

Gloria Olmos, Mayor/Chair
Hector Delgado, Mayor Pro Tem/ Vice Chair
Manuel Acosta, Councilmember/
Boardmember
Rudy Bojorquez, Councilmember/
Boardmember
Larry Rodriguez, Councilmember/
Boardmember



Rene Salas, City Manager/Executive
Director
Susie A. Altamirano, City Attorney/
General Counsel
Adrian Garcia, City Clerk/Secretary
Masami Higa, Director of
Finance/Treasurer

CITY OF SOUTH EL MONTE

REGULAR MEETING OF THE SOUTH EL MONTE CITY COUNCIL AND THE SUCCESSOR AGENCY TO THE SOUTH EL MONTE IMPROVEMENT DISTRICT

AGENDA

July 15, 2025, 6:00 PM
1415 Santa Anita Avenue, South El Monte, CA 91733

PUBLIC COMMENT

Those wishing to participate during Public Comment may do so in person at the South El Monte City Hall Council Chambers, or may submit written public comments by emailing sem.cityclerk@soelmonte.org. Emailed public comments are due by 5:00 p.m., and should be limited to no more than 250 words. Written public comments will be provided to the City Council and will be part of the record but will not be read aloud.

To participate during public comment via teleconference, see below:

Link: <https://us02web.zoom.us/j/86581711880>

Webinar ID: 865 8171 1880

Or call in: 1 669 900 6833, when prompted, enter 86581711880#

LIVE STREAMING OF MEETINGS

The City of South El Monte live streams the City Council Meetings over the Internet at <https://www.cityofsouthelmonte.org/129/Meeting-Agendas-Minutes>. After the meetings, recordings are immediately posted. NOTE: Your attendance at this public meeting may result in the streaming and recording of your image and/or voice.

AMERICANS WITH DISABILITIES ACT

In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the City Clerk's office at (626) 579-6540 at least 72 hours prior to the meeting.

MEETINGS

The City Council holds regular meetings on the first and third Tuesday of every month. Regular meetings start at 6 p.m. in the Council Chambers at City Hall, 1415 Santa Anita Avenue, South El Monte, California. Special and Adjourned Regular meetings start time are to be determined.

POSTING LOCATIONS OF AGENDA AND/OR CANCELLATION NOTICES

Regular meeting agendas will be posted at least 72 hours before the meeting (GC 54954(a)(1)).

Agenda and Cancellation Notices can be viewed online and are also posted at the following three (3) locations: City Hall located at 1415 Santa Anita Avenue, Senior Center located at 1556 Central Avenue and the Community Center located at 1530 Central Avenue, South El Monte, California.

VIEWING OF AGENDA PACKETS

Full agenda packet can be viewed either at <https://www.cityofsouthelmonte.org/129/Meeting-Agendas-Minutes> or in the City Clerk's Office during normal business hours Monday through Thursday, 7:00 a.m. to 5:30 p.m. Closed on Fridays and major holidays.

ISSUES RELATED TO AGENDA

For issues related to the agenda, including a disability-related accommodation necessary to participate in this meeting, please contact:

Adrian Garcia, MMC, City Clerk
Ph (626) 443-4928
Cell (626) 926-3071

Sabrina A. Muhne, Deputy City Clerk
Ph (626) 652-3121
Cell (626) 374-1998

LEVINE ACT DISCLOSURE

Pursuant to the Levine Act (Govt Code Section 84308), any party to a permit, license, contract, or other entitlement before the City Council is required to disclose on the record any campaign contribution, including aggregated contributions, of more than \$500 made by the party or the party's agents within the preceding 12 months to any City official. Participants and agents are requested to make this disclosure as well. The disclosure should be made when the agenda item is called and must include the name of the party, participant, or agent, and any other person making the contribution, the name of the recipient, the amount of the contribution, and the date the contribution was made. Council Members are also required to make such disclosures and recuse themselves.

