

SCHEDULE OF PROPERTY NO. 2

30957

Re: Equipment Lease-Purchase Agreement, dated as of October 24, 2008,  
between Bank of America, N.A., as Lessor, and City of Long Beach, as  
Lessee

1. *Defined Terms.* All terms used herein have the meanings ascribed to them in the above-referenced Equipment Lease-Purchase Agreement (the "Agreement").

2. *Equipment.* The following items of Equipment are hereby included under this Schedule of the Agreement. Computers (detailed equipment description will be evidenced by invoices to be submitted by Lessee upon commencement of disbursement from the Acquisition Fund).

3. *Payment Schedule.* The Rental Payments shall be in such amounts and payable on such dates as set forth in the Rental Payment Schedule attached to this Schedule as Exhibit B. Rental Payments shall commence on the date on which the Equipment listed in this Schedule is accepted by Lessee, as indicated in an Acceptance Certificate substantially in the form of Exhibit C to the Agreement or the date on which sufficient moneys to purchase the Equipment are deposited for that purpose with an Acquisition Fund Custodian, whichever is earlier.

4. *Prepayment Option Amount Schedule.* The Prepayment Option Amount on each Rental Payment date for the applicable Term in the Equipment listed in this Schedule shall be the amount set forth for such Rental Payment date in the "Prepayment Option Amount" column of the Rental Payment Schedule attached to this Schedule. The Prepayment Option Amount is in addition to all Rental Payments then due under this Schedule (including the Rental Payment shown on the same line in the Rental Payment Schedule).

5. *Representations and Warranties.* Lessee hereby represents and warrants that its representations and warranties set forth in the Agreement are true and correct as though made on the date of commencement of Rental Payments on this Schedule. Lessee further represents and warrants that (a) no material adverse change in Lessee's financial condition has occurred since the date of the Agreement, (b) the governing body of Lessee has authorized the execution and delivery of the Agreement and the Leases pursuant to the Council approval dated AUGUST 11, \_\_\_\_\_, 2009 (c) the Equipment described in Agreement referenced above is essential to the function of Lessee or the services Lessee provides its citizens; (d) Lessee has immediate need for, and expects to make immediate use of, substantially all such Equipment, which will be used by Lessee only for the purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of its authority; and (f) Lessee expects and anticipates adequate funds to be available for all future payments or rent due after the current budgetary period.

6. *The Lease.* The terms and provisions of the Agreement (other than to the extent that they relate solely to other Schedules or Equipment listed on other Schedules) are hereby incorporated into this Schedule by reference and made a part hereof.

7. *Purchase Price.* The Purchase Price which Lessor shall pay to the Acquisition Fund Custodian in connection with this Schedule is \$1,358,000.00, all of which is for deposit to the Acquisition Fund. It is expected that by twelve (12) months from the date of this Schedule No. 2, Lessee will have taken possession of all items of Equipment shown above and that a Lessee's Acceptance Certificate, or Acceptance Certificates, will be signed by Lessee and delivered to Lessor on or before twelve months from the date of this Schedule No. 2.

8. *Lease Term.* The Lease Term shall consist of the Original Term and (3) three consecutive Renewal Terms, with the final Renewal Term ending on August 21, 2013.

9. *Utilization Period.* The Utilization Period applicable to this Schedule shall end no later than September 30, 2009.

10. *State.* For purposes of this Agreement, "State" means the State of California.

11. *Fiscal Period.* Lessee's current Fiscal Period extends from October 1, 2008 to September 30, 2009.

Dated: 8-21-09

APPROVED AS TO FORM  
August 13, 2009  
ROBERT E. SHANNON, City Attorney  
by Charles Parkin  
PRINCIPAL DEPUTY CITY ATTORNEY

LESSOR:  
Bank of America, N.A.  
555 California Street, 4th Floor  
CA5-705-04-01  
San Francisco, California 94104

LESSEE:  
City of Long Beach  
333 W. Ocean Boulevard, 11<sup>th</sup> Floor  
Long Beach, California 90802-4664

By: *[Signature]*  
Name: YVETTE MONTEZU BARON  
Title: Assistant Vice President

By: *[Signature]*  
Name: Patrick H. West  
Title: City Manager

(Seal)

Attest:  
By: *[Signature]*  
Name: LORRY HERRING  
Title: City Clerk

Duplicate Original No. \_\_\_\_ of \_\_\_\_ manually executed and serially numbered duplicate originals. To the extent that this Lease constitutes chattel paper (as defined in the Uniform Commercial Code), no security interest herein may be created through the transfer or possession of any Duplicate Original other than Duplicate Original No. 1.

**RENTAL PAYMENT SCHEDULE**

Rental Payment Schedule	Interest Portion 3.09%	Principal Portion	Rental Payment Amount	Prepayment Option Amount
8/21/2009				\$ 1,358,000.00
9/21/2009	\$ 3,496.85	\$ 26,615.61	\$ 30,112.46	\$ 1,331,384.39
10/21/2009	\$ 3,428.31	\$ 26,684.15	\$ 30,112.46	\$ 1,304,700.24
11/21/2009	\$ 3,359.60	\$ 26,752.86	\$ 30,112.46	\$ 1,277,947.38
12/21/2009	\$ 3,290.71	\$ 26,821.75	\$ 30,112.46	\$ 1,251,125.63
1/21/2010	\$ 3,221.65	\$ 26,890.82	\$ 30,112.46	\$ 1,224,234.81
2/21/2010	\$ 3,152.40	\$ 26,960.06	\$ 30,112.46	\$ 1,197,274.75
3/21/2010	\$ 3,082.98	\$ 27,029.48	\$ 30,112.46	\$ 1,170,245.27
4/21/2010	\$ 3,013.38	\$ 27,099.08	\$ 30,112.46	\$ 1,143,146.19
5/21/2010	\$ 2,943.60	\$ 27,168.86	\$ 30,112.46	\$ 1,115,977.33
6/21/2010	\$ 2,873.64	\$ 27,238.82	\$ 30,112.46	\$ 1,088,738.51
7/21/2010	\$ 2,803.50	\$ 27,308.96	\$ 30,112.46	\$ 1,061,429.54
8/21/2010	\$ 2,733.18	\$ 27,379.28	\$ 30,112.46	\$ 1,034,050.26
9/21/2010	\$ 2,662.68	\$ 27,449.78	\$ 30,112.46	\$ 1,006,600.48
10/21/2010	\$ 2,592.00	\$ 27,520.47	\$ 30,112.46	\$ 979,080.01
11/21/2010	\$ 2,521.13	\$ 27,591.33	\$ 30,112.46	\$ 951,488.68
12/21/2010	\$ 2,450.08	\$ 27,662.38	\$ 30,112.46	\$ 923,826.30
1/21/2011	\$ 2,378.85	\$ 27,733.61	\$ 30,112.46	\$ 896,092.69
2/21/2011	\$ 2,307.44	\$ 27,805.03	\$ 30,112.46	\$ 868,287.66
3/21/2011	\$ 2,235.84	\$ 27,876.62	\$ 30,112.46	\$ 840,411.04
4/21/2011	\$ 2,164.06	\$ 27,948.41	\$ 30,112.46	\$ 812,462.63
5/21/2011	\$ 2,092.09	\$ 28,020.37	\$ 30,112.46	\$ 784,442.26
6/21/2011	\$ 2,019.94	\$ 28,092.52	\$ 30,112.46	\$ 756,349.73
7/21/2011	\$ 1,947.60	\$ 28,164.86	\$ 30,112.46	\$ 728,184.87
8/21/2011	\$ 1,875.08	\$ 28,237.39	\$ 30,112.46	\$ 699,947.48
9/21/2011	\$ 1,802.36	\$ 28,310.10	\$ 30,112.46	\$ 671,637.38
10/21/2011	\$ 1,729.47	\$ 28,383.00	\$ 30,112.46	\$ 643,254.39
11/21/2011	\$ 1,656.38	\$ 28,456.08	\$ 30,112.46	\$ 614,798.30
12/21/2011	\$ 1,583.11	\$ 28,529.36	\$ 30,112.46	\$ 586,268.95
1/21/2012	\$ 1,509.64	\$ 28,602.82	\$ 30,112.46	\$ 557,666.12
2/21/2012	\$ 1,435.99	\$ 28,676.47	\$ 30,112.46	\$ 528,989.65
3/21/2012	\$ 1,362.15	\$ 28,750.32	\$ 30,112.46	\$ 500,239.34
4/21/2012	\$ 1,288.12	\$ 28,824.35	\$ 30,112.46	\$ 471,414.99
5/21/2012	\$ 1,213.89	\$ 28,898.57	\$ 30,112.46	\$ 442,516.42
6/21/2012	\$ 1,139.48	\$ 28,972.98	\$ 30,112.46	\$ 413,543.43
7/21/2012	\$ 1,064.87	\$ 29,047.59	\$ 30,112.46	\$ 384,495.84
8/21/2012	\$ 990.08	\$ 29,122.39	\$ 30,112.46	\$ 355,373.46

9/21/2012	\$	915.09	\$	29,197.38	\$	30,112.46	\$	326,176.08
10/21/2012	\$	839.90	\$	29,272.56	\$	30,112.46	\$	296,903.52
11/21/2012	\$	764.53	\$	29,347.94	\$	30,112.46	\$	267,555.58
12/21/2012	\$	688.96	\$	29,423.51	\$	30,112.46	\$	238,132.08
1/21/2013	\$	613.19	\$	29,499.27	\$	30,112.46	\$	208,632.80
2/21/2013	\$	537.23	\$	29,575.23	\$	30,112.46	\$	179,057.57
3/21/2013	\$	461.07	\$	29,651.39	\$	30,112.46	\$	149,406.18
4/21/2013	\$	384.72	\$	29,727.74	\$	30,112.46	\$	119,678.43
5/21/2013	\$	308.17	\$	29,804.29	\$	30,112.46	\$	89,874.14
6/21/2013	\$	231.43	\$	29,881.04	\$	30,112.46	\$	59,993.10
7/21/2013	\$	154.48	\$	29,957.98	\$	30,112.46	\$	30,035.12
8/21/2013	\$	77.34	\$	30,035.12	\$	30,112.46	\$	0.00

Prepayment Premium for purposes of Section 10.01 (a) is Lessee may prepay after first half of the lease term upon 30 days written notice. Thereafter, the prepayment penalty will be -0-.

For purposes of this Lease, "Taxable Rate," with respect to the interest component of Rental Payments, means an annual rate of interest equal to 4.8204%

LESSEE: City of Long Beach

By: 


Name: Patrick H. West

Title: City Manager

APPROVED AS TO FORM

August 13, 2009

ROBERT E. SHANNON, City Attorney

3y 

PRINCIPAL DEPUTY CITY ATTORNEY

**ACCEPTANCE CERTIFICATE**

Bank of America, N.A.  
555 California Street, 4th Floor  
San Francisco, California 94104

Re: Schedule of Property No. 2 dated as of August 21, 2009, to Equipment Lease-Purchase Agreement, dated as of October 24, 2008, between Bank of America, N.A., as Lessor, and City of Long Beach, as Lessee

Ladies and Gentlemen:

In accordance with the Equipment Lease-Purchase Agreement (the "Agreement"), the undersigned Lessee hereby certifies and represents to, and agrees with Lessor as follows:

1. All of the Equipment (as such term is defined in the Agreement) listed in the above-referenced Schedule of Property (the "Schedule") has been delivered, installed and accepted on the date hereof.

