agreement shall remain in full force and effect.

9.9. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of California and the Parties agree that venue shall be in Los Angeles County, California.

9.10. INTERPRETATION. This Agreement shall be construed as a whole, according to its fair meaning, and not in favor of or against any Party. By way of example and not in limitation, this Agreement shall not be construed in favor of the Party receiving a benefit nor against the Party responsible for any particular language in this Agreement. Captions are used for reference purposes only and should be ignored in the interpretation of the Agreement. This Agreement may be altered, amended or modified only by an instrument in writing; executed by the Parties to this Agreement and by no other means. Each Party waives its future right to claim, contest, or assert that this Agreement was modified, cancelled superseded or changed by any oral agreement, course of conduct, waiver or estoppel.

9.11. ACKNOWLEDGMENT. MAZYCK acknowledges that she has had the opportunity to consult legal counsel with regard to this Agreement, that she has read and understands this Agreement, that she is fully aware of its legal effect, and that she has entered into it freely and voluntarily and based on her own judgment and not on any representations or promises other than those contained in this Agreement.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, CITY has caused this Agreement to be signed and executed on its behalf by its City Manager and duly attested to by its City Clerk, and MAZYCK has signed and executed this Agreement, as of the date first indicated above.

CITY OF HUNTINGTON PARK

By:_____
Julio Morales, Interim City Manager

INTERIM FINANCE DIRECTOR

By_____
Jan Mazyck

APPROVED AS TO FORM:

_____
Isabel Birrueta, City Attorney

2014
EMPLOYMENT AGREEMENT
(Engagement: Director of Parks and Recreation)
(Parties: The City of Huntington Park and Josette Espinosa)

THIS AGREEMENT ("AGREEMENT') is executed and entered into this___ day of _____, 2014 (hereinafter, the "Effective Date") by and between the CITY OF HUNTINGTON PARK, a municipal corporation (hereinafter "Employer") and JOSETTE ESPINOSA (hereinafter, "Employee"). This AGREEMENT sets forth all terms and conditions of employment concerning the employment of Employee to the position of Director of Parks & Recreation for the City of Huntington Park, California.

RECITALS

WHEREAS, Employer wishes to retain Josette Espinosa (hereinafter, "Employee") to serve as Director of Parks & Recreation for the City of Huntington Park; and

WHEREAS, Employee agrees to accept employment as Director of Parks & Recreation for the City of Huntington Park, subject to the terms and conditions set forth under this AGREEMENT; and

WHEREAS, it is the desire of Employer to provide certain benefits, establish certain conditions of employment and to set working conditions for Employee; and

WHEREAS, Employee shall work under the direction of the City Manager and shall perform all the duties of Director of Parks & Recreation as directed by the City Manager; and

WHEREAS, it is the desire of the Employer (i) to secure and retain the services of Employee and to provide inducement for Employee to remain in such employment under the terms set forth herein, (ii) to make possible full work productivity by assuring Employee's morale and peace of mind with respect to future security, and (iii) to provide mutually satisfactory means for terminating Employee's services at such time as he may be unable to discharge fully her duties due to disability, or when Employer may otherwise desire to terminate this Employee; and

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1 - EMPLOYMENT RELATIONSHIP

Employment Relationship: Subject to the terms and conditions set forth in this AGREEMENT, Employer hereby agrees to employ Employee as Director of Parks & Recreation

for the City of Huntington Park. Further, Employee hereby accepts Employer's offer of employment and agrees to serve as, and perform the duties of, Director of Parks & Recreation for the City of Huntington Park, subject to the terms and conditions contained in this AGREEMENT.

SECTION 2 - DURATION AND NATURE OF EMPLOYMENT RELATIONSHIP

Maximum Term of Employment: Employee's term of employment ("Term") as Director of Parks & Recreation shall commence upon the Effective Date and terminate on December 15, 2016. Upon the expiration of the Term, this Agreement shall continue on a month-to-month basis, subject to all of the terms and conditions set forth in this Agreement, until such time as Employer either executes a new agreement with Employee or Employer terminates Employee's employment with Employer.

Employee's Initials: _____ Date:_____

Termination Upon Expiration of Term: In the event Employer chooses not to terminate Employee prior to the expiration of Term, this AGREEMENT shall automatically renew on a month-to-month basis, subject to its same terms and conditions. City Manager shall meet with Employee sixty (60) days prior to the end of the maximum term to discuss the AGREEMENT. Any agreement, promise, representation or assurance to extend the maximum duration of Employee's employment as Parks & Recreation Director shall be invalid, non-binding or unenforceable against Employer unless it is reduced to the form of a written agreement (i.e., a written contract) and such written agreement is first (i) reviewed, approved as to form and signed by the Huntington Park City Attorney utilizing his independent judgment and expertise and (ii) signed by the City Manager. Unless otherwise provided in the written agreement to lengthen the maximum duration of Employee's employment as Director of Parks & Recreation, all other terms, conditions and provisions of this AGREEMENT shall remain in full force and effect for the duration of the extended term, including, but not limited to, the provision above, that Employer, may terminate Employee's employment at any time with or without cause.

Conflict of Interest; Non-Solicitation of Other Employment: During the Term of this AGREEMENT, Employee shall not directly or indirectly solicit employment with any other employer, nor shall Employee directly or indirectly undertake any action of response to any offer of employment by any other employer without giving Employer prior written notice.

Status of Employee: This AGREEMENT and Employee's employment by Employer shall not be deemed to create any rights as a regular employee under any provision of the Huntington Park Municipal Code (the "Code"), the Personnel Rules and Regulations (the "Rules") nor any memorandum of understanding ("MOU") adopted or entered into by Employer. Any termination of Employee shall not give rise to any action against Employer for compensation, benefits, or rights under the Code, the Rules or any MOU.

Employee's Acknowledgment & Agreement That Employment Is At-Will: Employee understands, acknowledges and agrees to the following:

> That her employment as Director of Parks & Recreation is at-will; that Employee may terminate her employment as Director of Parks & Recreation at any time, with or

without cause; and that Employer, likewise, may terminate Employee's employment as Director of Parks & Recreation at any time, with or without cause;

The existence of the Term as provided in Section 2, above, does not constitute a guarantee, promise, representation, assurance or agreement that Employer may not, or will not, terminate this AGREEMENT along with Employee's employment as Director of Parks & Recreation prior to the expiration of the Term.

Any agreement, promise, representation or assurance (whether oral or written) that Employee will be allowed to serve as Director of Parks & Recreation for the duration of the Term shall be invalid, non-binding and unenforceable against Employer, unless such agreement, promise, representation or assurance is reduced to the form of a written agreement (i.e., a written contract) and such written agreement is first (i) reviewed, approved as to form and signed by the Huntington Park City Attorney utilizing his independent judgment and expertise and (ii) signed by the City Manager.

Employee's Initials: _____ Date:_____

SECTION 3 – DUTIES AND RESPONSIBILITIES

Duties: Employer hereby agrees to employ Employee, as the Director of Parks & Recreation for the City of Huntington Park, to perform the duties as directed by the City Manager, specified in local ordinance or resolution, or specified in California State Code; and to cooperate in such other City related duties as the City Manager from time to time assigns.

SECTION 4 - HOURS AND DAYS OF WORK

Hours and Days of Work: The Director of Parks & Recreation does not have set hours of work but is expected to work a forty (40) hour work week and to be available at all reasonable and relevant times. The foregoing notwithstanding, Employee acknowledges, understands and agrees that the special nature of the Director of Parks & Recreation's position shall routinely require Employee to be available and/or present to carry out her duties and functions of the Director of Parks & Recreation beyond normal work hours and beyond normal work days. For example, Employee may be required to attend meetings of the Huntington Park City Council and other formal or informal work-related meetings or gatherings, unless her absence from a particular meeting or gathering is excused. Employee shall not receive overtime compensation or compensatory time offs or additional compensation beyond the salary provided in this AGREEMENT for any overtime hours worked by Employee. Further, Employee shall work the amount of time necessary to perform Employee's assigned duties even if Employee is required to work beyond normal work hours or beyond normal work days.

SECTION 5 - COMPENSATION / BENEFITS

Salary: Employer shall compensate Employee for services rendered pursuant to this AGREEMENT at an annual salary of One Hundred and Forty Thousand, Eight Hundred Fifty-Six Dollars ($140,856.00) ($11,738 per month) payable over the course of each calendar year in twenty-six (26) equal installments to be paid bi-weekly. Annually, Employer shall conduct a performance review with Employee. The City Manager will consider Employee's overall performance as Director of Parks & Recreation, including her leadership skills, professional

ethics, progress in meeting, achieving, or exceeding City Manager defined goals, priorities, activities, and programs, her involvement in local, regional, and statewide organizations beneficial to the City, and other factors the City Manager may find relevant. In the event that the City Council raises each of the Department Heads' compensation, Employee's salary shall also be increased.

Benefits:

Health Insurance: Refer to the Compensation Plan & Personnel Rules for Non-Represented Employees 2014-2015 Plan, as amended, from time to time.

Dental Insurance: Refer to the Compensation Plan & Personnel Rules for Non-Represented Employees 2014-2015 Plan, as amended, from time to time.

Vision Care: Refer to the Compensation Plan & Personnel Rules for Non-Represented Employees 2014-2015 Plan, as amended, from time to time.

Dues & Subscriptions: Employer shall pay for the reasonable professional dues and subscriptions of Employee, which in Employer's sole discretion are necessary for Employee's continuation in associations and organizations necessary and desirable for Employee's continued professional participation, growth and advancement and for the good of the Employer.

Life Insurance: Refer to the Compensation Plan & Personnel Rules for Non-Represented Employees 2014-2015 Plan, as amended, from time to time.

Long-Term Disability: Refer to the Compensation Plan & Personnel Rules for Non-Represented Employees 2014-2015 Plan, as amended, from time to time.

PERS Retirement: Refer to the Compensation Plan & Personnel Rules for Non-Represented Employees 2014-2015 Plan, as amended, from time to time.

Business Related Equipment: Employer shall reimburse Employee at the rate of Sixty Dollars ($60) per month for a cell phone, or such personal communication devise as is currently in use among City personnel.

Automobile: Employee shall receive a car allowance that shall not exceed the sum of Three Hundred Dollars ($300.00) per month as the reasonable estimated cost of Employees vehicle usage in the performance of her official duties.

PARS Retirement: Refer to the Compensation Plan & Personnel Rules for Non-Represented Employees 2014-2015 Plan, as amended, from time to time.

SECTION 6 - VACATION

Vacation: Refer to the Compensation Plan & Personnel Rules for Non-Represented Employees 2014-2015 Plan, as amended, from time to time.

SECTION 7 - PERSONAL LEAVE AND ADMINISTRATIVE LEAVE

Administrative Leave: Refer to the Compensation Plan & Personnel Rules for Non-Represented Employees 2014-2015 Plan, as amended, from time to time.

SECTION 8 - SICK LEAVE

Accumulation of Sick Leave: Refer to the Compensation Plan & Personnel Rules for Non-Represented Employees 2014-2015 Plan, as amended, from time to time.

Payout of Sick Leave: Refer to the Compensation Plan & Personnel Rules for Non-Represented Employees 2014-2015 Plan, as amended, from time to time.

Notification Requirement: Refer to the Compensation Plan & Personnel Rules for Non-Represented Employees 2014-2015 Plan, as amended, from time to time.

Bereavement: Refer to the Compensation Plan & Personnel Rules for Non-Represented Employees 2014-2015 Plan, as amended, from time to time.

SECTION 9 - TERMINATION AND SEVERANCE PAY

At-Will Employment Status: Employee will be an "at will" employee, exempt from the City's Civil Service regulations, as set forth in Title 2, Chapter 3 of the City's Municipal Code. Employee serves at the pleasure of Employer and this AGREEMENT along with Employee's employment as Director of Parks & Recreation may be terminated by Employer at any time with or without cause. If Employer elects to terminate Employee's employment, such termination shall become effective at the close of the business day upon which the decision to terminate is made, unless the parties agree to an alternative termination date in writing.

Employee's Initials: _____ Date:_____

Termination Without Cause by City: City may terminate Employee for any reason, and at any time, with or without cause, by providing Employee thirty (30) days prior written notice thereof. In lieu of providing thirty (30) days prior written notice of termination, City may place Employee on paid leave status during the thirty (30) day notice period or any portion thereof. City may dismiss Employee notwithstanding anything to the contrary contained in or arising from any personnel policies or past City practices relating to the employment, discipline, or termination of its employees. In the event City terminates Employee without cause prior to the end of the Term as described in Section 2 of this AGREEMENT, Employee agrees City shall only be obligated to pay Employee compensation and benefits due and owing through the last day actually worked.

Upon the Employee termination from office for other than cause, the Employee shall receive a severance pay for the amount of which will be determined by multiplying Employee monthly salary times a number of months of not less than six (6) months. Said multiplier will consist of the number of months from the date of termination until the end of term, except that is such termination occurs more than six (6) months prior to the end of the term, the multiplier will be six (6) and if such termination occurs less than six (6) months prior to the end of the term, the

multiplier will be six (6) except as set forth herein, City will have no further obligation to employee.

By Employee. Employee may terminate her employment for any reason, and at any time, with or without cause, by providing City with thirty (30) days advance written notice. Notwithstanding Section 5, above, in the event that Employee terminates her employment, City shall have the option, with Employee concurrence, to make Employee termination effective at any time prior to the end of such period, provided City pays Employee compensation due and owing her through the last day actually worked.

By City for Cause. City may terminate this AGREEMENT at any time by providing Employee written notice of her termination for cause. For purposes of this Agreement, cause for termination shall include, but not be limited to, the following:

a. Commitment of any illegal or unethical act involving personal gain to Employee;

b. Willful or intentional failure or refusal to perform her duties and responsibilities consistent with her obligations under this Agreement, or to comply with lawful directives issued by the City Council pertaining to performance of her job duties and responsibilities;

c. Engaging in unlawful discrimination or harassment of employees or any third party while on City premises or time;

d. Material breach of the terms and conditions of this Agreement;

e. Any intentional or grossly negligent act or omission that materially and substantially:

i. impedes or disrupts the operations of City or its organizational units;

ii. is detrimental to Employee's safety, the safety of any other City official, agent, or employee, or public safety; or

iii. violates properly established City rules or procedures as established by collective action of the City Council, including but not limited to the adoption of ordinances and resolutions;

f. Commission of an act of moral turpitude. Under California law, acts of moral turpitude are acts including, but not limited to dishonesty, fraud, theft, violence or the threat of violence, driving under the influence, possession of controlled substances for sale, vandalism, abuse, lewd acts, and securities violations. The City Council will not make a finding or determination about whether Employee has engaged in such conduct without first providing Employee a full, fair opportunity to rebut, defend, and justify any such alleged act involving moral turpitude in an open or closed session, at Employee's sole choice, provided that Employee may be placed on administrative leave without pay pending the outcome of any City investigation of such acts;

g. Conviction of a felony, or plea of guilty or nolo contendere or conviction of a misdemeanor involving moral turpitude, provided that Employee may be placed on administrative leave without pay should he be charged with any such crime;

h. Willful or negligent destruction, misappropriation, or misuse of public property, waste of public supplies, or use of public property or supplies for other than a public purpose;

i. Willful political activity involving the support of (or opposition to) candidates for City Council;

j. Willful and unlawful retaliation against any other City officer or employee or member of the general public who in good faith discloses, divulges, or otherwise brings to the attention of any appropriate authority any facts or information relative to actual or suspected violations of law occurring on the job or directly related thereto;

k. Violation of any conflict of interest or incompatibility of office laws including, but not limited to the Political Reform Act and Government Code § 1090;

l. Willful violation of any laws involving an abuse of office or position, as defined in Government Code § 53243.4;

m. Performance of material outside business interests;

n. Abuse of any prescription or non-prescription drugs, alcohol, or controlled substances that affect the performance of the Interim City Manager's duties;

o. Engaging in conduct tending to bring embarrassment or disrepute to City; and/or

p. Unexcused absences from work for three (3) consecutive days without notice, except in case of emergency.

Employee expressly waives any rights provided for Administrative Personnel under CITY's Personnel Policies, any rights provided for the City Manager or Administrative Personnel under the Huntington Park Municipal Code, or under state or federal law to any form of pre- or post-termination hearing, appeal, or other administrative process pertaining to termination.

Termination Obligation. Employee agrees that all property including, without limitation, all equipment, tangible proprietary information, documents, records, notes, contracts, and computer-generated materials furnished to or prepared by her incident to her employment belongs to City and shall be returned promptly to City upon termination of Employee's employment. Employee's obligations under this subsection shall survive the termination of her employment and the expiration of this Agreement.

No Severance Pay Or Benefits If Terminated for Cause: In the event this AGREEMENT, along with Employee's employment as Director of Parks & Recreation, is terminated by Employer for cause as provided in this Section 9, Employer shall pay Employee's salary up to the effective date of Employee's termination plus unused Holiday compensation as provided in Section 16, below. If Employee is terminated for cause as provided in this Section 9, however, Employee shall not be entitled to, and Employer shall be under no obligation to provide to Employee, any of the benefits provided under this Section 9.

Voluntary Termination: In the event of voluntary resignation, Employee shall be compensated in the manner set forth in this Section 9.

SECTION 10 - ILLNESS OR INJURY, DISABILITY AND DEATH

Cessation of Work Due to Non-Permanent Illness Or Injury: Employer reserves the right to terminate Employee's employment along with this AGREEMENT if Employee ceases to work as a result of illness or injury:

Which does not arise out of the course of employment;

Which does not limit a major life activity within the meaning of California's Fair Employment & Housing Act; and

Where the cessation of work endures beyond the longer of the following: (i) four (4) successive weeks beyond Employee's accrued sick leave; or (ii) a period of twenty (20) consecutive days beyond a period of thirty consecutive days of incapacity due to the illness or injury.

Disability: Employer reserves the right to terminate Employee's employment along with this AGREEMENT after Employee suffers any physical or mental disability that does not arise out of the course of employment and that prevents the performance of Employee's essential job duties, unless reasonable accommodation can be made to allow Employee to continue working. The foregoing notwithstanding, Employer may terminate Employee if the disability poses a direct threat to Employer, Employee or any other employees working for Employer and any reasonable accommodation attempted by Employer would not mitigate or eliminate such a threat.

Illness, Injury Or Disability Arising Out of the Course of Employment: In the event Employee suffers a physical or mental disability arising out of the course of employment, Employer's ability to terminate Employee solely and exclusively on the basis of the illness, injury or disability shall be subject to applicable workers' compensation laws for the State of California, the Americans with Disabilities Act (42 U.S.C. section 12101 et seq.) and the California Fair Employment and Housing Act. Further, Employee's exclusive remedy or remedies against Employer for such illness, injury or disability shall be those legally required under the workers' compensation laws of the State of California.

Medical Examination: Employee agrees to submit to a medical and/or psychological examination by a qualified physician or psychiatrist selected by the Employer, in the event a decision must be made under Section 10. Employer and Employee shall receive a copy of all medical reports related to the examination.

Death of Employee: This AGREEMENT along with Employee's employment shall terminate automatically upon Employee's death.

Compensation Upon Termination: Except as otherwise provided, if Employee's employment is terminated pursuant to this Section 10, Employer shall provide Employee with the same compensation and benefits provided under Section 9. If termination is caused by Employee's death, Employer shall provide the compensation and benefits otherwise due Employee to Employee's executor, administrator, heirs, personal representatives, successors, and assigns.

Nature of Termination: Termination under this Section 10, shall not be considered "for cause" for the purposes of this AGREEMENT. Further, nothing in this Section 10 shall be construed to limit or prohibit Employer's right to terminate Employee without cause as provided in Section 9, above, or "for cause" as provided in Section 9, above.

SECTION 11 - OUTSIDE ACTIVITIES

Limitations on Outside Activities: During the term of this AGREEMENT, Employee shall not directly or indirectly, either as an employee, employer, consultant, agent, principal, partner, stockholder, corporate officer or director, become financially interested in any business enterprise that engages or intends to engage, in any business of whatever form within the City of Huntington Park or that engages in, or intends to engage in, any business or contractual relationship with the City of Huntington Park or the Huntington Park Parks and Recreation Services Department. Employee shall not engage in any other business duties or pursuits for any other person, city, county, agency or organization, whether for compensation or otherwise, without the prior written consent of Employer.

SECTION 12 - [RESERVED —NO TEXT]

SECTION 13 - DEFERRED COMPENSATION PLAN

Deferred Compensation Plan: Deferred Compensation plan available at Employee's cost

SECTION 14 .- HOLIDAYS

Unit of Measure for Holidays: Refer to the Compensation Plan & Personnel Rules for Non-Represented Employees 2014-2015 Plan, as amended, from time to time.

Holidays Falling on Non-Work Days: Refer to the Compensation Plan & Personnel Rules for Non-Represented Employees 2014-2015 Plan, as amended, from time to time.

List of Holidays: Refer to the Compensation Plan & Personnel Rules for Non-Represented Employees 2014-2015 Plan, as amended, from time to time.

SECTION 15 - GENERAL PROVISIONS

Manner of Notice: Any notices to be given by either party to the other may be effected either by personal delivery in writing or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices shall be addressed to the parties at the addresses appearing below, but each party may change address by written notice in accordance with this paragraph:

EMPLOYER:	City of Huntington Park Huntington Park City Council 6550 Miles Ave. Huntington Park, CA 90255
EMPLOYEE:	[Deliver to last updated address in personnel file]

Notices delivered personally shall be deemed communicated as of the date of actual receipt; mailed notices shall be deemed communicated as of the date of mailing, unless otherwise indicated herein.

Modifications: No modification, amendment or addition to this AGREEMENT shall be valid, binding or enforceable against Employer, unless it is reduced to the form of a written agreement (i.e., a contract) and such written agreement is (i) reviewed, approved as to form and signed by the Huntington Park City Attorney utilizing his independent judgment and expertise and (ii) signed by the City Manager. Employee acknowledges, understands and agrees that no agreement, promise, representation or assurance (whether verbal or in writing) nor any course of conduct shall constitute a valid, binding or enforceable modification, amendment or addition to this AGREEMENT unless all of the foregoing prerequisites are satisfied.

Employee's Initials:_____ Date:_____

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

Partial Invalidity: If any provision of this AGREEMENT is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

Governing Law: Venue: This AGREEMENT shall be governed by and construed in accordance with the laws of the State of California. In the event either party initiates legal action against the other, venue shall lie exclusively within the jurisdiction of the Los Angeles County Superior Court, if initiated in state court, and the United District Court for the Central District of California, if initiated in Federal District Court.

Mediation: In the event either party initiates legal action against the other to enforce this AGREEMENT or any alleged violation of federal or state laws applicable employment relationship created hereunder, whether such action is brought in federal court or state court, the parties agree that they shall first submit the controversy to non-binding mediation. The parties agree to split the cost of a mutually approved mediator.

Attorneys' Fees: Except as otherwise required by applicable state or federal law, each party agrees to pay for its respective attorneys' fees and costs incurred during the course of litigation initiated by either party, regardless of which party prevails.

Entire Agreement: This AGREEMENT supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the employment of Employee by Employer and contains all of the covenants and agreements between the parties with respect to that employment in any manner whatsoever. Each party to this AGREEMENT acknowledges and agrees that no representation, inducements, promises, assurances or agreements (whether oral or written) have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement, promise or assurance not contained in this AGREEMENT shall be valid, binding or enforceable against either party. Further, Employee acknowledges, understands and agrees that no subsequent agreement, promise, representation or assurance (whether oral or written) nor any course of conduct shall constitute a valid, binding or enforceable modification, amendment, addition or replacement of this

AGREEMENT unless such agreement, promise, representation, assurance or expectation derived from a course of conduct is reduced to the form of a written agreement (i.e., a written contract) and such written agreement is (i) reviewed, approved as to form, and signed, by the Huntington Park City Attorney using his independent judgment and expertise and (ii) is signed by the City Manager.

IN WITNESS WHEREOF, the City of Huntington Park has caused this AGREEMENT to be signed on its behalf by the City Manager and duly attested to by its City Clerk and the Employee has signed and executed this AGREEMENT, both in duplicate, the day and year first above written.

CITY OF HUNTINGTON PARK

By:_____
Julio Morales, Interim City Manager

EMPLOYEE

By:_____
Josette Espinosa

APPROVED AS TO FORM:

By:_____
Isabel Birrueta, City Attorney

ATTEST:

By:_____
City Clerk

CITY OF HUNTINGTON PARK

Community Development Department
City Council Agenda Report

December 15, 2014

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

RESOLUTION APPROVING THE ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE (AI)

IT IS RECOMMENDED THAT THE CITY COUNCIL:

1. Conduct a public hearing;

2. Consider all public testimony and staff's analysis; and

3. Adopt Resolution No. 2014-66 approving the Analysis of Impediments to Fair Housing Choice for the City of Huntington Park as required by the U.S. Department of Housing and Urban Development (HUD).

BACKGROUND

The City of Huntington Park (the City) has an obligation to affirmatively further fair housing choice in compliance with U.S. Department of Housing and Urban Development (HUD) regulations. "Fair housing" is defined as a condition in which individuals of similar income levels in the same housing market have a like range of choice available to them regardless of race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, or any other arbitrary factor.

The responsibilities of fair housing planning include conducting an Analysis of Impediments to Fair Housing Choice (AI) at least once every five years consistent with the Consolidated Plan cycle; formulating actions to overcome the effects of identified impediments through a Fair Housing Plan; and maintaining records to support the Affirmatively Further Fair Housing Choice (AFFH) certification. This year's AI will cover the period of December 2014 through December 2019.

The AI Report is a review of impediments to fair housing choice in the public and private sectors, and involves:

- A comprehensive review of Huntington Park's laws, regulations, and administrative policies, procedures, and practices;
- An assessment of how those laws affect the location, availability, and accessibility of housing; and
- An assessment of conditions, both public and private, affecting fair housing choice.

FISCAL IMPACT/FINANCING

There will be no impact to the General Fund as a result of this action. This report was prepared through a collaborative effort between Huntington Park Community Development staff and Karen Warner Associates under contract to the City of Huntington Park. Preparation of the AI was budgeted as a CDBG and HOME Administration expense.

LEGAL AND PROGRAM REQUIREMENTS

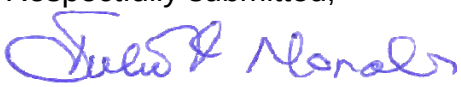
The City's obligation to affirmatively further fair housing choice (AFFH) arises in connection with its receipt of federal funds and extends to all housing and housing related activities within City boundaries. It is mandated by Section 808(e)(5) of the Fair Housing Act, and certification requirements stipulated in Sections 104(b)(2) and 106(d)(5) of the Housing and Community Development Act of 1974, as amended, and Section 105(b)(13) of the National Affordable Housing Act of 1990.

A separate environmental review for the development of this report was not necessary as it is administrative in nature and is covered under the Environmental Review for CDBG Administration activities.

CONCLUSION

Upon approval by the City Council and adoption of a resolution approving the Analysis of Impediments to Fair Housing, the Mayor or her designee will sign the signature page of the report (page VI-1) certifying that the Huntington Park Analysis of Impediments to Fair Housing Choice represents the City's conclusions about impediments to fair housing choice, and represents actions necessary to address the identified impediments.

Respectfully submitted,



JULIO MORALES
Interim City Manager

ATTACHMENTS:

A. Resolution No. 2014-66
B. AI Report

RESOLUTION NO. 2014-66

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUNTINGTON PARK ADOPTING THE ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) requires each entitlement jurisdiction to adopt the Analysis of Impediment to Fair Housing Choice every five years; and

WHEREAS, the adoption of the plan certifies that the City is in compliance with the Consolidated Plan Final Rule, published in the Federal Register (24 CFR91.225); and

WHEREAS, the adoption of the Analysis of Impediment to Fair Housing Choice is mandated by the Fair Housing Act, Section 808(e)(5); and

WHEREAS, adoption of the Analysis of Impediment to Fair Housing Choice is a certification requirement stipulated in Sections 104(b)(2) and 106(d)(5) of the Housing and Community Development Act of 1974, as amended, and Section 105(b)(13) of the National Affordable Housing Act of 1990; and

WHEREAS, notices announcing preparation of the plan and requesting public participation were posted in various areas throughout the City and published in a newspaper of local circulation 30 days before the public hearing.

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

SECTION 1: The City Council hereby approves and adopts the Analysis of Impediments to Fair Housing Choice, a copy of which is attached hereto as Attachment A and incorporated herein by this reference.

SECTION 2: Adoption and implementation of this Ordinance is exempt from the provisions of the California Environmental Quality Act pursuant to Section

15061(b)(3) of the California Code of Regulations.

SECTION 3: The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this 15th day of December, 2014.

Rosa E. Perez, Mayor

ATTEST:

Donna G. Schwartz, CMC
Interim City Clerk

CITY OF HUNTINGTON PARK
ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

NOVEMBER 2014

CITY OF HUNTINGTON PARK
COMMUNITY DEVELOPMENT DEPARTMENT
6550 MILES AVENUE
HUNTINGTON PARK, CA 90255

Consultant to the City:

KAREN WARNER ASSOCIATES
Housing Policy Consultants

CITY OF HUNTINGTON PARK
ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

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I. INTRODUCTION

A. PURPOSE OF THE REPORT

The U.S. Department of Housing and Urban Development (HUD) is committed to eliminating racial and ethnic segregation and other discriminatory practices in housing, and will use all the programmatic and enforcement tools available to achieve this goal. The fundamental goal of the Department's fair housing policy is to make housing choice a reality through Fair Housing Planning (FHP).

As part of the Consolidated Plan, grantees such as Huntington Park must submit a certification which requires them to undertake fair housing planning through:

- Completion of an Analysis of Impediments to Fair Housing Choice (AI)
- Actions to eliminate identified impediments
- Maintenance of fair housing records

This report constitutes the Analysis of Impediments to Fair Housing Choice (AI) for the City of Huntington Park. The AI is a review of impediments to fair housing choice in the public and private sectors, and involves:

- A comprehensive review of Huntington Park's laws, regulations, and administrative policies, procedures, and practices;

- An assessment of how those laws affect the location, availability, and accessibility of housing; and

- An assessment of conditions, both public and private, affecting fair housing choice.

The scope of analysis and the format used for this AI adhere to recommendations contained in the 1998 *Fair Housing Planning Guide* developed by the U.S. Department of Housing and Urban Development (HUD).

B. DEFINING FAIR HOUSING

HUD defines fair housing as follows:

> *Fair housing is a condition in which individuals of similar income levels in the same housing market have a like range of choice available to them regardless of race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, or any other arbitrary factor.*

HUD draws an important distinction between household income, housing affordability and fair housing. Economic factors that impact housing choice are not

fair housing issues per se. Only when the relationship between household income combined with other factors - such as household type or race/ethnicity - create misconceptions and biases do they become a fair housing issue.

Tenant/landlord disputes are also not typically fair housing issues, generally resulting from inadequate understanding by the parties on their rights and responsibilities. Such disputes only become fair housing issues when they are based on factors protected by fair housing laws and result in differential treatment.

The purpose of this report is to identify impediments to fair and equal housing opportunities. HUD's *Fair Housing Planning Guide* defines an impediment as follows:

- *Any actions, omissions, or decisions taken because of race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, or any other arbitrary factor which restrict housing choices or the availability of housing choices; or*

- *Any actions, omissions, or decisions which have the effect of restricting housing choices or the availability of housing choices on the basis of race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, or any other arbitrary factor.*

To affirmatively promote equal housing opportunity, a community must work to remove impediments to fair housing choice.

C. ORGANIZATION OF REPORT

The Huntington Park AI contains the following six chapters:

1. *Introduction.* This chapter defines "fair housing" and explains the purpose of the report.

2. *Community Profile.* This chapter presents the demographic, housing, and income characteristics of Huntington Park residents. An analysis of accessibility of transit to community facilities, assisted housing and major employment centers is also included. The purpose of this section is to provide a broad overview and understanding of the community so that housing needs are clearly defined.

3. *Assessment of Fair Housing Profile.* This chapter evaluates the fair housing and tenant/landlord services available to residents and identifies fair housing complaints and discrimination issues in Huntington Park. A summary is provided of public comments received from the City's community outreach efforts.

4. *Review of Potential Impediments.* This chapter begins with an analysis of public policies that may impede fair housing choice, such as zoning regulations, building and accessibility codes, and representation on City Commissions. The chapter then goes on to evaluate potential private sector impediments, including real estate practices and an in-depth analysis of mortgage lending activity.

5. *Conclusions and Recommendations.* This chapter summarizes the major findings from the prior sections and provides recommendations to further fair housing in Huntington Park.

6. *Signature Page.* This page includes the signature of the Chief Elected Official, and a statement certifying that the AI represents Huntington Park's official conclusions regarding impediments to fair housing choice and the actions necessary to address identified impediments.

D. DATA SOURCES

The following data sources were used to complete this AI. Sources of specific information are identified in the text, tables, and figures.

- 2010-2015 Huntington Park Consolidated Plan
- City of Huntington Park General Plan
- City of Huntington Park Zoning and Building Codes
- Fair Housing Foundation Annual Reports to Huntington Park: 2011/12 – 2013/14
- Los Angeles County Housing Authority, Section 8 data
- State Dept. of Social Services, Community Care Licensing, 2014
- 2011, 2012, 2013 Home Mortgage Disclosure Act (HMDA) data on lending patterns in Huntington Park
- 2006-2010 HUD Comprehensive Housing Affordability Strategy (CHAS) Online Data
- 2010 Census and 2008-2012 American Community Survey
- 2014 California Department of Finance Housing Estimates
- Dataquick housing sales activity data, 2013
- Realtytrac.com foreclosure data
- Metropolitan Transportation Authority (MTA) and Huntington Park COMBI routes

E. COMMUNITY PARTICIPATION

Input from public and private agencies has played an invaluable role in providing insight into fair housing issues in Huntington Park during development of the AI.

Numerous public and private agencies were contacted to provide input regarding fair housing issues in Huntington Park during development of the AI. A consultation workshop was conducted with the City's fair housing contractor and affordable housing providers, lenders, and groups representing special needs populations to discuss potential impediments to fair housing, and to brainstorm potential strategies for the City and its community partners to address. Approximately 21 agencies were invited to attend the workshop held on August 27, 2014 at City Hall. The following agencies were represented at the meeting: Oldtimer's Housing Development Corporation, the Huntington Park Chamber of Commerce, Brabant Realty & Management, Wilshire Bank, Fair Housing Foundation, the Southeast Churches Service Center (SCSC), and the L.A. Legal Community Center. A summary of the comments received at this meeting is included in Section III.C of this report.

In addition to the workshop, numerous phone interviews were conducted with agencies such as the Fair Housing Foundation, Rancho Southeast Association of Realtors, the Los Angeles County Housing Authority, the California Reinvestment Committee, and the Federal Financial Institutions Examination Council (FFEIC).

The Draft AI is made available for public review for a period of 30 days. Copies of the draft document are placed in key locations throughout Huntington Park, including City Hall, public libraries and the Huntington Park Family Center. The City Council public hearing provides residents and other interested parties a final opportunity to comment on the AI prior to adoption. No written or oral public comments were received on the draft Huntington Park AI during the public review period or the public hearing before City Council.

F. PREPARERS OF THE REPORT

This report has been prepared through a collaborative effort between Huntington Park Community Development Department staff and Karen Warner Associates under contract to the City of Huntington Park. The report has been funded using Community Development Block Grant (CDBG) administrative funds.

II. COMMUNITY PROFILE

Section II provides background information of demographics, housing, employment, community facilities and transportation services in Huntington Park. All of these factors can affect housing choice, housing opportunities, and the type of fair housing issues a community may encounter. This section contains a variety of maps based on census tract and block group data. Figure II-1 depicts the 2010 census tract and block group boundaries for Huntington Park.

A. DEMOGRAPHIC PROFILE

Demographic changes, such as rapid population growth or changes in the racial/ethnic composition of a community, may affect a household's access to housing or raise fair housing concerns. This section provides an overview of Huntington Park's population, including age, race and ethnic characteristics.

1. Population Growth and Trends

Table II-1 present population growth trends in Huntington Park and nearby communities. This Table illustrates the high levels of population growth experienced during the 1980s, with growth levels in Huntington Park and other southeast Los Angeles communities surpassing Countywide averages. During the 1990s, growth slowed dramatically throughout the region, with negative growth registered during the decade of the 2000s. The 2010 Census documented Huntington Park's population at 58,114, representing a five percent decrease over the decade and consistent with the decline in population growth levels of nearby cities. Los Angeles County, conversely, showed a modest three percent increase in population between 2000 and 2010. According to the State Department of Finance, the City's population has again begun to grow, with an estimated 2014 population of 59,033.

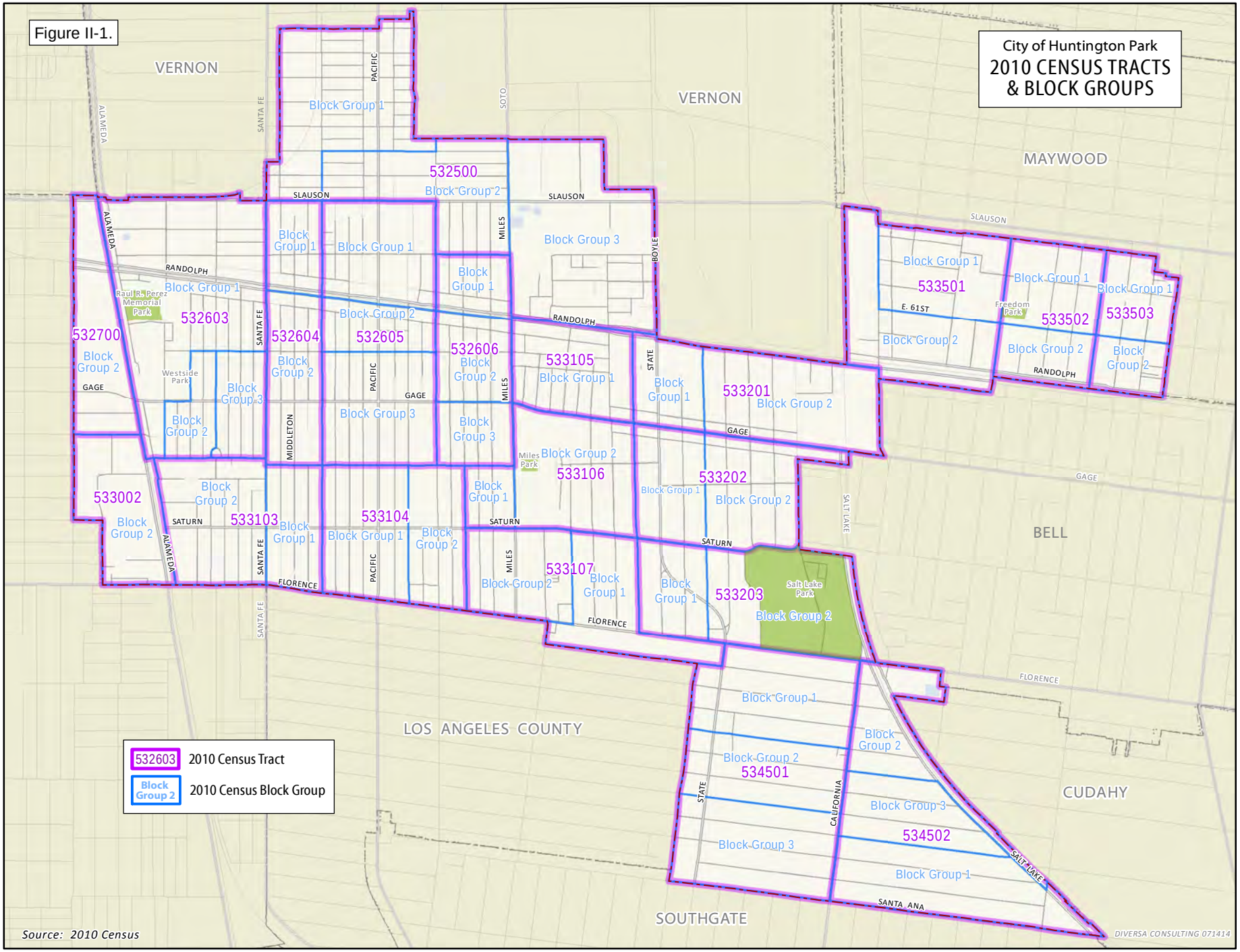
Table II-1: Regional Population Growth Trends 1980 – 2010

Jurisdiction	1980	1990	2000	2010	Percent Change		
					1980-1990	1990-2000	2000-2010
Bell	24,450	34,365	36,664	35,477	40.6%	6.7%	-3.2%
Bell Gardens	34,117	42,315	44,054	42,072	24.0%	4.1%	-4.5%
Huntington Park	**46,223**	**56,065**	**61,348**	**58,114**	**21.3%**	**9.4%**	**-5.3%**
Maywood	21,810	27,893	28,083	27,395	27.9%	0.7%	-2.5%
South Gate	66,784	86,284	96,375	94,396	29.2%	11.7%	-2.1%
L.A. County	7,477,503	8,863,164	9,519,338	9,818,605	18.5%	7.4%	3.1%

Source: U.S. Census 1980-2010.

Figure II-1.

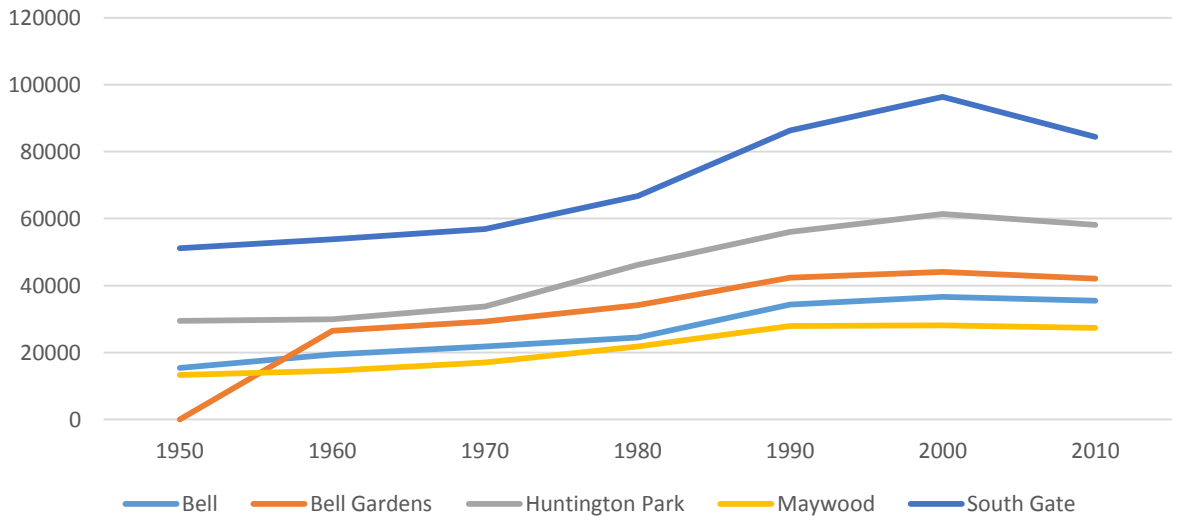
City of Huntington Park
2010 CENSUS TRACTS & BLOCK GROUPS



Source: 2010 Census

According to the Southern California Association of Government's (SCAG) 2012 Regional Transportation Plan, the population of Huntington Park is expected to grow to 62,000 by 2020 and to 67,700 by 2035, a nearly 17 percent increase over the next twenty-five years. SCAG's population projections translate to an annual growth rate of approximately .68%, and reflects an accelerating growth rate compared to the negative .5% population growth the City experienced over the most recent decade (2000-2010).

Regional Population Growth Trends



2. Age Characteristics

Housing need is often affected by the age characteristics of residents in the community. Different age groups have different lifestyles, income levels, and family types that influence housing needs. As people move through each stage, their housing need and preferences also change. As a result, examining the age characteristics of Huntington Park residents is an important factor in addressing housing needs of a community. In some cases, housing discrimination against the different age groups may restrict their access.

Table II-2 displays the age distribution of the City's population in 1990 and 2010, and compares this with Los Angeles County. As displayed below, 32 percent of Huntington Park's population is comprised of children under the age of 18, compared to only 25 percent children Countywide. While the proportion of school age children (5-17 years) in the City stayed the same over the two decades, the proportion of preschool age children (under 5 years) decreased from 11 to 9 percent. This decrease in the proportion of young children is consistent with statewide trends of a more stable immigrant population with lower birth rates, and can be expected to continue in the future.

Huntington Park's share of young adults (aged 25 to 44 years) has remained relatively constant at 32 percent in 1990 and 31 percent in 2010, and is fairly comparable to the presence of this age group Countywide (29%). The City's middle age population (45–64 years) grew significantly during the last two decades from 11 to 19 percent, though this age group still falls well below the Countywide average of 24 percent. Finally, the proportion of seniors in Huntington Park remained relatively constant over the two decades at six percent, and remains well below the Countywide average of eleven percent senior citizens.

Table II-2
Age Distribution 1990 – 2010

Age Group	1990		2010		
	Persons	Percent	Persons	Percent	L.A. Co. %
Preschool (<5 yrs)	6,416	11%	5,088	9%	7%
School Age (5-17 yrs)	12,910	23%	13,336	23%	18%
College Age (18-24 yrs)	9,023	16%	6,999	12%	11%
Young Adults (25-44 yrs)	18,192	32%	17,886	31%	29%
Middle Age (45-64 yrs)	6,400	11%	10,942	19%	24%
Senior Adults (65+ yrs)	3,124	6%	3,863	6%	11%
TOTAL	56,065	100%	58,114	100%	100%

Source: U.S. Census 1990 and 2010.

3. Race and Ethnicity

Table II-3 displays the racial/ethnic composition of the City's residents in 1980, 1990, and 2010. Hispanic residents comprise the vast majority of the population, increasing from 81 percent in 1980 to 97 percent in 2010, in contrast to White residents which have declined from 16 to less than two percent. Asians, African Americans and "Other" races each comprise less than one percent of the population.