CONFLICT OF INTEREST

City Council Members with a conflict of interest under the Political Reform Act are required to make disclosure of financial interest when the item is called and recuse themselves.

AGENDA BEGINS ON THE FOLLOWING PAGE

1. ROLL CALL

Councilmembers/Boardmembers: Acosta, Bojorquez, Rodriguez, Mayor Pro Tem/Vice Chair Delgado, and Mayor/Chair Olmos

2. PLEDGE OF ALLEGIANCE

Mayor Pro Tem Hector Delgado

3. INVOCATION

Pastor Ryan Clouse, Valley Community Outreach

4. PRESENTATIONS

4.a. Certificates of Recognition to recipients of the 2025 State of the City \$100 Scholarships from Epiphany Catholic School, Miramonte Elementary School, and Monte Vista Middle School

4.b. Certificate of Recognition to El Paisano Restaurant for their thirty-three years of business in the City

4.c. Sheriff's Department Report for the Month of June 2025

4.d. Code Enforcement and Public Safety Department Report for the Month of June 2025

5. APPROVAL OF THE AGENDA AND WAIVER OF FULL READING OF ORDINANCES

By motion of the City Council, this is the time to notify the public of any changes to the agenda, remove items from the consent calendar for individual consideration and/or rearrange the order of the agenda.

6. PUBLIC COMMENT

Speakers may provide public comments on any matter within the subject matter jurisdiction of the City Council, including items on the agenda. Each speaker will be limited to five minutes. Unless a majority of the Council objects, the Mayor may provide speakers more or less time to speak. All comments or queries shall be addressed to the Council as a body and not to any specific member thereof. Pursuant to Government Code Section 54954.2(a)(2), the Ralph M. Brown Act, no action or discussion by the City Council shall be undertaken on any item not appearing on the posted agenda, except to briefly provide information, ask for clarification, provide direction to staff, or schedule a matter for a future meeting.

7. CONSENT CALENDAR - CITY COUNCIL

Items on the consent calendar are considered to be routine and customary and are enacted by a single motion with the exception of items previously removed by a member of the City Council during "Approval of the Agenda" for individual consideration. Any items removed shall be individually considered immediately after taking action on the Consent Calendar.

Consent Calendar Items 7.a. through 7.d. next page.

CONSENT CALENDAR (CONTINUED)

7.a. CONTINUED FROM THE JULY 1, 2025, REGULAR CITY COUNCIL MEETING - CONSIDERATION AND APPROVAL FOR AUTHORIZATION TO SOLICIT PROPOSALS THROUGH THE REQUEST FOR PROPOSAL PROCESS (RFP) FOR PUBLIC SAFETY SERVICES

The City of South El Monte is requesting proposals from qualified professional firms to provide the City with public safety services.

RECOMMENDED ACTION: Staff recommends City Council approve the issuance of a RFP to provide public safety services in the form attached to the agenda report and authorize the City to solicit proposals.

7.b. CONSIDERATION AND APPROVAL OF THE SPECIAL CITY COUNCIL MEETING MINUTES OF JUNE 26, 2025, AND THE REGULAR CITY COUNCIL MEETING MINUTES OF JULY 1, 2025

Staff is requesting approval of Minutes for the June 26, 2025, Special City Council Meeting and the July 1, 2025, Regular City Council Meeting.

RECOMMENDED ACTION: Staff is requesting approval of Minutes for the June 26, 2025, Special City Council Meeting and the July 1, 2025, Regular City Council Meeting.

7.c. CONSIDERATION AND APPROVAL OF RESOLUTION NO. 25-065, APPROVING WARRANTS FOR THE PERIOD OF JULY 2, 2025, THROUGH JULY 15, 2025

Authorizing payment of City expenditures for the period of July 2, 2025, through July 15, 2025, totaling \$1,990,685.45.

RECOMMENDED ACTION: Staff recommends City Council adopt Resolution No. 25-065, authorizing payment of City expenditures.

