



Agenda
City of Vernon
Regular City Council Meeting
Tuesday, November 03, 2020, 09:00 AM
City Hall, Council Chamber
4305 Santa Fe Avenue
Vernon, California

Leticia Lopez, Mayor
Melissa Ybarra, Mayor Pro Tem
William Davis, Council Member
Carol Menke, Council Member
Diana Gonzales, Council Member

THIS MEETING WILL BE CONDUCTED PURSUANT TO GOVERNOR NEWSOM'S EXECUTIVE ORDER N-29-20.

The public is encouraged to view the meeting at <http://www.cityofvernon.org/webinar-cc> or by calling (408) 638-0968, Meeting ID 942-3520-8409#.

You may submit comments to PublicComment@ci.vernon.ca.us with the subject line "November 3, 2020 City Council Meeting Public Comment Item #__." Comments received prior to 8 a.m., Tuesday, November 3, 2020, will be read into the record.

CALL TO ORDER

FLAG SALUTE

ROLL CALL

APPROVAL OF THE AGENDA

PUBLIC COMMENT

At this time the public is encouraged to address the City Council on any matter that is within the subject matter jurisdiction of the City Council. The public will also be given a chance to comment on matters which are on the posted agenda during City Council deliberation on those specific matters.

PRESENTATIONS

- 1. Finance/Treasury**
[Presentation on City-wide Enterprise Resource Planning System](#)
Recommendation:
No action required by City Council. This is a presentation only.

CONSENT CALENDAR

All matters listed on the Consent Calendar are to be approved with one motion. Items may be removed from the Consent Calendar by any member of the Council. Those items removed will be considered immediately after the Consent Calendar.

2. City Council

[Approval of Minutes](#)

Recommendation:

Approve the October 13, 2020 Special and the October 20, 2020 Regular City Council meeting minutes.

[1. 20201013 Special City Council Meeting Minutes](#)

[2. 20201020 Regular City Council Meeting Minutes](#)

3. Finance/Treasury

[Operating Account Warrant Register](#)

Recommendation:

Approve Operating Account Warrant Register No. 55, for the period of October 4 through October 17, 2020, which totals \$4,527,001.04 and consists of ratification of electronic payments totaling \$4,442,777.83, ratification of the issuance of early checks totaling \$84,223.21 and voided Check No. 606307 totaling \$2,875.32.

[1. Operating Account Warrant Register No. 55](#)

4. Public Works

[Public Works Department Monthly Building Report](#)

Recommendation:

Receive and file the September 2020 Building Report.

[1. Public Works Department September 2020 Building Report](#)

5. City Clerk

[April 13, 2021 General Municipal Election](#)

Recommendation:

A. Adopt Resolution No. 2020-39 calling and giving notice of an all-mail ballot General Municipal Election to be held on Tuesday, April 13, 2021 for the election of a City Council Member as required by the provisions of the Charter of the City of Vernon; and
B. Adopt Resolution No. 2020-40 requesting the Board of Supervisors of the County of Los Angeles to render specified services to the City relating the conduct of the General Municipal Election to be held on Tuesday, April 13, 2021.

[1. Resolution No. 2020-39](#)

[2. Resolution No. 2020-40](#)

[3. Resolution 2014-64 adopted October 21, 2014](#)

6. Police Department

[Loan Vehicle Use Agreement with National Insurance Crime Bureau](#)

Recommendation:

Approve and authorize the Police Chief to execute a vehicle use agreement with the National Insurance Crime Bureau (NICB) for continued participation in the loan vehicle program.

[1. 2021 NICB Nissan Altima Vehicle Use Agreement](#)

7. Police Department

[Drug Enforcement Administration Agreement](#)

Recommendation:

Approve and authorize the Police Chief to execute a Surge Program - Funded State and Local Task Force Agreement with the Drug Enforcement Administration (DEA), Los Angeles Field Division, for continued participation in the Southwest Border Initiative (SWBI) taskforce with an effective date of October 1, 2020.

[1. Surge Program - Funded State and Local Task Force Agreement with DEA](#)

8. Public Utilities

[Supplemental Agreement with the Union Pacific Railroad](#)

Recommendation:

Adopt Resolution No. 2020-41 approving and authorizing the execution of a Supplemental Agreement by and between the City of Vernon and Union Pacific Railroad Company to approve the City's intent to rebuild the existing overhead wireline crossing to 16.340kV.

[1. Resolution No. 2020-41](#)

9. Finance/Treasury

[Addendum to Professional Auditing Services Agreement with White Nelson Diehl Evans, LLP](#)

Recommendation:

Approve and authorize the City Administrator to execute an addendum, in substantially the same form as submitted, to the current agreement with White Nelson Diehl Evans, LLP for professional audit services to reflect a name change for the firm.

[1. Addendum to WNDE Contract for Professional Services](#)

[2. Notice of WNDE Name Change](#)

10. Finance/Treasury

[Services Agreement with BLX Group LLC for Financial Advisory Services](#)

Recommendation:

Approve and authorize the City Administrator to execute a services agreement with BLX Group LLC for Financial Advisory Services, in substantially the same form as submitted, in an amount not to exceed \$600,000, for a three-year agreement effective November 3, 2020 for financial advisory services.

[1. Financial Advisory Services Agreement with BLX Group LLC](#)

NEW BUSINESS

11. Health and Environmental Control Department

[Greater Los Angeles County Vector Control District Annexation No. 2019-07](#)

Recommendation:

Adopt a Joint Resolution of the Board of Supervisors, as the Governing Body of the County of Los Angeles, the Consolidated Fire Protection District of Los Angeles County, the Los Angeles County Flood Control District, and the Belvedere Garbage Disposal District, and the Board of Directors of the Greater Los Angeles County Vector Control District, the Los Angeles County Sanitation District No. 1, the Los Angeles County Sanitation District No. 2, the Los Angeles County Sanitation District No. 23, and the Water Replenishment District of Southern California, and the City Council of Vernon, approving and accepting the negotiated exchange of property tax revenue resulting from Annexation No. 2019-07 to the Greater Los Angeles County Vector Control District.

[1. Joint Tax Resolution](#)

[2. Resolution No. 2016-68 adopted December 15, 2016](#)

[3. LAFCO Application](#)

ORAL REPORTS

City Administrator Reports on Activities and other Announcements.

City Council Reports on Activities (including AB1234), Announcements, or Directives to Staff.

CLOSED SESSION

12. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Government Code Section 54956.9(d)(1)

A. Bicent (California) Malburg LLC et al. v. City of Vernon et al.,
Los Angeles Superior Court Case No. 19STCV08859 and JAMS Reference No.
1100107175

B. City of Vernon v. Bicent (California) Malburg LLC
Los Angeles Superior Court Case No. 19STCP02411 and JAMS Reference No.
1220062657

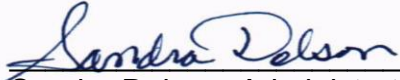
CLOSED SESSION REPORT

ADJOURNMENT

I hereby certify under penalty of perjury under the laws of the State of California, that the foregoing agenda was posted on the bulletin board at the main entrance of the City of Vernon City Hall, located at 4305 Santa Fe Avenue, Vernon, California, and on the City's website, not less than 72 hours prior to the meeting set forth on this agenda.

Dated this 29th day of October, 2020.

By:

A handwritten signature in blue ink, reading "Sandra Dolson", is written over a light blue rectangular background.

Sandra Dolson, Administrative Secretary

Guide to City Council Proceedings

Meetings of the City Council are held the first and third Tuesday of each month at 9:00 a.m. and are conducted in accordance with Rosenberg's Rules of Order (Vernon Municipal Code Section 2.1-1).

Copies of all agenda items and back-up materials are available for review in the City Clerk Department, Vernon City Hall, 4305 Santa Fe Avenue, Vernon, California, and are available for public inspection during regular business hours, Monday through Thursday, 7:00 a.m. to 5:30 p.m. Agenda reports may be reviewed on the City's website at www.cityofvernon.org or copies may be purchased for \$0.10 per page.

Disability-related services are available to enable persons with a disability to participate in this meeting, consistent with the Americans with Disabilities Act (ADA). In compliance with ADA, if you need special assistance, please contact the City Clerk department at CityClerk@ci.vernon.ca.us or (323) 583-8811 at least 48 hours prior to the meeting to assure arrangements can be made.

The **Public Comment** portion of the agenda is for members of the public to present items, which are not listed on the agenda but are within the subject matter jurisdiction of the City Council. The City Council cannot take action on any item that is not on the agenda but matters raised under Public Comment may be referred to staff or scheduled on a future agenda. Comments are limited to three minutes per speaker unless a different time limit is announced. Speaker slips are available at the entrance to the Council Chamber.

Public Hearings are legally noticed hearings. For hearings involving zoning matters, the applicant and appellant will be given 15 minutes to present their position to the City Council. Time may be set aside for rebuttal. All other testimony shall follow the rules as set for under Public Comment. If you challenge any City action in court, you may be limited to raising only those issues you or someone else raised during the public hearing, or in written correspondence delivered to the City Clerk at or prior to the public hearing.

Consent Calendar items may be approved by a single motion. If a Council Member or the public wishes to discuss an item, it may be removed from the calendar for individual consideration. Council Members may indicate a negative or abstaining vote on any individual item by so declaring prior to the vote on the motion to adopt the Consent Calendar. Items excluded from the Consent Calendar will be taken up following action on the Consent Calendar. Public speakers shall follow the guidelines as set forth under Public Comment.

New Business items are matters appearing before the Council for the first time for formal action. Those wishing to address the Council on New Business items shall follow the guidelines for Public Comment.

Closed Session allows the Council to discuss specific matters pursuant to the Brown Act, Government Code Section 54956.9. Based on the advice of the City Attorney, discussion of these matters in open session would prejudice the position of the City. Following Closed Session, the City Attorney will provide an oral report on any reportable matters discussed and actions taken. At the conclusion of Closed Session, the Council may continue any item listed on the Closed Session agenda to the Open Session agenda for discussion or to take formal action as it deems appropriate.

City Council Agenda Item Report

Agenda Item No. COV-398-2020

Submitted by: Scott Williams

Submitting Department: Finance/Treasury

Meeting Date: November 3, 2020

SUBJECT

Presentation on City-wide Enterprise Resource Planning System

Recommendation:

No action required by City Council. This is a presentation only.

Background:

The Finance Director will present an overview of a citywide Enterprise Resource Planning (ERP) system and introduce the concept and design of an ERP system as a fully integrated solution for various City operations. The presentation will review the benefits and need for utilizing one integrated solution for various functions including finance, budget, human resources, land use, permitting, licensing, inspections, customer service and billing, inventory and asset management, as well as vendor and customer portals for bill pay and account access. The introduction and overview will facilitate an opportunity for discussion and questions regarding upcoming recommendations for major technology infrastructure improvements that will span every department within the City.

Fiscal Impact:

There is no fiscal impact associated with this item.

Attachments:

City Council Agenda Item Report

Agenda Item No. COV-356-2020
Submitted by: Sandra Dolson
Submitting Department: City Council
Meeting Date: November 3, 2020

SUBJECT

Approval of Minutes

Recommendation:

Approve the October 13, 2020 Special and the October 20, 2020 Regular City Council meeting minutes.

Background:

Staff has prepared and hereby submits the minutes for approval.

Fiscal Impact:

There is no fiscal impact associated with this report.

Attachments:

1. [20201013 Special City Council Meeting Minutes](#)
2. [20201020 Regular City Council Meeting Minutes](#)

**MINUTES
VERNON CITY COUNCIL
SPECIAL MEETING
TUESDAY, OCTOBER 13, 2020
COUNCIL CHAMBER, 4305 SANTA FE AVENUE**

CALL TO ORDER

Mayor Lopez called the meeting to order at 9:00 a.m.

FLAG SALUTE

Mayor Lopez led the flag salute.

ROLL CALL

PRESENT: Leticia Lopez, Mayor (via remote access)
Melissa Ybarra, Mayor Pro Tem
William Davis, Council Member
Carol Menke, Council Member
Diana Gonzales, Council Member

STAFF PRESENT:

Carlos Fandino, City Administrator
Arnold Alvarez-Glasman, Interim City Attorney
Scott Williams, Finance Director
Jim Enriquez, Interim Fire Chief
Michael Earl, Human Resources Director
Anthony Miranda, Police Chief
Sandra Dolson, Administrative Secretary

APPROVAL OF THE AGENDA

MOTION

Mayor Pro Tem Ybarra moved and Council Member Davis seconded a motion to approve the agenda. The question was called and the motion carried unanimously.

PUBLIC COMMENT

None.

NEW BUSINESS

1. Amendment No. 2 to the Memorandum of Understanding with the Vernon Professional Firefighters' Association, Local 2312

Recommendation: Adopt Resolution No. 2020-34 approving and authorizing the execution of Amendment No. 2 to the Memorandum of Understanding by and between the City of Vernon and the Vernon Professional Firefighters' Association, Local 2312.

Human Resources Director Earl presented the staff report.

In response to Council questions, Human Resources Director Earl explained review of the MOU by CalPERS and clarification of language from Service Adjustment Increase to Longevity.

Mayor Pro Tem Ybarra suggested adding a footnote to the MOU based on CalPERS audit to ensure no additional money is owed to employees.

MOTION

Mayor Pro Tem Ybarra moved and Council Member Gonzales seconded a motion to: Adopt Resolution No. 2020-34 approving and authorizing the execution of Amendment No. 2 to the Memorandum of Understanding by and between the City of Vernon and the Vernon Professional Firefighters' Association, Local 2312 and directed staff to add a footnote to the Memorandum of Understanding to clarify the service adjustment increase as longevity pay per CalPERS. The question was called and the motion carried unanimously.

ORAL REPORTS

City Administrator Reports on Activities and other Announcements.

City Administrator Fandino announced the upcoming Special Vernon Housing Commission meeting on October 14, 2020, and free flu vaccination on October 16 and 17, 2020.

City Council Reports on Activities (including AB1234), Announcements, or Directives to Staff.

None.

CLOSED SESSION

2. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant exposure to litigation

Government Code Section 54956.9(d)(2)

Number of Potential Cases: 1

Facts and Circumstances: Interim City Attorney to provide oral statement prior to closed session pursuant to Government Code section 54956.9, subdivision (e)(2).

Mayor Pro Tem Ybarra recused herself from discussion of Closed Session Item No. 2 due to personal reasons.

Interim City Attorney Alvarez-Glasman announced that Council was discussing correspondence received on October 2, 2020 from Westford Law Group.

RECESS

Mayor Lopez recessed the meeting to Closed Session at 9:10 a.m.

RECONVENE

At 9:24 a.m., Mayor Lopez adjourned Closed Session and reconvened the regular meeting with all Council Members present.

CLOSED SESSION REPORT

Interim City Attorney Alvarez-Glasman reported that the Council, with Mayor Pro Tem Ybarra absent, met in Closed Session, discussed the item on the agenda, and took no reportable action.

ADJOURNMENT

Mayor Lopez adjourned the meeting at 9:25 a.m.

LETICIA LOPEZ, Mayor

ATTEST:

LISA POPE, City Clerk
(seal)

**MINUTES
VERNON CITY COUNCIL
REGULAR MEETING
TUESDAY, OCTOBER 20, 2020
COUNCIL CHAMBER, 4305 SANTA FE AVENUE**

CALL TO ORDER

Mayor Lopez called the meeting to order at 9:01 a.m.

FLAG SALUTE

Mayor Lopez led the Flag Salute.

ROLL CALL

PRESENT: Leticia Lopez, Mayor
Melissa Ybarra, Mayor Pro Tem
William Davis, Council Member
Carol Menke, Council Member
Diana Gonzales, Council Member

STAFF PRESENT:

Carlos Fandino, City Administrator
Arnold Alvarez-Glasman, Interim City Attorney
Lisa Pope, City Clerk
Scott Williams, Finance Director
Jim Enriquez, Interim Fire Chief
Abraham Alemu, Public Utilities General Manager
Fredrick Agyin, Health and Environmental Control Director
Michael Earl, Human Resources Director
Anthony Miranda, Police Chief
Dan Wall, Public Works Director

APPROVAL OF THE AGENDA

MOTION

Council Member Gonzales moved and Council Member Davis seconded a motion to approve the agenda. The motion carried unanimously.

PUBLIC COMMENT

Rosemary Vivero, Los Angeles County Fire Department Community Service Liaison, introduced herself.

PRESENTATIONS

1. Employee Service Pin Awards

Recommendation: No action required by City Council. This is a presentation only.

Human Resources Director Earl acknowledged Raymond G. De Nijs, Firefighter/Paramedic; Irene M. Castillo, Senior Account Clerk; Donald R. Quiroz, Electric Operations Supervisor, as recipients of the Employee Service Pin Awards.

2. Recognition of Jim Enriquez, Interim Fire Chief of the City of Vernon

Recommendation: Acknowledge and present a proclamation to Jim Enriquez, Interim Fire Chief, in recognition of his leadership and service to the City of Vernon.

City Clerk Pope read the proclamation and Mayor Lopez and Mayor Pro Tem Ybarra presented the proclamation and City flag to Jim Enriquez, Interim Fire Chief.

PUBLIC HEARINGS

3. Proposed Modification to Reduce Fiber Optic Rates

Recommendation: Adopt Resolution No. 2020-35 adopting revised fiber optic rate schedules.

Public Utilities General Manager Alemu presented the staff report.

In response to Council questions, General Manager Alemu explained dark fiber; the reason for reducing residential rates; the plan to grow the business; and future consideration of low-income rates.

Mayor Lopez opened the public hearing. There being no speakers, Mayor Lopez closed the public hearing.

MOTION

Council Member Menke moved and Council Member Davis seconded a motion to adopt Resolution No. 2020-35 adopting revised fiber optic rate schedules. The motion carried unanimously.

4. Transmission Revenue Requirement and Transmission Revenue Balancing Account Adjustment for 2021

Recommendation: A. Adopt Resolution No. 2020-36 adopting a revised Transmission Revenue Requirement for 2021 in accordance with Vernon's Transmission Owner Tariff and providing for Tariff Sheet changes to implement the adjustment; and B. Adopt Resolution No. 2020-37 establishing a Transmission Revenue Balancing Account Adjustment for 2021 in accordance with Vernon's Transmission Owner Tariff and providing for Tariff Sheet changes to implement the adjustment.

Public Utilities General Manager Alemu presented the staff report.

In response to Council questions, General Manager Alemu explained the ISO as the power exchange.

Mayor Lopez opened the public hearing. There being no speakers, Mayor Lopez closed the public hearing.

MOTION

Council Member Menke moved and Mayor Lopez seconded a motion to: A. Adopt Resolution No. 2020-36 adopting a revised Transmission Revenue Requirement for 2021 in accordance with Vernon's Transmission Owner Tariff and providing for Tariff Sheet changes to implement the adjustment; and B. Adopt Resolution No. 2020-37 establishing a Transmission Revenue Balancing Account Adjustment for 2021 in accordance with Vernon's Transmission Owner Tariff and providing for Tariff Sheet changes to implement the adjustment. The question was called and the motion carried unanimously.

CONSENT CALENDAR

Council Member Gonzales pulled Item No. 7.

MOTION

Mayor Pro Tem Ybarra moved and Council Member Davis seconded a motion to approve the Consent Calendar, with the exception of Item No. 7. The question was called and the motion carried unanimously.

The Consent Calendar consisted of the following items:

5. Approval of Minutes

Recommendation: Approve the October 6, 2020 Regular City Council meeting minutes.

6. Claims Against the City

Recommendation: Receive and file the claims submitted by: 1) Sasha Farahi Esq., on behalf of Manuel Gamez Vazquez, in the unlimited amount of \$5,000,000; and 2) W. S. Dodge Oil Company in the amount of \$6,322.95.

8. City Payroll Warrant Register

Recommendation: Approve City Payroll Warrant Register No. 772, for the period of September 1 through September 30, 2020, which totals \$3,080,266.42 and consists of ratification of direct deposits, checks and taxes totaling \$2,017,651.30 and ratification of checks and electronic fund transfers (EFT) for payroll related disbursements totaling \$1,062,615.12 paid through operating bank account.

9. Federal Funds for Street Improvements Account Warrant Register

Recommendation: Approve Federal Funds for Street Improvements Account Warrant Register No. 34, for the period of September 20 through October 3, 2020, consisting of ratification of electronic payments totaling \$20,221.48.

10. Police Department Activity Report

Recommendation: Receive and file the August 2020 Report.

11. Services Agreement with Fujitsu Network Communications, Inc. and Blanket Purchase Order

Recommendation: A. Find that a direct award of the proposed Services Agreement is in the best interest of the City and, therefore, exempt from the competitive selection process per Sections 2.17.12(B)(2) and 2.17.12(B)(3), of the Vernon Municipal Code; B. Approve and authorize the City Administrator to execute a Services Agreement with Fujitsu Network Communications, Inc. for the Maintenance of Equipment and Services Related to the Fiber Optic System Internet Access Operations in an amount not-to-exceed \$245,568, for a three-year term, effective November 7, 2020; and C. Approve the issuance of a blanket Purchase Order in an amount not-to-exceed \$40,000 for potential ancillary purchases with Fujitsu Network Communications during the remainder of Fiscal Year 2020/2021.

12. Purchase Order to Motorola Solutions, Inc. for All-Band Portable Radios

Recommendation: Approve and authorize the issuance of a purchase order to Motorola Solutions, Inc., (Motorola) for a total amount not to exceed \$24,871.97 for the purchase of three (3) Motorola APX 8000 All-Band Portable Radios to restore inventory.

13. Public Works Street Operations Division Vehicles

Recommendation: Approve the purchase of a 2021 Ford Super Duty F-550 with Knapheide dump body and equipment, a 2021 Ford Super Duty F-550 with Knapheide KUV body and equipment, and two (2) 2021 Ford Super Duty F-250s with flip tops and equipment through Sourcewell, for a total cost of \$228,169.84.

The following item was pulled from the Consent Calendar for individual consideration:

7. Operating Account Warrant Register

Recommendation: Approve Operating Account Warrant Register No. 54, for the period of September 20 through October 3, 2020, which totals \$4,975,670.99 and consists of ratification of electronic payments totaling \$4,754,417.25 and ratification of the issuance of early checks totaling \$221,253.74.

Council Member Gonzales asked about the payment to Morgan Lewis. Interim City Attorney Alvarez-Glasman explained that it was the balance of the agreement between the City and Morgan Lewis regarding Bicent.

MOTION

Council Member Menke moved and Council Member Gonzales seconded a motion to approve Operating Account Warrant Register No. 54, for the period of September 20 through October 3, 2020, which totals \$4,975,670.99 and consists of ratification of electronic payments totaling \$4,754,417.25 and ratification of the issuance of early checks totaling \$221,253.74. The question was called and the motion carried unanimously.

NEW BUSINESS

14. Resource Adequacy Plan for 2021

Recommendation: A. Adopt Resolution No. 2020-38 approving and adopting the Vernon Public Utilities Department Resource Adequacy Plan for 2021, which includes the coincident peak Demand Forecast, the Planning Reserve Margin, the Qualifying Capacity Criteria and the Qualifying Capacity from such resources, City's Resource Adequacy and Supply Data and approving the resources used to satisfy the California Independent System Operator's (CAISO) tariff requirements; and B. Authorize staff to submit the City of

Vernon Public Utilities Department's Resource Adequacy Plan for 2021 and the Monthly Resource Adequacy and Supply data to the CAISO.

Public Utilities General Manager Alemu presented the staff report

MOTION

Council Member Menke moved and Mayor Lopez seconded a motion to: A. Adopt Resolution No. 2020-38 approving and adopting the Vernon Public Utilities Department Resource Adequacy Plan for 2021, which includes the coincident peak Demand Forecast, the Planning Reserve Margin, the Qualifying Capacity Criteria and the Qualifying Capacity from such resources, City's Resource Adequacy and Supply Data and approving the resources used to satisfy the California Independent System Operator's (CAISO) tariff requirements; and B. Authorize staff to submit the City of Vernon Public Utilities Department's Resource Adequacy Plan for 2021 and the Monthly Resource Adequacy and Supply data to the CAISO. The question was called and the motion carried unanimously.

15. Memorandum of Understanding Between County of Los Angeles and City of Vernon for Lead Based Paint Hazard Mitigation Program Management Services - Vernon Lead Free Homes L.A. Program

Recommendation: Approve the Memorandum of Understanding (MOU) between County of Los Angeles and City of Vernon in substantially the same form as submitted, for lead based paint hazard mitigation services.

Health and Environmental Control Director Agyin presented the staff report.

In response to Council questions, Health and Environmental Control Director Agyin indicated the program would determine whether Vernon homes contained lead-based paint.

MOTION

Mayor Pro Tem Ybarra moved and Mayor Lopez seconded a motion to approve the Memorandum of Understanding (MOU) between County of Los Angeles and City of Vernon in substantially the same form as submitted, for lead based paint hazard mitigation services. The question was called and the motion carried unanimously.

ORAL REPORTS

City Administrator Reports on Activities and other Announcements.

City Administrator Fandino provided an update on recent Police and Vernon Public Utilities activities and the Exide Bankruptcy Court decision. He announced the Vernon Fire/LA County Fire transition on October 21, 2020, and reminded residents to participate in the City's Halloween festivities.

City Council Reports on Activities (including AB1234), Announcements, or Directives to Staff.

Mayor Lopez reported on the League of California Cities Annual Conference and indicated each Council Member was registered to attend at a rate of \$50.

RECESS

Mayor Lopez recessed the meeting to Closed Session at 9:53 a.m.

CLOSED SESSION

16. PUBLIC EMPLOYEE EVALUATION

Government Code Section 54957

Position: City Administrator

17. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant exposure to litigation Government Code Section 54956.9(d)(2)

Number of Potential Cases: 1

Interim City Attorney to provide an oral statement regarding the facts and circumstances leading to exposure to litigation prior to the closed session

Pursuant to Government Code Section 54956.9(e)(1), no oral statement by the City Attorney was made or required to be made prior to recessing into closed session.

RECONVENE

At 1:27 p.m., Mayor Lopez adjourned Closed Session and reconvened the regular meeting.

CLOSED SESSION REPORT

Interim City Attorney Alvarez-Glasman reported that the Council, with all five members present, met in Closed Session, discussed the items on the agenda, and took no reportable action.

ADJOURNMENT

Mayor Lopez adjourned the meeting at 1:27 p.m.

LETICIA LOPEZ, Mayor

ATTEST:

LISA POPE, City Clerk
(seal)

City Council Agenda Item Report

Agenda Item No. COV-392-2020

Submitted by: John Lau

Submitting Department: Finance/Treasury

Meeting Date: November 3, 2020

SUBJECT

Operating Account Warrant Register

Recommendation:

Approve Operating Account Warrant Register No. 55, for the period of October 4 through October 17, 2020, which totals \$4,527,001.04 and consists of ratification of electronic payments totaling \$4,442,777.83, ratification of the issuance of early checks totaling \$84,223.21 and voided Check No. 606307 totaling \$2,875.32.

Background:

Section 2.13 of the Vernon Municipal Code indicates the City Treasurer, or an authorized designee, shall prepare warrants covering claims or demands against the City which are to be presented to City Council for its audit and approval. Pursuant to the aforementioned code section, the City Treasurer has prepared Operating Account Warrant Register No. 55 covering claims and demands presented during the period of October 4 through October 17, 2020, drawn, or to be drawn, from East West Bank for City Council approval.

Fiscal Impact:

The fiscal impact of approving Operating Account Warrant Register No. 55, totals \$4,527,001.04. The Finance Department has determined that sufficient funds to pay such claims/demands, are available in the respective accounts referenced on Operating Account Warrant Register No. 55.

Attachments:

1. [Operating Account Warrant Register No. 55](#)



**CITY OF VERNON
OPERATING ACCOUNT
WARRANT REGISTER NO. 55
NOVEMBER 3, 2020**

I hereby certify that claims and/or demands included in above listed warrant register have been audited for accuracy and availability of funds for payments and that said claims and/or demands are accurate and that the funds are available for payments thereof.