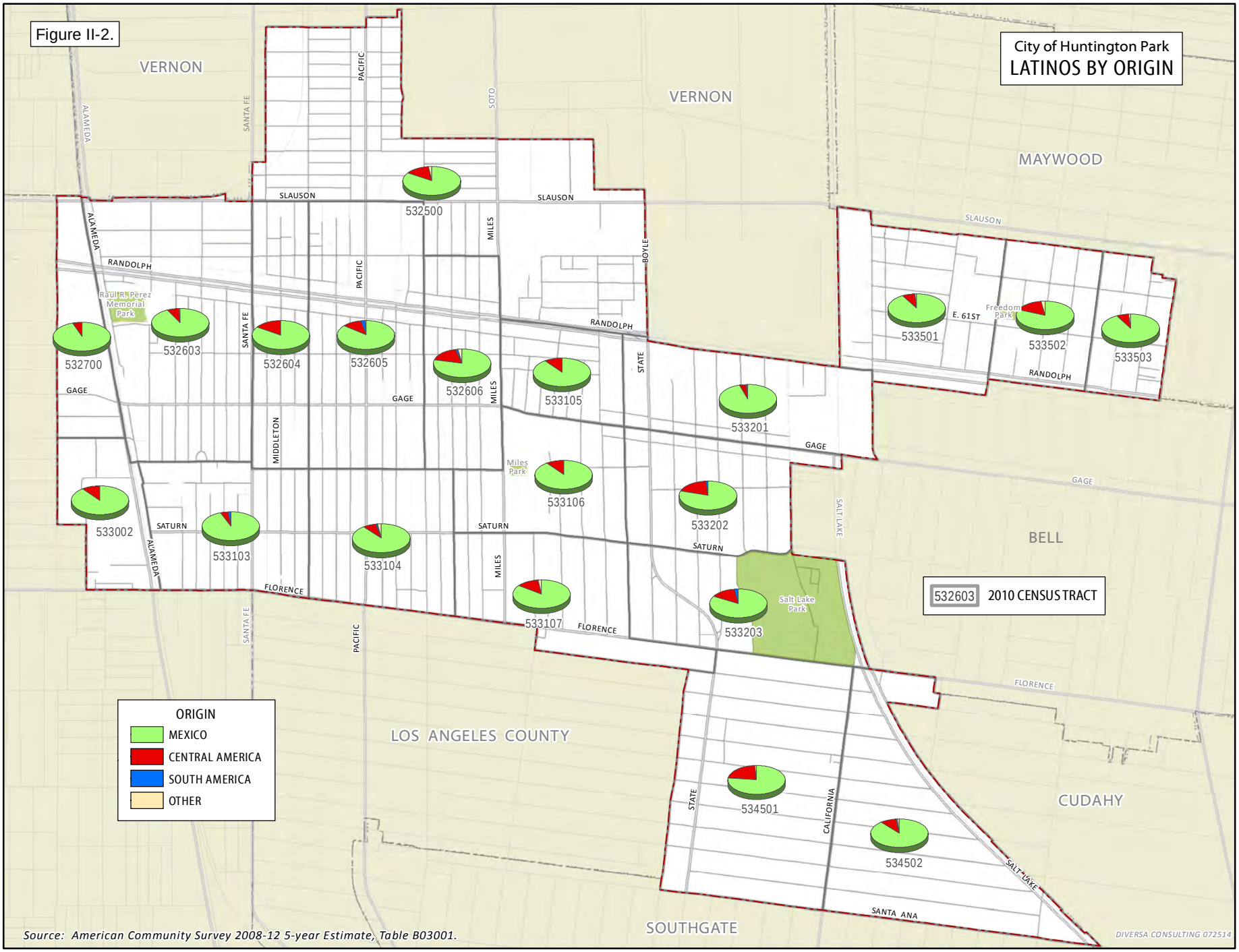
Huntington Park is, to a large extent, a starter community for new immigrants. In 2010, 51 percent of all residents in the City were foreign-born. Approximately twenty percent of the foreign-born population entered the United States after 2000, indicating a relatively new immigrant population. Recent immigrants may have difficulty acquiring adequate housing as they adjust to their new surroundings and gain employment. As a result, household problems such as overcrowding and overpayment are more likely to occur.

Table II-3
Racial and Ethnic Composition 1980 – 2010

Racial/Ethnic Group	1980		1990		2010	
	Population	Percent	Population	Percent	Population	Percent
Hispanic/Latino	37,348	80.8%	51,066	91.1%	56,445	97.1%
White	7,211	15.6%	3,128	5.6%	935	1.6%
Asian	555	1.2%	1,022	1.8%	335	0.6%
African American	555	1.2%	468	0.8%	211	0.4%
Other	554	1.2%	381	0.7%	188	0.3%
TOTAL	46,233	100%	56,065	100%	58,114	100%

Source: U.S. Census 1980, 1990, and 2010.

Because Hispanics comprise over 97 percent of the City's population, analysis of ethnic concentrations is not applicable. However, analysis of the distribution of Hispanic households by national origin may provide insight into concentrations and potential discrimination issues among Latino subgroups. Of Huntington Park's Hispanic or Latino population, the vast majority are from Mexico (84%), followed by Central America (13%, including 7% from El Salvador and 5% from Guatemala), South America (1%), and Cuba (1%). While there is little variation among the mix of Latinos by national origin at the census tract level (see Figure II-2), instances of segregation within the Latino community may still be present at the smaller neighborhood level or within specific apartment complexes. According to the Fair Housing Foundation (FHF), studies have identified a trend involving "intra-ethnic" discriminatory housing practices perpetrated by people of one national origin against another. In 2010, the FHF began collecting information on the national origin of its clients to assist in evaluating potential trends. Over the past four years, Huntington Park has had just two discrimination inquiries based on national origin, and neither of these rose to the level of a bona fide fair housing case.



Source: American Community Survey 2008-12 5-year Estimate, Table B03001.

B. HOUSEHOLD PROFILE

Household type, composition and size, and the presence of special needs populations are all factors that can affect access to housing in a community. This section identifies the characteristics of Huntington Park households.

1. Household Characteristics

A household is defined as all persons living in a housing unit. Families are a subset of households, and include all persons living together that are related by blood, marriage, or adoption. A single person living alone is also a household, but a household does not include persons in group quarters such as convalescent homes or dormitories. Other households are unrelated people residing in the same dwelling unit, such as roommates.

The 2010 Census identifies 14,597 households in Huntington Park, with families comprising the majority (84 percent) of these households. Families are divided among those with children (50 percent), and those without children (34 percent). As shown in Table II-4, during the last two decades, families with children decreased significantly by ten percent, whereas families without children increased by 12 percent. In contrast, the proportion of single-person households decreased by three percent, and other non-families (roommates and other unrelated individuals) remained constant at five percent of all households.

Table II-4
Household Characteristics 1990 - 2010

Household Type	1990		2010		Percent Change
	Households	Percent	Households	Percent	
Families	11,346	82%	12,296	84%	+2%
With children	8,339	60%	7,248	50%	-10%
With no children	3,007	22%	5,048	34%	+12%
Singles	1,912	14%	1,644	11%	-3%
Other non-families	645	5%	657	5%	0%
Total Households	**13,903**	**100%**	**14,597**	**100%**	**-**
Senior Households (age 65+)	1,619	11%	1,960	13%	+7%
Average Household Size	4.01		3.96		-1%
Average Family Size	4.29		4.19		-2%

Source: U.S. Census 1990 and 2010.

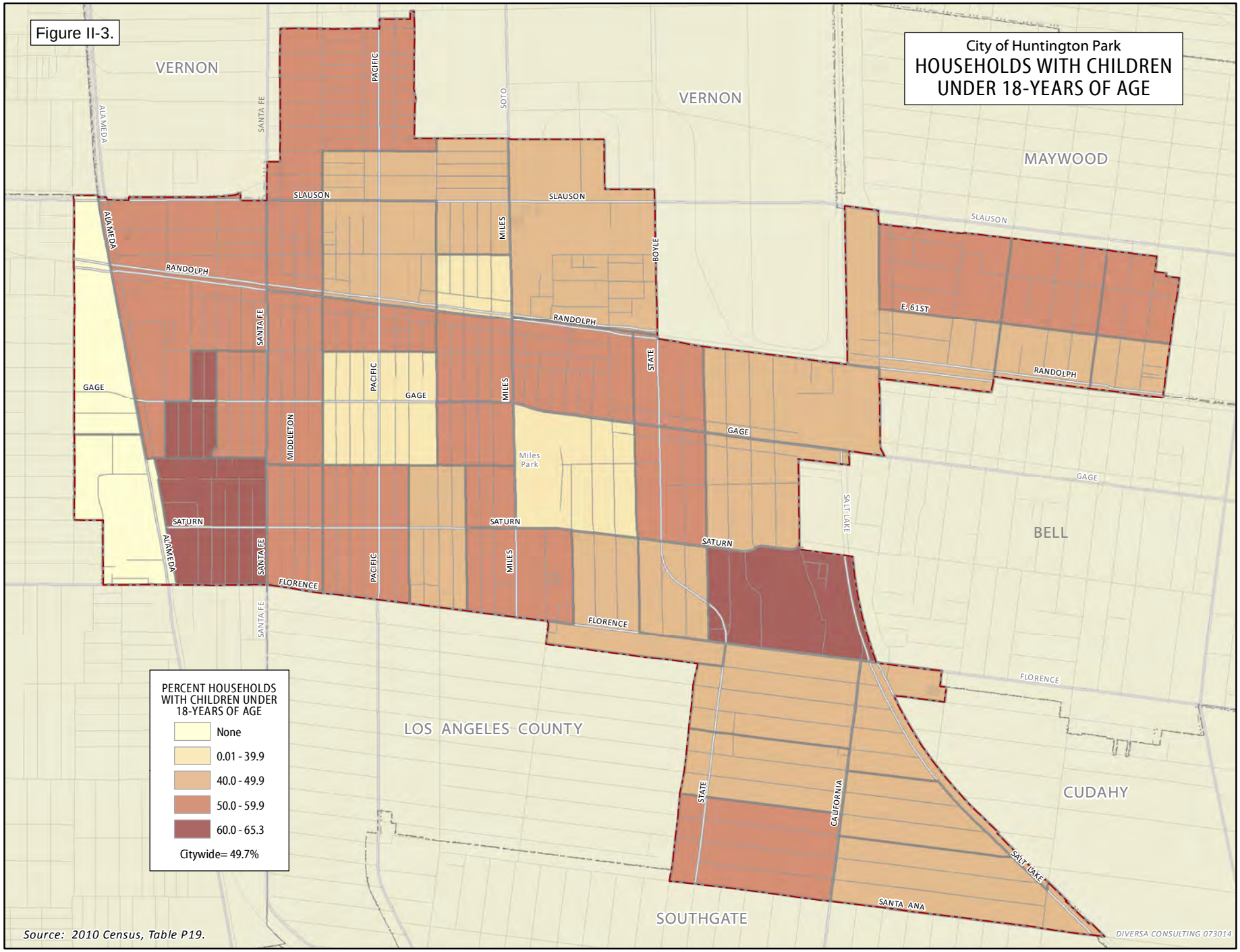
The average household size in Huntington Park was 3.96 persons and the average family size was 4.19 persons. This represents a decrease in household size (4.01) from 1990, and well above the Los Angeles County average household size of 2.98. Larger households may translate into overcrowded households, especially in a city such as Huntington Park where the existing housing stock is dominated by smaller unit sizes. While the incidence of overcrowding in Huntington Park has decreased

from 59 percent in 2000 to 40 percent in 2010, with nearly 5,800 households living in overcrowded conditions, overcrowding remains a significant issue in the City.

Family Households with Children

Families with children, especially lower income large families, often have difficulty finding adequate and affordable housing. They may also face greater discrimination by landlords, particularly small landlords who may be unfamiliar with fair housing laws and may be concerned about potential noise or property damage from children. In contrast to other households, family households with children have unique needs, including larger housing units and childcare services. These needs may affect their housing choices and access to housing services.

Figure II-3 displays the proportion of family households with children under age 18 by census block group. As shown in this figure, two areas in Huntington Park display particularly high concentrations of families with children where 60-65 percent of the households have children, compared to the Citywide average of 50 percent. One of these two areas (the neighborhood on the east end of the city bound by Saturn, Florence, State, and Salt Lake) also exhibits high levels of poverty, renter-occupancy, and severe renter overpayment (refer to Figures II-6, II-7 and II-9), with relatively low levels of renter overcrowding. The second neighborhood with a high concentration of households with children (located on the west end of the city north of Florence between Alameda and Santa Fe) is also characterized by high poverty levels and renter households, with both renter overpayment and overcrowding at levels below the citywide average.



Source: 2010 Census, Table P19.

Senior Households

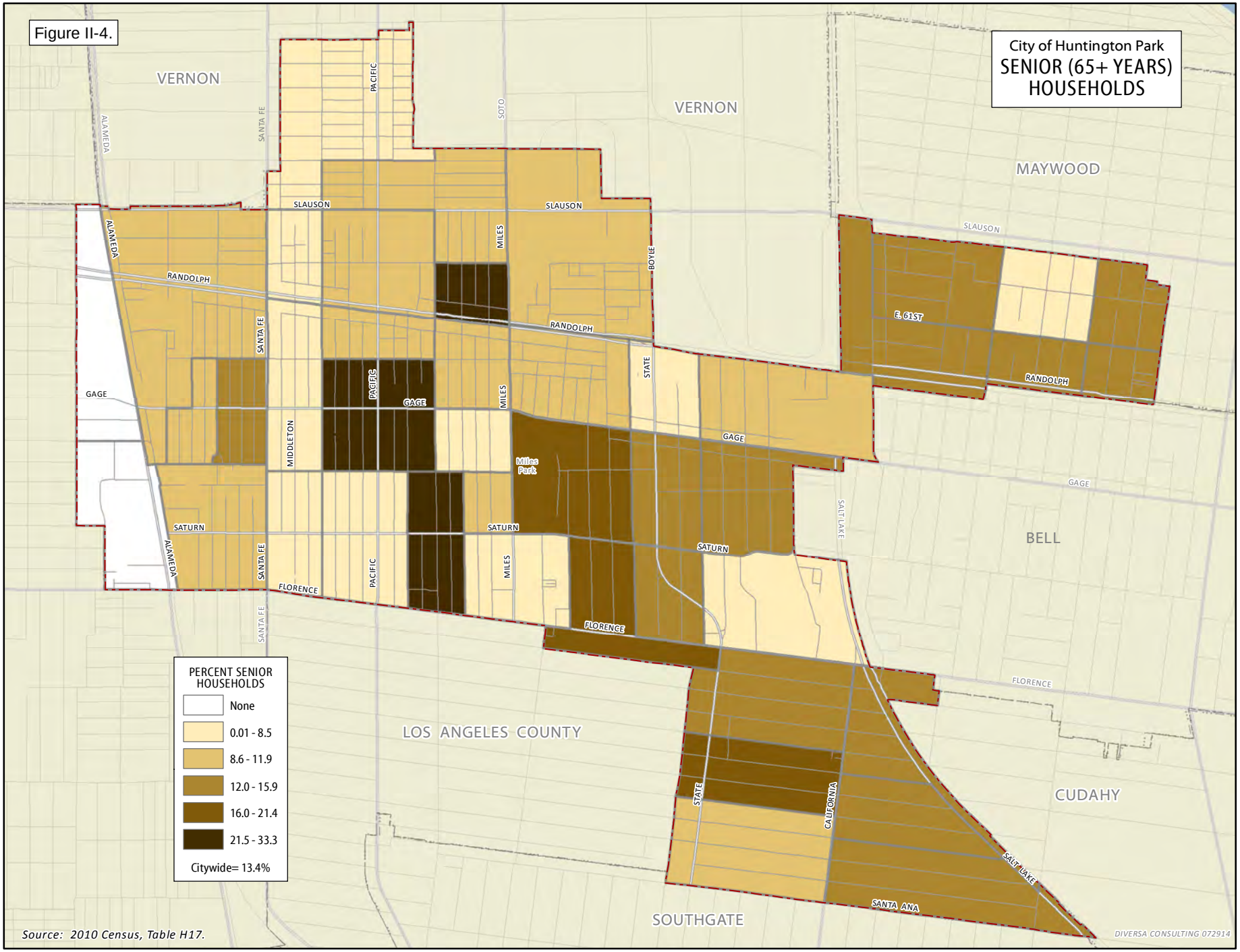
While the *percentage* of senior citizens in Huntington Park remained relatively constant between 1990 and 2010 at six percent of the City's population, the *number* of seniors (age 65+) from just over 3,100 individuals to nearly 3,900. And in terms of senior households, the proportion households headed by a senior increased from 11 to 13 percent.

Figure II-4 illustrates concentrations of senior households by census block group. As this figure illustrates, several areas in central Huntington Park evidence concentrations of senior households of 21 percent and above. The high proportion of seniors within these areas is largely a result of assisted senior housing complexes, totaling approximately 650 units, located within these areas. These senior apartment complexes include: Concord Huntington Park, Seville Gardens, Rugby Senior Apartments, and Casa Bonita.

Rugby Senior Apartments

Casa Bonita

Figure II-4.



Source: 2010 Census, Table H17.

2. Special Needs Populations

Special needs populations include the elderly, frail elderly, persons with disabilities, female-headed households, persons with HIV/AIDS, victims of domestic violence, persons suffering from substance abuse, and emancipated foster youth. These groups have special needs for services and housing. In addition, many often have lower incomes as a result of their condition. Table II-5 summarizes the special needs populations in Huntington Park. Each of these population groups, as well as their housing needs, is described below. Services available to assist these groups are discussed in the Community Development section of the Consolidated Plan.

Table II-5
Special Needs Populations 2010

Non-Homeless Special Needs Groups	Persons	Households	Percent
Large Households		5,135	35%
Renter		3,359	(65%)
Owner		1,776	(35%)
Seniors (65+)	3,863		7%
With a Disability	1,683		(44%)
Living Alone	694		(18%)
Senior Households		1,960	13%
Renter		1,179	(60%)
Owner		781	(40%)
Persons with Disability	4,425		8%
Percent Employed (age 18-64)			(14%)
Single Parents with Children		2,629	18%
Mothers with Related Children		1,813	(69%)
Fathers with Related Children		816	(31%)
Total Persons/Households	58,114	14,597	100%

Source: U.S. Census 2010, 2008-2012 ACS.
Note: Percentages in the Sub-Populations (such as Seniors with a Disability) represent its proportion of the larger Special Need Group, not the proportion relative to the entire population or household count.

Large Households

Large households are defined as those with five or more persons residing in the home and are considered a special needs population due to the limited availability of affordable and adequately sized housing, particularly for lower income large households. Huntington Park has a total of 5,135 large households, and at 35 percent, represents the most significant special needs group in the City. Of these large households, almost two-thirds are renters, with 20 percent (1,053 households) of all large households living below poverty.

Huntington Park has approximately 1,200 rental units with three or more bedrooms (2008-2012 ACS), the appropriate sized unit for a household of five or more members. By comparison, the 2010 Census documents 3,359 large renter households, indicating the supply of large rental units is generally inadequate to meet the needs of the community's large renter households. Many of these large rental units may be occupied by smaller households, and/or consist of single-family homes which command higher rents, thus restricting availability for occupancy by lower income large families. The City emphasizes the inclusion of large family units in both owner and rental housing developments to meet this need. In addition, the City's Residential Rehabilitation Loan Program provides loans for room additions to provide adequately sized housing.

Elderly and Frail Elderly

Approximately 7 percent of Huntington Park residents are over age 65, and about 13 percent of all households are headed by seniors. While most seniors are renters (60 percent), a substantial proportion (40 percent) own their homes. About 18 percent of the City's elderly live alone. Approximately 44 percent of elderly residents in Huntington Park have some type of disability, which may limit their abilities. These persons are defined as frail elderly.

The elderly have a number of special needs including housing, transportation, health care, and other services. Housing is a particular concern due to the fact that many of the elderly are on fixed incomes. As housing expenses rise, they may have less money available for medical costs and other vital services.

The frail elderly (85 years of age and above) have specialized needs as they become increasingly unable to perform daily functions and take care of themselves without assistance. These needs may include additional health care needs, modifications to housing, or more specialized housing in a 24-hour care environment. An estimated half of the frail elderly population require personal assistance to perform daily functions.

Rising rental housing costs are a major concern since 60 percent of Huntington Park's elderly households rent, and 28 percent live below the poverty level. Huntington Park has four senior housing projects providing 650 units, with approximately 360 of these units restricted to occupancy by lower income households at affordable rents.

For those seniors who live on their own, many have limited incomes and as a result of their age may not be able to maintain their homes or perform minor repairs. Furthermore, the installation of grab bars and other assistance devices in the home may be needed. The City offers a Residential Rehabilitation Program which provides for deferred loans of up to $25,000 for health and safety home rehabilitation needs.

Female-Headed Households

Single-parent households typically have a special need for such services as childcare and health care, among others. According to the 2010 Census, there were 2,629 single-parent family households in Huntington Park, representing 18 percent of all households.

Female-headed households tend to have lower-incomes and as a result often have greater needs for affordable housing and child care. In 2010, there were 1,813 female-headed households with children in Huntington Park. According to the 2008-2012 ACS, of those households, approximately 44 percent live in poverty. Without access to affordable housing, many of these households may be at risk of becoming homeless. Affordable housing with child care centers or in close proximity to schools, public transportation, and recreation facilities can address critical needs of lower-income single-parent families. This group is also particularly vulnerable to discrimination, as confirmed by complaints received by the Fair Housing Foundation, which continues to identify familial status as one of the top discrimination complaint issues in Huntington Park.

Persons with Disabilities

A disability is defined as a long lasting condition that impairs an individual's mobility, ability to work, or ability to care for themselves. Persons with disabilities include those with physical, mental, or emotional disabilities. Disabled persons have special housing needs related to fixed incomes, shortage of affordable and accessible housing, and higher health costs. The 2008-2012 American Community Survey identifies 8 percent (4,425 persons over the age of 5) of Huntington Park residents as having one or more disabilities. Over one-third of these residents are unable to live independently. More specifically, the City's disabled population have the following types of disabilities:

56% Ambulatory
37% Cognitive
27% Hearing
26% Self Care
23% Vision

Just over half of Huntington Park's disabled population of general working age (18-64 years old) are employed. In general, many persons with disabilities have lower-incomes since the disability may affect their ability to work.

In addition to health care services, persons with disabilities need affordable and accessible housing as well as accessible transportation. In order to provide accessible housing, special designs and/or accommodations may be necessary. These may include ramps, holding bars, wider doorways, lower sinks and cabinets, and elevators. Housing should be accessible through the use of special design features to accommodate wheelchairs and persons with mobility limitations.

Due to their specific housing needs, persons with disabilities are vulnerable to discrimination by landlords, who may not be familiar with the reasonable accommodation protections contained in the Fair Housing Act. Similarly some landlords may be hesitant to rent to persons with an assistive animal such as a guide dog.

For those persons who may not be able to live on their own or with family members and require additional care and supervision, licensed community care facilities offer special residential environments for persons with disabilities including physical, mental, and emotional disabilities. Several licensed community care facilities that serve disabled persons are located in Huntington Park. An inventory of residential care facilities is provided later in Table II-24, along with a map showing their geographic location.

Persons with HIV/AIDS

Persons with HIV/AIDS are considered a special needs group due their need for affordable housing, health care, counseling and other supportive services. As a communicable disease, California law requires health care providers to report AIDS cases to the local health officer. Based upon *An Epidemiologic Profile of HIV and AIDS in LA County* prepared by the Los Angeles County Public Health Department in 2009, a cumulative total of 3,184 HIV/AIDS cases have been reported in the "East" Service Planning Area. The East SPA is one of eight areas LA County has developed in an effort to characterize local health needs regionally. The East SPA includes the cities of Huntington Park, South Gate, Bell, Bell Gardens, Walnut Park, Maywood, and Florence to name a few. The population is mostly male (84%) and the majority of cases were Latino (75%). Whites accounted for 14 percent of the total number of cases, and Blacks accounted for seven percent. The number of cases in the East SPA were widely dispersed, with the exception of South Gate and Huntington Park that had the highest totals, with 90 and 499 cases respectively.[1]

Short-term housing needs for persons with AIDS may include hospice facilities, shelters or transitional housing. Long-term needs include affordable housing in close proximity to public transportation and health care facilities. As with other persons with disabilities, persons with HIV/AIDS may face discrimination that affects their access to housing due to fear, the need for reasonable accommodation, or other factors.

Several agencies provide emergency shelter and transitional housing for persons with HIV/AIDS near Huntington Park in Downtown and South Los Angeles, including: Salvation Army, Homestead Hospice and Shelter, Southern California Alcohol and Drug Programs, Serra Project, Health Promotion Institute, Abernathy Community

[1] While updated numbers are not currently available for the Huntington Park city limits, the 2013 LA County HIV Surveillance Report identifies a total of 3,065 persons in the East Service Planning Area (including Huntington Park) living with the HIV infection as of December 31, 2013.

Outreach, JWCH Institute and Covenant House. Section 8 vouchers can also be used to assist lower income persons with HIV/AIDS find affordable housing. AIDS Project LA's Community Housing Information & Referrals Program (CHIRP) serves as an important resource for housing information and referrals to persons in the LA area with HIV or AIDS.

Homeless Individuals and Families

The Los Angeles Homeless Services Authority (LAHSA) coordinates the biennial Greater Los Angeles Homeless Count for the Los Angeles County/City Continuum of Care (LA CoC) as part of the national effort required by HUD to enumerate the homeless population. LAHSA's 2013 "point in time" count enumerated 58,423 homeless individuals in the County (LA CoC excludes the cities of Glendale, Pasadena and Long Beach), reflecting a 16% increase from the 2011 count. Specifically for the Los Angeles CoC, LAHSA reports a population of 53,798 homeless individuals, up by over 8,000 persons since 2011. Of this number, 12,934 are sheltered, 22,590 are unsheltered, and 18,274 are "hidden homeless," meaning homeless persons who would not have been seen in the street or shelter count. Furthermore, 46,303 are single adults, 6,678 are families with children, and 817 are unaccompanied youth. Over 70 percent of the total number of homeless persons were male. Finally, shelter counts fell 23% since 2011: emergency shelters fell over 34 percent from 9,855 in 2011 to 6,468 in 2013; transitional shelters fell almost 8 percent from 6,982 in 2011 to 6,445 in 2013; and safe haven shelters decreased over 50 percent from 45 in 2011 to 21 in 2013.

According to LAHSA, the increase in the homeless population over just the last few years can be attributed to a continuing, persistent recession; loss of critical resources under American Recovery and Reinvestment Act; a lack of affordable housing options for low income households and increasing rental rates; prison realignment which released prisoners without adequate funding and coordination of services and housing options; less Federal McKinney-Vento funding because of the new use of CDBG funding formulas; and in-migration of homeless persons to Los Angeles County.

While the homeless counts display an increase from 2011 to 2013 in the LA CoC as a whole, certain smaller geographic areas show differing trends. To explain, LAHSA has further divided the County into eight geographic areas designated as Service Planning Areas (SPA's) to provide better local control and planning efforts. The East Los Angeles Service Planning Area (SPA 7) which includes the city of Huntington Park, had a total homeless population of 2,430 persons, down 24 percent from 3,208 persons in 2011 (excludes hidden homeless). Of this population, 78 percent (1,901) are single adults, 21 percent (499) are family members, and 1 percent (30) are unaccompanied youth. Additionally, 37 percent (897) are sheltered, and 63 percent (1,533) are unsheltered. The 2013 shelter counts for SPA 7 include the following:

Emergency Shelters:	151 beds, 111 units

Permanent Supportive Housing:	924 beds, 361 units
Winter Shelter Program:	64 beds, 64 units

Included in the Permanent Supportive Housing count is Huntington Park's Mosaic Gardens at Huntington Park project which includes 34 beds in 23 units. The project was developed by LINC Housing with the assistance of Federal HOME dollars from the City of Huntington Park.

Huntington Park's homeless population is estimated to range between 30-50 persons. City Code Enforcement staff indicate there are approximately 30 chronic homeless in the City, consisting predominately of single men. According to City staff, a large majority of the City's homeless are chronic substance abusers, have been homeless for several years and are more service resistant than those who have only been homeless for a short period of time. While staff reports no "visible" homeless families, the City is the only jurisdiction in the immediate area that allows overnight street parking, and as a result temporarily homeless individuals and families from the greater area come to Huntington Park to sleep in their cars overnight.

Despite Huntington Park's relatively limited homeless population given the City's size, a much larger segment of the community is at risk of becoming homeless. Over one-quarter of the City's residents live below the poverty line, with 44 percent of female-headed households with children in poverty, placing them at particular risk of homelessness. Another at-risk group includes the approximately 450 households in Huntington Park receiving Section 8 vouchers. While many of the aforementioned households are not living in shelters or on the street, many face problems of overcrowding and overpayment in an effort to afford housing. Others may live with friends or relatives or in substandard units such as converted garages.

Rising rents in Huntington Park have placed many lower-income persons at greater risk of homelessness. In particular, family households and single mothers are vulnerable due to the high costs associated with childcare. Rent increases have also hurt those with low-wage jobs. A lack of available Section 8 vouchers as well as a decline in apartment owners willing to accept these vouchers also places households at risk.

Almost all service agencies cited a need for more affordable housing in Huntington Park. Affordable housing for special needs groups such as large families and single mothers with children was seen as critical to alleviating overcrowding and preventing homelessness.

C. INCOME PROFILE

Income is a key factor affecting housing choice and one's access to housing. Income related issues such as access to credit, debt-to-income ratio, and one's credit history play a major role in housing choices and opportunities. This section presents a profile of the income of Huntington Park's residents. Credit issues and lending are analyzed in the Section entitled "Review of Potential Impediments."

Income Definitions

Consistent with federal regulations, the income categories defined in Table II-6 are used throughout the AI. The associated 2014 LA County income thresholds for extremely low, low, and moderate income categories are also presented (HUD does not publish income thresholds for above moderate income households as federal housing programs are not eligible to households earning greater than 80 percent of the AMI).

Table II-6: HUD Income Categories

Income Category	Percent Area Median Income (AMI)	2014 LA Co Income Limits - 4 person hh
Extremely Low	0-30%	$24,450
Low	31-50%	$40,750
Moderate	51-80%	$65,200
Above Moderate	>80%	$65,200+

Source: www.hcd.ca.gov/hpd/hrc/rep/state/inc2k14.pdf

Income Characteristics

Between 2000 and 2010, the median household income in Huntington Park grew from $29,844 to $36,620, an increase of 23 percent. The median income level in Huntington Park has been consistently lower than that of Los Angeles County, which was $56,241 in 2010, also increasing by 23 percent over the decade. According to the 2007-2011 CHAS Data compiled by HUD, 81 percent of all households in Huntington Park earned low to moderate-incomes.

An area of low to moderate income concentration is defined by HUD as a census tract or block group where 51 percent or more of the residents earn 80 percent or less of the area median income (AMI). Figure II-5 depicts the census block groups in Huntington Park which meet this definition and are thus considered low and moderate-income concentrations. As indicated, all but three census block groups in the City qualify as a low/mod tract per HUD guidelines. Rather than being contiguous, these three non-low/mod areas are dispersed in the northwest, northeast, and southeast areas of the City.

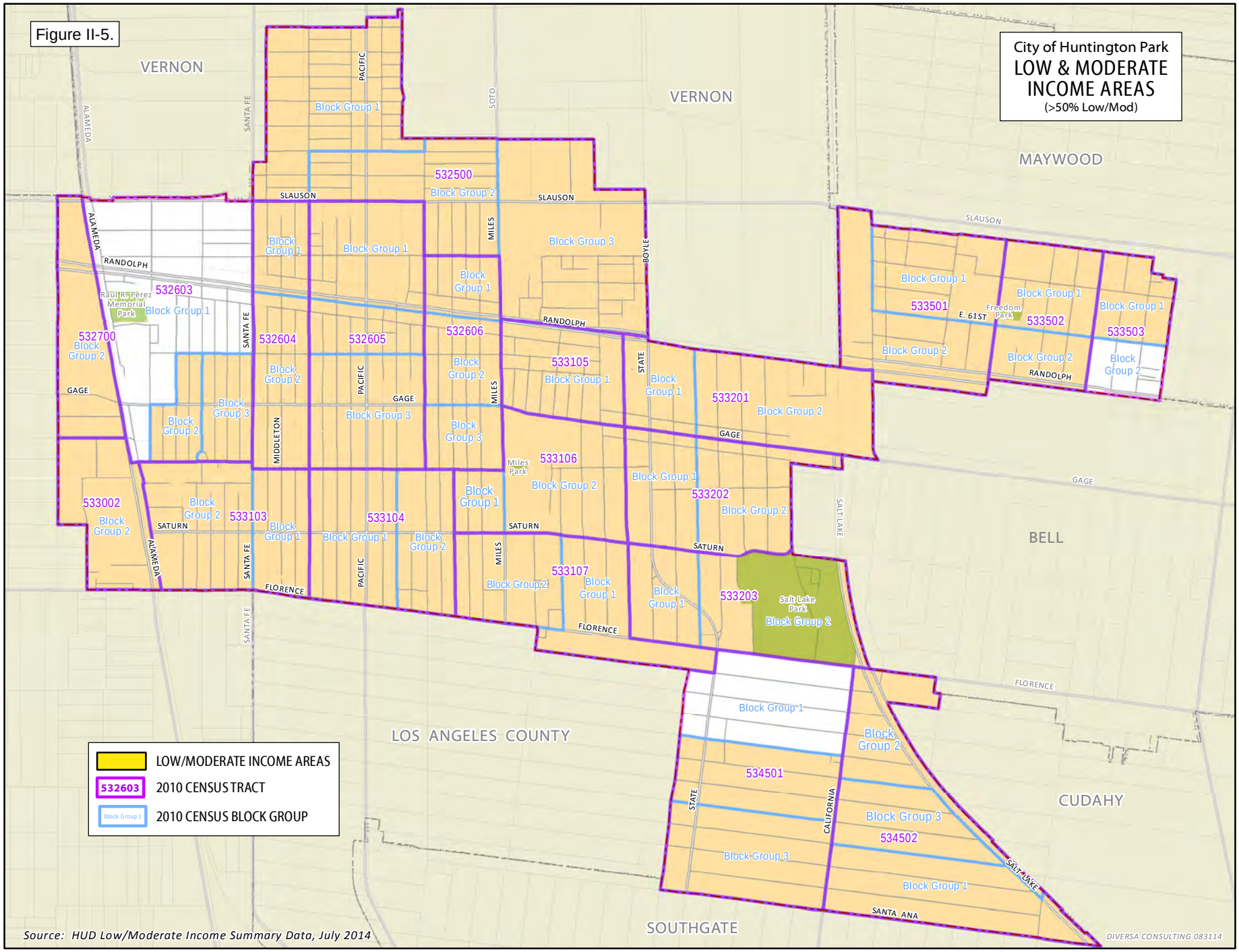


Figure II-5.
City of Huntington Park
LOW & MODERATE INCOME AREAS
(>50% Low/Mod)
VERNON
MAYWOOD
BELL
CUDAHY
SOUTHGATE
LOS ANGELES COUNTY
532500
532603
532604
532605
532606
532700
533002
533103
533104
533105
533106
533107
533201
533202
533203
533501
533502
533503
534501
534502
Block Group 1
Block Group 2
Block Group 3
Raul R. Perez Memorial Park
Freedom Park
Miles Park
Salt Lake Park
SLAUSON
RANDOLPH
GAGE
SATURN
FLORENCE
SANTA ANA
ALAMEDA
SANTA FE
PACIFIC
MIDDLETON
SOTO
MILES
BOYLE
STATE
SALT LAKE
CALIFORNIA
E. 61ST
LOW/MODERATE INCOME AREAS
2010 CENSUS TRACT
2010 CENSUS BLOCK GROUP
Source: HUD Low/Moderate Income Summary Data, July 2014
DIVERSA CONSULTING 083114

Income by Household Type and Tenure

Table II-7 details the income distribution of renters and homeowners in Huntington Park. A significantly greater percentage of renter households had low and moderate incomes (90%) compared to residents who owned their own home (60%). As Huntington Park has a greater number of renters than owners, the actual numbers of low and moderate income renters is more than double that of owners in these same income groups.

Table II-7
Income by Owner/Renter Tenure

Income Level	Renters		Owners	
	Households	Percent	Households	Percent
Extremely Low (0-30% AMI)	3,970	38%	385	9%
Low (30-50% AMI)	2,915	28%	785	19%
Moderate (50-80% AMI)	2,435	24%	1,290	32%
Middle/Upper-Income (>80% AMI)	1,035	10%	1,640	40%
Total Households	10,355	100%	4,100	100%

Source: HUD, CHAS Data (2007-2011).

While renters were more likely to have low and moderate-incomes than owners, there is also significant variation in income levels by household type, as presented in Table III-8. Based on data from HUD, nearly 80 percent of elderly households had low or moderate-incomes. In particular, nearly 40 percent of elderly households had extremely low-incomes. About 63 percent of small families and 56 percent of large families had low or moderate-incomes.

Table II-8
Income Level by Household Type

Income Level	Elderly	Small Family	Large Family	Other	Total
Extremely Low (0-30% MFI)	39%	17%	15%	24%	19%
Other Low (30-50% MFI)	20%	18%	18%	20%	18%
Moderate (50-80% MFI)	20%	28%	24%	24%	25%
Middle/Upper-Income (>80% MFI)	21%	37%	44%	32%	37%

Source: HUD, CHAS Data Book.

Households in Poverty

The federal government publishes national poverty thresholds that define the minimum income level necessary to obtain the necessities of life. For example, the 2014 U.S. poverty threshold for a family of four was $23,850. As indicated in Table II-9, over one-quarter of all Huntington Park residents lived in poverty in 2010, an increase in over 700 persons living below the poverty line since 2000. As a group, female-headed households with children are most impacted by poverty, with 44 percent of this group living in poverty in Huntington Park in 2010.

Figure II-6 illustrates levels of poverty in Huntington Park by census tract, with the two darkest shades depicting areas where more than 30 percent of the population is in poverty. These areas are primarily concentrated along the Alameda Corridor; on the southern edge of Downtown; in the neighborhoods east of Downtown; and a neighborhood on the east end of the city between Saturn and Florence. A comparison with Figures II-3 and II-7 which depict Households with Children, and Renter Households, illustrate on overlap with Huntington Park's highest levels of poverty.

Table II-9
Poverty Status

Groups in Poverty	1990		2000		2010		2000-2010 Change
	Persons /Families	Percent	Persons /Families	Percent	Persons /Families	Percent	
Individuals	13,508	24%	15,369	25%	16,095	28%	+5%
Children (under 18)	5,682	30%	6,755	32%	6,413	36%	-5%
Families	2,526	22%	2,965	23%	3,175	26%	+7%
Female-Headed w/ Children	834	48%	858	42%	1,242	44%	+45%

Source: U.S. Census, 1990 and 2000. American Community Survey, 2008-2012.

HUD defines concentrated areas of poverty as any census tract with greater than 40% poverty, or any tract with more than 3x the poverty rate for the metropolitan area (17.1% in LA County). Review of poverty levels by census tract in Huntington Park identifies one tract that exceeds 40% poverty - tract 5331.04 (located at the southern edge of the central business district) with 43% of the population in poverty.

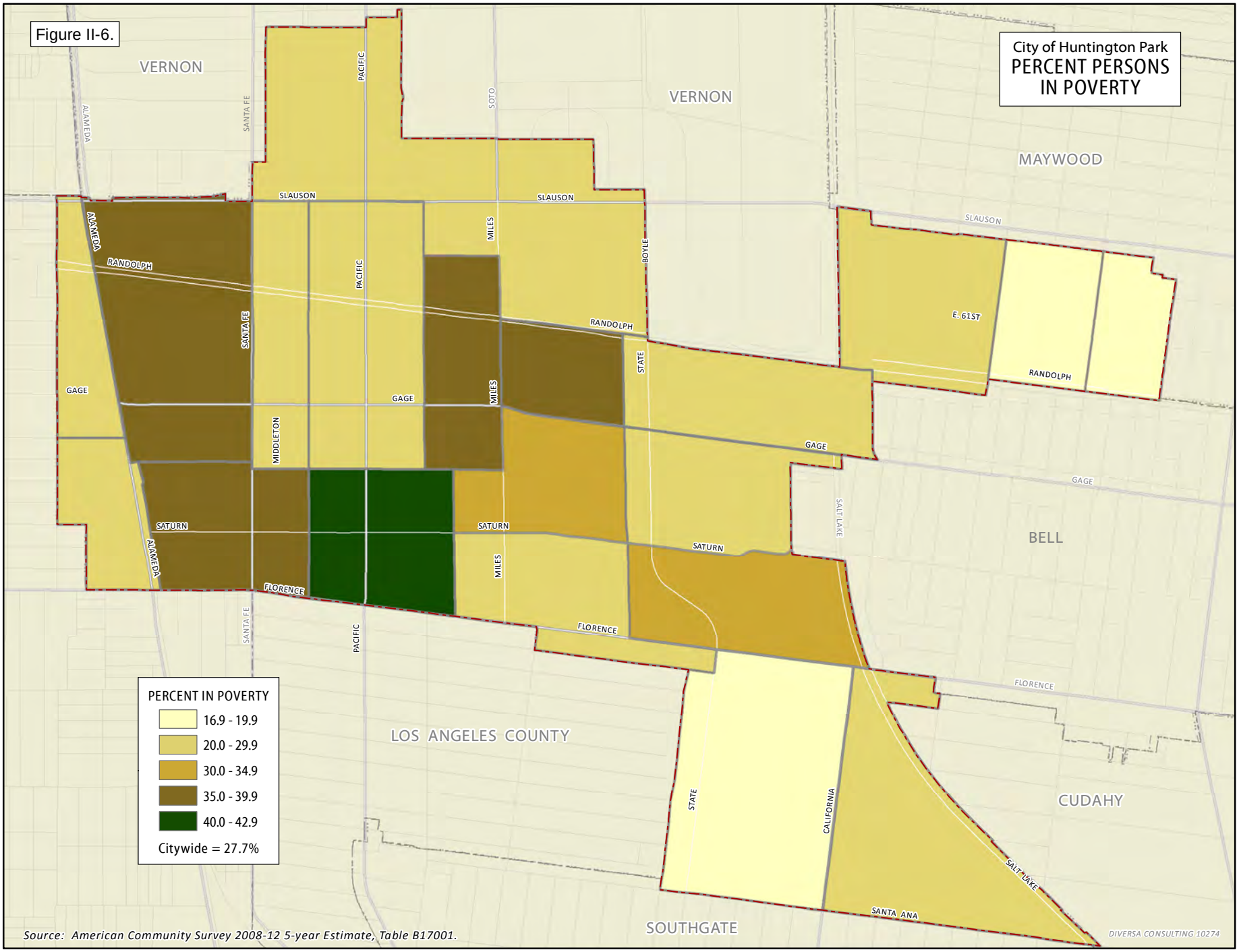


Figure II-6.
City of Huntington Park
PERCENT PERSONS IN POVERTY
VERNON
VERNON
MAYWOOD
BELL
CUDAHY
LOS ANGELES COUNTY
SOUTHGATE
SLAUSON
RANDOLPH
GAGE
SATURN
FLORENCE
ALAMEDA
SANTA FE
PACIFIC
SOTO
MILES
BOYLE
STATE
MIDDLETON
E. 61ST
SALT LAKE
CALIFORNIA
SANTA ANA
PERCENT IN POVERTY
16.9 - 19.9
20.0 - 29.9
30.0 - 34.9
35.0 - 39.9
40.0 - 42.9
Citywide = 27.7%
Source: American Community Survey 2008-12 5-year Estimate, Table B17001.
DIVERSA CONSULTING 10274

D. HOUSING PROFILE

This section presents Huntington Park's housing characteristics, conditions, market conditions, and housing affordability.

1. Housing Characteristics

Housing Growth

Table II-10 displays housing production in the City, compared to surrounding jurisdictions, and the County as a whole. Between 1980 and 1990, Huntington Park's housing stock decreased by 7 percent from 15,601 to 14,515 housing units, due in part to redevelopment activities. The nearby communities of Bell Gardens, Maywood, and South Gate also experienced a decline in their housing stock during this period. Countywide, there was an 11 percent increase in housing units.

From 1990 to 2000, Huntington Park's housing stock increased by about six percent, adding approximately 820 new units over the decade. In contrast, between 2000 to 2010, the City lost approximately 180 units, while surrounding cities experienced flat to nominal growth. According to the State Department of Finance (2014), Huntington Park currently has a housing stock of 15,176 units, representing a modest increase of 25 units since 2010. As a built-out community, housing growth in recent years has primarily been attributable to the introduction of housing in the downtown and on target opportunity sites, and is largely a result of City involvement in the provision of assisted housing (refer to Table II-21 later in this Section for a comlete listing of assisted housing projects).

Table II-10
Regional Housing Growth Trends 1980-2010

Jurisdiction	1980	1990	2000	2010	Percent Change		
					1980-1990	1990-2000	2000-2010
Bell	9,248	9,401	9,215	9,217	+1.7%	-2.0%	+.02%
Bell Gardens	9,759	9,546	9,788	9,986	-2.2%	+2.5%	+2.0%
Huntington Park	**15,601**	**14,515**	**15,335**	**15,151**	**-7.0%**	**+5.6%**	**-1.2%**
Maywood	6,836	6,680	6,701	6,766	-2.3%	+0.3%	+1.0%
South Gate	23,589	22,946	24,269	24,160	-2.7%	+5.8%	+.50%
L.A. County	2,853,653	3,163,343	3,270,909	3,443,087	+10.9%	+3.4%	+5.3%

Source: U.S. Census 1980, 1990, 2000, and 2010.

Housing Type and Tenure

Table II-11 presents the mix of housing types in Huntington Park. Unlike many urbanized communities, single-family detached and attached units have increased in relative proportion and number over the past two decades, from 34 percent in 1980 to 55 percent in 2010. In comparison, multi-family units have declined from 65 percent to 45 percent of the City's housing stock during this same time period.

Table II-11
Housing Type 1980 - 2010

Unit Type	1980		1990		2010	
	Units	Percent	Units	Percent	Units	Percent
Single-Family (SF) Detached	-	-	4,856	33.5%	6,266	41.4%
SF Attached	-	-	1,806	12.4%	2,031	13.4%
Total Single-Family	***5,361***	***34.4%***	***6,662***	***45.9%***	***8,297***	***54.8%***
2 to 4 Units	3,103	19.9%	2,531	17.4%	1,585	10.5%
5 or more units	7,120	45.6%	5,076	35.0%	5,184	34.2%
Total Multi-Family	***10,223***	***64.5%***	***7,607***	***52.4%***	***6,769***	***44.7%***
Mobile Homes & Other	17	0.1%	246	1.7%	85	0.5%
Total Housing Units	**15,601**	**100%**	**14,515**	**100%**	**15,151**	**100%**

Source: U.S. Census 1980, 1990, 2000, 2010

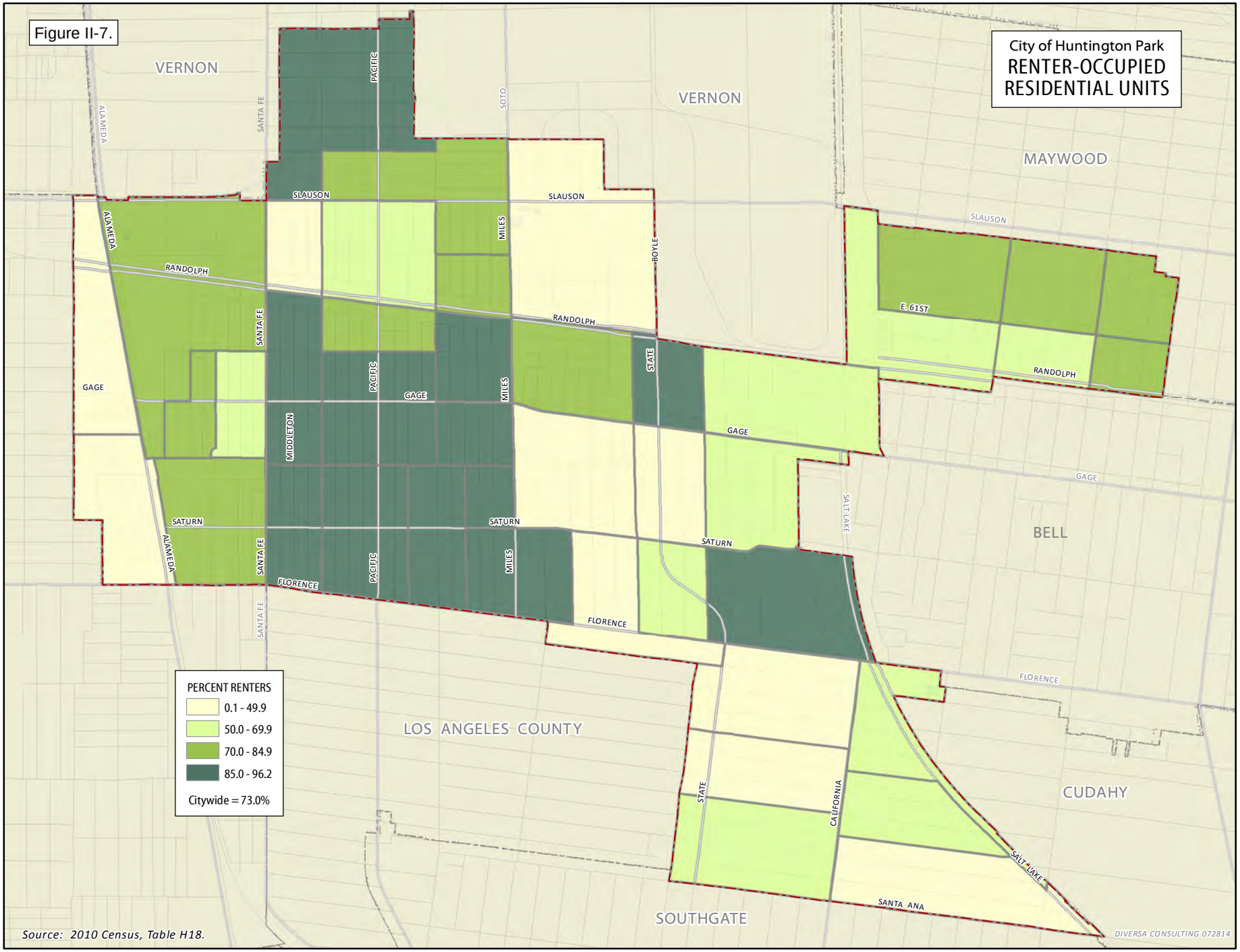
Housing tenure refers to whether a housing unit is owned, rented or is vacant. Tenure reflects the relative cost of housing opportunities, and influences residential mobility, with owner units generally evidencing lower turnover rates than rental housing. According to the 2010 Census, 73 percent of Huntington Park's households were renters, consistent with 1990 and 2000 levels when 72 and 73 percent, respectively, of households were renters (refer to Table II-12).