7.d. CONSIDERATION AND APPROVAL OF PROPOSED DARK COUNCIL MEETING DATES FOR THE MONTH OF AUGUST 2025

Staff is requesting City Council "go dark" on Tuesday, August 5, 2025, and Tuesday, August 19, 2025, as the City Council will be taking a recess during the month of August 2025.

RECOMMENDED ACTION: Staff recommends City Council approve "going dark" on Tuesday, August 5, 2025, and Tuesday, August 19, 2025.

Consent Calendar Items 7.e. through 7.g. next page.

CONSENT CALENDAR (CONTINUED)

7.e. **CONSIDERATION AND APPROVAL OF A REQUEST FOR PROPOSALS (RFP) FOR CONSULTING SERVICES TO UPDATE THE CITY'S LOCAL HAZARD MITIGATION PLAN (LHMP) AND AUTHORIZING STAFF TO SOLICIT PROPOSALS**

The Federal Disaster Management Act of 2000 (“DMA 2000”) requires every local, county, and state government to have an approved Local Hazard Mitigation Plan (“LHMP” or “the Plan”). In addition to minimizing the impact of major hazard events on the community, completion of the LHMP also maintains eligibility for future hazard mitigation funding following any significant disaster. As a result of the DMA 2000 legislation, hazard mitigation is now considered to be the first step in preparing for emergencies, rather than the final step in recovery. The City’s current LHMP will conclude its five-year lifecycle and expire on December 28, 2026.

On January 31, 2025, the City was awarded a Hazard Mitigation Grant Program (“HMGP”) by the U.S. Department of Homeland Security and the California Governor’s Office of Emergency Services (Cal OES) for the grant amount of \$151,500.00 with a 25% non-Federal share cost of \$50,500 for a total cost of \$202,000.00 and an additional Federal share of \$10,000 for Management cost.

RECOMMENDED ACTION: Staff recommends that the City Council approve the Request For Proposal (“RFP”) for Consulting Services to update the City's LHMP Local Hazard Mitigation Plan and authorize staff to solicit proposals. This action solely approves the RFP and authorizes staff to solicit proposals.

7.f. **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 25-066 AWARDED AN AGREEMENT TO VASQUEZ & COMPANY LLP FOR AUDITING SERVICES**

On June 5, 2025, the City issued a Request for Proposal (RFP) for Auditing Services and received two proposals. Staff reviewed the proposals and determined that of the two companies, Vasquez & Company (Vasquez) provided the best overall value to meet the needs of the City.

RECOMMENDED ACTION: Staff recommends City Council adopt Resolution No. 25-066, approving a three-year agreement with a two-year renewal option with Vasquez.

7.g. **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 25-067, NOTICE OF INTENT TO VACATE SLOPE EASEMENT AT 1606 DURFEE AVENUE**

Thomas Co (“Owner”) has requested the vacation of the Slope Easement as more specifically described and depicted in Attachment “B”.

RECOMMENDED ACTION: Staff recommends City Council adopt Resolution No. 25-067, to vacate the Slope Easement at 1606 Durfee Avenue and authorize City Staff to proceed with Slope Easement vacation.

8. CONSENT CALENDAR - SUCCESSOR AGENCY

Items on the Consent Calendar are considered to be routine and customary and are enacted by a single motion with the exception of items previously removed by a member of the Board during "Approval of the Agenda" for individual consideration. Any items removed shall be individually considered immediately after taking action on the Consent Calendar.

8.a. CONSIDERATION AND APPROVAL OF PROPOSED DARK SUCCESSOR AGENCY MEETING DATE FOR THE MONTH OF AUGUST 2025

Staff is requesting the Successor Agency Board "go dark" on Tuesday, August 19, 2025, as the Successor Agency Board will be taking a recess during the month of August 2025.

RECOMMENDED ACTION: Staff recommends the Successor Agency Board approve "going dark" on Tuesday, August 27, 2024.