2. Lessee has conducted such inspection and/or testing of the Equipment listed in the Schedule as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.

3. Lessee is currently maintaining the insurance coverage required by Paragraph 16 of the Agreement.

4. No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default (as defined in the Agreement) exists at the date hereof.

Date: \_\_\_\_\_

LESSEE: City of Long Beach

(Seal)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTACHMENT A**  
**TO TAX CERTIFICATE**

**FORM 8038-G**

**Information Return for Tax-Exempt Governmental Obligations**

► Under Internal Revenue Code section 149(e)  
 ► See separate instructions.

OMB No. 1545-0720

Caution: If the issue price is under \$100,000, use Form 8038-GC.

<b>Part I Reporting Authority</b>			If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name <b>CITY OF LONG BEACH</b>	2 Issuer's employer identification number [REDACTED]			
3 Number and street (or P.O. box if mail is not delivered to street address) <b>333 W Ocean Blvd., 6th Floor</b>	Room/suite	4 Report number <b>3-2009-5</b>		
5 City, town, or post office, state, and ZIP code <b>Long Beach, CA 90802</b>	6 Date of issue <b>Aug. 21, 2009</b>			
7 Name of issue <b>Schedule 2 - Lease Purchase Agreement</b>	8 CUSIP number			
9 Name and title of officer or legal representative whom the IRS may call for more information <b>David S. Nakamoto</b>	10 Telephone number of officer or legal representative <b>(562) 570-6845</b>			

<b>Part II Type of Issue (check applicable box(es) and enter the issue price)</b> See instructions and attach schedule	
11 <input type="checkbox"/> Education	11
12 <input type="checkbox"/> Health and hospital	12
13 <input type="checkbox"/> Transportation	13
14 <input type="checkbox"/> Public safety	14
15 <input type="checkbox"/> Environment (including sewage bonds)	15
16 <input type="checkbox"/> Housing	16
17 <input type="checkbox"/> Utilities	17
18 <input type="checkbox"/> Other. Describe ►	18
19 If obligations are TANs or RANs, check box <input type="checkbox"/> If obligations are BANs, check box <input type="checkbox"/>	
20 If obligations are in the form of a lease or installment sale, check box <input type="checkbox"/>	

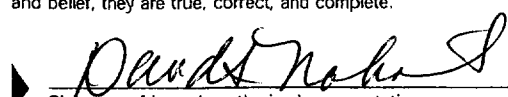
<b>Part III Description of Obligations. Complete for the entire issue for which this form is being filed.</b>				
(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	\$ 1,358,000	\$	4 years	3.09%

<b>Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)</b>				
22 Proceeds used for accrued interest	22	n/a		
23 Issue price of entire issue (enter amount from line 21, column (b))	23	n/a		
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	n/a		
25 Proceeds used for credit enhancement	25	n/a		
26 Proceeds allocated to reasonably required reserve or replacement fund	26	n/a		
27 Proceeds used to currently refund prior issues	27	n/a		
28 Proceeds used to advance refund prior issues	28	n/a		
29 Total (add lines 24 through 28)	29	n/a		
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	n/a		

<b>Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)</b>	
31 Enter the remaining weighted average maturity of the bonds to be currently refunded	n/a years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded	n/a years
33 Enter the last date on which the refunded bonds will be called	n/a
34 Enter the date(s) the refunded bonds were issued	n/a

<b>Part VI Miscellaneous</b>	
35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35 n/a
36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a n/a
b Enter the final maturity date of the guaranteed investment contract	n/a
37 Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a n/a
b If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the name of the issuer and the date of the issue	
38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box <input type="checkbox"/>	
39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box <input type="checkbox"/>	
40 If the issuer has identified a hedge, check box <input type="checkbox"/>	

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Sign Here:  Signature of issuer's authorized representative

Date: \_\_\_\_\_ Date

David S. Nakamoto  
City Treasurer

Type or print name and title



**INSURANCE COVERAGE REQUIREMENTS**

To Lessor: Bank of America, N.A.  
555 California Street, 4th Floor  
MAC CA5-705-04-01  
San Francisco, CA 94104

From Lessee: City of Long Beach  
333 W. Ocean Boulevard, 11th Floor  
Long, Beach, CA 90802-4664

In accordance with Paragraph 16 of the Equipment Lease-Purchase Agreement dated as of October 24, 2008 (the "Agreement"), by and between Lessor and Lessee, Lessee shall deliver to Lessor a Certificate of Self-Insurance on Lessee's standard form providing evidence of coverage for:

- (a) Commercial general liability self-insurance equivalent in coverage scope to ISO CG 00 01 10 93 naming the Lessor as additional insured on a form equivalent in coverage scope to ISO CG 20 26 11 85 in an amount of \$250,000 per occurrence and \$500,000 general aggregate. Said insurance shall be primary insurance with respect to Lessor.
- (b) Special perils property coverage in an amount sufficient to cover the full replacement value of Lessee's property and equipment as delineated in Exhibit A or the applicable Prepayment Option Amount in Exhibit A, whichever is greater naming Lessor as additional insured and loss payee as its interests may appear.

The self-insurance program shall not be suspended, voided, changed, or canceled except after thirty (30) days prior written notice to Lessor, and shall be primary and not contributing to any other insurance or self-insurance maintained by Lessor.

With respect to damage to property, Lessor and Lessee hereby waive all rights of subrogation, one against the other, but only to the extent that collectible commercial insurance is available for said damage. Lessee shall deliver to Lessor evidence of coverage for approval as to sufficiency and form prior to the Agreement hereunder.

*Does not need to  
be signed since  
we have the Certificate  
of Insurance attached  
Call me if you  
have A ?  
Thanks  
Jim  
86169*

LESSEE: City of Long Beach

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



# CITY OF LONG BEACH CERTIFICATE OF SELF-INSURANCE



**With respect to:**

(Agreement Title/Program and subject/location) Equipment Lease-Purchase Agreement dated as of October 24, 2008 wherein the City of Long Beach is Lessee and Bank of America, N.A. is Lessor

City of Long Beach Program Coordinator Dan Thurber Phone (562) 570-6169  
Treasury Operations Officer

**Between the City of Long Beach and**

**Certificate Holder:** Bank of America, N.A., 555 West California Street, 4<sup>th</sup> Floor, MAC CA5-705-04-01, San Francisco, CA 94104  
(Name and Location)

Contact Person N/A/ Phone N/A  
Fax N/A

**Copy to:** Dan Thurber, Treasury Operaitons Officer

**Type of Coverage:** Commercial general liability equivalent in scope to CG 00 01 10 93 of \$250,000 per occurrence and \$500,000 in aggregate

This coverage will terminate upon completion or satisfaction of the requirements of said Program or may be terminated sooner pursuant to terms of said Program. Coverage afforded hereunder is primary and any insurance or self-insurance of Certificate Holder shall not contribute with it.

If any of the coverages described in this Certificate are changed or withdrawn, the City of Long Beach will mail the Certificate Holder thirty (30) days prior written notice by registered mail, but failure to mail such notice shall impose no obligation or liability of any kind upon the City of Long Beach, its officials, agents or employees.

This Certificate of Self-Insurance is issued as a matter of information only and confers no rights upon the Certificate Holder. This Certificate does not amend, extend or alter the coverage evidenced herein.

**Additional Interest:** Bank of America, N.A., its Officers, Agents, and Employees are additional covered interests with respect to activities of the City under the said Agreement/Program per the attached endorsement.

For further information or in the event of a claim, contact:

City of Long Beach  
Attn: Risk Management  
333 West Ocean Blvd., 10<sup>th</sup> Floor  
Long Beach, CA 90802  
(562) 570-6754  
(562) 570-5375 (fax)

Certified by:

*Michael Alio*

Michael Alio  
Risk Manager

Certificate no. 2009-054C

Coverage period: Aug. 21, 2009 to Aug. 21, 2013

Date issued: August 21, 2009

**CITY OF LONG BEACH**  
**ADDITIONAL COVERED INTEREST ENDORSEMENT**  
**TO CERTIFICATE NO. 2009-054C**



**Additional Covered Interest:**

Bank of America, N.A., its officers, agents and employees.

**With Respect to (Agreement or Program):**

Equipment Lease-Purchase Agreement dated as of October 24, 2008 wherein the City of Long Beach is Lessee and Bank of America, N.A. is Lessor

The additional interest coverage provided by this endorsement applies only with respect to liability arising out of activities of the City of Long Beach with respect to the above described Agreement or Program, provided that such liability is due to the sole negligence of the City. In no event shall this endorsement extend the limits provided in the certificate of self-insurance, or amend the coverage provided in the certificate of self-insurance except as to the additional interest coverage stated herein.

Certified by:



Michael Alio  
Risk Manager

Coverage Period\*: 08/21/09 to 08/21/13

*\*unless coverage is terminated sooner pursuant to the terms and conditions of the Agreement or Program.*

Endorsement no. 2009-054E

Date issued: August 24, 2009

**COPY OF MINUTE ORDER OF LESSEE'S GOVERNING BODY**



# CITY OF LONG BEACH

# R-23

DEPARTMENT OF TECHNOLOGY SERVICES

333 WEST OCEAN BOULEVARD • LONG BEACH, CA 90802 • (562) 570-6455 • FAX (562) 570-5270

August 11, 2009

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Authorize the City Manager to execute a lease-purchase agreement and related financing documents with Banc of America Public Capital Corp for the financing of personal computers, computer related equipment, and servers in an amount not to exceed \$1,446,000 including interest, payable over a four-year period; and authorize the City Manager to execute a Master Purchase Agreement with GTSI, Inc. (Citywide)

## DISCUSSION

In 1997, the Technology Services Department (TSD) implemented a plan to replace all City-owned personal computers (PCs) after three years of use. The three-year replacement cycle was designed to refresh the technology to take advantage of innovations and to reduce the ongoing support costs associated with the maintenance of older equipment and software. Lease financing of the replacement program allows the City to maintain level annual expenditures and departments are able to spread the acquisition cost over the term of the financing, rather than budgeting large one-time capital outlay expenditures.

In an effort to reduce PC related expenditures, the City implemented a program to extend the replacement cycle for PCs from three to four years as part of the City's Financial Strategic Plan. This strategy was successful and substantially reduced the number of personal computers purchased and associated costs. The City expects to install approximately 1,100 replacement and new computers and servers. The estimated cost to replace these computers and servers is \$1,288,000. The equipment will continue to be acquired from Dell Marketing L.P., utilizing Dell Master Purchase Agreement No. 28280, which was previously approved by the City Council in April 2003.

To ensure that the City is receiving the best pricing possible, TSD researched other procurement opportunities, such as consolidated purchase programs with other governmental institutions. Through these efforts, the City was able to negotiate a better deal with Dell effectively reducing the personal computer price per unit by almost 18 percent, or \$150, totaling close to \$150,000 annually. It should also be noted that all current purchases from Dell are EnergyStar compliant and have received the EPEAT Gold certification, which is an EPA-sponsored environmental assessment of technology equipment. Next year, as part of the annual computer and server purchase, the City will issue an RFP to once again ensure that the City is realizing the lowest possible price for these essential assets.