Table II-12
Housing Tenure

Occupied Housing Units	1990		2000		2010	
	Units	Percent	Units	Percent	Units	Percent
Renter	9,945	72%	10,795	73%	10,661	73%
Owner	3,958	28%	4,065	27%	3,936	27%
Total	13,903	100%	14,860	100%	14,597	100%

Source: U.S. Census, 1990, 2000, 2010.

As indicated in Figure II-7, the highest concentrations of renter households (over 85 percent) are generally located in the central part of the City surrounding Pacific Boulevard, and extending east and west along Gage and Florence; in the City's northern extension north of Slauson; the area on both sides of State in between Gage and Randolph; and the area bound by Saturn to the north, Florence to the south, State to the west, and Salt Lake to the east.



Source: 2010 Census, Table H18.

Vacancy Rate

A vacancy rate measures the overall housing availability in a community and is often a good indicator of how efficiently for-sale and rental housing units are meeting the current demand for housing. A vacancy rate of five percent for rental housing and two percent for ownership housing is generally considered healthy and suggests that there is a balance between the demand and supply of housing. A lower vacancy rate may indicate that households are having difficulty in finding housing that is affordable, leading to overcrowding or households having to pay more than they can afford. A low vacancy rate or a particularly 'tight' housing market may also lead to high competition for units, raising rental and housing prices substantially.

As measured by the 2008-2012 ACS, the citywide residential vacancy rate in Huntington Park was 4.4 percent for all housing units compared to the 4.2 percent vacancy rate in 1990. The vacancy rate was 1.5 percent for owner-occupied units in 2010, and 2.4 percent for rental units. In comparison, the 1990 Census indicates that the vacancy rate in the City was 3.8 percent for owner units and 1.3 percent for renter units. The owner vacancy rate is within close range to the two percent vacancy rate considered to be ideal for sufficient residential mobility. However, the vacancy rates for rental units fall well below the 5.0 ideal rate for mobility in the rental market. The City's low rental vacancy rate suggests that a high 'pent-up' housing demand exists and that finding housing in the community is becoming challenging for many households.

Overcrowding

The Census defines overcrowding as an average of more than one person per room in a housing unit (excluding kitchens, porches, and hallways). The incidence of overcrowded housing is a general measure of whether there is an available supply of adequately sized housing units. Table II-13 shows the incidence of overcrowding in Huntington Park by tenure in both 2010 and 2000.

Table II-13
Overcrowded Households

Overcrowding	2010		2000
	Households	Percent	Percent
Owners			
Overcrowding	850	21%	48%
Severe Overcrowding	286	7%	30%
Renters			
Overcrowding	4,943	48%	63%
Severe Overcrowding	2,783	27%	48%
Total Overcrowding	***5,793***	***40%***	***59%***

Source: ACS 2008-2012, U.S. Census 2000.
Note: Severe overcrowding is a subset of overcrowding.

As Table II-13 shows, the incidence of overcrowding in Huntington Park has fallen dramatically, from 59 percent in 2000 to 40 percent in 2010. Nonetheless, with nearly 5,800 households living in overcrowded conditions, overcrowding remains a significant issue in Huntington Park. As indicated, overcrowding is a more serious problem for renters, with 48 percent of renter households overcrowded, compared to just 21 percent of owner households. By means of comparison, the incidence of overcrowding in Los Angeles County is 17 percent for renters and six percent for owners.

Severe overcrowding, which is defined as more than 1.5 persons per room, has also evidenced a substantial decline in Huntington Park. In 2000, 48 percent of the City's renter households were severely overcrowded, compared to 27 percent as measured by the 2008-2012 American Community Survey. Interviews with City Code Enforcement staff indicate overcrowding is a concern for lower-income families that often double-up in order to afford adequately-sized units, or reside in illegally converted garages. Figure II-8 depicts severe renter overcrowding by census block group, and identifies several concentrations of severe overcrowding (over 45%): north of Florence immediately east of Santa Fe; the neighborhood on either side of State bound by Gage and Saturn; both sides of Pacific bound by Randolph and Slauson; and the northernmost portion of the city directly to the east of Santa Fe. All but one of these areas with 45+ percent severe renter overcrowding also correlate to greater than 50 percent of households with children (refer to Figure II-3).

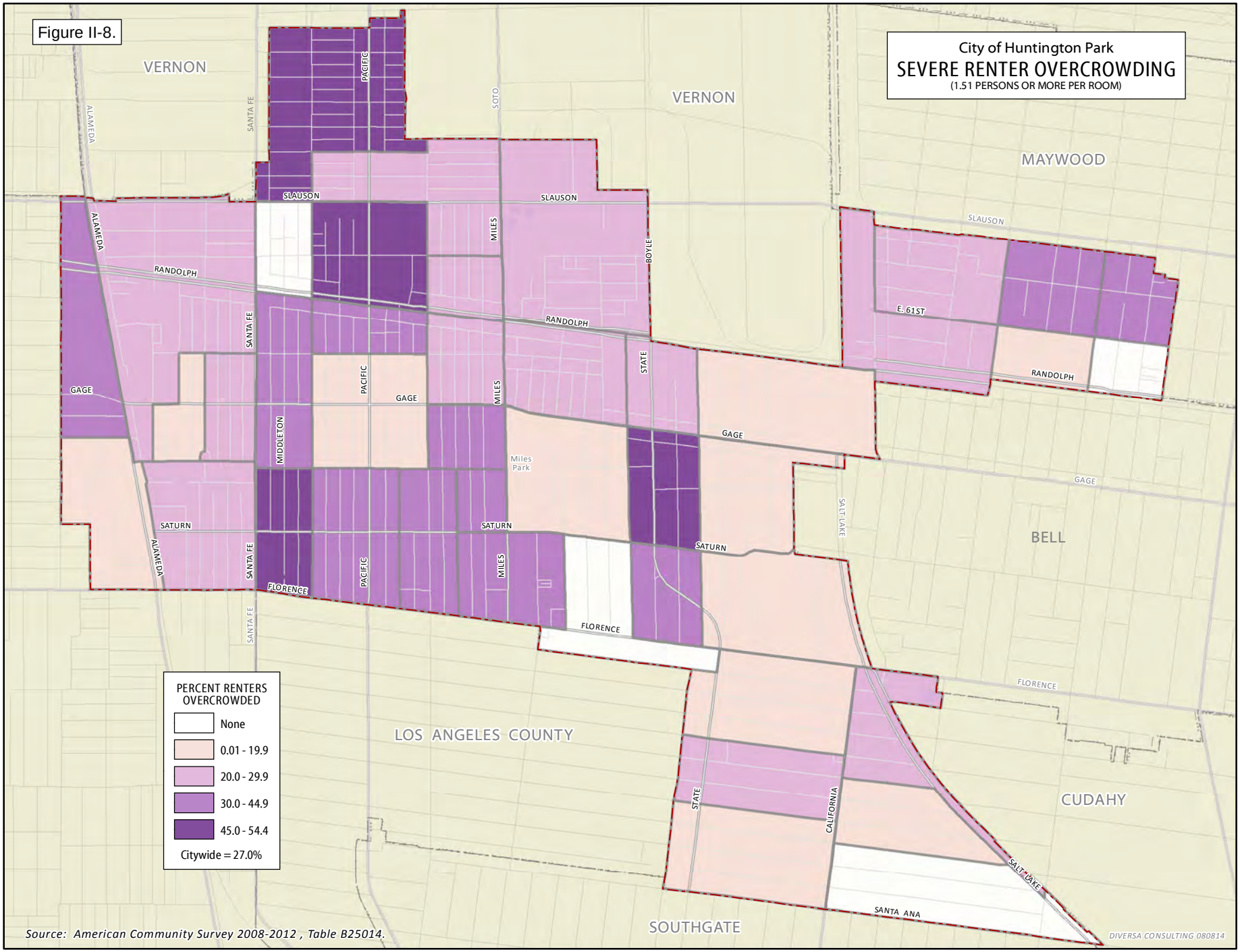


Figure II-8.
City of Huntington Park
SEVERE RENTER OVERCROWDING
(1.51 PERSONS OR MORE PER ROOM)
VERNON
VERNON
MAYWOOD
BELL
CUDAHY
SOUTHGATE
LOS ANGELES COUNTY
SLAUSON
RANDOLPH
GAGE
SATURN
FLORENCE
E. 61ST
ALAMEDA
SANTA FE
PACIFIC
MIDDLETON
MILES
SOTO
BOYLE
STATE
CALIFORNIA
SALT LAKE
SANTA ANA
Miles Park
PERCENT RENTERS OVERCROWDED
None
0.01 - 19.9
20.0 - 29.9
30.0 - 44.9
45.0 - 54.4
Citywide = 27.0%
Source: American Community Survey 2008-2012 , Table B25014.
DIVERSA CONSULTING 080814

Overpayment

Housing overpayment is defined as spending more than 30 percent of income on housing costs; severe overpayment refers to spending greater than 50 percent of income. Housing overpayment is a significant problem in Los Angeles County. In 2000, 40 percent of County households had cost burdens exceeding 30 percent; during the 2008-2012 period, Countywide housing overpayment had increased to 50 percent. Similarly, housing overpayment has increased in Huntington Park from 44 to 59 percent over the past decade, as presented in Table II-14.

Table II-14:Housing Overpayment

Overpayment	2010		2000
	Households	Percent	Percent
Owners			
>30% Household Income	2,030	14%	46%
Renters			
>30% Household Income	6,478	63%	47%
>50% Household Income	3,525	34%	22%
Total Overpayment	**8,508**	**59%**	**44%**

Source: ACS 2008-2012, U.S; Census 2000.
Note: >50% Household Income is a subset of >30% Household Income.

An estimated 63 percent of renters and 14 percent of homeowners in Huntington Park were "overpaying" in 2010, spending more than 30 percent of their income on housing. Severe overpayment (>50% on housing costs) impacts one-third of Huntington Park's renters, a 50 percent increase from the prior decade. Figure II-9 shows the incidence of severe renter overpayment by census block group in the City. Areas with a high incidence of severe renter overpayment had correlations with areas with high levels of poverty, senior households, and renter overcrowding.

Table II-15 provides a breakdown of households that experienced overpayment by income level (as compiled by HUD using 2007-2011 ACS data. As would be expected, extremely low-income renter households were most impacted, with almost 90 percent spending more than half their incomes on housing. Among the 1,180 owner households severely overpaying, 90 percent are considered either extremely low, low, or moderate income.

Table II-15: Housing Overpayment by Household Income and Tenure

Income Level	Renter Overpayment		Owner Overpayment	
	>30% Income	>50% Income	>30% Income	>50% Income
# Households Overpaying	6,035	3,110	2,170	1,180
% Extremely Low Income	61%	87%	15%	23%
% Low Income	32%	11%	31%	41%
% Moderate Income	7%	1%	35%	26%
% Middle/Upper Income	<1%	0	19%	10%

Source: HUD, CHAS Data, 2007-2011 ACS

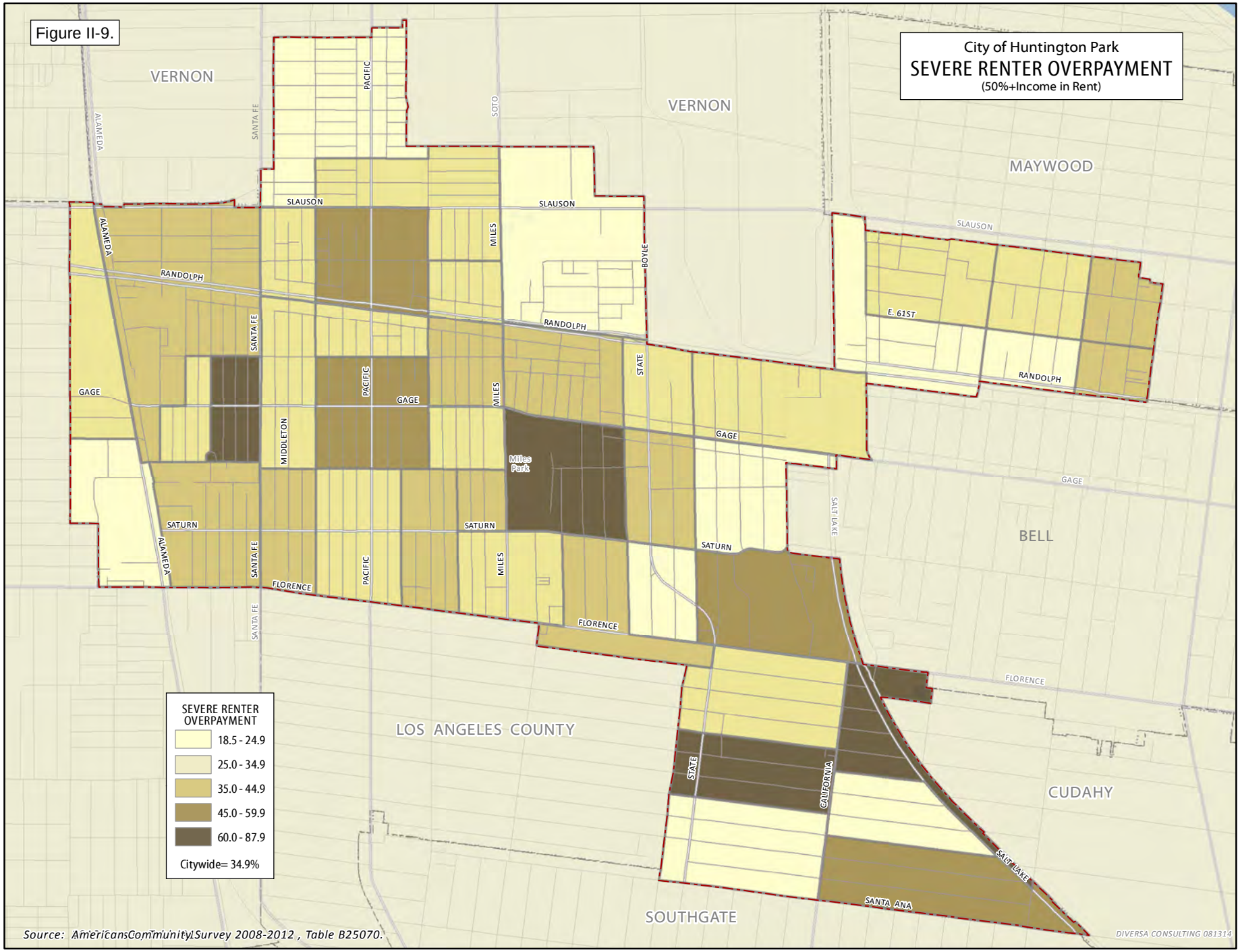


Figure II-9.
City of Huntington Park
SEVERE RENTER OVERPAYMENT
(50%+Income in Rent)
VERNON
VERNON
MAYWOOD
BELL
CUDAHY
SOUTHGATE
LOS ANGELES COUNTY
SLAUSON
RANDOLPH
E. 61ST
GAGE
SATURN
FLORENCE
ALAMEDA
SANTA FE
PACIFIC
SOTO
MILES
BOYLE
STATE
MIDDLETON
Miles Park
SALT LAKE
CALIFORNIA
SANTA ANA
SEVERE RENTER OVERPAYMENT
18.5 - 24.9
25.0 - 34.9
35.0 - 44.9
45.0 - 59.9
60.0 - 87.9
Citywide= 34.9%
Source: AmericansCommunity1Survey 2008-2012 , Table B25070.
DIVERSA CONSULTING 081314

2. Housing Conditions

The age of a community's housing stock can provide an indicator of overall housing conditions. Typically housing over 30 years in age is likely to have rehabilitation needs that may include new plumbing, roof repairs, foundation work and other repairs. Table II-16 displays the age of Huntington Park's occupied housing stock by owner/renter tenure as of 2010. As a mature community, the majority of Huntington Park's housing stock consists of units older than 30 years of age. Among owner-occupied housing, over 80 percent of units were constructed prior to 1980, and is reflective of the community's numerous older single-family neighborhoods. Similarly, a substantial proportion of renter housing is older than 30 years in age (86 percent); this housing is typically of lesser quality construction and suffers more wear-and-tear from tenants than owner-occupied housing.

Table II-16
Age of Housing Stock

Year Structure Built	Renter Occupied Housing	Percent Renter	Owner Occupied Housing	Percent Owner	Total Percent
2010 or later	5	<1%	0	0%	<1%
2000-2009	200	2%	66	2%	2%
1990-1999	562	5%	183	4%	5%
1980-1989	646	6%	530	13%	8%
1970-1979	1,252	12%	237	6%	10%
1960-1969	1,394	14%	211	5%	11%
1950-1959	1,419	14%	597	15%	14%
1940-1949	2,296	22%	679	17%	21%
1939 or earlier	2,547	25%	1,527	38%	28%
Total	**10,321**	**100%**	**4,030**	**100%**	**100%**

Source: U.S. Census, 2010.

The advanced age of the majority of Huntington Park's housing stock indicates the significant need for continued code enforcement, property maintenance and housing rehabilitation programs to stem housing deterioration. In order to maintain adequate housing conditions, the City operates a pro-active code enforcement program combined with responding to resident complaints. Owners of properties in violation of codes are encouraged to participate in City-sponsored rehabilitation programs.

No current Citywide survey of substandard housing exists for Huntington Park. The City's 1988 Housing Assistance Plan (HAP) identified 30 percent of the housing stock as substandard.[2] Since that time, on-going code enforcement and community development activities have resulted in the replacement of many older, often substandard units with newly constructed residences. The primary issues with

[2] The City defines "substandard" as units which do not meet the Section 8 Existing Housing Quality Standards and/or the Uniform Building Code as adopted by the City.

substandard housing in the City pertain to inadequate space heating, leaking windows, and aging plumbing and electrical systems. The biggest contributors to substandard housing in Huntington Park are the aging housing stock, household overcrowding, and absentee landlords.

In addition to housing units documented by the Census, Huntington Park has a significant number of garages converted into living quarters, often commanding rents of $800-$1,000 per month. Code enforcement staff issue citations and fines on an ongoing basis requiring garage conversions to be “unconverted”, but continually find new conversions occurring throughout the City.

3. Housing Market Analysis

Home Ownership Market

Table II-17 documents all existing single-family home and condominium sales in Huntington Park and nearby communities during calendar year 2013. As indicated by this Table, the median single-family home price in Huntington Park over the past year was $270,000, a 17% increase over the prior year. A total of 128 existing homes sold in the City during 2013, a relatively limited number given the City's housing stock of over 4,000 ownership units. Sales prices in Huntington Park were on average most comparable to South Gate, higher than Maywood and Bell, and below that of Downey.

In terms of condominium sales, 35 condos were sold in Huntington Park in 2013, representing more than any other zip code surveyed, with the exception of zip code 90241 in Downey. At a median sales price of $154,000, Huntington Park condominiums were more affordable than in other southeast Los Angeles County jurisdictions. However, condominium prices appreciated 28% over the past year in the City.

Table 11-17
Single-Family Home and Condominium Sales: 2013
Huntington Park and Nearby Communities

Community	Zip Code	# Homes Sold	Median Home Price	% Change from 2012	Home Price per sf	# Condos Sold	Median Condo Price	% Change from 2012
Bell	90201	96	$251,000	+13.9%	$221	21	$210,000	+31.3%
Downey	90240	213	$425,000	+11.8%	$276	17	$237,000	+5.3%
	90241	234	$435,000	+17.6%	$271	42	$235,000	+33.1%
	90242	242	$350,000	+12.1%	$271	23	$220,000	+30.2%
Huntington Park	90255	128	$270,000	+17.4%	$213	35	$154,000	+28.3%
Maywood	90270	51	$249,000	+8.3%	$238	0	--	--
South Gate	90280	331	$280,000	+16.7%	$240	28	$251,000	+20.4%

Source: www.dqnews.com, LA Times Sunday Edition charts – Data for Year 2013.

Rental Housing Market

With nearly three-quarters of the City's housing comprised of rentals, Huntington Park has a very active rental market. Table II-18 presents the results of an October 2014 survey of apartments advertised as available for rent in Huntington Park. One and two-bedroom units were the predominant units available, renting for an average of $975 and $1,150 respectively. Just two studio units, renting for an average of $740, and four three-bedroom units, renting for an average of $1,450, were available.

Table II-18
Huntington Park Apartment Rents 2014

# Bedrooms	Rental Range	Average Rent
Studio	$680 - $795	$740
One Bedroom	$750 - $1,150	$975
Two Bedroom	$925 - $1,495	$1,150
Three Bedroom	$1,350 - $1,650	$1,450

Sources: Craigslist.com; Westside Rentals.com; Brabant Realty and Management.

4. Housing Affordability

The affordability of housing in Huntington Park can be assessed by comparing market rents and sales prices with the amount that households of different income levels can afford to pay for housing. Compared together, this information can reveal who can afford what size and type of housing as well as indicate the type of households that would most likely experience overcrowding or overpayment.

Homeowner Affordability

For purposes of evaluating home purchase affordability, Table II-19 presents the maximum affordable purchase price for moderate income households (110% AMI), and compares this with market sales prices for single-family homes and condominiums in Huntington Park as previously documented in Table II-17. As illustrated below, the maximum affordable purchase price ranges from $267,000 for a three-person household to $300,900 for a four person household. With a median single-family sales price of $270,000, many single-family homes in Huntington Park remain affordable to households earning moderate incomes, and at a median price of $154,000, condominiums are well within the level of affordability.

Table II-19
2013 Los Angeles County Maximum Affordable Housing Cost

Moderate Income (110% AMI) Affordable Housing Cost	2 Bedroom (3 persons)	3 Bedroom (4 persons)
Household Income @ 110% Median[1]	$64,130	$71,280
Income Towards Housing @ 35% Income[1]	$22,446	$24,948
Maximum Monthly Housing Cost	$1,870	$2,079
HOA Fees	$270	$270
Utilities[2]	$91	$112
Property Taxes (1.1% affordable hsg price)	$245	$276
Insurance (Property and Mortgage)	$115	$130
Monthly Income Available for Mortgage	$1,149	$1,291
Supportable 30 yr Mortgage @ 4.0% interest	$241,000	$270,800
Homebuyer Downpayment (10%)	$26,700	$30,100
Maximum Affordable Purchase Price	**$267,000**	**$300,900**
Huntington Park Median Single-Family Sales Price	**$270,000**	
Huntington Park Median Condo Sales Price	**$154,000**	

Source: Karen Warner Associates.
[1] 110% moderate-income standard based on H&S Code Section 50093. 35% affordability standard based on H&S Code Section 50052.5
[2] Utility costs based on 2012/13 HACoLA schedule and assumes gas appliances.

Renter Affordability

Table II-20 presents the maximum affordable rents for very low, low and moderate income households by household size, and compares with median apartment rents on vacant units in Huntington Park, as documented earlier in Table II-18. As the table below indicates, citywide median rents are above the level of affordability for very low income households. The monthly affordability gap for very low income households ranges from $22 for two-person households (one-bedroom units), up to $515 for four-person households (three bedroom apartments). Low and moderate income households are however still able to afford average apartment rents in Huntington Park.

Table II-20
2014 Maximum Affordable Rents[1] Los Angeles County

Income Level[2]	1 Bedroom (2 person)	2 Bedroom (3 person)	3 Bedroom (4 person)
Very Low Income (0 - 50% AMI)	$753	$847	$935
Low Income (51-80% AMI)	$1,264	$1,423	$1,574
Moderate Income (81 - 120% AMI)	$1,453	$1,636	$1,810
Huntington Park Average Rents	**$975**	**$1,150**	**$1,450**

Source: Karen Warner Associates.
[1] Maximum rent reflects deduction of utility allowance per LACDC utility schedule: $102 for 1 bedrooms, $114 for 2 bedrooms, and $133 for 3 bedrooms.
[2] Income levels reflect the 2014 Official State Income Limits published by State HCD.

E. PUBLIC AND ASSISTED HOUSING

Public and assisted housing address a critical need for affordable housing in the community. This section provides an overview of assisted housing projects in Huntington Park, as well as tenant-based Section 8 rental assistance.

1. Public Housing

No public housing is located in Huntington Park.

2. Assisted Rental Housing

Huntington Park has an active history of supporting affordable housing development in its community. As illustrated in Table II-21, the City has facilitated the development of eight residential developments, and the acquisition/rehabilitation of six projects with long-term affordability covenants on all or some of the units. These projects include: Concord Huntington Park, Seville Gardens, Casa Rita, Rugby Senior Apartments, Casa Bonita, Rita Court, Santa Fe Village, and Casa Bella (new construction), and Bissell Apartments, Bissell II, Bissell III, 6700 Middleton Street, 6822 Malabar Street, and the Mosaic Gardens projects (acquisition/rehabilitation). These 14 projects provide a total of 557 affordable units, including 361 very low income (30% MFI), 149 low income (50% MFI) units, and 47 moderate income (80% MFI) units. Of the total 557 units, 361 are senior units, 185 are family units, and 11 are family, transitional age youth units.

The City's affordable projects are financed through a variety of funding sources, including tax credits and HOME funds, which require long-term affordability controls. None of these projects are at risk of conversion to market rate for at least 15 years.

In 1999, the 162-unit Concord Huntington Park development pre-paid its HUD mortgage and converted to market rate. However, the City utilized a Multifamily Mortgage Revenue Bond to maintain project affordability for an additional 30 years.

Table II-21
Assisted Housing Inventory

Date Built	Project Name and Location	Owner vs Renter	Senior vs Family	Total # Units	Restricted Affordable Units*	Afford-ability Period	Funding Sources
1973	**Concord Huntington Park** 6900 Seville Ave	Renter	Senior	162	162 very low income	2029	Mortgage Revenue Bond, Tax Credit
1989	**Seville Gardens** 2701 Randolph St	Renter	Senior	223	45 very low income	2029	RDA, California Reinvestment Corp.
1995	**Casa Rita** 6508 Rita Ave	Renter	Family	103	21 very low income, 81 units low income	2050	Tax Credits, Mortgage Revenue Bond
1997	**Rugby Senior Apts** 6330 Rugby Ave.	Renter	Senior	184	37 very low income, 37 low income	2050	Section 108 loan, Tax Credits
2001	**Bissell Apartments** 6344 Bissell St (acquisition/rehab)	Renter	Family	4	4 low income	2021	HOME, CDFI
2002	**Casa Bonita** 6512 Rubgy Ave	Renter	Senior	80	80 very low income	2030	HOME, City of Industry Set-aside, Tax Credits, AHP
2003	**Bissell II Apts** 6308-6312 Bissell (acquisition/rehab)	Renter	Family	7	1 very low income, 4 low income	2062	HOME, CDFI
2007	**Bissell III Apts** 6340 Bissell (acquisition/rehab)	Renter	Family	4	4 low income	2062	HOME
2008	**6700 Middleton St.** (acquisition/rehab)	Renter	Family	6	2 very low income, 4 low income	2063	HOME
2008	**6822 Malabar St.** (acquisition/rehab)	Renter	Family	10	2 very low income, 8 low income	2063	HOME
2014	**Mosaic Gardens** 6337 Middleton St. (acquisition/rehab	Renter	Family, Transitional Aged Youth	24	11 very low income	2069	HOME, Tax Credits, MHSA
1996	**Rita Court**** 6900-30 Rita Ave	Owner	Family	64	39 moderate income	No resale controls	CDBG – land acquisition
2000	Santa Fe Village** 2400-12 Randolph	Owner	Family	17	8 moderate income	No resale controls	CDBG – land acquisition
2004	Casa Bella 6902-30 Rita Ave.	Owner	Family	15	7 low income	2025	HOME

Source: City of Huntington Park Community Development Department, June 2014.

3. Tenant-Based Housing Assistance

Tenant-based rental assistance provides a portable form of housing assistance. The Housing Choice (Section 8) Voucher Program is funded by HUD and administered by the Housing Authority of the County of Los Angeles (HACoLA) within Huntington Park. With this program, an income-qualified household can use the voucher at any rental complex that accepts Section 8 vouchers. Section 8 tenants pay a minimum of 30 percent of their income for rent and HACoLA pays the difference, up to the payment standard established by HACoLA. HACoLA establishes payment standards based on HUD-established Fair Market Rents (FMR). The owner's asking price must be supported by asking rents in the area, and any rental amount in excess of the payment standard is paid for by the tenant. Based on current HUD regulations, of those new households admitted to the Section 8 program, three-fourths must have incomes of less than 30 percent of the area median, while one-quarter may have incomes up to 80 percent of the median.

Table II-22 presents the current Section 8 rent payment standards in the Los Angeles County Housing Authority jurisdiction. In comparison to Huntington Park market rents presented earlier in Table II-18, Section 8 rents are slightly higher, providing incentive for local landlords to participate in the program.

Table II-22
Los Angeles County Rent Payment Standards
Section 8 Housing Choice Voucher Program

Bedroom Size	0-bdr	1-bdr	2-bdr	3-bdr	4-bdr	5-bdr
County Rent Payment Standard (including utilities) Effective 10/04/14	$858	$1,037	$1,339	$1,810	$2,016	$2,319

Source: Housing Authority, County of Los Angeles, October 2014.

Patterns of Occupancy

As of September 2014, HACoLA reports a total of 458 Huntington Park households are receiving Section 8 housing vouchers, a 35 percent increase from 2000 when 337 households received Section 8. Table II-23 presents the race, ethnicity, and household characteristics of voucher holders, as well the number of City residents on the Section 8 waiting list. Nearly 90 percent of the City's Section 8 recipients are of Hispanic origin, consistent with the ethnic make-up of the City's population, which is over 97 percent Hispanic. Elderly households comprise approximately two thirds of the City's Section 8 recipients, indicative of several large senior housing complexes with significant numbers of Section 8 tenants. The City also has a high proportion of disabled households receiving Section 8, although many of these households are also likely to be seniors.

Table II-23
Characteristics of Huntington Park Section 8 Recipients

Household Characteristics	Number of Households with Vouchers
Race/Ethnicity	
Hispanic	405
White (non-Hispanic)	21
African American	25
Asian	1
Native American	3
Other	3
TOTAL	**458**
Household Type	
Elderly	295
Disabled	265
Family Households with Children	81
Households on Waiting List	**290**

Note: Household Type categories are not mutually exclusive.
Source: Housing Authority, County of Los Angeles, September 2014.

To ensure that all members of the community are familiar with Section 8, HACoLA advertises program availability in both English and Spanish, Section 8 staff members are bilingual, and Section 8 applications are available in Spanish. To increase the awareness of Section 8 resources among families of races and ethnicities with disproportionate needs, as well as to the elderly and disabled, HACoLA has adopted the following strategies:

- Affirmatively market to race/ethnicities shown to have disproportionate housing needs.
- Counsel Section 8 tenants as to location of units outside of poverty or minority concentration and assist them to locate those units.
- Market the Section 8 program to owners outside of areas of poverty/minority concentration.
- Apply for special purpose vouchers targeted to the elderly and families with disabilities, should they become available.
- Advertise and market the Section 8 program at Social Security offices, senior centers, and neighborhood centers.
- Affirmatively market to local non-profit agencies that assist families with disabilities.

Section 8 Admission Policies

According to HACoLA, 290 Huntington Park residents were on the waiting list for assistance (September 2014). Since the demand for housing assistance far exceeds the limited resources available, long waiting periods are common. The amount of time on the wait list can disproportionately impact the elderly, who may be frail and have health problems.

HUD allows Housing Authorities to apply a system of local preferences in determining admissions to the Section 8 program. In accordance with California Health and Safety Code §34322.2, HACoLA will give priority to families of veterans and members of the armed forces in each of the categories below. Local preferences are weighted highest to lowest, in the following order:

1. Families who qualify for Targeted or Special Programs administered by HACoLA will be admitted before all other eligible applicants or applicants on the waiting list. Referral may be made by County agencies with a contract or Memorandum of Understanding in place, or by contracted CBO's up to and not to exceed the number of vouchers specified in the contract.

2. Families previously assisted by the Housing Authority whose assistance was terminated due to insufficient funding.

3. Families who live or work in the jurisdiction in the following categories that are subject to the approval of the Executive Director:

    a. An admissions preference may be given to bona fide victims of declared disasters, whether due to natural calamity (e.g. earthquake), civil disturbance, or other causes recognized by the federal government.

    b. Families or individuals who are certified as displaced due to the action of a federal government agency or local government agencies may be given an admissions preference.

    c. HACoLA may distribute application forms and may issue a voucher to families or single persons that are referred by law enforcement agencies. The types of referrals that will be considered include, but are not limited to:

        i. Victims of domestic violence.

        ii. Involuntary displaced to avoid reprisals.

        iii. Displaced due to being a victim of a hate crime.

4. Homeless families may qualify for admissions preference if referred by County agencies with a contract or Memorandum of Understanding (MOU) in place with HACoLA, or by Community Based Organizations (CBO's) contracted with HACoLA.

5. Families who live or work in HACoLA's jurisdiction will be admitted before families outside of HACoLA's jurisdiction.

F. RESIDENTIAL CARE FACILITIES

Residential care facilities (also known as licensed community care facilities) serve a variety of persons who may require a supportive care environment. Many of these facilities provide housing for persons with physical, developmental, or mental disabilities, including both children and the elderly. Facilities are licensed and monitored by the State Community Care Licensing Division. A description of each type of facility is provided below:

- *Small Family Homes:* provide 24-hour-a-day care to six or fewer children, who may have physical, mental or developmental disabilities.
- *Group Homes:* provide 24-hour non-medical care to troubled youths.
- *Adult Residential Facilities:* provide 24-hour non-medical care for adults ages 18 through 59, including those with physical, developmental, and/or mental disabilities, who are unable to provide for their own daily needs.
- *Residential Care Facilities for the Elderly:* provide care, supervision and assistance to persons 60 years of age and over.
- *Residential Care Facilities for the Chronically Ill*: serve up to 25 persons and care and supervision to adults with HIV/AIDS.
- *Childcare Centers:* provide non-medical care and supervision for infant to school age children in a group setting for a period of less than 24 hours.

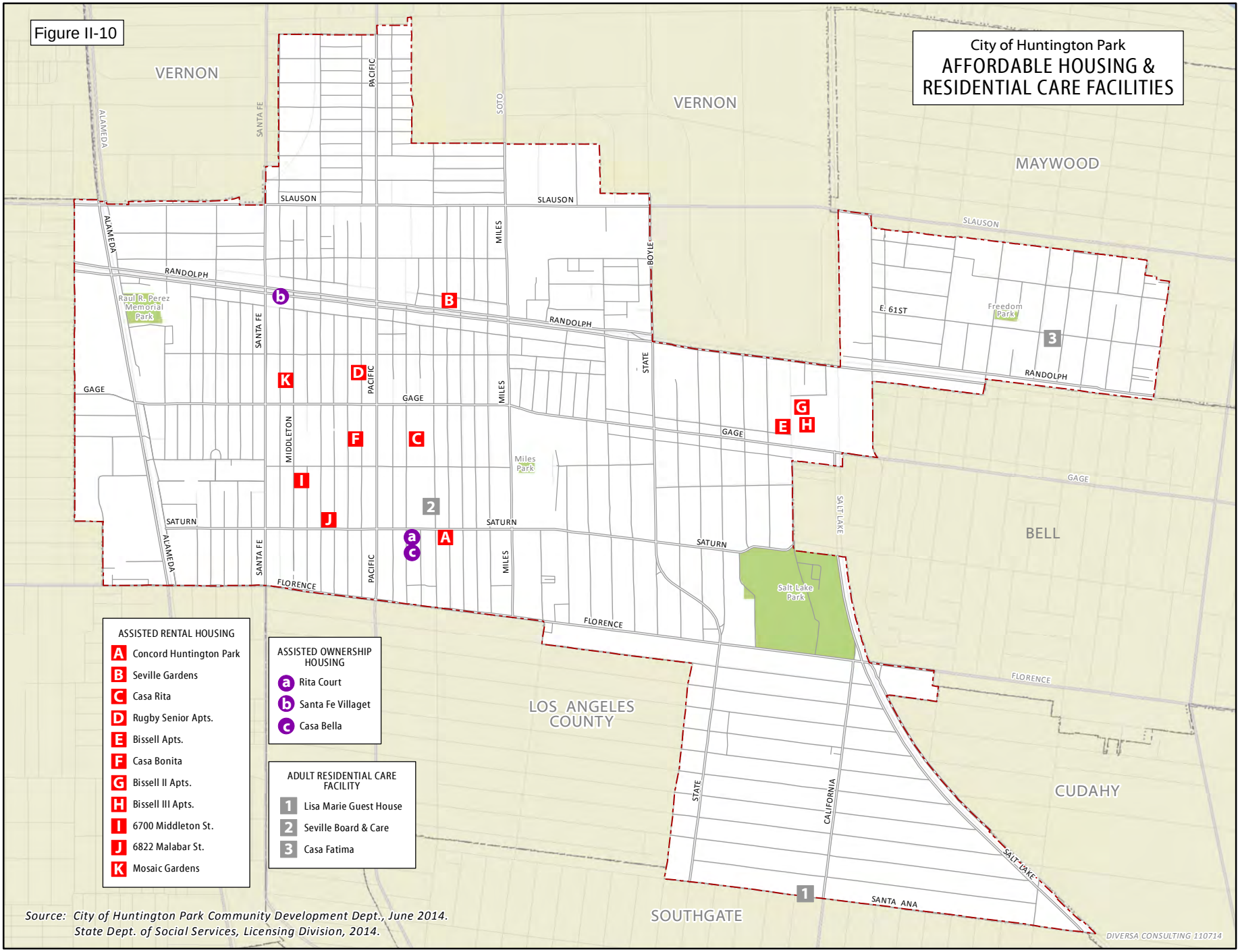
Table II-24 shows the type of facilities located in Huntington Park and their capacity. An over-concentration of residential care facilities can be a fair housing concern if that over-concentration is limited to a certain area of the City. As depicted in Figure II-10, the three adult residential care facilities for persons with disabilities are located in different neighborhoods in Huntington Park. Childcare centers and preschools are also dispersed throughout the community.

Table II-24
Residential Care Facilities in Huntington Park

Licensed Facilities	Facilities	Capacity (beds)
Adult Residential Facility	3	40
Child Care Center	15	833

Source: California Dept. of Social Services, Community Licensing Division, November 2014.

Figure II-10



Source: City of Huntington Park Community Development Dept., June 2014.
State Dept. of Social Services, Licensing Division, 2014.

G. TRANSPORTATION PROFILE

Public transit is important for lower income households, which are often transit dependent. Fair housing choice is enhanced when public transit provides links for those households between housing, job opportunities and other services. Huntington Park is well served by public transit and there are many transportation choices for lower-income residents as well as the elderly and persons with disabilities who may not be able to drive.

Figure II-12 shows the location of major community facilities and transit routes in Huntington Park. A comparison with the City's low and moderate income areas (Figure II-5) illustrates that all of these neighborhoods are well served by public transit.

The Metropolitan Transit Authority (MTA) provides bus service along the City's major arterial roadways. All MTA bus lines are accessible through wheelchair lifts and ramps, and offer reduced fares for persons with disabilities. As for mass transit, the Metro Blue Line runs near the City with a station at Florence Avenue. These services link Huntington Park with the greater Los Angeles Metropolitan area including other major job centers in the area.

The City has utilized Proposition A and C funds to significantly enhance its internal public transportation program, expanding from a senior and handicapped dial-a-ride and taxi voucher program to include two fixed route bus systems known as "COMBI," as well as a Pacific Boulevard shuttle. The transit program is operated by the Oldtimers Foundation out of the Huntington Park Family Center. The City has experienced a significant increase in ridership as a result of these enhancements.

The future Orangeline magnetic levitation (maglev) transportation system proposes using the former Pacific Electric right-of-way and which runs through the Gateway Cities region, including Huntington Park, as part of its route to link Orange County with north Los Angeles County. Discussions are for an Orangeline transit stop in Huntington Park, possibly at Florence Avenue. The ECO-RAPID/OLDA (formerly the Orangeline Development Authority), consisting of the Gateway Council of Governments, Caltrans, the Metropolitan Transportation Authority (Metro), the Southern California Association of Governments (SCAG), and other municipalities, have a programmed allocation of $240 million (funds available in 2015) from the Los Angeles County voter approved Measure R program. The ECO-RAPID/OLDA is currently in the process of assessing viable transportation enhancements to improve passenger mobility and accessibility on the existing rail corridor that extends from Cerritos to Santa Clarita. They are also looking at ways to better link the investment in transit to local economic and development strategies, including Transit Oriented Development. The Measure R portion of the project from Cerritos to Downtown Los Angeles is scheduled to be built by 2027.

H. EMPLOYMENT PROFILE

The Southern California Association of Governments (SCAG) identifies 15,963 jobs in Huntington Park in 2012, which compared to the City's 14,597 housing units translates to a jobs-to-housing ratio of just over 1:1. Of the City's nearly 16,000 jobs, education is the largest job sector, accounting for nearly 30 percent of total jobs in the City. Other primary sectors in Huntington Park include retail (15%), manufacturing (14%), and leisure (11%).

SCAG's employment forecasts prepared as part of the 2012 Regional Transportation Plan (RTP) project Huntington Park employment will increase to 16,800 jobs by 2020, and to 17,400 jobs by the year 2035. This projected increase in 2,800 jobs between 2012 and 2035 is impacted both by the regional economy, and the subregional market for industrial and retail space.

According to SCAG economists, while two economic recessions and globalization were the major factors behind the slow growth in the region in the past two decades, 2.2 million new jobs are projected to be added in the region by 2035. The regional economy will transform, however, from its previous industrial structure of manufacturing oriented businesses to more service oriented industries. The service sector includes professional and business services, education services, and health services.

In terms of the local retail market, Huntington Park is regarded as a regional shopping destination because a significant amount of taxable sales are from non-residents. Pacific Boulevard is the City's main commercial attraction, and is widely known throughout the surrounding Latino community as a commercial, entertainment, and social center. The City has attracted large national retailers, such as Home Depot, Staples and Bally's Fitness.

The City's economy is dominated by education, medical/hospital, manufacturing and retail industries. Table II-25 identifies major employers in Huntington Park with more than 100 employees. Not reflected in this listing of large employers are the numerous small retailers which comprise nearly one-third of the City's business establishments.

Table II-25
Major Employers in Huntington Park

Rank	Name	Type	Employees
1	Huntington Park High & Adult School	Education	400
2	Community Hospital of Huntington Park	Medical	350
3	Food 4 Less	Supermarket	321
4	Home Depot	Home Center	300
5	A-Joffe Furniture Mfr	Furniture Manufacturing	249
6	Saroyan Lumbar Co Inc	Building Material Dealer	200
7	Gage Middle School	Education	150
8	Chester W. Nimitz Middle School	Education	150
9	El Super Store	Supermarket	125
10	Pacific Boulevard School	Education	120
11	El Curacao	Department Store	120
12	Middleton St. Elementary School	Education	110
13	Citizens of Humanity	Clothing Accessories	100
14	Miles Ave. Elementary School	Education	100
15	Ross Dress for Less	Department Store	100
16	Steel Workers Oldtimers Foundation	Individual/Family Services	100

Source: City of Huntington Park, 2014.

Figure II-11 shows the location of the top thirty employers in Huntington Park (with 50+ employees) and their proximity to public transportation. A clustering of these employers are located along the Alameda corridor in the western quadrant of the City, along Slauson Avenue, and within the greater downtown. Because the City is well served by public transit, all these employment centers are within 1-3 blocks of a bus line. Adequate public transit is particularly critical for those households with low and moderate-incomes, which may be unable to afford the costs of an automobile. Thus, transit links between housing and jobs are essential.

The education level of employees is a major concern for local employers. As measured by the 2010 Census, civilian unemployment in Huntington Park was 13.1 percent, unusually high for a Latino community and significantly above the County-wide level of 10.8 percent. As of September 2014, homefacts.com reports unemployment was at 11.8 percent. But in Huntington Park, educational attainment is low, with 54 percent of adults never having completed high school (compared to 23% County-wide), and another 22 percent with a high school only education.

This low level of education correlates to a majority of residents employed in low to modest paying jobs. As shown in Table II-26, 31% of employed residents hold jobs in production, transportation and material moving occupations, which encompasses both low-level jobs as well as higher level manufacturing jobs. Sales and office jobs account for the second largest occupational category at 27 percent, followed by

service jobs at 20 percent, both occupational categories dominated by lower paying jobs. Increasing the educational level of the local workforce is a major tenet of the City's Economic Development Strategy.