9. PUBLIC HEARINGS - None

10. GENERAL BUSINESS

10.a. CONSIDERATION AND APPROVAL OF TWO AGREEMENTS WITH SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS (SGVCOG) TO PARTICIPATE IN THE SGV WORK FORCE PROGRAM

The San Gabriel Valley Council of Governments (SGVCOG) launched the SGV Works workforce development program to provide paid employment and supportive services to individuals facing significant barriers to employment. The program originally began through funding secured by Senator Susan Rubio in the 2021 State Budget. Building on the success of this initiative, SGVCOG has now received \$2,000,000 in Federal Community Project Funding—secured through the efforts of Senator Alex Padilla, Representative Grace Napolitano, and Representative Linda Sánchez—to continue and expand the program through March 31, 2026.

RECOMMENDED ACTION: Staff recommends approval of both contracts with SGVCOG to participate in the Work Force program.

General Business Items 10.b. through 10.d. next page.

GENERAL BUSINESS (CONTINUED)

10.b. CONSIDERATION AND APPROVAL OF RESOLUTION NO. 25-068, OF AN EMERGENCY PURCHASE AND INSTALLATION OF AUDIO AND VISUAL COUNCIL CHAMBER EQUIPMENT

Emergency Purchase and Installation of Council Chamber Equipment.

RECOMMENDED ACTION: Staff recommends City Council:

1. Find that there is a need to complete the emergency work;
2. Adopt the attached Resolution No. 25-068, by four-fifths vote, to determine that there is a need to proceed with emergency work for the purchase and installation of audio and visual Council Chamber Equipment; and
3. Approve an agreement with Western Audio Visual for the purchase and installation of the Council Chamber Equipment in an Amount not to exceed \$80,000.

10.c. CONSIDERATION AND APPROVAL OF RESOLUTION NO. 25-069, ADOPTING CONTRACT AMENDMENT NO. 3 WITH TOWNSEND PUBLIC AFFAIRS LLC FOR GRANT WRITING SERVICES

The contract with Townsend Public Affairs LLC (Townsend) for grant-writing services expired on June 30, 2025. Staff recommends City Council adopt Resolution No. 25-069, adopting Amendment No. 3 to extend the term of the agreement with Townsend for three (3) years through June 30, 2028, and increasing the scope of grant-writing services to cover all possible State and Federal grants for Public Works, Parks, Buildings, Transportation, and other.

RECOMMENDED ACTION: Staff recommends City Council adopt Resolution No. 25-069, adopting Contract Amendment No. 3 with Townsend.

10.d. CONSIDERATION AND APPROVAL OF RESOLUTION NO. 25-070, AMENDING THE MASTER AFFORDABLE HOUSING COVENANT AND DENSITY BONUS AGREEMENT, AFFORDABILITY COVENANTS AND RESTRICTIONS BETWEEN THE CITY OF SOUTH EL MONTE AND KB HOME FOR THE PROPERTY LOCATED AT 2540 ROSEMEAD BOULEVARD.

Approval of amendment to the Master Affordable Housing Covenant, Density Bonus Agreement, and Affordability Covenants and Restrictions

RECOMMENDED ACTION: Staff recommends City Council adopt Resolution No. 25-070, amending the previously approved Master Affordable Housing Covenant and Density Bonus Agreement, and Affordability Covenants and Restrictions.

General Business Item 10.e. next page.

GENERAL BUSINESS (CONTINUED)

10.e. DISCUSSION AND CONSIDERATION OF RESOLUTION NO. 25-071, APPROVING THE FORMATION OF THE SOUTH EL MONTE COMMUNITY BENEFIT FOUNDATION

Discussion and consideration of a Resolution approving the formation of the South El Monte Community Benefit Foundation by the South El Monte City Council.