Scott Williams

Scott Williams
Director of Finance / City Treasurer

Date: 10/20/2020

This is to certify that the claims or demands covered by the above listed warrants have been audited by the City Council of the City of Vernon and that all of said warrants are approved for payments except Warrant Numbers:

Void Checks: 606307

**CITY OF VERNON
OPERATING ACCOUNT
WARRANT REGISTER NO. 55
NOVEMBER 3, 2020**

ELECTRONIC

VENDOR NAME AND NUMBER	ACCOUNT NUMBER	INVOICE AMOUNT	DESCRIPTION	INVOICE	P.O.#	PAYMENT DATE	PAYMENT NUMBER	PAYMENT AMOUNT
002412 - CALIFORNIA ISO	055.9200.500150	\$ -1,261.30	Recalculation Charges 12/17	202009293146921 137				
	055.9200.500170	\$ -1.37	Recalculation Charges 12/17	202009293146921 137				
	055.9200.500150	\$ 282,200.93	Initial Charges 09/20	202009293146921 137				
	055.9200.500210	\$ 16,512.78	Initial Charges 09/20	202009293146921 137				
	055.9200.500151	\$ -3.21	Initial Charges 09/20	202009293146921 137				
	055.9200.500170	\$ -7,231.64	Initial Charges 09/20	202009293146921 137				
	055.9200.500190	\$ -11,119.68	Initial Charges 09/20	202009293146921 137				
	055.9200.500150	\$ 156,579.02	Recalculation Charges 09/20	202009293146921 137				
	055.9200.500190	\$ 4,243.10	Recalculation Charges 09/20	202009293146921 137				
	055.9200.500210	\$ 725.60	Recalculation Charges 09/20	202009293146921 137				
	055.9200.500151	\$ -9.00	Recalculation Charges 09/20	202009293146921 137				
	055.9200.500170	\$ -10,167.07	Recalculation Charges 09/20	202009293146921 137				
						10/05/2020	10326	\$ 430,468.16
002533 - BANK OF NEW YORK MELLON	055.9000.592010	\$ 2,532.00	Administration & Audit Confirmation Fees	2522322848				
						10/06/2020	10327	\$ 2,532.00

**CITY OF VERNON
OPERATING ACCOUNT
WARRANT REGISTER NO. 55
NOVEMBER 3, 2020**

ELECTRONIC

VENDOR NAME AND NUMBER	ACCOUNT NUMBER	INVOICE AMOUNT	DESCRIPTION	INVOICE	P.O.#	PAYMENT DATE	PAYMENT NUMBER	PAYMENT AMOUNT
006249 - BEST DRILLING AND PUMP, INC	020.1084.900000	\$ 56,701.89	Well No. 17 Rehabilitation Project~	100120		10/06/2020	10328	\$ 56,701.89
000267 - BROADBAND LLC	057.1057.500173	\$ 4,139.00	Internet Access Services	BBUS00031308		10/06/2020	10329	\$ 8,278.00
	057.1057.500173	\$ 4,139.00	Internet Access Services	BBUS00031419				
003073 - ECS IMAGING, INC	011.9019.590110	\$ 3,528.00	CCA & VCB for Windows	15424		10/06/2020	10330	\$ 3,528.00
005155 - STEVEN FROBERG	011.1048.596200	\$ 100.00	Attendance Stipend~	091020		10/06/2020	10331	\$ 100.00
006899 - G2 INTEGRATED SOLUTIONS, LLC	055.9000.595200	\$ 9,733.50	Natural Gas Compliance Services	110961		10/06/2020	10332	\$ 35,164.50
	055.9000.595200	\$ 25,431.00	Natural Gas Compliance Services	111002				
005875 - FRANCISCO M GAVINA, JR	011.1048.596200	\$ 100.00	Attendance Stipend~	091020		10/06/2020	10333	\$ 100.00
006869 - LAURENE MASCOLA	011.1060.595200	\$ 3,469.55	Health Officer Services	V007		10/06/2020	10334	\$ 8,119.55
	011.1060.595200	\$ 4,650.00	Health Officer Services	V008				

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001658 - WATER REPLENISHMENT DISTRICT	020.1084.500110	\$ 206,043.16	Groundwater Production & Assessment	091720		10/06/2020	10335	\$ 206,043.16
006120 - WESTERN ALLIED CORPORATION	011.1049.590000	\$ 516.00	Air Conditioner Maintenance	626710				
	011.1049.590000	\$ 614.24	Air Conditioner Maintenance	626751		10/06/2020	10336	\$ 1,130.24
001401 - CENTRAL BASIN MWD	020.1084.500130	\$ 105,154.65	Potable Water	VERAUG20		10/06/2020	10337	\$ 105,154.65
006871 - BENDER ELECTRONICS, INC	020.1084.900000	\$ 7,004.40	High Resistance Grounding System~	6402003250	011.0014451			
	020.1084.900000	\$ 665.41	Sales Tax 9.5%	6402003250				
	020.1084.900000	\$ 220.50	Freight	6402003764	011.0014451	10/06/2020	10338	\$ 7,890.31
006422 - MARIPOSA LANDSCAPES, INC	011.1049.590000	\$ 3,582.00	Landscape Maintenance 07/20	89956				
	020.1084.590000	\$ 2,820.00	Landscape Maintenance 08/20~	90179				
	011.1049.590000	\$ 3,582.00	Landscape Maintenance 08/20	90304		10/08/2020	10339	\$ 9,984.00
003049 - PETRELLI ELECTRIC, INC	055.9100.900000	\$ 525,394.42	Electric Service Maintenance	200257A				
	055.8300.590000	\$ 526,405.89	Electric Service Maintenance	200257A		10/09/2020	10340	\$ 1,051,800.31

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002412 - CALIFORNIA ISO	055.9200.500150	\$ -65.23	Recalculation Charges 12/19	202010063246980 312				
	055.9200.500170	\$ -23,729.93	Recalculation Charges 12/19	202010063246980 312				
	055.9200.500190	\$ -83.00	Recalculation Charges 12/19	202010063246980 312				
	055.9200.500180	\$ 12.30	Recalculation Charges 12/19	202010063246980 312				
	055.9200.500150	\$ 166,325.23	Initial Charges 10/20	202010063246980 312				
	055.9200.500151	\$ 0.07	Initial Charges 10/20	202010063246980 312				
	055.9200.500210	\$ 8,983.97	Initial Charges 10/20	202010063246980 312				
	055.9200.500170	\$ -11,089.89	Initial Charges 10/20	202010063246980 312				
	055.9200.500190	\$ -1,299.47	Initial Charges 10/20	202010063246980 312				
	055.9200.500150	\$ 58,670.27	Recalculation Charges 09/20	202010063246980 312				
	055.9200.500190	\$ 706.68	Recalculation Charges 09/20	202010063246980 312				
	055.9200.500210	\$ 437.63	Recalculation Charges 09/20	202010063246980 312				
	055.9200.500151	\$ -0.01	Recalculation Charges 09/20	202010063246980 312				
	055.9200.500170	\$ -5,977.65	Recalculation Charges 09/20	202010063246980 312				

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002412 - CALIFORNIA ISO	055.9200.500170	\$ 1,040.18	Recalculation Charges 03/19	202010063246980 312				
	055.9200.500150	\$ 10,797.32	Recalculation Charges 03/19	202010063246980 312				
	055.9200.500150	\$ 169,869.40	Initial Charges 09/20	202010063246980 312				
	055.9200.500170	\$ 1,193,660.55	Initial Charges 09/20	202010063246980 312				
	055.9200.500180	\$ 22,796.21	Initial Charges 09/20	202010063246980 312				
	055.9200.500190	\$ 1,687.07	Initial Charges 09/20	202010063246980 312				
	055.9200.500210	\$ 8,544.69	Initial Charges 09/20	202010063246980 312				
	055.9200.500240	\$ 7,478.50	Initial Charges 09/20	202010063246980 312				
	055.9200.500151	\$ -1.37	Initial Charges 09/20	202010063246980 312				
	055.9200.500170	\$ -95.51	Initial Charges 09/20	202010063246980 312				
						10/09/2020	10341	\$ 1,608,668.01
005182 - ANTHEM BLUE CROSS	011.1026.502031	\$ 14,177.82	Medical Retirees~	129151918				
						10/15/2020	10342	\$ 14,177.82
004303 - ATHENS INSURANCE SERVICES, INC	011.1026.594200	\$ 6,105.33	TPA Fees 10/20	IVC22721				
						10/15/2020	10345	\$ 6,105.33

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006722 - AVENU MUNISERVICES, LLC	011.1004.595200	\$ 3,750.00	UUT Fixed Fee~	INV06-009863		10/15/2020	10346	\$ 3,750.00
004665 - ELEMENT MARKETS RENEWABLE NATU	055.9200.500162	\$ 102,266.51	Biomethane Gas 02/20	RC3771				
	055.9200.500162	\$ 148,649.00	Biomethane Gas 02/20	RC3772				
	055.9200.500162	\$ 177,726.46	Biomethane Gas 03/20	RC3773				
	055.9200.500162	\$ 258,770.28	Biomethane Gas 03/20	RC3774				
	055.9200.500162	\$ 75,173.70	Biomethane Gas 04/20	RC3775				
	055.9200.500162	\$ 109,407.63	Biomethane Gas 04/20	RC3776		10/15/2020	10347	\$ 871,993.58
005433 - RUTAN & TUCKER, LLP	011.1024.593200	\$ 976.00	Re: Torres Arbitration	877262		10/15/2020	10348	\$ 976.00
005094 - VELOCITYEHS	011.1043.596550	\$ 2,999.00	MSDSonline HQ Account Renewal	220816		10/15/2020	10349	\$ 2,999.00
001695 - VULCAN MATERIALS CO	056.5600.520000	\$ 206.91	Paving Materials~	72708179	056.0000611			
	056.5600.520000	\$ 838.78	Paving Materials~	72720269	056.0000611	10/15/2020	10350	\$ 1,045.69

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001617 - UPS	011.1041.520000	\$ 31.00	Period: 07/20	933312300(2)				
	011.1033.520000	\$ 32.05	Period: 08/20	933312330(2)				
	011.1041.520000	\$ 31.00	Period: 08/20	933312330(2)				
	011.1033.520000	\$ 21.32	Period: 09/20	933312380(2)				
	011.1041.520000	\$ 47.95	Period: 09/20	933312380(2)				
						10/13/2020	10351	\$ 163.32
001552 - HOME DEPOT CREDIT SERVICES	011.1043.520000	\$ 1,349.12	Small Tools & Plumbing Hardware~	083120_MULTIPLE	011.0014456			
	011.1048.520000	\$ 1,743.79	Small Tools & Plumbing Hardware~	083120_MULTIPLE	011.0014456			
	011.1049.520000	\$ 477.18	Small Tools & Plumbing Hardware~	083120_MULTIPLE	011.0014456			
						10/08/2020	10352	\$ 3,570.09
001552 - HOME DEPOT CREDIT SERVICES	056.5600.520000	\$ 296.12	Building Supplies~	081920_MULTIPLE	056.0000617			
	056.5600.590000	\$ 88.08	Building Supplies~	081920_MULTIPLE	056.0000617			
	020.1084.520000	\$ 324.04	Building Materials & Hardware~	082020_MULTIPLE	011.0014441			
	055.8000.590000	\$ 81.44	Small Tools, Plumbing & Hardware	082520_MULTIPLE	055.0002809			
	055.8400.590000	\$ 1,339.92	Small Tools, Plumbing & Hardware	082520_MULTIPLE	055.0002809			
	055.9100.520000	\$ 83.17	Hardware Supplies~	360624	055.0002812			
						10/08/2020	10353	\$ 2,212.77
001552 - HOME DEPOT CREDIT SERVICES	011.1033.520000	\$ 44.10	Small Tools, Plumbing & Building	092620_MULTIPLE	011.0014457			
						10/16/2020	10354	\$ 44.10

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000059 - SO CAL EDISON	011.1043.560000	\$ 77.35	Period: 08/14/20 - 09/15/20	091620		10/16/2020	10355	\$ 77.35
TOTAL ELECTRONIC								<u><u>\$ 4,442,777.83</u></u>

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000005 - A THRONE CO, INC	055.8100.596200	\$ 279.14	Portable Restrooms	646983				
	020.1084.520000	\$ 84.95	Portable Restrooms	648759				
	055.8100.596200	\$ 279.14	Portable Restrooms	651513				
	020.1084.520000	\$ 84.95	Portable Restrooms	653341				
	055.8100.596200	\$ 279.14	Portable Restrooms	656155				
	020.1084.520000	\$ 84.95	Portable Restrooms	657993				
						10/06/2020	606289	\$ 1,092.27
001948 - AT&T	011.9019.560010	\$ 21.53	Period: 07/06/20 - 08/05/20	15137161				
	011.9019.560010	\$ 2,372.11	Period: 07/10/20 - 08/09/20	15156214				
	011.9019.560010	\$ 41.86	Period: 07/10/20 - 08/09/20	15156215				
	055.9000.560010	\$ 235.51	Period: 07/10/20 - 08/09/20	15156216				
	011.9019.560010	\$ 2,304.52	Period: 07/10/20 - 08/09/20	15156217				
	011.9019.560010	\$ 1,034.31	Period: 07/10/20 - 08/09/20	15156218				
	056.5600.560010	\$ 622.35	Period: 07/10/20 - 08/09/20	15156219				
	056.5600.560010	\$ 21.63	Period: 07/10/20 - 08/09/20	15156318				
	011.9019.560010	\$ 781.02	Period: 07/10/20 - 08/09/20	15156650				
	011.9019.560010	\$ 20.17	Period: 07/15/20 - 08/14/20	15192766				
						10/06/2020	606290	\$ 7,455.01
001139 - JERRY CHAVEZ JR	011.1031.596500	\$ 215.90	Sherman Block SLI Class 446-8	090120(2)		10/06/2020	606291	\$ 215.90

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VENDOR NAME AND NUMBER	ACCOUNT NUMBER	INVOICE AMOUNT	DESCRIPTION	INVOICE	P.O.#	PAYMENT DATE	CHECK NUMBER	PAYMENT AMOUNT
003856 - COMMERCIAL TIRE COMPANY	011.1046.520000	\$ 2,162.64	Goodyear 16 Ply Tires~	1GS162469	011.0014523			
	011.1046.590000	\$ 7.00	Recycle Fee	1GS162469	011.0014523			
	011.1046.590000	\$ 100.00	Labor to Mount 4 Tires	1GS162469	011.0014523			
	011.1046.520000	\$ 205.45	Sales Tax 9.5%	1GS162469				
						10/06/2020	606292	\$ 2,475.09
006717 - RONIT DAHAN-EDRY	011.1048.596200	\$ 100.00	Attendance Stipend~	091020		10/06/2020	606293	\$ 100.00
006011 - DANN FROEHLICH DESIGN	011.1026.596905	\$ 148.83	Recruitment Brochure~	092920		10/06/2020	606294	\$ 148.83
002566 - DEWEY PEST CONTROL	055.8400.590000	\$ 122.00	Pest Control Services	13733793		10/06/2020	606295	\$ 122.00
006926 - DYNAMIC HOLDINGS, LLC	011.1040.400900	\$ 4,764.34	Ref. Parcel Tax #6308-008-024~	092220		10/06/2020	606296	\$ 4,764.34
006423 - ALAN FRANZ	011.1060.596700	\$ 100.00	Attendance Stipend~	092120		10/06/2020	606297	\$ 100.00
006622 - FULLER ENGINEERING, INC	020.1084.500140	\$ 1,270.30	Sodium Hypochlorite	142024				
	020.1084.500140	\$ 1,301.70	Sodium Hypochlorite	142158				
						10/06/2020	606298	\$ 2,572.00
006446 - RAYMOND GODOY	011.1031.596500	\$ 34.50	Report Writing Training	092220		10/06/2020	606299	\$ 34.50

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003065 - HDL COREN & CONE	011.1004.596200	\$ 326.02	Audit Services - Property Tax~	SIN002980		10/06/2020	606300	\$ 326.02
006906 - HUMAN-I-T	011.1070.797000	\$ 16,500.00	66 New HP Chromebook 11 G8 EE ~	7235903490	011.0014537	10/06/2020	606301	\$ 16,500.00
004143 - INTERWEST CONSULTING GROUP, IN	011.1041.595200	\$ 278.43	Building Plan Check & Inspection	62804		10/06/2020	606302	\$ 278.43
005093 - JCL TRAFFIC SERVICES	011.1043.520000	\$ 3,230.10	Red Traffic Paint 5 Gal~	103640	011.0014276			
	011.1043.520000	\$ 40.00	Freight	103640	011.0014276			
	011.1043.520000	\$ 310.66	Sales Tax 9.5%	103640		10/06/2020	606303	\$ 3,580.76
000996 - GABRIEL MARTINEZ	011.1031.596500	\$ 283.13	Sherman Block SLI Class 463-2	090220(2)		10/06/2020	606304	\$ 283.13
006248 - MILLENNIUM UPS, LLC	055.9100.596200	\$ 4,180.00	Critical Service Contract	COV3383		10/06/2020	606305	\$ 4,180.00
006927 - HECTOR MORFIN	011.1060.596700	\$ 100.00	Attendance Stipend~	092120		10/06/2020	606306	\$ 100.00
006715 - JORGE L. NEVAREZ JR	011.1048.596200	\$ 100.00	Attendance Stipend~	091020		10/06/2020	606308	\$ 100.00

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003149 - RICHARD C. SLADE & ASSOCIATES	020.1084.900000	\$	3,084.23	Hydrogeological Services	5772		10/06/2020	606309	\$ 3,084.23
005563 - STANLEY STEEMER OF LA COUNTY,	011.1049.590000	\$	267.60	Steam Cleaning Services	912724		10/06/2020	606310	\$ 267.60
002358 - TETRA TECH, INC.	055.9000.596200	\$	7,500.00	Greenhouse Gas Verification~	51637564		10/06/2020	606311	\$ 7,500.00
006872 - WHITE NELSON DIEHL EVANS, LLP	011.1004.595200	\$	3,100.00	Auditing Services	208480		10/06/2020	606312	\$ 3,100.00
006716 - MARLENE ELSA YBARRA	011.1048.596200	\$	100.00	Attendance Stipend~	091020		10/06/2020	606313	\$ 100.00
000345 - AIRGAS USA, LLC	011.120010	\$	798.00	(0623-110) Safety Glasses Elite Smoke	9103270197	011.0014485			
	011.120010	\$	75.65	Freight	9103270197	011.0014485			
	011.120010	\$	76.31	Sales Tax 9.5%	9103270197		10/13/2020	606314	\$ 949.96
004724 - AMERICAN LEGAL PUBLISHING CORP	011.1003.596200	\$	2,985.94	2020 S-9 Supplement Editing Pages	2467		10/13/2020	606315	\$ 2,985.94
006308 - ANAYA SERVICE CENTER	011.1046.590000	\$	75.00	Labor to Replace Fan Clutch	33660	011.0014522	10/13/2020	606316	\$ 75.00

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006929 - MARCO BADILLO	011.1031.420510	\$ 28.00	Ref. Parking Ticket Appeal PV87826V	100120		10/13/2020	606317	\$ 28.00
003749 - CA BUILDING STANDARDS COMMISSI	011.1041.595200	\$ 371.70	3rd Qtr 07/01/20 - 09/30/20	100520		10/13/2020	606318	\$ 371.70
000778 - CALIFORNIA WATER SERVICE CO	011.1043.560000	\$ 44.75	Period: 08/22/20 - 09/21/20	092220		10/13/2020	606319	\$ 44.75
000977 - DEPARTMENT OF CONSERVATION	011.1041.595200	\$ 2,382.33	Mapping Fee 3rd Qtr 2020	100520		10/13/2020	606320	\$ 2,382.33
000620 - DEPT OF TOXIC SUBSTANCES CTRL	011.1060.595200	\$ 114.28	Interest Charge on 19SM4953	092820		10/13/2020	606321	\$ 114.28
002566 - DEWEY PEST CONTROL	056.5600.590000	\$ 65.00	Pest Control Services	13599430		10/13/2020	606322	\$ 65.00
004997 - DIV OF THE STATE ARCHITECT	011.200235	\$ 254.40	3rd Qtr 2020 SB1186	100620		10/13/2020	606323	\$ 254.40
006714 - DUTHIE POWER SERVICES	055.8400.590000	\$ 135.51	Emergency Power Generator Preventative	S78863		10/13/2020	606324	\$ 135.51

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003489 - FLORENCE FILTER CORPORATION	011.120010	\$ 306.00	Air Filter PLF14301-10~	115539IN	011.0014505			
	011.120010	\$ 87.60	Air Filter PLF16201-10~	115539IN	011.0014505			
	011.120010	\$ 45.00	Air Filter PLF16252-10~	115539IN	011.0014505			
	011.120010	\$ 45.60	Air Filter PLF20202-10~	115539IN	011.0014505			
	011.120010	\$ 48.00	Air Filter PLF20251-10~	115539IN	011.0014505			
	011.120010	\$ 49.20	Air Filter PLF20252-10~	115539IN	011.0014505			
	011.120010	\$ 75.00	Air Filter PLF20301-10~	115539IN	011.0014505			
	011.120010	\$ 95.10	Freight	115539IN	011.0014505			
	011.120010	\$ 62.36	Sales Tax 9.5%	115539IN				
						10/13/2020	606325	\$ 813.86
006887 - TERESA FLORES	011.1031.596500	\$ 32.77	Report Writing: From a DA's Perspective	100520		10/13/2020	606326	\$ 32.77

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005350 - HAUL AWAY RUBBISH SERVICE CO,	011.1048.596200	\$ 67.50	Disposal & Recycling Services	06X03159				
	011.1049.596200	\$ 213.00	Disposal & Recycling Services	06X03160				
	011.1033.520000	\$ 67.50	Disposal & Recycling Services	06X03161				
	011.1033.520000	\$ 67.50	Disposal & Recycling Services	06X03162				
	011.1033.520000	\$ 67.50	Disposal & Recycling Services	06X03163				
	011.1033.520000	\$ 67.50	Disposal & Recycling Services	06X03164				
	011.1043.596200	\$ 2,411.65	Disposal & Recycling Services	06X03167				
	011.1048.596200	\$ 67.50	Disposal & Recycling Services	07X00247				
	011.1049.596200	\$ 213.00	Disposal & Recycling Services	07X00248				
	011.1033.520000	\$ 67.50	Disposal & Recycling Services	07X00249				
	011.1033.520000	\$ 67.50	Disposal & Recycling Services	07X00250				
	011.1033.520000	\$ 67.50	Disposal & Recycling Services	07X00251				
	011.1033.520000	\$ 67.50	Disposal & Recycling Services	07X00252				
	011.1043.596200	\$ 3,529.05	Disposal & Recycling Services	07X00255				
						10/13/2020	606328	\$ 7,041.70
001957 - TODD NEWTON	011.1031.596500	\$ 12.02	Crisis Intervention & Behavioral Health	080320		10/13/2020	606329	\$ 12.02

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001457 - QUINN COMPANY	011.1046.520000	\$ 157.32	528-0585 Element	PC810897177	011.0014524			
	011.1046.520000	\$ 84.50	346-6687/339-1048 Fuel Filter	PC810897177	011.0014524			
	011.1046.520000	\$ 90.12	479-4133 Element Separator	PC810897177	011.0014524			
	011.1046.520000	\$ 63.84	360-8960 Element Fuel	PC810897177	011.0014524			
	011.1046.520000	\$ 63.10	346-6688 Element Secondary	PC810897177	011.0014524			
	011.1046.520000	\$ 43.59	Sales Tax 9.5%	PC810897177				
	011.1046.590000	\$ 23.48	Freight	PC810897305	011.0014524			
						10/13/2020	606330	\$ 525.95
006932 - MARTIN RODRIGUEZ	011.1048.530015	\$ 459.95	Reimb. Possessory Interest Tax~	100820		10/13/2020	606331	\$ 459.95
006340 - S & J SUPPLY COMPANY, INC	020.1084.840000	\$ 5,858.58	Air Power Operator Drill~	S100158794001	011.0014540			
	020.1084.840000	\$ 556.57	Sales Tax 9.5%	S100158794001				
						10/13/2020	606332	\$ 6,415.15
001616 - PHILLIP SWINFORD	011.1031.596500	\$ 22.95	Crisis Intervention & Behavioral Health	080320		10/13/2020	606333	\$ 22.95
006780 - THE HITT COMPANIES, INC	011.1043.520000	\$ 64.81	N-16 Xstamper Stamp	OE87257		10/13/2020	606334	\$ 64.81
000141 - THOMSON REUTERS - WEST	011.1024.596500	\$ 235.00	West Information Charges	843082770		10/13/2020	606335	\$ 235.00
005710 - US TOW, INC	011.1046.590000	\$ 150.00	Tow Unit to El Monte Transmission	12354	011.0014525	10/13/2020	606336	\$ 150.00

**CITY OF VERNON
OPERATING ACCOUNT
WARRANT REGISTER NO. 55
NOVEMBER 3, 2020**

EARLY CHECKS

VENDOR NAME AND NUMBER	ACCOUNT NUMBER	INVOICE AMOUNT	DESCRIPTION	INVOICE	P.O.#	PAYMENT DATE	CHECK NUMBER	PAYMENT AMOUNT
006713 - VALLEN DISTRIBUTION, INC	011.1043.520000	\$ 1,560.00	Custom Pop-Up Tent~	835731200	011.0014482			
	011.1043.520000	\$ 225.00	Set-Up Fee	835731200	011.0014482			
	011.1043.520000	\$ 60.00	Custom Logo White "Health Department"~	835731200	011.0014482			
	011.1043.520000	\$ 60.00	Custom Logo White "Public Works"~	835731200	011.0014482			
	011.1043.520000	\$ 60.00	Custom Logo White "City of Vernon" ~	835731200	011.0014482			
	011.1043.520000	\$ 186.67	Sales Tax 9.5%	835731200				
						10/13/2020	606337	\$ 2,151.67
006187 - ZEP SALES & SERVICE	011.1049.520000	\$ 124.95	Air Fair Blue Sky Green Link ~	9005463240	011.0014510			
	011.1049.520000	\$ 74.95	Ultra Wipes Blue LG 450 Count~	9005463240	011.0014510			
	011.1049.520000	\$ 89.95	ZEP Oil Only Rapid-Sorb Pads~	9005463240	011.0014510			
	011.1049.520000	\$ 34.95	ZEP Vue R.T.U. ~	9005463240	011.0014510			
	011.1049.520000	\$ 49.99	Freight	9005463240	011.0014510			
	011.1049.520000	\$ 35.61	Sales Tax 9.5%	9005463240				
						10/13/2020	606338	\$ 410.40
TOTAL EARLY CHECKS								\$ 84,223.21

**CITY OF VERNON
OPERATING ACCOUNT
WARRANT REGISTER NO. 55
NOVEMBER 3, 2020**

RECAP BY FUND

FUND	ELECTRONIC TOTAL	EARLY CHECK TOTAL	WARRANT TOTAL	GRAND TOTALS
011 - GENERAL	\$ 52,004.80	\$ 58,177.56	\$ 0.00	\$ 110,182.36
020 - WATER	378,934.05	12,326.23	0.00	391,260.28
055 - LIGHT & POWER	4,002,131.09	13,010.44	0.00	4,015,141.53
056 - NATURAL GAS	1,429.89	708.98	0.00	2,138.87
057 - FIBER OPTIC	8,278.00	0.00	0.00	8,278.00
GRAND TOTAL	\$ 4,442,777.83	\$ 84,223.21	\$ 0.00	\$ 4,527,001.04

TOTAL CHECKS TO BE PRINTED 0

CITY OF VERNON
OPERATING ACCOUNT
WARRANT REGISTER NO. 55
NOVEMBER 3, 2020

VOID LIST

<u>CHECK NUMBER</u>	<u>VENDOR NAME</u>	<u>AMOUNT</u>
606307	NATIONAL BUSINESS FURNITURE	\$ 2,875.32

AM

City Council Agenda Item Report

Agenda Item No. COV-375-2020
Submitted by: Cynthia Cano
Submitting Department: Public Works
Meeting Date: November 3, 2020

SUBJECT

Public Works Department Monthly Building Report

Recommendation:

Receive and file the September 2020 Building Report.

Background:

The attached building report consists of total issued permits, major projects, demolition permits, new building permits and certificate of occupancy status reports for the month of September 2020.

Fiscal Impact:

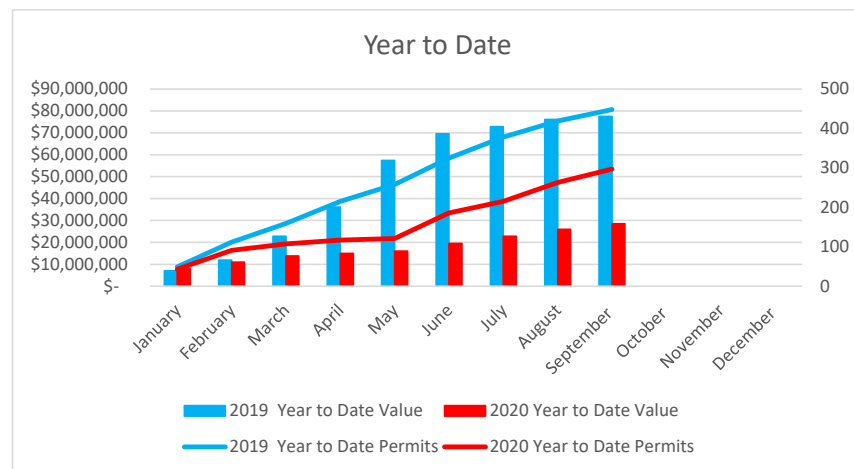
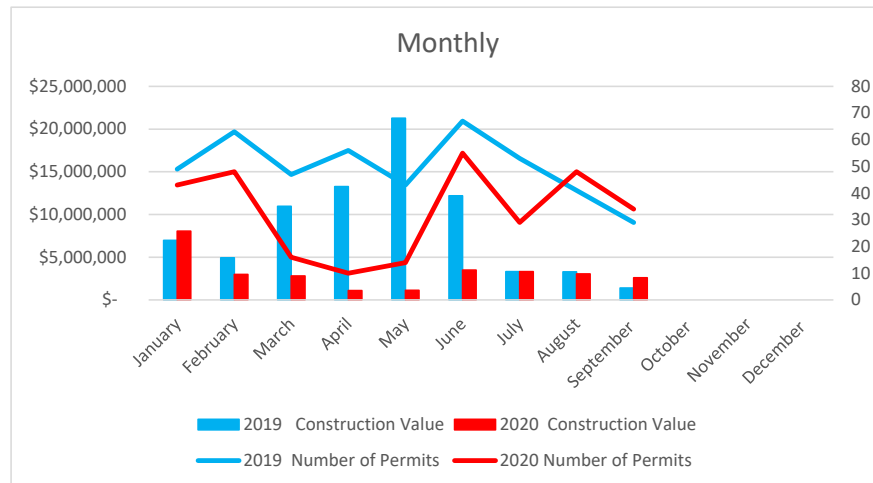
There is no fiscal impact associated with this report.