HONORABLE MAYOR AND CITY COUNCIL

August 11, 2009

Page 2

In addition to TSD's annual personal computer and server financing, the Department of Health and Human Services, Animal Care Services Bureau (Bureau), is requesting approval for the financing of twelve (12) Panasonic Toughbooks laptop computers with docking stations and related equipment to be installed in the Bureau's mobile units and kennels at an estimated cost of \$70,000. This equipment will support the automation of administrative tasks associated with dispatch, investigations, animal care, kennel management, licensing and emergency field services, through the newly acquired Chameleon Software.

Working with TSD, representatives from the Bureau selected the Panasonic Toughbooks product for its time-tested performance in the field of public safety and animal control services. The product was field-tested in January and February by Bureau staff to ensure operational capabilities and compatibility to its operations. Currently, animal care and control agencies in Orange County, and public safety agencies in the City of Long Beach (Police and Fire Departments), utilize Panasonic Toughbooks for field operations. The company GTSI, Inc. was selected because the City currently receives special pricing as a result of their contract for Police and Fire Department computers.

The Department of Financial Management conducted a bid process to secure the most favorable financing terms for this acquisition. Requests for bids were solicited from 181 firms, of which 21 downloaded the RFP and three firms responded. Of the 21 firms, five were Women-owned Business Enterprises (WBEs), three were Minority-owned Business Enterprises (MBEs), and one was classified as a Small Business Enterprise (SBE). After an evaluation of the proposals, Banc of America Public Capital Corp, of Los Angeles, offered the best terms with a rate of 3.09 percent and is, therefore, recommended to provide the required financing.

This matter was reviewed by Chief Assistant City Attorney Heather Mahood on July 24, 2009 and by Budget and Performance Management Bureau Manager David Wodynski on July 27, 2009.

TIMING CONSIDERATIONS

City Council action is requested on August 11, 2009 to ensure timely replacement of personal computers and servers.

FISCAL IMPACT

The total amount to be financed (principal amount) under the Banc of America Public Capital Corp agreement will not exceed \$1,358,000, and will be financed over a four-year period with an interest rate of 3.09 percent. The total debt service (principal and interest) for the agreement will not exceed \$1,446,000. Of that amount, \$1,372,000 is dedicated to TSD's annual purchase of personal computers and servers. The remaining \$74,000 is for the purchase of mobile computers for Health and Human Services' Animal Care Services Bureau. FY 09 debt service costs will be approximately \$30,000, of which \$29,000 will be borne by Technology Services. FY 10 debt service costs will total approximately \$361,000, of which \$343,000 will be borne by Technology Services, and the remaining

\$18,000 by Health and Human Services. Sufficient funds have been budgeted in the General Services Fund (IS 385) and in the Technology Services Department (TS) to support the personal computer and server financing. Charges to client departments to cover the cost are included in the FY 09 Adopted and FY 10 Proposed Budgets.

The Department of Health and Human Services, Animal Care Services Bureau requested an enhancement to support the debt service payments as part of the FY 10 Proposed Budget. Offsets in the General Fund (GP) and the Health and Human Services Department (HE) have already been identified to keep the financing of the Panasonic Toughbooks fiscally neutral over the next four years. These reductions and enhancements will be structural to provide for ongoing support of the dispatch and animal care management system.

**SUGGESTED ACTION:**

Approve recommendation.

Respectfully submitted,

  
CURTIS TANI  
DIRECTOR OF TECHNOLOGY SERVICES

RONALD R. ARIAS  
DIRECTOR  
HEALTH AND HUMAN SERVICES

  
LORI ANN FARRELL  
DIRECTOR OF FINANCIAL MANAGEMENT/CFO



CT:SPS:sps

APPROVED:

  
PATRICK H. WEST  
CITY MANAGER

Robert Garcia, 1st District  
Suja Lowenthal, 2nd District  
Gary DeLong, 3rd District  
Patrick O'Donnell, 4th District



Patrick H. West, City Manager  
Larry G. Herrera, City Clerk

Bob Foster, Mayor

Gerrie Schipske, 5th District  
Dee Andrews, 6th District  
Tonia Reyes Uranga, 7th District  
Rae Gabelich, 8th District  
Val Lerch, Vice Mayor, 9th District

Robert E. Shannon, City Attorney

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## FINISHED AGENDA & DRAFT MINUTES

The City Council minutes are prepared and ordered to correspond to the City Council Agenda. Agenda items can be taken out of order during the meeting. Please consult the time stamps to determine the order in which business was addressed.

Agenda Items for this meeting were considered in the order presented.

Mayor Foster announced that Agenda Item No. 22 was withdrawn.

### ROLL CALL (5:57 PM)

**Councilmembers** Garcia, Lowenthal, DeLong, O'Donnell, Schipske, Andrews,  
**Present:** Reyes Uranga and Lerch

**Councilmembers** Gabelich  
**Absent:**

Also present: Patrick H. West, City Manager; Suzanne Frick, Assistant City Manager; Robert Shannon, City Attorney; Laura L. Doud, City Auditor; Larry Herrera, City Clerk; Nancy Muth, City Clerk Analyst.

Mayor Foster presiding.

Invocation: Moment of Silence.

Flag Salute: Suja Lowenthal, Councilmember, Second District.

### HEARING (5:58 PM)

1. 09-0799 Recommendation to receive supporting documentation into the record, conclude the public hearing, find that the area to be vacated is not needed for present or prospective public use, adopt resolution ordering the vacation of a portion of the alley north of Artesia Boulevard and west of Orange Avenue, and authorize a quitclaim of the reserved utility easement. (District 9)

Vice Mayor Lerch spoke.

**A motion was made by Vice Mayor Lerch, seconded by Councilmember Reyes Uranga, to approve recommendation and adopt Resolution No. RES-09-0080. The motion carried by the following vote:**

**Yes:** 5 - DeLong, O'Donnell, Andrews, Reyes Uranga and Lerch

**Absent:** 4 - Garcia, Lowenthal, Schipske and Gabelich

**Enactment No:** RES-09-0080

**PUBLIC COMMENT (6:01 PM)**

Karen Ashikeh LaMantia spoke regarding community television.

Pat West, City Manager, spoke.

Councilmember O'Donnell spoke.

Larry Goodhue spoke regarding graffiti and the budget.

Mike Ruehle spoke regarding police.

Councilmember DeLong spoke.

Mayor Foster spoke.

Vicki Cooper spoke regarding renovations taking place without permits.

Ben Rockwell spoke regarding inappropriate business signage on Pine Avenue.

Tom Stout spoke regarding lawsuit with police officers.

Larry Boland spoke regarding pensions.

Robert Shannon, City Attorney, spoke.

**CONSENT CALENDAR (6:22 PM)**

Passed The Consent Calendar

**A motion was made by Councilmember Reyes Uranga, seconded by Vice Mayor Lerch, to approve Consent Calendar Items 2 - 9, except for Item 8. The motion carried by the following vote:**



**Yes:** 8 - Garcia, Lowenthal, DeLong, O'Donnell, Schipske, Andrews, Reyes Uranga and Lerch

**Absent:** 1 - Gabelich

2. 09-0800 Recommendation to approve the City Council Special Meeting and Breakwater Study Session minutes for the meetings held Monday, July 27, 2009.  
**A motion was made to approve recommendation on the Consent Calendar.**
3. 09-0801 Recommendation to refer to City Attorney damage claims received between July 27, 2009 and August 3, 2009.  
**A motion was made to approve recommendation on the Consent Calendar.**
4. 09-0802 Recommendation to authorize City Manager to execute the First Amendment to Lease No. 28350 with The Bolder Group, Inc., to extend the term through September 30, 2014, and adjust the annual minimum rent. (District 3)  
**A motion was made to approve recommendation on the Consent Calendar.**
5. 09-0803 Recommendation to request City Manager, or designee, to accept an easement deed for alley widening and a corner cut at 601 West Willow Street. (District 7)  
**A motion was made to approve recommendation on the Consent Calendar.**
6. 09-0804 Recommendation to request City Manager, or designee, to accept an easement deed for street widening at 3850 Cherry Avenue. (District 7)  
**A motion was made to approve recommendation on the Consent Calendar.**
7. 09-0805 Recommendation to authorize City Manager to execute an Assignment Consent Agreement for Facility/Pipeline Permit No. P-132-81, from Raytheon Technical Services Company, LLC, to Linwood Avenue Limited Partnership, in accordance with Long Beach Municipal Code Section 15.44.220, Permit-Transfer. (District 8)  
**A motion was made to approve recommendation on the Consent Calendar.**
- see media
8. 09-0806 Recommendation to refer the Proposed Capital Improvement Program for Fiscal Year 2010 to the Planning Commission for review of its

consistency with the General Plan. (Citywide)

Councilmember DeLong spoke.

Pat West, City Manager, spoke.

Councilmember O'Donnell spoke.

Councilmember Reyes Uranga spoke.

Councilwoman Schipske spoke.

**A motion was made by Councilmember DeLong, seconded by Councilmember Lowenthal, to approve recommendation and request that the Planning Commission also identify any increased staffing costs. The motion carried by the following vote:**

**Yes:** 8 - Garcia, Lowenthal, DeLong, O'Donnell, Schipske, Andrews, Reyes Uranga and Lerch

**Absent:** 1 - Gabelich

9. 09-0807 Recommendation to receive and file minutes of:  
Planning Commission - June 18, 2009.  
Water Commission - July 9, 2009.

**A motion was made to approve recommendation on the Consent Calendar.**

#### REGULAR AGENDA (6:29 PM)

see media

10. 09-0831 Recommendation to receive and file the appointment of Councilmembers to serve on Standing Committees of the City Council.

Mayor Foster spoke.

**A motion was made by Councilmember DeLong, seconded by Councilmember Lowenthal, to approve recommendation. The motion carried by the following vote:**

**Yes:** 7 - Garcia, Lowenthal, DeLong, O'Donnell, Andrews, Reyes Uranga and Lerch

**No:** 1 - Schipske

**Absent:** 1 - Gabelich

Mayor Foster retired and Vice Mayor Lerch assumed the chair.

see media

11. 09-0808

Recommendation to authorize City Manager to execute an amendment to the Los Cerritos Wetlands Authority Joint Exercise of Powers Agreement to delete the prohibition of appointment of an elected official, appointed official or employee from either the City of Long Beach or the City of Seal Beach by the Rivers and Mountains Conservancy (RMC) or the State Coastal Conservancy (SCC).

Thomas Marchese spoke.

Councilmember DeLong spoke.

Larry Goodhue spoke.

Councilmember DeLong spoke.

Councilmember Reyes Uranga spoke.

Councilmember O'Donnell spoke.

Councilmember Reyes Uranga spoke.

Councilmember O'Donnell spoke.

Councilwoman Schipske spoke.

Councilmember Reyes Uranga spoke.

Terry Slavin spoke.

Councilmember Reyes Uranga spoke.

**A substitute motion was made by Councilmember Reyes Uranga, seconded by Councilwoman Schipske, to receive backup material and a revised Joint Powers Agreement. The motion failed by the following vote:**

**Yes:** 2 - Schipske and Reyes Uranga

**No:** 6 - Garcia, Lowenthal, DeLong, O'Donnell, Andrews and Lerch

**Absent:** 1 - Gabelich

**A motion was made by Councilmember DeLong, seconded by Councilmember Lowenthal, to approve recommendation. The motion carried by the following vote:**

**Yes:** 6 - Garcia, Lowenthal, DeLong, O'Donnell, Andrews and Lerch

**No:** 2 - Schipske and Reyes Uranga

**Absent:** 1 - Gabelich

see media

12. 09-0809

Recommendation to respectfully request Long Beach Gas and Oil Department to investigate the feasibility of offering a rebate program.