Table II-26
Occupations of Huntington Park Residents

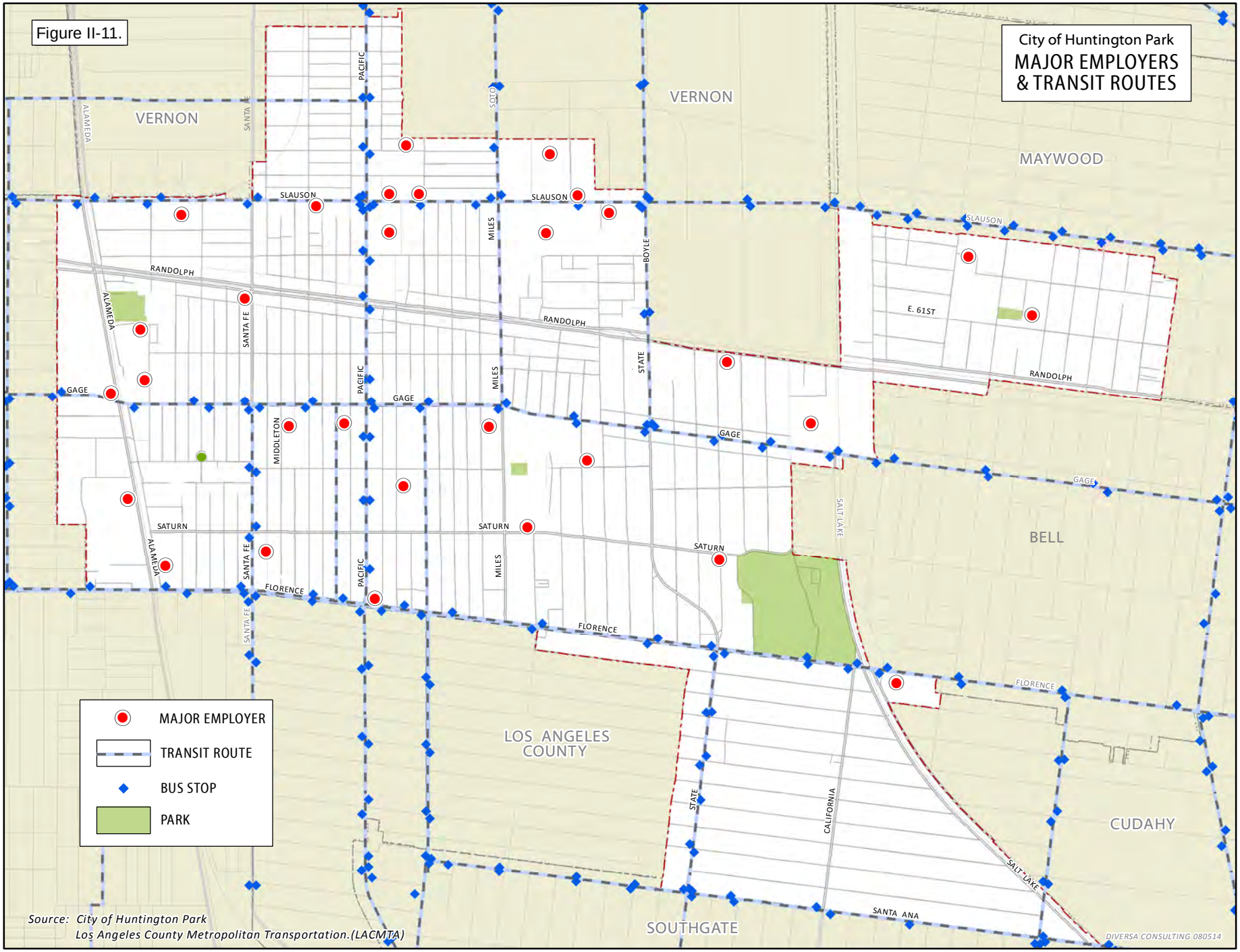
Occupation	Jobs	Percent
Production/Transportation	7,400	31%
Sales and Office	6,520	27%
Services	4,876	20%
Management/Professional	2,810	11%
Construction/Maintenance	2,693	11%
Total Jobs	**24,299**	**100%**

Source: 2008-2014 American Community Survey.

In order to foster growth and expand employment opportunities for residents, the City of Huntington Park has focused efforts on supporting economic growth, encouraging economic diversification, and expanding employment opportunities, as well as the revitalization of the downtown.

Figure II-11.

City of Huntington Park
MAJOR EMPLOYERS & TRANSIT ROUTES



Source: City of Huntington Park
Los Angeles County Metropolitan Transportation.(LACMTA)

I. COMMUNITY FACILITIES

The City of Huntington Park has a wide array of public facilities to serve the needs of its residents. These include six public parks ranging in scale from the 23 acre Salt Lake Park; Freedom and Robert Keller Parks which each comprise approximately two acres; Raul R. Perez Memorial Park encompassing almost five acres; to Senior Citizen Park and Chelsea Park, which are both less than one acre in size. Three of the City's parks (Salt Lake, Raul R. Perez, and Freedom Parks) include community recreation centers, children's playgrounds, basketball courts, turf field areas, and in the case of Salt Lake Park, there is a gymnasium, baseball diamonds and a skate park.

The Oldtimers Foundation owns and operates the Family Center on Gage Avenue which serves as a regional multi-generational community center for seniors, youth and families. The Family Center has the only public swimming pool in the area, although a private pool is available at the YMCA. All four of these community recreation centers provide important services including after-school programs, childcare, senior meals, assistance/advocacy programs, educational programs, and a wide array of recreational activities.

The City has secured State and County grant funds to build a new Mutli-purpose/Community Center at Salt Lake Park. This recreational facility will be designed to accommodate both youth and senior populations, allowing the City to expand its current youth program offerings, as well as augment senior programs offered at the Family Center.

Other community facilities within Huntington Park include the Civic Center, the County Public Library, the Community Hospital, and the Post Office.

Figure II-12 shows the location of the City's six parks and major community facilities, and their location with respect to major transit routes. Because the City is well served by public transit, all community facilities are located in close proximity to major transportation routes, as are all the City's assisted housing projects.

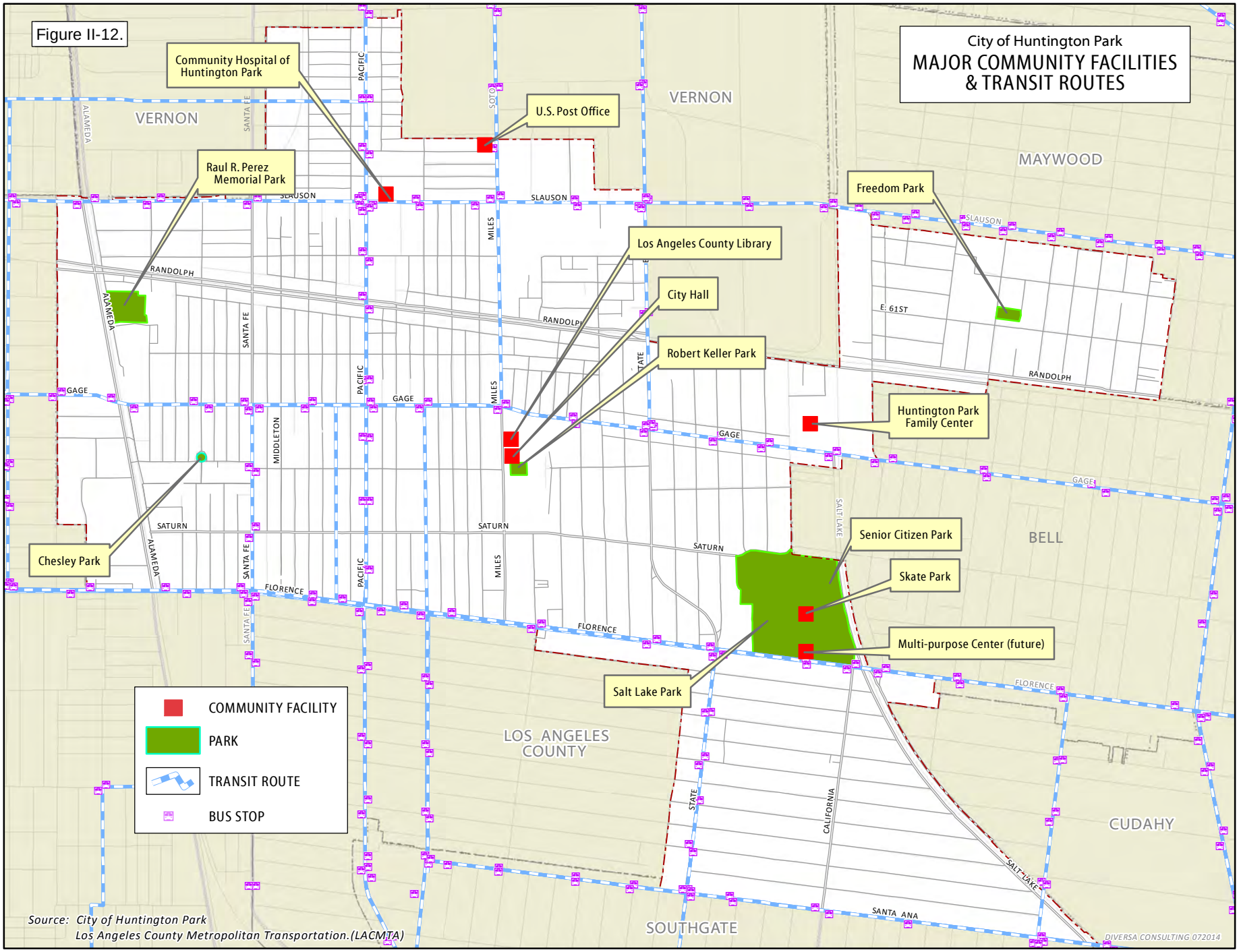


Figure II-12.
City of Huntington Park
MAJOR COMMUNITY FACILITIES & TRANSIT ROUTES
Community Hospital of Huntington Park
U.S. Post Office
Raul R. Perez Memorial Park
Freedom Park
Los Angeles County Library
City Hall
Robert Keller Park
Huntington Park Family Center
Chesley Park
Senior Citizen Park
Skate Park
Multi-purpose Center (future)
Salt Lake Park
VERNON
MAYWOOD
BELL
CUDAHY
SOUTHGATE
LOS ANGELES COUNTY
SLAUSON
RANDOLPH
GAGE
SATURN
FLORENCE
E. 61ST
SANTA ANA
ALAMEDA
SANTA FE
PACIFIC
SOTO
MILES
MIDDLETON
STATE
SALT LAKE
CALIFORNIA
COMMUNITY FACILITY
PARK
TRANSIT ROUTE
BUS STOP
Source: City of Huntington Park
Los Angeles County Metropolitan Transportation.(LACMTA)
DIVERSA CONSULTING 072014

III. FAIR HOUSING PROFILE: EVALUATION AND ASSESSMENT

This section provides an overview of the variety of fair housing and tenant/landlord mediation services available to Huntington Park residents. Recent fair housing complaints and cases are evaluated to assess potential patterns of impediments to fair housing choice. Finally, a summary is provided of comments received at the public consultation workshop on fair housing issues in Huntington Park.

A. FAIR HOUSING SERVICES

All entitlement communities are required by HUD to have a reactive and pro-active fair housing program with specific actions and procedures that will have significant impact on preventing, reducing and eliminating housing discrimination and barriers to equal housing choice for all.

Since 1985, Huntington Park has provided funding to the Fair Housing Foundation (FHF) to assist in the effort to affirmatively further fair housing opportunities in the community. The FHF is a private, non-profit educational agency established in 1964 dedicated to promoting fair housing laws and encouraging an atmosphere of open housing. FHF assists residents, housing professional and community service providers in Huntington Park, and other communities throughout Los Angeles County, with fair housing and general housing concerns through education, enforcement activities, counseling services and outreach from its central office in Long Beach along with a number of satellite service locations.

Specifically, the City of Huntington Park contracts with FHF to provide fair housing services that includes:

- General Housing counseling, mediations, unlawful detainer assistance, and referrals to tenants, managers, and rental property owners;
- Discrimination counseling, complaint intake, in-depth testing, and resolution;
- Audits of housing practices based on areas of concern uncovered through counseling and testing;
- Education and Outreach services target specific areas and concerns. Education and training to Housing Consumers and Housing Providers;
- Workshops and presentations designed to educate the public on fair housing laws and issues;
- Tester and other volunteer training;
- Promoting media interest in eliminating housing violations.

1. Education and Outreach

The FHF conducts extensive community outreach to promote fair housing choice awareness and knowledge. This includes outreach to educate Huntington Park tenants, landlords, owners, realtors, and property managers on fair housing law; to promote media and consumer interest; and to establish grass roots involvement in the community. Education and outreach involves the following four components: 1) Increasing Public Awareness, 2) Programs for Housing Consumers, 3) Programs for Housing Providers, and 4) City Services.

Increase Public Awareness

FHF utilizes several methods to better inform the public on fair housing laws.

- Dissemination of **fair housing literature** including brochures and flyers on federal and state fair housing laws, familial status, persons with disabilities, landlord responsibilities, habitability, evictions, source of income, etc. Brochures are distributed at locations and agencies where members of the protected groups can find them. Community based organizations, social service agencies, real estate offices, rental offices, immigrant rights organizations, government offices, libraries and similar locations are all targeted for brochure distribution. All materials are provided in English and Spanish.

- Use of **Internet and print media.** FHF seeks to maximize exposure to fair housing laws by placing paid advertisements with print media four times per year, as well as running nearly 100 public service announcements each year. Possibly more effective, however, is the increased Internet presence the FHF has obtained within the last few years. Not only does the FHF maintain an active website receiving over 17,000 hits annually, it also has a presence in social media with accounts on both Facebook and Twitter, both used to update interested persons on upcoming trainings, workshops, walk-in clinics, and providing persons access to their e-newsletter.

- Publication of quarterly **fair housing newsletter** and distribution to community based organizations, City department staff, and fair housing advocates. The newsletter includes trends, client stories, a calendar for upcoming events, and statistics.

- Sponsorship of the annual **Fair Housing Poster Contest and Reception** within the schools as part of National Fair Housing Month every April. This presents an excellent opportunity to educate local children to recognize the need to be free of discrimination.

Programs for Housing Consumers

FHF provides fair housing training opportunities free of charge throughout the community. Workshop locations include apartment complexes, senior centers, social service offices, neighborhood groups, libraries, school parent advisory groups, and others. The general types of activities conducted for consumers include:

- **Tenant Workshops** – A two-hour training geared toward tenants that covers an overview of the Fair Housing laws, leases and notices, rules & regulations, a tenant's obligations and guidelines, and specific concerns regarding families with children, occupancy standards and discriminatory rules. A question and answer session follows the training.

- **Booths** – FHF staffs booths and provides fair housing literature at every opportunity available. Typically, fair housing booths are staffed at community centers, fairs, festivals, youth centers, colleges, trade shows, and carnivals.

- **Presentations** – A scheduled, 20-40 minute synopsis of FHF's services and statistics to the City or a community based organization followed by a question and answer session.

Programs for Housing Providers

FHF conducts the following trainings for housing providers including landlords, managers, and realtors on a regular basis:

- **Landlord workshops** – A two-hour training geared toward property owners and managers that covers the Federal and State Fair Housing Laws**,** the rental process, selection criteria, rental agreements, rules & regulations, obligations & guidelines regarding late fees, security deposits, rent increase, termination, etc. The training also covers specific concerns regarding families with children, occupancy standards and reasonable accommodations and modifications. A question and answer session follows the training.

- **Certificate Management Trainings** – A four-hour intensive training geared towards property owners, managers, management companies and real estate professionals that covers a detailed overview of the Fair Housing Laws, general guidelines, families with children, lead disclosure, occupancy limits, reasonable regulations of facilities, people with disabilities, sexual harassment, advertising guidelines, prohibited practices and hate crimes. This training also includes a "What would you do?" session with specific Fair Housing scenarios discussed in a group forum. A question and answer session follows the training.

- **Realtor Trainings** – A four-hour training geared towards Realtors that covers a summary of the Fair Housing Laws, general guidelines, policies and

practices, equal treatment needs and examples and guidelines to showing properties. A question and answer period follows the training.

City Services

FHF provides direct services for Huntington Park that include:

- **Training to City Staff** – FHF conducts annual training sessions for City staff. In addition to an overview of FHF services, fair housing laws and tenant/landlord responsibilities, this training can be used to address specific situations in the City to better serve residents.

- **Walk-In Clinics** – FHF provides fair housing service clinics at City Hall and provides clients with fair housing and general housing assistance by in-person staff.

- **Presentations to City Council and Commissions** – As requested, FHF makes presentations to the City's decision-makers.

2. Investigative Testing and Auditing

The FHF conducts investigative testing in response to allegations of discrimination in the rental or sale of housing. Once sufficient information is gathered that warrants further action, FHF's Housing Coordinator opens a bonafide discrimination case. FHF's Director of Investigations conducts all testing to ensure a non-biased finding. Testing begins within 96 hours of the completed case intake. Appropriateness is determined by the type of discrimination alleged, availability of units, complainant willingness to pursue the complaint, and other significant factors. The vast majority of housing discrimination can be uncovered with the use of these standard investigations which include property searches, scouting, telephone tests, on-site pair tests, document review, statistical analysis, and witness statements. All investigations are done according to the guidelines developed by FHF using resources, such as the J*ohn Marshall Law School Tester's Guide to Fair Housing and Fair Lending Laws*.

Once the investigations are completed, each case is given a finding. For cases with No Evidence, or Inconclusive Evidence, clients are provided with education, provided other referrals as needed, and the cases are closed. For cases that receive a finding that Sustains the Allegation, clients are provided with their options (Conciliation, Administrative Agency Referrals, or Referral to Fair Housing Attorney). A discrimination case can take as little as 30 days and as much as 3 years before final resolution is completed depending on the type of case, the evidence, and the remedy chosen.

In addition to testing in specific properties, the FHF conducts random investigations, or "audits" without a bonafide complainant. Audits are an educational tool used to reveal potential discrimination against a certain protected class of residents in a predominately underrepresented area, or to address deficiencies revealed during general housing and discrimination counseling.

Huntington Park currently contracts with FHF for six discrimination cases on an annual basis. If fewer than six bonafide cases are received, random audits are conducted to fulfill the case output requirement. Audits are structured to focus on a protected class, based on a review of patterns of housing complaints. Over the past three years, the FHF has conducted audits in Huntington Park based on disability and familial status as the protected class. The results of the latest audit conducted in fiscal year 2012/2013 is presented below.

2012/2013 Fair Housing Audit

Through counseling and case management, FHF identified that the most common complaints being alleged in Huntington Park continue to be on the basis of Disability and Familial Status. In 2013, FHF took proactive measures to address these issues in an informative and educational manner. FHF developed a questionnaire based on the housing right of families and persons with disabilities. The internet was used to randomly choose rental housing providers within Huntington Park to participate. The questionnaire was used as a way to have one-on-one contact with the housing provider, introduce FHF's services and engage in an open and interactive dialogue. FHF used the opportunity to address the most common concerns they find in the housing industry today within Huntington Park.

In most cases, FHF found that they were able to educate the rental housing providers on the rights of families and the disabled. If successful, this could avoid complaints of housing discrimination being filed against the provider. Suggestions were offered in order to address areas of concern and to assess how knowledgeable the housing provider was in Fair Housing. A letter was sent to each housing provider thanking them for their participation in the educational audit. FHF also included a list of their free trainings and advised providers of the various trainings available to them throughout the service area.

3. Enforcement

One of the primary roles of the FHF is to provide investigation and response to allegations of illegal housing discrimination. The FHF has received and processed allegations of housing discrimination in Huntington Park for over twenty years. For purposes of this Study, we have reviewed Housing Discrimination Complaint records kept by FHF for the most recent four year period (FY 2010/11-2013/14).

As shown in Table III-1, during the past 4 years, the FHF handled between 8 to 19 discrimination complaint inquiries annually in Huntington Park. Of these inquiries, between 3 and 8 annually rose to the level of a discrimination case with the FHF, and are discussed in greater detail later in this section.

Table III-1
Fair Housing Services – City of Huntington Park

Fair Housing Services	2010/11	2011/12	2012/13	2013/14
Discrimination Services				
Discrimination Inquiries	8	10	12	19
Cases Opened*	3	5	7	8
Special Needs Groups				
Disabled	1	2	3	9
Female Headed	2	3	1	4
Senior		1		1
Ethnicity				
Black Non-Latino	1		2	1
Other - Latino	7	10	9	
Other - Non-Latino			1	
White - Latino				18
Household Income				
Medium Income		1		
Low Income	5	2	2	2
Very Low Income	3	7	10	17
Protected Class				
Familial Status	3	2	6	2
National Origin				2
Race			2	1
Disability	5	7	3	13
Religion			1	
Gender		1		
Sexual Orientation				1

Fair Housing Foundation Annual and Quarterly Reports.
* Note: Fair housing cases may be based on discrimination inquiries from prior years.

Certain special needs groups evidence a high incidence of discrimination complaints. The FHF received numerous complaints from persons with mental and/or physical disabilities in Huntington Park, which has translated into several fair housing cases over the past few years pertaining to equal treatment for residents with disabilities. Female-headed households also initiate a significant proportion of discrimination complaints in Huntington Park.

Twenty-two of the total 23 housing discrimination cases in the City over the past four years were filed by in-place tenants. All of the 23 households filing discrimination cases were either low or very low income, with the exception of one medium income household.

The 2010 Census documents 97 percent of Huntington Park's population as Hispanic. Review of the ethnicity breakdown of the 23 discrimination *cases* in the

City over the past four years reveals 78 percent of the cases have come from Latino households, evidencing a slightly higher incidence of discrimination cases (22%) involving non-Latino households than their limited presence in the City (3%) would suggest. However, analysis of the 49 discrimination *inquiries* received during the same period indicates only five inquiries were made by non-Latino households, representing 10 percent of all inquiries. While there is historic underreporting of housing discrimination issues amongst all ethnic groups, documented fair housing complaints and cases over the past four years in Huntington Park do not support patterns of discrimination against non-Latino households.

A potentially greater issue in Huntington Park is potential "intra-ethnic" discriminatory housing practices within the Latino population. As illustrated previously in Figure II-2, while at the broad census tract level no apparent patterns of intra-ethnic segregation exist, instances of segregation within the Latino community may still be present at the smaller neighborhood level or within specific apartment complexes. According to the Fair Housing Foundation, recent national and local studies have identified a new trend involving "intra-ethnic" discriminatory housing practices perpetrated by people of one national origin against another. The Fair Housing Foundation started collecting national origin data on its clients in 2010. The FHF reports that while they are aware of harassment between Mexican and El Salvadorian nationals, there have been no real complaints, inquiries or cases involving intra-ethnic discrimination in Huntington Park.

Discrimination Cases

Table III-2 displays the number and nature of fair housing cases in Huntington Park during the last four years, as well the findings and outcome of the cases. Issues related to disability comprise the largest proportion of all fair housing cases (11 cases in the past 4 years), followed by familial status (6 cases), race (3 cases) and gender and sexual orientation (1 case each).

Discussions with the Fair Housing Foundation indicate the high level of discrimination complaints from persons with mental or physical disabilities are primarily from in-place tenants alleging harassment and differential treatment, and/or failure of the property owner to make reasonable accommodation for their disability. Several case study examples which follow illustrate the types of subtle housing discrimination that can occur towards persons with disabilities or on the basis of familial status, and how these issues have been conciliated.

Table III-2
Discrimination Cases – City of Huntington Park

Discrimination Cases	2010/11	2011/12	2012/13	2013/14
Protected Classification				
Familial Status	1	1	2	2
Race			2	1
Disability	2	3	2	4
Religion			1	
Gender		1		
Sexual Orientation				1
Total	**3**	**5**	**7**	**8**
Findings				
Sustains Allegations	2	2	1	4
Inconclusive Evidence			1	
No Evidence of Discrimination	1	3	5	4
Pending				
Total	**3**	**5**	**7**	**8**
Disposition				
Successful Conciliation	2	2		2
No Enforcement Action Possible	1	3	7	
Pending				3
Education/Outreach Provided				3
Total	**3**	**5**	**7**	**8**

Fair Housing Foundation Annual and Quarterly Reports.

Fair Housing Case Examples

As indicated in Table III-2, the FHF investigates a variety of different fair housing complaints brought by Huntington Park residents. The discussion below provides an example of two fair housing cases in Huntington Park, and how each was resolved.

***Allegation:* Disability - Physical**

Housing Practice: Reasonable Accommodations

Complainant: Single White/Latino Female with No Children

Facts of the Allegation: The Complainant alleges that she has been discriminated against on the basis of her disability. She claims that the Respondent rented to her in the month of July and allowed her to move in with her two small dogs. The Complainant then placed a kennel box outside of her door in order to house the service/companion animals. The Complainant claims that the Respondent verbally told her to remove the kennel box. Complainant was then given a 30-day notice to terminate tenancy and believes it is because the kennel box is outside her door. Complainant claims that the box is not obstructing her walkway, window or creating property destruction.

Steps in the Investigation: The Fair Housing Foundation opened a fair housing case for the complainant and mailed the complainant a client release form, client narrative and a checklist requesting additional information. FHF also ran a property and owner search for the complaint address. Medical documents were received along with a copy of the signed client narrative, client release form, copy of the rental agreement and the notice. Reasonable accommodation letter was mailed to the Respondent via certified mail requesting a response to the letter. Respondent provided photos of the Complainant's dog houses and the personal belongings that the Complainant has stored around the dog house. Respondent has also provided photos of the dogs on the property not on leashes or attended to by the Complainant. Respondent has agreed to rescind the notice if the Complainant agrees to amend the contract to state that she will keep the service animals in the unit with her, clean after the service animals and not allow the animals to roam the property unaccompanied or without a leash. FHF discussed the terms of the agreement with the Complainant. Complainant is in the process of moving out and is not happy with the terms of the agreement. Complainant claims that the dogs should be allowed to be outside and not be forced to stay inside. Complainant was advised that the dogs would be allowed to be outside as long as they were supervised and the Complainant agreed to clean up after them. Respondent was informed of Complainant decision to vacate the unit and is interested in attending FHF's free trainings. Closing letter was mailed to the Complainant informing her that her case had been closed.

Finding: Sustains Allegation

Resolution: Successful conciliation.

***Allegation:* Familial Status**

Housing Practice: Harassment

Complainant: Single White Latino Male with 1 Child

Facts of the Allegation: The complainant alleges that he has been discriminated against on the basis of his familial status. He claims that the manager does not allow children to come outside and play. He also claims that the manager will yell at the children, and on occasion, has wet the children with the water hose. The police have been called out on multiple occasions and allegedly threatened to arrest the manager if the harassment continues.

Steps in the Investigation: The Fair Housing Foundation began the investigation by running a property and owner search for the complaint address. The FHF then surveyed 8 of the 14 units and found that 7 had minor children living in the unit. One resident stated that her rental contract had rules addressing A children's' activities. Two more residents claimed that they've been told by the manager that children are not allowed to play outside. Another resident says they feel intimidated by the manager and that the manager has tried to charge fees for having guests visit. A conciliation letter was subsequently sent to the manager via certified letter, and was followed up with a phone call to discuss the facts of the allegation along with the terms of the conciliation agreement.

Finding: Sustains Allegation

Resolution: Successful conciliation.

Discrimination Suits

According to the FHF, there has been no fair housing complaint in Huntington Park in which the Secretary of Housing and Urban Development (HUD) has issued a charge of discrimination, nor any housing discrimination suit filed by the Department of Justice (DOJ) in the City. The City Attorney's Office confirms that neither HUD nor DOJ has ever instituted an administrative or judicial action against the City.

Hate Crimes

In response to Congress' passage of the Hate Crime Statistics Act of 1990, the Federal Bureau of Investigation (FBI) collects and publishes data on crimes motivated by racial, religious, ethnicity/national-origin, sexual orientation, and disability bias. From the first year national hate crime data were published in 1992 to 2000, incidents motivated by racial violence comprised the largest portion of hate crime incidents, followed by incidents motivated by a religious bias. Following the events of September 11, 2001, crime incidents motivated by bias against ethnicity/national origin more than doubled and became the second most prevalent reported hate crime behind race.

Hate crimes impact not only the individual victim, but can also affect the entire group associated with the particular bias. Such stereotyping can make victims of all who share the same race, religion, ethnicity or national origin, sexual orientation, or disability.

According to on-line FBI reporting (http://www.fbi.gov/stats-services/crimestats), from 2006 to 2013, the Huntington Park Police Department identified incidents of hate crime in the following years: 2007, 2008, and 2009. During 2007 and 2008, there was one reported hate crime, and two were reported in 2009. All four crimes were based on a racial or ethnic bias:

	Race	Ethnicity
2009	1 crime	
2008		1 crime
2007	1 crime	1 crime

No incidents of hate crime were reported between 2010 and 2013.

In comparison with other California cities, the level of hate crimes per capita in Huntington Park is fairly low. Nonetheless, any hate crime incident is a serious offense, and can be an indicator of racial tensions in a community. One of the recommendations of the AI is to ensure the City's Police Department continues to submit quarterly hate crime data to the FBI, and to coordinate review of this hate crime data between the Police Department and the FHF, evaluating hate crimes as a potential fair housing issue. Should the City ever experience a rise in hate crimes, the Los Angeles County Commission on Human Relations can serve as a resource to maintain a coordinated, consistent, and comprehensive response to hate crimes and inter-group conflicts.

B. LANDLORD-TENANT SERVICES

In addition to fair housing complaints, the Fair Housing Foundation (FHF) receives calls from Huntington Park residents requesting assistance with landlord/tenant issues. Clients, both landlords and tenants, contact FHF regarding a multitude of reasons. They include evictions, lease terms, harassment, illegal entry, late fees, notices, parking, refusal to rent, rent control, rent increases, Section 8, security deposits and unlawful detainers. The FHF Housing Counselors resolve general housing inquiries through a variety of methods:

Counsel and resolve: Well over 82% of all landlord tenant issues are resolved without referrals. Many client issues can be resolved through counseling by informing them of the law, civil codes, rights and responsibilities, and the remedies available to them. For instance, if a tenant calls regarding rent increases, the FHF ensures that the owner/manager is following the proper procedures of providing either a 30 or 60 day notice, informs the client that the City does not have rent control, and provides them with alternatives such as moving or possible negotiations with the owner/manager. In cases where the owner/manager is the client, the FHF provides them with the proper procedures to follow for requesting the rent increases. In the event a tenant is being evicted, FHF verifies that it is not based on discriminatory factors, and the owner/manager is following the proper procedure, and then informs them what the eviction process is and counsels them that it is in their best interest to conform to the eviction as required in order to not have an unlawful detainer filed and affect their future ability to rent.. Many clients in Huntington Park are dealing with habitability issues. In these cases, we provide the clients with remedies and inform about the risks. Some would include: the repair and deduct; and rent withholding methods for getting their repairs made.

Unlawful Detainer Assistance: Clients receiving Unlawful Detainers can contact FHF, make appointments and receive assistance with completing their paperwork. Although FHF staff will not represent the client in court, FHF staff will attend the Unlawful Detainer hearing and speak as a witness when requested.

Mediations: FHF also uses mediations to resolve disputes. In mediation, FHF staff acts as a neutral third party to facilitate dispute resolution between two disagreeing parties. In order to mediate, both parties must want the mediation and agree to enter into good faith resolution agreements.

Referrals: Many clients contact FHF for problems not related to fair housing or general housing issues or require services not provided by FHF such as on-site health department reviews. In these cases FHF provides referrals to other resources for assistance. FHF maintains a massive referral list by jurisdiction for the wide variety of callers or walk-in clients who request

assistance. The referrals lists include City and County housing departments, building and safety departments, health and sanitation departments, police departments, the County Assessor's office, and city council members' offices. Referrals to DFEH and HUD are also included on the list. Multiple landlord/tenant calls also are directed to the County and State departments of Consumer Affairs. Additionally, FHF often refers to legal aid offices, bar associations, tenant advocacy groups, apartment owner associations, civil rights organizations, housing authorities, and other resources.

Table III-3 presents information on Huntington Park clients provided with general housing counseling, mediation, unlawful detainer assistance and referral services by the FHF between July 2010 and June 2014. During this four year period, the FHF handled complaints or requests for assistance involving over 1,000 Huntington Park tenants or landlords. Of these complaints, nearly one-third were related to rent notices, with an average of 80 inquiries on an annual basis. Other significant housing issues included habitability (15%), security deposits (8%), and unlawful detainers (7%). In terms of resolution, the FHF was able to resolve nearly 90 percent of the complainant's issues, with the balance of complainants referred to another agency such as Code Enforcement or the Discrimination Department.

Based on the nature of tenant complaints, the FHF observes several housing concerns occurring in Huntington Park. One of the major concerns is the shortage of affordable rental units suitable for large families. Health and safety issues are also a concern, as noted by the prevalence of habitability complaints. Many tenants are reluctant to complain about needed repairs and substandard conditions for fear of retaliation by the landlord.

Table III-3: Landlord/Tenant Services - City of Huntington Park

Housing Issue	2010/11	2011/12	2012/13	2013/14
Abandonment	2	1	4	1
Accommodations	3	6	1	8
Commercial Property	2	2	0	0
Eviction	12	7	12	18
Foreclosure - Owner	5	1	0	0
Foreclosure – Tenant	9	7	10	1
General Issue	7	13	3	8
Habitability	23	33	52	47
Harassment	1	10	8	9
Illegal Entry	3	2	3	3
Late Fees	3	3	1	1
Lease Terms	5	6	13	3
Illegal Lockout	1	2	2	0
Notices	77	73	88	81
Nuisance	1	1	2	2
Other Issue	1	2	0	0
Parking	3	3	0	0
Pets	1	2	3	1
Property for Sale	0	1	2	1
Refusal to Rent	0	2	0	0
Relocation	1	1	1	2
Rent Control	1	1	2	0
Rent Increase	19	10	14	17
Retaliation	22	4	4	9
Rights/Responsibilities	0	0	13	20
Section 8 Information	10	0	0	0
Security Deposit	17	20	14	29
Unlawful Detainer	13	13	23	20
Utilities	0	4	6	9
Total	**233**	**230**	**281**	**290**
Housing Resolutions	**2010/11**	**2011/12**	**2012/13**	**2013/14**
Building and Safety	0	0	1	0
CA Tenants Book	0	0	1	1
Code Enforcement	2	4	11	16
Consumer Affairs	2	4	2	0
Correspondence	19	6	29	17
County Assessor	1	0	3	0
Discrimination Dept	6	9	9	19
Health Dept	1	0	1	3
Housing Authority	1	1	0	0
Legal Aid	1	1	0	1
Mediation	9	6	4	13
Referred to an Attorney	0	0	0	2
Rent Stabilized	0	0	1	0
Resolved	183	191	194	177
Small Claims Court	0	0	1	21
Training	0	0	10	6
U.D. Assistance	8	8	14	7
U.D. Completed	0	0	0	7
Total	**233**	**230**	**281**	**290**

Fair Housing Foundation Annual Reports

C. COMMUNITY FAIR HOUSING WORKSHOP

Numerous public and private agencies were contacted to provide input regarding fair housing issues in Huntington Park during development of the AI. A consultation workshop was conducted with the City's fair housing contractor and affordable housing providers, lenders, and groups representing special needs populations to discuss potential impediments to fair housing, and to brainstorm potential strategies for the City and its community partners to address. Approximately 21 agencies were invited to attend the workshop held on August 27, 2014 at City Hall. The following agencies were represented at the meeting: Oldtimer's Housing Development Corporation, the Huntington Park Chamber of Commerce, Brabant Realty & Management, Wilshire Bank, Fair Housing Foundation, the Southeast Churches Service Center (SCSC), and the L.A. Legal Community Center.

Comments from the workshop are summarized below, and have provided input into development of recommendations for the AI.

Fair Housing Foundation (FHF)

- FHF provided an overview of fair housing and general tenant/landlord services for the attendees. Indicate they serve not only tenants, but landlords with fair housing issues and concerns.

- Conduct extensive fair housing education and outreach in Huntington Park on an annual basis, including distribution of fair housing literature (3,000+ pieces), public service announcements (20), two landlord workshops, two tenant workshops, four certificate management trainings for property owners/managers, presentations to community based organizations, staff fair housing booths at community events, etc.

- Biggest fair housing issues in Huntington Park pertain to physical disability and familial status.

Steelworkers Oldtimers Housing Development Corporation (OHDC)

- OHDC works out of the Family Center on Gage Avenue in Huntington Park and provides several different services including senior nutrition, child care, literacy programs and affordable housing.

- The biggest problem is that there is not enough affordable housing in Huntington Park, and the increase in rents is impacting lower income households. Rent increases are particularly acute for seniors on fixed incomes. The magnitude of this need is highlighted by the 2 year waiting list for their properties.

- OHDC owns and manages several properties in Huntington Park as affordable housing. OHDC has seen an increase in reasonable accommodation requests, however not always from disabled renters. Requests are for air conditioning, or for fan with remote control. Wants to know if owner is required by law to make these accommodations.

    - FHF Response: Owners should allow such accommodations to be paid for by tenant. However, if issue is due to physical disability, documentation should be requested such as a doctor's note, and the owner should make accommodation.

- Would like to see illegal citizenship status as a protective class in fair housing laws.

- As a CHDO (Community Housing Development Organization), OHDC has historically been granted multi-year funding contracts under the City's HOME program, and is looking at opportunities for future affordable housing development.

Southeast Churches Service Center (SCSC)

- SCSC is a non-profit agency that assists the homeless and near homeless populations in Huntington Park and surrounding cities. They provide a free food program, and assist clients with motel vouchers and bus tickets.

- SCSC concerned about lack of homeless shelters in the community. Also a concern for lack of transportation (bus routes) to nearest homeless shelter in the city of Bell.

- Interested in establishing rent control in Huntington Park.

L.A. Legal Community Center

- Interested in rent control. Encourages City to analyze establishing a local rent control ordinance, particularly to benefit areas that experience severe overcrowding and severe overpayment.

    - FHF Response: Agrees that rent control results in more inspections and inquiries on habitability issues subsequently decrease.

- Interested in Systematic Inspection Program.

    - FHF Response: Owners should be required to register their rental units and be required to get training in fair housing, as many owners are uninformed about fair housing laws.

Wilshire Bank

- Wilshire Bank offers community development loans to assist developers and business owners who invest in Enterprise Community or Empowerment Zones to revitalize neighborhoods and transform communities.

- Wilshire Bank also offers affordable housing developer financing for projects that help low and moderate income households.

- Interested in learning about legalizing illegal additions and granny flats.

    - Manuel Acosta, City Housing Manager Response: Challenge with an Amnesty Program is that legalizing unpermitted additions and granny flats would require more parking and would need to be brought up to code. Not enough staff to accommodate workload.

- Question - are “No Section 8” advertisements illegal?

    - FHF Response: No, not illegal. Landlords do not have to accept Section 8 vouchers. Reasons landlords do not accept Section 8 include: 1)prejudice against people on Section 8, a perception that they are not good renters/people; and 2) process for applying is not friendly to owners.

    - Oldtimers Response: OHDC prefers Section 8 tenants because of guaranteed income.

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IV. REVIEW OF POTENTIAL IMPEDIMENTS

This section evaluates potential public and private sector impediments to fair housing choice in Huntington Park. Public sector impediments discussed include planning and zoning regulations, building and accessibility codes, development fees, and representation on City Commissions and Committees. Private sector impediments discussed include real estate practices and an analysis of mortgage lending practices.

A. PUBLIC SECTOR IMPEDIMENTS

Public policies may affect the pattern of housing development, availability of housing choices, as well as access to housing. This section of the AI reviews the various public policies that may impact fair housing choice in Huntington Park, including:

- Local zoning, building and occupancy codes;
- Provision for a variety of housing types;
- Public and administrative policies affecting housing activities;
- Moratoriums or growth management plans;
- Residential development fees;
- Community representation on planning and housing commissions.

1. Local Zoning, Building and Occupancy Codes

Land Use and Zoning Controls

The 1996 Land Use Element of the General Plan sets forth the policies for guiding local development. These policies, together with existing zoning regulations, establish the amount and distribution of land to be allocated for different uses within the City. Housing supply and costs are affected by the amount of land designated to residential use and the density at which development is permitted. Approximately 42 percent of the total acreage in Huntington Park is allocated to residential uses.

Table IV-1 outlines the various residential uses permitted in Huntington Park. Densities up to 20 units per acre are permitted in the City's three residential zones, with densities up to 70 units per acre permitted in the Central Business District, both as stand alone residential and mixed use projects. In addition, the City has an Affordable Housing Overlay district which allows densities of 70 units per acre, a Senior Housing Overlay district, which allows a density of 225 units per acre for senior housing, and a Single Room Occupancy (SRO) overlay district, which allows up to 400 units per acre for SRO developments.

Table IV-1
Residential Land Use Designations

General Plan Land Use Category	Zoning Designations	Maximum Density (units/acre)	Residential Types Permitted
Low Density Residential	R-L	8.7	Low density single-family dwellings
Medium Density Residential	R-M	17.4	Medium density single-family attached and detached dwellings. Multi-family structures with 2-3 units
High Density Residential	R-H	20	Multi-family housing and condominiums. Senior housing and SRO units in the overlay areas
Central Business District/Residential	Downtown Specific Plan	70 225 (senior hsg) 400 (SROs)	Multi-family housing. Senior housing. SROs.
Senior Housing Overlay	R-M, R-H, C-G, PV	225 (senior hsg) 400 (SROs)	Senior housing. SROs.
Affordable Housing Overlay	C-G	70 225 (senior hsg) 400 (SROs)	Multi-family housing. Senior housing. SROs.
Single Room Occupancy Overlay	C-G	400	SROs

Source: City of Huntington Park General Plan and Municipal Code.

Residential Development Standards

The City's Zoning Code provides three primary residential zones, mirroring the residential land use categories in the General Plan. High Density Residential is also conditionally permitted in the Commercial Professional (C-P) and Neighborhood Commercial (C-N) zones, and permitted by right within the Downtown Specific Plan (DTSP). Table IV-2 summarizes the City's standards for residential development.

Table IV-2
Residential Development Standards

Development Standard	R-L	R-M	R-H	C-P*	C-N*	DTSP
Density (dus/acre)	8.7	17.4	20, 225 for senior hsg, 400 for SRO	20	20	70, 225 for senior hsg
Min. Lot Area (sf)	5,000	5,000	15,000	5,000	5,000	Differs by district - refer to Table IV-2a
Lot Width (ft)	45	45	100	50	50	
Lot Depth (ft)	80	100	100	0	0	
Front Setback (ft)	20	15	10	5	5	
Rear Setback (ft)	10	10	10	0	0	
Side Setback (ft)	4 feet, plus one foot for each story above one			0	0	
Min. Unit Size (sf)	1,000	850	Studio – 500 1 bedroom – 600 2 bedroom – 750 3 bedroom – 900 150 for each additional bedroom			
Lot Coverage	45%	55%	65%	1.0 FAR	1.0 FAR	
Height (ft)	35 2 stories	35	45**	40	30	

Source: City of Huntington Park Zoning Code
* C-P and C-N zones allow residential, subject to a CUP
** Building heights may be increased up to 100 feet by the Planning Commission as part of a Development Permit application.

With adoption of the Downtown Specific Plan (DTSP), the approximately 85 acre Central Business District is divided into the following four downtown districts:

A - Gateway
B - Festival
C - Neighborhood
D- Zoe

One of the key goals of the DTSP is to further integrate housing in the Downtown to create a lively 24 hour environment, and to establish a solid multi-modal, mixed-use environment where housing, employment, retail, and transportation are effectively located and symbiotic in nature.

The following Table IV-2a summarizes the residential development standards within each of the four downtown districts. For mixed use projects, building intensities are regulated through Floor Area Ratio (FAR), whereas stand alone residential projects are regulated through a standard density measure of units per acre.

Table IV-2a
Residential Development Standards - DTSP

Specific Plan District	FAR	Max. Density	Min. Lot Area	Min. Front/Rear Setback*	Max. Building Height	Residential Allowed on First Floor
A - Gateway	2.0 - 4.0	70 du/ac	5,000 sf	0'/0'	84 ft	No
B - Festival	2.0 - 4.0	70 du/ac	5,000 sf	0'/0'	60 ft	No
C - Neighborhood	0.5 - 2.0	70 du/ac	5,000 sf	10'/10'	35 - 60 ft	Yes
D - Zoe	1.0 - 3.0	70 du/ac	5,000 sf	10'/0'	35 ft	No**

* A zero sideyard setback is required throughout the DTSP.
**Residential permitted on ground floor if not fronting Zoe Avenue.

Parking Standards: The City has adopted the following parking requirements for residential development:

Single-family detached:	2 spaces in garage
Single-family attached:	2 spaces in garage, 1 uncovered guest space/3 units
Multi-family residential:	2 covered spaces + 1 uncovered guest space/3 units
Affordable Housing:	1.25 - 2 spaces/unit + 1 uncovered guest space/5 units
Senior Housing:	1 space/2 guest rooms
Second Dwelling Units:	1 space covered or uncovered
Single Room Occupancy:	1 space/4 guest rooms

The City's single and multi-family parking standards of two spaces per unit are established to provide adequate on-site parking to address the needs of Huntington Park's predominately large family households. However, the City recognizes the added costs parking contribute to development, and studies which document lower rates of automobile ownership within affordable housing developments. Therefore, the City has adopted reduced parking requirements for developments with an affordable housing component.

Within the Central Business District, the Downtown Specific Plan allows for fulfillment of off-street parking requirements through payment of an in-lieu parking fee for properties within 500 feet of public parking. For properties within 1,250 feet of a public parking lot, 50% of the off-street parking requirement may be fulfilled through payment of an in-lieu fee. Furthermore, the Downtown Specific Plan provides for a reduced parking requirement of 1.5 spaces/unit plus 1 guest space /6 units for multi-family residential units 800 square feet or less in size.

In addition to the basic zoning districts, Huntington Park has adopted several provisions within its Zoning code that facilitate a range of development types and encourage affordable housing:

Density Bonus/Affordable Housing Ordinance

In order to encourage the development of affordable housing, the City has adopted a local Density Bonus/Affordable Housing Ordinance, which it updated in 2009 consistent with State law. In summary, applicants of residential projects of five or more units may apply for a density bonus and additional concession/incentive(s) if the project provides for construction of one of the following:

- 10% of the total units in a housing project for lower income households; or
- 5% of the total units in a housing project for very low income households; or
- A senior citizen housing development, or mobile home park that limits residency based on age requirements for housing for older persons; or
- 10% of the total units in a common interest development for moderate income households, provided that all units in the development are offered to the public for purchase.

The amount of density bonus to which the applicant is entitled varies according to the amount by which the percentage of affordable housing units exceeds the minimum percentage established in the Inclusionary Housing Ordinance, but generally ranges from 20-35% above the specified General Plan density.

In addition to the density bonus, eligible projects may receive one to three additional development concessions/incentives, based on the applicant demonstrating that it is not financially feasible to build the project without the concessions. The number of concessions a project may be eligible for is based upon the proportion of affordable units and level of income targeting, as illustrated in Table IV-3:

Table IV-3: Density Bonus Concessions

Income Level	% Affordable Units	Number of Concessions
Very Low Income	5% 10% 15%	1 2 3
Low Income	10% 20% 30%	1 2 3
Moderate Income (for-sale condo or planned development)	10% 20% 30%	1 2 3

Senior Housing Overlay/Development Standards for Senior Housing

The City's Zoning Code establishes modified development standards to facilitate the provision of senior housing (age 55+). Senior housing is permitted at densities up to

225 units per gross acre within the Senior Citizen Housing Overlay, or the underlying residential density within other zoning districts. A reduced parking ratio of one space for every two guest rooms is provided. The minimum floor area is as follows:

Studio:	410 square feet
1 bedroom:	570 square feet
2 bedroom:	670 square feet

The City's standards have been used to accommodate several senior housing developments in the City, as listed in the Housing Needs Assessment. Disabled persons may also occupy the senior housing units.

Affordable Housing Overlay/Development Standards for Affordable Housing

As a means of addressing the community's need for affordable family housing, in December 2009 the Huntington Park City Council amended the Municipal Code to designate a three acre area in the northern portion of the City with an Affordable Housing (AH) Overlay. Properties designated with the AH Overlay are permitted to be developed with either affordable family housing at densities up to 70 units per acre, or senior housing at densities up to 225 units per acre.

In conjunction with adoption of the AH Overlay, the City adopted modified development standards designed to facilitate affordable housing on a Citywide basis. Projects which provide a minimum of 20 percent units affordable to either: a) very low to low income renters, or b) low to moderate income homebuyers may utilize the following standards, subject to an Administrative Development Permit:

- Reduced lot size
- Increased height of up to ten feet
- Reduced unit size

Studio:	500 square feet
1 bedroom:	600 square feet
2 bedroom:	750 square feet
3 bedroom:	900 square feet
4+ bedroom:	900 sf plus 150 sf for each bedroom >3

- Reduced parking

0-1 bedroom:	1.25 spaces/unit
2-3 bedroom:	1.75 spaces/unit
4+ bedroom:	2 spaces/unit
Guest:	1 space/5 units

All units within an affordable housing development project, regardless of affordability restriction, shall not differ in appearance and shall be designed to contain all the same amenities, architectural features, and/or other similar elements. Applicants whose projects fulfill the affordability parameters under State density bonus law may instead chose to utilize the incentives available under State law.