Attachments:

1. [Public Works Department September 2020 Building Report](#)

**City of Vernon
Building Division
Monthly Report Summary**

	2019				2020				Year to Date	
	Construction Value	Number of Permits	Year to Date Value	Year to Date Permits	Construction Value	Number of Permits	Year to Date Value	Year to Date Permits	Permit Difference	Valuation Difference
January	\$ 6,968,160	49	\$ 6,968,160	49	\$ 8,046,145	43	\$ 8,046,145	43	-12%	15%
February	\$ 4,923,135	63	\$ 11,891,295	112	\$ 2,979,923	48	\$ 11,026,068	91	-19%	-7%
March	\$ 10,949,664	47	\$ 22,840,960	159	\$ 2,808,127	16	\$ 13,834,195	107	-33%	-39%
April	\$ 13,285,075	56	\$ 36,126,035	215	\$ 1,100,252	10	\$ 14,934,447	117	-46%	-59%
May	\$ 21,264,283	43	\$ 57,390,317	258	\$ 1,134,292	14	\$ 16,068,739	121	-53%	-72%
June	\$ 12,186,470	67	\$ 69,576,787	325	\$ 3,485,709	55	\$ 19,554,448	186	-43%	-72%
July	\$ 3,301,660	53	\$ 72,878,447	378	\$ 3,305,183	29	\$ 22,859,631	215	-43%	-69%
August	\$ 3,283,700	41	\$ 76,162,147	419	\$ 3,059,660	48	\$ 25,919,291	263	-37%	-66%
September	\$ 1,400,426	29	\$ 77,562,573	448	\$ 2,591,286	34	\$ 28,510,577	297	-34%	-63%
October										
November										
December										





City of Vernon
Building Department
Monthly Report from 9/1/2020 to 9/30/2020

Type	Value	# of Permits
Demolition	\$370,000.00	2
Electrical	\$187,625.00	10
Grading	\$1,500,000.00	1
Mechanical	\$32,200.00	3
Miscellaneous	\$490,661.00	14
Plumbing	\$10,800.00	4
September 2020 TOTALS	\$2,591,286.00	34
PREVIOUS MONTHS TOTAL	\$25,919,291.00	263
YEAR TO DATE TOTAL	\$28,510,577.00	297
September 2019 TOTALS	\$1,400,426.00	29
PREVIOUS MONTHS TOTAL	\$76,162,147.38	419
YEAR TO DATE TOTAL	\$77,562,573.38	448



**City of Vernon
Building Department
New Buildings Report - September 2020**

None



City of Vernon
Building Department
Demolition Report - August 2020

4201 Fruitland Avenue
Southland Box Company
Demo (2) existing structures
75,272 sf

4423 District Blvd.
4423 District Blvd LLC
Demo building and interior
3,767 sf



City of Vernon
Building Department
Major Projects from 9/1/2020 to 9/30/2020
Valuations > 20,000

Permit No.	Project Address	Tenant	Description	Job
Demolition				
B-2020-4090	4423 DISTRICT BLVD APN 6304022042		Demo 3,767 sf building and 596 sf interior	50000
B-2020-4208	4201 FRUITLAND AVE APN 6304027018	Southland Box	Demo (2) existing structures 75,272 sf	320000
2	Record(s)			\$370,000.00
Electrical				
B-2020-4255	2660 37TH ST APN 6302020039		Electrical repairs, removal & reinstallation of T-bar fixtures, relocate (1) air conditioner	25000
B-2019-3851	4789 LOMA VISTA AVE APN 6304025029		New 2000 amp main service switchgear and manufacturing equipemnt installtion	100000
B-2020-4087	2929 54TH ST APN 6310009021		Electrical install 18edge of dock levelers, electrical outlets in warehouse	30000
3	Record(s)			\$155,000.00
Grading				
B-2020-3921	4201 FRUITLAND AVE APN 6304027018		Grading - Phase 3 site grading plan	1500000
1	Record(s)			\$1,500,000.00
Mechanical				
B-2020-4151	3876 SANTA FE AVE APN 6302018017		Installation of (4) AC units and associated ductwork.	25000
1	Record(s)			\$25,000.00
Miscellaneous				
B-2019-3616	3876 SANTA FE AVE APN 6302018017		asphalt, slurry coat and parking stripe.	40000
B-2020-4171	5700 ALAMEDA ST APN 6308018022		18'x24' concreet pad for support of steel pallets and gas tanks 14'x17' concrete pad for support of forklift loading. Bumper post and footing.	85517
B-2020-4218	4201 FRUITLAND AVE APN 6304027018		Demo of asbestos	35000
B-2019-3844	4201 FRUITLAND AVE APN 6304027018		Structural upgrade to existing warehouse (4955 Maywood Ave)	245000
4	Record(s)			\$405,517.00
11	Permit(s)		Total	\$2,455,517.00



City of Vernon
Building Department
Status of Certificates of Occupancy Requests
Month of September 2020

Request for Inspection	21
Approved	3
Pending	415
Temporary Occupancies	13

City of Vernon
Certificate of Occupancy
Applications Date From 9/1/2020 to 9/30/2020

Issued	Permit No.	Project Address	Tenant	Description	Fees Paid	Square Feet
	C-2020-1535	2303 55TH ST APN 6308016028	Cojecto	Warehouse of Furniture	885.00	36000
	C-2020-1536	5001 SANTA FE AVE APN 6308015009	Short Stop Distribution, LLC	Wholesale of general merchandise	385.00	1200
	C-2020-1537	2831 SANTA FE AVE APN 6302006025	GREENPY INC		885.00	38112
	C-2020-1538	2011 49TH ST APN 6308015073	FEC Studios LLC	Film production studio	385.00	4700
	C-2020-1539	5001 PACIFIC BLVD APN 6308010020	Quality LA LLC	Garment sewing	885.00	6060
	C-2020-1540	2611 SANTA FE AVE APN 6302008031	Bravo Foods USA, Inc.	Warehouse and Distribution, Packaging Facility	885.00	9170
	C-2020-1541	2139 52ND ST APN 6308016039	LA Indigo	Garment manufacture	885.00	6000
	C-2020-1542	2139 52ND ST APN 6308016039	Katie K, Inc.	Garment manufacture	885.00	18000
	C-2020-1543	3280 26TH ST APN 6303002021	Dose of Roses, Inc.	Warehouse and Distribution of Flowers	885.00	47475
	C-2020-1544	5000 HAMPTON ST APN 6308010026	Incremento, Inc.	Manufacturing & Digital Fabric Printing	885.00	9160
	C-2020-1545	2660 37TH ST APN 6302020039	Doucai USA Inc.	Wholesale of general merchandise	1,046.00	54946
	C-2020-1546	4871 SANTA FE AVE APN 6308015044	Just for Wraps Inc.	Office and design	385.00	4400
	C-2020-1547	4626 48TH ST APN 6304018023	The Great	Distribution center of apparel brand	885.00	10080
	C-2020-1548	2528 SANTA FE AVE APN 5168026001	CONTINENTAL FOOD SERVICE INC.	Warehousing restaurant supplies	385.00	4000
	C-2020-1549	2438 27TH ST APN 6302004023	ADM Flooring, Inc	Warehouse of hardwood flooring & bathtubs	885.00	29428
	C-2020-1550	4608 50TH ST APN 6304013028	Villagio Floors, Inc.	Warehouse of hardwood Flooring	885.00	20000
	C-2020-1551	5400 SANTA FE AVE APN 6309004011	Friends Cutting, Inc.	Garment manufacturing	885.00	12000

Issued	Permit No.	Project Address	Tenant	Description	Fees Paid	Square Feet
	C-2020-1552	2528 SANTA FE AVE APN 5168026001	Gourmet Special Ties, Inc.	Warehouse and store boxes	385.00	2800
	C-2020-1553	2305 52ND ST APN 6308016012	Little Cinema Digital	10000	885.00	10000
	C-2020-1554	2640 26TH ST APN 6302001028	Lithco, Inc.	Warehouse and Distribution	885.00	14086
	C-2020-1555	5100 SANTA FE AVE APN 6308011012	AM Distributors Inc. Dba Packaging & More	Distributor of packaging supplies	885.00	49104
Total for Certificate of Occupancy:					16,246.00	386,721.00
					Total Fees Paid	16,246.00
21	Permits(s)					

City of Vernon
Certificate of Occupancy
Issued Date From 9/1/2020 to 9/30/2020

Issued	Permit No.	Project Address	Tenant	Description	Fees Paid	Square Feet
9/22/2020	C-2020-1478	2701 SANTA FE AVE APN 6302007033	Stream Produce Inc.	Warehousing and distribution of produce	385.00	2400
9/22/2020	C-2020-1471	5525 SOTO ST APN 6309026019	Germ Less, Inc.	Warehousing and distribution of antiseptic products	885.00	35000
9/24/2020	C-2019-1352	3294 26TH ST APN 6303002021	Gauaki Sustainable Rainforest Products, Inc. Db a GSRP Inc.	Warehousing and distribution of beverages	1,207.00	89000
Total for Certificate of Occupancy:					2,477.00	126,400.00
3 Permits(s)					Total Fees Paid	2,477.00

City Council Agenda Item Report

Agenda Item No. COV-360-2020

Submitted by: Lisa Pope

Submitting Department: City Clerk

Meeting Date: November 3, 2020

SUBJECT

April 13, 2021 General Municipal Election

Recommendation:

A. Adopt Resolution No. 2020-39 calling and giving notice of an all-mail ballot General Municipal Election to be held on Tuesday, April 13, 2021 for the election of a City Council Member as required by the provisions of the Charter of the City of Vernon; and

B. Adopt Resolution No. 2020-40 requesting the Board of Supervisors of the County of Los Angeles to render specified services to the City relating the conduct of the General Municipal Election to be held on Tuesday, April 13, 2021.

Background:

Pursuant to Vernon Charter Section 5.1 and Municipal Code Section 2.118, the City of Vernon conducts all-mail ballot General Municipal Elections on the second Tuesday of April each year. The City Council is required to adopt various resolutions to begin the election process.

Resolution Calling the Election

The first resolution calls the election on Tuesday, April 13, 2021, for the election of one member of the City Council for a full five (5) year term.

Resolution Requesting County Services

The second resolution requests the services of the Los Angeles County Election Department to provide appropriate forms, and signature verification services, and prepare, print and mail official ballots and ballot materials.

Candidate Statement Regulations

Elections Code Section 13307 allows candidates to prepare a candidate statement for inclusion in the voter's pamphlet.

On October 21, 2014, the Council adopted Resolution No. 2014-64 adopting regulations regarding candidate statements submitted to voters in a general municipal or special municipal election. This resolution applies to the April 2021 election.

Ballot Drop-Off Locations

In prior elections, the City has offered an additional ballot drop-off location on election day. Staff will consider options for providing the best value for voters and will inform voters of such.

Nomination Period

The nomination period for the April 13, 2021 Election begins December 21, 2020, at which time candidates may obtain nomination papers and required filing materials from the City Clerk Department.

The last day to file nomination papers is January 19, 2021 (since City Hall is closed Friday, January 15 and Monday, January 18, 2021). If an incumbent fails to file, the period is extended to January 25, 2021.

Fiscal Impact:

Account No. 011.1003.596300 has \$25,000 which is expected to be sufficient to cover the cost of the election.

Attachments:

1. [Resolution No. 2020-39](#)
2. [Resolution No. 2020-40](#)
3. [Resolution 2014-64 adopted October 21, 2014](#)

RESOLUTION NO. 2020-39

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VERNON, CALIFORNIA, CALLING AND GIVING NOTICE OF AN ALL-MAIL BALLOT GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, APRIL 13, 2021, FOR THE ELECTION OF A CITY COUNCIL MEMBER AS REQUIRED BY THE PROVISIONS OF THE CHARTER OF THE CITY OF VERNON

SECTION 1. Recitals.

- A. In April 2021, the term of one Vernon City Council Member will expire.
- B. Under the provisions of the Charter of the City of Vernon, a General Municipal Election shall be held on April 13, 2021, for the election of one Municipal Officer.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VERNON AS FOLLOWS:

SECTION 2. The City Council of the City of Vernon hereby finds and determines that the above recitals are true and correct.

SECTION 3. Pursuant to the requirements of the State of California, and the Vernon Charter and Municipal Code, there is called and ordered to be held in the City of Vernon, California, on Tuesday, April 13, 2021, a General Municipal Election conducted by all-mail ballot for the purpose of electing one (1) Member of the City Council for the full term of five (5) years.

SECTION 4. The ballots to be used at the election shall be in form and content as required by law.

SECTION 5. The City Clerk is authorized, instructed and directed to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election by all mail ballot.

SECTION 6. Pursuant to the City of Vernon Municipal Code, and other applicable provisions of the Charter of the City of Vernon and Ordinances of the City of Vernon, the Election shall be conducted by all-mail ballot, and shall be conducted pursuant to Chapter 2 of Division 4 (commencing with Section 4100) of the California Elections Code only insofar as required by law, and only where not inconsistent with the Charter and Ordinances of the City of Vernon. Notwithstanding Elections Code Section 4103, ballots cast in this Election shall be returned to the Office of the City Clerk no later than 8:00 p.m. on election day in order to be counted. Ballots that are postmarked on election day and received no later than three (3) days following the day of the election will also be counted.

SECTION 7. In the event of a tie vote (if any two or more persons receive an equal and the highest number of votes for an office) as certified by the Election Official, the City Council, in accordance with Election Code Section 15651(b), shall conduct a special runoff election to resolve the tie vote and such special runoff election is to be held on a Tuesday not less than 40 days nor more than 125 days after the administrative or judicial certification of the election which resulted in a tie vote.

SECTION 8. In all particulars not recited in this resolution, the Election shall be held and conducted as provided by law for holding municipal elections.

SECTION 9. Notice of the time and place of holding the Election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.

SECTION 10. The City Council of the City of Vernon authorizes the City Clerk to administer said Election and all reasonable and actual election expenses shall be paid by the City upon presentation of a properly submitted bill.

SECTION 11. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

APPROVED AND ADOPTED this 3rd day of November, 2020.

LETICIA LOPEZ, Mayor

ATTEST:

LISA POPE, City Clerk
(seal)

APPROVED AS TO FORM:

ARNOLD M. ALVAREZ-GLASMAN,
Interim City Attorney

RESOLUTION NO. 2020-40

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VERNON, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES TO RENDER SPECIFIED SERVICES TO THE CITY RELATING TO THE CONDUCT OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, APRIL 13, 2021

SECTION 1. Recitals.

- A. A General Municipal Election will be held in the City of Vernon on April 13, 2021.
- B. In the course of conducting the election it is necessary for the City to request services of the County of Los Angeles.
- C. All necessary expenses in performing these services shall be paid by the City of Vernon.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VERNON AS FOLLOWS:

SECTION 2: The City Council of the City of Vernon hereby finds and determines that the above recitals are true and correct.

SECTION 3: Pursuant to the provisions of Elections Code Section 10002, the Vernon City Council requests that the Los Angeles County Board of Supervisors permit the County Election Department to provide the following services for use in conducting its election:

- 1. Provide appropriate forms for candidate statements, arguments and rebuttals and other forms required by the County;
- 2. Provide signature verification services as needed;
- 3. Print and mail official ballots and sample ballot booklet; and
- 4. Prepare and mail multilingual ballot materials in accordance with the Voting Rights Act.

SECTION 4. The City shall reimburse the County for services performed when the work is completed and upon presentation to the City of a properly approved bill.

SECTION 5. The City Clerk shall certify the passage and adoption of this resolution and enter it into the book of original resolutions.

APPROVED AND ADOPTED this 3rd day of November, 2020.

LETICIA LOPEZ, Mayor

ATTEST:

LISA POPE, City Clerk
(seal)

APPROVED AS TO FORM:

ARNOLD M. ALVAREZ-GLASMAN,
Interim City Attorney

RESOLUTION NO. 2014-64

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VERNON REPEALING RESOLUTION NO. 2012-209 AND ADOPTING REGULATIONS REGARDING CANDIDATE STATEMENTS SUBMITTED TO VOTERS IN ANY GENERAL MUNICIPAL OR SPECIAL MUNICIPAL ELECTION

WHEREAS, Section 13307 of the Elections Code of the State of California provides that the governing body of any local agency shall adopt regulations pertaining to materials prepared by any candidate for a municipal election, including costs of the candidate's statement; and

WHEREAS, on November 6, 2012, the City Council of the City of Vernon adopted Resolution No. 2012-209 adopting regulations for candidates for elective office pertaining to candidate statements submitted to the voters at any general municipal or special municipal election; and

WHEREAS, the City Council desires to repeal Resolution No. 2012-209 and adopt regulations regarding candidates statements submitted to the voters in any general or special municipal election.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VERNON AS FOLLOWS:

SECTION 1: The City Council of the City of Vernon hereby finds and determines that the above recitals are true and correct.

SECTION 2: The City Council of the City of Vernon finds that this action is exempt under the California Environmental Quality Act (CEQA), in accordance with Section 15061(b)(3), the general rule that CEQA only applies to projects that may have an effect on the environment.

SECTION 3: GENERAL PROVISIONS. Pursuant to Section 13307 of the Elections Code of the State of California, each candidate for

elective office to be voted for in any general municipal or special municipal election, may prepare a candidate's statement on an appropriate form provided by the City Clerk. The statement may include the name, age and occupation of the candidate, and a brief description of no more than 200 words of the candidate's education and qualifications expressed by the candidate himself or herself. The statement shall not include party affiliation of the candidate, nor membership or activity in partisan political organizations. The statement shall be filed in typewritten form in the office of the City Clerk at the time the candidate's nomination papers are filed. An electronic copy of the candidate statement should also be submitted to the office of the City Clerk when filing. The statement may be withdrawn, but not changed, during the period for filing nomination papers and until 5:00 p.m. of the next working day after the close of the nomination period.

SECTION 4: FOREIGN LANGUAGE POLICY.

a. Pursuant to the Federal Voting Rights Act, the City is required to translate candidate statements into the following languages: Spanish.

b. Pursuant to state law, the candidate may elect to have their candidate statement translated into any other additional foreign language(s).

c. The City Clerk shall have all candidate statements translated into the languages required by the Federal Voting Rights Act and those additional languages requested by the candidate(s).

SECTION 5: PAYMENT. The City Clerk shall print an English and Spanish voter information pamphlet to be mailed to all voters which shall include any additional translations of candidates who so

request printing in the voter information pamphlet. All translations will be made available upon request in the City Clerk's Office.

a. The candidate shall be required to pay for the cost of translating the candidates statement into any required foreign language and any other language(s) he or she has elected. The City Clerk shall select the person who provides the foreign language translation pursuant to the criteria set forth in Elections Code Section 13307(b).

b. The candidate shall be required to pay the cost of printing, handling and mailing the candidate statement in English and Spanish in the voter information pamphlet, and be required to pay for said costs associated with their selection to include any other foreign language(s) in the voter information pamphlet.

c. The City Clerk shall estimate the total cost of printing, handling, translating, and mailing the candidate's statements filed pursuant to the Elections Code, and require each candidate filing a statement to pay in advance to the local agency his or her estimated pro rata share as a condition of having his or her statement included in the voter information pamphlet. Actual costs vary from one election to another. The actual candidate statement filing cost for a given election may be significantly more or less than the estimate, depending on the actual number of candidates who file statements. Accordingly, the City Clerk is not bound by the estimate and may, on a pro rata basis, bill the candidate for the additional actual expense or refund any excess amount paid, depending on the final actual cost. In the event of underpayment, the City Clerk may require the candidate to pay the balance of the cost incurred. In the event of overpayment, the City Clerk shall prorate

the excess amount among the candidates and refund the excess amount paid within 30 days of the election.

d. The City Clerk shall comply with all applicable State statutes, regulations, standards and guidelines published by the Secretary of State regarding candidates' statements, ballot designations and other procedural items.

SECTION 6: ADDITIONAL MATERIALS.

No candidate will be permitted to include additional materials in the sample ballot package.

SECTION 7: The City Clerk shall provide each candidate or the candidate's representative a copy of this Resolution at the time nomination documents are issued.

SECTION 8: All previous resolutions establishing Council policy on payment for candidates' statements, specifically Resolution No. 2012-209, are hereby repealed.

SECTION 9: This resolution shall apply at the next ensuing general municipal or special municipal election and at each general municipal or special municipal election until repealed.

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SECTION 10: The City Clerk, or Deputy City Clerk, of the City of Vernon shall certify to the passage, approval and adoption of this resolution, and the City Clerk, or Deputy City Clerk, of the City of Vernon shall cause this resolution and the City Clerk's, or Deputy City Clerk's, certification to be entered in the File of Resolutions of the Council of this City.


APPROVED AND ADOPTED this 21st day of October, 2014.



Name: W. Michael McCormick

Title: Mayor / ~~Mayor Pro Tem~~

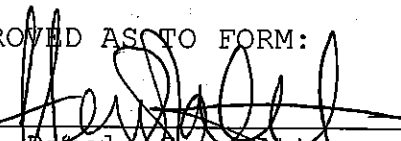
ATTEST:



Ana Barcia

~~City Clerk~~ / Deputy City Clerk

APPROVED AS TO FORM:


Hema Patel, City Attorney

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

I, **Ana Barcia**, ~~City Clerk~~ / Deputy City Clerk of the City of Vernon, do hereby certify that the foregoing Resolution, being Resolution No. 2014-64, was duly passed, approved and adopted by the City Council of the City of Vernon at a regular meeting of the City Council duly held on Tuesday, October 21, 2014, and thereafter was duly signed by the Mayor or Mayor Pro-Tem of the City of Vernon.

Executed this 23 day of October, 2014 at Vernon, California.



Ana Barcia
~~City Clerk~~ / Deputy City Clerk

(SEAL)

City Council Agenda Item Report

Agenda Item No. COV-376-2020

Submitted by: Brandon Gray

Submitting Department: Police Department

Meeting Date: November 3, 2020

SUBJECT

Loan Vehicle Use Agreement with National Insurance Crime Bureau

Recommendation:

Approve and authorize the Police Chief to execute a vehicle use agreement with the National Insurance Crime Bureau (NICB) for continued participation in the loan vehicle program.

Background:

The Vernon Police Department (VPD) aims to continue its participation in the loan vehicle program in partnership with the National Insurance Crime Bureau (NICB). The NICB loan vehicle program, specifically for law enforcement, provides pre-owned unmarked vehicles with relatively low mileage to assist law enforcement agencies in investigations related to insurance-related crime or fraud. The loan vehicle program was previously sponsored by the Inter-Insurance Exchange of the Automobile Club (AAA); however, the program was recently taken over by the NICB. There is no cost to participate in this program. There are no extended warranties or licensing agreements with this program. However, the VPD will be responsible for the annual vehicle registration cost as well as related auto insurance.

Authorizing the Chief of Police to execute the proposed Vehicle Use Agreement with NICB, will allow the VPD to continue its no-cost lease of the 2012 Nissan Altima (VIN: 1N4AL2EPXCC260654) that has been assigned to the VPD fleet since 2014. The VPD will be responsible for all vehicle maintenance and operational needs for the one-year period, which have been included in the department's fiscal year budget. After the one year, the vehicle can either be returned or retained by extending the vehicle use agreement for an additional year. The VPD plans to maintain the loan vehicle in the Detective Bureau fleet. The vehicle will be used for investigations related to insurance-related crime or fraud, and for surveillance purposes. The loan vehicle has relatively low miles and is in very good condition. Over the past six years, only regular maintenance has been conducted at relatively low cost.

The City Attorney's Office has reviewed and approved the agreement as to form.

Fiscal Impact:

There is no fiscal impact associated with this report.

Attachments:

1. [2021 NICB Nissan Altima Vehicle Use Agreement](#)

VEHICLE USE AGREEMENT

The National Insurance Crime Bureau ("NICB") does hereby lease to the Vernon Police Department (the "Agency") the vehicle described as:

YEAR: 2012
MAKE: NISSAN
MODEL: ALTIMA
VIN: 1N4AL2EPXCC260654

This vehicle will be used by the Agency for the purpose of investigation of insurance-related crime and/or fraud.

This Agreement is subject to the following conditions:

1. The Agency leases from the NICB, the above-described vehicle for use in pursuit of its lawful purposes. The Agency shall accept said vehicle "as is" and shall re-title the vehicle in the name of the Agency prior to any use. The NICB shall retain remainder interest in said vehicle and that remainder interest shall take full force and effect on the 365th day after the effective date of this Agreement, or longer if the term is extended in writing. For the duration of the agreement, the Agency shall perform all routine and necessary maintenance and repairs on the vehicle.
 2. In the event the vehicle is not re-titled in the name of the Agency within 90 days from the date last written below, the Agency shall immediately return said vehicle to the NICB.
 3. The Agency warrants that it will not sell, convey, or in any way dispose of said vehicles in a manner which may impair the NICB's remainder interest. However, in the event that the above-described vehicle is stolen or in any way damaged while in the custody of the Agency, its agents or assigns, the Agency shall be liable for any repair or replacement costs.
 4. The Agency does hereby release the NICB from all claims for property damage or bodily injury arising from the operation or maintenance of the vehicle described herein by an employee, agent or assign of the Agency during the term of this Agreement.
 5. The Agency agrees and warrants that it shall provide insurance coverage (self-insured agency acceptable) for the above-described vehicle in the normal course of its business.
 6. The Agency agrees to provide monthly reports to the NICB employee signing this Agreement setting forth statistical accomplishments attributed to the vehicle. These reports must include:
 - a. The number of times the vehicle was deployed,
 - b. The number of arrests, and the crimes charged, made due to the use of the vehicle,
 - c. The number of convictions obtained due to the use of the vehicle,
 - d. The current mileage and condition of the vehicle, and
 - e. The number of vehicle recoveries.
- Failure to provide these reports is a material breach of this Agreement and upon written notice to Agency; the NICB may terminate this Agreement and require the return of the vehicle.
7. The effective date of this Agreement shall be the date the vehicle is delivered into the custody of the Agency.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this 2nd day of October, 2020.

THE AGENCY

NATIONAL INSURANCE CRIME BUREAU

By: _____
Anthony Miranda

By: Bob Jones
Bob Jones

Its: Chief of Police
Title

Its: Director of Operations, West Region
Title

Date: _____

Date: Date 9/21/2020

VIN: 1N4AL2EPXCC260654

NICB FILE #: C1919700021

ATTEST:

Lisa Pope, City Clerk

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman,
Interim City Attorney

City Council Agenda Item Report

Agenda Item No. COV-387-2020

Submitted by: Brandon Gray

Submitting Department: Police Department

Meeting Date: November 3, 2020

SUBJECT

Drug Enforcement Administration Agreement

Recommendation:

Approve and authorize the Police Chief to execute a Surge Program - Funded State and Local Task Force Agreement with the Drug Enforcement Administration (DEA), Los Angeles Field Division, for continued participation in the Southwest Border Initiative (SWBI) taskforce with an effective date of October 1, 2020.

Background:

Since 2008, the Vernon Police Department (VPD) has dedicated one Detective to participate in the SWBI narcotics investigation taskforce. The goal of the SWBI narcotics taskforce is to disrupt illicit drug traffic in the region by immobilizing targeted violators and trafficking organizations, and gather and report intelligence data relating to narcotics trafficking and dangerous drugs. Participation in the SWBI taskforce has been advantageous for the VPD. The assigned Detective has gained vast experience and knowledge from the taskforce investigations. VPD's participation in the taskforce allows the Department to benefit from asset forfeiture proceeds related to narcotics investigations. The VPD has also utilized resources from the taskforce with multifaceted investigations when there is a need for additional personnel and expertise.

On April 7, 2020 the City Council approved an agreement with the DEA for continued participation in the SWBI taskforce from April 7, 2020 through September 30, 2020. In order to continue participating in the SWBI taskforce, federal regulations require that VPD enter into a new agreement with the DEA with an effective date of October 1, 2020. The City Attorney's Office has reviewed and approved the agreement as to form.

Fiscal Impact:

Other than normal costs associated with staff time, there is no additional cost to the City for participating in the taskforce. Participation in the taskforce may provide the VPD revenues from asset forfeiture proceeds related to narcotics investigations.

Attachments:

1. [Surge Program - Funded State and Local Task Force Agreement with DEA](#)

STATE AND LOCAL TASK FORCE AGREEMENT
BETWEEN
THE DRUG ENFORCEMENT ADMINISTRATION
LOS ANGELES FIELD DIVISION
AND
VERNON POLICE DEPARTMENT
SURGE PROGRAM - FUNDED STATE AND LOCAL TASK FORCE
AGREEMENT

This agreement is made this 1st day of October, 2020, between the United States Department of Justice, Drug Enforcement Administration (hereinafter "DEA"), and the Vernon Police Department ORI # CA0197300 (hereinafter "VPD"). The DEA is authorized to enter into this cooperative agreement concerning the use and abuse of controlled substances under the provisions of 21 U.S.C. § 873.

WHEREAS there is evidence that trafficking in narcotics and dangerous drugs exists in the Los Angeles County area and that such illegal activity has a substantial and detrimental effect on the health and general welfare of the people of City of Vernon, the parties hereto agree to the following:

1. The Ventura Resident Office Surge Task Force (hereinafter "Task Force") will perform the activities and duties described below:

a. disrupt the illicit drug traffic in the Los Angeles and area by immobilizing targeted violators and trafficking organizations;

b. gather and report intelligence data relating to trafficking in narcotics and dangerous drugs; and

c. conduct undercover operations where appropriate and engage in other traditional methods of investigation in order that the Task Force activities will result in effective prosecution before the courts of the United States and the State of California.

2. To accomplish the objectives of the Task Force, the VPD agrees to detail one (1) experienced officer to the Task Force for a period of not less than two years. During this period of assignment, the VPD officer will be under the direct supervision and control of DEA supervisory personnel assigned to the Task Force.

3. The VPD officer assigned to the Task Force shall adhere to DEA policies and procedures. Failure to adhere to DEA policies and procedures shall be grounds for dismissal from the Task Force.

4. The VPD officer assigned to the Task Force shall be deputized as a Task Force Officer of DEA pursuant to 21 U.S.C. Section 878.

5. To accomplish the objectives of the Task Force, DEA will assign seven (7) Special Agents to the Task Force. DEA will also, subject to the availability of annually appropriated funds or any continuing resolution thereof, provide necessary funds and equipment to support the activities of the DEA Special Agents and the VPD officer assigned to the Task Force. This support will include: office space, office supplies, travel funds, funds for the purchase of evidence and information, investigative equipment, training, and other support items.

6. During the period of assignment to the Task Force, the VPD will remain responsible for establishing the salary and benefits, including overtime, of the officer assigned to the Task Force, and for making all payments due them. DEA will, subject to availability of funds, reimburse the VPD for overtime payment. Annual overtime for each state or local law enforcement officer is capped at the equivalent of 25% of a GS-12, Step 1, of the general pay scale for the Rest of United States. Reimbursement for all types of qualified expenses shall be contingent upon availability of funds and the submission of a proper request for reimbursement which shall be submitted **monthly or quarterly** on a fiscal year basis, and which provides the names of the investigators who incurred overtime for DEA during the invoiced period, the number of overtime hours incurred, the hourly regular and overtime rates in effect for each investigator, and the total cost for the invoiced period. Invoices must be submitted at least quarterly within 10 business days of the end of the invoiced period. **Note: Task Force Officer's overtime "shall not include any costs for benefits, such as retirement, FICA, and other expenses."**

7. In no event will the VPD charge any indirect cost rate to DEA for the administration or implementation of this agreement.

8. The VPD shall maintain on a current basis complete and accurate records and accounts of all obligations and expenditures of funds under this agreement in accordance with generally accepted accounting principles and instructions provided by DEA to facilitate on-site inspection and auditing of such records and accounts.

9. The VPD shall permit and have readily available for examination and auditing by DEA, the United States Department of Justice, the Comptroller General of the United States, and any of their duly authorized agents and representatives, any and all records, documents, accounts, invoices, receipts or expenditures relating to this agreement. The VPD shall maintain all such reports and records until all audits and examinations are completed and resolved, or for a period of six (6) years after termination of this agreement, whichever is sooner.

10. The VPD shall comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, as amended, and all

requirements imposed by or pursuant to the regulations of the United States Department of Justice implementing those laws, 28 C.F.R. Part 42, Subparts C, F, G, H and I.

11. The VPD agrees that an authorized officer or employee will execute and return to DEA the attached OJP Form 4061/6, Certification Regarding Lobbying; Debarment, Suspension and Other Responsibility Matters; and Drug-Free Workplace Requirements. The VPD acknowledges that this agreement will not take effect and no Federal funds will be awarded to the VPD by DEA until the completed certification is received.

12. When issuing statements, press releases, requests for proposals, bid solicitations, and other documents describing projects or programs funded in whole in part with Federal money, the VPD shall clearly state (1) the percentage of the total cost of the program or project which will be financed with Federal money and (2) the dollar amount of Federal funds for the project or program.

13. The term of this agreement shall be effective from the date in paragraph number one until September 30, 2021. This agreement may be terminated by either party on thirty days' advance written notice. Billing for all outstanding obligations must be received by DEA within 90 days of the date of termination of this agreement. DEA will be responsible only for obligations incurred by VPD during the term of this agreement.

For the Drug Enforcement Administration:

William D. Bodner
Special Agent in Charge

Date: _____

For the Vernon Police Department:

Anthony Miranda
Chief of Police

Date: _____

Attest:

Approved as to Form:

Lisa Pope
City Clerk

Arnold M. Alvarez-Glasman
Interim City Attorney

ATTACHMENTS:

- (1). OJP Form 4061/6 (3-91): Certifications Regarding Lobbying; Debarment, Suspensions and Other Responsibility Matters; and Drug Free Workplace Requirements.
- (2). Roster of Local, State, or Federal Agency Personnel Assigned to the United States Drug Enforcement, Los Angeles Field Division.



U.S. DEPARTMENT OF JUSTICE
OFFICE OF JUSTICE PROGRAMS
OFFICE OF THE COMPTROLLER

**CERTIFICATIONS REGARDING LOBBYING; DEBARMENT, SUSPENSION AND
OTHER RESPONSIBILITY MATTERS; AND DRUG-FREE WORKPLACE REQUIREMENTS**

Applicants should refer to the regulations cited below to determine the certification to which they are required to attest. Applicants should also review the instructions for certification included in the regulations before completing this form. Signature of this form provides for compliance with certification requirements under 28 CFR Part 69, "New Restrictions on Lobbying" and 28 CFR Part 67, "Government-wide Department and Suspension (Nonprocurement) and Government-wide Requirements for Drug-Free Workplace (Grants)." The certifications shall be treated as a material representation of fact upon reliance will be placed when the Department of Justice determines to award the covered transaction, grant, or cooperative agreement.