Councilmember DeLong spoke.

Councilman Andrews spoke.

Francis Emily Dawson Harris spoke.

Councilwoman Schipske spoke.

**A motion was made by Councilmember DeLong, seconded by Councilmember Garcia, to approve recommendation and explore educating consumers with a "Go Green, Save Green" Program that includes ways to help save energy and help the environment. The motion carried by the following vote:**

**Yes:** 7 - Garcia, Lowenthal, DeLong, O'Donnell, Schipske, Andrews and Lerch

**Absent:** 2 - Reyes Uranga and Gabelich

see media

13. 09-0832

Recommendation to request City Manager to provide a detailed report that outlines what has been specifically done by City staff within the past twelve (12) months to attract employers, especially Tesla Motors.

Councilwoman Schipske spoke.

Councilman Andrews spoke.

Councilmember Lowenthal spoke.

Councilwoman Schipske spoke.

Councilmember Reyes Uranga spoke.

**A motion was made by Councilwoman Schipske, seconded by Councilman Andrews, to approve recommendation. The motion carried by the following vote:**

**Yes:** 7 - Garcia, DeLong, O'Donnell, Schipske, Andrews, Reyes  
Uranga and Lerch

**No:** 1 - Lowenthal

**Absent:** 1 - Gabelich

see media

14. 09-0833

Recommendation to respectfully request City Attorney work with Development Services to revise the Long Beach Municipal Code to include single-family and duplex projects as possible impact fee exemptions.

Councilmember DeLong spoke.

Councilmember Reyes Uranga spoke.

Robert Shannon, City Attorney, spoke.

Councilmember O'Donnell spoke.

Keith Jackson spoke and submitted written comments.

Francis Emily Dawson Harris spoke.

**A motion was made by Councilmember DeLong, seconded by Councilmember Lowenthal, that the item be referred to the Housing and Neighborhoods Committee for review. The motion carried by the following vote:**

**Yes:** 8 - Garcia, Lowenthal, DeLong, O'Donnell, Schipske, Andrews, Reyes Uranga and Lerch

**Absent:** 1 - Gabelich

see media

15. 09-0811

Recommendation to authorize City Manager to execute a contract and all necessary amendments, including term extensions, with the County of Los Angeles Chief Executive Office to receive and expend Department of Homeland Security grant funding for the 2008 State Homeland Security Grant Program; and increase appropriations by \$401,917 in the General Grants Fund (SR 120) and the Fire Department (FD). (Citywide)

**A motion was made by Councilmember DeLong, seconded by Councilman Andrews, to approve recommendation. The motion carried by the following vote:**

**Yes:** 8 - Garcia, Lowenthal, DeLong, O'Donnell, Schipske, Andrews, Reyes Uranga and Lerch

**Absent:** 1 - Gabelich

see media

**16. 09-0810**

Recommendation to authorize City Manager, or designee, to execute all necessary documents and amendments between the City of Long Beach and the State Department of Health Care Services to claim reimbursement for allowable Medi-Cal administrative activities (MAA) in an amount up to \$3,300,000 for a three-year period. (Citywide)

**A motion was made by Councilman Andrews, seconded by Councilwoman Schipske, to approve recommendation. The motion carried by the following vote:**

**Yes:** 8 - Garcia, Lowenthal, DeLong, O'Donnell, Schipske, Andrews, Reyes Uranga and Lerch

**Absent:** 1 - Gabelich

see media

**17. 09-0812**

Recommendation to receive and file the application of John William McLaughlin and Maria Elizabeth McLaughlin, dba J M Chef Catering at Last Cafe, for an original Alcoholic Beverage Control License, at 204 Orange Avenue, with conditions. (District 2)

**A motion was made by Councilmember Lowenthal, seconded by Councilmember Reyes Uranga, to approve recommendation. The motion carried by the following vote:**

**Yes:** 8 - Garcia, Lowenthal, DeLong, O'Donnell, Schipske, Andrews, Reyes Uranga and Lerch

**Absent:** 1 - Gabelich

see media

**18. 09-0813**

Recommendation to receive and file the application of Oscar Olaf Cuellar, dba El Picosito Restaurant, for an original Alcoholic Beverage Control License, at 5140 Long Beach Boulevard, with conditions. (District 8)

**A motion was made by Councilmember Reyes Uranga, seconded by Councilmember DeLong, that the item be laid over one week to the meeting of Tuesday, August 18, 2009. The motion carried by the following vote:**

**Yes:** 8 - Garcia, Lowenthal, DeLong, O'Donnell, Schipske, Andrews, Reyes Uranga and Lerch

**Absent:** 1 - Gabelich

see media

19. 09-0814

Recommendation to approve the conversion of Cerritos Avenue between 3rd Street and 4th Street, and Bonito Avenue between 3rd Street and 4th Street to one-way streets, and request City Attorney to prepare the required amendment to Section 10.14.020 of the Long Beach Municipal Code adding the following new subsection:

“(Southbound) Cerritos Avenue between 3rd Street and 4th Street”  
“(Northbound) Bonito Avenue between 3rd Street and 4th Street,” and

Adopt resolution authorizing installation of angled parking on the east side of Cerritos Avenue between 3rd Street and 4th Street and the west side of Bonito Avenue between 3rd Street and 4th Street. (District 2)

Karen LaMantia spoke.

James Dodd spoke.

Dave Roseman, City Traffic Engineer, spoke.

Liz Palmer spoke.

Francis Emily Dawson Harris spoke.

Councilmember Lowenthal spoke.

Councilman Andrews spoke.

**A motion was made by Councilmember Lowenthal, seconded by Councilmember Reyes Uranga, to approve recommendation and adopt Resolution No. RES-09-0081. The motion carried by the following vote:**

**Yes:** 7 - Garcia, Lowenthal, DeLong, Schipske, Andrews, Reyes Uranga and Lerch

**Absent:** 2 - O'Donnell and Gabelich

**Enactment No:** RES-09-0081

see media

20. 09-0815

Recommendation to approve the conversion of Argonne Avenue between Livingston Drive and Broadway to a one-way street, and request City Attorney to prepare the required amendment to Section 10.14.020 of the Long Beach Municipal Code adding the following new subsection:

“(Southbound) Argonne Avenue between Livingston Drive and Broadway.” (District 3)

**A motion was made by Councilmember DeLong, seconded by Councilmember Lowenthal, to approve recommendation. The motion carried by the following vote:**

**Yes:** 7 - Garcia, Lowenthal, DeLong, Schipske, Andrews, Reyes Uranga and Lerch

**Absent:** 2 - O'Donnell and Gabelich

see media

**21. 09-0816**

Recommendation to request City Attorney to revise Section 21.42.060 of the Long Beach Municipal Code regarding public parkways. (Citywide)

Councilwoman Schipske spoke.

Vice Mayor Lerch spoke.

Councilmember Lowenthal spoke.

Councilmember Garcia spoke.

**A motion was made by Councilwoman Schipske, seconded by Councilmember Lowenthal, to approve recommendation. The motion carried by the following vote:**

**Yes:** 7 - Garcia, Lowenthal, DeLong, Schipske, Andrews, Reyes Uranga and Lerch

**Absent:** 2 - O'Donnell and Gabelich

**22. 09-0817**

Recommendation to:

1. Direct City Attorney to draft amendments to the Long Beach Municipal Code Chapter 8.60 regarding operating rules and regulations for private refuse haulers;
2. Authorize City Manager to develop and execute seven-year agreements, with three one-year renewal options, with all private refuse haulers currently operating in compliance with their Refuse Transportation Permit; and
3. Authorize Director of Public Works to:
  - a. Develop and implement rules and regulations as required for the successful execution, implementation and administration of the agreements and to ensure compliance with federal, state and local regulations;



- b. Limit the number of permits to be issued to the 16 existing permitted haulers only;
- c. Collect any and all fees as authorized by the City Council including the currently authorized AB 939 fee and the proposed Refuse Hauler Business Fee;
- d. Require private haulers to utilize alternative fuel vehicles when operating in the City after September 30, 2012; and
- e. Continue to require private haulers to provide recycling services to all multi-family and commercial accounts as determined by the Director of Public Works.

**This Agenda Item was withdrawn.**

see media

**23. 09-0818**

Recommendation to authorize City Manager to execute a lease-purchase agreement and related financing documents with Banc of America Public Capital Corp for the financing of personal computers, computer related equipment, and servers in an amount not to exceed \$1,446,000 including interest, payable over a four-year period; and authorize City Manager to execute a Master Purchase Agreement with GTSI, Inc. (Citywide)

**A motion was made by Councilmember Reyes Uranga, seconded by Councilman Andrews, to approve recommendation. The motion carried by the following vote:**

**Yes:** 6 - Lowenthal, O'Donnell, Schipske, Andrews, Reyes Uranga and Lerch

**No:** 1 - Garcia

**Absent:** 2 - DeLong and Gabelich

**NEW BUSINESS (7:38 PM)**

24. Affidavits of Service for the special meetings held Tuesday, August 11, 2009.

**ANNOUNCEMENTS (7:38 PM)**

Councilwoman Schipske requested that the meeting be adjourned in memory of Thomas Cominski.

Councilman Andrews made community announcements.

Councilmember Lowenthal made community announcements.

**PUBLIC (7:41 PM)**

Glen Mathews spoke regarding homelessness and the Multi-Service Center that serves the homeless.

**ADJOURNMENT (7:43 PM)**

At 7:43 PM, Vice Mayor Lerch adjourned the meeting in memory of Thomas Cominski.

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**CITY OF LONG BEACH  
CITY COUNCIL AGENDA**

**TUESDAY, AUGUST 11, 2009  
333 W. OCEAN BOULEVARD  
COUNCIL CHAMBER, 5:00 PM**

Robert Garcia, 1st District  
Suja Lowenthal, 2nd District  
Gary DeLong, 3rd District  
Patrick O'Donnell, 4th District



Gerrie Schipske, 5th District  
Dee Andrews, 6th District  
Tonia Reyes Uranga, 7th District  
Rae Gabelich, 8th District  
Val Lerch, Vice Mayor, 9th District

Patrick H. West, City Manager  
Larry G. Herrera, City Clerk

Bob Foster, Mayor

Robert E. Shannon, City Attorney

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Ordinance No. C-7594 provides that hearings shall be set for 5:00 P.M. each Tuesday, and such hearings shall be held at the specified time for which they are set or as soon as practical regardless of the otherwise order of business of the City Council.

**HEARING:**

1. 09-0799 Recommendation to receive supporting documentation into the record, conclude the public hearing, find that the area to be vacated is not needed for present or prospective public use, adopt resolution ordering the vacation of a portion of the alley north of Artesia Boulevard and west of Orange Avenue, and authorize a quitclaim of the reserved utility easement. (District 9)

**Office or Department:** PUBLIC WORKS

**Suggested Action:** Approve recommendation.

**PUBLIC COMMENT: OBTAIN SPEAKER CARD FROM THE CITY CLERK**

Opportunity to address the City Council (on non-agenda items) is given to the first 10 persons who submit Speaker Cards to the City Clerk beginning at 15 minutes prior to 5:00 p.m. Each speaker is allowed three minutes to make their comments.