RECOMMENDED ACTION: Staff recommends City Council:

1. Discuss and consider the formation of the City of South El Monte Community Benefit Foundation (Foundation);
2. Adopt Resolution No. 25-071;
3. Authorize the City Clerk or designee to draft any and all documents necessary to form the Foundation;
4. Direct Staff to develop a process for selecting the first Board of Directors of the Foundation for review and approval;
5. Work with the City Attorney to draft the Foundation's Bylaws and Articles of Incorporation to reflect a community-led governance structure; and
6. Provide additional direction to Staff.

11. COMMITTEE REPORTS, INCLUDING AB 1234 REPORTS

AB 1234, section 53232.3(d) requires Members of a legislative body to provide brief reports on meetings attended at the expense of the local agency (i.e., League of California Cities Conferences, ICSC conferences, etc.) at the next regular meeting of the legislative body.

12. CORRESPONDENCE - None

13. COUNCILMEMBERS' AGENDA

13.a. COUNCILMEMBER MANUEL ACOSTA

1. Update on Commercial and Home Developments in South El Monte
2. Discussion/Action: South El Monte Emergency Preparedness – Flood Preparedness!

14. CLOSED SESSION - None

15. ADJOURNMENT OF CITY COUNCIL AND SUCCESSOR AGENCY MEETING

NEXT REGULAR CITY COUNCIL MEETING:

Tuesday, September 2, 2025, at 6:00 p.m.

CERTIFICATION

I, Adrian Garcia, MMC, City Clerk of the City of South El Monte, or my designee, hereby certify under penalty of perjury that a true, accurate copy of the foregoing agenda was posted on this July 10, 2025, seventy-two (72) hours prior to the meeting per Government Code 54954.2 at the following locations: City of South El Monte City Hall, Senior Center and Community Center and made available at www.cityofsouthelmonte.org.



Adrian Garcia, MMC



City Council Agenda Report

Agenda Item No. 4.a.

DATE: July 15, 2025

TO: Honorable Mayor and Members of the City Council

APPROVED BY: Rene Salas, City Manager

SUBMITTED BY:

SUBJECT: Certificates of Recognition to recipients of the 2025 State of the City \$100 Scholarships from Epiphany Catholic School, Miramonte Elementary School, and Monte Vista Middle School

SUMMARY:

RECOMMENDED ACTION:

FISCAL/FINANCIAL IMPACT:

DISCUSSION:

ATTACHMENT(S):

None



City Council Agenda Report

Agenda Item No. 4.b.

DATE: July 15, 2025

TO: Honorable Mayor and Members of the City Council

APPROVED BY: Rene Salas, City Manager

SUBMITTED BY:

SUBJECT: Certificate of Recognition to El Paisano Restaurant for their thirty-three years of business in the City

SUMMARY:

RECOMMENDED ACTION:

FISCAL/FINANCIAL IMPACT:

DISCUSSION:

ATTACHMENT(S):

None



City Council Agenda Report

Agenda Item No. 4.c.

DATE: July 15, 2025

TO: Honorable Mayor and Members of the City Council

APPROVED BY: Rene Salas, City Manager

SUBMITTED BY: Rene Salas, City Manager

SUBJECT: Sheriff's Department Report for the Month of June 2025

SUMMARY:

RECOMMENDED ACTION:

FISCAL/FINANCIAL IMPACT:

DISCUSSION:

ATTACHMENT(S):