1. LOBBYING

As required by Section 1352, Title 31 of the U.S. Code, and implemented at 28 CFR Part 69, for persons entering into a grant or cooperative agreement over \$100,000, as defined at 28 CFR Part 69, the applicant certifies that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any Federal grant, the entering into of any cooperative agreement, and extension, continuation, renewal, amendment, or modification of any Federal grant or cooperative agreement;

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, "Disclosure of Lobbying Activities," in accordance with its instructions;

(c) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subgrants, contracts under grants and cooperative agreements, and subcontracts) and that all sub-recipients shall certify and disclose accordingly.

**2. DEBARMENT, SUSPENSION, AND OTHER
RESPONSIBILITY MATTERS
(DIRECT RECIPIENT)**

As required by Executive Order 12549, Debarment and Suspension, and implemented at 28 CFR Part 67, for prospective participants in primary covered transactions, as defined at 28 CFR Part 67, Section 67.510-

A. The applicant certifies that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, sentenced to a denial of Federal benefits by a State or Federal court, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a

public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification; and

(d) Have not within a three-year period preceding this application had one or more public transactions (Federal, State, or local) terminated for cause or default; and

B. Where the applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

**3. DRUG-FREE WORKPLACE
(GRANTEES OTHER THAN INDIVIDUALS)**

As required by the Drug-Free Workplace Act of 1988, and implemented at 28 CFR Part 67, Subpart F, for grantees, as defined at 28 CFR Part 67 Sections 67.615 and 67.620-

A. The applicant certifies that it will or will continue to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an on-going drug-free awareness program to inform employees about-

(1) The dangers of drugs abuse in the workplace;

(2) The grantee's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will-

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the agency, in writing, within 10 calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to: Department of Justice, Office of Justice Programs, ATTN: Control Desk, 633 Indiana Avenue, N.W., Washington, D.C. 20531. Notice shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted-

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

B. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (Street address, city, country, state, zip code)

Check ☐ if there are workplace on file that are not identified here.

Section 67.630 of the regulations provides that a grantee that is a State may elect to make one certification in each Federal fiscal year. A copy of which should be included with each application for Department of Justice funding. States and State agencies may elect to use OJP Form 4061/7.

Check ☐ if the State has elected to complete OJP Form 4061/7.

DRUG-FREE WORKPLACE (GRANTEES WHO ARE INDIVIDUALS)

As required by the Drug-Free Workplace Act of 1988, and implemented at 28 CFR Part 67, Subpart F, for grantees, as defined at 28 CFR Part 67; Sections 67.615 and 67.620-

A. As a condition of the grant, I certify that I will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in connection with any activity with the grant; and

B. If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, I will report the conviction, in writing, within 10 calendar days of the conviction, to: Department of Justice, Office of Justice Programs, ATTN: Control Desk, 633 Indiana Avenue, N.W., Washington, D.C. 20531.

As the duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above certifications.

1. Grantee Name and Address:

2. Application Number and/or Project Name

3. Grantee IRS/Vendor Number

4. Typed Name and Title of Authorized Representative

5. Signature

6. Date

**ROSTER OF LOCAL, STATE, OR FEDERAL AGENCY PERSONNEL
ASSIGNED TO THE DEA TASK FORCE**

NAME OF AGENCY: Vernon Police Department

1. [REDACTED]

City Council Agenda Item Report

Agenda Item No. COV-388-2020
Submitted by: Jessica Balandran
Submitting Department: Public Utilities
Meeting Date: November 3, 2020

SUBJECT

Supplemental Agreement with the Union Pacific Railroad

Recommendation:

Adopt Resolution No. 2020-41 approving and authorizing the execution of a Supplemental Agreement by and between the City of Vernon and Union Pacific Railroad Company to approve the City's intent to rebuild the existing overhead wireline crossing to 16.340kV.

Background:

On May 26, 2020, the City requested authorization from Union Pacific Railroad (Union Pacific) to rebuild an existing 7kV line to a 16kV line, that crosses over Union Pacific owned railroad tracks located on the east side of Downey Road just north of Fruitland Avenue. Union Pacific requires all electric lines crossing over railroads to be permitted and licensed by them. The existing overhead 7kV line was originally permitted and licensed through Union Pacific in April of 1986 through a License Agreement prepared by Union Pacific.

The 7kV to 16kV rebuild is due to a customer request to increase electric service by customer, Southland Box Company (Southland Box), located at 4201 Fruitland Avenue. The identified overhead line is a lateral feed that provides service to a single distribution transformer which feeds Southland Box. The current 7kV load capacity cannot accommodate the new load increase, therefore the overhead line must be changed to a 16kV system. Union Pacific's practice to approve any changes or modifications to existing overhead lines is to provide a Supplemental Agreement for the work. The Supplemental Agreement, specifies the upgrade be complete within a one-year period and requires an administrative handling fee of \$1,000, to be paid to Union Pacific for processing of the agreement. The City will incur the cost of the administrative handling fee as the customer, Southland Box, has already paid the City a significant amount of fees as part of the new electric service request. Furthermore, the upgrade is a benefit to the City's electric system for improved reliability and operational flexibility. Any future upgrades or maintenance to the new line will be subject to the original Union Pacific License Agreement and are not changed by this Supplemental Agreement.

Staff recommends that the City Council adopt the proposed resolution approving the Supplemental Agreement as required by Union Pacific to rebuild the 7kV line to 16kV line that cross over railroad tracks located on the east side of Downey Road just north of Fruitland Avenue. If the Supplemental Agreement is approved, work to upgrade the line will begin November 20, 2020 and will be complete by December 30, 2020.

The resolution and Supplemental Agreement have been reviewed and approved as to form by the City Attorney's Office.

Fiscal Impact:

The fiscal impact of the upgrade including the administrative fee and labor are estimated at approximately \$5,000. The costs associated with this project are included in the approved Public Utilities Department Fiscal Year 2000-2021 budget and will be charged to account 055.9100.5900000.

Attachments:

1. [Resolution No. 2020-41](#)

RESOLUTION NO. 2020-41

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VERNON APPROVING AND AUTHORIZING THE EXECUTION OF A SUPPLEMENTAL AGREEMENT BY AND BETWEEN THE CITY OF VERNON AND UNION PACIFIC RAILROAD COMPANY TO APPROVE THE CITY'S INTENT TO REBUILD THE EXISTING OVERHEAD WIRELINE CROSSING TO 16.340KV

SECTION 1. Recitals.

A. The City of Vernon ("City") is a chartered municipal corporation of the State of California that owns and operates a system for the generation, purchase, transmission, distribution and sale of electric capacity and energy.

B. The General Manager of Public Utilities has recommended that the City Council approve and authorize the execution of a Supplemental Agreement with the Union Pacific Railroad Company to rebuild the existing overhead wireline railroad tracks crossing to 16.340kV located on the east side of Downey Road just north of Fruitland Avenue and to pay the administrative fee for processing.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VERNON AS FOLLOWS:

SECTION 2. The City Council of the City of Vernon hereby finds and determines that the above recitals are true and correct.

SECTION 3. The City Council of the City of Vernon hereby approves the Supplemental Agreement with Union Pacific Railroad Company, in substantially the same form as attached hereto as Exhibit A.

SECTION 4. The City Council of the City of Vernon hereby authorizes the City Administrator to execute said Supplemental Agreement for, and on behalf of, the City of Vernon and the City Clerk is hereby authorized to attest thereto.

SECTION 5. The City Council of the City of Vernon hereby instructs the City Administrator, or his designee, to take whatever actions are deemed necessary or desirable for the purpose of implementing and carrying out the purposes of this Resolution and the transactions herein approved or authorized, including but not limited to, any non-substantive changes to the Supplemental Agreement attached herein.

SECTION 6. The City Clerk shall certify the passage and adoption of this resolution and enter it into the book of original resolutions.

APPROVED AND ADOPTED this 3rd day of November, 2020.

LETICIA LOPEZ, Mayor

ATTEST:

LISA POPE, City Clerk
(seal)

APPROVED AS TO FORM:

ARNOLD M. ALVAREZ-GLASMAN,
Interim City Attorney

SUPPAGR.DOC 980220

Form Approved, AVP-Law

Audit: A106726

Folder: 00503-36

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT is entered into on the 3rd day of November, 2020, between **UNION PACIFIC RAILROAD COMPANY** ("Licensor") and **CITY OF VERNON**, a Municipal Corporation in the State of California, whose address is 4305 Santa Fe Avenue, Vernon, California 90058 ("Licensee").

RECITALS:

By instrument dated 4/18/1986, between the City of Vernon and Los Angeles & Salt Lake Railroad Company which was acquired by Licensor on 1/1/1988, entered into an agreement ("Basic Agreement"), with certain supplements thereto identified as Audit No. A106726, at FRUITLAND, CALIFORNIA.

AGREEMENT:

NOW, THEREFORE, IT IS AGREED by and between the parties hereto as follows:

Article 1. SUBSTITUTION OF PRINT.

The print dated July 09, 2020, attached hereto as Exhibit 'A', shall be and hereby is substituted for the print dated May 12, 1988, attached to the Supplemental Agreement dated 5/12/1988, and from and after the effective date herein whenever the term Wireline is used in the Basic Agreement, or any amendment or supplement thereto (if any), such reference shall be deemed to refer to the Wireline as shown on Exhibit 'A', hereto attached.

Article 2. CONSENT TO WORK.

This Supplemental Agreement will serve as notification that the Railroad Company approves of your intentions to rebuild the existing overhead wireline crossing to consist of three (3) 16.340kV wirelines in accordance with Exhibit A.

Article 3. CONTRACTOR RIGHT OF ENTRY.

If a contractor is to do any of the work performed on or about the Railroad Company's property, then Utility shall require its contractor to execute the Railroad Company's form Contractor's Right of Entry Agreement, **EXHIBIT B**. Utility acknowledges receipt of a copy of Contractor's Right of Entry Agreement and understanding its term, provisions and requirements, and will inform its contractor of the need to execute the Agreement. Under no circumstances will Utility's contractor be allowed on or about the Railroad Company's property without first executing the Contractor's Right of Entry Agreement.

Article 4. NOTICE OF COMMENCEMENT OF WORK / RAILROAD REPRESENTATIVE / SUPERVISION / FLAGGING / SAFETY.

If an emergency should arise requiring immediate attention, the Licensee shall provide as much notice as practicable to Railroad, by calling the Response Management Communication Center at (888) 877-7267 before commencing any work. In all other situations, the Licensee shall notify the Railroad at least ten (10) days (or such other time as the Railroad may allow) in advance of the commencement of any work upon property of the Railroad in connection with the construction, maintenance, repair, renewal, modification, reconstruction, relocation or removal of the Wireline. All such work shall be prosecuted diligently to completion. The Licensee will coordinate its initial and any subsequent work with the following employee of Railroad or his or her duly authorized representative (hereinafter "Railroad Representative" or "Railroad Representative"):

Railpros Flagging
up.info@railpros.com
877-315-0513 x 116

Jose A. Rubio
Work Phone: (626)935-7681
Cell Phone: (562)318-4153
Email address: jarubio@up.com

Article 5. EFFECTIVE DATE.

This Supplemental Agreement shall be effective as of November 3, 2020.

Article 6. AGREEMENT SUPPLEMENT.

Nothing in this Supplemental Agreement shall be construed as amending or modifying the Basic Agreement unless specifically provided herein.

Article 7. ADMINISTRATIVE HANDLING CHARGE.

Upon execution and delivery of this Supplemental Agreement, the Licensee shall pay to the Licensor an administrative handling charge of **One Thousand DOLLARS (\$1,000.00)**.

IN WITNESS WHEREOF, the parties have executed this Supplemental Agreement as of the day and year first written.

UNION PACIFIC RAILROAD COMPANY

VERNON,CITY OF

By: _____

Valerie Harrill
Mgr II Real Estate Contracts

By: _____

Name Printed: Carlos Fandino


Title: City Administrator

ATTEST:

Lisa Pope, City Clerk

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman,
Interim City Attorney

An analog clock face with a single hour hand pointing to the 9 o'clock position. The clock has tick marks for each hour and minute, but no numbers are present.

NOTE: ALL AVAILABLE DIMENSIONS MUST BE
FILLED IN TO EXPEDITE THIS APPLICATION.

FORM DR-0404-H
REV 10-26-2007
www.uprr.com

NO SCALE

LINE SECTION____, TOWNSHIP____, RANGE____, _____ MERIDIAN

RR' S R/W

← TO _____
(NEAREST R. R. TOWN)

TO _____
(NEAREST R. R. TOWN)

(DISTANCE ALONG TRACK FROM SECTION LINE CROSSING)
(NOTE: THIS DIMENSION REQUIRED IN ALL CASES.
AT LOCATIONS NOT USING SECTIONS, DISTANCE
TO A LEGAL SURVEY LINE IS REQUIRED)

Lat: 33.997863
Long: -118.204517

RR' S R/W

SHOW PLACEMENT OF GUY ANCHORS

51.5 FT.

36 FT. (MIN. 4')

49.5 FT.

47 FT.

FT.

31.5 FT.

CIRCUITS TO BE CARRIED ON PROPOSED WIRELINE

<u>NO. OF CIRCUITS</u>	<u>VOLTAGE TO GROUND(KV)</u>	<u>VOLTAGE TO VOLTAGE(KV)</u>	<u>PHASES</u>	<u>NO. OF WIRES</u>	<u>GAUGE</u>	<u>MATERIAL</u>	<u>SOLID OR STRANDED</u>	<u>HEIGHT</u>
1	9.434	16.340	3	3	336	ACSR	STRANDED	49.5

NOTES :

A) DISTRIBUTION LINE LINE DISTRIBUTION LINE

B) IS THERE A SIGNAL OR COMMUNICATION POLELINE NEAR THE TRACKS? YES

C) MAXIMUM GROUND CURRENT AT FEED: 50.7 AMPS. AT LOAD: 50.7 AMPS.

D) WHAT TYPE OF FACILITY WILL LINE BE SERVING? INDUSTRIAL

E) IF A NEW POWER SUBSTATION IS TO BE BUILT WITHIN 1/2 MILE OF RR, WHAT IS MAX:
OPERATING CURRENT TO GROUND? _____ AMPS; RESISTANCE TO GROUND? _____ OHMS;
FAULT CURRENT TO GROUND? _____ AMPS.

F) GROUND WIRE: SIZE 0 ; MATERIAL N/A ; SOLID OR STRANDED SOLID .

G) CROSSING SPAN: LENGTH 83.3 FT.; NORMAL CONDUCTOR SAG 24 IN. AT 70 ° F.

H) ADJOINING SPANS: LENGTH _____ FT.; NORMAL CONDUCTOR SAG _____ IN. AT _____ ° F.
LENGTH _____ FT.; NORMAL CONDUCTOR SAG _____ IN. AT _____ ° F.

I) POLE 1: TIMBER _____ LENGTH 60 FT. DEPTH OF SETTING 8 FT.
HEIGHT ABOVE GROUND 52 FT.
CLASS OR BUTT AND TOP DIMENSIONS 1 _____

POLE 2: TIMBER _____ LENGTH 60 FT. DEPTH OF SETTING 8 FT.
HEIGHT ABOVE GROUND 52 FT.
CLASS OR BUTT AND TOP DIMENSIONS 22 _____
(IF STEEL TOWERS ARE EMPLOYED, FURNISH DETAIL DRAWINGS)

J) HEAD GUYS: NUMBER ON EACH POLE 1 ; SIZE OR STRENGTH 15400 ; LEAD 25 _____.

K) SIDE GUYS: NUMBER EACH WAY 1 ; SIZE OR STRENGTH 15400 ; LEAD 50 _____.

L) CROSSARMS: SINGLE OR DOUBLE DOUBLE ; MATERIAL DOUGLAS FIR ; SIZE 10 BY _____.

M) INSULATORS: PIN OR SUSPENSION PIN ; MANUFACTURER'S AND CATALOGUE NO. hendrix _____

N) CONDUCTOR ATTACHMENT: TIES OR CLAMPS CLAMPS

O) APPLICANT HAS CONTACTED 1-800-336-9193, U.P. COMMUNICATION DEPARTMENT,
AND HAS DETERMINED FIBER OPTIC CABLE _____ EXIST IN VICINITY OF WORK TO
TICKET NO. _____

P) IF POWER LINE PARALLELS TRACK WITHIN 1/2 MILE, INCLUDE DIAGRAM SHOWING SPACING

EXHIBIT "A"

(FOR RAILROAD USE ONLY - DO NOT WRITE IN THIS BOX)

UNION PACIFIC RAILROAD CO.

(SUBDIVISION)

M. P. _____ E. S. _____

OVERHEAD WIRELINE CROSSING

VERNON	LOS ANGELES	CA
(NEAREST RR STATION)	(COUNTY)	(STATE)

FOR VERNON PUBLIC UTILITIES
(APPLICANT)

RR FILE NO. 0503-36 DATE 7/9/2020

W A R N I N G

IN ALL OCCASIONS, U. P. COMMUNICATIONS DEPARTMENT MUST BE CONTACTED IN ADVANCE OF ANY WORK TO DETERMINE EXISTENCE AND LOCATION OF FIBER OPTIC CABLE. PHONE : 1- 800-336-9193

Folder: 00503-36

To the Contractor:

Before Union Pacific Railroad Company can permit you to perform work on its right of way, it will be necessary to complete two originals of the enclosed Right of Entry Agreement as follows:

1. Fill in the complete legal name of the contractor in the space provided on Page 1 of the Contractor's Right of Entry Agreement.
2. Fill in the name of the contractor in the space provided in the signature block at the end of the Contractor's Right of Entry Agreement. If the contractor is a corporation, the person signing on its behalf must be an elected corporate officer.
3. Please print two copies, execute on your behalf and return ALL DOCUMENTS with a check for any payments required, as shown below to 1400 Douglas Street, Omaha, NE 68137-1690 Attn: Valerie Harrill.
4. Check, **with Folder No. 00503-36 written on the front**, made payable to the Union Pacific Railroad Company in the amount of **ONE THOUSAND DOLLARS (\$1,000.00)**. If you require formal billing, you may consider this letter as a formal bill. In compliance with the Internal Revenue Service's new policy regarding their Form 1099, I certify that 94-6001323 is the Railroad Company's correct Federal Taxpayer Identification Number and that UNION PACIFIC RAILROAD COMPANY is doing business as a corporation.
5. Railroad Protective Liability Insurance (RPLI) certificate listing folder number 00503-36. Only one RPI certificate is required and must be on a separate certificate from your general liability insurance.

After approval of the Right of Entry Agreement and insurance certificate, one fully-executed counterpart of the Agreement will be returned to you. In no event should you begin work until you have received your counterpart of the fully-executed Agreement.

Sincerely,

Valerie Harrill
Mgr II Real Estate Contracts - Real Estate

EXHIBIT B
TO
SUPPLEMENTAL AGREEMENT

Folder No. 00503-36

Form Approved, AVP-Law
09/01/2018

CONTRACTOR'S RIGHT OF ENTRY AGREEMENT

THIS AGREEMENT is made and entered into as of the _____ by and between UNION PACIFIC RAILROAD COMPANY, a Delaware corporation, ("Railroad") and _____, ("Contractor"), to be addressed at _____.

RECITALS:

The Contractor has been hired by **City of Vernon** to rebuild existing overhead 16.340kV wireline crossing (the "work"), with all or a portion of such work to be performed on property of Railroad at Mile Post 4.1, on the San Pedro Subdivision at or near FRUITLAND, Los Angeles County, California, pursuant to a Supplemental Agreement between Railroad and Vernon, City Of with an effective date of 7/13/2020 at such location as shown on the print marked **Exhibit A** attached hereto and hereby made a part hereof.

Railroad is willing to permit Contractor to perform the work described above at the location described above subject to the terms and conditions contained in this Agreement.

AGREEMENT:

NOW, THEREFORE, it is mutually agreed by and between the Railroad and Contractor, as follows:

Article I. DEFINITION OF CONTRACTOR.

For purposes of this Agreement, all references in this Agreement to the Contractor shall include Contractor's contractors, subcontractors, officers, agents and employees, and others acting under its or their authority.

Article II. RIGHT GRANTED; PURPOSE.

Railroad hereby grants to Contractor the right, during the term hereinafter stated and upon and subject to each and all of the terms, provisions and conditions herein contained, to enter upon and have ingress to and egress from the property described in the Recitals for the purpose of performing any work described in the Recitals above. The right herein granted to Contractor is limited to those portions of Railroad's property specifically described herein, or as designated by the Railroad Representative named in Article IV, and is strictly limited to the scope of work identified to the Railroad, as determined by the Railroad in its sole discretion, and for no other purpose.

Article III. TERMS AND CONDITIONS CONTAINED IN EXHIBITS B AND C.

The terms and conditions contained in **Exhibit B** and **C**, attached hereto, are hereby made a part of this Agreement.

Article IV. ALL EXPENSES TO BE BORNE BY CONTRACTOR; RAILROAD REPRESENTATIVE.

A. Contractor shall bear any and all costs and expenses associated with any work performed by Contractor, or any costs or expenses incurred by Railroad relating to this Agreement.

B. Contractor shall coordinate all of its work with the following Railroad representative or his or her duly authorized representative (the "Railroad Representative"):

UP.info@railpros.com (877)-315-0513 x. 116	Jose A. Rubio Work Phone: (626)935-7681 Cell Phone: (562)318-4153 Email address: jarubio@up.com
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C. Contractor, at its own expense, shall adequately police and supervise all work to be performed by Contractor and shall ensure that such work is performed in a safe manner as set forth in Section 7 of **Exhibit B**. The responsibility of Contractor for safe conduct and adequate policing and supervision of Contractor's work shall not be lessened or otherwise affected by Railroad's approval of plans and specifications involving the work, or by Railroad's collaboration in performance of any work, or by the presence at the work site of a Railroad Representative, or by compliance by Contractor with any requests or recommendations made by Railroad Representative.

Article V. TERM; TERMINATION.

A. The grant of right herein made to Contractor shall commence on the date of this Agreement, and continue for one (1) year from 7/13/2020, unless sooner terminated as herein provided, or at such time as Contractor has completed its work on Railroad's property, whichever is earlier. Contractor agrees to notify the Railroad Representative in writing when it has completed its work on Railroad's property.

B. This Agreement may be terminated by either party on ten (10) days written notice to the other party.

Article VI. CERTIFICATE OF INSURANCE.

A. Only upon request, Contractor will provide Railroad with the insurance binders, policies, certificates and/or endorsements set forth in **Exhibit C** of this Agreement.

B. All insurance correspondence, binders, policies, certificates and/or endorsements shall be sent to:

Folder No: 00503-36
Union Pacific Railroad Company
1400 Douglas Street STOP 1690
Omaha, Nebraska 68179-1690

Article VII. CHOICE OF FORUM.

Litigation arising out of or connected with this Agreement may be instituted and maintained in the courts of the State of California only, and the parties consent to jurisdiction over their person and over the subject matter of any such litigation, in those courts, and consent to service of process issued by such courts.

Article VIII. DISMISSAL OF CONTRACTOR's EMPLOYEE.

At the request of Railroad, Contractor shall remove from Railroad's property any employee of Contractor who fails to conform to the instructions of the Railroad Representative in connection with the work on Railroad's property, and any right of Contractor shall be suspended until such removal has occurred. Contractor shall indemnify Railroad against any claims arising from the removal of any such employee from Railroad's property.

Article IX. ADMINISTRATIVE FEE.

Upon the execution and delivery of this Agreement, Contractor shall pay to Railroad **One Thousand Dollars (\$1,000.00)** as reimbursement for clerical, administrative and handling expenses in connection with the processing of this Agreement.

Article X. CROSSINGS.

No additional vehicular crossings (including temporary haul roads) or pedestrian crossings over Railroad's trackage shall be installed or used by Contractor without the prior written permission of Railroad.

Article XI. EXPLOSIVES.

Explosives or other highly flammable substances shall not be stored on Railroad's property without the prior written approval of Railroad.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in duplicate as of the date first herein written.

UNION PACIFIC RAILROAD COMPANY

By: _____
 Valerie Harrill
 Mgr II Real Estate Contracts

(Contractor Name)

By _____

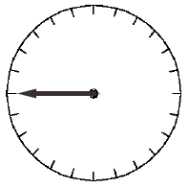
Name: _____

Title: _____

Telephone: _____

Email: _____

PLACE ARROW INDICATING NORTH
DIRECTION RELATIVE TO CROSSING

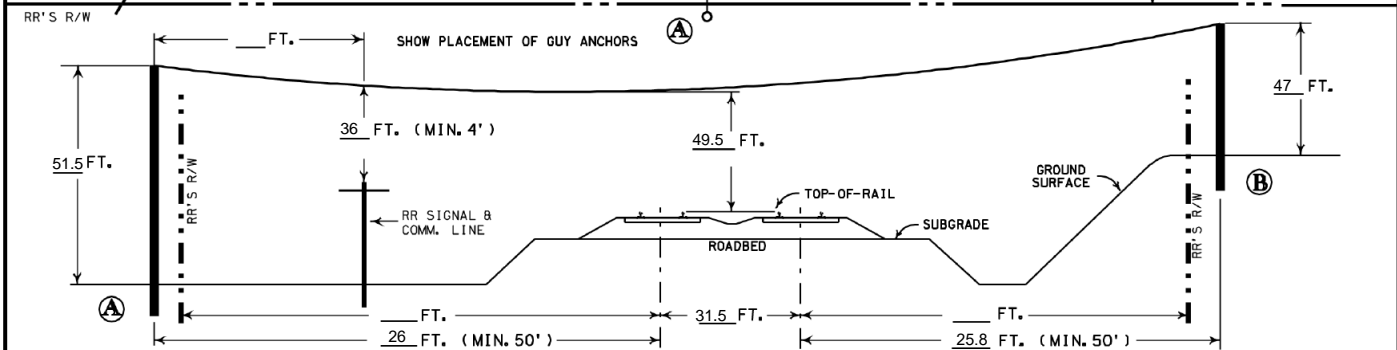
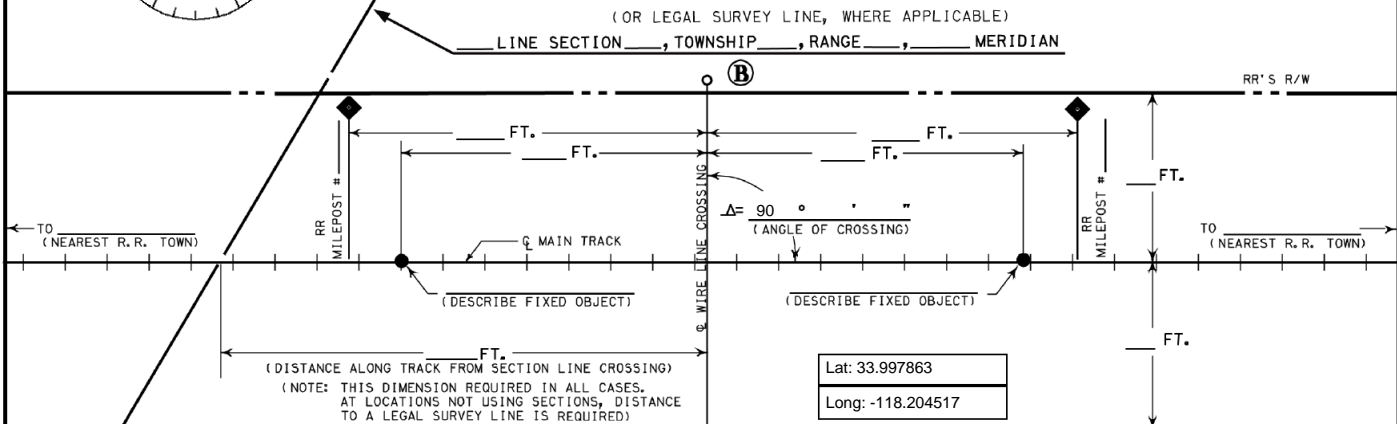


OVERHEAD WIRELINE CROSSING OVER 750 VOLTS

NOTE: ALL AVAILABLE DIMENSIONS MUST BE
FILLED IN TO EXPEDITE THIS APPLICATION.

FORM DR-0404-H
REV 10-26-2007
www.uprr.com

NO SCALE



CIRCUITS TO BE CARRIED ON PROPOSED WIRELINE

NO. OF CIRCUITS	VOLTAGE TO GROUND(KV)	VOLTAGE TO VOLTAGE(KV)	PHASES	NO. OF WIRES	GAUGE	MATERIAL	SOLID OR STRANDED	HEIGHT	NOTES :
1	9.434	16.340	3	3	336	ACSR	STRANDED	49.5	

- A) DISTRIBUTION LINE DISTRIBUTION LINE
- B) IS THERE A SIGNAL OR COMMUNICATION POLELINE NEAR THE TRACKS? YES
- C) MAXIMUM GROUND CURRENT AT FEED: 50.7 AMPS. AT LOAD: 50.7 AMPS.
- D) WHAT TYPE OF FACILITY WILL LINE BE SERVING? INDUSTRIAL
- E) IF A NEW POWER SUBSTATION IS TO BE BUILT WITHIN 1/2 MILE OF RR, WHAT IS MAX:
OPERATING CURRENT TO GROUND? AMPS; RESISTANCE TO GROUND? OHMS;
FAULT CURRENT TO GROUND? AMPS.
- F) GROUND WIRE: SIZE 0; MATERIAL N/A; SOLID OR STRANDED SOLID.
- G) CROSSING SPAN: LENGTH 83.3 FT.; NORMAL CONDUCTOR SAG 24 IN. AT 70 °F.
- H) ADJOINING SPANS: LENGTH FT.; NORMAL CONDUCTOR SAG IN. AT °F.
LENGTH FT.; NORMAL CONDUCTOR SAG IN. AT °F.
- I) POLE 1: LENGTH 60 FT. DEPTH OF SETTING 8 FT.
HEIGHT ABOVE GROUND 52 FT.
CLASS OR BUTT AND TOP DIMENSIONS 1
- POLE 2: LENGTH 60 FT. DEPTH OF SETTING 8 FT.
HEIGHT ABOVE GROUND 52 FT.
CLASS OR BUTT AND TOP DIMENSIONS 22
(IF STEEL TOWERS ARE EMPLOYED, FURNISH DETAIL DRAWINGS)
- J) HEAD GUYS: NUMBER ON EACH POLE 1; SIZE OR STRENGTH 15400; LEAD 25.
- K) SIDE GUYS: NUMBER EACH WAY 1; SIZE OR STRENGTH 15400; LEAD 50.
- L) CROSSARMS: SINGLE OR DOUBLE DOUBLE; MATERIAL DOUGLAS FIR; SIZE 10 BY .
- M) INSULATORS: PIN OR SUSPENSION PIN; MANUFACTURER'S AND CATALOGUE NO. hendrix hp
- N) CONDUCTOR ATTACHMENT: TIES OR CLAMPS CLAMPS
- O) APPLICANT HAS CONTACTED 1-800-336-9193, U.P. COMMUNICATION DEPARTMENT,
AND HAS DETERMINED FIBER OPTIC CABLE EXIST IN VICINITY OF WORK TO BE PERFORMED.
TICKET NO.
- P) IF POWER LINE PARALLELS TRACK WITHIN 1/2 MILE, INCLUDE DIAGRAM SHOWING SPACING AND CONFIGURATION OF WIRES INCLUDING SHIELD WIRES.