Condominium Conversions

The City's Zoning Code regulates the conversion of rental units to condominiums through a Conditional Use Permit process as a means of managing the undesirable aspects of conversion projects on tenants and the stock of rental housing in the community. Prior to approval of a conversion, the Commission must find the following:

- The project would not adversely affect the supply and availability of rental housing in the City or within a specified area of the City
- At least 25% of the project's tenants qualify for purchase of units

Additional tenant protections include: direct noticing of the public hearing on the proposed conversion; minimum 120 day notice to vacate if the conversion is approved; allowance for tenants with children to extend their lease until the end of school year; tenant right of first purchase; and arrangement for equivalent housing facilities (at the tenant's expense) for tenants purchasing units but temporarily displaced by renovations.

Building Codes

The City has adopted the latest editions of the State Uniform Building and Housing Codes which establish minimum construction standards necessary to protect the public health, safety and welfare. The local enforcement of this code does not unduly constrain the development of housing. One of the most effective ways for reducing time delays and ensuring a smooth operation of the application process is the pre-submittal exchange of information and problem solving that takes place on most projects.

Occupancy Standards

Local occupancy standards more stringent than those established by the State have been deemed unconstitutional by the courts; the Huntington Park Zoning Ordinance does not contain residential occupancy standards. All California jurisdictions are mandated to follow the occupancy standards established under the State Uniform Housing Code (UHC). The UHC requires that every dwelling, except studio apartments, have one room with at least 120 square feet of floor area. Two persons are permitted to use a room for sleeping purposes if it has a total area of not less than 70 square feet. When more than two persons occupy a room, the required floor area must be increased by 50 square feet per occupant. The UHC is based on health and safety considerations, and is not intended to discriminate based on familial status.

2. Provision for a Variety of Housing Types

Through its zoning powers, Huntington Park provides development opportunities for a variety of housing types to promote diversity in housing price and style to meet the needs of its residents. Table IV-4 summarizes the housing types permitted in each of the Huntington Park zoning districts where residential uses are permitted.

Table IV-4
Housing Types by Residential Zone Category

Housing Types Permitted	Zoning District							
	R-L	R-M	R-H	C-P	C-N	C-G	DTSP[2]	MPD
Single-Family	P	P	P					
Condominiums	D	D	D				C	
Multiple-Family		D	D				D	
Residential Development (min 20 du/acre)				D	D			
Live/Work Units							C	
Senior Citizen/Congregate Care			C				C	
Single Room Occupancy (SRO)			C				C	
Manufactured Housing	D	D	D					
Second Units	P							
Small Lot Residential Developments		D	D				C	
Group Homes (6 or fewer clients)	P	P	P				P	
Group Homes (7 or more clients)	C	C	C				C	
Transitional Housing[1]		D	D					
Supportive Housing[1]		D	D					
Emergency Shelters						C		P
Convalescent Homes		C	C	C	C	C		

D=Development Permit P=Permitted C=Conditional Use Permit

[1]Assumes transitional and supportive housing is configured as a multi-family residential use, and is therefore subject to a Development Permit. If such housing were configured as a multi-family use, it would be permitted by right within the R-M and R-H zones.

[2] Permitted residential uses vary somewhat within the four districts of the DTSP - refer to pg 102 of the DTSP for details.

Manufactured Housing/ Mobile Homes

Section 65852.3 of the California Government Code requires jurisdictions to administratively allow manufactured homes on lots zoned for single-family dwellings if they meet certain standards.

Huntington Park permits manufactured housing on permanent foundations in all residential zone districts, subject to a Development Permit. The Permit process requires review by the Community Development Director to ensure compatibility of the manufactured home with surrounding uses. The City has adopted the following development standards to govern the installation of mobile and manufactured homes: 1) homes shall have a minimum eave projection of 2 feet on at least 2 opposite sides, with at least 1 foot on any one side; 2) roofs must have a minimum pitch of 1:4 and shall be constructed of non-reflective/non-metallic roofing material; 3) exterior siding shall be non-reflective/non-metallic and shall be installed from the ground up to the roof; and 4) homes shall have a minimum width of 20 feet, unless part of any approved modular style. These architectural requirements are within the parameters of State law, and do not serve as a constraint to manufactured housing.

Zoning Provisions for Group Care Facilities

Section 1566.3 of the California Health and Safety Code requires residential facilities which serve six or fewer persons to be considered a residential use of property for purposes of local zoning ordinances. In addition, the residents and operators of such a facility are considered a family for the purposes of any law or zoning ordinance which relates to the residential use of property, whether or not such persons are related by blood or marriage. No local agency can impose stricter zoning or building and safety standards on these residential facilities – such as a conditional use permit, zoning variance or other zoning clearance - than is required of a family dwelling of the same type in the same zone. The Huntington Park Zoning Code permits group homes serving six or fewer persons by right in all residential zones (R-L, R-M, R-H).

The Health and Safety Code further states that no local zoning ordinance can include residential facilities which serve six or fewer residents in the definition of a boarding house, rooming house, institution or home for the care of minors, the aged, or the mentally infirm, foster care home, guest home, rest home, sanitarium, mental hygiene home, or other similar term which implies that the residential facility is a business run for profit or differs in any way from a family dwelling. In compliance with the State statutes, the City's Zoning Ordinance provides the following definition of group home facilities:

> "*Group home*" means a facility providing residential social and personal care for children, the elderly and people with limited ability for self-care, but where medical care is not a major element. Includes: children's homes; board and care homes; self-help group homes. Note: Convalescent homes, nursing

homes and similar facilities providing medical care are not included under this definition.

Due to the unique characteristics of larger (more than six persons) group care facilities, most jurisdictions require a CUP to ensure neighborhood compatibility in the siting of these facilities. The Huntington Park Zoning Code provides for group care facilities with more than six occupants in R-L, R-M and R-H zone districts, subject to approval of a CUP by the Planning Commission. The Planning Commission is required to make the following findings before granting any CUP:

1. The proposed use is conditionally permitted within, and would not impair the integrity and character of, the subject zoning district and complies with all of the applicable provisions of this Code;
2. The proposed use is consistent with the General Plan;
3. The approval of the Conditional Use Permit for the proposed use is in compliance with the requirements of the California Environmental Quality Act (CEQA) and the City's Guidelines;
4. The design, location, size and operating characteristics of the proposed use are compatible with the existing and planned future land uses within the general area in which the proposed use is to be located and will not create significant noise, traffic or other conditions or situations that may be objectionable or detrimental to other permitted uses operating nearby or adverse to the public interest, health, safety, convenience or welfare of the City;
5. The subject site is physically suitable for the type and density/intensity of use being proposed; and
6. There are adequate provisions for public access, water, sanitation, and public utilities and services to ensure that the proposed use would not be detrimental to public health and safety.

The required findings for approval of a CUP in Huntington Park are directed towards ensuring compatibility of the proposed use and not tied to the user, and therefore are not viewed as a constraint per se to the provision of community care facilities.

The Zoning Ordinance provides the following definition for convalescent homes, which are permitted with a CUP in the R-M and R-H zones, as well as the C-P, C-N, and C-G zone districts.

> "*Convalescent home*" means a licensed facility which provides bed and ambulatory care for patients with post-operative convalescent, chronic illness and persons unable to care for themselves; but not including alcoholics, drug addicts or persons with mental or contagious diseases or afflictions. (Includes "Nursing Home" and "Rest Home").

Huntington Park's zoning regulations do not constrain the provision of group housing and housing for persons with disabilities. The City does not impose any spacing requirements between residential care or other special needs facilities, and does not impose any occupancy standards for unrelated adults which differ from those for families. The City provides reduced parking and unit sizes for senior and disabled housing. Review of the State's Community Care Licensing (June 2014) reveals two adult residential care facilities in Huntington Park - a 12 bed facility and a 24 bed facility.

Zoning Provisions for Emergency Shelters, Transitional and Supportive Housing

The Huntington Park Zoning Ordinance defines "emergency shelters" as follows:

> "*Emergency shelter*" means a facility operated by a nonprofit organization providing temporary housing and minimal supportive services for homeless persons for a period of no more than six (6) months.

To facilitate the development of emergency housing, the City amended the Zoning Code in 2010 to accommodate emergency shelters as a permitted use. Emergency homeless shelters housing up to 30 persons are a principally permitted use in the Manufactured Planned Development (MPD) zone, provided the property boundaries are located more than 500 feet from a residential zone, public park, or school and 300 feet away from any other shelter. Shelters may also be established in the General Commercial (C-G) zone, subject to a conditional use permit, with shelters housing more than 30 persons conditionally permitted in the MPD zone.

SB 2, effective January 2008, amended California Housing Element law regarding planning and approval for transitional and supportive housing. Specifically, SB 2 requires transitional and supportive housing to be treated as a residential use and only subject to those restrictions that apply to other residential uses of the same type in the same zone. For example, if the transitional housing is a multi-family use proposed in a multi-family zone, then zoning should treat the transitional housing the same as other multifamily uses in the proposed zone.

Consistent with SB 2, Huntington Park has incorporated the following definitions of transitional and supportive housing into the Zoning Ordinance, and permits these uses in residential and commercial zoning districts subject to those restrictions that apply to other residential dwellings of the same type in the same zone.

> *"Transitional housing" means temporary housing for a homeless individual or family transitioning to permanent housing for stays of at least six (6) months. Housing can take several forms, including group housing or multi-family units, and may include supportive services to allow for necessary life skills in support of independent living.*

> *"Supportive housing" means the same as transitional housing; however, there is no limit on the length of stay, and on-site or off-site services must be provided as part of the program. Services may include assistance in retaining housing, living and working in the community, and/or improving health and may also include case management, mental health treatment and life skills. Under the California Health & Safety Code, the target population for this housing type consists of low-income persons with disabilities (including substance abuse), chronic health conditions, and similar problems.*

Zoning Definition of a Family

The California courts have invalidated the following definition of "family" within jurisdictions Zoning Ordinances: (a) an individual, (b) two or more persons related by blood, marriage or adoption, or (c) a group of not more than a certain number of unrelated persons as a single housekeeping unit. Court rulings state that defining a family does not serve any legitimate or useful objective or purpose recognized under the zoning and land planning powers of the city, and therefore violates rights of privacy under the California Constitution. A zoning ordinance also cannot regulate residency by discrimination between biologically related and unrelated persons.

In response to these court rulings, the City of Huntington Park has adopted the following definition of "family" within the Zoning Ordinance:

> "*Family*" means one or more persons occupying a premise and living as a single non-profit housekeeping unit, as distinguished from a group occupying a boarding or lodging house, hotel, club or similar dwelling for group use. A family shall not include a fraternal, religious, social or business group. A family shall be deemed to include domestic help employed by the family.

Zoning Provisions for Second Units

In 2009, Huntington Park updated the definition of a second unit within the Zoning Code as follows:

> "*Second dwelling unit*" means a dwelling unit located on the same lot as the primary single-family dwelling, which the second unit is either attached to, or detached from, and which provides complete, independent living facilities for no more than two persons. A second unit shall include permanent living facilities including permanent but separate provisions for living, sleeping, eating, cooking and sanitation and shall contain a full bath, a kitchen and not more than one bedroom.

AB 1866, which took effect in 2003, modified California law pertaining to local zoning for second units, requiring a ministerial permit process for second units, which means without a public hearing or discretionary approval. AB 1866 also establishes maximum parking requirements of one space per unit, unless a finding is made that

additional parking requirements are directly related to the use of the second unit and are consistent with existing neighborhood standards.

The City of Huntington Park has amended its Zoning Code to eliminate the conditional use permit requirement for second units, and as reflected in Table IV-4, permits second units as of right in the R-L zone district. The City has also modified its development standards to better support the creation of second units, which typically offer a more affordable rental option than apartments, as well as providing housing options for seniors, caregivers, and family members. Development standards include:

- Allowance for second unit to be within, attached, or detached from single-family dwelling
- Minimum R-L parcel size of 6,250 square feet
- Second unit may range from 500 to 650 square feet
- Off-street parking of one space (in addition to two spaces for main units). Parking for second unit may be uncovered

Accessibility for Persons with Disabilities

Reasonable Accommodation: Both the federal Fair Housing Act and the California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodations in their zoning and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use a dwelling. For example, it may be a reasonable accommodation to allow covered ramps in the setbacks of properties that have already been developed to accommodate residents with mobility impairments. The City of Huntington Park allows property owners to build ramps into residential structures to allow first floor access for physically disabled residents. According to the City's Planning Manager, ramps of up to 18" in height are allowed by right as an encroachment in the front setback of any residential zone. These provisions eliminate the need to obtain a zoning variance.

In December 2009, the City of Huntington Park adopted a reasonable accommodation ordinance to provide reasonable adjustments to its rules, policies, practices and procedures to enable residents with a disability or developers of housing for people with disabilities to have an equal opportunity to access housing in the City. A request for reasonable accommodation may be made by any person with a disability, his/her representative or a developer or provider of housing for the disabled when the application of a zoning law, building code provision or other land use regulation, policy or practice acts as a barrier to fair housing opportunities for the disabled. If at the completion of that process, an accommodation is granted which provides for a deviation to zoning, the Community Development Director (or his or her designee) is authorized to execute a covenant that allows such flexibility, but only as long as the disability exists for that specific applicant.

Residential Accessibility Requirements: The City of Huntington Park has adopted the 2010 edition of the most recent California Building Standards Code which establishes accessibility requirements in Chapters 11A (Housing Accessibility) and 11B (Accessibility to Public Buildings, Public Accommodations, Commercial Buildings and Publicly Funded Housing). Consistent with the federal Fair Housing Act, the State Building Code requires all multi-family structures with four or more units built after March 13,1991 to provide accessible routes throughout the property, and "adaptable" dwelling units to allow conversion to a fully accessible unit without significant costs and the need to do significant structural modifications. In multi-family structures with an elevator, 100% of the units must meet the accessibility requirements, whereas in buildings without an elevator, all of the ground floor units must be accessible. The Code requires compliance with the following seven basic *design and construction requirements for accessible routes and unit adaptability:*

Requirement #1. An accessible building entrance on an accessible route. All covered multifamily dwellings must have at least one building entrance on an accessible route unless it is impractical due to terrain or unusual site characteristics.

- ✓ An accessible route means a continuous, unobstructed path connecting accessible elements and spaces within a building or site that can be negotiated by a person with a disability who uses a wheelchair, and that is also safe for and usable by people with other disabilities.
- ✓ An accessible entrance is a building entrance connected by an accessible route to public transit stops, accessible parking and passenger loading zones, or public streets and sidewalks.

Requirement #2. Accessible and usable public and common-use areas. Public and common-use areas encompass all parts of the housing outside individual units, including - for example - building-wide fire alarms, parking lots, storage areas, indoor and outdoor recreational areas, lobbies, mailboxes, and laundry areas.

Requirement #3. Usable doors (usable by a person in a wheelchair). All doors that allow passage into and within all premises must be wide enough to allow passage by persons using wheelchairs.

Requirement #4. Accessible route into and through the dwelling unit.

Requirement #5. Light switches, electrical outlets, thermostats and other environmental controls in accessible locations.

Requirement #6. Reinforced bathroom walls for later installation of grab bars.

Requirement #7. Usable kitchens and bathrooms. Kitchens and bathrooms must designed so an individual in a wheelchair can maneuver in the space provided.

The above accessibility requirements pertain to new construction only, and not renovations or remodels. However, Chapter 11B of the Building Code applies a more stringent standard for publicly-funded housing, requiring 20 percent of public funds utilized on renovation, structural repair, alterations or additions to existing multi-family buildings be allocated towards removal of architectural barriers.

Section 504 of the Rehabilitation Act of 1973 adds an additional layer of accessibility requirements for projects receiving federal funds, such as HOME or CDBG. In federally assisted new construction or substantially rehabilitated housing with five or more units, five percent of the units, or at least one unit, must be accessible for persons with mobility disabilities. An additional two percent of the dwelling units, or at least one unit, must be accessible for persons with hearing or visual disabilities. These units must be constructed in accordance with the Uniform Federal Accessibility Standards (UFAS), or a standard that is equivalent or stricter. UFAS generally defines an accessible housing unit as a unit located on an accessible route that can be approached, entered and used by individuals with disabilities.

The City of Huntington Park Building Division ensures compliance with all State and Federal accessibility requirements as part of the Plan Check process. During the construction phase, building inspectors conduct site visits to ensure the project adheres to the required accessibility specifications prior to signing off on the final certificate of occupancy.

3. Public and Administrative Policies Concerning Community Development and Housing Activities

Important criteria of the State Department of Housing and Community Development (HCD) approval of any housing element include a determination that the local jurisdiction's policies do not unduly constrain the maintenance, improvement, and development of a variety of housing choices for all income levels. HCD has reviewed Huntington Park's 2008-2014 Housing Element and determined the City's residential land use regulations and procedures do not serve as a constraint, and have certified the City's Housing Element as in compliance with State law.

The City's Housing Element establishes the following goals and policies:

GOAL 1.0: ASSIST IN THE PROVISION OF A RANGE OF HOUSING TYPES TO MEET THE EXISTING AND FUTURE NEEDS OF RESIDENTS.

Policy 1.1: Provide a diversity of residential development types in Huntington Park, including low density single-family homes, moderate density townhomes, and higher density apartments and condominiums in order to address the City's share of regional housing needs.

Policy 1.2: Provide financial and/or regulatory incentives to facilitate the development of affordable housing. Utilize inclusionary housing as a tool within Redevelopment Project Areas to integrate affordable units within market rate developments.

Policy 1.3: Assist residential developers in identifying and preparing land suitable for residential development.

Policy 1.4: Target a portion of Community Development Commission assisted housing toward large family households, and provide zoning incentives, such as reduced lot sizes and density bonuses, to facilitate family housing development.

Policy 1.5: Support collaborative partnerships with non-profit organizations, affordable housing builders, and for-profit developers to provide greater access to affordable housing funds.

Policy 1.6: Require that housing constructed expressly for low and moderate income households not be concentrated in any single portion of the City.

Policy 1.7: Encourage the development of residential units that are accessible to persons with disabilities, or are adaptable for conversion for persons with disabilities.

Policy 1.8: Encourage use of sustainable and green building features in new and existing housing.

GOAL 2.0: MAINTAIN AND ENHANCE THE QUALITY OF EXISTING HOUSING AND RESIDENTIAL NEIGHBORHOODS IN HUNTINGTON PARK.

Policy 2.1 Preserve the character, scale and quality of established residential neighborhoods.

Policy 2.2: Promote the rehabilitation of residential structures that are substandard or in disrepair, and rehabilitation funding for room additions to alleviate overcrowding.

Policy 2.3: Strengthen multi-family neighborhoods through partnership with non-profits in acquisition and rehabilitation of deteriorated properties and provision as long term affordable housing.

Policy 2.4: Continue to utilize the City's code enforcement program to bring substandard units into compliance, and to improve the overall housing conditions in the City.

Policy 2.5: Educate property owners on the benefits of home repair and remodeling using design and materials consistent with the historic character of the residence.

Policy 2.6: Work with property owners, tenants, and non-profit purchasers to facilitate the preservation of assisted rental housing.

GOAL 3.0: MINIMIZE THE IMPACT OF GOVERNMENTAL CONSTRAINTS ON THE MAINTENANCE, IMPROVEMENT AND DEVELOPMENT OF HOUSING.

Policy 3.1: Monitor all regulations, ordinances, departmental processing procedures and fees related to the rehabilitation and construction of housing units to assess the impact on housing costs.

Policy 3.2: Revise the City's Zoning Code to clarify provisions for supportive and transitional housing, and emergency shelters.

Policy 3.3: Allow for reductions in parking for special needs housing on a Citywide basis where the project applicant can demonstrate a reduced need for parking.

GOAL 4.0: PROVIDE ADEQUATE SITES FOR THE DEVELOPMENT OF NEW HOUSING THROUGH APPROPRIATE LAND USE AND ZONING.

Policy 4.1: Implement land use policies that allow for a range of residential densities and housing types to address Huntington Park's regional housing needs.

Policy 4.2: Assist residential developers in identifying sites through dissemination of the sites inventory, and assist in consolidation of parcels within Redevelopment Project Areas.

Policy 4.3: Provide opportunities and incentives for mixed use and infill housing development in the Central Business District as part of the City's overall revitalization strategy. Utilize Redevelopment authority to assemble land and provide land write-downs in exchange for development of affordable units.

Policy 4.4: Encourage and facilitate residential development within the Affordable Housing Overlay, and target a portion of Redevelopment Agency funds towards development of family housing in this area.

Policy 4.5: Permit the development of Single Room Occupancy Hotels (SROs) in the Senior Citizen/Affordable Housing Overlay district to assist in addressing the needs of the homeless and other very low income individuals.

GOAL 5.0: PROMOTE EQUAL OPPORTUNITY FOR ALL RESIDENTS TO RESIDE IN THE HOUSING OF THEIR CHOICE.

Policy 5.1: Continue to cooperate with the Fair Housing Foundation to enforce fair housing laws, and to provide public education and outreach.

Policy 5.2: Inform the Fair Housing Foundation of any known violations of applicable Federal and State laws.

Policy 5.3: Coordinate with the Los Angeles Area Homeless Services Agency (LAHSA) and other local communities in order to provide a continuum of care of services and facilities for the homeless. Support local service providers offering needed facilities and housing support services to homeless individuals and families, and persons at risk of homelessness.

Policy 5.4: Continue to address the special housing needs of persons with disabilities through provision of supportive housing, homeowner accessibility grants, and adoption of a reasonable accommodation ordinance.

4. Moratoriums/Growth Management

Huntington Park does not have building moratoriums or growth management plans that limit housing construction.

5. Development Fees/Assessments

The City imposes processing fees as part of its responsibility to regulate development. The fees cover the actual costs required for processing and providing services and facilities. In general, the fees charged by the City are low relative to other communities, and do not constitute an actual constraint on housing production. Table IV-5 identifies the City's planning and development fees on residential development.

In 2001, the City established a Publicly Visible Art program to improve and enhance the quality of life for individuals living, working and visiting the City. Balanced development of cultural and artistic resources preserves and improves the quality of the urban environment and increases property values. All new residential developments of two or more units, public and institutional buildings, and all commercial and industrial development projects with a construction value of $100,000 are subject to the program, and are required to provide publicly visible art as part of their project, such as sculptures, murals or fountains. Alternatively, projects can contribute one percent of the construction valuation of their project to the City Art Fund. The City's Art Ordinance exempts affordable and senior housing units from the calculation of construction valuation.

In 2004, the City adopted parkland dedication and/or in-lieu parkland (i.e. "Quimby") fees on residential development. Any new residential development of one unit or more, and any addition of one or more units to an existing residential property, is subject to the park dedication requirement. While the parkland standard under the Quimby Act is for three acres of parks per 1,000 population, Huntington Park is severely park deficient with only 0.74 acres of parks per 1,000 residents. The intent of the parkland dedication and/or fee requirement is to require developers to pay a share of the costs for development of new and rehabilitation of existing park and recreation facilities to serve the residents of the development. The amount of the fee is based on approximately 359 square feet per acre of the residential project, multiplied by the fair market land value, currently equating to a Quimby fee of approximately $5,500 per unit. The City's Parkland Ordinance exempts affordable and senior housing units from the fee calculation.

Table IV-5
Planning and Development Fees

Type of Request	Fee
Minor Development Permit Development Permit Preliminary Plan Reviews (1st & 2nd)	$245 $1,628 $217
Conditional Use Permit, Variance	$1,900
Zone Change	$2,170
General Plan Amendment	$3,255
Development Agreement	$2,170
Tentative Parcel or Tract Map Final Parcel or Tract Map	$1,900 County Fee
Environmental Assessment With Categorical Exemption With Negative Declaration With Mitigated Negative Declaration	 $250 $466 $651
Environmental Impact Report	Consultant fee + 25% admin fee
Quimby/Park Development Fees	$5,500/unit
Publicly Visible Art Fee	1% of construction valuation
Building and Safety Plan Check	Approx. 85% of building permit fees
Building and Safety Permit Fees	Approx. 1.5% of valuation

Source: Huntington Park Community Development Department, 2014.

6. Community Representation

An important way to further fair housing is to provide a variety of opportunities for residents to express their concerns about housing and related community development issues. Huntington Park has established six different Commissions addressing a broad comprised of community representatives. The role of these public bodies are discussed below.

Planning Commission: The Huntington Park Planning Commission reviews and makes decisions on a variety of land use matters such as subdivisions, conditional use permits, design reviews, and variances. The Commission also makes recommendations to the City Council on issues pertaining to the General Plan, Specific Plans, zone changes, annexations, ordinances such as the Zoning Code and policy issues regarding development. Decisions are reached at advertised public hearings conducted monthly, and residents, business community members, and concerned citizens are encouraged to attend and participate in the discussion and decision process. The Planning Commission consists of five members appointed by City Council to serve four-year terms. The current composition of the Commission includes three men and two women, all of which are Latino.

Parks, Arts, Recreation and Culture Commission (PARC): This seven member Commission reflects a consolidation of the Parks and Recreation, Arts and Culture, and Youth Commissions. The Commission's purpose is to advise the City Council and City Manager and take a leadership role in promoting and increasing awareness and support for matters involving the youth community, the City's parks and recreation activities, and arts and culture, including making funding recommendations to City Council on these issues. The Commission develops policies to involve the community, particularly youth and artists, in parks and recreation activities and events, selected Capital Improvements projects, and encourage the private sector to include public art, youth oriented facilities and events, and public-use outdoor facilities in private developments. Commissioners serve for a three year term. The current composition includes three men and four women, all of whom are Latino.

Health and Education Commission: The City Council established this Commission in 2005 to make investigations, studies, hold hearings and make recommendations to the City Council and Administrative staff concerning health and education issues. The Commission's role is also to create awareness in the City of health and education matters in general. Commissioners serve a four year term. The current composition of the Commission includes two men and three women, four of whom are Latino and one Caucasian.

Historical Preservation Commission: In September 2006, the City Council established a new Commission focused on preserving the community's historic resources. The role of the Historic Preservation Commission is to prepare, recommend adoption, and implement revisions to the Municipal Code as it pertains to the desired preservation of local resources. The five member Council-appointed commission is to be comprised of three residents, and two professionals in historic preservation related disciplines.

B. PRIVATE SECTOR IMPEDIMENTS

The following section evaluates potential private sector impediments to fair housing, including real estate and apartment association practices, real estate advertising, mortgage lending practices, and covenants.

1. Real Estate Associations and Practices

A variety of real estate associations at the national, state and local level promote fair housing practices among realtors. Organizations relevant to Huntington Park include the National Association of Realtors, the California Association of Realtors, the California Department of Real Estate, and the Southland Regional Association of Realtors.

National Association of Realtors

Since 1996, the National Association of Realtors (NAR) has maintained a Fair Housing Partnership with the U.S. Department of Housing and Urban Development (HUD). As part of this partnership, HUD and NAR have developed a Model Affirmative Fair Housing Action Plan for use by members of NAR to satisfy HUD's Affirmative Fair Housing Marketing regulations. Through this Plan, NAR offers a full spectrum of fair housing resources and training to member realtors.

As part of the NAR Code of Ethics, each member Realtor is required to sign the following fair housing declaration per the HUD-NAR agreement.

- *Provide equal professional service without regard to race, color, religion, sex, handicap, familial status, or national origin of any prospective client, customer, or of the residents of any community.*

- *Keep informed about fair housing law and practices, improving my clients' and customers' opportunities and my business.*

- *Develop advertising that indicates that everyone is welcome and no one is excluded, expanding my client's and customer's opportunities to see, buy, or lease property.*

- *Inform my clients and customers about their rights and responsibilities under the fair housing laws by providing brochures and other information.*

- *Document my efforts to provide professional service, which will assist me in becoming a more responsive and successful Realtor.*

- *Refuse to tolerate non-compliance.*

- *Learn about those who are different from me, and celebrate those differences.*

- *Take a positive approach to fair housing practices and aspire to follow the spirit as well as the letter of the law.*

- *Develop and implement fair housing practices for my firm to carry out the spirit of this declaration.*

In addition to the Code of Ethics, NAR certifies real estate professionals who receive specialized training to work with a diverse population. The "At Home with Diversity: One America" certification program provides planning tools for reaching out and marketing to a diverse housing market in the areas of diversity awareness, building cross-cultural skills, and developing a diversity business plan. Realtors completing the course can display the HUD One America logo and NAR At Home With Diversity logo in their advertising, signaling to prospective buyers that the realtor is knowledgeable about working with diverse populations. Other NAR training tools include brochures for existing and prospective homebuyers on "How to Avoid Predatory Lending" and "Learn How to Avoid Foreclosure and Keep Your Home."

California Association of Realtors

The California Association of Realtors (CAR) is an arm of NAR, and represents nearly 200,000 realtors statewide. Members are required to adhere to the NAR Code of Ethics and sign the Fair Housing Pledge. Huntington Park realtors are served by CAR's Los Angeles office, and have access to numerous services and programs including legislative advocacy, legal programs, and educational training. CAR offers a variety of professional development courses, including training realtors in working with foreclosed properties.

CAR and the Los Angeles Times have host an annual Southern California Homebuyer's Fair at the Los Angeles Convention Center. The Fair features more than 50 educational seminars, including sessions on fixing credit, qualifying for a home loan, and how to purchase foreclosures, short sales and REOs. Several of the sessions are offered in Spanish.

CAR has developed diversity-related initiatives that now serve as models for associations across the country. In 2000, the Association inaugurated a Leadership Summit for the state's ethnic real estate associations to discuss current issues such as subprime loans, predatory lending, and pending legislation. The Leadership Summit occurs bi-annually and has been instrumental in developing the HOPE (Home Ownership Participation for Everyone) Awards program, which awards a $10,000 honorarium to individuals and organizations for success in promoting minority homeownership. C.A.R.'s Leadership Summit also resulted in establishment of the "Diversity Toolkit" designed to assist associations with a wide variety of diversity programs.

California Department of Real Estate (DRE)

The California Department of Real Estate (DRE) serves as the licensing authority for real estate brokers and salespersons in the State. DRE has adopted education requirements that include courses in ethics and in fair housing. State real estate licenses are issued for a four year period, with renewals requiring continuing education courses in each of the four mandated areas: agency, ethics, trust fund, and fair housing. The fair housing course contains information to enable real estate agents to identify and avoid discriminatory practices when providing real estate services to clients.

DRE is responsible for investigation of written complaints received from the public and other real estate agents/brokerages regarding alleged violations of real estate law among licensed real estate brokers and salespersons. Complaints may involve fair housing issues. If DRE determines a violation has occurred, they have the authority to revoke the real estate license. Violations may result in civil injunctions, criminal prosecutions or fines.

Rancho Southeast Association of Realtors (RSAR)

The Rancho Southeast Association of Realtors (RSAR) serves southeast Los Angeles County, including the City of Huntington Park. The organization has been in existence for over 90 years and is one of the most ethnically diverse Association of Realtors in the country.

RSAR's stated objectives are as follows:

- To unite those engaged in the recognized branches of the real estate profession for the purpose of exerting a beneficial influence upon the profession and related interests.
- To promote and maintain high standards of conduct in the real estate profession as expressed in the code of Ethics of the National Association of Realtors.
- To safeguard our members' interest in the real estate profession and to further interests of home and other real property ownership.
- To unite those engaged in the real estate profession in our communities with the California Association of Realtors.
- To designate, for the benefit of the public, those individuals within the state of California authorized to use the term REALTOR as licensed, prescribed and controlled by the National Association of Realtors.

RSAR hosts fair housing seminars in conjunction with the Fair Housing Foundation to update members on fair housing laws. Seminars are held in RSAR's offices in Cerritos, and typically filled to the 60 person capacity. Topics addressed include:

- Overview of FHF and their services
- Summary of federal and state housing laws

- Equal treatment needs and examples
- Guidelines to showing properties
- Fair housing is good business

In addition to fair housing courses, RSAR offers several DRE approved courses every month aimed at assisting realtors in better serving the minority community. These courses typically focus on the needs of a particular ethnic group, and rotate topics to address the broad range of ethnicities in southeast Los Angeles.

RSAR provides mediation and professional standards hearings for issues arising between realtors and the public. The Association serves as the local body for the public, other real estate agents, and brokerages to register complaints about member realtors. If the Association determines the grievance is in potential violation of real estate law, the decision is referred to a Professional Standards Committee, who in turn makes a determination whether the issue should be referred to the State Department of Real Estate (DRE).

2. Apartment Association

The California Apartment Association is the country's largest statewide trade association for rental property owners and managers. Under this umbrella agency, the Apartment Association of Greater Los Angeles (AAGLA) serves Huntington Park.

The CAA supports the intent of all local, state, and federal fair housing laws for all residents without regard to color, race, religion, sex, marital status, mental or physical disability, age, familial status, sexual orientation, or national origin. Members of the California Apartment Association agree to abide by provisions of the Code for Equal Housing Opportunity:

- *We agree that in the rental, lease, sale, purchase, or exchange of real property, owners and their employees have the responsibility to offer housing accommodations to all persons on an equal basis;*

- *We agree to set and implement fair and reasonable rental housing rules and guidelines and will provide equal and consistent services throughout our resident's tenancy*

- *We agree that we have no right or responsibility to volunteer information regarding the racial, creed, or ethnic composition of any neighborhood, and we do not engage in any behavior or action that would result in steering; and*

- *We agree not to print, display, or circulate any statement or advertisement that indicates any preference, limitations, or discrimination in the rental or sale of housing.*

The Apartment Association of Greater Los Angeles (AAGLA) serves all of Los Angeles County including Huntington Park. Through a variety of seminars,

workshops, and educational courses, the Association provides members with information and training on such topics as fair housing laws/regulations, landlord/tenant law, ethics, credit checks, addressing code enforcement violations, lead based paint and mold hazards, etc. AAGLA has a fair housing representative who conducts a fair housing workshop and provides information on fair housing. In addition to workshops and seminars, the Association offers a Registered Residential Manager certification that provides training in landlord/tenant issues, ethics, marketing, property management, fair housing, and other issues.

The Association publishes a monthly magazine, *Apartment Age*, and provides information packets to owners and managers interested in joining the organization. The magazine periodically features articles aimed at educating members about fair housing laws.

With a membership base of approximately 30,000 small business owners, most of the larger property management firms are members of AAGLA and have excellent access to fair housing training. However, given the characteristics of Huntington Park's apartment stock as predominately older and in smaller complexes, a large segment of the City's rentals are not managed by professional management companies, and are not members of AAGLA. These "mom and pop" property managers are more likely to be reached through the landlord workshops offered by the Fair Housing Foundation.

3. Mortgage Lending Practices

Equal access to credit for home purchase, home refinance and home improvements is one of the central tenets of fair housing. The following review of mortgage lending practices in Huntington Park analyzes the following issues: 1) existing lending laws; 2) availability of financing; 3) practices of active lenders; 4) subprime and predatory lending activity; 5) foreclosures and loan modifications; and 6) regulations aimed at curbing discriminatory/predatory practices.

Lending Laws and Regulations

Though equal access to lending is critical to homeownership, lending discrimination against minorities or persons of color has been a serious problem in the United States. As a result of past discriminatory lending practices by financial institutions, the federal government enacted a series of laws aimed at protecting persons from discriminatory lending. Title VIII of the Civil Rights Act of 1968 and the Equal Credit Opportunity Act of 1976, commonly called the "Fair Lending Laws," prohibit discrimination against mortgage applicants on the basis of race or national origin.

In 1975 the federal government passed the Home Mortgage Disclosure Act (HMDA), which requires mortgage lenders to report information annually about applications for home purchase, refinancing and home improvement loans, including information on race, income, geographic area, and loan pricing. This information allows both the public and federal regulators to determine responsiveness to the home financing needs of communities in which business is conducted.

HMDA data cannot conclusively identify redlining or discrimination because many factors, such as income, income-to-debt ratio, credit rating, and employment history, affect approval and denial rates. However, analysis of the data may reveal trends that could indicate a pattern of discriminatory lending practices.

Following the passage of HMDA, Congress passed the Community Reinvestment Act (CRA) of 1977. CRA is a federal law that requires banks to make loans and investments, and open branches in the communities where they are taking deposits, and is aimed at ensuring banks are meeting the credit needs of low- and moderate-income neighborhoods. CRA performance is measured and rated against the amount of bank lending activity in low and moderate income markets, relative to bank lending in non-low and moderate income markets and to the opportunities that exist in such markets.

The mortgage meltdown has spurred a national debate over the effectiveness of CRA. Legislation stemming from the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act has been proposed to significantly strengthen the law, broadening its scope to apply to non-bank lending institutions and increasing the rigor of CRA performance exams.

Availability of Financing

Table IV-6 summarizes Home Mortgage Disclosure Act (HMDA) data for both Huntington Park and Los Angeles County, providing information on the approval status of all home purchase, refinance and home improvement loan applications during 2013.

- Of the total 153 completed applications for home purchase loans in Huntington Park, 73 percent were approved and 27 percent were denied. At 17 percent, the County-wide average for mortgage loan denials was ten percent lower than in Huntington Park.

- The volume of applications for refinance loans in Huntington Park was over three times that of home purchase loans, with 71 percent of the total 493 applications receiving approval and 29 percent denied, again reflecting higher denial rates than the regional average.

- The number of applications for home improvement loans in Huntington Park was extremely limited at just 30, with 60 percent of applications receiving approval and 40 percent being denied, fairly close to the 37 percent denial rate County-wide. Home improvement loans typically have higher denial rates because homeowners may already have high debt-to-income ratios on their home mortgage or refinance loans.

Table IV-6: Status of Home Purchase, Refinance and Improvement Loans 2013

Loan Type	Completed Loan Applications	Loans Approved		Loans Denied	
		Huntington Park	L.A. County	Huntington Park	L.A. County
Home Purchase Loans					
# Applications	153	112		41	
% Approval/Denial		73%	83%	27%	17%
Refinancings					
# Applications	493	349		144	
% Approval/Denial		71%	77%	29%	23%
Home Improvement Loans					
# Applications	30	18		12	
% Approval/Denial		60%	63%	40%	37%

Source: Home Mortgage Disclosure Act Data, 2013. Compiled by Karen Warner Associates, Inc.
Note: Approved loans include: loans originated and applications approved but not accepted. Denial rate based on applications that went through complete underwriting process, and exclude applications withdrawn or files closed for incompleteness.

Table IV-7 compares the number of loan applications and denial rates for home purchase, refinance and home improvement loans in Huntington Park in 2011, 2012 and 2013.

- For home purchase loans, the volume of applications in Huntington Park has been very limited in recent years, with less than 250 applications in each of the past three years. Loan denial rates were 30 percent in 2011, 24 percent in 2012 and 27 percent in 2013, compared to a Countywide home loan denial rate of 17 percent in each of these years.

- For refinance loans, historic low interest rates have continued to stimulate refinance activity, with the number of applications significantly above that for home purchase loans. Refinancing loan denial rates were slightly above those for home purchase loans both in Huntington Park and Countywide.

- Applications for home improvement loans in Huntington Park have been nominal, rendering an assessment of loan denial rates not particularly meaningful. As the economy and housing market continue to improve, home improvement activity can be expected to pick back-up again.

Table IV-7: Comparison of Huntington Park Loan Status in 2011-2013

Loan Type	Completed Loan Applications			% Loans Denied (LA County %)		
	2011	2012	2013	2011	2012	2013
Home Purchase	227	202	153	30% (17%)	24% (17%)	27% (17%)
Refinancing	329	444	493	32% (23%)	28% (20%)	29% (23%)
Home Improvement	23	31	30	57% (35%)	64% (38%)	40% (37%)

Source: Home Mortgage Disclosure Act Data, 2012-2013. Compiled by Karen Warner Associates, Inc.

Geographic Analysis of Mortgage Loan Denials

An analysis of loan denial rates by individual census tract can be used to assess whether there is any correlation between areas with a greater incidence of lower income households and access to mortgage financing. Table IV-8 presents 2011, 2012 and 2013 mortgage loan denial rates for Huntington Park's census tracts, and highlights tracts in which denial rates are five percent or above the Citywide average for in two of the three years.

Table IV-8: Home Loan Denial Rates by Census Tract 2011-2013

Census Tract	% Low/Mod	2011 Home Purchase Loans		2012 Home Purchase Loans		2013 Home Purchase Loans	
		# Completed Applications	% Denial Rate	# Completed Applications	% Denial Rate	# Completed Applications	% Denial Rate
5325.00	78%	21	29%	24	29%	20	30%
5326.03	64%	6	33%	11	27%	6	0%
5326.04	79%	10	20%	8	37%	9	22%
5326.05	81%	14	29%	17	53%	11	9%
5326.06	79%	5	0%	6	0%	6	33%
5327.00	81%	13	46%	8	25%	6	67%
5330.02	68%	25	24%	5	0%	8	0%
5331.03	93%	7	86%	6	17%	5	60%
5331.04	86%	10	40%	7	14%	4	50%
5331.05	90%	10	50%	5	0%	3	33%
5331.06	76%	8	0%	2	0%	5	0%
5331.07	83%	10	20%	6	0%	4	25%
5332.01	82%	6	33%	9	33%	8	37%
5332.02	68%	13	15%	8	0%	9	22%
5332.03	86%	4	25%	9	33%	5	20%
5335.01	69%	6	50%	9	0%	3	0%
5335.02	85%	8	25%	11	9%	3	0%
5335.03	76%	2	0%	2	0%	2	0%
5345.01	63%	26	23%	30	33%	13	31%
5345.02	76%	23	44%	18	17%	23	30%
Citywide Average		**227**	**30%**	**202**	**24%**	**153**	**27%**

Source: Home Mortgage Disclosure Act Data, 2011-2013. Low/mod % derived from www.huduser.org. Compiled by Karen Warner Associates, Inc.

Note: Denial rate based on applications that went through the complete underwriting process, and excludes applications withdrawn or files closed for incompleteness.

x% - Census tracts with loan denial rates 5% or greater than the Citywide average for the year.

Figure IV-1 presents a map of the five census tracts in Huntington Park with higher than average mortgage loan denials in two of the last three years. Because over 95 percent of the City's residents are of Hispanic origin, all these fall within areas of minority concentration. Similarly, because all but four small census block groups in Huntington Park are low and moderate income, it is not surprising that each of the five census tracts with higher than average loan denials is also within a low and moderate income area. In addition, with the low volume of mortgage loan applications in recent years, evaluation at the census tract level provides a limited number of applications per tract.

Nonetheless, the following summarizes the characteristics of those tracts identified as having higher than the citywide average of mortgage loan denials:

- Census tracts 5331.04 (located north of Florence on the blocks surrounding Pacific Blvd), 5331.05 (east of Miles between Randolph and Gage), and 5331.03 (north of Florence and east of Alameda) evidence the highest rates of poverty in the City, with poverty rates of 43 percent, 37 percent and 36 percent respectively (refer to Figure II-6). Each of these tracts are also characterized by high proportions of renter households (refer to Figure II-7).

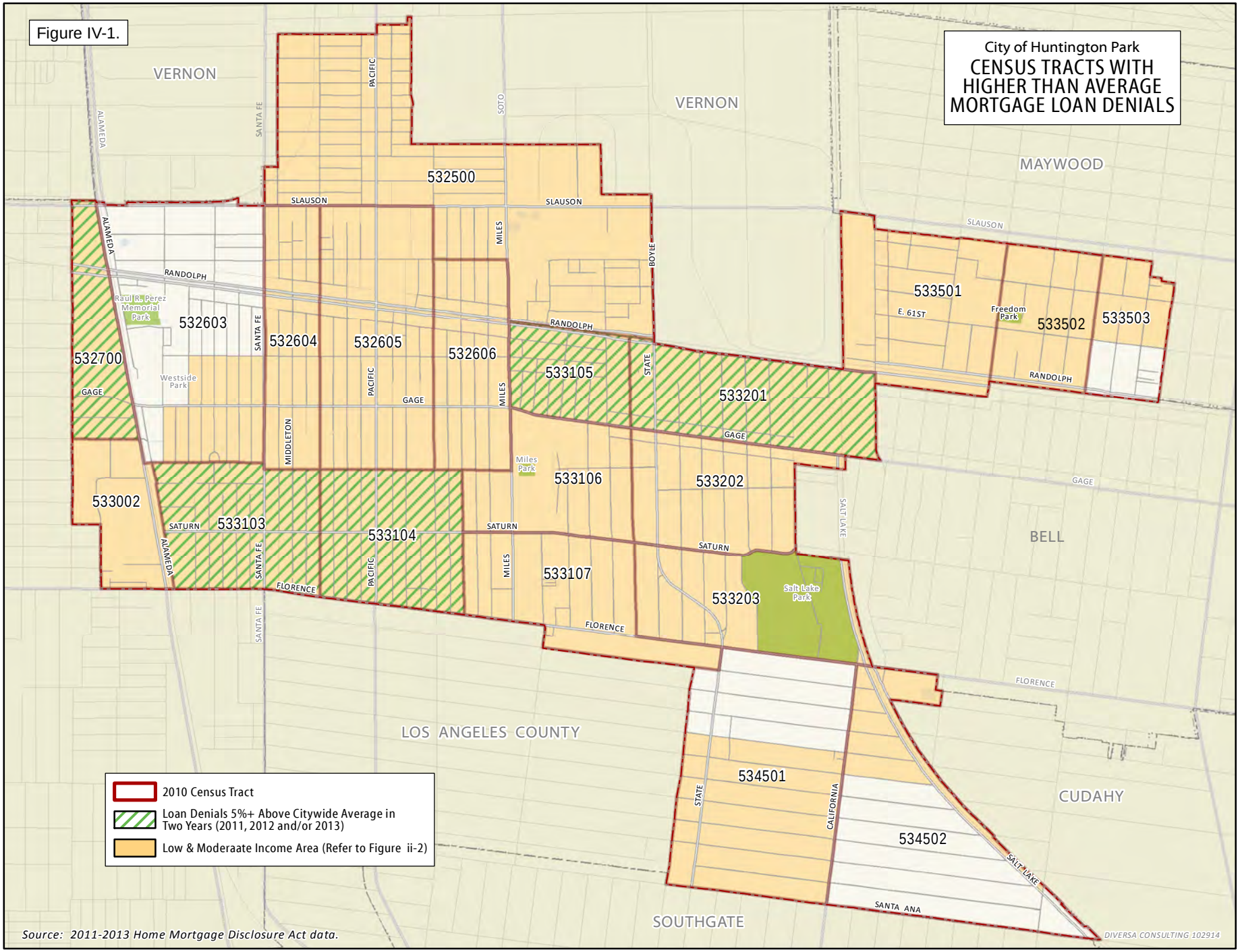
- Tract 5332.01 (located east of State between Randolph and Gage), is the only census tract that evidenced loan denials of 33 percent or above in all three years. The poverty rate in this tract (21%) is below the Citywide average of 27 percent, though the incidence of renter households is particularly high in the neighborhoods immediately adjacent to State Street.

- Tract 5327.0 (located west of Alameda on the City's western boundary) is characterized by more modest rates of poverty and renter households. As only a portion of this tract falls within the City limits (block group 2) and is largely characterized by non-residential uses, mortgage loan data is likely mostly reflective of the portion of the census tract which falls outside the City limits.

In summary, census tracts 5331.03, 5331.04, 5331.05 and 5332.01 exhibit recent trends of higher than average loan denials and are characterized by high minority and low/mod populations, and with the exception of tract 5332.01, evidence the highest rates of poverty in Huntington Park. The City should continue to monitor loan denial rates in these census tracts and discuss concerns with the community's major mortgage lenders.

Figure IV-1.

City of Huntington Park
CENSUS TRACTS WITH HIGHER THAN AVERAGE MORTGAGE LOAN DENIALS



Source: 2011-2013 Home Mortgage Disclosure Act data.

Major Lenders in Huntington Park

Huntington Park's top mortgage lenders, as measured by the number of completed loan applications in 2013, are identified in Table IV-9. This Table examines the disposition of home purchase and refinance loan applications among these top lending institutions. Bank of America had the largest market share in Huntington Park, with 95 loan applications, and also the lowest loan denial rate at just 22 percent. In comparison, JP Morgan Chase and Wells Fargo each had approximately 70 applications, and with denial rates of 33 percent and 31 percent respectively, evidenced slightly higher denials than the Citywide average of 27 percent for home purchase loans and 29 percent for refinancing (refer to Table IV-7). Though more limited in volume with just 21 loan applications in Huntington Park, Quicken Loans had lower than average loan denial rates at just 24 percent.