A. June 2025 PowerPoint

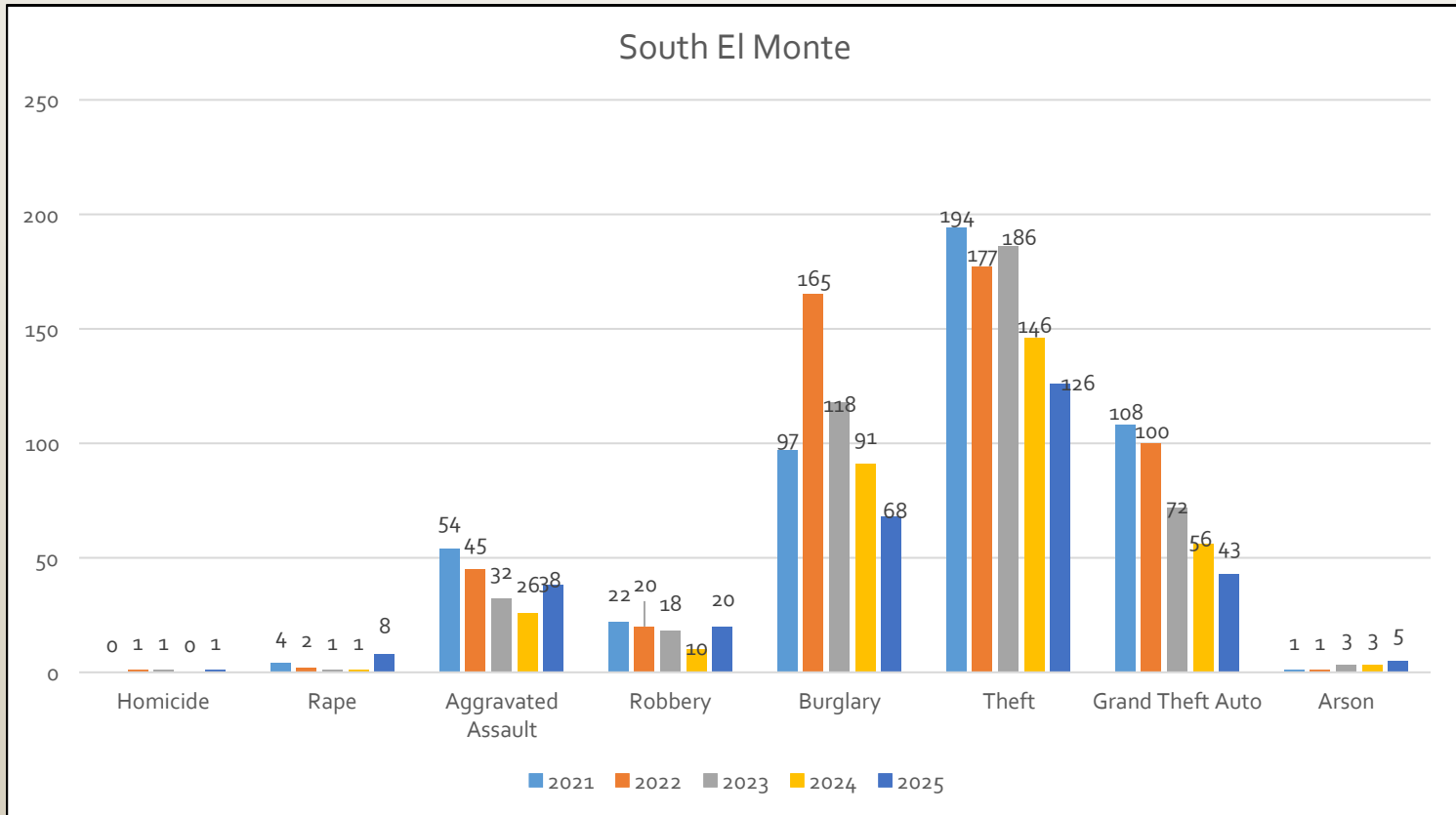
South El Monte June 2025

Crime Statistics



South El Monte

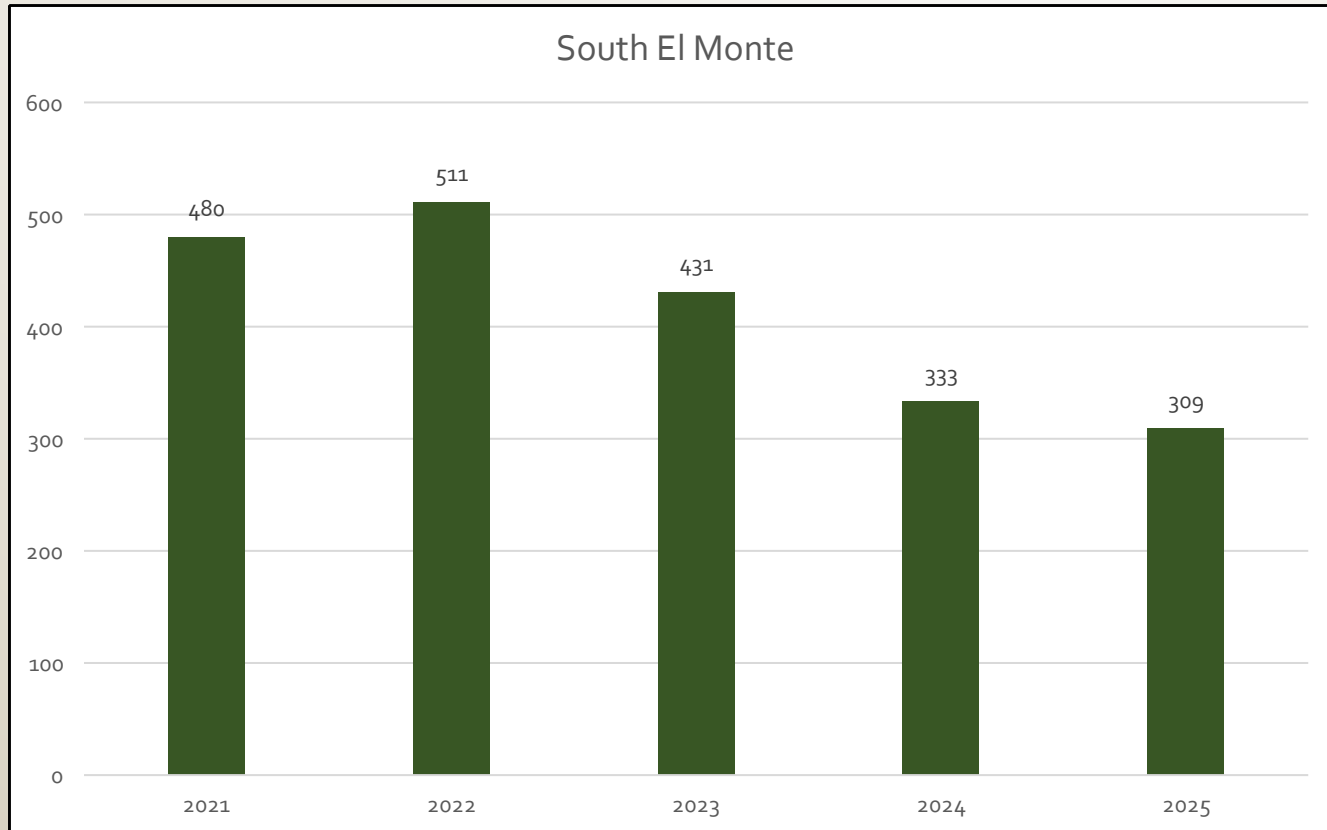
Part I Crime Statistics – June 2021-2025 YTD



South El Monte	1 yr % change	4 yr % change
Homicide	NC	NC
Rape	700%	100%
Aggravated Assault	46%	-30%
Robbery	100%	-9%
Burglary	-25%	-30%
Theft	-14%	-35%
Grand Theft Auto	-23%	-60%
Arson	67%	400%
Total	-7%	-36%