EXHIBIT "A"

(FOR RAILROAD USE ONLY - DO NOT WRITE IN THIS BOX)

UNION PACIFIC RAILROAD CO.

(SUBDIVISION)

M. P. E. S.

OVERHEAD WIRELINE CROSSING

VERNON LOS ANGELES CA
(NEAREST RR STATION) (COUNTY) (STATE)

FOR VERNON PUBLIC UTILITIES
(APPLICANT)

RR FILE NO. 0503-36 DATE 7/9/2020

WARNING

IN ALL OCCASIONS, U. P. COMMUNICATIONS DEPARTMENT MUST BE
CONTACTED IN ADVANCE OF ANY WORK TO DETERMINE EXISTENCE AND
LOCATION OF FIBER OPTIC CABLE. PHONE : 1- 800-336-9193

Form Approved, AVP-Law
09/01/2018

EXHIBIT B
To
CONTRACTOR'S RIGHT OF ENTRY AGREEMENT

Section 1. NOTICE OF COMMENCEMENT OF WORK - FLAGGING.

A. Contractor agrees to notify the Railroad Representative at least ten (10) working days in advance of Contractor commencing its work and at least ten (10) working days in advance of proposed performance of any work by Contractor in which any person or equipment will be within twenty-five (25) feet of any track, or will be near enough to any track that any equipment extension (such as, but not limited to, a crane boom) will reach to within twenty-five (25) feet of any track. No work of any kind shall be performed, and no person, equipment, machinery, tool(s), material(s), vehicle(s), or thing(s) shall be located, operated, placed, or stored within twenty-five (25) feet of any of Railroad's track(s) at any time, for any reason, unless and until a Railroad flagman is provided to watch for trains. Upon receipt of such ten (10)-day notice, the Railroad Representative will determine and inform Contractor whether a flagman need be present and whether Contractor needs to implement any special protective or safety measures. If flagging or other special protective or safety measures are performed by Railroad, Railroad will bill Contractor for such expenses incurred by Railroad, unless Railroad and a federal, state or local governmental entity have agreed that Railroad is to bill such expenses to the federal, state or local governmental entity. If Railroad will be sending the bills to Contractor, Contractor shall pay such bills within thirty (30) days of Contractor's receipt of billing. If Railroad performs any flagging, or other special protective or safety measures are performed by Railroad, Contractor agrees that Contractor is not relieved of any of its responsibilities or liabilities set forth in this Agreement.

B. The rate of pay per hour for each flagman will be the prevailing hourly rate in effect for an eight-hour day for the class of flagmen used during regularly assigned hours and overtime in accordance with Labor Agreements and Schedules in effect at the time the work is performed. In addition to the cost of such labor, a composite charge for vacation, holiday, health and welfare, supplemental sickness, Railroad Retirement and unemployment compensation, supplemental pension, Employees Liability and Property Damage and Administration will be included, computed on actual payroll. The composite charge will be the prevailing composite charge in effect at the time the work is performed. One and one-half times the current hourly rate is paid for overtime, Saturdays and Sundays, and two and one-half times current hourly rate for holidays. Wage rates are subject to change, at any time, by law or by agreement between Railroad and its employees, and may be retroactive as a result of negotiations or a ruling of an authorized governmental agency. Additional charges on labor are also subject to change. If the wage rate or additional charges are changed, Contractor (or the governmental entity, as applicable) shall pay on the basis of the new rates and charges.

C. Reimbursement to Railroad will be required covering the full eight-hour day during which any flagman is furnished, unless the flagman can be assigned to other Railroad work during a portion of such day, in which event reimbursement will not be required for the portion of the day during which the flagman is engaged in other Railroad work. Reimbursement will also be required for any day not actually worked by the flagman following the flagman's assignment to work on the project for which

Railroad is required to pay the flagman and which could not reasonably be avoided by Railroad by assignment of such flagman to other work, even though Contractor may not be working during such time. When it becomes necessary for Railroad to bulletin and assign an employee to a flagging position in compliance with union collective bargaining agreements, Contractor must provide Railroad a minimum of five (5) days notice prior to the cessation of the need for a flagman. If five (5) days notice of cessation is not given, Contractor will still be required to pay flagging charges for the five (5) day notice period required by union agreement to be given to the employee, even though flagging is not required for that period. An additional ten (10) days notice must then be given to Railroad if flagging services are needed again after such five day cessation notice has been given to Railroad.

Section 2. LIMITATION AND SUBORDINATION OF RIGHTS GRANTED

A. The foregoing grant of right is subject and subordinate to the prior and continuing right and obligation of the Railroad to use and maintain its entire property including the right and power of Railroad to construct, maintain, repair, renew, use, operate, change, modify or relocate railroad tracks, roadways, signal, communication, fiber optics, or other wirelines, pipelines and other facilities upon, along or across any or all parts of its property, all or any of which may be freely done at any time or times by Railroad without liability to Contractor or to any other party for compensation or damages.

B. The foregoing grant is also subject to all outstanding superior rights (including those in favor of licensees and lessees of Railroad's property, and others) and the right of Railroad to renew and extend the same, and is made without covenant of title or for quiet enjoyment.

Section 3. NO INTERFERENCE WITH OPERATIONS OF RAILROAD AND ITS TENANTS.

A. Contractor shall conduct its operations so as not to interfere with the continuous and uninterrupted use and operation of the railroad tracks and property of Railroad, including without limitation, the operations of Railroad's lessees, licensees or others, unless specifically authorized in advance by the Railroad Representative. Nothing shall be done or permitted to be done by Contractor at any time that would in any manner impair the safety of such operations. When not in use, Contractor's machinery and materials shall be kept at least fifty (50) feet from the centerline of Railroad's nearest track, and there shall be no vehicular crossings of Railroads tracks except at existing open public crossings.

B. Operations of Railroad and work performed by Railroad personnel and delays in the work to be performed by Contractor caused by such railroad operations and work are expected by Contractor, and Contractor agrees that Railroad shall have no liability to Contractor, or any other person or entity for any such delays. The Contractor shall coordinate its activities with those of Railroad and third parties so as to avoid interference with railroad operations. The safe operation of Railroad train movements and other activities by Railroad takes precedence over any work to be performed by Contractor.

Section 4. LIENS.

Contractor shall pay in full all persons who perform labor or provide materials for the work to be performed by Contractor. Contractor shall not create, permit or suffer any mechanic's or materialmen's liens of any kind or nature to be created or enforced against any property of Railroad for any such work performed. Contractor shall indemnify and hold harmless Railroad from and against any and all liens, claims, demands, costs or expenses of whatsoever nature in any way connected with or growing out of such work done, labor performed, or materials furnished. If Contractor fails to promptly cause any lien to

be released of record, Railroad may, at its election, discharge the lien or claim of lien at Contractor's expense.

Section 5. PROTECTION OF FIBER OPTIC CABLE SYSTEMS.

A. Fiber optic cable systems may be buried on Railroad's property. Protection of the fiber optic cable systems is of extreme importance since any break could disrupt service to users resulting in business interruption and loss of revenue and profits. Contractor shall telephone Railroad during normal business hours (7:00 a.m. to 9:00 p.m. Central Time, Monday through Friday, except holidays) at 1-800-336-9193 (also a 24-hour, 7-day number for emergency calls) to determine if fiber optic cable is buried anywhere on Railroad's property to be used by Contractor. If it is, Contractor will telephone the telecommunications company(ies) involved, make arrangements for a cable locator and, if applicable, for relocation or other protection of the fiber optic cable. Contractor shall not commence any work until all such protection or relocation (if applicable) has been accomplished.

B. In addition to other indemnity provisions in this Agreement, Contractor shall indemnify, defend and hold Railroad harmless from and against all costs, liability and expense whatsoever (including, without limitation, attorneys' fees, court costs and expenses) arising out of any act or omission of Contractor, its agents and/or employees, that causes or contributes to (1) any damage to or destruction of any telecommunications system on Railroad's property, and/or (2) any injury to or death of any person employed by or on behalf of any telecommunications company, and/or its contractor, agents and/or employees, on Railroad's property. Contractor shall not have or seek recourse against Railroad for any claim or cause of action for alleged loss of profits or revenue or loss of service or other consequential damage to a telecommunication company using Railroad's property or a customer or user of services of the fiber optic cable on Railroad's property.

Section 6. PERMITS - COMPLIANCE WITH LAWS.

In the prosecution of the work covered by this Agreement, Contractor shall secure any and all necessary permits and shall comply with all applicable federal, state and local laws, regulations and enactments affecting the work including, without limitation, all applicable Federal Railroad Administration regulations.

Section 7. SAFETY.

A. A. Safety of personnel, property, rail operations and the public is of paramount importance in the prosecution of the work performed by Licensee or its contractor. Licensee shall be responsible for initiating, maintaining and supervising all safety, operations and programs in connection with the work. Licensee and its contractor shall at a minimum comply with Licensor's then current safety standards located at www.up.com/cs/groups/public/@uprr/@suppliers/documents/up_pdf_nativedocs/pdf_up_supplier_safety_req.pdf

B. to ensure uniformity with the safety standards followed by Licensor's own forces. As a part of Licensee's safety responsibilities, Licensee shall notify Licensor if it determines that any of Licensor's safety standards are contrary to good safety practices. Licensee and its contractor shall furnish copies of each of its employees before they enter the job site.

B. Without limitation of the provisions of paragraph A above, Contractor shall keep the job site free from safety and health hazards and ensure that its employees are competent and adequately trained in all safety and health aspects of the job.

C. Contractor shall have proper first aid supplies available on the job site so that prompt first aid services may be provided to any person injured on the job site. Contractor shall promptly notify

Railroad of any U.S. Occupational Safety and Health Administration reportable injuries. Contractor shall have a nondelegable duty to control its employees while they are on the job site or any other property of Railroad, and to be certain they do not use, be under the influence of, or have in their possession any alcoholic beverage, drug or other substance that may inhibit the safe performance of any work.

D. If and when requested by Railroad, Contractor shall deliver to Railroad a copy of Contractor's safety plan for conducting the work (the "Safety Plan"). Railroad shall have the right, but not the obligation, to require Contractor to correct any deficiencies in the Safety Plan. The terms of this Agreement shall control if there are any inconsistencies between this Agreement and the Safety Plan.

Section 8. INDEMNITY.

A. To the extent not prohibited by applicable statute, Contractor shall indemnify, defend and hold harmless Railroad, its affiliates, and its and their officers, agents and employees ("Indemnified Parties") from and against any and all loss, damage, injury, liability, claim, demand, cost or expense (including, without limitation, attorney's, consultant's and expert's fees, and court costs), fine or penalty (collectively, "Loss") incurred by any person (including, without limitation, any Indemnified Party, Contractor, or any employee of Contractor or of any Indemnified Party) arising out of or in any manner connected with (i) any work performed by Contractor, or (ii) any act or omission of Contractor, its officers, agents or employees, or (iii) any breach of this agreement by Contractor.

B. The right to indemnity under this Section 8 shall accrue upon occurrence of the event giving rise to the Loss, and shall apply regardless of any negligence or strict liability of any Indemnified Party, except where the Loss is caused by the sole active negligence of an Indemnified Party as established by the final judgment of a court of competent jurisdiction. The sole active negligence of any Indemnified Party shall not bar the recovery of any other Indemnified Party.

C. Contractor expressly and specifically assumes potential liability under this Section 8 for claims or actions brought by Contractor's own employees. Contractor waives any immunity it may have under worker's compensation or industrial insurance acts to indemnify Railroad under this Section 8. Contractor acknowledges that this waiver was mutually negotiated by the parties hereto.

D. No court or jury findings in any employee's suit pursuant to any worker's compensation act or the Federal Employers' Liability Act against a party to this Agreement may be relied upon or used by Contractor in any attempt to assert liability against Railroad.

E. The provisions of this Section 8 shall survive the completion of any work performed by Contractor or the termination or expiration of this Agreement. In no event shall this Section 8 or any other provision of this Agreement be deemed to limit any liability Contractor may have to any Indemnified Party by statute or under common law.

Section 9. RESTORATION OF PROPERTY.

In the event Railroad authorizes Contractor to take down any fence of Railroad or in any manner move or disturb any of the other property of Railroad in connection with the work to be performed by Contractor, then in that event Contractor shall, as soon as possible and at Contractor's sole expense, restore such fence and other property to the same condition as the same were in before such fence was taken down or such other property was moved or disturbed. Contractor shall remove all of Contractor's tools, equipment, rubbish and other materials from Railroad's property promptly upon completion of the work, restoring Railroad's property to the same state and condition as when Contractor entered thereon.

Section 10. WAIVER OF DEFAULT.

Waiver by Railroad of any breach or default of any condition, covenant or agreement herein contained to be kept, observed and performed by Contractor shall in no way impair the right of Railroad to avail itself of any remedy for any subsequent breach or default.

Section 11. MODIFICATION - ENTIRE AGREEMENT.

No modification of this Agreement shall be effective unless made in writing and signed by Contractor and Railroad. This Agreement and the exhibits attached hereto and made a part hereof constitute the entire understanding between Contractor and Railroad and cancel and supersede any prior negotiations, understandings or agreements, whether written or oral, with respect to the work to be performed by Contractor.

Section 12. ASSIGNMENT - SUBCONTRACTING.

Contractor shall not assign or subcontract this Agreement, or any interest therein, without the written consent of the Railroad. Contractor shall be responsible for the acts and omissions of all subcontractors, and shall require all subcontractors to maintain the insurance coverage required to be maintained by Contractor as provided in this Agreement, and to indemnify Contractor and Railroad to the same extent as Railroad is indemnified by Contractor under this Agreement.

Form Approved, AVP-Law
09/01/2018

EXHIBIT C

Union Pacific Railroad Company

Insurance Provisions For Contractor's Right of Entry Agreement

Contractor shall, at its sole cost and expense, procure and maintain during the course of the Project and until all Project work on Railroad's property has been completed and the Contractor has removed all equipment and materials from the Railroad's property and has cleaned and restored Railroad's property to Railroad's satisfaction, the following insurance coverage:

- A. **Commercial General Liability** insurance. Commercial general liability (CGL) with a limit of not less than \$2,000,000 each occurrence and an aggregate limit of not less than \$4,000,000. CGL insurance must be written on ISO occurrence form CG 00 01 12 04 (or a substitute form providing equivalent coverage).

The policy must also contain the following endorsement, which must be stated on the certificate of insurance:

- Contractual Liability Railroads ISO form CG 24 17 10 01 (or a substitute form providing equivalent coverage) showing "Union Pacific Railroad Company Property" as the Designated Job Site.

- B. **Business Automobile Coverage** insurance. Business auto coverage written on ISO form CA 00 01 (or a substitute form providing equivalent liability coverage) with a combined single limit of not less \$2,000,000 for each accident.

The policy must contain the following endorsements, which must be stated on the certificate of insurance:

Coverage For Certain Operations In Connection With Railroads ISO form CA 20 70 10 01 (or substitute form providing equivalent coverage) showing "Union Pacific Property" as the Designated Job Site.
Motor Carrier Act Endorsement – Hazardous materials clean up (MCS-90) if required by law.

- C. **Workers Compensation and Employers Liability** insurance. Coverage must include but not be limited to:

Contractor's statutory liability under the workers' compensation laws of the state(s) affected by this Agreement.

Employers' Liability (Part B) with limits of at least \$500,000 each accident, \$500,000 disease policy limit \$500,000 each employee.

If Contractor is self-insured, evidence of state approval and excel workers compensation coverage must be provided. Coverage must include liability arising out of the U.S. Longshoremen's and Harbor Workers' Act, the Jones Act, and the Outer Continental Shelf Land Act, if applicable.

The policy must contain the following endorsement, which must be stated on the certificate of insurance:

Alternate Employer endorsement ISO form WC 00 03 01 A (or a substitute form providing equivalent coverage) showing Railroad in the schedule as the alternate employer (or a substitute form providing equivalent coverage).

- D. Railroad Protective Liability insurance.** Contractor must maintain Railroad Protective Liability insurance written on ISO occurrence form CG 00 35 12 04 (or a substitute form providing equivalent coverage) on behalf of Railroad as named insured, with a limit of not less than \$2,000,000 per occurrence and an aggregate of \$6,000,000. A binder stating the policy is in place must be submitted to Railroad before the work may be commenced and until the original policy is forwarded to Railroad.
- E. Umbrella or Excess insurance.** If Contractor utilizes umbrella or excess policies, these policies must "follow form" and afford no less coverage than the primary policy.
- F. Pollution Liability insurance.** Pollution Liability coverage must be included when the scope of the work as defined in the Agreement includes installation, temporary storage, or disposal of any "hazardous" material that is injurious in or upon land, the atmosphere, or any watercourses; or may cause bodily injury at any time.

Pollution liability coverage must be written on ISO form Pollution Liability Coverage Form Designated Sites CG 00 39 12 04 (or a substitute form providing equivalent liability coverage), with limits of at least \$5,000,000 per occurrence and an aggregate limit of \$10,000,000.

If the scope of work as defined in this Agreement includes the disposal of any hazardous or non-hazardous materials from the job site, Contractor must furnish to Railroad evidence of pollution legal liability insurance maintained by the disposal site operator for losses arising from the insured facility accepting the materials, with coverage in minimum amounts of \$1,000,000 per loss, and an annual aggregate of \$2,000,000.

Other Requirements

- G.** All policy(ies) required above (except worker's compensation and employers liability) must include Railroad as "Additional Insured" using ISO Additional Insured Endorsements CG 20 26, and CA 20 48 (or substitute forms providing equivalent coverage). The coverage provided to Railroad as additional insured shall, to the extent provided under ISO Additional Insured Endorsement CG 20 26, and CA 20 48 provide coverage for Railroad's negligence whether sole or partial, active or passive, and shall not be limited by Contractor's liability under the indemnity provisions of this Agreement.
- H.** Punitive damages exclusion, if any, must be deleted (and the deletion indicated on the certificate of insurance), unless the law governing this Agreement prohibits all punitive damages that might arise under this Agreement.

- I.** Contractor waives all rights of recovery, and its insurers also waive all rights of subrogation of damages against Railroad and its agents, officers, directors and employees. This waiver must be stated on the certificate of insurance.
- J.** Prior to commencing the work, Contractor shall furnish Railroad with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements in this Agreement.
- K.** All insurance policies must be written by a reputable insurance company acceptable to Railroad or with a current Best's Insurance Guide Rating of A- and Class VII or better, and authorized to do business in the state(s) in which the work is to be performed.
- L.** The fact that insurance is obtained by Contractor or by Railroad on behalf of Contractor will not be deemed to release or diminish the liability of Contractor, including, without limitation, liability under the indemnity provisions of this Agreement. Damages recoverable by Railroad from Contractor or any third party will not be limited by the amount of the required insurance coverage.

City Council Agenda Item Report

Agenda Item No. COV-395-2020

Submitted by: Scott Williams

Submitting Department: Finance/Treasury

Meeting Date: November 3, 2020

SUBJECT

Addendum to Professional Auditing Services Agreement with White Nelson Diehl Evans, LLP

Recommendation:

Approve and authorize the City Administrator to execute an addendum, in substantially the same form as submitted, to the current agreement with White Nelson Diehl Evans, LLP for professional audit services to reflect a name change for the firm.

Background:

On May 5, 2020, the City Council authorized the City Administrator to execute a professional services agreement for a not-to-exceed amount of \$330,375 with the public accounting firm White Nelson Diehl Evans LLC (WNDE) to perform annual audits of the financial statements of the City of Vernon and its Enterprise Funds.

Recently, White Nelson Diehl Evans LLC advised the City of its intention to join the national professional services firm CLA (CliftonLarson Allen) on November 1, 2020. The service to the City of Vernon will continue to be provided by the partners, managers and staff from the Irvine office. Services from CLA (formerly White Nelson Diehl Evans LLC) will continue per the scope and schedule of fees per the current three-year agreement.

The proposed Addendum to the WNDE Services Agreement acknowledges the service provider's name change and advises that all terms and conditions of the existing agreement will remain unchanged. The City Attorney's Office has reviewed and approved the addendum as to form.

Fiscal Impact:

There is no fiscal impact associated with this report.

Attachments:

1. [Addendum to WNDE Contract for Professional Services](#)
2. [Notice of WNDE Name Change](#)

Addendum to Contract for Professional Services with White Nelson Diehl Evans LLP

Pursuant to the terms of the combination of CliftonLarsonAllen LLP ("CLA") with White Nelson Diehl Evans LLP ("WNDE") effective November 1, 2020, CLA has legally assumed and will fully perform all future (but not prior) contractual obligations under existing agreements between WNDE and WNDE's clients, including WNDE's existing agreement(s) with the City of Vernon, a California charter City and California municipal corporation ("City"). For purposes of such future obligations, only the service provider's name will be changed from WNDE to CliftonlarsonAllen LLP.

All terms and conditions in the original WNDE contract will remain unchanged.

Any future payments under this contract should be made payable to CliftonlarsonAllen and mailed to the same address: 2875 Michelle Drive, Suite 300, Irvine, CA 92606.

Please sign below as acknowledgement and agreement with this addendum.

White Nelson Diehl Evans LLP, Partner, and
Current CliftonLarsonAllen Principal

Robert J. Callanan, Partner

Date

City of Vernon

Carlos R. Fandino, Jr. City Administrator

Date

ATTEST

Lisa Pope, City Clerk

APPROVED AS TO FORM

Arnold M. Alvarez-Glasman, Interim City Attorney

October 14, 2020

White Nelson Diehl Evans, LLP (WNDE) intends to join national professional services firm CLA (Clifton Larson Allen) on November 1, 2020.

As one of the nation's leading professional services firm, CLA has retained the agility to serve clients of all sizes and locations, while expanding service offerings to clients.

CLA has a national presence in the state and local government sector and CLA has 120 locations, 6200 people and serves approximately 3,400 governmental entities and is the largest Single Audit provider in the nation.

The service to your local government will continue to be provided by the partners, managers and staff from our Irvine office. It is our intention that this transition will be seamless as it relates to the services we are currently providing to your local government.

White Nelson Diehl Evans LLP

City Council Agenda Item Report

Agenda Item No. COV-394-2020

Submitted by: Scott Williams

Submitting Department: Finance/Treasury

Meeting Date: November 3, 2020

SUBJECT

Services Agreement with BLX Group LLC for Financial Advisory Services

Recommendation:

Approve and authorize the City Administrator to execute a services agreement with BLX Group LLC for Financial Advisory Services, in substantially the same form as submitted, in an amount not to exceed \$600,000, for a three-year agreement effective November 3, 2020 for financial advisory services.

Background:

The Finance Department is requesting approval to award a Services Agreement to BLX Group LLC (BLX) for ongoing general consulting, planning and advisory services; services directly related to debt/derivative/investment transactions; executing a debt strategy, and regulatory, management, and oversight services. BLX is a registered municipal advisor offering financial advisory, interest rate swap advisory, and post debt issuance compliance services associated with requirements imposed by the IRS and SEC. As an independent and unbiased advisor, BLX's primary objective is to advocate for and educate while assisting in structuring City financing to achieve low cost of capital at the terms best suited to City's debt policies and strategic objectives.

In order to select an appropriate firm to provide the aforementioned services, a Request for Proposals (RFP) was issued on August 25, 2020 via the City website and sent out to ten (10) firms known to provide Financial Advisory Services to California cities and who were known to have experience in Municipal Bond issuances. The deadline to submit proposals was September 8, 2020 and three (3) proposal were received. The three (3) firms that responded were BLX Group LLC, PFM Financial Advisory LLC, and Urban Futures Inc. Each firm's RFP response was examined on the basis of four weighted RFP criterion of: Cost and Fees 30%, References 20%, Qualifications 40%, and Responsiveness 10%.

A review panel evaluated the three (3) proposals received from qualified respondents in order to determine the vendor best suited to provide the services requested. A comprehensive, fair, and impartial evaluation of proposals was conducted in accordance with the specifications set forth within the RFP document. Established criteria were used in reviewing and comparing the proposals to determine the most suitable firm. At the conclusion of the assessment, it was determined that BLX was the most compatible choice for the award of the services agreement for Financial Advisory Services. BLX was the top ranked respondent due to their years of experience in the industry, exceptional qualifications, and their ability to offer quality service at a competitive price. It is, therefore, recommended that City Council approve and authorize the City Administrator to execute a services agreement with BLX. The proposed agreement has been reviewed and approved by the City Attorney's Office.

Fiscal Impact:

The total not to exceed value of the agreement with BLX Group LLC is \$200,000 per year for a three-year term, equating to a total contract value of \$600,000. These costs are variable (hourly per the

scope of the agreement) and based on the estimated hours per year for compliance reporting for existing bonds. If new bonds are issued by the City, an amendment may be required based on bond issuance costs. If necessary, these costs would be included in the cost of issuance at the time of a new bond and/or refunding of an existing bond. Funds for financial advisory services have been budgeted under Financial Advisory Services account 055.9000.595200 and will be budgeted in subsequent years.

Attachments:

1. [Financial Advisory Services Agreement with BLX Group LLC](#)

SERVICES AGREEMENT BETWEEN THE CITY OF VERNON AND BLX GROUP LLC
FOR FINANCIAL ADVISORY SERVICES

COVER PAGE

Contractor:	BLX Group LLC
Responsible Principal of Contractor:	Craig Underwood, President
Notice Information - Contractor:	BLX Group LLC 777 S. Figueroa Street, Suite 3200 Los Angeles, CA 90017 Attention: Craig Underwood, President Phone: (213)612-2463 Email: cunderwood@blxgroup.com
Notice Information - City:	City of Vernon 4305 Santa Fe Avenue Vernon, CA 90058 Attention: Scott Williams, Finance Director Telephone: (323) 583-8811 ext. 849 Email: swilliams@ci.vernon.ca.us
Commencement Date:	November 3, 2020
Termination Date:	November 2, 2023
Consideration:	Total not to exceed \$200,000 per fiscal year or a grand total of \$600,000 for three years (includes all applicable sales tax); and more particularly described in Exhibit B
Records Retention Period	Three (3) years, pursuant to Section 11.20

SERVICES AGREEMENT BETWEEN THE CITY OF VERNON AND BLX GROUP LLC FOR FINANCIAL ADVISORY SERVICES

This Contract is made between the City of Vernon ("City"), a California charter City and California municipal corporation ("City"), and BLX Group LLC, a limited liability company ("Contractor").

The City and Contractor agree as follows:

1.0 EMPLOYMENT OF CONTRACTOR. City agrees to engage Contractor to perform the services as hereinafter set forth as authorized by the City Council on November 3, 2020.

2.0 SCOPE OF SERVICES.

2.1 Contractor shall perform all work necessary to complete the services set forth in the City's Request for Proposals issued on or about August 25, 2020 and titled Financial Advisory Services, and Contractor's proposal to the City ("Proposal") dated September 8, 2020, Exhibit "A", a copy which is attached to and incorporated into this Contract by reference.

2.2 All services shall be performed to the satisfaction of City.

2.3 All services shall be performed in a competent, professional, and satisfactory manner in accordance with the prevailing industry standards for such services.

3.0 PERSONNEL.

3.1 Contractor represents that it employs, or will employ, at its own expense, all personnel required to perform the services under this Contract.

3.2 Contractor shall not subcontract any services to be performed by it under this Contract without prior written approval of City.

3.3 All of the services required hereunder will be performed by Contractor or by City-approved subcontractors. Contractor, and all personnel engaged in the work, shall be fully qualified and authorized or permitted under State and local law to perform such services and shall be subject to approval by the City.

4.0 TERM.

The term of this Contract shall commence on November 3, 2020, and it shall continue until November 2, 2023, unless terminated at an earlier date pursuant to the provisions thereof.

5.0 COMPENSATION AND FEES.

5.1 Contractor has established rates for the City of Vernon which are comparable to and do not exceed the best rates offered to other governmental entities in and around Los Angeles County for the same services. For satisfactory and timely performance of the services, the City will pay Contractor in accordance with the payment schedule set forth in Exhibit "B" attached hereto and incorporated herein by reference.

5.2 Contractor's grand total compensation for the entire term of this Contract, shall not exceed \$200,000 per fiscal year or a grand total of \$600,000 for three years, without the prior authorization of the City, as appropriate, and written amendment of this Contract.

5.3 Contractor shall, at its sole cost and expense, furnish all necessary and incidental labor, material, supplies, facilities, equipment, and transportation which may be required for furnishing services pursuant to this Contract. Materials shall be of the highest quality. The above Contract fee shall include all staff time and all clerical, administrative, overhead, insurance, reproduction, telephone, air travel, auto rental, subsistence, and all related costs and expenses.

5.4 City shall reimburse Contractor only for those costs or expenses specifically approved in this Agreement, or specifically approved in writing in advance by City. Unless otherwise approved, such costs shall be limited and include nothing more than the following costs incurred by Contractor:

5.4.1 The actual costs of subcontractors for performance of any of the services that Contractor agrees to render pursuant to this Agreement, which have been approved in advance by City and awarded in accordance with this Agreement.

5.4.2 Approved reproduction charges.

5.4.3 Actual costs and/or other costs and/or payments specifically authorized in advance in writing and incurred by Contractor in the performance of this Agreement.

5.5 Contractor shall not receive any compensation for extra work performed without the prior written authorization of City. As used herein, "extra work" means any work that is determined by City to be necessary for the proper completion of the Project, but which is not included within the Scope of Services and which the parties did not reasonably anticipate would be necessary at the time of execution of this Agreement. Compensation for any authorized extra work shall be paid in accordance with the payment schedule as set forth in Exhibit "B," if the extra work has been approved by the City.

5.6 Licenses, Permits, Fees, and Assessments. Contractor shall obtain, at Contractor's sole cost and expense, such 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 which arise from or are necessary for the performance of the Services by this Agreement.

6.0 PAYMENT.

6.1 As scheduled services are completed, Contractor shall submit to the City an invoice for the services completed, authorized expenses, and authorized extra work actually performed or incurred according to said schedule.

6.2 Each such invoice shall state the basis for the amount invoiced, including a detailed description of the services completed, the number of hours spent, reimbursable expenses incurred and any extra work performed.

6.3 Contractor shall also submit a progress report with each invoice that describes in reasonable detail the services and the extra work, if any, performed in the immediately preceding calendar month.

6.4 Contractor understands and agrees that invoices which lack sufficient detail to measure performance will be returned and not processed for payment.

6.5 City will pay Contractor the amount invoiced within thirty (30) days after the City approves the invoice.

6.6 Payment of such invoices shall be payment in full for all services, authorized costs, and authorized extra work covered by that invoice.