**NOTICE TO THE PUBLIC**

All matters listed under the Consent Calendar are to be considered routine by the City Council and will all be enacted by one motion. There will be no separate discussion of said items unless the Mayor, City Councilmembers or the City Manager request specific items be discussed and/or removed from the Consent Calendar for separate action.

**CONSENT CALENDAR: (2 - 9)**

2. 09-0800 Recommendation to approve the City Council Special Meeting and Breakwater Study Session minutes for the meetings held Monday, July 27, 2009.  
**Office or Department:** CITY CLERK  
  
**Suggested Action:** Approve recommendation.
3. 09-0801 Recommendation to refer to City Attorney damage claims received between July 27, 2009 and August 3, 2009.  
**Office or Department:** CITY CLERK  
  
**Suggested Action:** Approve recommendation.
4. 09-0802 Recommendation to authorize City Manager to execute the First Amendment to Lease No. 28350 with The Bolder Group, Inc., to extend the term through September 30, 2014, and adjust the annual minimum rent. (District 3)  
**Office or Department:** PARKS, RECREATION AND MARINE  
  
**Suggested Action:** Approve recommendation.
5. 09-0803 Recommendation to request City Manager, or designee, to accept an easement deed for alley widening and a corner cut at 601 West Willow Street. (District 7)  
**Office or Department:** PUBLIC WORKS  
  
**Suggested Action:** Approve recommendation.
6. 09-0804 Recommendation to request City Manager, or designee, to accept an easement deed for street widening at 3850 Cherry Avenue. (District 7)  
**Office or Department:** PUBLIC WORKS  
  
**Suggested Action:** Approve recommendation.

7. 09-0805 Recommendation to authorize City Manager to execute an Assignment Consent Agreement for Facility/Pipeline Permit No. P-132-81, from Raytheon Technical Services Company, LLC, to Linwood Avenue Limited Partnership, in accordance with Long Beach Municipal Code Section 15.44.220, Permit-Transfer. (District 8)  
**Office or Department:** PUBLIC WORKS  
**Suggested Action:** Approve recommendation.
8. 09-0806 Recommendation to refer the Proposed Capital Improvement Program for Fiscal Year 2010 to the Planning Commission for review of its consistency with the General Plan. (Citywide)  
**Office or Department:** PUBLIC WORKS  
**Suggested Action:** Approve recommendation.
9. 09-0807 Recommendation to receive and file minutes of:  
Planning Commission - June 18, 2009.  
Water Commission - July 9, 2009.  
**Office or Department:** VARIOUS  
**Suggested Action:** Approve recommendation.

#### REGULAR AGENDA

#### DEPARTMENTAL COMMUNICATIONS:

10. 09-0831 Recommendation to receive and file the appointment of Councilmembers to serve on Standing Committees of the City Council.  
**Office or Department:** MAYOR BOB FOSTER  
**Suggested Action:** Approve recommendation.

11. 09-0808 Recommendation to authorize City Manager to execute an amendment to the Los Cerritos Wetlands Authority Joint Exercise of Powers Agreement to delete the prohibition of appointment of an elected official, appointed official or employee from either the City of Long Beach or the City of Seal Beach by the Rivers and Mountains Conservancy (RMC) or the State Coastal Conservancy (SCC).  
**Office or Department:** COUNCILMEMBER GARY DELONG, THIRD DISTRICT  
**Suggested Action:** Approve recommendation.
12. 09-0809 Recommendation to respectfully request Long Beach Gas and Oil Department to investigate the feasibility of offering a rebate program.  
**Office or Department:** COUNCILMEMBER GARY DELONG, THIRD DISTRICT; COUNCILMEMBER ROBERT GARCIA, FIRST DISTRICT; COUNCILMAN DEE ANDREWS, SIXTH DISTRICT  
**Suggested Action:** Approve recommendation.
13. 09-0832 Recommendation to request City Manager to provide a detailed report that outlines what has been specifically done by City staff within the past twelve (12) months to attract employers, especially Tesla Motors.  
**Office or Department:** COUNCILWOMAN GERRIE SCHIPSKE, FIFTH DISTRICT  
**Suggested Action:** Approve recommendation.
14. 09-0833 Recommendation to respectfully request City Attorney work with Development Services to revise the Long Beach Municipal Code to include single-family and duplex projects as possible impact fee exemptions.  
**Office or Department:** COUNCILMEMBER GARY DELONG, THIRD DISTRICT  
**Suggested Action:** Approve recommendation.

15. 09-0811 Recommendation to authorize City Manager to execute a contract and all necessary amendments, including term extensions, with the County of Los Angeles Chief Executive Office to receive and expend Department of Homeland Security grant funding for the 2008 State Homeland Security Grant Program; and increase appropriations by \$401,917 in the General Grants Fund (SR 120) and the Fire Department (FD). (Citywide)
- Office or Department:** FIRE
- Suggested Action:** Approve recommendation.
16. 09-0810 Recommendation to authorize City Manager, or designee, to execute all necessary documents and amendments between the City of Long Beach and the State Department of Health Care Services to claim reimbursement for allowable Medi-Cal administrative activities (MAA) in an amount up to \$3,300,000 for a three-year period. (Citywide)
- Office or Department:** HEALTH AND HUMAN SERVICES
- Suggested Action:** Approve recommendation.
17. 09-0812 Recommendation to receive and file the application of John William McLaughlin and Maria Elizabeth McLaughlin, dba J M Chef Catering at Last Cafe, for an original Alcoholic Beverage Control License, at 204 Orange Avenue, with conditions. (District 2)
- Office or Department:** POLICE
- Suggested Action:** Approve recommendation.
18. 09-0813 Recommendation to receive and file the application of Oscar Olaf Cuellar, dba El Picosito Restaurant, for an original Alcoholic Beverage Control License, at 5140 Long Beach Boulevard, with conditions. (District 8)
- Office or Department:** POLICE
- Suggested Action:** Approve recommendation.

19. 09-0814 Recommendation to approve the conversion of Cerritos Avenue between 3rd Street and 4th Street, and Bonito Avenue between 3rd Street and 4th Street to one-way streets, and request City Attorney to prepare the required amendment to Section 10.14.020 of the Long Beach Municipal Code adding the following new subsection:
- “(Southbound) Cerritos Avenue between 3rd Street and 4th Street”  
“(Northbound) Bonito Avenue between 3rd Street and 4th Street,” and
- Adopt resolution authorizing installation of angled parking on the east side of Cerritos Avenue between 3rd Street and 4th Street and the west side of Bonito Avenue between 3rd Street and 4th Street. (District 2)
- Office or Department:** PUBLIC WORKS
- Suggested Action:** Approve recommendation.
20. 09-0815 Recommendation to approve the conversion of Argonne Avenue between Livingston Drive and Broadway to a one-way street, and request City Attorney to prepare the required amendment to Section 10.14.020 of the Long Beach Municipal Code adding the following new subsection:
- “(Southbound) Argonne Avenue between Livingston Drive and Broadway.” (District 3)
- Office or Department:** PUBLIC WORKS
- Suggested Action:** Approve recommendation.
21. 09-0816 Recommendation to request City Attorney to revise Section 21.42.060 of the Long Beach Municipal Code regarding public parkways. (Citywide)
- Office or Department:** PUBLIC WORKS
- Suggested Action:** Approve recommendation.



22. 09-0817

Recommendation to:

1. Direct City Attorney to draft amendments to the Long Beach Municipal Code Chapter 8.60 regarding operating rules and regulations for private refuse haulers;
2. Authorize City Manager to develop and execute seven-year agreements, with three one-year renewal options, with all private refuse haulers currently operating in compliance with their Refuse Transportation Permit; and
3. Authorize Director of Public Works to:
  - a. Develop and implement rules and regulations as required for the successful execution, implementation and administration of the agreements and to ensure compliance with federal, state and local regulations;
  - b. Limit the number of permits to be issued to the 16 existing permitted haulers only;
  - c. Collect any and all fees as authorized by the City Council including the currently authorized AB 939 fee and the proposed Refuse Hauler Business Fee;
  - d. Require private haulers to utilize alternative fuel vehicles when operating in the City after September 30, 2012; and
  - e. Continue to require private haulers to provide recycling services to all multi-family and commercial accounts as determined by the Director of Public Works.

**Office or Department:** PUBLIC WORKS

**Suggested Action:** Approve recommendation.

23. 09-0818 Recommendation to authorize City Manager to execute a lease-purchase agreement and related financing documents with Banc of America Public Capital Corp for the financing of personal computers, computer related equipment, and servers in an amount not to exceed \$1,446,000 including interest, payable over a four-year period; and authorize City Manager to execute a Master Purchase Agreement with GTSI, Inc. (Citywide)

**Office or Department:** TECHNOLOGY SERVICES; HEALTH AND HUMAN SERVICES; FINANCIAL MANAGEMENT

**Suggested Action:** Approve recommendation.

**NEW BUSINESS:**

New Business items are additions to the City Council Agenda subsequent to the posting of the agenda on Monday afternoon.

24.

25.

26.

**PUBLIC: IMMEDIATELY PRIOR TO ADJOURNMENT**

Opportunity is given to those members of the public who have not addressed the City Council on non-agenda items. Each speaker is limited to three minutes unless extended by the City Council.

**STANDING COMMITTEE REMINDERS:**

Tuesday, August 4, 2009 – Economic Development and Finance Committee (Attorney/Client) at 2:30 P.M., 14th Floor Conference Room.

Tuesday, August 11, 2009 – Housing Authority at 4:30 P.M., Council Chamber.

**NOTE:**

An agenda may be obtained from the City Clerk Department prior to the meeting or can be mailed if the City Clerk is provided self-addressed, stamped envelopes mailed to: City Clerk Department, City Hall Plaza Level, 333 W. Ocean Boulevard, Long Beach, CA 90802.

The City Council agenda and supporting documents are available on the Internet at [www.longbeach.gov](http://www.longbeach.gov). Persons interested in obtaining an agenda via e-mail should subscribe to the City of Long Beach E-Notify System at <http://www.longbeach.gov/enotify/default.asp>.

Agenda items may also be reviewed in the City Clerk Department or online at the Main Library and at the Branch Libraries.

If language interpretation for non-English speaking persons is desired or if a special accommodation is desired pursuant to the Americans with Disabilities Act, please make your request by phone to the City Clerk Department at (562) 570-6101, by 12 noon Monday, the day prior to the Council meeting.

E-Mail correspondence regarding agenda items can be directed to [cityclerk@longbeach.gov](mailto:cityclerk@longbeach.gov).

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**FORM OF LESSEE'S OPINION OF COUNSEL  
(COUNSEL'S LETTERHEAD)**

Bank of America N.A.  
555 California Street, 4th Floor  
San Francisco, California 94104

Re: Schedule of Property No. \_\_\_\_\_, dated \_\_\_\_\_, to  
Equipment Lease-Purchase Agreement, dated as of \_\_\_\_\_,  
between Bank of America N.A., as Lessor, and City of Long Beach, as  
Lessee

Ladies and Gentlemen:

As legal counsel to City of Long Beach ("*Lessee*"), I have examined the Equipment Lease-Purchase Agreement, dated as of \_\_\_\_\_, and Exhibits thereto by and between Lessor and Lessee (the "*Agreement*") and Schedule of Property No.\_\_\_\_, dated \_\_\_\_\_, by and between Lessor and Lessee (the "*Schedule*"), which, among other things, provides for the lease of certain property listed in the Schedule (the "*Equipment*"), and such other opinions, documents and matters of law as I have deemed necessary in connection with this opinion. The Schedule and the terms and provisions of the Agreement incorporated therein by reference together with the Rental Payment Schedule attached to the Schedule are herein referred to collectively as the "*Lease*".