Other major mortgage lenders active in the Los Angeles area - Bank of the West, Citimortgage, US Bank, Union Bank - all had fewer than ten applications within Huntington Park in 2013.

Table IV-9: Residential Loan Applications From Select Banking Institutions – Huntington Park 2013

Lending Institution	Total Completed Applications	% Loans Approved	% Loans Denied
Home Purchase and Refinance Loans			
BANK OF AMERICA, NA	95	78%	22%
JP MORGAN CHASE, NA	73	67%	33%
WELLS FARGO BANK, NA	67	69%	31%
QUICKEN LOANS	21	76%	24%

Source: Home Mortgage Disclosure Act Data, 2013. Compiled by Karen Warner Associates, Inc.
Note: Approved loans include loans originated and applications approved but not accepted. Denial rate based on applications that went through complete underwriting process.

CRA Ratings

The Community Reinvestment Act (CRA) requires that each lending institution's record be evaluated periodically in order to help determine if it is meeting its obligations under the Act to address the credit needs of the community in which it is located, including low and moderate income neighborhoods. Ratings range from: 1). Outstanding, 2). Satisfactory, 3). Needs to Improve, and 4). Substantial Non-Compliance. As illustrated in Table IV-10, among the most active mortgage lenders in Huntington Park that fall under the purview of CRA, all have an outstanding rating for lending and community development activities.

Table IV-10: CRA Ratings for Lending Institutions Active in Huntington Park

Name	CRA Rating	Exam Year
WELLS FARGO BANK, N.A.	Outstanding	2009
BANK OF AMERICA, N.A.	Outstanding	2009
JP MORGAN CHASE	Outstanding	2008

Source: http://www.ffiec.gov/craratings

The California Reinvestment Coalition (CRC) has negotiated CRA commitments with California's major financial institutions for 20 years, including:

- Bank of America
- Bank of the West
- Citibank
- City National Bank
- Comerica Bank
- Union Bank of California
- U.S. Bank
- Wells Fargo Bank

A goal of these CRA commitments is to focus the attention of these financial institutions on the opportunities and needs of California's low and moderate-income communities and communities of color. In conjunction with these CRA commitments, the CRC conducts monitoring meetings at these banks to discuss the bank's CRA commitment, review home mortgage lending activities, consumer lending, affordable housing, subprime lending, advertising, and the bank's overall plans to reach underserved and minority communities.

Subprime and Prime Lending

Financial institutions that provide loans to customers are divided into two major categories: prime lenders, which provide loans to applicants with good credit; and subprime lenders. Subprime lenders serve a legitimate role in the market by providing credit to persons who are considered a higher credit risk due to such factors as employment history, debt-to-income ratio, or a troubled credit history. Legitimate and fairly priced subprime lending can enable some families who would not qualify for a bank loan to purchase a house or access home equity.

While the definition of subprime lending varies somewhat among agencies, subprime loans are generally associated with higher interest rates, higher points, larger fees, and often pre-payment penalties compared to loans in the so-called prime market. Given the greater risk associated with lending to higher-risk applicants, interest rates on subprime loans may be anywhere from a couple of points to as much as 10 percentage points above the prime rate for persons with "less-than-perfect" credit. Abuses occur when subprime lending goes beyond reasonably compensating the lender for taking on the added risk of lending to a person with a poor credit history. Fannie Mae and Freddie Mac have estimated that 30 to 50 percent of all borrowers with higher cost subprime loans could have qualified for a lower-cost prime loan.

Between 2001-2005, HUD published a Subprime and Manufactured Home Lender List which identified lenders with a predominance of subprime loans. However, once HMDA began requiring lenders to report on loan pricing data, it became possible to identify how many actual "subprime" or "high cost" loans were made, no longer having to rely on how many loans were made by lenders that seemed to specialize in subprime loans. In fact, most of the lenders on the early HUD subprime lender lists are now out of business for making too many bad loans.

Predatory Lending: Predatory mortgage lending is defined as the practice of making high-cost home loans to borrowers without regard to the borrower's ability to repay the loan. Predatory lending is primarily targeted to low-income people, the elderly, and people of color, and has emerged from the subprime market due to several factors:[1]

- The characteristics of many subprime borrowers make them more easily manipulated and misled by unscrupulous actors. Many are unfamiliar with the lending process, have less education, limited English skills, or may be recent immigrants;
- Many subprime borrowers live in low-income and minority communities that have been and in some cases continue to be underserved by traditional prime lenders; and

[1] HUD-Treasury Task Force on Predatory Lending, the report, "Curbing Predatory Home Mortgage Lending," June 2000.

- The finance and mortgage companies that dominate lending in many low-income and minority communities are not subject to the same level of oversight as their counterparts in federally supervised banks, thrifts, and credit unions.

Predatory lending encompasses a wide variety of practices, such as:

- ✓ *Excessive Charges:* Charging excessive rates and fees to a borrower who qualifies for lower rates and/or fees offered by the lender.
- ✓ *Exploding Interest Rates:* Adjustable rate mortgages that rise quickly.
- ✓ Prepayment Penalties: Locking borrowers into bad loans or requiring payment of thousands of dollars in penalties.
- ✓ *Flipping:* Repeatedly refinancing a loan within a short period of time and charging higher points and fees with each refinance.
- ✓ *Packing:* A loan with single premium credit insurance products, such as credit life insurance, and not adequately disclosing the inclusion, cost or any additional fees associated with the insurance.
- ✓ *Mandatory Arbitration:* Denying borrowers access to the court system.

As predatory lending has increased, many states as well as local governments have enacted regulations in an effort to curtail predatory practices. Efforts in California have included the passage of AB 489, which includes restrictions on a variety of practices considered predatory. For high cost loans, this legislation bans flipping, making loans people can't repay, balloon payments, and a host of other practices. The law establishes remedies available to victims (borrowers) for a violation of its provisions and enables regulatory agencies to take disciplinary action.

The Federal "Mortgage Reform and Anti-Predatory Lending Act of 2007" (H.R. 3915) establishes reforms to protect consumers from predatory lending practices. The Act creates a licensing system for residential mortgage loan originators, establishes a minimum standard requiring that borrowers have a reasonable ability to repay a loan, and attaches a limited liability to secondary market securitizers. The Act also expands consumer protections for "high-cost loans," includes protections for renters of foreclosed homes, and establishes an Office of Housing Counseling through HUD.

Based on information gathered at five field forums conducted by the joint HUD-Treasury Task Force on Predatory Lending, the resulting Curbing Predatory Home Mortgage Lending report proposes the following four point plan:

- *Improve Consumer Literacy and Disclosures.* Creditors should be required to recommend that high-cost loan applicants avail themselves to home mortgage counseling, disclose credit scores to all borrowers upon request, and give borrowers more timely and more accurate information as to loan costs and terms.

- *Prohibit Harmful Sales Practices in the Mortgage Market.* Practices such as loan flipping and lending to borrowers without regard to their ability to repay the loan should be banned. New requirements should be imposed on mortgage brokers to document the appropriateness of a loan for high-cost loan applicants, and lenders who report to credit bureaus should be required to provide "full-file" payment history for their mortgage customers.
- *Restrict Abusive Terms and Conditions on High-Cost Loans.* Congress should increase the number of borrowers in the subprime market covered by legislative protections; further restrict balloon payments on high-cost loans; restrict prepayment penalties and the financing of points and fees; prohibit mandatory arbitration agreements on high-cost loans; and ban lump-sum credit life insurance and similar products.
- *Improve Market Structure.* Award CRA credit to banks and thrifts that promote borrowers from the subprime to prime mortgage market, and deny CRA credit to banks and thrifts for the origination or purchase of loans that violate the applicable lending laws.

The California Department of Real Estate has prepared information to help borrowers avoid predatory lending. The information bulletin titled Avoiding Predatory Lending – Protect Yourself in the Loan Process defines predatory lending, gives examples of predatory lending practices, and provides other information helpful to borrowers such as explaining the loan application process.

The City of Huntington Park supports these actions to help low-income and minority borrowers to avoid the pitfalls of predatory lending, including information on the dangers of subprime/predatory lending at workshops conducted by the Fair Housing Foundation and the Rancho Southeast Association of Realtors.

Foreclosures and Loan Modifications

Approximately 1.5 million of the 8.7 homes and condominiums in California have been involved in a foreclosure proceeding since 2007. In addition to impact of people losing their homes, foreclosed properties can lead to other problems as these homes are left abandoned, becoming potential blight and criminal concerns. Fortunately, the number of mortgage default notices in California has been consistently declining since its peak in 2009. The number of default notices filed in the third quarter of 2014 is at its lowest level in eight years. According to the real estate information service DataQuick, the drop in foreclosure notices is the result of a combination of rising home values, an improving economy, and the use of various foreclosure prevention efforts - short sales, loan modifications and the ability of some underwater homeowners to refinance.

Within Huntington Park, www.Realtytrac.com identified 120 residential properties in various states of foreclosure in September 2014, including "pre-foreclosure" having received a notice of mortgage default, notice of a trustee sale, and bank-owned. The number of properties that received a foreclosure filing in Huntington Park in

September was 48 percent lower than the same time the previous year, and represented one filing for every 1,268 residential units in the City. In comparison, the ratio of foreclosure filings in Statewide and Los Angeles County is higher than Huntington Park. In comparison to other southeast Los Angeles jurisdictions, foreclosure rates in Huntington Park are lower than in South Gate, but higher than in Maywood and South Gate, and are fairly comparable to the City of Los Angeles.[2]

South Gate	1 : 1,083
LA County	1 : 1,089
California	1 : 1,111
Huntington Park	**1 : 1,268**
LA City	1 : 1,341
Maywood	1 : 1,690
Bell	1 : 1,962

Federal Programs: In order to stem the number of foreclosures and help stabilize the housing market, in 2010 the Obama Administration launched the $75 billion Making Your Home Affordable as a partnership between HUD and the U.S. Treasury. The program includes several components, including:

- Home Affordable Modification Program (HAMP) – reduces monthly mortgage payments to 31 percent gross income.
- Second Lien Modification Program (2MP) – offers a way to lower payments on a second mortgage.
- Home Affordable Refinance Program (HARP) – assists homeowners whose mortgages are held by Fannie Mae or Freddie Mac to refinance into a more affordable mortgage.
- Unemployment Program – Requires mortgage servicers participating in the Making Home Affordable Program to provide minimum three month forbearance period during which mortgage payments are reduced or suspended while the homeowner is seeking re-employment.
- Principal Reduction Alternatives for Homeowners Underwater - Beginning September 2010, mortgage servicers are required to evaluate every homeowner with high negative equity (owe more than 115 percent value of their home) for a HAMP reduction of at least 10 percent on the primary mortgage.
- Home Affordable Foreclosure Alternatives Program (HAFA) – Provides options for homeowners who can no longer afford their home and are interested in a short sale or deed-in-lieu of foreclosure.

In February 2012, President Obama obtained approval from the U.S. Congress for $5 to $10 billion in financial aid to assist approximately 3.5 million distressed

[2] The foreclosure ratio is calculated by dividing the number of dwelling units in the jurisdiction by the total number of properties that received foreclosure notices that month. The lower the second number in the ratio, the higher the foreclosure rate.

homeowners refinance debt-ridden mortgages. The proposed program is targeted to "underwater" homeowners that have stayed current on their mortgage payments, but are unable to refinance under historically low interest rates as they owe more on their mortgage than their home is worth. Unlike the current federal Making Your Home Affordable programs that require loans to be backed or owned by Fannie Mae, Freddie Mac or FHA, the new program would be expanded to underwater homeowners whose loans are owned by banks or investors. Eligibility under the program includes:

- Six months of current on mortgage payments, with no more than one missed payment in the previous six months;
- Minimum credit score of 580;
- No more than 40 percent underwater on the loan; and
- Limited to mortgages below FHA's conforming loan limits ($729,750 in Southern California).

State Programs: In February 2011, CalHFA launched the Keep Your Home California program using $2 billion in federal funds from the 2008 rescue of the financial system. State officials hope to fend off foreclosure for about 95,000 borrowers and provide moving assistance to about 6,500 people who do lose their homes. As of April 2014, over 38,500 applicants had qualified for assistance. The program is limited to low and moderate-income households (up to 120 percent AMI), and the maximum benefit is $100,000 for any household. The Keep Your Home California program includes the following four parts:

- Unemployment Mortgage Assistance - Mortgage assistance of up to $3,000 per month for homeowners collecting unemployment benefits and in imminent danger of defaulting on their home loans. Homeowners can receive help for a maximum of twelve months, and a total of $36,000.
- Mortgage Reinstatement Assistance Program - As much as $25,000 per household to reinstate mortgages to prevent foreclosure. The funds are available to homeowners who have fallen behind on their mortgage payments due to a temporary change in household income, such as reduced pay or work furloughs.
- Principal Reduction Program - Lowers the principal owed on a mortgage by as much as $100,000 when the homeowner is facing a serious financial hardship and owes significantly more than the home is worth.
- Transition Assistance Program - Provides up to $5,000 in relocation assistance for homeowners who can no longer afford their home when their lender agrees to a short sale or deed-in-lieu of foreclosure. Homeowners must occupy and maintain the property until the home is sold or returned to the servicer.

The California Homeowners Bill of Rights, signed into law by Governor Jerry Brown, went into effect in January 2013. According to Attorney General Kamala Harris, the Bill of Rights "prohibits a series of inherently unfair bank practices that have needlessly forced thousands of Californians into foreclosure." This legislation will

make the mortgage and foreclosure process more fair and transparent, which will benefit homeowners, their community, and the housing market as a whole. The primary tenets of the Homeowners Bill of Rights include:

- Restriction of Dual-Tracking - Dual tracking is when a lender proceeds in taking two simultaneous, yet inconsistent actions against a borrow, in this case, the foreclosure process and loan modification review.
- Single Point of Contact - Guarantees borrowers a single point of contact at their lender/servicer in regards to the foreclosure process or loan modification process.
- Ending "Robo-Signing" - Requiring a live person to verify whether a bank has the right to foreclose before foreclosure proceedings can begin.

National Mortgage Settlement: After many months of negotiation, in February 2012, 49 State Attorney Generals and the federal government reached agreement on a joint state-federal settlement with the country's five largest mortgage lenders over "robo-signing" and other deceptive foreclosure practices. The settlement will provide up to $25 billion in relief to distressed borrowers and direct payments to states and the federal government, and involves the following banks.

- Wells Fargo
- Bank of America
- JP Morgan Chase
- Citibank
- Ally/GMAC

Benefits to eligible homeowners whose mortgages are owned or serviced by one of the five lenders include: payments to borrowers who were wrongly foreclosed upon; reduction of unpaid principal balances; refinancing for borrowers whose homes are worth less than the money they owe; and the opportunity for short sales and other relocation assistance. As the state hardest hit by the foreclosure crisis, up to $18 billion of the settlement will be directed to California homeowners, allocated among the following activities:

- $12 billion is guaranteed to reduce the principal on loans or offer short sales to approximately 250,000 California homeowners who are underwater on their loans and behind or almost behind in their payments.
- $849 million is estimated to be dedicated to refinancing the loans of 28,000 homeowners who are current on their payments but underwater on their loans.
- $279 million will provided as restitution to approximately 140,000 California homeowners who were foreclosed upon between 2008 and December 31, 2011.
- $1.1 billion is estimated to be distributed to homeowners for unemployed payment forbearance and transition assistance as well as to communities to repair the blight and devastation left by waves of foreclosures, targeted at 16,000 recent foreclosures.

- $3.5 billion will be dedicated to relieving 32,000 homeowners of unpaid balances remaining when their homes are foreclosed.
- $430 million in costs, fees and penalty payments.

Loan Modification Scams: Foreclosure rescue and loan modification scams are a growing problem. Scammers might promise "guaranteed" or "immediate" relief from foreclosure, and they might charge very high fees for little or no services. HUD provides free resources through the Homeowner's HOPE™ Hotline at 1-888-995-HOPE and maintains a list of HUD-approved housing counselors. The following tips to avoid loan modification scams are listed on HUDs website.

- Beware of anyone who asks you to pay a fee in exchange for a counseling service or modification of a delinquent loan.
- Scam artists often target homeowners who are struggling to meet their mortgage commitment or anxious to sell their homes.
- Recognize and avoid common scams. Beware of people who pressure you to sign papers immediately, or who try to convince you that they can "save" your home if you sign or transfer over the deed to your house.
- Do not sign over the deed to your property to any organization or individual unless you are working directly with your mortgage company to forgive your debt.
- Never make a mortgage payment to anyone other than your mortgage company without their approval.

Consumer Financial Protection Bureau (CFPB): The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank) established the federal Consumer Financial Protection Bureau (CFPB), and in January 2012, President Obama appointed its first Director. The goal of the CFPB is to give consumers the information they need to understand the terms of their agreements with financial companies, including mortgages, credit cards and other financial services. The Bureau's functions include:

- Rule-making and enforcement of Federal consumer financial protection laws;
- Restricting unfair, deceptive, or abusive acts or practices;
- Taking consumer complaints;
- Promoting financial education;
- Researching consumer behavior;
- Monitoring financial markets for new risks to consumers; and
- Enforcing laws to outlaw discrimination and unfair treatment in consumer finance.

The hope is that the CFPB will play an important role in stopping abusive lending and foreclosure practices in the future.

4. Discriminatory Newspaper Advertising

The federal Fair Housing Act prohibits the making, printing and publishing of advertisements which state a preference, limitation or discrimination on the basis of race, color, religion, sex, handicap, familial status, or national origin. The prohibition applies to publishers, such as newspapers and directories, as well as persons and entities who place real estate advertisements. It also applies to advertisements where the underlying property may be exempt from the Act, but where the advertisement itself violates the Act.

The *Los Angeles Times* publishes the following fair housing notices in the classified section pertaining to for-sale and for-rent ads. Review of the two other print newspapers in Huntington Park with real estate advertisements - The Wave and El Aviso - did not identify publication of a fair housing disclaimer. While the classified sections of these newspapers is far more limited in scope than the *LA Times*, posting of the fair housing notice is appropriate in conjunction with any real estate advertisement.

LA Times
Live Free From Discrimination
Federal and State Fair Housing Laws make it illegal to indicate any preference, limitation, or discrimination because of race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, familial status, source of income, or physical or mental disability. California Dept. of Fair Employment & Housing 800-884-1684

Under Fair Housing law, landlords are required to make reasonable accommodations for people with disabilities. This includes making an exception to a no pet rule for persons with disabilities that require a companion animal. Many rental advertisements indicate a no pet policy. Neither the *Los Angeles Times*, the Wave or *El Aviso* include any type of disclaimer regarding exceptions to no pet policies for persons requiring a companion animal.

In order to better proactively promote fair housing in the advertisement of housing, the City/Fair Housing Foundation will contact these periodicals to urge them to publish a fair housing disclaimer in their classified real estate advertisements, and to publish a no pets disclaimer for rental housing stating that “no pets allowed” may still be required to rent to disabled persons requiring a service or companion animal.

5. Covenants, Conditions, and Restrictions

In the past, Covenants, Conditions, and Restrictions (CC&Rs) sometimes included provisions to exclude certain groups such as minorities from equal access to housing in a residential development or neighborhood. Today, the California Department of Real Estate (DRE) reviews CC&Rs for all subdivisions of five or more lots, or condominiums of five or more units. The review includes a wide range of issues, including compliance with fair housing law.

The review must be completed and approved before the DRE will issue a final subdivision public report. This report is required before a real estate broker can sell the unit and each prospective buyer must be issued a copy of the report. If the CC&Rs are not approved, the DRE will issue a “deficiency notice”, requiring the real estate broker to revise the CC&Rs.

Communities with old subdivisions or condominium developments may still contain CC&Rs that do not comply with fair housing law. However, provisions in the CC&Rs that violate the fair housing law are not enforceable.

III. FAIR HOUSING PROFILE: EVALUATION AND ASSESSMENT

This section provides an overview of the variety of fair housing and tenant/landlord mediation services available to Huntington Park residents. Recent fair housing complaints and cases are evaluated to assess potential patterns of impediments to fair housing choice. Finally, a summary is provided of comments received at the public consultation workshop on fair housing issues in Huntington Park.

A. FAIR HOUSING SERVICES

All entitlement communities are required by HUD to have a reactive and pro-active fair housing program with specific actions and procedures that will have significant impact on preventing, reducing and eliminating housing discrimination and barriers to equal housing choice for all.

Since 1985, Huntington Park has provided funding to the Fair Housing Foundation (FHF) to assist in the effort to affirmatively further fair housing opportunities in the community. The FHF is a private, non-profit educational agency established in 1964 dedicated to promoting fair housing laws and encouraging an atmosphere of open housing. FHF assists residents, housing professional and community service providers in Huntington Park, and other communities throughout Los Angeles County, with fair housing and general housing concerns through education, enforcement activities, counseling services and outreach from its central office in Long Beach along with a number of satellite service locations.

Specifically, the City of Huntington Park contracts with FHF to provide fair housing services that includes:

- General Housing counseling, mediations, unlawful detainer assistance, and referrals to tenants, managers, and rental property owners;
- Discrimination counseling, complaint intake, in-depth testing, and resolution;
- Audits of housing practices based on areas of concern uncovered through counseling and testing;
- Education and Outreach services target specific areas and concerns. Education and training to Housing Consumers and Housing Providers;
- Workshops and presentations designed to educate the public on fair housing laws and issues;
- Tester and other volunteer training;
- Promoting media interest in eliminating housing violations.

1. Education and Outreach

The FHF conducts extensive community outreach to promote fair housing choice awareness and knowledge. This includes outreach to educate Huntington Park tenants, landlords, owners, realtors, and property managers on fair housing law; to promote media and consumer interest; and to establish grass roots involvement in the community. Education and outreach involves the following four components: 1) Increasing Public Awareness, 2) Programs for Housing Consumers, 3) Programs for Housing Providers, and 4) City Services.

Increase Public Awareness

FHF utilizes several methods to better inform the public on fair housing laws.

- Dissemination of **fair housing literature** including brochures and flyers on federal and state fair housing laws, familial status, persons with disabilities, landlord responsibilities, habitability, evictions, source of income, etc. Brochures are distributed at locations and agencies where members of the protected groups can find them. Community based organizations, social service agencies, real estate offices, rental offices, immigrant rights organizations, government offices, libraries and similar locations are all targeted for brochure distribution. All materials are provided in English and Spanish.

- Use of **Internet and print media.** FHF seeks to maximize exposure to fair housing laws by placing paid advertisements with print media four times per year, as well as running nearly 100 public service announcements each year. Possibly more effective, however, is the increased Internet presence the FHF has obtained within the last few years. Not only does the FHF maintain an active website receiving over 17,000 hits annually, it also has a presence in social media with accounts on both Facebook and Twitter, both used to update interested persons on upcoming trainings, workshops, walk-in clinics, and providing persons access to their e-newsletter.

- Publication of quarterly **fair housing newsletter** and distribution to community based organizations, City department staff, and fair housing advocates. The newsletter includes trends, client stories, a calendar for upcoming events, and statistics.

- Sponsorship of the annual **Fair Housing Poster Contest and Reception** within the schools as part of National Fair Housing Month every April. This presents an excellent opportunity to educate local children to recognize the need to be free of discrimination.

Programs for Housing Consumers

FHF provides fair housing training opportunities free of charge throughout the community. Workshop locations include apartment complexes, senior centers, social service offices, neighborhood groups, libraries, school parent advisory groups, and others. The general types of activities conducted for consumers include:

- **Tenant Workshops** – A two-hour training geared toward tenants that covers an overview of the Fair Housing laws, leases and notices, rules & regulations, a tenant's obligations and guidelines, and specific concerns regarding families with children, occupancy standards and discriminatory rules. A question and answer session follows the training.

- **Booths** – FHF staffs booths and provides fair housing literature at every opportunity available. Typically, fair housing booths are staffed at community centers, fairs, festivals, youth centers, colleges, trade shows, and carnivals.

- **Presentations** – A scheduled, 20-40 minute synopsis of FHF's services and statistics to the City or a community based organization followed by a question and answer session.

Programs for Housing Providers

FHF conducts the following trainings for housing providers including landlords, managers, and realtors on a regular basis:

- **Landlord workshops** – A two-hour training geared toward property owners and managers that covers the Federal and State Fair Housing Laws**,** the rental process, selection criteria, rental agreements, rules & regulations, obligations & guidelines regarding late fees, security deposits, rent increase, termination, etc. The training also covers specific concerns regarding families with children, occupancy standards and reasonable accommodations and modifications. A question and answer session follows the training.

- **Certificate Management Trainings** – A four-hour intensive training geared towards property owners, managers, management companies and real estate professionals that covers a detailed overview of the Fair Housing Laws, general guidelines, families with children, lead disclosure, occupancy limits, reasonable regulations of facilities, people with disabilities, sexual harassment, advertising guidelines, prohibited practices and hate crimes. This training also includes a "What would you do?" session with specific Fair Housing scenarios discussed in a group forum. A question and answer session follows the training.

- **Realtor Trainings** – A four-hour training geared towards Realtors that covers a summary of the Fair Housing Laws, general guidelines, policies and

practices, equal treatment needs and examples and guidelines to showing properties. A question and answer period follows the training.

City Services

FHF provides direct services for Huntington Park that include:

- **Training to City Staff** – FHF conducts annual training sessions for City staff. In addition to an overview of FHF services, fair housing laws and tenant/landlord responsibilities, this training can be used to address specific situations in the City to better serve residents.

- **Walk-In Clinics** – FHF provides fair housing service clinics at City Hall and provides clients with fair housing and general housing assistance by in-person staff.

- **Presentations to City Council and Commissions** – As requested, FHF makes presentations to the City's decision-makers.

2. Investigative Testing and Auditing

The FHF conducts investigative testing in response to allegations of discrimination in the rental or sale of housing. Once sufficient information is gathered that warrants further action, FHF's Housing Coordinator opens a bonafide discrimination case. FHF's Director of Investigations conducts all testing to ensure a non-biased finding. Testing begins within 96 hours of the completed case intake. Appropriateness is determined by the type of discrimination alleged, availability of units, complainant willingness to pursue the complaint, and other significant factors. The vast majority of housing discrimination can be uncovered with the use of these standard investigations which include property searches, scouting, telephone tests, on-site pair tests, document review, statistical analysis, and witness statements. All investigations are done according to the guidelines developed by FHF using resources, such as the J*ohn Marshall Law School Tester's Guide to Fair Housing and Fair Lending Laws*.

Once the investigations are completed, each case is given a finding. For cases with No Evidence, or Inconclusive Evidence, clients are provided with education, provided other referrals as needed, and the cases are closed. For cases that receive a finding that Sustains the Allegation, clients are provided with their options (Conciliation, Administrative Agency Referrals, or Referral to Fair Housing Attorney). A discrimination case can take as little as 30 days and as much as 3 years before final resolution is completed depending on the type of case, the evidence, and the remedy chosen.

In addition to testing in specific properties, the FHF conducts random investigations, or "audits" without a bonafide complainant. Audits are an educational tool used to reveal potential discrimination against a certain protected class of residents in a predominately underrepresented area, or to address deficiencies revealed during general housing and discrimination counseling.

Huntington Park currently contracts with FHF for six discrimination cases on an annual basis. If fewer than six bonafide cases are received, random audits are conducted to fulfill the case output requirement. Audits are structured to focus on a protected class, based on a review of patterns of housing complaints. Over the past three years, the FHF has conducted audits in Huntington Park based on disability and familial status as the protected class. The results of the latest audit conducted in fiscal year 2012/2013 is presented below.

2012/2013 Fair Housing Audit

Through counseling and case management, FHF identified that the most common complaints being alleged in Huntington Park continue to be on the basis of Disability and Familial Status. In 2013, FHF took proactive measures to address these issues in an informative and educational manner. FHF developed a questionnaire based on the housing right of families and persons with disabilities. The internet was used to randomly choose rental housing providers within Huntington Park to participate. The questionnaire was used as a way to have one-on-one contact with the housing provider, introduce FHF's services and engage in an open and interactive dialogue. FHF used the opportunity to address the most common concerns they find in the housing industry today within Huntington Park.

In most cases, FHF found that they were able to educate the rental housing providers on the rights of families and the disabled. If successful, this could avoid complaints of housing discrimination being filed against the provider. Suggestions were offered in order to address areas of concern and to assess how knowledgeable the housing provider was in Fair Housing. A letter was sent to each housing provider thanking them for their participation in the educational audit. FHF also included a list of their free trainings and advised providers of the various trainings available to them throughout the service area.

3. Enforcement

One of the primary roles of the FHF is to provide investigation and response to allegations of illegal housing discrimination. The FHF has received and processed allegations of housing discrimination in Huntington Park for over twenty years. For purposes of this Study, we have reviewed Housing Discrimination Complaint records kept by FHF for the most recent four year period (FY 2010/11-2013/14).

As shown in Table III-1, during the past 4 years, the FHF handled between 8 to 19 discrimination complaint inquiries annually in Huntington Park. Of these inquiries, between 3 and 8 annually rose to the level of a discrimination case with the FHF, and are discussed in greater detail later in this section.

Table III-1
Fair Housing Services – City of Huntington Park

Fair Housing Services	2010/11	2011/12	2012/13	2013/14
Discrimination Services				
Discrimination Inquiries	8	10	12	19
Cases Opened*	3	5	7	8
Special Needs Groups				
Disabled	1	2	3	9
Female Headed	2	3	1	4
Senior		1		1
Ethnicity				
Black Non-Latino	1		2	1
Other - Latino	7	10	9	
Other - Non-Latino			1	
White - Latino				18
Household Income				
Medium Income		1		
Low Income	5	2	2	2
Very Low Income	3	7	10	17
Protected Class				
Familial Status	3	2	6	2
National Origin				2
Race			2	1
Disability	5	7	3	13
Religion			1	
Gender		1		
Sexual Orientation				1

Fair Housing Foundation Annual and Quarterly Reports.
* Note: Fair housing cases may be based on discrimination inquiries from prior years.

Certain special needs groups evidence a high incidence of discrimination complaints. The FHF received numerous complaints from persons with mental and/or physical disabilities in Huntington Park, which has translated into several fair housing cases over the past few years pertaining to equal treatment for residents with disabilities. Female-headed households also initiate a significant proportion of discrimination complaints in Huntington Park.

Twenty-two of the total 23 housing discrimination cases in the City over the past four years were filed by in-place tenants. All of the 23 households filing discrimination cases were either low or very low income, with the exception of one medium income household.

The 2010 Census documents 97 percent of Huntington Park's population as Hispanic. Review of the ethnicity breakdown of the 23 discrimination *cases* in the

City over the past four years reveals 78 percent of the cases have come from Latino households, evidencing a slightly higher incidence of discrimination cases (22%) involving non-Latino households than their limited presence in the City (3%) would suggest. However, analysis of the 49 discrimination *inquiries* received during the same period indicates only five inquiries were made by non-Latino households, representing 10 percent of all inquiries. While there is historic underreporting of housing discrimination issues amongst all ethnic groups, documented fair housing complaints and cases over the past four years in Huntington Park do not support patterns of discrimination against non-Latino households.

A potentially greater issue in Huntington Park is potential "intra-ethnic" discriminatory housing practices within the Latino population. As illustrated previously in Figure II-2, while at the broad census tract level no apparent patterns of intra-ethnic segregation exist, instances of segregation within the Latino community may still be present at the smaller neighborhood level or within specific apartment complexes. According to the Fair Housing Foundation, recent national and local studies have identified a new trend involving "intra-ethnic" discriminatory housing practices perpetrated by people of one national origin against another. The Fair Housing Foundation started collecting national origin data on its clients in 2010. The FHF reports that while they are aware of harassment between Mexican and El Salvadorian nationals, there have been no real complaints, inquiries or cases involving intra-ethnic discrimination in Huntington Park.

Discrimination Cases

Table III-2 displays the number and nature of fair housing cases in Huntington Park during the last four years, as well the findings and outcome of the cases. Issues related to disability comprise the largest proportion of all fair housing cases (11 cases in the past 4 years), followed by familial status (6 cases), race (3 cases) and gender and sexual orientation (1 case each).

Discussions with the Fair Housing Foundation indicate the high level of discrimination complaints from persons with mental or physical disabilities are primarily from in-place tenants alleging harassment and differential treatment, and/or failure of the property owner to make reasonable accommodation for their disability. Several case study examples which follow illustrate the types of subtle housing discrimination that can occur towards persons with disabilities or on the basis of familial status, and how these issues have been conciliated.

Table III-2
Discrimination Cases – City of Huntington Park

Discrimination Cases	2010/11	2011/12	2012/13	2013/14
Protected Classification				
Familial Status	1	1	2	2
Race			2	1
Disability	2	3	2	4
Religion			1	
Gender		1		
Sexual Orientation				1
Total	**3**	**5**	**7**	**8**
Findings				
Sustains Allegations	2	2	1	4
Inconclusive Evidence			1	
No Evidence of Discrimination	1	3	5	4
Pending				
Total	**3**	**5**	**7**	**8**
Disposition				
Successful Conciliation	2	2		2
No Enforcement Action Possible	1	3	7	
Pending				3
Education/Outreach Provided				3
Total	**3**	**5**	**7**	**8**

Fair Housing Foundation Annual and Quarterly Reports.

Fair Housing Case Examples

As indicated in Table III-2, the FHF investigates a variety of different fair housing complaints brought by Huntington Park residents. The discussion below provides an example of two fair housing cases in Huntington Park, and how each was resolved.

***Allegation:* Disability - Physical**

Housing Practice: Reasonable Accommodations

Complainant: Single White/Latino Female with No Children

Facts of the Allegation: The Complainant alleges that she has been discriminated against on the basis of her disability. She claims that the Respondent rented to her in the month of July and allowed her to move in with her two small dogs. The Complainant then placed a kennel box outside of her door in order to house the service/companion animals. The Complainant claims that the Respondent verbally told her to remove the kennel box. Complainant was then given a 30-day notice to terminate tenancy and believes it is because the kennel box is outside her door. Complainant claims that the box is not obstructing her walkway, window or creating property destruction.

Steps in the Investigation: The Fair Housing Foundation opened a fair housing case for the complainant and mailed the complainant a client release form, client narrative and a checklist requesting additional information. FHF also ran a property and owner search for the complaint address. Medical documents were received along with a copy of the signed client narrative, client release form, copy of the rental agreement and the notice. Reasonable accommodation letter was mailed to the Respondent via certified mail requesting a response to the letter. Respondent provided photos of the Complainant's dog houses and the personal belongings that the Complainant has stored around the dog house. Respondent has also provided photos of the dogs on the property not on leashes or attended to by the Complainant. Respondent has agreed to rescind the notice if the Complainant agrees to amend the contract to state that she will keep the service animals in the unit with her, clean after the service animals and not allow the animals to roam the property unaccompanied or without a leash. FHF discussed the terms of the agreement with the Complainant. Complainant is in the process of moving out and is not happy with the terms of the agreement. Complainant claims that the dogs should be allowed to be outside and not be forced to stay inside. Complainant was advised that the dogs would be allowed to be outside as long as they were supervised and the Complainant agreed to clean up after them. Respondent was informed of Complainant decision to vacate the unit and is interested in attending FHF's free trainings. Closing letter was mailed to the Complainant informing her that her case had been closed.

Finding: Sustains Allegation

Resolution: Successful conciliation.

***Allegation:* Familial Status**

Housing Practice: Harassment

Complainant: Single White Latino Male with 1 Child

Facts of the Allegation: The complainant alleges that he has been discriminated against on the basis of his familial status. He claims that the manager does not allow children to come outside and play. He also claims that the manager will yell at the children, and on occasion, has wet the children with the water hose. The police have been called out on multiple occasions and allegedly threatened to arrest the manager if the harassment continues.

Steps in the Investigation: The Fair Housing Foundation began the investigation by running a property and owner search for the complaint address. The FHF then surveyed 8 of the 14 units and found that 7 had minor children living in the unit. One resident stated that her rental contract had rules addressing A children's' activities. Two more residents claimed that they've been told by the manager that children are not allowed to play outside. Another resident says they feel intimidated by the manager and that the manager has tried to charge fees for having guests visit. A conciliation letter was subsequently sent to the manager via certified letter, and was followed up with a phone call to discuss the facts of the allegation along with the terms of the conciliation agreement.

Finding: Sustains Allegation

Resolution: Successful conciliation.

Discrimination Suits

According to the FHF, there has been no fair housing complaint in Huntington Park in which the Secretary of Housing and Urban Development (HUD) has issued a charge of discrimination, nor any housing discrimination suit filed by the Department of Justice (DOJ) in the City. The City Attorney's Office confirms that neither HUD nor DOJ has ever instituted an administrative or judicial action against the City.

Hate Crimes

In response to Congress' passage of the Hate Crime Statistics Act of 1990, the Federal Bureau of Investigation (FBI) collects and publishes data on crimes motivated by racial, religious, ethnicity/national-origin, sexual orientation, and disability bias. From the first year national hate crime data were published in 1992 to 2000, incidents motivated by racial violence comprised the largest portion of hate crime incidents, followed by incidents motivated by a religious bias. Following the events of September 11, 2001, crime incidents motivated by bias against ethnicity/national origin more than doubled and became the second most prevalent reported hate crime behind race.

Hate crimes impact not only the individual victim, but can also affect the entire group associated with the particular bias. Such stereotyping can make victims of all who share the same race, religion, ethnicity or national origin, sexual orientation, or disability.

According to on-line FBI reporting (http://www.fbi.gov/stats-services/crimestats), from 2006 to 2013, the Huntington Park Police Department identified incidents of hate crime in the following years: 2007, 2008, and 2009. During 2007 and 2008, there was one reported hate crime, and two were reported in 2009. All four crimes were based on a racial or ethnic bias:

	Race	Ethnicity
2009	1 crime	
2008		1 crime
2007	1 crime	1 crime

No incidents of hate crime were reported between 2010 and 2013.

In comparison with other California cities, the level of hate crimes per capita in Huntington Park is fairly low. Nonetheless, any hate crime incident is a serious offense, and can be an indicator of racial tensions in a community. One of the recommendations of the AI is to ensure the City's Police Department continues to submit quarterly hate crime data to the FBI, and to coordinate review of this hate crime data between the Police Department and the FHF, evaluating hate crimes as a potential fair housing issue. Should the City ever experience a rise in hate crimes, the Los Angeles County Commission on Human Relations can serve as a resource to maintain a coordinated, consistent, and comprehensive response to hate crimes and inter-group conflicts.

B. LANDLORD-TENANT SERVICES

In addition to fair housing complaints, the Fair Housing Foundation (FHF) receives calls from Huntington Park residents requesting assistance with landlord/tenant issues. Clients, both landlords and tenants, contact FHF regarding a multitude of reasons. They include evictions, lease terms, harassment, illegal entry, late fees, notices, parking, refusal to rent, rent control, rent increases, Section 8, security deposits and unlawful detainers. The FHF Housing Counselors resolve general housing inquiries through a variety of methods:

Counsel and resolve: Well over 82% of all landlord tenant issues are resolved without referrals. Many client issues can be resolved through counseling by informing them of the law, civil codes, rights and responsibilities, and the remedies available to them. For instance, if a tenant calls regarding rent increases, the FHF ensures that the owner/manager is following the proper procedures of providing either a 30 or 60 day notice, informs the client that the City does not have rent control, and provides them with alternatives such as moving or possible negotiations with the owner/manager. In cases where the owner/manager is the client, the FHF provides them with the proper procedures to follow for requesting the rent increases. In the event a tenant is being evicted, FHF verifies that it is not based on discriminatory factors, and the owner/manager is following the proper procedure, and then informs them what the eviction process is and counsels them that it is in their best interest to conform to the eviction as required in order to not have an unlawful detainer filed and affect their future ability to rent.. Many clients in Huntington Park are dealing with habitability issues. In these cases, we provide the clients with remedies and inform about the risks. Some would include: the repair and deduct; and rent withholding methods for getting their repairs made.

Unlawful Detainer Assistance: Clients receiving Unlawful Detainers can contact FHF, make appointments and receive assistance with completing their paperwork. Although FHF staff will not represent the client in court, FHF staff will attend the Unlawful Detainer hearing and speak as a witness when requested.

Mediations: FHF also uses mediations to resolve disputes. In mediation, FHF staff acts as a neutral third party to facilitate dispute resolution between two disagreeing parties. In order to mediate, both parties must want the mediation and agree to enter into good faith resolution agreements.

Referrals: Many clients contact FHF for problems not related to fair housing or general housing issues or require services not provided by FHF such as on-site health department reviews. In these cases FHF provides referrals to other resources for assistance. FHF maintains a massive referral list by jurisdiction for the wide variety of callers or walk-in clients who request

assistance. The referrals lists include City and County housing departments, building and safety departments, health and sanitation departments, police departments, the County Assessor's office, and city council members' offices. Referrals to DFEH and HUD are also included on the list. Multiple landlord/tenant calls also are directed to the County and State departments of Consumer Affairs. Additionally, FHF often refers to legal aid offices, bar associations, tenant advocacy groups, apartment owner associations, civil rights organizations, housing authorities, and other resources.

Table III-3 presents information on Huntington Park clients provided with general housing counseling, mediation, unlawful detainer assistance and referral services by the FHF between July 2010 and June 2014. During this four year period, the FHF handled complaints or requests for assistance involving over 1,000 Huntington Park tenants or landlords. Of these complaints, nearly one-third were related to rent notices, with an average of 80 inquiries on an annual basis. Other significant housing issues included habitability (15%), security deposits (8%), and unlawful detainers (7%). In terms of resolution, the FHF was able to resolve nearly 90 percent of the complainant's issues, with the balance of complainants referred to another agency such as Code Enforcement or the Discrimination Department.

Based on the nature of tenant complaints, the FHF observes several housing concerns occurring in Huntington Park. One of the major concerns is the shortage of affordable rental units suitable for large families. Health and safety issues are also a concern, as noted by the prevalence of habitability complaints. Many tenants are reluctant to complain about needed repairs and substandard conditions for fear of retaliation by the landlord.

Table III-3: Landlord/Tenant Services - City of Huntington Park

Housing Issue	2010/11	2011/12	2012/13	2013/14
Abandonment	2	1	4	1
Accommodations	3	6	1	8
Commercial Property	2	2	0	0
Eviction	12	7	12	18
Foreclosure - Owner	5	1	0	0
Foreclosure – Tenant	9	7	10	1
General Issue	7	13	3	8
Habitability	23	33	52	47
Harassment	1	10	8	9
Illegal Entry	3	2	3	3
Late Fees	3	3	1	1
Lease Terms	5	6	13	3
Illegal Lockout	1	2	2	0
Notices	77	73	88	81
Nuisance	1	1	2	2
Other Issue	1	2	0	0
Parking	3	3	0	0
Pets	1	2	3	1
Property for Sale	0	1	2	1
Refusal to Rent	0	2	0	0
Relocation	1	1	1	2
Rent Control	1	1	2	0
Rent Increase	19	10	14	17
Retaliation	22	4	4	9
Rights/Responsibilities	0	0	13	20
Section 8 Information	10	0	0	0
Security Deposit	17	20	14	29
Unlawful Detainer	13	13	23	20
Utilities	0	4	6	9
Total	**233**	**230**	**281**	**290**
Housing Resolutions	**2010/11**	**2011/12**	**2012/13**	**2013/14**
Building and Safety	0	0	1	0
CA Tenants Book	0	0	1	1
Code Enforcement	2	4	11	16
Consumer Affairs	2	4	2	0
Correspondence	19	6	29	17
County Assessor	1	0	3	0
Discrimination Dept	6	9	9	19
Health Dept	1	0	1	3
Housing Authority	1	1	0	0
Legal Aid	1	1	0	1
Mediation	9	6	4	13
Referred to an Attorney	0	0	0	2
Rent Stabilized	0	0	1	0
Resolved	183	191	194	177
Small Claims Court	0	0	1	21
Training	0	0	10	6
U.D. Assistance	8	8	14	7
U.D. Completed	0	0	0	7
Total	**233**	**230**	**281**	**290**

Fair Housing Foundation Annual Reports

C. COMMUNITY FAIR HOUSING WORKSHOP

Numerous public and private agencies were contacted to provide input regarding fair housing issues in Huntington Park during development of the AI. A consultation workshop was conducted with the City's fair housing contractor and affordable housing providers, lenders, and groups representing special needs populations to discuss potential impediments to fair housing, and to brainstorm potential strategies for the City and its community partners to address. Approximately 21 agencies were invited to attend the workshop held on August 27, 2014 at City Hall. The following agencies were represented at the meeting: Oldtimer's Housing Development Corporation, the Huntington Park Chamber of Commerce, Brabant Realty & Management, Wilshire Bank, Fair Housing Foundation, the Southeast Churches Service Center (SCSC), and the L.A. Legal Community Center.

Comments from the workshop are summarized below, and have provided input into development of recommendations for the AI.

Fair Housing Foundation (FHF)

- FHF provided an overview of fair housing and general tenant/landlord services for the attendees. Indicate they serve not only tenants, but landlords with fair housing issues and concerns.

- Conduct extensive fair housing education and outreach in Huntington Park on an annual basis, including distribution of fair housing literature (3,000+ pieces), public service announcements (20), two landlord workshops, two tenant workshops, four certificate management trainings for property owners/managers, presentations to community based organizations, staff fair housing booths at community events, etc.

- Biggest fair housing issues in Huntington Park pertain to physical disability and familial status.

Steelworkers Oldtimers Housing Development Corporation (OHDC)

- OHDC works out of the Family Center on Gage Avenue in Huntington Park and provides several different services including senior nutrition, child care, literacy programs and affordable housing.

- The biggest problem is that there is not enough affordable housing in Huntington Park, and the increase in rents is impacting lower income households. Rent increases are particularly acute for seniors on fixed incomes. The magnitude of this need is highlighted by the 2 year waiting list for their properties.

- OHDC owns and manages several properties in Huntington Park as affordable housing. OHDC has seen an increase in reasonable accommodation requests, however not always from disabled renters. Requests are for air conditioning, or for fan with remote control. Wants to know if owner is required by law to make these accommodations.

    - FHF Response: Owners should allow such accommodations to be paid for by tenant. However, if issue is due to physical disability, documentation should be requested such as a doctor's note, and the owner should make accommodation.

- Would like to see illegal citizenship status as a protective class in fair housing laws.

- As a CHDO (Community Housing Development Organization), OHDC has historically been granted multi-year funding contracts under the City's HOME program, and is looking at opportunities for future affordable housing development.

Southeast Churches Service Center (SCSC)

- SCSC is a non-profit agency that assists the homeless and near homeless populations in Huntington Park and surrounding cities. They provide a free food program, and assist clients with motel vouchers and bus tickets.

- SCSC concerned about lack of homeless shelters in the community. Also a concern for lack of transportation (bus routes) to nearest homeless shelter in the city of Bell.

- Interested in establishing rent control in Huntington Park.

L.A. Legal Community Center

- Interested in rent control. Encourages City to analyze establishing a local rent control ordinance, particularly to benefit areas that experience severe overcrowding and severe overpayment.

    - FHF Response: Agrees that rent control results in more inspections and inquiries on habitability issues subsequently decrease.

- Interested in Systematic Inspection Program.

    - FHF Response: Owners should be required to register their rental units and be required to get training in fair housing, as many owners are uninformed about fair housing laws.

Wilshire Bank

- Wilshire Bank offers community development loans to assist developers and business owners who invest in Enterprise Community or Empowerment Zones to revitalize neighborhoods and transform communities.

- Wilshire Bank also offers affordable housing developer financing for projects that help low and moderate income households.