7.0 CITY'S RESPONSIBILITY. City shall cooperate with Contractor as may be reasonably necessary for Contractor to perform its services; and will give any required decisions as promptly as practicable so as to avoid unreasonable delay in the progress of Contractor's services.

8.0 COORDINATION OF SERVICES. Contractor agrees to work closely with City staff in the performance of Services and shall be available to City's staff, consultants, and other staff at all reasonable times.

9.0 INDEMNITY. Contractor agrees to indemnify City, its officers, elected officials, employees and agents against, and will hold and save each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities (herein "claims or liabilities"), including but not limited to professional negligence, that may be asserted or claimed by any person, firm or entity arising out of or in connection with the work, operations or activities of Contractor, its agents, employees, subcontractors, or invitees, provided for herein, or arising from the acts or omissions of Contractor hereunder, or arising from Contractor's performance of or failure to perform any term, provision, covenant or condition of this Agreement, except to the extent such claims or liabilities arise from the gross negligence or willful misconduct of City, its officers, elected officials, agents or employees.

10.0 INSURANCE. Contractor shall, at its own expense, procure and maintain policies of insurance of the types and in the amounts set forth below, for the duration of the Contract, including any extensions thereto. The policies shall state that they afford primary

coverage.

i. Automobile Liability with minimum limits of at least \$1,000,000 combined single limit, including owned, hired, and non-owned liability coverage.

ii. Contractor agrees to subrogate automobile liability resulting from performance under this agreement by agreeing to defend, indemnify and hold harmless, the City, and its respective employees, agents, and City Council from and against all claims, liabilities, suits, losses, damages, injuries and expenses, including all costs and reasonable attorney's fees ("Claims"), which are attributable to any act or omission by the City under the performance of the services.

iii. General Liability with minimum limits of at least \$1,000,000 per occurrence and \$2,000,000 aggregate written on an Insurance Services Office (ISO) Comprehensive General Liability "occurrence" form or its equivalent for coverage on an occurrence basis.

Premises/Operations and Personal Injury coverage is required. The City of Vernon, its directors, commissioners, officers, employees, agents, and volunteers must be endorsed on the policy as additional insureds as respects liability arising out of the Contractor's performance of this Contract.

(1) If Contractor employs other contractors as part of the services rendered, Contractor's Protective Coverage is required. Contractor may include all subcontractors as insureds under its own policy or shall furnish separate insurance for each subcontractor, meeting the requirements set forth herein.

(2) Contractor agrees to subrogate General Liability resulting from performance under this agreement by agreeing to defend, indemnify and hold harmless, the City, and its respective employees, agents, and City Council from and against all claims, liabilities, suits, losses, damages, injuries and expenses, including all costs and reasonable attorney's fees ("Claims"), which are attributable to any act or omission by the City under

the performance of the services.

iv. Professional Errors and Omissions coverage in a sum of at least \$1,000,000, where such risk is applicable. Applicable aggregates must be identified and claims history provided to determine amounts remaining under the aggregate. Contractor shall maintain such coverage for at least one (1) year after the termination of this Agreement.

v. Contractor shall comply with the applicable sections of the California Labor Code concerning workers' compensation for injuries on the job. In addition, Contractor shall require each subcontractor to similarly maintain workers' compensation insurance in accordance with the laws for California for all of the subcontractor's employees. Compliance is accomplished in one of the following manners:

- (1) Provide copy of permissive self-insurance certificate approved by the State of California; or
- (2) Secure and maintain in force a policy of workers' compensation insurance with statutory limits and Employer's Liability Insurance with a minimal limit of \$1,000,000 per accident. The policy shall be endorsed to waive all rights of subrogation against City, its directors, commissioners, officers, employees, and volunteers for losses arising from performance of this Contract; or
- (3) Provide a "waiver" form certifying that no employees subject to the Labor Code's Workers' Compensation provision will be used in performance of this Contract.

vi. Each insurance policy included in this clause shall be endorsed to state that coverage shall not be cancelled except after thirty (30) days' prior written notice to City.

vii. Insurance shall be placed with insurers with a Best's rating of no less than A-VIII.

viii. Prior to commencement of performance, Contractor shall furnish City with a certificate of insurance for each policy. Each certificate is to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificate(s) must be in a form approved by

City. City may require complete, certified copies of any or all policies at any time.

ix. Failure to maintain required insurance at all times shall constitute a default and material breach. In such event, Contractor shall immediately notify City and cease all performance under this Contract until further directed by the City. In the absence of satisfactory insurance coverage, City may, at its option: (a) procure insurance with collection rights for premiums, attorney's fees and costs against Contractor by way of set-off or recoupment from sums due to Contractor, at City's option; (b) immediately terminate this Contract and seek damages from the Contract resulting from said breach; or (c) self-insure the risk, with all damages and costs incurred, by judgment, settlement or otherwise, including attorney's fees and costs, being collectible from Contractor, by way of set-off or recoupment from any sums due to Contractor.

11.0 GENERAL TERMS AND CONDITIONS.

11.1 INDEPENDENT CONTRACTOR.

11.1.1 It is understood that in the performance of the services herein provided for, Contractor shall be, and is, an independent contractor, and is not an agent, officer or employee of City and shall furnish such services in its own manner and method except as required by this Contract, or any applicable statute, rule, or regulation. Further, Contractor has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons employed by Contractor in the performance of the services hereunder. City assumes no liability for Contractor's actions and performance, nor assumes responsibility for taxes, bonds, payments, or other commitments, implied or explicit, by or for Contractor. Contractor shall be solely responsible for, and shall indemnify, defend and save City harmless from all matters relating to the payment of its employees, subcontractors and independent contractors, including compliance with social security, withholding and all other wages, salaries, benefits, taxes, exactions, and regulations of any nature whatsoever.

11.1.2 Contractor acknowledges that Contractor and any subcontractors,

agents or employees employed by Contractor shall not, under any circumstances, be considered employees of the City, and that they shall not be entitled to any of the benefits or rights afforded employees of City, including, but not limited to, sick leave, vacation leave, holiday pay, Public Employees Retirement System benefits, or health, life, dental, long-term disability or workers' compensation insurance benefits.

11.2 CONTRACTOR NOT AGENT. Except as the City may authorize in writing, Contractor and its subcontractors shall have no authority, express or implied, to act on behalf of or bind the City in any capacity whatsoever as agents or otherwise.

11.3 OWNERSHIP OF WORK. All documents and materials furnished by the City to Contractor shall remain the property of the City and shall be returned to the City upon termination of this Agreement. All reports, drawings, plans, specifications, computer tapes, floppy disks and printouts, studies, memoranda, computation sheets, and other documents prepared by Contractor in furtherance of the work shall be the sole property of City and shall be delivered to City whenever requested at no additional cost to the City. Contractor shall keep such documents and materials on file and available for audit by the City for at least three (3) years after completion or earlier termination of this Contract. Contractor may make duplicate copies of such materials and documents for its own files or for such other purposes as may be authorized in writing by the City.

11.4 CORRECTION OF WORK. Contractor shall promptly correct any defective, inaccurate or incomplete tasks, deliverables, goods, services and other work, without additional cost to the City. The performance or acceptance of services furnished by Contractor shall not relieve the Contractor from the obligation to correct subsequently discovered defects, inaccuracy, or incompleteness.

11.5 RESPONSIBILITY FOR ERRORS. Contractor shall be responsible for its work and results under this Agreement. Contractor, when requested, shall furnish clarification and/or explanation as may be required by the City, regarding any services rendered under this Agreement at no additional cost to City. In the event that an error or omission attributable to

Contractor occurs, then Contractor shall, at no cost to City, provide all necessary design drawings, estimates and other Contractor professional services necessary to rectify and correct the matter to the sole satisfaction of City and to participate in any meeting required with regard to the correction.

11.6 WAIVER. The City's waiver of any term, condition, breach, or default of this Contract shall not be considered to be a waiver of any other term, condition, default or breach, nor of a subsequent breach of the one waived. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought.

11.7 SUCCESSORS. This Contract shall inure to the benefit of, and shall be binding upon, the parties hereto and their respective heirs, successors, and/or assigns.

11.8 NO ASSIGNMENT. Contractor shall not assign or transfer this Contract or any rights hereunder without the prior written consent of the City and approval by the City Attorney, which may be withheld in the City's sole discretion. Any unauthorized assignment or transfer shall be null and void and shall constitute a material breach by the Contractor of its obligations under this Contract. No assignment shall release the original parties from their obligations or otherwise constitute a novation.

11.9 COMPLIANCE WITH LAWS. Contractor shall comply with all Federal, State, County and City laws, ordinances, rules and regulations, which are, as amended from time to time, incorporated herein and applicable to the performance hereof, including but without limitation, the Vernon Living Wage Ordinance. Violation of any law material to performance of this Contract shall entitle the City to terminate the Contract and otherwise pursue its remedies. Further, if the Contractor performs any work knowing it to be contrary to such laws, rules, and regulations Contractor shall be solely responsible for all costs arising therefrom.

11.10 ATTORNEY'S FEES. If any action at law or in equity is brought to

enforce or interpret the terms of this Contract, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.

11.11 INTERPRETATION.

11.11.1 Applicable Law. This Contract shall be deemed a contract and shall be governed by and construed in accordance with the laws of the State of California. Contractor agrees that the State and Federal courts which sit in the State of California shall have exclusive jurisdiction over all controversies and disputes arising hereunder, and submits to the jurisdiction thereof.

11.11.2 Entire Agreement. This Contract, including any exhibits attached hereto, constitutes the entire agreement and understanding between the parties regarding its subject matter and supersedes all prior or contemporaneous negotiations, representations, understandings, correspondence, documentation, and agreements (written or oral).

11.11.3 Written Amendment. This Contract may only be changed by written amendment signed by Contractor and the City Administrator or other authorized representative of the City, subject to any requisite authorization by the City Council. Any oral representations or modifications concerning this Contract shall be of no force or effect.

11.11.4 Severability. If any provision in this Contract is held by any court of competent jurisdiction to be invalid, illegal, void, or unenforceable, such portion shall be deemed severed from this Contract, and the remaining provisions shall nevertheless continue in full force and effect as fully as though such invalid, illegal, or unenforceable portion had never been part of this Contract.

11.11.5 Order of Precedence. In case of conflict between the terms of this Contract and the terms contained in any document attached as an Exhibit or otherwise incorporated by reference, the terms of this Contract shall strictly prevail. The terms of the City's Request for Proposals shall control over the Contractor's Proposal.

11.11.6 Duplicate Originals. There shall be two (2) fully signed copies of this Contract, each of which shall be deemed an original.

11.11.7 Construction. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

11.12 TIME OF ESSENCE. Time is strictly of the essence of this contract and each and every covenant, term, and provision hereof.

11.13 AUTHORITY OF CONTRACTOR. The Contractor hereby represents and warrants to the City that the Contractor has the right, power, legal capacity, and authority to enter into and perform its obligations under this Contract, and its execution of this Contract has been duly authorized.

11.14 ARBITRATION OF DISPUTES. Any dispute for under \$25,000 arising out of or relating to the negotiation, construction, performance, non-performance, breach, or any other aspect of this Contract, shall be settled by binding arbitration in accordance with the Commercial Rules of the American Arbitration Association at Los Angeles, California and judgment upon the award rendered by the Arbitrators may be entered in any court having jurisdiction thereof. The City does not waive its right to object to the timeliness or sufficiency of any claim filed or required to be filed against the City and reserves the right to conduct full discovery.

11.15 NOTICES. Any notice or demand to be given by one party to the other must be given in writing and by personal delivery or prepaid first-class, registered or certified mail, addressed as follows. Notice simply to the City of Vernon or any other City department is not adequate notice.

If to the City:

City of Vernon
Attention: Scott Williams, Finance Director
4305 Santa Fe Avenue

Vernon, CA 90058

If to the Contractor
BLX Group LLC
Attention: Craig Underwood, President
777 S. Figueroa Street, Suite 3200
Los Angeles, CA 90017

Any such notice shall be deemed to have been given upon delivery, if personally delivered, or, if mailed, upon receipt, or upon expiration of three (3) business days from the date of posting, whichever is earlier. Either party may change the address at which it desires to receive notice upon giving written notice of such request to the other party.

11.16 NO THIRD PARTY RIGHTS. This Agreement is entered into for the sole benefit of City and Contractor and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right or remedy in, under, or to this Agreement.

11.17 TERMINATION FOR CONVENIENCE (Without Cause). City may terminate this Contract in whole or in part at any time, for any cause or without cause, upon fifteen (15) calendar days' written notice to Contractor. If the Contract is thus terminated by City for reasons other than Contractor's failure to perform its obligations, City shall pay Contractor a prorated amount based on the services satisfactorily completed and accepted prior to the effective date of termination. Such payment shall be Contractor's exclusive remedy for termination without cause.

11.18 DEFAULT. In the event either party materially defaults in its obligations hereunder, the other party may declare a default and terminate this Contract by written notice to the defaulting party. The notice shall specify the basis for the default. The Contract shall terminate unless such default is cured before the effective date of termination stated in such notice, which date shall be no sooner than ten (10) days after the date of the notice. In case of default by Contractor, the City reserves the right to procure the goods or services from other sources and to hold the Contractor responsible for any excess costs occasioned to the City

thereby. Contractor shall not be held accountable for additional costs incurred due to delay or default as a result of Force Majeure. Contractor must notify the City immediately upon knowing that non-performance or delay will apply to this Contract as a result of Force Majeure. At that time Contractor is to submit in writing a Recovery Plan for this Contract. If the Recovery Plan is not acceptable to the City or not received within 10 days of the necessary notification of Force Majeure default, then the city may cancel this order in its entirety at no cost to the City, owing only for goods and services completed to that point.

11.19 TERMINATION FOR CAUSE. Termination for cause shall relieve the terminating party of further liability or responsibility under this Contract, including the payment of money, except for payment for services satisfactorily and timely performed prior to the service of the notice of termination, and except for reimbursement of (1) any payments made by the City for service not subsequently performed in a timely and satisfactory manner, and (2) costs incurred by the City in obtaining substitute performance. If this Agreement is terminated as provided herein, City may require, at no additional cost to City, that Contractor provide all finished or unfinished documents, data, and other information of any kind prepared by Contractor in connection with the performance of Services under this Agreement. Contractor shall be required to provide such document and other information within fifteen (15) days of the request.

11.19.1 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

11.20 MAINTENANCE AND INSPECTION OF RECORDS.

The City, or its authorized auditors or representatives, shall have access to and the right to audit and reproduce any of the Contractor's records to the extent the City deems necessary to insure it is receiving all money to which it is entitled under the Contract and/or is paying only the amounts to which Contractor is properly entitled under the Contract or for other purposes relating to the Contract.

The Contractor shall maintain and preserve all such records for a period of at least three (3) years after termination of the Contract.

The Contractor shall maintain all such records in the City of Vernon. If not, the Contractor shall, upon request, promptly deliver the records to the City of Vernon or reimburse the City for all reasonable and extra costs incurred in conducting the audit at a location other than the City of Vernon, including, but not limited to, such additional (out of the City) expenses for personnel, salaries, private auditors, travel, lodging, meals, and overhead.

11.21 CONFLICT. Contractor hereby represents, warrants, and certifies that no member, officer, or employee of the Contractor is a director, officer, or employee of the City of Vernon, or a member of any of its boards, commissions, or committees, except to the extent permitted by law.

11.22 HEADINGS. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

11.23 ENFORCEMENT OF WAGE AND HOUR LAWS. Eight hours labor constitutes a legal day's work. The Contractor, or subcontractor, if any, shall forfeit twenty-five dollars (\$25) for each worker employed in the execution of this Agreement by the respective Contractor or subcontractor for each calendar day during which the worker is required or permitted to work more than 8 hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of Sections 1810 through 1815 of the California Labor Code as a penalty paid to the City; provided, however, work performed by employees of contractors in excess of 8 hours per day, and 40 hours during any one week, shall be permitted upon compensation for all hours worked in excess of 8 hours per day at not less than 1½ times the basic rate of pay.

11.24 LIVING WAGES Contractor, and any Subcontractor(s), shall comply with the City's Living Wage Ordinance. The current Living Wage Standards are set forth in Exhibit "C". Upon the City's request, certified payroll records shall promptly be provided to the City. .

11.25 EQUAL EMPLOYMENT OPPORTUNITY PRACTICES. Contractor certifies and represents that, during the performance of this Contract, it and any other parties with whom it may subcontract shall adhere to equal employment opportunity practices to assure that applicants, employees and recipients of service are treated equally and are not discriminated against because of their race, religion, color, national origin, ancestry, disability, sex, age, medical condition, sexual orientation or marital status. Contractor further certifies that it will not maintain any segregated facilities. Contractor further agrees to comply with The Equal Employment Opportunity Practices provisions as set forth in Exhibit "D".

[Signatures Begin on Next Page].

IN WITNESS WHEREOF, the Parties have signed this Agreement as of the Commencement Date stated on the cover page.

City of Vernon, a California charter City
and California municipal corporation

BLX Group LLC, a limited liability company

By: _____
Carlos R. Fandino, Jr.
City Administrator

By: _____

Name: _____

Title: _____

ATTEST:

Lisa Pope, City Clerk

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman,
Interim City Attorney

EXHIBIT A
CONTRACTOR'S PROPOSAL

BLX 

PERSPECTIVE • EXPERIENCE • PROCESS





Response to Request for Proposal to Provide Financial Advisory Services:



CITY OF VERNON

SEPTEMBER 8, 2020

CO-PROJECT MANAGERS

Jeff Higgins

Managing Director

T 213.612.2209

E jhiggins@blxgroup.com

Glenn Casterline

Managing Director

T 213.612.2229

E gcasterline@blxgroup.com



BLX Group LLC

777 South Figueroa St, Ste 3200
Los Angeles, CA 90017-5855
Ph 213 612 2200 Fx 213 612 2499
www.blxgroup.com

September 8, 2020

City of Vernon
4305 Santa Fe Avenue
Vernon, CA 90058

Re: City of Vernon Financial Advisory Services Request for Proposals

Ladies and Gentlemen:

On behalf of BLX Group LLC ("BLX") I am pleased to submit this response to the City of Vernon's ("City") request for proposal ("RFP") to provide Financial Advisory Services. Having worked with the City since 2002 including serving as Financial Advisor on the City's most recent debt financings, BLX's technical capabilities, familiarity with the City's debt profile along with the debt profiles similar to that of the City, and a history of unsurpassed client service, combine to make us distinctly qualified to serve the City's needs.

BLX possesses a unique combination of relevant resources, experience, and expertise to offer the City. The City's financial advisory needs are an excellent fit with BLX's corporate philosophy and procedures in that it acknowledges the unique characteristics of local government issued debt and investing public funds and the necessary understanding of related statutory, bond, and tax issues. If selected, BLX is committed to providing personalized financial advisory services in an informed, hands-on, extension-of-staff manner.

Additionally, BLX hereby declares that the undersigned individual is authorized to bind the firm with a Financial Advisory Services contract with the City and that the proposal will be valid for a period of at least ninety (90) days from the date of submission. We propose that the contemplated project be managed from our Los Angeles office and will not be subcontracted.

Partnering with BLX and taking advantage of our strong tax and analytical skill set and competitive pricing is the best choice for a successful, yet cost-effective engagement. Glenn and I will serve as your relationship managers and primary points of contact. In that role, we will be responsible for leading an open dialogue between BLX and the City. We are excited about the prospect of once again working with the City and look forward to addressing any questions you may have. I can be reached at 213-612-2209 or via e-mail at jhiggins@blxgroup.com.

Very truly yours,

BLX Group LLC

Jeff Higgins, Managing Director
777 S. Figueroa Street, Suite 3200
Los Angeles, CA 90017

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COVER LETTER

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EXHIBITS

- A. CONFLICT DISCLAIMERS AND DISCLOSURES
- B. AFFIDAVIT OF NON-COLLUSION FORM

A. INTRODUCTION

Present an introduction of the proposal and your understanding of the assignment and significant steps, methods and procedures to be employed by the proposer to ensure quality deliverables that can be delivered within the required time frames and your identified budget.

BLX is a registered municipal advisor offering financial advisory, interest rate swap advisory, and post debt issuance compliance services associated with requirements imposed by the IRS and SEC. As an independent and unbiased advisor, BLX's primary objectives are to advocate for and educate our clients while assisting in structuring their financings to achieve low cost of capital at the terms best suited to their debt policies and strategic objectives

Our financial advisory experience includes providing recommendation of different transactional approaches according to the borrower's best interests, including bond sales, bank lending, and state loans. Furthermore, BLX has participated in numerous transactions, rating presentations, and negotiations with underwriters, LOC banks, and bond purchasers, and have observed how different types of transactions perform under different market conditions.

Because we are independent advisors and are not in the business of underwriting bonds, we are held to a fiduciary standard in all our engagements under the Dodd/Frank Act of 2010, and are not considered by the MSRB to have the potential conflicts of interest which exist between municipal borrowers and securities underwriting firms.

Further, BLX and its professionals have advised on municipal debt offerings, escrow (re)structurings, investment products, and derivative transactions across all sectors of public finance, including local agencies, public utilities, higher education, healthcare, and project finance. Since 2008, BLX has placed over 400 structured investment products, including escrow portfolios, with an aggregate notional amount in excess of \$37 billion.

City of Vernon

We have been privileged to work with the City for 18 years and over that time have provided pre-issuance and post-issuance financial advisory services, derivative advisory and management services and investment advisory services. The City is without question one of our firm's most valuable clients. Our team assigned to Vernon is headed by Jeff Higgins and Glenn Casteline, Managing Directors, along with Craig Underwood, BLX's President, all of which are located in our Los Angeles office. These individuals are among BLX's most senior and experienced professionals and have worked with the City on an absolute priority basis.

We would enthusiastically welcome the opportunity to renew and, whenever possible at the City's request, expand our relationship with the City. We can unequivocally state that BLX has an unmatched understanding of the City's debt, derivative and investment transactions, the historical and institutional knowledge of the City's financings needed to provide optimal advice, and is best positioned to provide the services outlined in Section B herein. Therefore, we are confident that BLX will be able to seamlessly and without any delays continue its work with the City and its staff and continue to provide structuring, pricing, and credit advice.

B. GENERAL SCOPE OF WORK

Briefly summarize the scope of work as the proposer perceives or envisions it for each Service Area proposed.

The scope of work as described in the RFP is generally consistent with the services BLX is currently providing to the City and those which BLX regularly provides to other municipal clients. At BLX, we generally divide financial advisory engagements into four (4) phases – (1) ongoing general consulting, planning and advisory services not directly related to a transaction (i.e. strategic planning); (2) pre-issuance services directly related to debt/derivative/investment transactions (i.e. debt strategy); (3) executing a debt strategy, and (4) post-issuance regulatory, management, and oversight services.



Specifically, the services and tasks we proposed to perform for and on the City's behalf are as follows:

Phase I: Ongoing General Consulting Services

1. BLX will meet with the City to update and fully develop our understanding of the City's objectives with regard to financing and investment matters. As has been our practice with the City, we would expect to meet regularly with City staff to discuss new opportunities and changes in financial policy/objectives. The BLX staff assigned to this engagement is available to the City as its highest priority.
2. BLX will review all outstanding debt and derivative positions, identifying opportunities to reduce debt service, provide cash flow relief, and improve the City's overall balance sheet.
3. BLX will be available on a priority basis to meet with City staff, City Council, committees, commissions, and local governmental and quasi-governmental bodies as requested by the City. We will provide support, advice, and presentation materials as requested by the City to support its efforts to be responsive and transparent with all such entities.

Phase II: Pre-Issuance Transactional Services

1. In the event a financing objective (e.g., reduce debt service, fund capital projects, etc.) has been identified by the City, BLX will review the existing debt obligations and other credit and funding commitments and how a new financing might impact those. It will also include a preliminary forecast of the impact of any contemplated debt transaction on the City's credit rating, its rate structure (as it applies to enterprise funds), and overall debt service coverage.
2. BLX will work with the City to select the optimal financing strategy, which provides the City with the lowest cost of capital within risk parameters acceptable to and appropriate for the City.
3. As requested by the City, BLX will present or assist with the presentation of the initial financing plan to those public bodies charged with oversight, including City Council.

Phase III: Transactional Services

1. Once an overall financing plan has been agreed upon, BLX will provide a preliminary step-by-step action plan, clearly identifying responsibilities and timeline for project completion.
2. BLX will assist in the selection and formation of a financing team, including preparing a list of services required of underwriter, trustee, verification agent (if needed), and other professionals.
3. BLX will work with the City staff, bond counsel and financing team to determine the appropriate size, structure, specific terms and conditions for the debt transaction, and recommended method of sale.
4. BLX will assist bond counsel and other financing team members with the preparation of all publicly distributed documents in connection with the financing, including the official statement (or similar document) and related disclosures.
5. BLX will assist the City in negotiating and/or making presentations to credit rating agencies and/or credit enhancers (e.g., bond insurers, credit banks, etc.).
6. Prior to the sale of debt securities, BLX will assist with and represent the City at informational meetings as part of the marketing effort.
7. If a negotiated sale process is utilized, BLX will assist the City in negotiating appropriate terms, reviewing spreads, identifying comparable transactions, analyzing market levels, and clarifying any syndicate roles with the selected underwriter. BLX will also work side-by-side with the underwriter to ensure the broadness and appropriateness of the marketing and sales effort.
8. BLX will assist the City in closing the financing, including all necessary administrative and clerical tasks and the investment of the bond proceeds.

Phase IV: Post - Issuance Services

1. BLX will provide the City with ongoing compliance, monitoring, and management services in the following areas:
 - A. **Arbitrage Rebate Compliance Services** – BLX will provide the City with annual and final arbitrage rebate calculations on each of the City’s outstanding tax-exempt bond issues.
 - B. **Continuing Disclosure Services** – BLX will assist the City with its required obligations under the various continuing disclosure agreements.
 - C. **Other Compliance Services** – BLX will provide the City with ongoing bond proceeds compliance services such as services related to the requirements established by California Senate Bill 1029 (“SB 1029”).
2. BLX will be available on a full time basis to interact with ratings agencies and investors on behalf of the City along with addressing any issues that arise relating to the City’s debt issuances.

C. WORK PLAN

Present concepts for conducting the work plan and interrelationship of all projects. Define the scope of each task including the depth and scope of analysis or research proposed.

As described in the previous section, BLX views this engagement as having four distinct, but very much interrelated, components or phases. All four are critical to the City's financial success, stability, and transparency and best provided by a single firm doing so on an integrated basis.

We propose to implement the following work plan items and tasks as a supplement to the Scope of Services described earlier.

Phase I: Our approach to providing Financial Advisory services to the City begins with acting as an extension of the City's staff. That is, we have and would continue to be available to the City on a full-time basis (and on short notice) to provide support, analysis, and advice for all City-related financial matters. By being fully immersed in the City's financial activities, we are best positioned to provide the required services and timely and value-added advice.

To add some structure to this, we propose regularly scheduled weekly meeting (or call if preferred by City) with the Finance Director to review ongoing projects, help prepare for upcoming meetings requiring financial analysis, and generally review market conditions and opportunities for the City to improve its financial standing and/or pursue additional capital funding. We also recommend that as Financial Advisor, we review of the City's financial standing as it relates to debt, derivative, and investments. Working with the Finance Director, BLX will develop a template for such presentations that can be readily updated and amended on an ongoing basis.

Finally, as circumstances require, BLX's assigned professionals will be available to the City on a full-time priority basis. That is, should the City need BLX support and advice to address pressing and sudden issues, we will make the necessary resources available to the City. We believe that the availability of our assigned professionals throughout our decade of service to the City readily demonstrates the true depth of this commitment.

Phases II and III: The services described in Phases II and III are fairly standard for financial advisory engagements as described in the previous section. Once the City is in agreement with the work plan, BLX will assist the City with the following:

1. Forming a financing team. Absent financing team members already being in place by virtue of prior RFPs or other process, BLX will assist the City with identifying and securing financing team members – utilizing a competitive process whenever possible.
3. Provide ongoing advice and recommendations to the City on how to best document important transaction decisions regarding debt structure and important legal/financial/credit issues.
4. Upon the close of any transaction, BLX will provide a summary report to the City. This report will detail the final transaction structure, including the bond pricing effort and outcome; identify the extent to which the final transaction met the original project goals;

and summarize the City's ongoing obligations under the transaction. BLX will present or assist in presenting these final findings to City Council.

Phase IV: BLX has provided the services proposed in this section to the City for several years. We do not foresee any substantial changes in the work plan for how these services are provided. However, in the spirit of creating greater transparency, we propose to provide a formal annual report detailing the City's post-issuance compliance efforts. This summary will include the results of any arbitrage rebate calculations, a summary of any required disclosure filings, and compliance with SB 1029. This annual report will be useful in demonstrating the City's ongoing oversight efforts to City Council, regulatory parties, and other groups.

We strongly believe that the City is best served by a single qualified firm providing the services proposed in this and the prior section on an integrated basis.

D. FEES AND COSTS

Although an important aspect of consideration, the financial cost estimate will not be the sole justification for consideration. Negotiations may or may not be conducted with the proposer; therefore, the proposal submitted should contain the proposer's most favorable terms and conditions, since selection and award may be made without discussion with any firm. All prices should reflect "not to exceed" amounts per item.

Proposer must offer services at a rate comparable to the rate proposer offers to other governmental entities for similar work. Offering a higher rate to the City than the comparable rate is grounds for disqualification of the Proposer.

BLX does not structure its fees for advisory services based on any set formula or approach. We have provided similar services to those contemplated by the City on (i) a fixed fee basis; (ii) an hourly basis; and (iii) a percentage of transaction-size basis.

The most important factor in determining an appropriate fee structure is the City's comfort that our fee is appropriate for the work and value provided and consistent with "the market". Therefore, while we have proposed a fee schedule as shown below, we are amendable to negotiate alternative fee structures that may be deemed more acceptable by the City.

Our proposed fee structure is segmented in a manner consistent with our response to Section B – General Scope of Work.

Phases I & II: Ongoing General & Pre-Issuance Transactional Services

As the depth and amount of the services required in this phase are difficult to approximate, we believe these services are fairly compensated by an hourly billing arrangement. Our proposed hourly fees are as follows:

<u>Title</u>	<u>Hourly Rate</u>
President	\$500
Managing Director	\$450

Alternatively, we would be open to negotiating a flat annual retainer for these services. Such an arrangement might provide greater value for the City in that it would provide a cap. In order to determine an appropriate level for such a cap, we would need to first discuss with the City what various projects and tasks it forecasts over the next 12 months.