Based on the foregoing, I am of the following opinions:

1. Lessee is a municipal corporation, duly organized and existing under the laws of the State, and is a political subdivision of a state within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended (the "*Code*") and the obligations of Lessee under the Agreement will constitute an obligation of Lessee within the meaning of Section 103(a) of the Code.
2. Lessee has the power and authority to lease and acquire the Equipment and to execute and deliver the Lease and to perform its obligations under the Lease.
3. The Lease has been duly authorized, approved, executed and delivered by and on behalf of Lessee and the Lease is a valid and binding obligation of Lessee enforceable in accordance with its terms.
4. The authorization, approval, execution and delivery of the Lease and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable state or federal laws.
5. To the best of my knowledge, there is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely

determined, would adversely affect the transactions contemplated by the Lease or the security interest of Lessor or its assigns, as the case may be, in the Equipment thereunder.

All capitalized terms herein shall have the same meanings as in the Lease unless otherwise provided herein. Lessor and its successors and assigns, and any counsel rendering an opinion on the tax-exempt status of the interest components of the Rental Payments, are entitled to rely on this opinion.

Printed Name \_\_\_\_\_

Signature \_\_\_\_\_

Firm \_\_\_\_\_

Dated \_\_\_\_\_

Address \_\_\_\_\_

Telephone No. \_\_\_\_\_



OFFICE OF THE CITY ATTORNEY  
Long Beach, California

ROBERT E. SHANNON  
City Attorney

HEATHER A. MAHOOD  
Chief Assistant City Attorney

MICHAEL J. MAIS  
Assistant City Attorney

August 21, 2009

Bank of America, N.A.  
555 California Street, 4th Floor  
San Francisco, California 94104

RE: Schedule of Property No. 2 dated as of August 21, 2009 to Equipment Lease-Purchase Agreement, dated as of October 24, 2008, between Bank of America, N.A., as Lessor, and City of Long Beach, as Lessee

Dear Ladies and Gentlemen:

As legal counsel to City of Long Beach ("Lessee"), I have examined the Equipment Lease-Purchase Agreement, dated as of October 24, 2008, and Exhibits thereto, by and between Lessor and Lessee (the "Agreement"); the Schedule of Property No. 2, dated as of August 21, 2009, by and between Lessor and Lessee (the "Schedule"), which, among other things, provides for the lease of certain property listed in the Schedule (the "Equipment"); the Acquisition Fund and Account Control Agreement, among Lessor, Lessee and Union Bank of California, N.A., as Acquisition Fund Custodian, dated as of August 21, 2009 (the "Acquisition Fund") and such other opinions, documents and matters of law as I have deemed necessary in connection with this opinion. The Schedule and the terms and provisions of the Agreement incorporated therein by reference together with the Rental Payment Schedule attached to the Schedule are herein referred to collectively as the "Lease".

Based on the foregoing, I am of the following opinions:

1. Lessee is a municipal corporation, duly organized and existing under the laws of the State, and is a political subdivision of a state within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended (the "Code"), and the obligations of Lessee under the Agreement will constitute an obligation of Lessee within the meaning of Section 103(a) of the Code.
2. Lessee has the power and authority to lease and acquire the Equipment and to execute and deliver the Lease and to perform its obligations under the Lease.
3. The Lease has been duly authorized, approved, executed and delivered by and on behalf of Lessee and the Lease is a valid and binding obligation of Lessee enforceable in accordance with its terms.

Dominic Holzhaus  
Anne C. Lattime  
Monte H. Machit  
J. Charles Parkin

C. Geoffrey Allred  
Gary J. Anderson  
Richard F. Anthony  
Amy R. Burton  
Christina L. Checel  
Randall C. Fudge  
Charles M. Gale  
Earbara J. McTigue  
Barry M. Meyers  
Cristyl Meyers  
Howard D. Russell  
Tiffani L. Shin  
Linda Trang  
Theodore B. Zinger

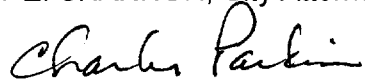
4. The authorization, approval, execution and delivery of the Lease and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable state or federal laws.

5. To the best of my knowledge, there is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Lease or the security interest of Lessor or its assigns, as the case may be, in the Equipment thereunder.

All capitalized terms herein shall have the same meanings as in the Lease unless otherwise provided herein. Lessor and its successors and assigns, and any counsel rendering an opinion on the tax-exempt status of the interest components of the Rental Payments, are entitled to rely on this opinion.

Very truly yours,

ROBERT E. SHANNON, City Attorney

By: 

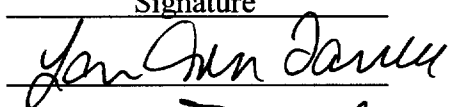

J. CHARLES PARKIN  
Principal Deputy City Attorney

**INCUMBENCY CERTIFICATE**


The undersigned City Clerk of The City of Long Beach as Lessee certifies as follows:

A. The following listed persons are duly elected and acting officials of Lessee (the "Officials") in the capacity set forth opposite their respective names below and that the facsimile signatures are true and correct as of the date hereof;

B. The Officials are duly authorized, on behalf of Lessee, to negotiate, execute and deliver the Equipment Lease-Purchase Agreement dated as of October 24 2008 and the Schedule(s) thereunder and all future Schedule(s) (the "Agreements") by and between Lessee and Bank of America, N.A. and these Agreements are binding and authorized Agreements of Lessee, enforceable in all respects in accordance with their terms.

<u>Name of Official</u>	<u>Title</u>	<u>Signature</u>
Lori Ann Farrell	Director of Financial Mgt/CFO	
David Nakamoto	City Treasurer	

Dated 8/20/09

By   
Title City Manager

(The signer of this Certificate cannot be listed above as authorized to execute the Agreements.)



**NOTICE AND ACKNOWLEDGMENT OF SALE OF RENTAL PAYMENTS  
AND ASSIGNMENT OF EQUIPMENT LEASE-PURCHASE AGREEMENT  
AND ACQUISITION FUND AGREEMENT**

Dated as of \_\_\_\_\_

This Acknowledgment of Assignment and Agreement ("Acknowledgment and Agreement") is made as of the above date by the City of Long Beach (the "Lessee") in favor of the Assignee identified below and Bank of America N.A., as Lessor and Assignor, with respect to the Lease identified below:

Assignee Name: \_\_\_\_\_  
Assignee Address: \_\_\_\_\_  
\_\_\_\_\_  
Lease: \_\_\_\_\_  
\_\_\_\_\_

For purposes of this Acknowledgment and Agreement, "Lease" means collectively the Lease identified above, together with all exhibits, schedules, addenda and attachments related thereto, and all certifications and other documents delivered in connection therewith. The term "Lease" specifically excludes all Schedules of Property and Rental Payments other than the Schedule(s) of Property identified above. Any other capitalized term used but not defined herein has the meaning set forth in the Equipment Lease-Purchase Agreement described above.

1. Lessee acknowledges the sale and assignment by Assignor to Assignee of all of Assignor's right, title and interest as Lessor, in, to and under the Lease, including but not limited to all Rental Payments and other amounts due under the Lease on or after \_\_\_\_\_ all of its rights under the related Acquisition Fund and in the Equipment financed under such Lease, and all proceeds of the foregoing; and Lessee hereby consents to such sale and assignment.

2. Lessee agrees that, as of the close of the date of this Acknowledgment and Agreement, the following information about the Lease is true, accurate and complete:

Number of Rental Payments Remaining.....  
Amount of Each Rental Payment.....  
Total Amount of Rental Remaining.....  
Frequency of Rental Payments.....  
Next Rental Payment Due.....  
Funds Remaining in Acquisition Fund .....

3. Lessee represents and warrants that as of the date of this Acknowledgment and Agreement: (a) the Lease is in full force and effect and all dates, amounts, equipment descriptions, representations, warranties and other facts set forth in the Lease are true and correct; (b) other than the Lease and the Acquisition Fund Agreement, there are no agreements between Lessor and Lessee relating to the financing or leasing of the Equipment; (c) Lessee is not in default under the Lease; (d) the Equipment is and shall at all times remain free and clear of any liens, security interests and encumbrances created by or through Lessee; (e) Lessee has and had full power, authority and legal right to execute and deliver the Lease, the Acquisition Fund Agreement and this Acknowledgment and Agreement and to perform its obligations under the Lease, the Acquisition Fund Agreement and this Acknowledgment and Agreement, and all such actions have been duly authorized by appropriate findings and actions of Lessee; (f) the Lease, the Acquisition Fund Agreement and this Acknowledgment and Agreement have been duly executed and delivered by Lessee and each constitutes a legal, valid and binding obligation of Lessee, enforceable in accordance with its terms; (g) Lessee has complied with the terms set forth in the Lease and the Acquisition Fund Agreement; and (h) the Lessee is not aware of any pending or threatened challenge by a taxing authority to the status of the interest portion of the Rental Payments being excludable from gross income for federal income tax purposes.

4. As of the date of this Acknowledgment and Agreement Assignee shall have all obligations of Assignor, as Lessor, under the Lease, and Lessee shall at all times look solely to Assignee for performance of such obligations.

5. With respect to the Lease, Lessee agrees that, subject to Paragraphs 22 and 25 of the Lease, Lessee is absolutely and unconditionally obligated to pay all of the Rental Payments under the Lease and to perform all of its other obligations under the Lease. Nothing in this paragraph shall be interpreted or construed by Assignee as a waiver or release of any rights that Lessee may have to compel Assignee to perform Assignee's obligations under the Lease.

6. Lessee acknowledges and agrees that from and after the date of this Acknowledgment and Agreement: (a) it will deal exclusively with Assignee with respect to the Lease and will deliver all payments and copies of all notices and other communications given or made by them with respect to each Lease to Assignee at the address listed above, (b) so far as enforcement of the Lease is concerned, notwithstanding the existence of other Schedules of Property issued under the Lease, such Lease is separate and severable and Assignee may take enforcement action independently of other parties having an interest in the Lease and other Schedules not forming a part of such Lease, (c) Assignee may exercise all rights and remedies available to it with respect to the Equipment independently of other parties having an interest in the Lease and in other Schedules not forming a part of such Lease, and (d) it will execute such other instruments and take such actions as Assignee reasonably may require to further confirm the sale, assignment and transfer of each Lease by Assignor to Assignee.

Lessee:  
City of Long Beach

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Lessor:  
Bank of America, N.A.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Assignee:  
\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## ACQUISITION FUND AND ACCOUNT CONTROL AGREEMENT

This Acquisition Fund and Account Control Agreement (this "Agreement"), dated as of August 21, 2009, by and among Bank of America, N.A., a national banking association (hereinafter referred to as "Lessor"), City of Long Beach, a political subdivision of the state of California (hereinafter referred to as "Lessee") and Union Bank, N.A., a national banking association (hereinafter referred to as "Acquisition Fund Custodian").