- Interested in learning about legalizing illegal additions and granny flats.

    - Manuel Acosta, City Housing Manager Response: Challenge with an Amnesty Program is that legalizing unpermitted additions and granny flats would require more parking and would need to be brought up to code. Not enough staff to accommodate workload.

- Question - are “No Section 8” advertisements illegal?

    - FHF Response: No, not illegal. Landlords do not have to accept Section 8 vouchers. Reasons landlords do not accept Section 8 include: 1)prejudice against people on Section 8, a perception that they are not good renters/people; and 2) process for applying is not friendly to owners.

    - Oldtimers Response: OHDC prefers Section 8 tenants because of guaranteed income.

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IV. REVIEW OF POTENTIAL IMPEDIMENTS

This section evaluates potential public and private sector impediments to fair housing choice in Huntington Park. Public sector impediments discussed include planning and zoning regulations, building and accessibility codes, development fees, and representation on City Commissions and Committees. Private sector impediments discussed include real estate practices and an analysis of mortgage lending practices.

A. PUBLIC SECTOR IMPEDIMENTS

Public policies may affect the pattern of housing development, availability of housing choices, as well as access to housing. This section of the AI reviews the various public policies that may impact fair housing choice in Huntington Park, including:

- Local zoning, building and occupancy codes;
- Provision for a variety of housing types;
- Public and administrative policies affecting housing activities;
- Moratoriums or growth management plans;
- Residential development fees;
- Community representation on planning and housing commissions.

1. Local Zoning, Building and Occupancy Codes

Land Use and Zoning Controls

The 1996 Land Use Element of the General Plan sets forth the policies for guiding local development. These policies, together with existing zoning regulations, establish the amount and distribution of land to be allocated for different uses within the City. Housing supply and costs are affected by the amount of land designated to residential use and the density at which development is permitted. Approximately 42 percent of the total acreage in Huntington Park is allocated to residential uses.

Table IV-1 outlines the various residential uses permitted in Huntington Park. Densities up to 20 units per acre are permitted in the City's three residential zones, with densities up to 70 units per acre permitted in the Central Business District, both as stand alone residential and mixed use projects. In addition, the City has an Affordable Housing Overlay district which allows densities of 70 units per acre, a Senior Housing Overlay district, which allows a density of 225 units per acre for senior housing, and a Single Room Occupancy (SRO) overlay district, which allows up to 400 units per acre for SRO developments.

Table IV-1
Residential Land Use Designations

General Plan Land Use Category	Zoning Designations	Maximum Density (units/acre)	Residential Types Permitted
Low Density Residential	R-L	8.7	Low density single-family dwellings
Medium Density Residential	R-M	17.4	Medium density single-family attached and detached dwellings. Multi-family structures with 2-3 units
High Density Residential	R-H	20	Multi-family housing and condominiums. Senior housing and SRO units in the overlay areas
Central Business District/Residential	Downtown Specific Plan	70 225 (senior hsg) 400 (SROs)	Multi-family housing. Senior housing. SROs.
Senior Housing Overlay	R-M, R-H, C-G, PV	225 (senior hsg) 400 (SROs)	Senior housing. SROs.
Affordable Housing Overlay	C-G	70 225 (senior hsg) 400 (SROs)	Multi-family housing. Senior housing. SROs.
Single Room Occupancy Overlay	C-G	400	SROs

Source: City of Huntington Park General Plan and Municipal Code.

Residential Development Standards

The City's Zoning Code provides three primary residential zones, mirroring the residential land use categories in the General Plan. High Density Residential is also conditionally permitted in the Commercial Professional (C-P) and Neighborhood Commercial (C-N) zones, and permitted by right within the Downtown Specific Plan (DTSP). Table IV-2 summarizes the City's standards for residential development.

Table IV-2
Residential Development Standards

Development Standard	R-L	R-M	R-H	C-P*	C-N*	DTSP
Density (dus/acre)	8.7	17.4	20, 225 for senior hsg, 400 for SRO	20	20	70, 225 for senior hsg
Min. Lot Area (sf)	5,000	5,000	15,000	5,000	5,000	Differs by district - refer to Table IV-2a
Lot Width (ft)	45	45	100	50	50	
Lot Depth (ft)	80	100	100	0	0	
Front Setback (ft)	20	15	10	5	5	
Rear Setback (ft)	10	10	10	0	0	
Side Setback (ft)	4 feet, plus one foot for each story above one			0	0	
Min. Unit Size (sf)	1,000	850	Studio – 500 1 bedroom – 600 2 bedroom – 750 3 bedroom – 900 150 for each additional bedroom			
Lot Coverage	45%	55%	65%	1.0 FAR	1.0 FAR	
Height (ft)	35 2 stories	35	45**	40	30	

Source: City of Huntington Park Zoning Code
* C-P and C-N zones allow residential, subject to a CUP
** Building heights may be increased up to 100 feet by the Planning Commission as part of a Development Permit application.

With adoption of the Downtown Specific Plan (DTSP), the approximately 85 acre Central Business District is divided into the following four downtown districts:

A - Gateway
B - Festival
C - Neighborhood
D- Zoe

One of the key goals of the DTSP is to further integrate housing in the Downtown to create a lively 24 hour environment, and to establish a solid multi-modal, mixed-use environment where housing, employment, retail, and transportation are effectively located and symbiotic in nature.

The following Table IV-2a summarizes the residential development standards within each of the four downtown districts. For mixed use projects, building intensities are regulated through Floor Area Ratio (FAR), whereas stand alone residential projects are regulated through a standard density measure of units per acre.

Table IV-2a
Residential Development Standards - DTSP

Specific Plan District	FAR	Max. Density	Min. Lot Area	Min. Front/Rear Setback*	Max. Building Height	Residential Allowed on First Floor
A - Gateway	2.0 - 4.0	70 du/ac	5,000 sf	0'/0'	84 ft	No
B - Festival	2.0 - 4.0	70 du/ac	5,000 sf	0'/0'	60 ft	No
C - Neighborhood	0.5 - 2.0	70 du/ac	5,000 sf	10'/10'	35 - 60 ft	Yes
D - Zoe	1.0 - 3.0	70 du/ac	5,000 sf	10'/0'	35 ft	No**

* A zero sideyard setback is required throughout the DTSP.
**Residential permitted on ground floor if not fronting Zoe Avenue.

Parking Standards: The City has adopted the following parking requirements for residential development:

Single-family detached:	2 spaces in garage
Single-family attached:	2 spaces in garage, 1 uncovered guest space/3 units
Multi-family residential:	2 covered spaces + 1 uncovered guest space/3 units
Affordable Housing:	1.25 - 2 spaces/unit + 1 uncovered guest space/5 units
Senior Housing:	1 space/2 guest rooms
Second Dwelling Units:	1 space covered or uncovered
Single Room Occupancy:	1 space/4 guest rooms

The City's single and multi-family parking standards of two spaces per unit are established to provide adequate on-site parking to address the needs of Huntington Park's predominately large family households. However, the City recognizes the added costs parking contribute to development, and studies which document lower rates of automobile ownership within affordable housing developments. Therefore, the City has adopted reduced parking requirements for developments with an affordable housing component.

Within the Central Business District, the Downtown Specific Plan allows for fulfillment of off-street parking requirements through payment of an in-lieu parking fee for properties within 500 feet of public parking. For properties within 1,250 feet of a public parking lot, 50% of the off-street parking requirement may be fulfilled through payment of an in-lieu fee. Furthermore, the Downtown Specific Plan provides for a reduced parking requirement of 1.5 spaces/unit plus 1 guest space /6 units for multi-family residential units 800 square feet or less in size.

In addition to the basic zoning districts, Huntington Park has adopted several provisions within its Zoning code that facilitate a range of development types and encourage affordable housing:

Density Bonus/Affordable Housing Ordinance

In order to encourage the development of affordable housing, the City has adopted a local Density Bonus/Affordable Housing Ordinance, which it updated in 2009 consistent with State law. In summary, applicants of residential projects of five or more units may apply for a density bonus and additional concession/incentive(s) if the project provides for construction of one of the following:

- 10% of the total units in a housing project for lower income households; or
- 5% of the total units in a housing project for very low income households; or
- A senior citizen housing development, or mobile home park that limits residency based on age requirements for housing for older persons; or
- 10% of the total units in a common interest development for moderate income households, provided that all units in the development are offered to the public for purchase.

The amount of density bonus to which the applicant is entitled varies according to the amount by which the percentage of affordable housing units exceeds the minimum percentage established in the Inclusionary Housing Ordinance, but generally ranges from 20-35% above the specified General Plan density.

In addition to the density bonus, eligible projects may receive one to three additional development concessions/incentives, based on the applicant demonstrating that it is not financially feasible to build the project without the concessions. The number of concessions a project may be eligible for is based upon the proportion of affordable units and level of income targeting, as illustrated in Table IV-3:

Table IV-3: Density Bonus Concessions

Income Level	% Affordable Units	Number of Concessions
Very Low Income	5% 10% 15%	1 2 3
Low Income	10% 20% 30%	1 2 3
Moderate Income (for-sale condo or planned development)	10% 20% 30%	1 2 3

Senior Housing Overlay/Development Standards for Senior Housing

The City's Zoning Code establishes modified development standards to facilitate the provision of senior housing (age 55+). Senior housing is permitted at densities up to

225 units per gross acre within the Senior Citizen Housing Overlay, or the underlying residential density within other zoning districts. A reduced parking ratio of one space for every two guest rooms is provided. The minimum floor area is as follows:

Studio:	410 square feet
1 bedroom:	570 square feet
2 bedroom:	670 square feet

The City's standards have been used to accommodate several senior housing developments in the City, as listed in the Housing Needs Assessment. Disabled persons may also occupy the senior housing units.

Affordable Housing Overlay/Development Standards for Affordable Housing

As a means of addressing the community's need for affordable family housing, in December 2009 the Huntington Park City Council amended the Municipal Code to designate a three acre area in the northern portion of the City with an Affordable Housing (AH) Overlay. Properties designated with the AH Overlay are permitted to be developed with either affordable family housing at densities up to 70 units per acre, or senior housing at densities up to 225 units per acre.

In conjunction with adoption of the AH Overlay, the City adopted modified development standards designed to facilitate affordable housing on a Citywide basis. Projects which provide a minimum of 20 percent units affordable to either: a) very low to low income renters, or b) low to moderate income homebuyers may utilize the following standards, subject to an Administrative Development Permit:

- Reduced lot size
- Increased height of up to ten feet
- Reduced unit size

Studio:	500 square feet
1 bedroom:	600 square feet
2 bedroom:	750 square feet
3 bedroom:	900 square feet
4+ bedroom:	900 sf plus 150 sf for each bedroom >3

- Reduced parking

0-1 bedroom:	1.25 spaces/unit
2-3 bedroom:	1.75 spaces/unit
4+ bedroom:	2 spaces/unit
Guest:	1 space/5 units

All units within an affordable housing development project, regardless of affordability restriction, shall not differ in appearance and shall be designed to contain all the same amenities, architectural features, and/or other similar elements. Applicants whose projects fulfill the affordability parameters under State density bonus law may instead chose to utilize the incentives available under State law.

Condominium Conversions

The City's Zoning Code regulates the conversion of rental units to condominiums through a Conditional Use Permit process as a means of managing the undesirable aspects of conversion projects on tenants and the stock of rental housing in the community. Prior to approval of a conversion, the Commission must find the following:

- The project would not adversely affect the supply and availability of rental housing in the City or within a specified area of the City
- At least 25% of the project's tenants qualify for purchase of units

Additional tenant protections include: direct noticing of the public hearing on the proposed conversion; minimum 120 day notice to vacate if the conversion is approved; allowance for tenants with children to extend their lease until the end of school year; tenant right of first purchase; and arrangement for equivalent housing facilities (at the tenant's expense) for tenants purchasing units but temporarily displaced by renovations.

Building Codes

The City has adopted the latest editions of the State Uniform Building and Housing Codes which establish minimum construction standards necessary to protect the public health, safety and welfare. The local enforcement of this code does not unduly constrain the development of housing. One of the most effective ways for reducing time delays and ensuring a smooth operation of the application process is the pre-submittal exchange of information and problem solving that takes place on most projects.

Occupancy Standards

Local occupancy standards more stringent than those established by the State have been deemed unconstitutional by the courts; the Huntington Park Zoning Ordinance does not contain residential occupancy standards. All California jurisdictions are mandated to follow the occupancy standards established under the State Uniform Housing Code (UHC). The UHC requires that every dwelling, except studio apartments, have one room with at least 120 square feet of floor area. Two persons are permitted to use a room for sleeping purposes if it has a total area of not less than 70 square feet. When more than two persons occupy a room, the required floor area must be increased by 50 square feet per occupant. The UHC is based on health and safety considerations, and is not intended to discriminate based on familial status.

2. Provision for a Variety of Housing Types

Through its zoning powers, Huntington Park provides development opportunities for a variety of housing types to promote diversity in housing price and style to meet the needs of its residents. Table IV-4 summarizes the housing types permitted in each of the Huntington Park zoning districts where residential uses are permitted.

Table IV-4
Housing Types by Residential Zone Category

Housing Types Permitted	Zoning District							
	R-L	R-M	R-H	C-P	C-N	C-G	DTSP[2]	MPD
Single-Family	P	P	P					
Condominiums	D	D	D				C	
Multiple-Family		D	D				D	
Residential Development (min 20 du/acre)				D	D			
Live/Work Units							C	
Senior Citizen/Congregate Care			C				C	
Single Room Occupancy (SRO)			C				C	
Manufactured Housing	D	D	D					
Second Units	P							
Small Lot Residential Developments		D	D				C	
Group Homes (6 or fewer clients)	P	P	P				P	
Group Homes (7 or more clients)	C	C	C				C	
Transitional Housing[1]		D	D					
Supportive Housing[1]		D	D					
Emergency Shelters						C		P
Convalescent Homes		C	C	C	C	C		

D=Development Permit P=Permitted C=Conditional Use Permit

[1]Assumes transitional and supportive housing is configured as a multi-family residential use, and is therefore subject to a Development Permit. If such housing were configured as a multi-family use, it would be permitted by right within the R-M and R-H zones.

[2] Permitted residential uses vary somewhat within the four districts of the DTSP - refer to pg 102 of the DTSP for details.

Manufactured Housing/ Mobile Homes

Section 65852.3 of the California Government Code requires jurisdictions to administratively allow manufactured homes on lots zoned for single-family dwellings if they meet certain standards.

Huntington Park permits manufactured housing on permanent foundations in all residential zone districts, subject to a Development Permit. The Permit process requires review by the Community Development Director to ensure compatibility of the manufactured home with surrounding uses. The City has adopted the following development standards to govern the installation of mobile and manufactured homes: 1) homes shall have a minimum eave projection of 2 feet on at least 2 opposite sides, with at least 1 foot on any one side; 2) roofs must have a minimum pitch of 1:4 and shall be constructed of non-reflective/non-metallic roofing material; 3) exterior siding shall be non-reflective/non-metallic and shall be installed from the ground up to the roof; and 4) homes shall have a minimum width of 20 feet, unless part of any approved modular style. These architectural requirements are within the parameters of State law, and do not serve as a constraint to manufactured housing.

Zoning Provisions for Group Care Facilities

Section 1566.3 of the California Health and Safety Code requires residential facilities which serve six or fewer persons to be considered a residential use of property for purposes of local zoning ordinances. In addition, the residents and operators of such a facility are considered a family for the purposes of any law or zoning ordinance which relates to the residential use of property, whether or not such persons are related by blood or marriage. No local agency can impose stricter zoning or building and safety standards on these residential facilities – such as a conditional use permit, zoning variance or other zoning clearance - than is required of a family dwelling of the same type in the same zone. The Huntington Park Zoning Code permits group homes serving six or fewer persons by right in all residential zones (R-L, R-M, R-H).

The Health and Safety Code further states that no local zoning ordinance can include residential facilities which serve six or fewer residents in the definition of a boarding house, rooming house, institution or home for the care of minors, the aged, or the mentally infirm, foster care home, guest home, rest home, sanitarium, mental hygiene home, or other similar term which implies that the residential facility is a business run for profit or differs in any way from a family dwelling. In compliance with the State statutes, the City's Zoning Ordinance provides the following definition of group home facilities:

> "*Group home*" means a facility providing residential social and personal care for children, the elderly and people with limited ability for self-care, but where medical care is not a major element. Includes: children's homes; board and care homes; self-help group homes. Note: Convalescent homes, nursing

homes and similar facilities providing medical care are not included under this definition.

Due to the unique characteristics of larger (more than six persons) group care facilities, most jurisdictions require a CUP to ensure neighborhood compatibility in the siting of these facilities. The Huntington Park Zoning Code provides for group care facilities with more than six occupants in R-L, R-M and R-H zone districts, subject to approval of a CUP by the Planning Commission. The Planning Commission is required to make the following findings before granting any CUP:

1. The proposed use is conditionally permitted within, and would not impair the integrity and character of, the subject zoning district and complies with all of the applicable provisions of this Code;
2. The proposed use is consistent with the General Plan;
3. The approval of the Conditional Use Permit for the proposed use is in compliance with the requirements of the California Environmental Quality Act (CEQA) and the City's Guidelines;
4. The design, location, size and operating characteristics of the proposed use are compatible with the existing and planned future land uses within the general area in which the proposed use is to be located and will not create significant noise, traffic or other conditions or situations that may be objectionable or detrimental to other permitted uses operating nearby or adverse to the public interest, health, safety, convenience or welfare of the City;
5. The subject site is physically suitable for the type and density/intensity of use being proposed; and
6. There are adequate provisions for public access, water, sanitation, and public utilities and services to ensure that the proposed use would not be detrimental to public health and safety.

The required findings for approval of a CUP in Huntington Park are directed towards ensuring compatibility of the proposed use and not tied to the user, and therefore are not viewed as a constraint per se to the provision of community care facilities.

The Zoning Ordinance provides the following definition for convalescent homes, which are permitted with a CUP in the R-M and R-H zones, as well as the C-P, C-N, and C-G zone districts.

> "*Convalescent home*" means a licensed facility which provides bed and ambulatory care for patients with post-operative convalescent, chronic illness and persons unable to care for themselves; but not including alcoholics, drug addicts or persons with mental or contagious diseases or afflictions. (Includes "Nursing Home" and "Rest Home").

Huntington Park's zoning regulations do not constrain the provision of group housing and housing for persons with disabilities. The City does not impose any spacing requirements between residential care or other special needs facilities, and does not impose any occupancy standards for unrelated adults which differ from those for families. The City provides reduced parking and unit sizes for senior and disabled housing. Review of the State's Community Care Licensing (June 2014) reveals two adult residential care facilities in Huntington Park - a 12 bed facility and a 24 bed facility.

Zoning Provisions for Emergency Shelters, Transitional and Supportive Housing

The Huntington Park Zoning Ordinance defines "emergency shelters" as follows:

> "*Emergency shelter*" means a facility operated by a nonprofit organization providing temporary housing and minimal supportive services for homeless persons for a period of no more than six (6) months.

To facilitate the development of emergency housing, the City amended the Zoning Code in 2010 to accommodate emergency shelters as a permitted use. Emergency homeless shelters housing up to 30 persons are a principally permitted use in the Manufactured Planned Development (MPD) zone, provided the property boundaries are located more than 500 feet from a residential zone, public park, or school and 300 feet away from any other shelter. Shelters may also be established in the General Commercial (C-G) zone, subject to a conditional use permit, with shelters housing more than 30 persons conditionally permitted in the MPD zone.

SB 2, effective January 2008, amended California Housing Element law regarding planning and approval for transitional and supportive housing. Specifically, SB 2 requires transitional and supportive housing to be treated as a residential use and only subject to those restrictions that apply to other residential uses of the same type in the same zone. For example, if the transitional housing is a multi-family use proposed in a multi-family zone, then zoning should treat the transitional housing the same as other multifamily uses in the proposed zone.

Consistent with SB 2, Huntington Park has incorporated the following definitions of transitional and supportive housing into the Zoning Ordinance, and permits these uses in residential and commercial zoning districts subject to those restrictions that apply to other residential dwellings of the same type in the same zone.

> *"Transitional housing" means temporary housing for a homeless individual or family transitioning to permanent housing for stays of at least six (6) months. Housing can take several forms, including group housing or multi-family units, and may include supportive services to allow for necessary life skills in support of independent living.*

> *"Supportive housing" means the same as transitional housing; however, there is no limit on the length of stay, and on-site or off-site services must be provided as part of the program. Services may include assistance in retaining housing, living and working in the community, and/or improving health and may also include case management, mental health treatment and life skills. Under the California Health & Safety Code, the target population for this housing type consists of low-income persons with disabilities (including substance abuse), chronic health conditions, and similar problems.*

Zoning Definition of a Family

The California courts have invalidated the following definition of "family" within jurisdictions Zoning Ordinances: (a) an individual, (b) two or more persons related by blood, marriage or adoption, or (c) a group of not more than a certain number of unrelated persons as a single housekeeping unit. Court rulings state that defining a family does not serve any legitimate or useful objective or purpose recognized under the zoning and land planning powers of the city, and therefore violates rights of privacy under the California Constitution. A zoning ordinance also cannot regulate residency by discrimination between biologically related and unrelated persons.

In response to these court rulings, the City of Huntington Park has adopted the following definition of "family" within the Zoning Ordinance:

> "*Family*" means one or more persons occupying a premise and living as a single non-profit housekeeping unit, as distinguished from a group occupying a boarding or lodging house, hotel, club or similar dwelling for group use. A family shall not include a fraternal, religious, social or business group. A family shall be deemed to include domestic help employed by the family.

Zoning Provisions for Second Units

In 2009, Huntington Park updated the definition of a second unit within the Zoning Code as follows:

> "*Second dwelling unit*" means a dwelling unit located on the same lot as the primary single-family dwelling, which the second unit is either attached to, or detached from, and which provides complete, independent living facilities for no more than two persons. A second unit shall include permanent living facilities including permanent but separate provisions for living, sleeping, eating, cooking and sanitation and shall contain a full bath, a kitchen and not more than one bedroom.

AB 1866, which took effect in 2003, modified California law pertaining to local zoning for second units, requiring a ministerial permit process for second units, which means without a public hearing or discretionary approval. AB 1866 also establishes maximum parking requirements of one space per unit, unless a finding is made that

additional parking requirements are directly related to the use of the second unit and are consistent with existing neighborhood standards.

The City of Huntington Park has amended its Zoning Code to eliminate the conditional use permit requirement for second units, and as reflected in Table IV-4, permits second units as of right in the R-L zone district. The City has also modified its development standards to better support the creation of second units, which typically offer a more affordable rental option than apartments, as well as providing housing options for seniors, caregivers, and family members. Development standards include:

- Allowance for second unit to be within, attached, or detached from single-family dwelling
- Minimum R-L parcel size of 6,250 square feet
- Second unit may range from 500 to 650 square feet
- Off-street parking of one space (in addition to two spaces for main units). Parking for second unit may be uncovered

Accessibility for Persons with Disabilities

Reasonable Accommodation: Both the federal Fair Housing Act and the California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodations in their zoning and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use a dwelling. For example, it may be a reasonable accommodation to allow covered ramps in the setbacks of properties that have already been developed to accommodate residents with mobility impairments. The City of Huntington Park allows property owners to build ramps into residential structures to allow first floor access for physically disabled residents. According to the City's Planning Manager, ramps of up to 18" in height are allowed by right as an encroachment in the front setback of any residential zone. These provisions eliminate the need to obtain a zoning variance.

In December 2009, the City of Huntington Park adopted a reasonable accommodation ordinance to provide reasonable adjustments to its rules, policies, practices and procedures to enable residents with a disability or developers of housing for people with disabilities to have an equal opportunity to access housing in the City. A request for reasonable accommodation may be made by any person with a disability, his/her representative or a developer or provider of housing for the disabled when the application of a zoning law, building code provision or other land use regulation, policy or practice acts as a barrier to fair housing opportunities for the disabled. If at the completion of that process, an accommodation is granted which provides for a deviation to zoning, the Community Development Director (or his or her designee) is authorized to execute a covenant that allows such flexibility, but only as long as the disability exists for that specific applicant.

Residential Accessibility Requirements: The City of Huntington Park has adopted the 2010 edition of the most recent California Building Standards Code which establishes accessibility requirements in Chapters 11A (Housing Accessibility) and 11B (Accessibility to Public Buildings, Public Accommodations, Commercial Buildings and Publicly Funded Housing). Consistent with the federal Fair Housing Act, the State Building Code requires all multi-family structures with four or more units built after March 13,1991 to provide accessible routes throughout the property, and "adaptable" dwelling units to allow conversion to a fully accessible unit without significant costs and the need to do significant structural modifications. In multi-family structures with an elevator, 100% of the units must meet the accessibility requirements, whereas in buildings without an elevator, all of the ground floor units must be accessible. The Code requires compliance with the following seven basic *design and construction requirements for accessible routes and unit adaptability:*

Requirement #1. An accessible building entrance on an accessible route. All covered multifamily dwellings must have at least one building entrance on an accessible route unless it is impractical due to terrain or unusual site characteristics.

- ✓ An accessible route means a continuous, unobstructed path connecting accessible elements and spaces within a building or site that can be negotiated by a person with a disability who uses a wheelchair, and that is also safe for and usable by people with other disabilities.
- ✓ An accessible entrance is a building entrance connected by an accessible route to public transit stops, accessible parking and passenger loading zones, or public streets and sidewalks.

Requirement #2. Accessible and usable public and common-use areas. Public and common-use areas encompass all parts of the housing outside individual units, including - for example - building-wide fire alarms, parking lots, storage areas, indoor and outdoor recreational areas, lobbies, mailboxes, and laundry areas.

Requirement #3. Usable doors (usable by a person in a wheelchair). All doors that allow passage into and within all premises must be wide enough to allow passage by persons using wheelchairs.

Requirement #4. Accessible route into and through the dwelling unit.

Requirement #5. Light switches, electrical outlets, thermostats and other environmental controls in accessible locations.

Requirement #6. Reinforced bathroom walls for later installation of grab bars.

Requirement #7. Usable kitchens and bathrooms. Kitchens and bathrooms must designed so an individual in a wheelchair can maneuver in the space provided.

The above accessibility requirements pertain to new construction only, and not renovations or remodels. However, Chapter 11B of the Building Code applies a more stringent standard for publicly-funded housing, requiring 20 percent of public funds utilized on renovation, structural repair, alterations or additions to existing multi-family buildings be allocated towards removal of architectural barriers.

Section 504 of the Rehabilitation Act of 1973 adds an additional layer of accessibility requirements for projects receiving federal funds, such as HOME or CDBG. In federally assisted new construction or substantially rehabilitated housing with five or more units, five percent of the units, or at least one unit, must be accessible for persons with mobility disabilities. An additional two percent of the dwelling units, or at least one unit, must be accessible for persons with hearing or visual disabilities. These units must be constructed in accordance with the Uniform Federal Accessibility Standards (UFAS), or a standard that is equivalent or stricter. UFAS generally defines an accessible housing unit as a unit located on an accessible route that can be approached, entered and used by individuals with disabilities.

The City of Huntington Park Building Division ensures compliance with all State and Federal accessibility requirements as part of the Plan Check process. During the construction phase, building inspectors conduct site visits to ensure the project adheres to the required accessibility specifications prior to signing off on the final certificate of occupancy.

3. Public and Administrative Policies Concerning Community Development and Housing Activities

Important criteria of the State Department of Housing and Community Development (HCD) approval of any housing element include a determination that the local jurisdiction's policies do not unduly constrain the maintenance, improvement, and development of a variety of housing choices for all income levels. HCD has reviewed Huntington Park's 2008-2014 Housing Element and determined the City's residential land use regulations and procedures do not serve as a constraint, and have certified the City's Housing Element as in compliance with State law.

The City's Housing Element establishes the following goals and policies:

GOAL 1.0: ASSIST IN THE PROVISION OF A RANGE OF HOUSING TYPES TO MEET THE EXISTING AND FUTURE NEEDS OF RESIDENTS.

Policy 1.1: Provide a diversity of residential development types in Huntington Park, including low density single-family homes, moderate density townhomes, and higher density apartments and condominiums in order to address the City's share of regional housing needs.

Policy 1.2: Provide financial and/or regulatory incentives to facilitate the development of affordable housing. Utilize inclusionary housing as a tool within Redevelopment Project Areas to integrate affordable units within market rate developments.

Policy 1.3: Assist residential developers in identifying and preparing land suitable for residential development.

Policy 1.4: Target a portion of Community Development Commission assisted housing toward large family households, and provide zoning incentives, such as reduced lot sizes and density bonuses, to facilitate family housing development.

Policy 1.5: Support collaborative partnerships with non-profit organizations, affordable housing builders, and for-profit developers to provide greater access to affordable housing funds.

Policy 1.6: Require that housing constructed expressly for low and moderate income households not be concentrated in any single portion of the City.

Policy 1.7: Encourage the development of residential units that are accessible to persons with disabilities, or are adaptable for conversion for persons with disabilities.

Policy 1.8: Encourage use of sustainable and green building features in new and existing housing.

GOAL 2.0: MAINTAIN AND ENHANCE THE QUALITY OF EXISTING HOUSING AND RESIDENTIAL NEIGHBORHOODS IN HUNTINGTON PARK.

Policy 2.1 Preserve the character, scale and quality of established residential neighborhoods.

Policy 2.2: Promote the rehabilitation of residential structures that are substandard or in disrepair, and rehabilitation funding for room additions to alleviate overcrowding.

Policy 2.3: Strengthen multi-family neighborhoods through partnership with non-profits in acquisition and rehabilitation of deteriorated properties and provision as long term affordable housing.

Policy 2.4: Continue to utilize the City's code enforcement program to bring substandard units into compliance, and to improve the overall housing conditions in the City.

Policy 2.5: Educate property owners on the benefits of home repair and remodeling using design and materials consistent with the historic character of the residence.

Policy 2.6: Work with property owners, tenants, and non-profit purchasers to facilitate the preservation of assisted rental housing.

GOAL 3.0: MINIMIZE THE IMPACT OF GOVERNMENTAL CONSTRAINTS ON THE MAINTENANCE, IMPROVEMENT AND DEVELOPMENT OF HOUSING.

Policy 3.1: Monitor all regulations, ordinances, departmental processing procedures and fees related to the rehabilitation and construction of housing units to assess the impact on housing costs.

Policy 3.2: Revise the City's Zoning Code to clarify provisions for supportive and transitional housing, and emergency shelters.

Policy 3.3: Allow for reductions in parking for special needs housing on a Citywide basis where the project applicant can demonstrate a reduced need for parking.

GOAL 4.0: PROVIDE ADEQUATE SITES FOR THE DEVELOPMENT OF NEW HOUSING THROUGH APPROPRIATE LAND USE AND ZONING.

Policy 4.1: Implement land use policies that allow for a range of residential densities and housing types to address Huntington Park's regional housing needs.

Policy 4.2: Assist residential developers in identifying sites through dissemination of the sites inventory, and assist in consolidation of parcels within Redevelopment Project Areas.

Policy 4.3: Provide opportunities and incentives for mixed use and infill housing development in the Central Business District as part of the City's overall revitalization strategy. Utilize Redevelopment authority to assemble land and provide land write-downs in exchange for development of affordable units.

Policy 4.4: Encourage and facilitate residential development within the Affordable Housing Overlay, and target a portion of Redevelopment Agency funds towards development of family housing in this area.

Policy 4.5: Permit the development of Single Room Occupancy Hotels (SROs) in the Senior Citizen/Affordable Housing Overlay district to assist in addressing the needs of the homeless and other very low income individuals.

GOAL 5.0: PROMOTE EQUAL OPPORTUNITY FOR ALL RESIDENTS TO RESIDE IN THE HOUSING OF THEIR CHOICE.

Policy 5.1: Continue to cooperate with the Fair Housing Foundation to enforce fair housing laws, and to provide public education and outreach.

Policy 5.2: Inform the Fair Housing Foundation of any known violations of applicable Federal and State laws.

Policy 5.3: Coordinate with the Los Angeles Area Homeless Services Agency (LAHSA) and other local communities in order to provide a continuum of care of services and facilities for the homeless. Support local service providers offering needed facilities and housing support services to homeless individuals and families, and persons at risk of homelessness.

Policy 5.4: Continue to address the special housing needs of persons with disabilities through provision of supportive housing, homeowner accessibility grants, and adoption of a reasonable accommodation ordinance.

4. Moratoriums/Growth Management

Huntington Park does not have building moratoriums or growth management plans that limit housing construction.

5. Development Fees/Assessments

The City imposes processing fees as part of its responsibility to regulate development. The fees cover the actual costs required for processing and providing services and facilities. In general, the fees charged by the City are low relative to other communities, and do not constitute an actual constraint on housing production. Table IV-5 identifies the City's planning and development fees on residential development.

In 2001, the City established a Publicly Visible Art program to improve and enhance the quality of life for individuals living, working and visiting the City. Balanced development of cultural and artistic resources preserves and improves the quality of the urban environment and increases property values. All new residential developments of two or more units, public and institutional buildings, and all commercial and industrial development projects with a construction value of $100,000 are subject to the program, and are required to provide publicly visible art as part of their project, such as sculptures, murals or fountains. Alternatively, projects can contribute one percent of the construction valuation of their project to the City Art Fund. The City's Art Ordinance exempts affordable and senior housing units from the calculation of construction valuation.

In 2004, the City adopted parkland dedication and/or in-lieu parkland (i.e. "Quimby") fees on residential development. Any new residential development of one unit or more, and any addition of one or more units to an existing residential property, is subject to the park dedication requirement. While the parkland standard under the Quimby Act is for three acres of parks per 1,000 population, Huntington Park is severely park deficient with only 0.74 acres of parks per 1,000 residents. The intent of the parkland dedication and/or fee requirement is to require developers to pay a share of the costs for development of new and rehabilitation of existing park and recreation facilities to serve the residents of the development. The amount of the fee is based on approximately 359 square feet per acre of the residential project, multiplied by the fair market land value, currently equating to a Quimby fee of approximately $5,500 per unit. The City's Parkland Ordinance exempts affordable and senior housing units from the fee calculation.

Table IV-5
Planning and Development Fees

Type of Request	Fee
Minor Development Permit Development Permit Preliminary Plan Reviews (1st & 2nd)	$245 $1,628 $217
Conditional Use Permit, Variance	$1,900
Zone Change	$2,170
General Plan Amendment	$3,255
Development Agreement	$2,170
Tentative Parcel or Tract Map Final Parcel or Tract Map	$1,900 County Fee
Environmental Assessment With Categorical Exemption With Negative Declaration With Mitigated Negative Declaration	 $250 $466 $651
Environmental Impact Report	Consultant fee + 25% admin fee
Quimby/Park Development Fees	$5,500/unit
Publicly Visible Art Fee	1% of construction valuation
Building and Safety Plan Check	Approx. 85% of building permit fees
Building and Safety Permit Fees	Approx. 1.5% of valuation

Source: Huntington Park Community Development Department, 2014.

6. Community Representation

An important way to further fair housing is to provide a variety of opportunities for residents to express their concerns about housing and related community development issues. Huntington Park has established six different Commissions addressing a broad comprised of community representatives. The role of these public bodies are discussed below.

Planning Commission: The Huntington Park Planning Commission reviews and makes decisions on a variety of land use matters such as subdivisions, conditional use permits, design reviews, and variances. The Commission also makes recommendations to the City Council on issues pertaining to the General Plan, Specific Plans, zone changes, annexations, ordinances such as the Zoning Code and policy issues regarding development. Decisions are reached at advertised public hearings conducted monthly, and residents, business community members, and concerned citizens are encouraged to attend and participate in the discussion and decision process. The Planning Commission consists of five members appointed by City Council to serve four-year terms. The current composition of the Commission includes three men and two women, all of which are Latino.

Parks, Arts, Recreation and Culture Commission (PARC): This seven member Commission reflects a consolidation of the Parks and Recreation, Arts and Culture, and Youth Commissions. The Commission's purpose is to advise the City Council and City Manager and take a leadership role in promoting and increasing awareness and support for matters involving the youth community, the City's parks and recreation activities, and arts and culture, including making funding recommendations to City Council on these issues. The Commission develops policies to involve the community, particularly youth and artists, in parks and recreation activities and events, selected Capital Improvements projects, and encourage the private sector to include public art, youth oriented facilities and events, and public-use outdoor facilities in private developments. Commissioners serve for a three year term. The current composition includes three men and four women, all of whom are Latino.

Health and Education Commission: The City Council established this Commission in 2005 to make investigations, studies, hold hearings and make recommendations to the City Council and Administrative staff concerning health and education issues. The Commission's role is also to create awareness in the City of health and education matters in general. Commissioners serve a four year term. The current composition of the Commission includes two men and three women, four of whom are Latino and one Caucasian.

Historical Preservation Commission: In September 2006, the City Council established a new Commission focused on preserving the community's historic resources. The role of the Historic Preservation Commission is to prepare, recommend adoption, and implement revisions to the Municipal Code as it pertains to the desired preservation of local resources. The five member Council-appointed commission is to be comprised of three residents, and two professionals in historic preservation related disciplines.

B. PRIVATE SECTOR IMPEDIMENTS

The following section evaluates potential private sector impediments to fair housing, including real estate and apartment association practices, real estate advertising, mortgage lending practices, and covenants.

1. Real Estate Associations and Practices

A variety of real estate associations at the national, state and local level promote fair housing practices among realtors. Organizations relevant to Huntington Park include the National Association of Realtors, the California Association of Realtors, the California Department of Real Estate, and the Southland Regional Association of Realtors.

National Association of Realtors

Since 1996, the National Association of Realtors (NAR) has maintained a Fair Housing Partnership with the U.S. Department of Housing and Urban Development (HUD). As part of this partnership, HUD and NAR have developed a Model Affirmative Fair Housing Action Plan for use by members of NAR to satisfy HUD's Affirmative Fair Housing Marketing regulations. Through this Plan, NAR offers a full spectrum of fair housing resources and training to member realtors.

As part of the NAR Code of Ethics, each member Realtor is required to sign the following fair housing declaration per the HUD-NAR agreement.

- *Provide equal professional service without regard to race, color, religion, sex, handicap, familial status, or national origin of any prospective client, customer, or of the residents of any community.*

- *Keep informed about fair housing law and practices, improving my clients' and customers' opportunities and my business.*

- *Develop advertising that indicates that everyone is welcome and no one is excluded, expanding my client's and customer's opportunities to see, buy, or lease property.*

- *Inform my clients and customers about their rights and responsibilities under the fair housing laws by providing brochures and other information.*

- *Document my efforts to provide professional service, which will assist me in becoming a more responsive and successful Realtor.*

- *Refuse to tolerate non-compliance.*

- *Learn about those who are different from me, and celebrate those differences.*

- *Take a positive approach to fair housing practices and aspire to follow the spirit as well as the letter of the law.*

- *Develop and implement fair housing practices for my firm to carry out the spirit of this declaration.*

In addition to the Code of Ethics, NAR certifies real estate professionals who receive specialized training to work with a diverse population. The "At Home with Diversity: One America" certification program provides planning tools for reaching out and marketing to a diverse housing market in the areas of diversity awareness, building cross-cultural skills, and developing a diversity business plan. Realtors completing the course can display the HUD One America logo and NAR At Home With Diversity logo in their advertising, signaling to prospective buyers that the realtor is knowledgeable about working with diverse populations. Other NAR training tools include brochures for existing and prospective homebuyers on "How to Avoid Predatory Lending" and "Learn How to Avoid Foreclosure and Keep Your Home."

California Association of Realtors

The California Association of Realtors (CAR) is an arm of NAR, and represents nearly 200,000 realtors statewide. Members are required to adhere to the NAR Code of Ethics and sign the Fair Housing Pledge. Huntington Park realtors are served by CAR's Los Angeles office, and have access to numerous services and programs including legislative advocacy, legal programs, and educational training. CAR offers a variety of professional development courses, including training realtors in working with foreclosed properties.

CAR and the Los Angeles Times have host an annual Southern California Homebuyer's Fair at the Los Angeles Convention Center. The Fair features more than 50 educational seminars, including sessions on fixing credit, qualifying for a home loan, and how to purchase foreclosures, short sales and REOs. Several of the sessions are offered in Spanish.

CAR has developed diversity-related initiatives that now serve as models for associations across the country. In 2000, the Association inaugurated a Leadership Summit for the state's ethnic real estate associations to discuss current issues such as subprime loans, predatory lending, and pending legislation. The Leadership Summit occurs bi-annually and has been instrumental in developing the HOPE (Home Ownership Participation for Everyone) Awards program, which awards a $10,000 honorarium to individuals and organizations for success in promoting minority homeownership. C.A.R.'s Leadership Summit also resulted in establishment of the "Diversity Toolkit" designed to assist associations with a wide variety of diversity programs.

California Department of Real Estate (DRE)

The California Department of Real Estate (DRE) serves as the licensing authority for real estate brokers and salespersons in the State. DRE has adopted education requirements that include courses in ethics and in fair housing. State real estate licenses are issued for a four year period, with renewals requiring continuing education courses in each of the four mandated areas: agency, ethics, trust fund, and fair housing. The fair housing course contains information to enable real estate agents to identify and avoid discriminatory practices when providing real estate services to clients.

DRE is responsible for investigation of written complaints received from the public and other real estate agents/brokerages regarding alleged violations of real estate law among licensed real estate brokers and salespersons. Complaints may involve fair housing issues. If DRE determines a violation has occurred, they have the authority to revoke the real estate license. Violations may result in civil injunctions, criminal prosecutions or fines.

Rancho Southeast Association of Realtors (RSAR)

The Rancho Southeast Association of Realtors (RSAR) serves southeast Los Angeles County, including the City of Huntington Park. The organization has been in existence for over 90 years and is one of the most ethnically diverse Association of Realtors in the country.

RSAR's stated objectives are as follows:

- To unite those engaged in the recognized branches of the real estate profession for the purpose of exerting a beneficial influence upon the profession and related interests.
- To promote and maintain high standards of conduct in the real estate profession as expressed in the code of Ethics of the National Association of Realtors.
- To safeguard our members' interest in the real estate profession and to further interests of home and other real property ownership.
- To unite those engaged in the real estate profession in our communities with the California Association of Realtors.
- To designate, for the benefit of the public, those individuals within the state of California authorized to use the term REALTOR as licensed, prescribed and controlled by the National Association of Realtors.

RSAR hosts fair housing seminars in conjunction with the Fair Housing Foundation to update members on fair housing laws. Seminars are held in RSAR's offices in Cerritos, and typically filled to the 60 person capacity. Topics addressed include:

- Overview of FHF and their services
- Summary of federal and state housing laws

- Equal treatment needs and examples
- Guidelines to showing properties
- Fair housing is good business

In addition to fair housing courses, RSAR offers several DRE approved courses every month aimed at assisting realtors in better serving the minority community. These courses typically focus on the needs of a particular ethnic group, and rotate topics to address the broad range of ethnicities in southeast Los Angeles.

RSAR provides mediation and professional standards hearings for issues arising between realtors and the public. The Association serves as the local body for the public, other real estate agents, and brokerages to register complaints about member realtors. If the Association determines the grievance is in potential violation of real estate law, the decision is referred to a Professional Standards Committee, who in turn makes a determination whether the issue should be referred to the State Department of Real Estate (DRE).

2. Apartment Association

The California Apartment Association is the country's largest statewide trade association for rental property owners and managers. Under this umbrella agency, the Apartment Association of Greater Los Angeles (AAGLA) serves Huntington Park.

The CAA supports the intent of all local, state, and federal fair housing laws for all residents without regard to color, race, religion, sex, marital status, mental or physical disability, age, familial status, sexual orientation, or national origin. Members of the California Apartment Association agree to abide by provisions of the Code for Equal Housing Opportunity:

- *We agree that in the rental, lease, sale, purchase, or exchange of real property, owners and their employees have the responsibility to offer housing accommodations to all persons on an equal basis;*

- *We agree to set and implement fair and reasonable rental housing rules and guidelines and will provide equal and consistent services throughout our resident's tenancy*

- *We agree that we have no right or responsibility to volunteer information regarding the racial, creed, or ethnic composition of any neighborhood, and we do not engage in any behavior or action that would result in steering; and*

- *We agree not to print, display, or circulate any statement or advertisement that indicates any preference, limitations, or discrimination in the rental or sale of housing.*

The Apartment Association of Greater Los Angeles (AAGLA) serves all of Los Angeles County including Huntington Park. Through a variety of seminars,

workshops, and educational courses, the Association provides members with information and training on such topics as fair housing laws/regulations, landlord/tenant law, ethics, credit checks, addressing code enforcement violations, lead based paint and mold hazards, etc. AAGLA has a fair housing representative who conducts a fair housing workshop and provides information on fair housing. In addition to workshops and seminars, the Association offers a Registered Residential Manager certification that provides training in landlord/tenant issues, ethics, marketing, property management, fair housing, and other issues.

The Association publishes a monthly magazine, *Apartment Age*, and provides information packets to owners and managers interested in joining the organization. The magazine periodically features articles aimed at educating members about fair housing laws.

With a membership base of approximately 30,000 small business owners, most of the larger property management firms are members of AAGLA and have excellent access to fair housing training. However, given the characteristics of Huntington Park's apartment stock as predominately older and in smaller complexes, a large segment of the City's rentals are not managed by professional management companies, and are not members of AAGLA. These "mom and pop" property managers are more likely to be reached through the landlord workshops offered by the Fair Housing Foundation.

3. Mortgage Lending Practices

Equal access to credit for home purchase, home refinance and home improvements is one of the central tenets of fair housing. The following review of mortgage lending practices in Huntington Park analyzes the following issues: 1) existing lending laws; 2) availability of financing; 3) practices of active lenders; 4) subprime and predatory lending activity; 5) foreclosures and loan modifications; and 6) regulations aimed at curbing discriminatory/predatory practices.

Lending Laws and Regulations

Though equal access to lending is critical to homeownership, lending discrimination against minorities or persons of color has been a serious problem in the United States. As a result of past discriminatory lending practices by financial institutions, the federal government enacted a series of laws aimed at protecting persons from discriminatory lending. Title VIII of the Civil Rights Act of 1968 and the Equal Credit Opportunity Act of 1976, commonly called the "Fair Lending Laws," prohibit discrimination against mortgage applicants on the basis of race or national origin.

In 1975 the federal government passed the Home Mortgage Disclosure Act (HMDA), which requires mortgage lenders to report information annually about applications for home purchase, refinancing and home improvement loans, including information on race, income, geographic area, and loan pricing. This information allows both the public and federal regulators to determine responsiveness to the home financing needs of communities in which business is conducted.

HMDA data cannot conclusively identify redlining or discrimination because many factors, such as income, income-to-debt ratio, credit rating, and employment history, affect approval and denial rates. However, analysis of the data may reveal trends that could indicate a pattern of discriminatory lending practices.

Following the passage of HMDA, Congress passed the Community Reinvestment Act (CRA) of 1977. CRA is a federal law that requires banks to make loans and investments, and open branches in the communities where they are taking deposits, and is aimed at ensuring banks are meeting the credit needs of low- and moderate-income neighborhoods. CRA performance is measured and rated against the amount of bank lending activity in low and moderate income markets, relative to bank lending in non-low and moderate income markets and to the opportunities that exist in such markets.

The mortgage meltdown has spurred a national debate over the effectiveness of CRA. Legislation stemming from the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act has been proposed to significantly strengthen the law, broadening its scope to apply to non-bank lending institutions and increasing the rigor of CRA performance exams.

Availability of Financing

Table IV-6 summarizes Home Mortgage Disclosure Act (HMDA) data for both Huntington Park and Los Angeles County, providing information on the approval status of all home purchase, refinance and home improvement loan applications during 2013.