Phase III: Transactional Services

Once the City has elected to pursue a specific financing, our fee for services in connection with such a financing would then shift to a contingent arrangement. Under such an arrangement, BLX would only be compensated upon a successful closing. Our proposed fee for these services is as follows:

Debt Transaction:	\$1.00/\$1,000 Bond with a cap of \$250,000 and a floor of \$60,000
Derivative Transaction:	The present value of .02% of the notional amount for each year the derivative is outstanding with a cap of \$200,000 and a floor of \$60,000

Contingent Fee Disclosures: Most forms of compensation for financial advisors have some sort of potential conflict of interest inherent in the payment arrangement. Under a contingent fee form of compensation, payment of an advisor's fee is dependent upon the successful completion of a financing or other transaction. Although this form of compensation may be customary for the client, it presents a conflict because the advisor may have an incentive to push to complete a financing or potential financing under terms that might be disadvantageous to the client. For example, when facts or circumstances arise that could cause the financing or other transaction to be delayed or fail to close, an advisor may have an incentive to discourage a full consideration of such facts and circumstances, or to discourage consideration of alternatives that may result in the cancellation of the financing or other transaction. Under an hourly fee form of compensation, the advisor is paid an amount equal to the number of hours worked by the advisor times an agreed-upon hourly billing rate. This form of compensation presents a potential conflict of interest if the client and the advisor do not agree on a reasonable maximum amount at the outset of the engagement, because the advisor does not have a financial incentive to recommend alternatives that would result in fewer hours worked. In some cases, an hourly fee may be applied against a retainer (e.g., a retainer payable monthly), in which case it is payable whether or not a financing closes. Alternatively, it may be contingent upon the successful completion of a financing, in which case there may be additional conflicts of interest, as described above.

The City may wish to consider a continuation of the hourly rates proposed for Phase I services for Phase II services. Should the City elect to do so, fees for Phase III services would be non-contingent.

Phase IV: Post-Issuance Services

Our fees for the services described in the corresponding section of our response to Section 2 are as follows:

A. Arbitrage Rebate Compliance Services (on a per bond issue basis)	
Annual Report Fee (per report)	\$2,000
B. Continuing Disclosure Services	
Electric System	\$11,000
Redevelopment	\$7,000
Water System	\$5,000
C. Derivative Monitoring Services	
Per Outstanding Derivative (swap)	\$2,500
D. SB 1029 Services	
Report Fee	\$1,000

Please note that we are open to other fee arrangements and would welcome any discussion with the City regarding our fee proposal.

E. ABILITY OF THE PROPOSER TO PERFORM

Provide a detailed description of the proposer and his/her/its qualifications, including names, titles, detailed professional resumes and past experience in similar work efforts/products of key personnel who will be working on the assignment. Provide a list of specific related work projects that have been completed by the proposer which are directly related to the assignment described in this RFP. Note the specific individuals who completed such project(s). Identify role and responsibility of each member of the project team. Include the amount of time key personnel will be involved in the respective portions of the assignment. Respondents are encouraged to supply relevant examples of their professional product. Provide a list of references.

The selected firm shall not subcontract any work under the RFP nor assign any work without the prior written consent of the City.

Firm Overview

BLX Group LLC, formerly known as Bond Logistix LLC, is a Municipal Securities Rulemaking Board and Securities Exchange Commission registered independent municipal advisory firm, specializing in serving governmental issuers and nonprofit entities. Our consulting services include financial advisory, interest rate swap advisory, along with federal tax and regulatory compliance services. We work with issuers on projects, both large and small, leveraging our experience, resources, and expertise to design the role that best fits each client's needs.

BLX was established in 1989 to undertake the mathematical, financial, and other technical aspects necessary to assist public and nonprofit agencies in complying with the arbitrage rebate regulations imposed by the Internal Revenue Service ("IRS"). Since that time, BLX has grown to become the largest provider of such services in the country, with 30 professional consultants and 12 support staff in 5 offices nationwide, strategically located in Dallas, Los Angeles, Phoenix, New York, and Tampa.

BLX has a tremendous amount of experience in providing services to all types of entities including states, counties, cities, transportation authorities, public utilities, special districts, nonprofit organizations, and more. BLX professionals assigned to its engagement with the City will have an average of 28 years of public finance experience. BLX is a wholly-owned subsidiary of Orrick, Herrington & Sutcliffe LLP ("Orrick"), the premier public finance law firm in the nation. Orrick has provided quality legal services to municipal issuers, underwriters, and trustees for more than 100 years and has been ranked first nationally as bond counsel for most of the last two decades (as reported in the Bond Buyer).

BLX has grown to become a full service advisory firm, offering a range of complementary services to public sector bond issuers and nonprofit entities. The professionals in each practice area are allocated to work primarily in their practice groups. However, our practice areas are designed to complement each other by providing expertise in the sometimes difficult to fill gaps commonly encountered in municipal finance. For example, our swaps group will often assist our financial advisory practice when the proposed debt strategy includes hedging variable rate interest rate risk with a floating-to-fixed rate swap. Similarly, our rebate group might streamline a swap-related engagement by sharing documentation previously supplied by the client, saving all parties time and effort. There are numerous other

circumstances where we can leverage these synergies for the benefit of our clients. In this regard, the evolution of our firm has been driven simply by the needs and priorities of our clients.

While smaller firms may have the expertise in their area of focus, their lack in size and overall experience not only limits synergies, but limits their flexibility in deploying resources and, importantly, limits their ability to develop the infrastructure necessary to efficiently and reliably deliver services. By being a full-service firm with a relatively larger client and services base, BLX has been able to make investments, in technology for example, that benefit multiple practice groups firm-wide. We continually invest in technology to enhance our clients' experience, minimize labor production costs passed on to them, and supplement our multi-tier review process with software-based quality controls: (a) BLX Digital, our team of 3 full-time engineers, partners with our 30 consultants to deliver accurate and efficiently produced reports. They have designed several proprietary platforms to assist our clients with bond and compliance related activities. Such platforms advocate transparency and include: BLXBid (secure investment bidding), BLXSwap (swap monitoring and GASB53/72 valuations), and internal platforms related to trust account data processing and extensive private use analyses. (b) We advocate transparency and provide complimentary access to the BLXPortal, a secure service that allows our clients to access detailed information about their rebate engagements, view rebate reports, review scheduled computations, and upload bond documents and investment records.

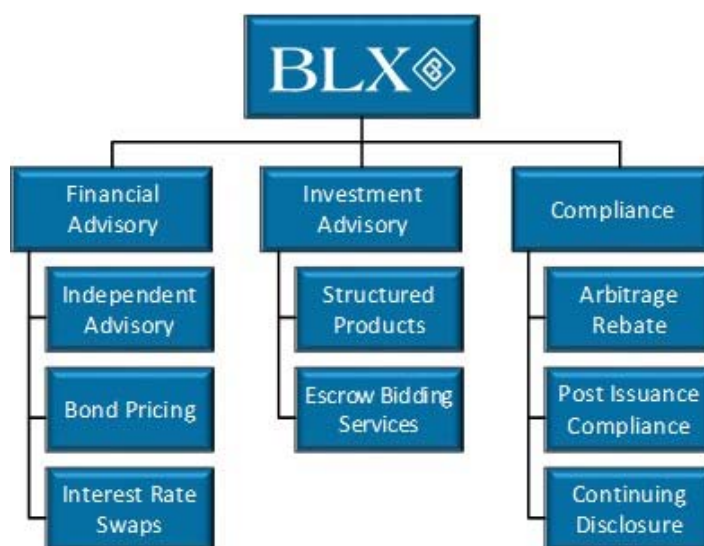
By demonstrating our ability to manage thousands of active engagements combined with our experiences in providing financial advisory and post-issuance compliance services, and developing web-based platforms, BLX is amply qualified to serve the City.

Since launching its advisory service practice, BLX and its professionals have advised on municipal debt offerings, escrow (re)structurings, structured investment products and derivative transactions with an aggregate par and notional amount in excess of \$60 billion across all sectors of public finance, including local agencies, public utilities, higher education, healthcare, and project finance.

As you are aware, BLX served as the City's financial advisor from 2002 through 2013 and again from 2017 through a portion of 2020. During such period, the City embarked on a number of complex financings that required the financial advisor to have a detail understanding of the City, its general fund, utility system, gas system, redevelopment plan and, most importantly an understanding of the City's primarily industrial constituents. BLX assisted the City with achieving those objectives, even during some of the City's most challenging periods of time such as the nation's financial crisis in 2008 and State's dissolution of the redevelopment agencies. BLX assisted the City with the financing of numerous assets of Light and Power and the former Redevelopment Agency, including the financing of the Malburg Generating Station, the financing and refinancing of the City's 15 year natural gas prepay transaction, the acquisition and sale of the City's Tehachapi wind land, the sale of the certain utility assets such as Malburg Generating Station and transmission assets, to name a few. In addition, in 2020 BLX assisted the City with the issuance of its 2020 Light and Power and Water System financings. BLX assisted the City in developing and evaluating financial forecasts for the utility, monitoring the City's IRS compliance (including arbitrage rebate and private-use) and SEC compliance requirements (such as continuing disclosure

requirements). BLX also performed investment advisory/portfolio management services for the City during this time period. However effective April 1, 2016 BLX no longer offers such services. Even during the period BLX did not serve as the City's financial advisor, BLX has continually monitored the City's financing activities.

BLX is also the largest and most widely experienced provider of post issuance compliance and regulatory services (i.e., arbitrage compliance services, continuing disclosure services, etc.) in the nation. We prepare about 3,400 arbitrage rebate reports annually and have in place the resources to address your current and future needs with no interruption to our procedures or strain on our consultants.



Financial Advisory Team

The Project Team that BLX will assign to the City consists of BLX's most experienced and appropriately skilled professionals, including the firm's president. All team members will be available on a full-time basis. Having provided the similar services proposed herein to public agencies across the country, including the City, these BLX professionals are widely considered to be among the nation's leading experts in debt, tax, derivative, and secondary market disclosure matters relating to municipal bond financings.

We believe it is important to note that Mr. Underwood and Mr. Higgins have worked extensively on the City's financing matters for over a decade and in this time have become intimately familiar with City's outstanding debt and derivative portfolio, the City's current standing with the rating agencies and investors, and ongoing tax, regulatory, and compliance efforts.

Personnel	Role	Time Involvement	Public Finance Experience
Jeff Higgins Managing Director	Co-Engagement Manager Co-Primary Contact Strategy and Analytics	≈ 35%	27 Years
Glenn Casterline Managing Director	Co-Engagement Manager Co-Primary Contact Strategy and Analytics	≈ 35%	28 Years
Craig Underwood President	Co-Engagement Manager Strategy	≈ 20%	31 Years
Eric Chu Managing Director	Strategy and Analytics Derivatives	≈ 10%	28 Years



JEFF HIGGINS
MANAGING DIRECTOR
BLX Group LLC - Los Angeles
(213) 612-2209
jhiggins@blxgroup.com

Role

Co-Lead Municipal Advisor
Strategic Planning
Financing Structure

- 27 Years Public Finance Experience
- Manages BLX's Municipal Continuing Disclosure practice
- Served as the City's financial advisor from 2002 to 2013 and 2017 to 2020
- Manages many of BLX's most sophisticated issuer's including Energy Northwest, Piedmont Municipal Power Agency, State of South Carolina, Regents of the University of California, State of Hawaii and its agencies, and the City and County of Honolulu

Education

- Arizona State University
BS in Finance, 1992

FINRA Licenses

- Series 50, Municipal Advisor Rep, (2016 to Present)
- Series 54, Municipal Advisor Principal (2019 to Present)



GLENN R. CASTERLINE
MANAGING DIRECTOR

BLX Group LLC - Los Angeles
(213) 612-2229
gcasterline@blxgroup.com

Role

Co-Lead Municipal Advisor
Strategic Planning
Financing Structure

- 28 Year Public Finance Experience
- Served as the City's financial advisor from 2017 to 2020
- Experience includes financial advisory engagement with the Colburn School for Performing Arts, California Science Center Foundation, Performing Arts Center of Los Angeles County, Sanford Burnham Prebys Medical Discovery Institute, and the City of Oceanside
- Serves as Manager for many of BLX's largest compliance engagements including the California State University System, City of Long Beach (CA), County of Riverside (CA), the City and County of Denver, and Denver International Airport

Education

- California State University, Fullerton
BA in Business Administration, Finance, 1991

FINRA Licenses

- Series 50, Municipal Advisor Rep (2016 to Present)
- Series 54, Municipal Advisor Principal (2019 to Present)



ERIC CHU
MANAGING DIRECTOR

BLX Group LLC - Los Angeles
(213) 612-2136
echu@blxgroup.com

Role

Co-Municipal Advisor
Finance Structure
Interest Rate Swap Advisor

- 28 Years Public Finance Experience
- Experience includes work on hundreds of interest rate swap and structured investment transactions and providing on-going monitoring and compliance services, including for GASB and FASB accounting rules. Clients have included Ithaca College, Master's University, Francisco Airport Commission, Dignity Health, County of San Diego (CA), City of Riverside (CA), The Colburn School, Sanford Burnham Prebys Medical Discovery Institute
- Led the development of BLXSwap, a web-based swap monitoring platform, and BLXBid, a web-based market bidding platform

Education

- University of California, Los Angeles
BS in Applied Mathematics & BA in Economics, 1991

FINRA Licenses

- Series 50, Municipal Advisor Rep (2016 to Present)
- Series 54, Municipal Advisor Principal (2019 to Present)



CRAIG UNDERWOOD
PRESIDENT

BLX Group LLC - Los Angeles
(213) 612-2463
cunderwood@blxgroup.com

Role

Co-Municipal Advisor
Strategic Planning
Financing Structure

- 31 Years Public Finance and related Experience
- Heads BLX's advisory service practice, overseeing the firm's debt, derivative, and capital market practices
- Experience includes financial/derivative/investment advisory services for governmental, nonprofit, and corporate entities; designing and implementing various compliance and administration engagements for tax compliance, municipal disclosure, tobacco securitizations and student housing management
- Served as the City's lead financial advisor from 2002 to 2013

Education

- Princeton University
BA in Politics, 1986

FINRA Licenses

- Series 50, Municipal Advisor Rep (2017 to Present)

Philosophy and Objective

As an independent and unbiased advisor, BLX's primary objective is to advocate for and educate our clients to structure their financings to achieve the lowest cost of capital at the terms best suited to their debt policies and strategic objectives. Our philosophy is to ensure all financing options are identified and reviewed for the borrower. Whenever possible, BLX aims to develop an ongoing relationship with its clients rather than a transaction based relationship. Our market knowledge and expertise provides us with the ability to negotiate the most attractive fees and terms with financing participants on behalf of our clients.

BLX's hands on expertise in the municipal bond trading and underwriting arena provides an insider knowledge base to advocate for the City and bring transparency to the pricing process. Our objective is to guide the City in balancing financing priorities with the current market and investor demand. BLX monitors the municipal market on a daily basis and can share market data on comparable transactions that will empower the City in selection of bond or note sale dates and bond pricing decisions. BLX has access to all the major market information sources such as Bloomberg, Thomson Reuters, Municipal Market Data (MMD), and EMMA to help the City make real time decisions that may impact the City's negotiated and competitive sales. BLX works closely with the underwriter to make sure decisions are made in best interest of the City and will provide an independent 3rd party fair market certification for negotiated sales.

BLX is an industry leader in tax compliance and related on-going post-issuance maintenance of tax-exempt financings and all of our practice areas complement one another by providing our clients with value added cross discipline expertise that has proven valuable, in particular

with respect to the analyzing the impact of swap transactions on arbitrage rebate and related tax analyses. Throughout our 28 year history, our mission has been to exclusively serve, and act on behalf of, our governmental and not-for-profit entity clients in areas where BLX can leverage its combination of extensive infrastructure, depth of resources, and professional expertise to provide best in class services.

Analytical Capabilities

The senior members of our proposed team, Mr. Higgins, Mr. Casterline, and Mr. Chu, head up our technical modeling and quantitative analysis for BLX's debt advisory and derivative advisory services. They are assisted by three to five consultants who work under their supervision to perform projects for our clients. Many of the projects require customized models to accommodate the specific idiosyncrasies of our clients' debt, investment and derivative strategies. Mr. Chu developed both of BLX's propriety applications for structured investment product bidding (BLXBid.com) and online swap monitoring and valuations (BLXSwap.com).

BLX utilizes MUNEX to size and structure bond issues, perform advance refunding calculations, analyze the cost effectiveness of credit enhancement, confirm and validate the true interest costs on competitive bids and to provide transaction schedules to our clients. In addition to MUNEX, BLX routinely develops customized financial models to address the specific information and financing strategy needs of its clients. Given BLX's technical expertise in complex transactions, our staff is uniquely oriented toward creating specialized financial models for our clients.

BLX possesses particular expertise and experience in complex transaction modeling and investment product pricing. BLX utilizes a myriad of industry leading quantitative tools and market sources that help provide our clients superior pricing transparency. Our purpose-built modeling software programs, and in-house developed Excel models allow us the flexibility to price and execute even the most complex transactions.

References

Below we have provided a brief list of references you may wish to contact. In addition to the views of these references, BLX has had a long history working with the City including the current City Administrator and Finance Director. Perhaps of greater value than any recommendation of our services that you may receive from a third party, you may wish to discuss the quality, value, and commitment of BLX to the City with those individuals.

The California Science Center Foundation

Cynthia Pygin, Chief Financial Officer
700 Exposition Park Drive, Los Angeles, CA 90037
(323) 724-3623
cpygin@cscmail.org

Performing Arts Center of Los Angeles County

William Taylor, Senior Vice President Chief Financial Officer
135 North Grand Avenue, Los Angeles, CA 90012
(213) 972-7512
wtaylor@musiccenter.org

The Colburn School of Performing Arts

Sel Kardan, President and Chief Executive Officer
200 S. Grand Avenue, Los Angeles, CA 90012
(213) 621-1003
skardan@colburnschool.edu

Subcontractor

BLX will not be subcontracting any of the proposed Financial Advisory work.

F. AFFIDAVIT OF NON-COLLUSION

Proposer must submit a completed and signed, “Affidavit of Non-Collusion.”

See Exhibit B.

EXHIBIT A

CONFLICT DISCLAIMERS AND DISCLOSURES

General

The City is aware that BLX is a subsidiary of Orrick. BLX and/or Orrick may have client relationships with other parties involved in some manner with the City or the proposed financing transaction (for example, underwriters, purchasers, counterparties, trustees, rating agencies, insurers, credit providers, lenders, contractors, developers, advisors, investment advisors/providers/brokers, public entities and others) whether with respect to the City or some unrelated matter(s). Those participants are and will not be clients of BLX with respect to the financing transactions that are the subject of this engagement.

BLX and Orrick have been part of the City's financing team for past financings, and can work together when we are both serving the City's interests. However, a potential conflict of interest may arise if Orrick is engaged to provide legal services to other financing team participants.

However, to the extent that, because of any other relationship between Orrick or BLX and other participants, there may appear to be or is any conflict of interest, actual or potential, with respect to the City's engagement of BLX, absent notification by the City to the contrary, the City is hereby deemed to waive any such conflict and consents to any such other relationship. BLX will notify the City of any potential conflicts.

BLX has taken the following steps to identify and address potential conflicts of interest that may impact its ability to fulfill its duties to the City under this engagement.

- BLX will not participate in the City's process in selecting legal counsel in connection with any financings.
- BLX has provided "historical continuing disclosure compliance" services for underwriters in connection with the underwriters' obligation to review an issuer's S.E.C. Rule 15c2-12 compliance over the past five (5) years. Such service entails reviewing continuing disclosure filings made by the issuers. Such reports are factual representations of an issuer's compliance. BLX will inform the City of any underwriters that have retained BLX for these services prior to any selection of an underwriter for the proposed transaction.
- Potential financing structures may include Wells Fargo or US Bank serving as underwriter or as purchaser of the obligations via a direct purchase. BLX is currently engaged by Wells Fargo and US Bank to perform arbitrage rebate compliance services in connection with outstanding obligations issued by certain public or not-for-profit agencies that engaged the banks to serve as trustee. BLX's scope of services relating to its engagement with Wells Fargo and US Bank is independent of the services described herein and will not conflict with BLX's engagement with the City.

Other Municipal Advisor Relationships

BLX serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of another BLX client. For example, BLX serves as municipal advisor to other municipal advisory clients and, in such cases, owes a regulatory duty to such other clients just as it does to City. These other clients may, from time to time and depending on the specific circumstances, have competing interests. In acting in the interests of its various clients, BLX could potentially face a conflict of interest arising from these competing client interests. BLX fulfills its regulatory duty and mitigates such conflicts through dealing honestly and with the utmost good faith with City.

If BLX becomes aware of any additional potential or actual conflict of interest after this disclosure, BLX will disclose the detailed information in writing to the City in a timely manner.

Legal or Disciplinary Events

BLX does not have any legal events or disciplinary history on BLX's Form MA and Form MA-I, which includes information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation. The City may electronically access BLX's most recent Form MA and each most recent Form MA-I filed with the Commission at the following website using CIK 0001610628 in the fast search field: www.sec.gov/edgar/searchedgar/companysearch.html.

There have been no material changes to a legal or disciplinary event disclosure on any Form MA or Form MA-I filed with the SEC. If any material legal or regulatory action is brought against BLX, BLX will provide complete disclosure to the City in detail allowing the City to evaluate BLX, its management and personnel.

Municipal Securities Rulemaking Board Rule G-10 Disclosure

Pursuant to Municipal Securities Rulemaking Board Rule G-10, on Investor and Municipal Advisory Client Education and Protection, Municipal Advisors are required to provide certain written information to their municipal entity and obligated person clients which include the following:

- BLX is currently registered as a Municipal Advisor with the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board.

Within the Municipal Securities Rulemaking Board ("MSRB") website at www.msrb.org, the City may obtain the Municipal Advisory client brochure that is posted on the MSRB website. The brochure describes the protections that may be provided by the MSRB Rules along with how to file a complaint with financial regulatory authorities.

EXHIBIT B

AFFIDAVIT OF NON-COLLUSION BY CONTRACTOR

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

JEFF HIGGINS _____, being first duly sworn deposes

and says that he/she is MANAGING DIRECTOR
(Insert "Sole Owner", "Partner", "President", "Secretary", or other proper title)

of BLX GROUP LLC
(Insert name of bidder)

who submits herewith to the City of Vernon a bid/proposal;

That all statements of fact in such bid/proposal are true;

That such bid/proposal was not made in the interest of or on behalf of any undisclosed person, partnership, company, association, organization or corporation;

That such bid/proposal is genuine and not collusive or sham;

That said bidder has not, directly or indirectly by agreement, communication or conference with anyone attempted to induce action prejudicial to the interest of the City of Vernon, or of any other bidder or anyone else interested in the proposed contract; and further

That prior to the public opening and reading of bids/proposals, said bidder:

- a. Did not directly or indirectly, induce or solicit anyone else to submit a false or sham bid/proposal;
- b. Did not directly or indirectly, collude, conspire, connive or agree with anyone else that said bidder or anyone else would submit a false or sham bid/proposal, or that anyone should refrain from bidding or withdraw his/her bid/proposal;
- c. Did not, in any manner, directly or indirectly seek by agreement, communication or conference with anyone to raise or fix the bid/proposal price of said bidder or of anyone else, or to raise or fix any overhead, profit or cost element of his/her bid/proposal price, or of that of anyone else;
- d. Did not, directly or indirectly, submit his/her bid/proposal price or any breakdown thereof, or the contents thereof, or divulge information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, or to any individual or group of individuals, except the City of Vernon, or to any person or persons who have a partnership or other financial interest with said bidder in his/her business.

I certify under penalty of perjury that the above information is correct

By: Ally R. Hogg Title: MANAGING DIRECTOR

Date: 9/8/2020

EXHIBIT B
SCHEDULE

D. FEES AND COSTS

Although an important aspect of consideration, the financial cost estimate will not be the sole justification for consideration. Negotiations may or may not be conducted with the proposer; therefore, the proposal submitted should contain the proposer's most favorable terms and conditions, since selection and award may be made without discussion with any firm. All prices should reflect "not to exceed" amounts per item.

Proposer must offer services at a rate comparable to the rate proposer offers to other governmental entities for similar work. Offering a higher rate to the City than the comparable rate is grounds for disqualification of the Proposer.

BLX does not structure its fees for advisory services based on any set formula or approach. We have provided similar services to those contemplated by the City on (i) a fixed fee basis; (ii) an hourly basis; and (iii) a percentage of transaction-size basis.

The most important factor in determining an appropriate fee structure is the City's comfort that our fee is appropriate for the work and value provided and consistent with "the market". Therefore, while we have proposed a fee schedule as shown below, we are amendable to negotiate alternative fee structures that may be deemed more acceptable by the City.

Our proposed fee structure is segmented in a manner consistent with our response to Section B – General Scope of Work.

Phases I & II: Ongoing General & Pre-Issuance Transactional Services

As the depth and amount of the services required in this phase are difficult to approximate, we believe these services are fairly compensated by an hourly billing arrangement. Our proposed hourly fees are as follows:

<u>Title</u>	<u>Hourly Rate</u>
President	\$500
Managing Director	\$450

Alternatively, we would be open to negotiating a flat annual retainer for these services. Such an arrangement might provide greater value for the City in that it would provide a cap. In order to determine an appropriate level for such a cap, we would need to first discuss with the City what various projects and tasks it forecasts over the next 12 months.

Phase III: Transactional Services

Once the City has elected to pursue a specific financing, our fee for services in connection with such a financing would then shift to a contingent arrangement. Under such an arrangement, BLX would only be compensated upon a successful closing. Our proposed fee for these services is as follows:

Debt Transaction: \$1.00/\$1,000 Bond with a cap of \$250,000 and a floor of \$60,000

Derivative Transaction: The present value of .02% of the notional amount for each year the derivative is outstanding with a cap of \$200,000 and a floor of \$60,000

Contingent Fee Disclosures: Most forms of compensation for financial advisors have some sort of potential conflict of interest inherent in the payment arrangement. Under a contingent fee form of compensation, payment of an advisor's fee is dependent upon the successful completion of a financing or other transaction. Although this form of compensation may be customary for the client, it presents a conflict because the advisor may have an incentive to push to complete a financing or potential financing under terms that might be disadvantageous to the client. For example, when facts or circumstances arise that could cause the financing or other transaction to be delayed or fail to close, an advisor may have an incentive to discourage a full consideration of such facts and circumstances, or to discourage consideration of alternatives that may result in the cancellation of the financing or other transaction. Under an hourly fee form of compensation, the advisor is paid an amount equal to the number of hours worked by the advisor times an agreed-upon hourly billing rate. This form of compensation presents a potential conflict of interest if the client and the advisor do not agree on a reasonable maximum amount at the outset of the engagement, because the advisor does not have a financial incentive to recommend alternatives that would result in fewer hours worked. In some cases, an hourly fee may be applied against a retainer (e.g., a retainer payable monthly), in which case it is payable whether or not a financing closes. Alternatively, it may be contingent upon the successful completion of a financing, in which case there may be additional conflicts of interest, as described above.

The City may wish to consider a continuation of the hourly rates proposed for Phase I services for Phase II services. Should the City elect to do so, fees for Phase III services would be non-contingent.

Phase IV: Post-Issuance Services

Our fees for the services described in the corresponding section of our response to Section 2 are as follows:

A. Arbitrage Rebate Compliance Services (on a per bond issue basis)	
Annual Report Fee (per report)	\$2,000
B. Continuing Disclosure Services	
Electric System	\$11,000
Redevelopment	\$7,000
Water System	\$5,000
C. Derivative Monitoring Services	
Per Outstanding Derivative (swap)	\$2,500
D. SB 1029 Services	
Report Fee	\$1,000

Please note that we are open to other fee arrangements and would welcome any discussion with the City regarding our fee proposal.

EXHIBIT C
LIVING WAGE PROVISIONS

Minimum Living Wages:

A requirement that Employers pay qualifying employees a wage of no less than \$10.30 per hour with health benefits, or \$11.55 per hour without health benefits.

Paid and Unpaid Days Off:

Employers provide qualifying employees at least twelve compensated days off per year for sick leave, vacation, or personal necessity, and an additional ten days a year of uncompensated time for sick leave.

No Retaliation:

A prohibition on employer retaliation against employees complaining to the City with regard to the employer's compliance with the living wage ordinance. Employees may bring an action in Superior Court against an employer for back pay, treble damages for willful violations, and attorney's fees, or to compel City officials to terminate the service contract of violating employers.

EXHIBIT D
EQUAL EMPLOYMENT OPPORTUNITY
PRACTICES PROVISIONS

- A. Contractor certifies and represents that, during the performance of this Agreement, the contractor and each subcontractor shall adhere to equal opportunity employment practices to assure that applicants and employees are treated equally and are not discriminated against because of their race, religious creed, color, national origin, ancestry, handicap, sex, or age. Contractor further certifies that it will not maintain any segregated facilities.
- B. Contractor agrees that it shall, in all solicitations or advertisements for applicants for employment placed by or on behalf of Contractor, state that it is an "Equal Opportunity Employer" or that all qualified applicants will receive consideration for employment without regard to their race, religious creed, color, national origin, ancestry, handicap, sex or age.
- C. Contractor agrees that it shall, if requested to do so by the City, certify that it has not, in the performance of this Agreement, discriminated against applicants or employees because of their membership in a protected class.
- D. Contractor agrees to provide the City with access to, and, if requested to do so by City, through its awarding authority, provide copies of all of its records pertaining or relating to its employment practices, except to the extent such records or portions of such records are confidential or privileged under state or federal law.
- E. Nothing contained in this Agreement shall be construed in any manner as to require or permit any act which is prohibited by law.

City Council Agenda Item Report

Agenda Item No. COV-378-2020

Submitted by: Veronica Petrosyan

Submitting Department: Health and Environmental Control Department

Meeting Date: November 3, 2020

SUBJECT

Greater Los Angeles County Vector Control District Annexation No. 2019-07

Recommendation:

Adopt a Joint Resolution of the Board of Supervisors, as the Governing Body of the County of Los Angeles, the Consolidated Fire Protection District of Los Angeles County, the Los Angeles County Flood Control District, and the Belvedere Garbage Disposal District, and the Board of Directors of the Greater Los Angeles County Vector Control District, the Los Angeles County Sanitation District No. 1, the Los Angeles County Sanitation District No. 2, the Los Angeles County Sanitation District No. 23, and the Water Replenishment District of Southern California, and the City Council of Vernon, approving and accepting the negotiated exchange of property tax revenue resulting from Annexation No. 2019-07 to the Greater Los Angeles County Vector Control District.

Background:

The Greater Los Angeles County Vector Control District (GLACVCD) provides mosquito control, surveillance, and education to residents within 35 cities and areas of unincorporated Los Angeles County. On December 20, 2016, Resolution No. 2016-68 was approved by City Council supporting the annexation of the City of Vernon into the GLACVCD. Since 2017, the GLACVCD has provided contract services to the City of Vernon under an out-of-agency service agreement approved by the LAFCO in order to assess the feasibility and scope of annexation. On June 13, 2019, the GLACVCD Board of Trustees authorized the GLACVCD to proceed with the annexation of the City of Vernon. The Department of Health and Environmental Control was required to file an application for annexation with the LAFCO by August 1, 2019. Accordingly, on July 16, 2019, the City of Vernon executed the Local Agency Formation Commission (LAFCO) application to annex the City of Vernon into the Greater Los Angeles County Vector Control District (GLACVCD). In order to complete the annexation process, the City of Vernon must adopt the Joint Tax Transfer Resolution with the County of Los Angeles. The joint resolution has been reviewed and approved as-to-form by the City Attorney's Office. The City's existing contract with the GLACVCD will be terminated upon completion of the annexation.