Reference is made to Schedule of Property No. 2, dated as of August 21, 2009, by and between Lessor and Lessee incorporating the terms of that certain Equipment Lease Purchase Agreement dated as of October 24, 2008 between Bank of America, N.A., and Lessee (hereinafter referred to as the "Lease"), covering the acquisition and lease of certain parking equipment and security systems described therein (the "Equipment"). It is a requirement of the Lease that the Purchase Price of the Equipment (an amount not to exceed \$1,358,000.00) is to be deposited into a special trust fund under terms satisfactory to Lessor, for the purpose of fully funding the Lease, and providing a mechanism for the application of such amounts to the purchase of and payment for the Equipment.

The parties agree as follows:

1. Creation of Acquisition Fund.

(a) There is hereby created a special custody fund to be known as the "City of Long Beach 2008- Schedule No. 2 Acquisition Fund Account" (the "Acquisition Fund") to be held by the Acquisition Fund Custodian for the purposes stated herein, for the benefit of Lessor and Lessee, to be held, disbursed and returned in accordance with the terms hereof.

(b) The Acquisition Fund Custodian shall invest and reinvest moneys on deposit in the Acquisition Fund in Qualified Investments in accordance with written instructions received from Lessee. Lessee shall be solely responsible for ascertaining that all proposed investments and reinvestments are Qualified Investments and that they comply with federal, state and local laws, regulations and ordinances governing investment of such funds and for providing appropriate notice to the Acquisition Fund Custodian for the reinvestment of any maturing investment. Accordingly, neither the Acquisition Fund Custodian nor Lessor shall be responsible for any liability, cost, expense, loss or claim of any kind, directly or indirectly arising out of or related to the investment or reinvestment of all or any portion of the moneys on deposit in the Acquisition Fund, and Lessee agrees to and does hereby release the Acquisition Fund Custodian and Lessor from any such liability, cost, expenses, loss or claim. Interest on the Acquisition Fund shall become part of the Acquisition Fund, and gains and losses on the investment of the moneys on deposit in the Acquisition Fund shall be borne by the Acquisition Fund, except for liability related to the negligence, willful misconduct or fraud of Acquisition Fund Custodian or Lessor. For purposes of this agreement, "Qualified Investments" means any investments which meet the requirements of applicable State of California and local laws and regulations.

(c) Unless the Acquisition Fund is earlier terminated in accordance with the provisions of paragraph (d) below, amounts in the Acquisition Fund shall be disbursed by the Acquisition Fund Custodian in payment of amounts described in Section 2 hereof upon receipt of written authorization(s) from Lessor, as is more fully described in Section 2 hereof. If the

amounts in the Acquisition Fund are insufficient to pay such amounts, Lessee shall provide any balance of the funds needed to complete the acquisition of the Equipment. Any moneys remaining in the Acquisition Fund after August 21, 2010 (the "Acquisition Period") shall be applied as provided in Section 4 hereof.

(d) The Acquisition Fund shall be terminated at the earliest of (i) the final distribution of amounts in the Acquisition Fund or (ii) written notice given by Lessor of the occurrence of a default or termination of the Lease due to non-appropriation.

(e) The Acquisition Fund Custodian may act in reliance upon any writing or instrument or signature which it has determined to be genuine and may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument. The Acquisition Fund Custodian shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any instrument nor as to the authority or right of any person executing the same; and its duties hereunder shall be limited to the receipt of such moneys, instruments or other documents received by it as the Acquisition Fund Custodian, and for the disposition of the same in accordance herewith.

(f) Unless the Acquisition Fund Custodian is guilty of negligence, willful misconduct or fraud with regard to its duties hereunder, Lessee agrees to and does hereby release and indemnify the Acquisition Fund Custodian and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Acquisition Fund Custodian under this Agreement; and in connection therewith does, to the extent permitted by law, indemnify the Acquisition Fund Custodian against any and all expenses; including reasonable attorneys' fees and costs.

(g) If Lessee and Lessor shall be in disagreement about the interpretation of the Lease, or about the rights and obligations, or the propriety of any action contemplated by the Acquisition Fund Custodian hereunder, the Acquisition Fund Custodian may, but shall not be required to, file an appropriate civil action to resolve the disagreement. The Acquisition Fund Custodian shall be reimbursed by Lessor, for all costs, including reasonable attorneys' fees, in connection with such civil action, and shall be fully protected in suspending all or part of its activities under the Lease until a final judgment in such action is received.

(h) The Acquisition Fund Custodian may consult with counsel of its own choice and shall have full and complete authorization and protection with the opinion of such counsel. The Acquisition Fund Custodian shall otherwise not be liable for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its negligence, willful misconduct or fraud.

(i) Lessor shall reimburse the Acquisition Fund Custodian for all reasonable costs and expenses, including those of the Acquisition Fund Custodian's attorneys, agents and employees incurred for extra-ordinary administration of the Acquisition Fund and the performance of the Acquisition Fund Custodian's powers and duties hereunder in connection with any Event of Default under the Lease, or in connection with any dispute between Lessor and Lessee concerning the Acquisition Fund.

(j) Lessor shall from time to time, on demand, pay to the Acquisition Fund Custodian reasonable compensation for its services and shall reimburse the Acquisition Fund Custodian for all its advances and expenditures, including but not limited to advances to and fees and expenses of counsel. The obligation to pay such amounts shall survive the term of this Acquisition Fund Agreement.

(k) The duties and responsibilities of Acquisition Fund Custodian shall be limited to those expressly set forth in this Agreement. With the exception of this Agreement, Acquisition Fund Custodian is not responsible for or chargeable with knowledge of any terms or provisions contained in any underlying agreement referred to in this Agreement or any other separate agreements and understandings between the parties. The Acquisition Fund Custodian shall not be liable for the accuracy of any calculations or the sufficiency of any funds for any purpose. The Acquisition Fund Custodian shall not have any liability under this Agreement except to the extent of its own gross negligence or willful misconduct. In no event shall the Acquisition Fund Custodian be liable for any special, indirect or consequential damages.

## 2. Acquisition of Property.

(a) Acquisition Contracts. Lessee will arrange for, supervise and provide for, or cause to be supervised and provided for, the acquisition of the Equipment, with moneys available in the Acquisition Fund. Lessee represents the estimated costs of the Equipment are within the funds estimated to be available therefor, and Lessor makes no warranty or representation with respect thereto. Lessor shall have no liability under any of the acquisition or construction contracts. Lessee shall obtain all necessary permits and approvals, if any, for the acquisition, equipping and installation of the Equipment, and the operation and maintenance thereof.

(b) Authorized Acquisition Fund Disbursements. Disbursements from the Acquisition Fund shall be made for the purpose of paying (including the reimbursement to Lessee for advances from its own funds to accomplish the purposes hereinafter described) the cost of acquiring the Equipment.

(c) Disbursement Procedure. No disbursement from the Acquisition Fund ("Disbursement") shall be made unless and until Lessor has approved such Disbursement. Prior to disbursement from the Acquisition Fund there shall be filed with the Acquisition Fund Custodian a requisition for such payment in the form of Disbursement Request attached hereto as Schedule 1, stating each amount to be paid and the name of the person, firm or corporation to whom payment thereof is due. Each such Disbursement shall be signed by an authorized representative of Lessee (an "Authorized Representative") and by Lessor, and shall be subject to the following:

1. Delivery to Lessor of a certificate of Lessee to the effect that:
  - (i) an obligation in the stated amount has been incurred by Lessee, and that the same is a proper charge against the Acquisition Fund for costs relating to the Equipment identified in the Lease, and has not been paid;
  - (ii) the Authorized Representative has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interest which should be satisfied or discharged before such payment is made;
  - (iii) such Disbursement contains no item representing payment on

account, or any retained percentages which Lessee is, at the date of such certificate, entitled to retain; and (iv) the Equipment is insured in accordance with the Lease;

2. Delivery to Lessor of an Acceptance Certificate executed by Lessee, together with any Purchase Agreement Assignment or bill of sale and invoice therefor as required by Paragraph 3A of the Lease;

3. The disbursement shall occur during the Acquisition Period set forth in the Schedule applicable to such Equipment;

4. There shall exist no Event of Default (nor any event which, with notice or lapse of time or both, would become an Event of Default); and

5. No material adverse change in Lessee's or any guarantor's financial condition shall have occurred since the date of the Lease.

3. Deposit to Acquisition Fund. Upon satisfaction of the conditions specified in Paragraph 3A of the Lease, Lessor will cause the Purchase Price to be deposited in the Acquisition Fund. Lessee agrees to pay any costs with respect to the Equipment in excess of amounts available therefor in the Acquisition Fund.

4. Excessive Acquisition Fund. Following the final disbursement from the Acquisition Fund at the end of the Acquisition Period, or termination of the Acquisition Fund as otherwise provided herein or in the Lease, the Acquisition Fund Custodian shall transfer any remainder from the Acquisition Fund to Lessor for application to amounts owed under the Lease in accordance with Paragraph 35(c) of the Lease.

5. Security Interest. The Acquisition Fund Custodian and Lessee acknowledge and agree that the Acquisition Fund and all proceeds thereof are being held by Acquisition Fund Custodian for disbursement or return as set forth herein. Lessee hereby grants to Lessor a first priority perfected security interest in the Acquisition Fund, and all proceeds thereof, and all investments made with any amounts in the Acquisition Fund. If the Acquisition Fund, or any part thereof, is converted to investments as set forth in this Agreement, such investments shall be made in the name of Acquisition Fund Custodian and the Acquisition Fund Custodian hereby agrees to hold such investments as bailee for Lessor so that Lessor is deemed to have possession of such investments for the purpose of perfecting its security interest.

5A. Control of Acquisition Account. In order to perfect Lessor's security interest by means of control in (i) the Acquisition Fund established hereunder, (ii) all entitlements, investment property and other financial assets now or hereafter credited to the Acquisition Fund, (iii) all of Lessee's rights in respect of the Acquisition Fund, such entitlements, investment property and other financial assets, and (iv) all products, proceeds and revenues of and from any of such entitlements, investment property and other financial assets deposited in or credited to the Acquisition Fund (collectively, the "Collateral"), Lessor, Lessee and Acquisition Fund Custodian further agree as follows:

(a) All terms used in this Section 5A which are defined in the Commercial Code of the state of California ("Commercial Code") but are not otherwise defined herein shall have the meanings assigned to such terms in the Commercial Code, as in effect on the date of this Agreement.

(b) Lessee hereby irrevocably authorizes Acquisition Fund Custodian and Acquisition Fund Custodian hereby agrees, to comply with all instructions entitlement orders originated by Lessor with respect to the Collateral, or any portion of the Collateral, in accordance with the terms hereof without further consent by Lessee, except as otherwise specifically provided in this Agreement.

(c) Acquisition Fund Custodian hereby represents and warrants (a) that the records of Acquisition Fund Custodian show that Lessee is the sole owner of the Collateral, (b) that Acquisition Fund Custodian has not been served with any notice of levy or received any notice of any security interest in or other claim to the Collateral, or any portion of the Collateral, other than Lessor's claim pursuant to this Section 5A, and (c) that Acquisition Fund Custodian is not presently obligated to accept any entitlement order from any person with respect to the Collateral, except for entitlement orders that Acquisition Fund Custodian is obligated to accept from Lessor under this Agreement and entitlement orders that Acquisition Fund Custodian, subject to the provisions of paragraph (e) below, is obligated to accept from Lessee.