- Of the total 153 completed applications for home purchase loans in Huntington Park, 73 percent were approved and 27 percent were denied. At 17 percent, the County-wide average for mortgage loan denials was ten percent lower than in Huntington Park.

- The volume of applications for refinance loans in Huntington Park was over three times that of home purchase loans, with 71 percent of the total 493 applications receiving approval and 29 percent denied, again reflecting higher denial rates than the regional average.

- The number of applications for home improvement loans in Huntington Park was extremely limited at just 30, with 60 percent of applications receiving approval and 40 percent being denied, fairly close to the 37 percent denial rate County-wide. Home improvement loans typically have higher denial rates because homeowners may already have high debt-to-income ratios on their home mortgage or refinance loans.

Table IV-6: Status of Home Purchase, Refinance and Improvement Loans 2013

Loan Type	Completed Loan Applications	Loans Approved		Loans Denied	
		Huntington Park	L.A. County	Huntington Park	L.A. County
Home Purchase Loans					
# Applications	153	112		41	
% Approval/Denial		73%	83%	27%	17%
Refinancings					
# Applications	493	349		144	
% Approval/Denial		71%	77%	29%	23%
Home Improvement Loans					
# Applications	30	18		12	
% Approval/Denial		60%	63%	40%	37%

Source: Home Mortgage Disclosure Act Data, 2013. Compiled by Karen Warner Associates, Inc.
Note: Approved loans include: loans originated and applications approved but not accepted. Denial rate based on applications that went through complete underwriting process, and exclude applications withdrawn or files closed for incompleteness.

Table IV-7 compares the number of loan applications and denial rates for home purchase, refinance and home improvement loans in Huntington Park in 2011, 2012 and 2013.

- For home purchase loans, the volume of applications in Huntington Park has been very limited in recent years, with less than 250 applications in each of the past three years. Loan denial rates were 30 percent in 2011, 24 percent in 2012 and 27 percent in 2013, compared to a Countywide home loan denial rate of 17 percent in each of these years.

- For refinance loans, historic low interest rates have continued to stimulate refinance activity, with the number of applications significantly above that for home purchase loans. Refinancing loan denial rates were slightly above those for home purchase loans both in Huntington Park and Countywide.

- Applications for home improvement loans in Huntington Park have been nominal, rendering an assessment of loan denial rates not particularly meaningful. As the economy and housing market continue to improve, home improvement activity can be expected to pick back-up again.

Table IV-7: Comparison of Huntington Park Loan Status in 2011-2013

Loan Type	Completed Loan Applications			% Loans Denied (LA County %)		
	2011	2012	2013	2011	2012	2013
Home Purchase	227	202	153	30% (17%)	24% (17%)	27% (17%)
Refinancing	329	444	493	32% (23%)	28% (20%)	29% (23%)
Home Improvement	23	31	30	57% (35%)	64% (38%)	40% (37%)

Source: Home Mortgage Disclosure Act Data, 2012-2013. Compiled by Karen Warner Associates, Inc.

Geographic Analysis of Mortgage Loan Denials

An analysis of loan denial rates by individual census tract can be used to assess whether there is any correlation between areas with a greater incidence of lower income households and access to mortgage financing. Table IV-8 presents 2011, 2012 and 2013 mortgage loan denial rates for Huntington Park's census tracts, and highlights tracts in which denial rates are five percent or above the Citywide average for in two of the three years.

Table IV-8: Home Loan Denial Rates by Census Tract 2011-2013

Census Tract	% Low/Mod	2011 Home Purchase Loans		2012 Home Purchase Loans		2013 Home Purchase Loans	
		# Completed Applications	% Denial Rate	# Completed Applications	% Denial Rate	# Completed Applications	% Denial Rate
5325.00	78%	21	29%	24	29%	20	30%
5326.03	64%	6	33%	11	27%	6	0%
5326.04	79%	10	20%	8	37%	9	22%
5326.05	81%	14	29%	17	53%	11	9%
5326.06	79%	5	0%	6	0%	6	33%
5327.00	81%	13	46%	8	25%	6	67%
5330.02	68%	25	24%	5	0%	8	0%
5331.03	93%	7	86%	6	17%	5	60%
5331.04	86%	10	40%	7	14%	4	50%
5331.05	90%	10	50%	5	0%	3	33%
5331.06	76%	8	0%	2	0%	5	0%
5331.07	83%	10	20%	6	0%	4	25%
5332.01	82%	6	33%	9	33%	8	37%
5332.02	68%	13	15%	8	0%	9	22%
5332.03	86%	4	25%	9	33%	5	20%
5335.01	69%	6	50%	9	0%	3	0%
5335.02	85%	8	25%	11	9%	3	0%
5335.03	76%	2	0%	2	0%	2	0%
5345.01	63%	26	23%	30	33%	13	31%
5345.02	76%	23	44%	18	17%	23	30%
Citywide Average		**227**	**30%**	**202**	**24%**	**153**	**27%**

Source: Home Mortgage Disclosure Act Data, 2011-2013. Low/mod % derived from www.huduser.org. Compiled by Karen Warner Associates, Inc.

Note: Denial rate based on applications that went through the complete underwriting process, and excludes applications withdrawn or files closed for incompleteness.

x% - Census tracts with loan denial rates 5% or greater than the Citywide average for the year.

Figure IV-1 presents a map of the five census tracts in Huntington Park with higher than average mortgage loan denials in two of the last three years. Because over 95 percent of the City's residents are of Hispanic origin, all these fall within areas of minority concentration. Similarly, because all but four small census block groups in Huntington Park are low and moderate income, it is not surprising that each of the five census tracts with higher than average loan denials is also within a low and moderate income area. In addition, with the low volume of mortgage loan applications in recent years, evaluation at the census tract level provides a limited number of applications per tract.

Nonetheless, the following summarizes the characteristics of those tracts identified as having higher than the citywide average of mortgage loan denials:

- Census tracts 5331.04 (located north of Florence on the blocks surrounding Pacific Blvd), 5331.05 (east of Miles between Randolph and Gage), and 5331.03 (north of Florence and east of Alameda) evidence the highest rates of poverty in the City, with poverty rates of 43 percent, 37 percent and 36 percent respectively (refer to Figure II-6). Each of these tracts are also characterized by high proportions of renter households (refer to Figure II-7).

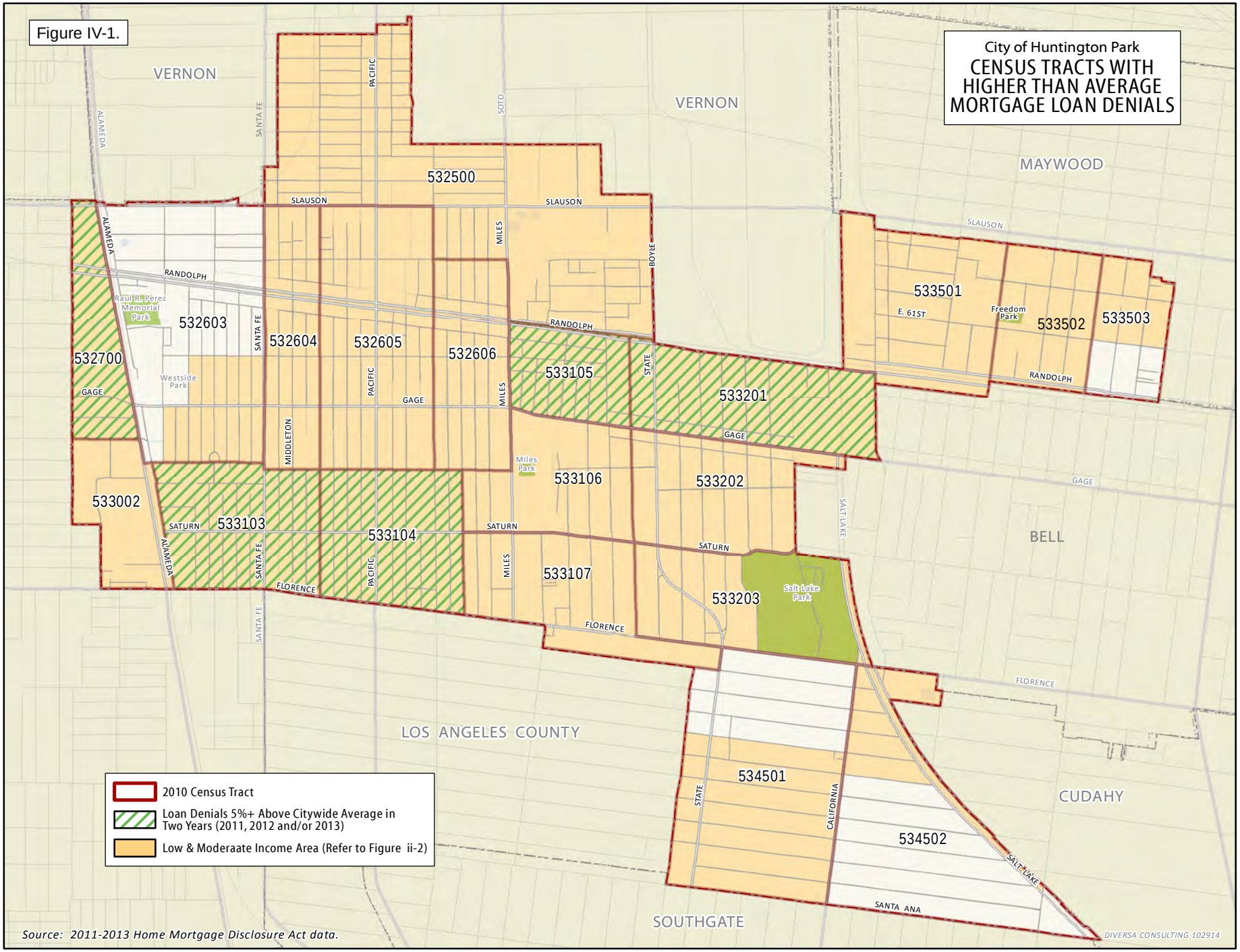
- Tract 5332.01 (located east of State between Randolph and Gage), is the only census tract that evidenced loan denials of 33 percent or above in all three years. The poverty rate in this tract (21%) is below the Citywide average of 27 percent, though the incidence of renter households is particularly high in the neighborhoods immediately adjacent to State Street.

- Tract 5327.0 (located west of Alameda on the City's western boundary) is characterized by more modest rates of poverty and renter households. As only a portion of this tract falls within the City limits (block group 2) and is largely characterized by non-residential uses, mortgage loan data is likely mostly reflective of the portion of the census tract which falls outside the City limits.

In summary, census tracts 5331.03, 5331.04, 5331.05 and 5332.01 exhibit recent trends of higher than average loan denials and are characterized by high minority and low/mod populations, and with the exception of tract 5332.01, evidence the highest rates of poverty in Huntington Park. The City should continue to monitor loan denial rates in these census tracts and discuss concerns with the community's major mortgage lenders.

Figure IV-1.

City of Huntington Park
CENSUS TRACTS WITH HIGHER THAN AVERAGE MORTGAGE LOAN DENIALS



Source: 2011-2013 Home Mortgage Disclosure Act data.

Major Lenders in Huntington Park

Huntington Park's top mortgage lenders, as measured by the number of completed loan applications in 2013, are identified in Table IV-9. This Table examines the disposition of home purchase and refinance loan applications among these top lending institutions. Bank of America had the largest market share in Huntington Park, with 95 loan applications, and also the lowest loan denial rate at just 22 percent. In comparison, JP Morgan Chase and Wells Fargo each had approximately 70 applications, and with denial rates of 33 percent and 31 percent respectively, evidenced slightly higher denials than the Citywide average of 27 percent for home purchase loans and 29 percent for refinancing (refer to Table IV-7). Though more limited in volume with just 21 loan applications in Huntington Park, Quicken Loans had lower than average loan denial rates at just 24 percent.

Other major mortgage lenders active in the Los Angeles area - Bank of the West, Citimortgage, US Bank, Union Bank - all had fewer than ten applications within Huntington Park in 2013.

Table IV-9: Residential Loan Applications From Select Banking Institutions – Huntington Park 2013

Lending Institution	Total Completed Applications	% Loans Approved	% Loans Denied
Home Purchase and Refinance Loans			
BANK OF AMERICA, NA	95	78%	22%
JP MORGAN CHASE, NA	73	67%	33%
WELLS FARGO BANK, NA	67	69%	31%
QUICKEN LOANS	21	76%	24%

Source: Home Mortgage Disclosure Act Data, 2013. Compiled by Karen Warner Associates, Inc.
Note: Approved loans include loans originated and applications approved but not accepted. Denial rate based on applications that went through complete underwriting process.

CRA Ratings

The Community Reinvestment Act (CRA) requires that each lending institution's record be evaluated periodically in order to help determine if it is meeting its obligations under the Act to address the credit needs of the community in which it is located, including low and moderate income neighborhoods. Ratings range from: 1). Outstanding, 2). Satisfactory, 3). Needs to Improve, and 4). Substantial Non-Compliance. As illustrated in Table IV-10, among the most active mortgage lenders in Huntington Park that fall under the purview of CRA, all have an outstanding rating for lending and community development activities.

Table IV-10: CRA Ratings for Lending Institutions Active in Huntington Park

Name	CRA Rating	Exam Year
WELLS FARGO BANK, N.A.	Outstanding	2009
BANK OF AMERICA, N.A.	Outstanding	2009
JP MORGAN CHASE	Outstanding	2008

Source: http://www.ffiec.gov/craratings

The California Reinvestment Coalition (CRC) has negotiated CRA commitments with California's major financial institutions for 20 years, including:

- Bank of America
- Bank of the West
- Citibank
- City National Bank
- Comerica Bank
- Union Bank of California
- U.S. Bank
- Wells Fargo Bank

A goal of these CRA commitments is to focus the attention of these financial institutions on the opportunities and needs of California's low and moderate-income communities and communities of color. In conjunction with these CRA commitments, the CRC conducts monitoring meetings at these banks to discuss the bank's CRA commitment, review home mortgage lending activities, consumer lending, affordable housing, subprime lending, advertising, and the bank's overall plans to reach underserved and minority communities.

Subprime and Prime Lending

Financial institutions that provide loans to customers are divided into two major categories: prime lenders, which provide loans to applicants with good credit; and subprime lenders. Subprime lenders serve a legitimate role in the market by providing credit to persons who are considered a higher credit risk due to such factors as employment history, debt-to-income ratio, or a troubled credit history. Legitimate and fairly priced subprime lending can enable some families who would not qualify for a bank loan to purchase a house or access home equity.

While the definition of subprime lending varies somewhat among agencies, subprime loans are generally associated with higher interest rates, higher points, larger fees, and often pre-payment penalties compared to loans in the so-called prime market. Given the greater risk associated with lending to higher-risk applicants, interest rates on subprime loans may be anywhere from a couple of points to as much as 10 percentage points above the prime rate for persons with "less-than-perfect" credit. Abuses occur when subprime lending goes beyond reasonably compensating the lender for taking on the added risk of lending to a person with a poor credit history. Fannie Mae and Freddie Mac have estimated that 30 to 50 percent of all borrowers with higher cost subprime loans could have qualified for a lower-cost prime loan.

Between 2001-2005, HUD published a Subprime and Manufactured Home Lender List which identified lenders with a predominance of subprime loans. However, once HMDA began requiring lenders to report on loan pricing data, it became possible to identify how many actual "subprime" or "high cost" loans were made, no longer having to rely on how many loans were made by lenders that seemed to specialize in subprime loans. In fact, most of the lenders on the early HUD subprime lender lists are now out of business for making too many bad loans.

Predatory Lending: Predatory mortgage lending is defined as the practice of making high-cost home loans to borrowers without regard to the borrower's ability to repay the loan. Predatory lending is primarily targeted to low-income people, the elderly, and people of color, and has emerged from the subprime market due to several factors:[1]

- The characteristics of many subprime borrowers make them more easily manipulated and misled by unscrupulous actors. Many are unfamiliar with the lending process, have less education, limited English skills, or may be recent immigrants;
- Many subprime borrowers live in low-income and minority communities that have been and in some cases continue to be underserved by traditional prime lenders; and

[1] HUD-Treasury Task Force on Predatory Lending, the report, "Curbing Predatory Home Mortgage Lending," June 2000.

- The finance and mortgage companies that dominate lending in many low-income and minority communities are not subject to the same level of oversight as their counterparts in federally supervised banks, thrifts, and credit unions.

Predatory lending encompasses a wide variety of practices, such as:

- ✓ *Excessive Charges:* Charging excessive rates and fees to a borrower who qualifies for lower rates and/or fees offered by the lender.
- ✓ *Exploding Interest Rates:* Adjustable rate mortgages that rise quickly.
- ✓ Prepayment Penalties: Locking borrowers into bad loans or requiring payment of thousands of dollars in penalties.
- ✓ *Flipping:* Repeatedly refinancing a loan within a short period of time and charging higher points and fees with each refinance.
- ✓ *Packing:* A loan with single premium credit insurance products, such as credit life insurance, and not adequately disclosing the inclusion, cost or any additional fees associated with the insurance.
- ✓ *Mandatory Arbitration:* Denying borrowers access to the court system.

As predatory lending has increased, many states as well as local governments have enacted regulations in an effort to curtail predatory practices. Efforts in California have included the passage of AB 489, which includes restrictions on a variety of practices considered predatory. For high cost loans, this legislation bans flipping, making loans people can't repay, balloon payments, and a host of other practices. The law establishes remedies available to victims (borrowers) for a violation of its provisions and enables regulatory agencies to take disciplinary action.

The Federal "Mortgage Reform and Anti-Predatory Lending Act of 2007" (H.R. 3915) establishes reforms to protect consumers from predatory lending practices. The Act creates a licensing system for residential mortgage loan originators, establishes a minimum standard requiring that borrowers have a reasonable ability to repay a loan, and attaches a limited liability to secondary market securitizers. The Act also expands consumer protections for "high-cost loans," includes protections for renters of foreclosed homes, and establishes an Office of Housing Counseling through HUD.

Based on information gathered at five field forums conducted by the joint HUD-Treasury Task Force on Predatory Lending, the resulting Curbing Predatory Home Mortgage Lending report proposes the following four point plan:

- *Improve Consumer Literacy and Disclosures.* Creditors should be required to recommend that high-cost loan applicants avail themselves to home mortgage counseling, disclose credit scores to all borrowers upon request, and give borrowers more timely and more accurate information as to loan costs and terms.

- *Prohibit Harmful Sales Practices in the Mortgage Market.* Practices such as loan flipping and lending to borrowers without regard to their ability to repay the loan should be banned. New requirements should be imposed on mortgage brokers to document the appropriateness of a loan for high-cost loan applicants, and lenders who report to credit bureaus should be required to provide "full-file" payment history for their mortgage customers.
- *Restrict Abusive Terms and Conditions on High-Cost Loans.* Congress should increase the number of borrowers in the subprime market covered by legislative protections; further restrict balloon payments on high-cost loans; restrict prepayment penalties and the financing of points and fees; prohibit mandatory arbitration agreements on high-cost loans; and ban lump-sum credit life insurance and similar products.
- *Improve Market Structure.* Award CRA credit to banks and thrifts that promote borrowers from the subprime to prime mortgage market, and deny CRA credit to banks and thrifts for the origination or purchase of loans that violate the applicable lending laws.

The California Department of Real Estate has prepared information to help borrowers avoid predatory lending. The information bulletin titled Avoiding Predatory Lending – Protect Yourself in the Loan Process defines predatory lending, gives examples of predatory lending practices, and provides other information helpful to borrowers such as explaining the loan application process.

The City of Huntington Park supports these actions to help low-income and minority borrowers to avoid the pitfalls of predatory lending, including information on the dangers of subprime/predatory lending at workshops conducted by the Fair Housing Foundation and the Rancho Southeast Association of Realtors.

Foreclosures and Loan Modifications

Approximately 1.5 million of the 8.7 homes and condominiums in California have been involved in a foreclosure proceeding since 2007. In addition to impact of people losing their homes, foreclosed properties can lead to other problems as these homes are left abandoned, becoming potential blight and criminal concerns. Fortunately, the number of mortgage default notices in California has been consistently declining since its peak in 2009. The number of default notices filed in the third quarter of 2014 is at its lowest level in eight years. According to the real estate information service DataQuick, the drop in foreclosure notices is the result of a combination of rising home values, an improving economy, and the use of various foreclosure prevention efforts - short sales, loan modifications and the ability of some underwater homeowners to refinance.

Within Huntington Park, www.Realtytrac.com identified 120 residential properties in various states of foreclosure in September 2014, including "pre-foreclosure" having received a notice of mortgage default, notice of a trustee sale, and bank-owned. The number of properties that received a foreclosure filing in Huntington Park in

September was 48 percent lower than the same time the previous year, and represented one filing for every 1,268 residential units in the City. In comparison, the ratio of foreclosure filings in Statewide and Los Angeles County is higher than Huntington Park. In comparison to other southeast Los Angeles jurisdictions, foreclosure rates in Huntington Park are lower than in South Gate, but higher than in Maywood and South Gate, and are fairly comparable to the City of Los Angeles.[2]

South Gate	1 : 1,083
LA County	1 : 1,089
California	1 : 1,111
Huntington Park	**1 : 1,268**
LA City	1 : 1,341
Maywood	1 : 1,690
Bell	1 : 1,962

Federal Programs: In order to stem the number of foreclosures and help stabilize the housing market, in 2010 the Obama Administration launched the $75 billion Making Your Home Affordable as a partnership between HUD and the U.S. Treasury. The program includes several components, including:

- Home Affordable Modification Program (HAMP) – reduces monthly mortgage payments to 31 percent gross income.
- Second Lien Modification Program (2MP) – offers a way to lower payments on a second mortgage.
- Home Affordable Refinance Program (HARP) – assists homeowners whose mortgages are held by Fannie Mae or Freddie Mac to refinance into a more affordable mortgage.
- Unemployment Program – Requires mortgage servicers participating in the Making Home Affordable Program to provide minimum three month forbearance period during which mortgage payments are reduced or suspended while the homeowner is seeking re-employment.
- Principal Reduction Alternatives for Homeowners Underwater - Beginning September 2010, mortgage servicers are required to evaluate every homeowner with high negative equity (owe more than 115 percent value of their home) for a HAMP reduction of at least 10 percent on the primary mortgage.
- Home Affordable Foreclosure Alternatives Program (HAFA) – Provides options for homeowners who can no longer afford their home and are interested in a short sale or deed-in-lieu of foreclosure.

In February 2012, President Obama obtained approval from the U.S. Congress for $5 to $10 billion in financial aid to assist approximately 3.5 million distressed

[2] The foreclosure ratio is calculated by dividing the number of dwelling units in the jurisdiction by the total number of properties that received foreclosure notices that month. The lower the second number in the ratio, the higher the foreclosure rate.

homeowners refinance debt-ridden mortgages. The proposed program is targeted to "underwater" homeowners that have stayed current on their mortgage payments, but are unable to refinance under historically low interest rates as they owe more on their mortgage than their home is worth. Unlike the current federal Making Your Home Affordable programs that require loans to be backed or owned by Fannie Mae, Freddie Mac or FHA, the new program would be expanded to underwater homeowners whose loans are owned by banks or investors. Eligibility under the program includes:

- Six months of current on mortgage payments, with no more than one missed payment in the previous six months;
- Minimum credit score of 580;
- No more than 40 percent underwater on the loan; and
- Limited to mortgages below FHA's conforming loan limits ($729,750 in Southern California).

State Programs: In February 2011, CalHFA launched the Keep Your Home California program using $2 billion in federal funds from the 2008 rescue of the financial system. State officials hope to fend off foreclosure for about 95,000 borrowers and provide moving assistance to about 6,500 people who do lose their homes. As of April 2014, over 38,500 applicants had qualified for assistance. The program is limited to low and moderate-income households (up to 120 percent AMI), and the maximum benefit is $100,000 for any household. The Keep Your Home California program includes the following four parts:

- Unemployment Mortgage Assistance - Mortgage assistance of up to $3,000 per month for homeowners collecting unemployment benefits and in imminent danger of defaulting on their home loans. Homeowners can receive help for a maximum of twelve months, and a total of $36,000.
- Mortgage Reinstatement Assistance Program - As much as $25,000 per household to reinstate mortgages to prevent foreclosure. The funds are available to homeowners who have fallen behind on their mortgage payments due to a temporary change in household income, such as reduced pay or work furloughs.
- Principal Reduction Program - Lowers the principal owed on a mortgage by as much as $100,000 when the homeowner is facing a serious financial hardship and owes significantly more than the home is worth.
- Transition Assistance Program - Provides up to $5,000 in relocation assistance for homeowners who can no longer afford their home when their lender agrees to a short sale or deed-in-lieu of foreclosure. Homeowners must occupy and maintain the property until the home is sold or returned to the servicer.

The California Homeowners Bill of Rights, signed into law by Governor Jerry Brown, went into effect in January 2013. According to Attorney General Kamala Harris, the Bill of Rights "prohibits a series of inherently unfair bank practices that have needlessly forced thousands of Californians into foreclosure." This legislation will

make the mortgage and foreclosure process more fair and transparent, which will benefit homeowners, their community, and the housing market as a whole. The primary tenets of the Homeowners Bill of Rights include:

- Restriction of Dual-Tracking - Dual tracking is when a lender proceeds in taking two simultaneous, yet inconsistent actions against a borrow, in this case, the foreclosure process and loan modification review.
- Single Point of Contact - Guarantees borrowers a single point of contact at their lender/servicer in regards to the foreclosure process or loan modification process.
- Ending "Robo-Signing" - Requiring a live person to verify whether a bank has the right to foreclose before foreclosure proceedings can begin.

National Mortgage Settlement: After many months of negotiation, in February 2012, 49 State Attorney Generals and the federal government reached agreement on a joint state-federal settlement with the country's five largest mortgage lenders over "robo-signing" and other deceptive foreclosure practices. The settlement will provide up to $25 billion in relief to distressed borrowers and direct payments to states and the federal government, and involves the following banks.

- Wells Fargo
- Bank of America
- JP Morgan Chase
- Citibank
- Ally/GMAC

Benefits to eligible homeowners whose mortgages are owned or serviced by one of the five lenders include: payments to borrowers who were wrongly foreclosed upon; reduction of unpaid principal balances; refinancing for borrowers whose homes are worth less than the money they owe; and the opportunity for short sales and other relocation assistance. As the state hardest hit by the foreclosure crisis, up to $18 billion of the settlement will be directed to California homeowners, allocated among the following activities:

- $12 billion is guaranteed to reduce the principal on loans or offer short sales to approximately 250,000 California homeowners who are underwater on their loans and behind or almost behind in their payments.
- $849 million is estimated to be dedicated to refinancing the loans of 28,000 homeowners who are current on their payments but underwater on their loans.
- $279 million will provided as restitution to approximately 140,000 California homeowners who were foreclosed upon between 2008 and December 31, 2011.
- $1.1 billion is estimated to be distributed to homeowners for unemployed payment forbearance and transition assistance as well as to communities to repair the blight and devastation left by waves of foreclosures, targeted at 16,000 recent foreclosures.

- $3.5 billion will be dedicated to relieving 32,000 homeowners of unpaid balances remaining when their homes are foreclosed.
- $430 million in costs, fees and penalty payments.

Loan Modification Scams: Foreclosure rescue and loan modification scams are a growing problem. Scammers might promise "guaranteed" or "immediate" relief from foreclosure, and they might charge very high fees for little or no services. HUD provides free resources through the Homeowner's HOPE™ Hotline at 1-888-995-HOPE and maintains a list of HUD-approved housing counselors. The following tips to avoid loan modification scams are listed on HUDs website.

- Beware of anyone who asks you to pay a fee in exchange for a counseling service or modification of a delinquent loan.
- Scam artists often target homeowners who are struggling to meet their mortgage commitment or anxious to sell their homes.
- Recognize and avoid common scams. Beware of people who pressure you to sign papers immediately, or who try to convince you that they can "save" your home if you sign or transfer over the deed to your house.
- Do not sign over the deed to your property to any organization or individual unless you are working directly with your mortgage company to forgive your debt.
- Never make a mortgage payment to anyone other than your mortgage company without their approval.

Consumer Financial Protection Bureau (CFPB): The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank) established the federal Consumer Financial Protection Bureau (CFPB), and in January 2012, President Obama appointed its first Director. The goal of the CFPB is to give consumers the information they need to understand the terms of their agreements with financial companies, including mortgages, credit cards and other financial services. The Bureau's functions include:

- Rule-making and enforcement of Federal consumer financial protection laws;
- Restricting unfair, deceptive, or abusive acts or practices;
- Taking consumer complaints;
- Promoting financial education;
- Researching consumer behavior;
- Monitoring financial markets for new risks to consumers; and
- Enforcing laws to outlaw discrimination and unfair treatment in consumer finance.

The hope is that the CFPB will play an important role in stopping abusive lending and foreclosure practices in the future.

4. Discriminatory Newspaper Advertising

The federal Fair Housing Act prohibits the making, printing and publishing of advertisements which state a preference, limitation or discrimination on the basis of race, color, religion, sex, handicap, familial status, or national origin. The prohibition applies to publishers, such as newspapers and directories, as well as persons and entities who place real estate advertisements. It also applies to advertisements where the underlying property may be exempt from the Act, but where the advertisement itself violates the Act.

The *Los Angeles Times* publishes the following fair housing notices in the classified section pertaining to for-sale and for-rent ads. Review of the two other print newspapers in Huntington Park with real estate advertisements - The Wave and El Aviso - did not identify publication of a fair housing disclaimer. While the classified sections of these newspapers is far more limited in scope than the *LA Times*, posting of the fair housing notice is appropriate in conjunction with any real estate advertisement.

LA Times
Live Free From Discrimination
Federal and State Fair Housing Laws make it illegal to indicate any preference, limitation, or discrimination because of race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, familial status, source of income, or physical or mental disability. California Dept. of Fair Employment & Housing 800-884-1684

Under Fair Housing law, landlords are required to make reasonable accommodations for people with disabilities. This includes making an exception to a no pet rule for persons with disabilities that require a companion animal. Many rental advertisements indicate a no pet policy. Neither the *Los Angeles Times*, the Wave or *El Aviso* include any type of disclaimer regarding exceptions to no pet policies for persons requiring a companion animal.

In order to better proactively promote fair housing in the advertisement of housing, the City/Fair Housing Foundation will contact these periodicals to urge them to publish a fair housing disclaimer in their classified real estate advertisements, and to publish a no pets disclaimer for rental housing stating that “no pets allowed” may still be required to rent to disabled persons requiring a service or companion animal.

5. Covenants, Conditions, and Restrictions

In the past, Covenants, Conditions, and Restrictions (CC&Rs) sometimes included provisions to exclude certain groups such as minorities from equal access to housing in a residential development or neighborhood. Today, the California Department of Real Estate (DRE) reviews CC&Rs for all subdivisions of five or more lots, or condominiums of five or more units. The review includes a wide range of issues, including compliance with fair housing law.

The review must be completed and approved before the DRE will issue a final subdivision public report. This report is required before a real estate broker can sell the unit and each prospective buyer must be issued a copy of the report. If the CC&Rs are not approved, the DRE will issue a “deficiency notice”, requiring the real estate broker to revise the CC&Rs.

Communities with old subdivisions or condominium developments may still contain CC&Rs that do not comply with fair housing law. However, provisions in the CC&Rs that violate the fair housing law are not enforceable.

V. CONCLUSION AND RECOMMENDATIONS

The Huntington Park AI evaluates a wide range of housing issues and potential barriers to fair housing. The following section builds upon this analysis, outlines conclusions, and provides recommendations for the City and its community partners to address identified impediments to fair housing choice.

A. SUMMARY OF FINDINGS

The following summarizes the key findings from the AI:

1. Community Profile

- The incidence of **household overcrowding** (defined as greater than 1.01 persons per room) has fallen dramatically, from 59 percent in 2000 to 40 percent in 2010. Nonetheless, with nearly 5,800 households living in overcrowded conditions, overcrowding remains a significant issue in Huntington Park. Overcrowding is a more serious problem for renters, with 48 percent of renter households overcrowded, compared to just 21 percent of owner households.

- Similar to Los Angeles County, **household overpayment** (>30% of income on housing costs) has increased in Huntington Park over the past decade, from 44 to 59 percent. Nearly two-thirds of renters were overpaying in 2010, with severe overpayment (>50% on housing costs) impacting one-third of Huntington Park's renters.

- The **Section 8 Rental Assistance Program** administered by the Housing Authority of the County of Los Angeles assists over 450 low income renters to afford to live in Huntington Park. However, nearly 300 City residents are on the Housing Authority's waiting list for assistance.

- An estimated 15 percent of the City's housing is in **substandard condition** (2,300 units). The biggest contributors to substandard housing are the City's aging housing stock, household overcrowding, and absentee landlords.

- Huntington Park has numerous households with **specialized housing needs**, including large households (38%), persons with disabilities (19%), single-parent households (18%), and senior households (11%).

- The City's **homeless population** is estimated to range between 30-50 persons. While no emergency shelters are located within Huntington

Park, a 340 bed regional shelter is located in the adjacent City of Bell. The shelter has received funding to expand its facility to include emergency and transitional housing for families.

- An over-concentration of **residential care facilities** can be a fair housing concern if that over-concentration is limited to a certain area of the City. Residential care facilities are generally dispersed throughout Huntington Park, providing these types of supportive housing services in most areas of the community.

- Huntington Park is well served by **public transit**. Major employers, community facilities, and assisted housing are located within close proximity to transit routes.

2. Fair Housing Profile

- The City's Community Development Department, the Fair Housing Foundation (FHF), the Southeast Association of Realtors, and Apartment Owner's Association conduct extensive **fair housing education and outreach**. However, as small property managers/owners are generally the major violators of fair housing laws, targeted outreach to this group remains critical.

- Similar to many communities, Huntington Park continues to receive a significant number of fair housing complaints regarding issues concerning **familial status** as documented by the FHF's annual reports to the City. Additional education and outreach on the rights of families with children in renting housing is needed.

- There is a gap in understanding by many landlords about the requirements under the Federal fair Housing Act to provide reasonable accommodation for **persons with disabilities.** The FHF cites the continued need to educate landlords on reasonable accommodation, as well as the need to develop an inventory of publicly-assisted accessible units in the community.

- A significant number of rental vacancies are **advertised in Spanish only** and a large number of rental property owners communicate with tenants only in Spanish. These practices can act as barriers to fair housing choice for non-Spanish speaking households.

3. Review of Potential Impediments

Public Sector Impediments

- The City has amended its Zoning Code to specifically define t**ransitional and supportive housing** and to treat as a residential use and only subject to those restrictions that apply to other residential uses of the same type in the same zone. **Emergency homeless shelters** are now regulated as a permitted use in the MPD zone, and as a conditionally permitted use in the C-G zone.

- The City has adopted a **reasonable accommodation procedure.** Through this ordinance, the City can provide reasonable adjustments to its rules, policies, practices and procedures to enable residents with a disability or developers of housing for people with disabilities to have an equal opportunity to access housing in the City.

- Housing affordable to Huntington Park's lower income residents and workforce is not being produced in the market. With the dissolution of the **Redevelopment Agency**, redevelopment funds will no longer be available to support the City's affordable housing activities, impeding the City's efforts to expand housing choice among lower and moderate income households

Private Sector Impediments

- The volume of **home purchase loan applications** in Huntington Park has been very limited in recent years, with less than 250 applications in each of the past three years. Loan denial rates were 30 percent in 2011, 24 percent in 2012 and 27 percent in 2013, compared to a Countywide home loan denial rate of 17 percent in each of these years.

- Census tracts 5331.03, 5331.04, 5331.05 and 5332.01 exhibit recent trends of higher than average **mortgage loan denials** and are characterized by high minority and low/mod populations, and with the exception of tract 5332.01, evidence the highest rates of poverty in Huntington Park. The City should continue to monitor loan denial rates in these census tracts and discuss concerns with the community's major mortgage lenders.

B. RECOMMENDATIONS FOR ADDRESSING IMPEDIMENTS

Recommendations are organized by activity type as outlined in HUD's 1998 *Fair Housing Planning Guide*. The recommendations listed below are primarily implemented by the Fair Housing Foundation (FHF), with coordination and oversight by the City's Community Development Department.

1. Education and Outreach Activities

Action 1.1: In partnership with the FHF, continue multi-faceted fair housing outreach to Huntington Park residents, real estate professionals, apartment owners/managers, bankers and advocacy groups. Distribute multi-lingual fair housing literature to every household in the City through utility bill inserts, the City's quarterly newsletter, or other innovative ways to reach the general public.

Action 1.2: Coordinate FHF presentations in Huntington Park with the Community Development Department and the City's Neighborhood Improvement Coordinator to maximize the effectiveness and attendance at these meetings.

Action 1.3: Continue FHF's focused outreach and education to small property owners/landlords on fair housing, and familial status and reasonable accommodation issues in particular. Conduct property manager trainings within Huntington Park on a regular basis, targeting managers of smaller properties and Section 8 landlords.

Action 1.5: Coordinate with the Rancho Southeast Association of Realtors (RSAR) on fair housing education and outreach to the local real estate community. Direct local realtors to RSAR's monthly courses aimed at assisting realtors in better serving the minority community.

Action 1.6: Continue open representation on Huntington Park's Commissions which address housing and related community development issues for residents to voice their concerns. These bodies include: Planning Commission; Parks and Recreation Commission; Health and Education Commission; Arts and Culture Commission; Youth Commission; and Historic Preservation Commission.

2. Enforcement Activities

Action 2.1: Continue to provide investigation and response to allegations of illegal housing discrimination through the FHF. For cases that can not be conciliated, refer to the Department of Fair Housing and Employment (DFEH),

U.S. Department of Housing and Urban Development (HUD), small claims court, or to a private attorney, as warranted.

Action 2.2: On an annual basis and in coordination with the FHF, review discrimination complaints to assess Huntington Park trends and patterns over time, and tailor fair housing education and outreach accordingly.

Action 2.3: Continue to provide general counseling and referrals over the phone regarding tenant-landlord issues through the Huntington Park Community Development Department and the FHF.

Action 2.4: Continue the collection of national origin data on both discrimination and general housing clients by the Fair Housing Foundation to determine whether discriminatory housing practices are occurring specifically based on national origin. Analyze the results of this data, and develop recommendations for further action as warranted.

Action 2.5: Coordinate review of hate crime data on an annual basis between the Huntington Park Police Department and the FHF to evaluate as a potential fair housing issue.

3. Monitoring Lending, Housing Providers, and Local Real Estate Practices

Action 3.1: In cooperation with FHF, monitor the reasons for denial of home purchase, refinancing and home improvement loans. Contact local lenders in Huntington Park to provide additional education and outreach to the community on the approval process, how to improve credit ratings, and available favorable home purchase tools.

Action 3.2: Help protect homeowners from mortgage rescue fraud by promoting the use of HUD-certified, non-profit mortgage counseling agencies on the City's website and other means.

Action 3.3: Coordinate with the Rancho Southeast Association of Realtors and the FHF in conducting outreach to the local real estate community on predatory mortgage lending practices, loan modification scams, and the rights of tenants in foreclosed properties.

Action 3.4: Contact local periodicals (*The Wave, El Aviso*) to urge them to publish a fair housing disclaimer in their classified real estate advertisements. Contact these periodicals, as well as the *LA Times*, to publish a no pets disclaimer for rental housing stating that "no pets allowed" may still be required to rent to disabled persons requiring a service or companion animal.

Action 3.5: Continue to include non-discriminatory and fair housing language in all City Agency affordable housing contracts and agreements. Monitor property management firms of HOME-assisted projects for adherence with affirmative marketing actions and compliance with applicable regulations in the advertisement of available units.

4. Investigative Testing and Auditing Local Real Estate Markets

Action 4.1: Continue to conduct audits to evaluate apparent patterns of discrimination in Huntington Park, such as issues related to familial status, national origin and disability. To the extent such audits reveal significant discrimination, widely publicize the results to serve as a deterrent to other property owners and landlords.

5. Land Use Policies to Affirmatively Further Fair Housing

Action 5.1: Implement Huntington Park's reasonable accommodation ordinance to provide reasonable modifications to the City's rules, policies, practices or services when such reasonable modifications may be necessary to afford a person with a disability an equal opportunity to access housing in the City.

Action 5.2: Provide continuous implementation of the City's Affordable Housing Density Bonus as a means of enhancing the economic feasibility of affordable housing development.

Action 5.3: Ensure that CUP conditions placed on community care facilities with seven or more occupants are focused on neighborhood compatibility and ensuring proper management and licensing, and do not act to constrain the provision of such facilities.

Action 5.4: Continue to accommodate transitional and supportive housing in all zone districts where other residential uses are permitted and only subject to those restrictions that apply to other residential uses of the same type in the same zone.

Action 5.5: Continue to accommodate emergency homeless shelters as a permitted use in the MPD zone, and as a conditionally permitted use in the C-G zone.

6. Increasing Geographic Choice in Housing

Action 6.1: Continue to facilitate the provision of affordable housing throughout the community through City assistance and site assembly,

combined with various zoning incentives. Provide affordable and accessible housing to special needs populations, including the disabled, seniors and large family households.

Action 6.2: Continue to implement a neighborhood improvement program, code enforcement program, and residential rehabilitation program as key tools to sustaining neighborhoods.

VI. SIGNATURE PAGE

I, _____, hereby certify that this Analysis of Impediments to Fair Housing Choice for the City of Huntington Park represents the City's conclusions about impediments to fair housing choice, as well as actions necessary to address any identified impediments.

_____ _____

Mayor Date

City of Huntington Park

CITY OF HUNTINGTON PARK

City Council Meeting Agenda
Monday, December 15, 2014

REGULAR AGENDA

PUBLIC WORKS

Item 12.

Status Update on Solid Waste Collection Service Transition

Update only

CITY OF HUNTINGTON PARK

Public Works Department
City Council Agenda Report

December 15, 2014

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

AUTHORIZATION TO DRAFT RESOLUTION STATING CITY'S PREFERRED NORTHERN ALIGNMENT FOR THE WEST SANTA ANA BRANCH TRANSIT CORRIDOR PROJECT

IT IS RECOMMENDED THAT THE CITY COUNCIL:

1. Authorize the Interim City Manager to draft a resolution stating the City's preferred northern alignment for the West Santa Ana Branch Transit Corridor Project.

BACKGROUND

The Los Angeles Metropolitan Transportation Authority (Metro) is currently preparing a refinement study of the northern alignment of the West Santa Ana Branch Transit Corridor Project, also commonly known as the Eco-Rapid Transit line. The original route analysis prepared by the Southern California Association of Governments (SCAG) included an east-west route along Randolph Ave. that transitioned into a north-south route along Pacific Blvd. This proposed route presents significant challenges to existing traffic patterns on Pacific Blvd. and adjoining streets.

At a recent meeting with Metro and its consultant a viable alternative was proposed. This alternative would route the transit line on an elevated structure along the Metro Blue line corridor paralleling Long Beach Avenue (see attached map). This grade separated alternative would alleviate many of the concerns with the originally proposed route. The benefits of the Blue line alignment for the West Santa Ana Branch Transit Corridor Project outweigh the benefits of having an at grade alignment through Pacific Blvd.

FISCAL IMPACT/FINANCING

The proposed project will be funded by LA Metro and the Federal government, therefore there will be no fiscal impact to the City of Huntington Park.

CONCLUSION

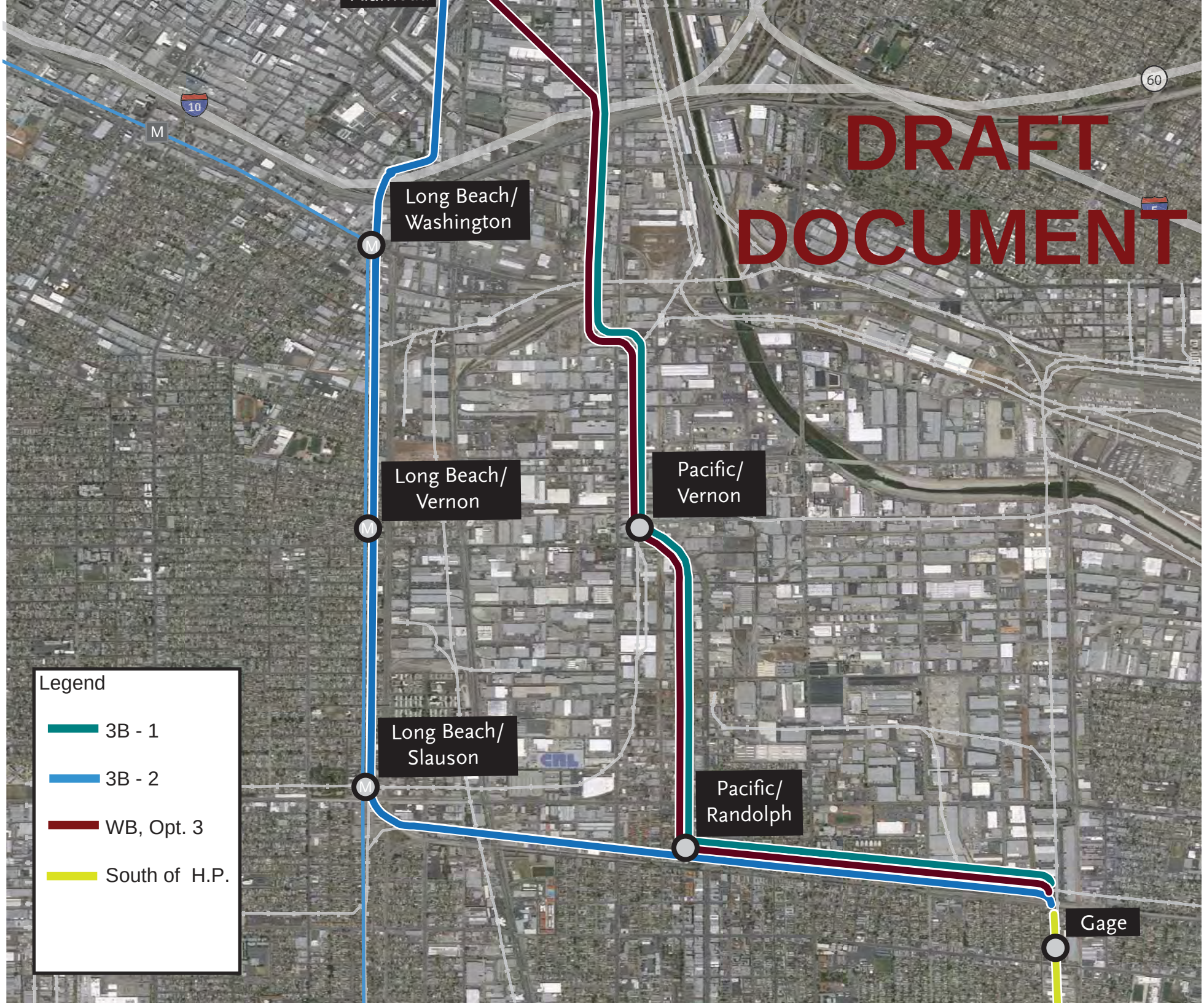
Upon approval, the Interim City Manager will draft a resolution stating the City's preferred northern alignment for the West Santa Ana Branch Corridor Project and present it for Council adoption on January 5, 2015.

Respectfully submitted,

JULIO MORALES
Interim City Manager

ATTACHMENTS

A. Draft northern alignment map


DRAFT DOCUMENT
Long Beach/ Washington
Long Beach/ Vernon
Pacific/ Vernon
Long Beach/ Slauson
Pacific/ Randolph
Gage
Legend
3B - 1
3B - 2
WB, Opt. 3
South of H.P.
10
60
M

CITY OF HUNTINGTON PARK

City Council Meeting Agenda
Monday, December 15, 2014

REGULAR AGENDA

CITY MANAGER

Item 14.

Discussion/Approval of Tivoli Light Reconfiguration

Discussion and Possible Action