Fiscal Impact:

Currently, there are approximately 1,260 assessable parcels in the City of Vernon. Based on the current rate of \$12.79 per parcel, the GLACVCD will receive approximately \$16,115 in tax revenue. The City of Vernon owns 55 parcels and will have a \$703.45 tax obligation annually. The City of Vernon will realize a significant savings by completing the annexation process as the current 3-year agreement with GLACVCD is for a not-to-exceed amount of \$90,000.

Attachments:

1. [Joint Tax Resolution](#)
2. [Resolution No. 2016-68 adopted December 15, 2016](#)
3. [LAFCO Application](#)



FESIA A. DAVENPORT
Acting Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

September 15, 2020

Carlos Fandino
City of Vernon
4305 S. Santa Fe Avenue
Vernon, CA 90058

Dear Mr. Fandino:

JOINT TAX TRANSFER RESOLUTION GREATER LOS ANGELES COUNTY VECTOR CONTROL DISTRICT ANNEXATION NO. 2019-07

Enclosed is a complete copy of the Joint Tax Transfer Resolution (Resolution) to be adopted by your agency, including eight (8) pages for original signatures.

The original signature pages are required to ensure that each affected agency receives a fully executed Resolution with original signatures. Please assist our Office in facilitating the processing of the enclosed Resolution by executing and returning all of the original signature pages to:

County of Los Angeles, Chief Executive Office
Economic Development and Affordable Housing Division
500 West Temple Street, Room 750
Los Angeles, CA 90012
Attention: Doyle Chow

Additionally, please email the original signature pages at your earliest convenience to dchow@ceo.lacounty.gov. If you have any questions, please feel free to contact Doyle Chow at (213) 893-0055.

Sincerely,

ALLISON E. CLARK
Senior Manager
Economic Development and
Affordable Housing Division

AC:JO
DC:yy

Enclosures

Board of Supervisors
HILDA L. SOLIS
First District

MARK RIDLEY-THOMAS
Second District

SHEILA KUEHL
Third District

JANICE HAHN
Fourth District

KATHRYN BARGER
Fifth District

JOINT RESOLUTION OF THE BOARD OF SUPERVISORS, AS THE GOVERNING BODY OF THE COUNTY OF LOS ANGELES, THE CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY, THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, AND THE BELVEDERE GARBAGE DISPOSAL DISTRICT, AND THE BOARD OF DIRECTORS OF THE GREATER LOS ANGELES COUNTY VECTOR CONTROL DISTRICT, THE LOS ANGELES COUNTY SANITATION DISTRICT NO. 1, THE LOS ANGELES COUNTY SANITATION DISTRICT NO. 2, THE LOS ANGELES COUNTY SANITATION DISTRICT NO. 23, AND THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA, AND THE CITY COUNCIL OF VERNON, APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE RESULTING FROM ANNEXATION NO. 2019-07 TO THE GREATER LOS ANGELES COUNTY VECTOR CONTROL DISTRICT

WHEREAS, pursuant to Section 99 of the Revenue and Taxation Code, for specified jurisdictional changes, the governing bodies of affected agencies shall negotiate and determine the amount of property tax revenue to be exchanged between the affected agencies; and

WHEREAS, the Board of Supervisors of the County of Los Angeles, as the governing body of the County, the Consolidated Fire Protection District of Los Angeles County, and the Los Angeles County Flood Control District, and on behalf of the Belvedere Garbage Disposal District; and the governing bodies of the Greater Los Angeles County Vector Control District, the Los Angeles County Sanitation District No. 1, the Los Angeles County Sanitation District No. 2, the Los Angeles County Sanitation District No. 23, the Water Replenishment District of Southern California; and the City Council of Vernon, have determined the amount of property tax revenue to be exchanged between their respective agencies as a result of the Greater Los Angeles County Vector Control District Annexation No. 2019-07 is as set forth below:

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The negotiated exchange of property tax revenue between the County of Los Angeles, Consolidated Fire Protection District, Flood Control District, Belvedere Garbage Disposal District, the Greater Los Angeles County Vector Control District, the Los Angeles County Sanitation District No. 1, the Los Angeles County Sanitation District No. 2, the Los Angeles County Sanitation District No. 23, the Water Replenishment District of Southern California, and the City Council of Vernon, as a result of the Greater Los Angeles County Vector Control District Annexation No. 2019-07 ("Annexation No. 2019-07") which proposes the annexation of said territory to the Greater Los Angeles County Vector Control District, is approved and accepted.

2. In the fiscal year commencing in the year after the filing of the statement of boundary change for Annexation No. 2019-07 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, the following ratios of the annual property tax growth in Tax Rate Areas shall be transferred to the Greater Los Angeles County Vector Control District as a result of Annexation No. 2019-07 to the District. The other affected taxing entities' shares of property tax growth in Tax Rate Areas shall be adjusted as calculated by the Auditor-Controller of Los Angeles County.

Tax Rate Area	Annual Tax Increment Ratio Transfer to the District	Tax Rate Area	Annual Tax Increment Ratio Transfer to the District	Tax Rate Area	Annual Tax Increment Ratio Transfer to the District
810	0.000141937	864	0.000142479	12141	0.000150471
813	0.000141852	10716	0.000143781	12382	0.000143781
818	0.000143781	10717	0.000142366	12383	0.000142479
822	0.000142366	10718	0.000142479	12681	0.000148683
839	0.000141953	10786	0.000145577	12682	0.000148683
842	0.000141877	10828	0.000145536	12683	0.000136432

3. There shall be no additional transfer of property taxes as a result of Annexation No. 2019-07.

4. If at any time after the effective date of this resolution, the calculations used herein to determine initial property tax transfers or the data used to perform those calculations are found to be incorrect thus producing an improper or inaccurate property tax transfer, the property tax transfer shall be recalculated and the corrected transfer shall be implemented for the next fiscal year.

*SIGNATURES ON FOLLOWING PAGE
REMAINDER OF PAGE LEFT INTENTIONALLY BLANK*

PASSED, APPROVED AND ADOPTED this _____ day of _____,
20_____ by the following vote:

AYES: ABSENT:

NOES: ABSTAIN:

Greater Los Angeles County Vector Control District

Signature

Print Name and Title

ATTEST:

Secretary

/

(Signed in Counterpart)

CELIA ZAVALA, Executive Officer
Clerk of the Board of Supervisors of
the County of Los Angeles

Deputy

MARY C. WICKHAM
County Counsel

By _____
Deputy

/ / / / / / / / / / / /

(Signed in Counterpart)

PASSED, APPROVED AND ADOPTED this _____ day of _____,
20_____ by the following vote:

AYES: ABSENT:

NOES: ABSTAIN:

Mayor
City of Vernon, California

ATTEST:

City Clerk
City of Vernon

/

(Signed in Counterpart)

PASSED, APPROVED AND ADOPTED this _____ day of _____,
20_____ by the following vote:

AYES:

ABSENT:

NOES:

ABSTAIN:

Mayor
City of Vernon, California

ATTEST:

City Clerk
City of Vernon

/

(Signed in Counterpart)

PASSED, APPROVED AND ADOPTED this _____ day of _____,
20_____ by the following vote:

ABSENT:

ABSTAIN:

Mayor
City of Vernon, California

ATTEST:

City Clerk
City of Vernon

(Signed in Counterpart)

Page 5 of 9

ABSTAIN:

(Signed in Counterpart)

Page 5 of 9

ABSTAIN:

(Signed in Counterpart)

ABSTAIN:

City Clerk
City of Vernon

[illegible]

(Signed in Counterpart)

Page 5 of 9

ABSTAIN:

(Signed in Counterpart)

Page 5 of 9

ABSTAIN:

(Signed in Counterpart)

ABSTAIN:

Secretary

(Signed in Counterpart)

Page 7 of 9

ABSTAIN:

Secretary

(Signed in Counterpart)

ABSTAIN:

Secretary

(Signed in Counterpart)

ABSTAIN:

(Signed in Counterpart)

RESOLUTION NO. 2016-68

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VERNON SUPPORTING THE ANNEXATION OF THE CITY OF VERNON INTO THE GREATER LOS ANGELES COUNTY VECTOR CONTROL DISTRICT

WHEREAS, the governing body of the City of Vernon (the "City") desires to protect the residents from mosquito-borne disease; and

WHEREAS, the City does not have the internal capacity or funding streams necessary to establish a prevention-based vector control services program; and

WHEREAS, the Greater Los Angeles Vector Control District (the "District") is the established vector control services agency in Los Angeles County and utilizes state-of-the-art methods, equipment, and applications to best protect the residents of Vernon from mosquito-borne disease; and

WHEREAS, the City has budgeted resources to pay the fees associated with the City's annexation into the District; and

WHEREAS, the City is supportive of the District annexing the City of Vernon into its boundaries.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VERNON AS FOLLOWS:

SECTION 1: The City Council of the City of Vernon hereby finds and determines that the above recitals are true and correct.

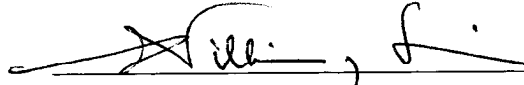
SECTION 2: The City Council of the City of Vernon finds that this action is exempt under the California Environmental Quality Act (CEQA), pursuant to Section 15319, Annexations of Existing Facilities and Lots for Exempt Projects, and Section 15320, Changes in Organization of Local Agencies.

SECTION 3: The City Council of the City of Vernon hereby supports the annexation of the City of Vernon into the Greater Los Angeles County Vector Control District.


SECTION 4: The City Council of the City of Vernon hereby authorizes City staff to assist the District in its actions to complete the annexation of Vernon into the District boundaries.

SECTION 5: The City Clerk, or Deputy City Clerk, of the City of Vernon shall certify to the passage, approval and adoption of this resolution, and the City Clerk, or Deputy City Clerk, of the City of Vernon shall cause this resolution and the City Clerk's, or Deputy City Clerk's, certification to be entered in the File of Resolutions of the Council of this City.

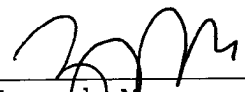
APPROVED AND ADOPTED this 15th day of December, 2016.


Name: William J. Davis
Title: Mayor / ~~Mayor Pro Tem~~

ATTEST:


Maria E. Ayala
City Clerk / ~~Deputy City Clerk~~


APPROVED AS TO FORM:


Zaynah Moussa, Senior Deputy City Attorney

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

I, **Maria E. Ayala**, City Clerk / ~~Deputy City Clerk~~ of the City of Vernon, do hereby certify that the foregoing Resolution, being Resolution No. 2016-68, was duly passed, approved and adopted by the City Council of the City of Vernon at a special meeting of the City Council duly held on Thursday, December 15, 2016, and thereafter was duly signed by the Mayor or Mayor Pro-Tem of the City of Vernon.

Executed this 20th day of December, 2016, at Vernon, California.



Maria E. Ayala
City Clerk / ~~Deputy City Clerk~~

(SEAL)



Local Agency Formation Commission for the County of Los Angeles
80 South Lake Avenue, Suite 870, Pasadena, CA 91101
Telephone: (626) 204-6500 Fax: (626) 204-6507

APPLICATION TO INITIATE PROCEEDING FOR CHANGE OF ORGANIZATION/REORGANIZATION

(Pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000,
Division 3, Title 5, Commencing with Section 56000, of the Government Code)

1. **LAFCO PROPOSAL DESIGNATION NO.:** Annexation # 2019-07 GLACVCD

2. **PROPOSAL INITIATED BY:**

Identify the party initiating this proposal (please check one).



Public Agency

Name of Public Agency: City of Vernon

Resolution Date: 12/15/2016

Name and title:



Landowner / Registered Voter Petition

Name of Chief Petitioner:

Name of Chief Petitioner:

Name of Chief Petitioner:

This party or parties shall be referred to herein as "the Applicant".

3. **DESIGNATED CONTACT PERSON:**

Name: Carlos Fandino

Title: City Administrator

Address: 4305 Santa Fe Avenue

City: Vernon

State: CA

Zip Code: 90058

Telephone: 323-583-8811 x266

E-Mail: cfandino@ci.vernon.ca.us

The Applicant is requested to notify LAFCO immediately of any changes in the designated contact person.

4. **RELATED JURISDICTIONAL CHANGES "Affected Local Agencies" (Cities and/or Special Districts):**

a. GLACVCD

Annexation ☒

Detachment ☐

SOI amendment ☒

b.

Annexation ☐

Detachment ☐

SOI amendment ☐

Attach additional sheets if necessary.



- e. Is the affected territory (any territory for which a change of organization, reorganization, or Sphere of Influence change is proposed) within the Sphere of Influence (SOI) of the city or special district into which it is proposed to be annexed? ☐ Yes ☒ No

Note: If the answer is "No," the Applicant must request an SOI amendment (4a-4d, above).

5. LANDOWNERS:

- a. Number of landowners within the affected territory: 1,684 parcels

- b. If less than 6 landowners, list:

Name:	Assessor Parcel Number:
Name:	Assessor Parcel Number:
Name:	Assessor Parcel Number:
Name:	Assessor Parcel Number:
Name:	Assessor Parcel Number:

- c. Do the boundaries of the proposal conform to existing lines of assessment?

☒ Yes ☐ No

If "No," explain:

- d. Does the proposal create any islands or corridors of unincorporated territory?

☐ Yes ☒ No

If "Yes," explain:

- e. Total Assessed Land Value:

\$ 4,446,589,926

Tax Roll Year: 2018-19

Date: 6/20/19

6. REGISTERED VOTERS:

Number of registered voters: 96

As of: April 2019

Note: State Law defines a proposed change of organization or reorganization as either "Uninhabited," in which case there are fewer than 12 registered voters in the affected territory, or "Inhabited" in which case there are 12 or more registered voters.

7. GENERAL INFORMATION:

a. Location of affected territory:

The City of Vernon

or

Unincorporated Territory known as

b. Unified School District(s) name:

Los Angeles USD - East District

address:

2151 N. Soto Street, Los Angeles, CA
90032

c. Elementary School District(s) name:

Vernon City Elementary

address:

2360 E Vernon Ave, Vernon, CA 90058

d. High School District(s) name:

No High School

address:

e. Describe the location of the affected territory, including major thoroughfares (freeways, highways, streets, alleys) that border or traverse the territory, natural features (water bodies, mountain ranges, etc.), man-made features (existing development, utility corridors, flood/drainage channels or basins, railroad lines, etc.), and any other characteristics that help identify the affected territory.

The entire city of Vernon. Vernon is located approximately 5 miles South of downtown Los Angeles and is bounded by Alameda on the West; 25th, 26th and Washington Boulevard on the North; the 710 freeway on the East; and 52nd, Fruitland and Slauson on the South. Vernon contains a three miles section of the Los Angeles River.

f. Size of affected territory: 3,301 ± acres

g. Provide a detailed description of the affected territory and existing land-uses, including, but not limited to: commercial, industrial, multi-family or single-family residential, institutional, active recreational, and/or passive open space.

The entire City of Vernon is zoned for General Industry with overlay zoning that allows for additional uses in limited locations. These additional uses include: Commercial; Emergency Shelter; Housing; Rendering; Slaughtering; and Truck and Freight Terminal.

- h. Provide a detailed description of the land uses surrounding the affected territory.

All land uses will be affected

- i. Provide a detailed description of the topography (flat, sloping, mountainous, etc.) of the affected territory.

Generally flat.

- j. Provide a detailed description of any natural boundaries (rivers, lakes, streambeds, mountain ranges, etc.) within or adjacent to the affected territory.

Three mile section of the Los Angeles River

- k. Provide a detailed description of any proposed change of use to the affected territory, including any planned development and/or on-going construction.

None

- l. Provide a detailed description of any flood control facilities (dams, reservoirs, flood control channels, debris basins, catch basins, etc.) within or adjacent to the affected territory.

Contains three mile section of the Los Angeles River

- m. Explain why the proposal is necessary:

The proposal is necessary to protect public health.

8. POPULATION AND HOUSING:

- a. Current Population: 209 Source: California Department of Finance E-5 Date: May 2018
- b. Proposed Population (if development is proposed): N/A
- c. Proximity to existing populated areas:
- d. Likelihood of significant growth in the affected territory within the next 10 years (please circle one):
☒ no growth ☐ modest growth ☐ significant growth
- e. Likelihood of significant growth in adjacent areas within the next 10 years (please circle one):
☒ no growth ☐ modest growth ☐ significant growth

9. GOVERNMENT SERVICES:

"Government services" refers to governmental services, whether or not those services would be provided by the local agency or agencies subject to the proposal. It also includes public facilities necessary to provide those services.

- a. Estimate the present cost and describe the adequacy of government services and controls in the area:
N/A
- b. Estimate the probable future need for government services (including public facilities) or controls in the area:
N/A
- c. If the proposal includes incorporation, formation, or annexation, what will be the effect of this proposal or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the proposed area and adjacent areas?
Minimal to the County
- d. If, as a result of this proposal, increased service demand exceeds the existing capacity, describe what will be done by the service provider to increase capacity of services:
None

- e. List any assessments, fees, or other charges to be levied as part of this proposal and/or that may be levied in the near future:

There will be a direct assessment

- f. List any Joint Powers Authorities (JPAs) or (equivalent) which may be providing services to the affected territory and/or surrounding territory:

N/A

10. EFFECTS OF THE PROPOSED ACTION:

- a. What will be the effect of the proposed action on adjacent areas?

The proposed action will ensure GLACVCD would be able to provide a comprehensive public health protection against mosquito-borne illnesses such as West Nile and Zika viruses in Los Angeles County.

- b. What will be the effect of the proposed action on mutual social and economic interests?

None

- c. What will be the effect of the proposed action on the local governmental structure of the County of Los Angeles?

None

- d. What will be the effect of the alternative action on adjacent areas, on mutual social and economic interests, and the local governmental structure of the County of Los Angeles?

Minimal to the County



- e. What will be the effect or impact if the proposed action is denied by LAFCO?

If the proposed action is denied by LAFCO, there would be inadequate mosquito-borne vector surveillance, control and abatement within the city. Lack of adequate vector control services would have the potential to cause a major health crisis that may impact Los Angeles County and beyond.

11. OPEN SPACE LAND CONVERSION:

- a. Will the proposal result in the conversion of any open-space lands to other uses?

☐ Yes ☒ No

12. AGRICULTURAL LANDS:

- a. Will the proposal have any effect on maintaining the physical and economic integrity of agricultural lands?

☐ Yes ☒ No

- b. Is there any Prime Agricultural Land within the affected territory?

☐ Yes ☒ No

- c. Is any of the land within the affected territory currently utilized for commercial agricultural purposes?

☐ Yes ☒ No

- d. Was any of the land within the affected territory utilized for commercial agricultural purposes within the last ten years?

☐ Yes ☒ No

13. GENERAL PLAN AND ZONING:

- a. Existing General Plan land use designation(s):

The entire City of Vernon is zoned for General Industry with overlay zoning that allows for additional uses in limited locations. These additional uses include: Commercial; Emergency Shelter; Housing; Rendering; Slaughtering; and Truck and Freight Terminal.

- b. Is the proposal consistent with the existing General Plan land use designation?

☒ Yes ☐ No

- c. Existing Zoning designation(s):

The entire City of Vernon is zoned for General Industry with overlay zoning that allows for additional uses in limited locations. These additional uses include: Commercial; Emergency Shelter; Housing; Rendering; Slaughtering; and Truck and Freight Terminal.

- d. Is the proposal consistent with the existing zoning designation?

☒ Yes ☐ No

e. Is the proposal within a Specific Plan?

☐ Yes ☒ No

f. Existing Specific Plan Designation(s):

Vernon only has a General Plan and does not have any specific Plan Areas

g. Is the proposal consistent with the existing Specific Plan designation?

☒ Yes ☐ No

h. If annexation to a city is proposed, what is the City's General Plan designation of the affected territory?

N/A

i. If annexation to a city is proposed, are the existing land-uses consistent with the City's General Plan designation(s)?

☐ Yes ☒ No

j. If annexation to a city is proposed, what is the City's Pre-Zoning designation of the affected territory?

N/A

k. If annexation to a city is proposed, is the existing zoning consistent with the City's Pre-Zoning designation(s)?

☐ Yes ☒ No

l. Is the proposal consistent with the most recent Regional Transportation Plan adopted by Southern California Association of Governments?

☒ Yes ☐ No

14. PLAN TO PROVIDE SERVICES:

a. Describe services to be extended to the affected territory:

Greater Los Angeles County Vector Control District (GLACVCD) will provide an enhanced vector control services that will include disease surveillance, monitoring and control of vectors as well as public education.

b. Describe the level and range of those services to be provided:

Range of services would include: Survey of vector population; Vector sampling including mosquitoes, black flies and non-biting midges; Control strategies - source reduction, biological and chemical control measures; Public education and outreach to help residents adopt best practices that reduces vector production and disease prevention; Abatement process to address egregious offenders of the law pertaining to public health.



- c. Describe any improvements or upgrades of structures, roads, sewer, water facilities, or other public facilities associated with this change of organization/reorganization:

No changes

- d. How will services be financed?

Direct assessment

15. TIMELY AVAILABILITY OF WATER SUPPLIES:

- a. How will the proposal impact the timely availability of water supplies adequate for projected needs?

No impact

- b. For projects involving a proposed change in land use and/or new development – Please provide a recent will-serve letter, water supply analysis, or equivalent, from the water provider(s) (wholesaler, retailer, private water company, etc.) concerning the current adequacy of water supply for the project:

N/A

16. REGIONAL HOUSING NEEDS (only for city proposals):

- a. Identify how the proposal will affect a city or cities and the County of Los Angeles in achieving their respective fair shares of the regional housing needs, as determined by the Southern California Association of Governments (SCAG):

N/A

- b. Date of most recent approval by the State Department of Housing and Community Development (HCD) of the City's Housing Element:

N/A

17. ENVIRONMENTAL JUSTICE:

Government Code Section 56668(p) defines environmental justice as "the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provisions of public services."

- a. Identify how the proposal will promote environmental justice:

Annexation will close the critical vector control service gap that exist around the services provided by GLACVCD within the 35 cities and the unincorporated areas of Los Angeles County. This will also promotes the mission of "Everyone deserves to live in a clean, healthy environment".

18. DISADVANTAGED UNINCORPORATED COMMUNITIES (DUCs):

LAFCO maintains maps of all DUC's within Los Angeles County on the "Disadvantaged Unincorporated Communities" section of LAFCO's website. Please consult these maps to determine if there are DUCs within or adjacent to the affected territory that is the subject of your proposal.

- a. Is the affected territory within a DUC?

☐

NO

☒

YES

Give general location of DUC:

The DUC is located within the Los Angeles Basin. See attached map.

- b. Is the affected territory adjacent to a DUC?

☒

NO

☐

YES

Give general location of DUC:

19. BONDED INDEBTNESS:

- a. Do the agencies whose boundaries are being changed have any existing bonded debt?

☐

YES

☒

NO

- b. Will the proposal area be liable for payment of its fair share of this existing debt?

☐

YES

☒

NO

- c. In the case of detachment requests, does the detaching agency propose that the subject territory continue to be liable for existing bonded debt?

☐

YES

☒

NO



20. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) Compliance:

a. Check one:

- ☒ Categorical Exemption / Statutory Exemption
CEQA Guideline Section: 15319 and 15320
- ☐ Negative Declaration (ND)
- ☐ Mitigated Negative Declaration (MND)
- ☐ Environmental Impact Report (EIR)

- b. Identify the Lead Agency which adopted a CEQA clearance for the proposal: **City of Vernon**
- c. Date Lead Agency adopted the CEQA clearance for the proposal: **12/15/2016**
- d. Submit complete copies of CEQA compliance documents.
- e. Submit complete copies of any Notice of Exemption (NOE) or Notice of Determination (NOD).

21. CITY PLAN FOR MUNICIPAL SERVICES (only for city proposals):

Municipal Service	Current Service Provider	Proposed Service Provider
Animal Control		
Fire & Emergency Medical		
Flood Control		
Library		
Mosquito and Vector Control	GLACVCD	GLACVCD
Park and Recreation		
Planning		
Police		
Road Maintenance		
Solid Waste		
Street Lighting		
Water		
Wastewater		

**Animal Control**

Describe services to be extended to the affected territory:

N/A

Describe the level and range of those services to be provided:

N/A

Describe any improvements or upgrades or transfers of facilities:

N/A

How will services be financed?

N/A

Fire and Emergency Services

Describe services to be extended to the affected territory:

N/A

Describe the level and range of those services to be provided:

N/A

Describe any improvements or upgrades or transfers of facilities:

N/A

How will services be financed?

N/A

Flood Control

Describe services to be extended to the affected territory:

N/A

Describe the level and range of those services to be provided:

N/A

Describe any improvements or upgrades or transfers of facilities:

N/A

How will services be financed?

N/A



Library

Describe services to be extended to the affected territory:

N/A

Describe the level and range of those services to be provided:

N/A

Describe any improvements or upgrades or transfers of facilities:

N/A

How will services be financed?

N/A

Mosquito & Vector Control

Describe services to be extended to the affected territory:

Greater Los Angeles County Vector Control District (GLACVCD) will provide an enhanced vector control services that will include disease surveillance, monitoring and control of vectors as well as public education.

Describe the level and range of those services to be provided:

Range of services would include: Survey of vector population; Vector sampling including mosquitoes, black flies and non-biting midges; Control strategies - source reduction, biological and chemical control measures; Public education and outreach to help residents adopt best practices that reduces vector production and disease prevention; Abatement process to address egregious offenders of the law pertaining to public health.

Describe any improvements or upgrades or transfers of facilities:

Annexation by GLACVCD will improve vector control services within the city and also help eliminate any service gaps that may exist within the surrounding communities

How will services be financed?

Direct assessment

Parks and Recreation

Describe services to be extended to the affected territory:

N/A

Describe the level and range of those services to be provided:

N/A

Describe any improvements or upgrades or transfers of facilities:

N/A

How will services be financed?

N/A



Planning

Describe services to be extended to the affected territory:

N/A

Describe the level and range of those services to be provided:

N/A

Describe any improvements or upgrades or transfers of facilities:

N/A

How will services be financed?

N/A

Police

Describe services to be extended to the affected territory:

N/A

Describe the level and range of those services to be provided:

N/A

Describe any improvements or upgrades or transfers of facilities:

How will services be financed?

N/A

Road Maintenance

Describe services to be extended to the affected territory:

N/A

Describe the level and range of those services to be provided:

N/A

Describe any improvements or upgrades or transfers of facilities:

N/A

How will services be financed?

N/A



Solid Waste Disposal

Describe services to be extended to the affected territory:

N/A

Describe the level and range of those services to be provided:

N/A

Describe any improvements or upgrades or transfers of facilities:

N/A

How will services be financed?

N/A

Street Lighting

Describe services to be extended to the affected territory:

N/A

Describe the level and range of those services to be provided:

N/A

Describe any improvements or upgrades or transfers of facilities:

N/A

How will services be financed?

N/A

Water

Describe services to be extended to the affected territory:

N/A

Describe the level and range of those services to be provided:

N/A

Describe any improvements or upgrades or transfers of facilities:

N/A

How will services be financed?

N/A



Wastewater

Describe services to be extended to the affected territory:

N/A

Describe the level and range of those services to be provided:

N/A

Describe any improvements or upgrades or transfers of facilities:

N/A

How will services be financed?

N/A

INDEMNIFICATION / LEGAL DEFENSE

As a condition to the Local Agency Formation Commission for the County of Los Angeles' (LAFCO's) evaluation of the Applicant's proposal, the Applicant and, if different, the Real Party In Interest (i.e., the landowner) City of Vernon hereby warrant, represent, and agree to defend, indemnify, hold harmless LAFCO and its agents, officers, commissioners, and employees from any claim, action, or proceeding against LAFCO or its agents, officers, commissioners, and employees, relating to or arising out of LAFCO's evaluation or processing of the proposal, including, but not limited to, any action to attack, set aside, void, annul, enjoin, or compel LAFCO's approval, disapproval, evaluation, or processing of the proposal, which indemnification obligation includes, but is not limited to, Applicant/Real Party In Interest being required to pay for any costs and reasonable attorneys' fees incurred or anticipated to be incurred by LAFCO in connection with any such action. This indemnification obligation shall not include intentional or willful misconduct on the part of LAFCO, but shall include passive and/or concurrent active negligence by LAFCO. Applicant/Real Party In Interest agree that LAFCO has the right to appoint its own counsel for its defense and conduct its own defense in the manner it deems in its best interest, and that such actions will not relieve or limit Applicant's/Real Party In Interest's obligations to indemnify and reimburse defense costs. At the discretion of the Executive Officer, a deposit or deposits of funds by the Applicant may be required in an amount or amounts sufficient to cover any anticipated or incurred litigation costs.



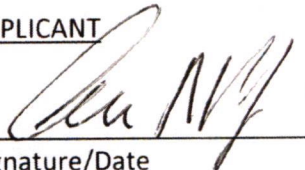
PROPOSAL CERTIFICATION

By my signature below, I hereby certify my understanding that:

- I/We are authorized to make these certifications and file this Proposal with LAFCO on behalf our city, special district, corporation, landowner, and/or other party filing said Proposal, and I/we will provide written evidence of same to LAFCO upon request.
- It is the responsibility of the Applicant to substantiate this Proposal.
- There is no guarantee, expressed or implied, that any Proposal will be approved by LAFCO.
- Each matter must be carefully evaluated by LAFCO staff.
- LAFCO staff's recommendation may change during the course of the review based on the information presented.
- A public hearing may be required, the proposal may be subject to a "protest" process, and the proposal may be subject to an election.
- The environmental review (pursuant to the California Environmental Quality Act) associated with the submittal of this application is preliminary, and, after further evaluation, additional information, reports, studies, applications, and/or fees may be required.
- The required map and geographic description must conform to the "Instructions of Completing Maps and Geographic Descriptions," to the satisfaction of the Executive Officer.
- If my proposal is denied, I am/We are not entitled to any refund of fees paid.
- Submitting inaccurate or incomplete information may result in delays or denial of my Proposal.
- The information I have provided in this Proposal, including all attachments and supplemental information provided, is accurate and correct to the best of my knowledge, subject to penalty of perjury.
- This proposal will not be scheduled for consideration by the Commission (LAFCO) until all required documents are provided, to the satisfaction of the Executive Officer.
- I/We have reviewed and agree to the Indemnification/Legal Defense terms, above.

I have read and understand the foregoing, and agree to the submittal of this Proposal.

APPLICANT

 7/16/18
Signature/Date

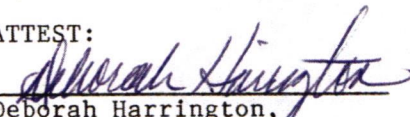
City of Vernon

Name of Applicant

Carlos Fandino, City Administrator

Name & Position of Person Signing
(if different from Applicant)

ATTEST:


Deborah Harrington,
Interim City Clerk

REAL PARTY IN INTEREST


Signature/Date

Name of Real Party In Interest

Name & Position of Person Signing
(if different from Real Party In Interest)

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APPROVED AS TO FORM:


for Brian Byun,
Senior Deputy City Attorney