(d) Without the prior written consent of Lessor, Acquisition Fund Custodian will not enter into any agreement by which Acquisition Fund Custodian agrees to comply with any entitlement order of any person other than Lessor or, subject to the provisions of paragraph (e) below, Lessee, with respect to any portion or all of the Collateral. Acquisition Fund Custodian shall promptly notify Lessor if any person requests Acquisition Fund Custodian to enter into any such agreement or otherwise asserts or seeks to assert a lien, encumbrance or adverse claim against any portion or all of the Collateral.

(e) Except as otherwise provided in this paragraph (e) and subject to Section 1(b) hereof, Acquisition Fund Custodian may allow Lessee to effect sales, trades, transfers and exchanges of Collateral within the Acquisition Fund, but will not, without the prior written consent of Lessor unless otherwise authorized by other Sections of this Agreement, allow Lessee to withdraw any Collateral from the Acquisition Fund. Acquisition Fund Custodian acknowledges that Lessor reserves the right, by delivery of written notice to Acquisition Fund Custodian, to prohibit Lessee from effecting any withdrawals (including withdrawals of ordinary cash dividends and interest income), sales, trades, transfers or exchanges of any Collateral held in the Acquisition Fund when those withdrawals are intended to be used by Lessee for any purpose other than the acquisition of Equipment in accordance with the terms of this Agreement and the Lease. Further, Acquisition Fund Custodian hereby agrees to comply with any and all written instructions delivered by Lessor to Acquisition Fund Custodian (once it has had a reasonable opportunity to comply therewith) and has no obligation to, and will not, investigate the reason for any action taken by Lessor, the amount of any obligations of Lessee to Lessor, the validity of any of Lessor's claims against or agreements with Lessee, the existence of any defaults under such agreements, or any other matter, unless Acquisition Fund Custodian receives notice from Lessee that said instructions from Lessor violate the terms of this Agreement. In that case, Acquisition Fund Custodian shall take no action until Lessor and Lessee resolve their dispute.

(f) Lessee hereby irrevocably authorizes Acquisition Fund Custodian to comply with all instructions and entitlement orders delivered by Lessor to Acquisition Fund Custodian.

(g) Acquisition Fund Custodian will not attempt to assert control, and does not claim and will not accept any security or other interest in, any part of the Collateral, and



Acquisition Fund Custodian will not exercise, enforce or attempt to enforce any right of setoff against the Collateral, or otherwise charge or deduct from the Collateral any amount whatsoever.

(h) Acquisition Fund Custodian is hereby authorized and instructed, and hereby agrees, to send to Lessor at its address set forth in Section 6 below, concurrently with the sending thereof to Lessee, duplicate copies of any and all monthly Acquisition Fund statements or reports issued or sent to Lessee with respect to the Acquisition Fund.

6. Miscellaneous. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Lease. This Agreement may not be amended except in writing signed by all parties hereto. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original instrument and each shall have the force and effect of an original and all of which together constitute, and shall be deemed to constitute, one and the same instrument. Notices hereunder shall be made in writing and shall be deemed to have been duly given when personally delivered or when deposited in the mail, first class postage prepaid, or delivered to an express carrier, charges prepaid, or sent by facsimile with electronic confirmation, addressed to each party at its address below:

If to Lessor:	Bank of America, N.A. 555 California Street CA5-705-04-01 San Francisco, CA 94104 Attn: Contract Administration Fax: (415) 343-0533
If to Lessee:	City of Long Beach 333 W. Ocean Boulevard, 6th Floor Long Beach, CA 90802-4664 Attn: Daniel Thurber Tel No. (562) 570-6169 Fax No. (562) 570-5836
If to Acquisition Fund Custodian	Union Bank , N.A. Corporate Trust Department 120 S. San Pedro Street, Suite 400 Los Angeles, CA 90012 Attn: Alison Braunstein Phone: (213) 972-5674 Fax: (213) 972-5694

In Witness Whereof, the parties have executed this Acquisition Fund Agreement as of the date first above written.

Bank of America, N.A.  
as Lessor

By: *Yvette Montalvo Bahr*  
Name: YVETTE MONTALVO BAHR  
Title: Assistant Vice President

City of Long Beach,  
as Lessee

By: *P. H. West*  
Name: Patrick H. West  
Title: City Manager

Union Bank, N.A.  
as Acquisition Fund Custodian

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Vice President

APPROVED AS TO FORM  
August 13, 2009  
ROBERT E. SHANNON, City Attorney  
3y *Charles Parkin*  
PRINCIPAL DEPUTY CITY ATTORNEY

In Witness Whereof, the parties have executed this Acquisition Fund Agreement as of the date first above written.

Bank of America, N.A.  
as Lessor

City of Long Beach,  
as Lessee

By: \_\_\_\_\_

By: \_\_\_\_\_

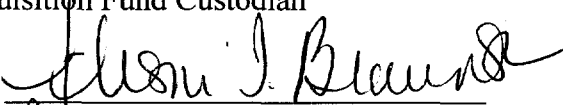
Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Union Bank, N.A.  
as Acquisition Fund Custodian

By: 

Name: Alison T. Braunstein

Title: Vice President

**Schedule 2**

**Form of Disbursement Request**

Re: Schedule of Property No. 2 dated as of August 21, 2009, by and between Bank of America, N.A., as Lessor and City of Long Beach, as Lessee, incorporating the terms of that certain Equipment Lease-Purchase Agreement dated as of October 24, 2008, by and between Bank of America, N.A., and Lessee (the "Lease")

In accordance with the terms of the Acquisition Fund and Account Control Agreement, dated as of August 21, 2009 (the "Acquisition Fund and Account Control Agreement") by and among Bank of America, N.A. ("Lessor"), City of Long Beach ("Lessee") and Union Bank, N.A., (the "Acquisition Fund Custodian"), the undersigned hereby requests the Acquisition Fund Custodian pay the following persons the following amounts from the Acquisition Fund created under the Acquisition Fund and Account Control Agreement (the "Acquisition Fund") for the following purposes.

Payee's Name and Address	Invoice Number	Dollar Amount	Purpose

The undersigned hereby certifies as follows:

(i) An obligation in the stated amount has been incurred by Lessee, and the same is a proper charge against the Acquisition Fund for costs relating to the Equipment identified in the Lease, and has not been paid. Attached hereto is the original invoice with respect to such obligation.

(ii) The undersigned, as Authorized Representative, has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interest which should be satisfied or discharged before such payment is made.

(iii) This Disbursement contains no item representing payment on account, or any retained percentages which Lessee is, at the date hereof, entitled to retain.

(iv) The Equipment is insured in accordance with the Lease.

(v) No Event of Default, and no event which with notice or lapse of time, or both, would become an Event of Default, under the Lease has occurred and is continuing at the date hereof.

(vi) The disbursement shall occur prior to the end of the Utilization Period set forth in the Schedule applicable to such Equipment.

(vii) No material adverse change in Lessee's or any guarantor's financial condition shall have occurred since the date of the Lease.

Dated: \_\_\_\_\_

CITY OF LONG BEACH

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: Authorized Representative

Disbursement of funds from the Acquisition Fund in accordance with the foregoing Disbursement Request hereby is authorized

BANK OF AMERICA, N.A.  
as Lessor under the Lease

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## TAX CERTIFICATE

This Tax Certificate (this "Certificate") is being provided by the City of Long Beach, California (the "City") in connection with the execution of that certain Equipment Lease-Purchase Agreement, by and between the City, as Lessee, and Bank of America, N.A., as Lessor, dated as of October 24, 2008 and Schedule No. 2 thereto dated as of August 21, 2009, by and between Bank of America, N.A., as Lessor and Lessee, which among other things, incorporates the terms of the Agreement and provides for the lease by the City of automated parking equipment and security systems to be located in the City (the "Lease") and concerns the requirements that must be met for interest component of the Rental Payments under the Lease to qualify as tax-exempt for federal income tax purposes.

The representations and agreements contained in this Certificate are made by the City for the benefit of Bank of America, N.A.

Many of the terms used in this Certificate have special meanings and provides cross-references to provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations pertaining to tax-exempt obligations. Certain other terms used and not defined herein have the meanings given such terms in the Lease.

The undersigned, acting on behalf of the City, hereby certifies, represents and agrees as follows:

1. The City's Representations. The City represents that it has examined and is familiar with the representations made in this Certificate, and certifies that all such representations are true, complete, and correct and do not omit to state a material fact necessary to make the representations, in light of the circumstances under which they were made, not misleading. Any representation made by the City about its reasonable expectations includes a representation that it has not entered into any contract or other arrangement that is inconsistent with that representation. The City further represents that it has reviewed all parts of this Certificate with its counsel. The undersigned City Manager of the City, certifies that he is duly authorized to execute and deliver this Certificate.

2. The Lease. The Lease, to which this Certificate is attached as Exhibit K, is incorporated herein by reference. The terms and security and sources of payment of the Lease are as described therein. The property to be financed with the proceeds of the Lease shall be the Equipment as defined and described in the Lease.

3. Reasonable Expectation That No Other Obligations Need to be Treated as Part of the Same "Issue" as the Lease. The Lease has been executed as of September 30, 2008. No other obligations reasonably expected to be paid from the same source of funds have been sold since July 30, 2008, and the City reasonably expects that no such obligations will be sold before October 30, 2008. Accordingly, the City intends to treat the Lease as a single "issue" and that no other obligations will be part of this "issue."

4. Interest Rate Hedges. The City has not entered into any contract primarily to modify the risk of interest rate changes with respect to the Lease and does not reasonably expect that it will enter into such a contract.

5. Form 8038-G. The information in the Internal Revenue Service Form 8038-G for the Lease attached to this Certificate as Attachment A is true and correct.

6. Amount of Lease Proceeds. The Lease was awarded by the City on the basis of the presentation of proposals to Bank of America, N.A., for an aggregate lease value of \$1,358,000.00. The fair market value of the Equipment is \$1,358,000.00.

7. Replacement Proceeds. The City reasonably expects that it will not have Replacement Proceeds as defined in Treas. Reg. §1.148-1(c). The City acknowledges that if Replacement Proceeds arise, they will be treated Gross Proceeds, as defined in the Code.

8. Ownership of the Equipment. The City reasonably expects that it will own the Equipment for the entire term of the Lease.

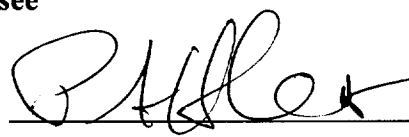
9. No Private Business Use of Equipment. No portion of any property financed with the proceeds of the Lease will be used for a private business use and the City shall not take any action that would cause the Lease to meet the private business use test of section 141(b)(1) of the Code. Accordingly, the City will not take any action that would cause (i) more than 10% of the Equipment to be used for private business use or (ii) more than 5% of the proceeds of the Equipment to be used for any private business use which is unrelated to any governmental use of such proceeds or which is related to such governmental use but disproportionate to the governmental use.

10. Payment of Rebate. The City shall make, or cause to be made, rebate payments to the United States Treasury with respect to the Lease at such times and such amounts as will meet the requirements of section 148(f) of the Code.

11. Records of Investments. The City shall maintain records that are adequate to determine the amount of required rebate payments with respect to of any proceeds of the Lease, if any. These records shall be maintained by the City until 6 years after the termination or the Lease.

12. Federal Guarantees. The City shall not take any action that would cause the Lease to be "federally guaranteed" under section 149(b) of the Code.

**CITY OF LONG BEACH, CALIFORNIA,**  
**as Lessee**

By:   
Name: PATRICK H. WEST  
Title: City Manager