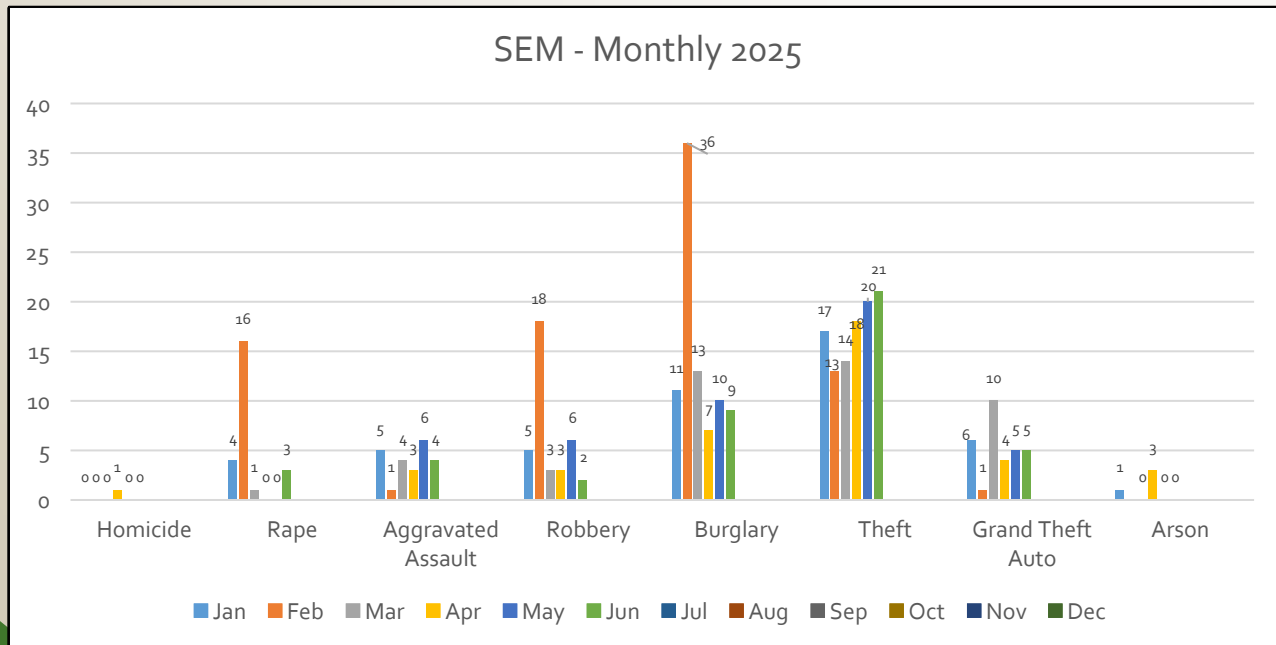
South El Monte

Part I Crime Statistics – June 2021-2025 YTD



South El Monte Part I Crime Statistics – 2025 Monthly Breakdown & Arrests YTD

South El Monte	January	February	March	April	May	June	July	August	September	October	November	December	Total
Homicide	0	0	0	1	0	0							1
Rape	4	0	1	0	0	3							8
Aggravated Assault	5	16	4	3	6	4							38
Robbery	5	1	3	3	6	2							20
Burglary	11	18	13	7	10	9							68
Theft	17	36	14	18	20	21							126
Grand Theft Auto	6	13	10	4	5	5							43
Arson	1	1	0	3	0	0							5
Total	49	85	45	39	47	44	0	0	0	0	0	0	309



Arrests	
2024	508
2025	402

South El Monte	YTD
Res Burg	3
Other Burg	65
Petty Theft	50
Grand Theft	52
Theft from Vehicle	24



City Council Agenda Report

Agenda Item No. 4.d.

DATE: July 15, 2025

TO: Honorable Mayor and Members of the City Council

APPROVED BY: Rene Salas, City Manager

SUBMITTED BY: Danilo Batson, Interim Director of Public Works

SUBJECT: Code Enforcement and Public Safety Department Report for the Month of June 2025

SUMMARY:

RECOMMENDED ACTION:

FISCAL/FINANCIAL IMPACT:

DISCUSSION:

ATTACHMENT(S):

A. Code Enforcement & Public Safety Report June 2025

City of South El Monte

Code Enforcement Report



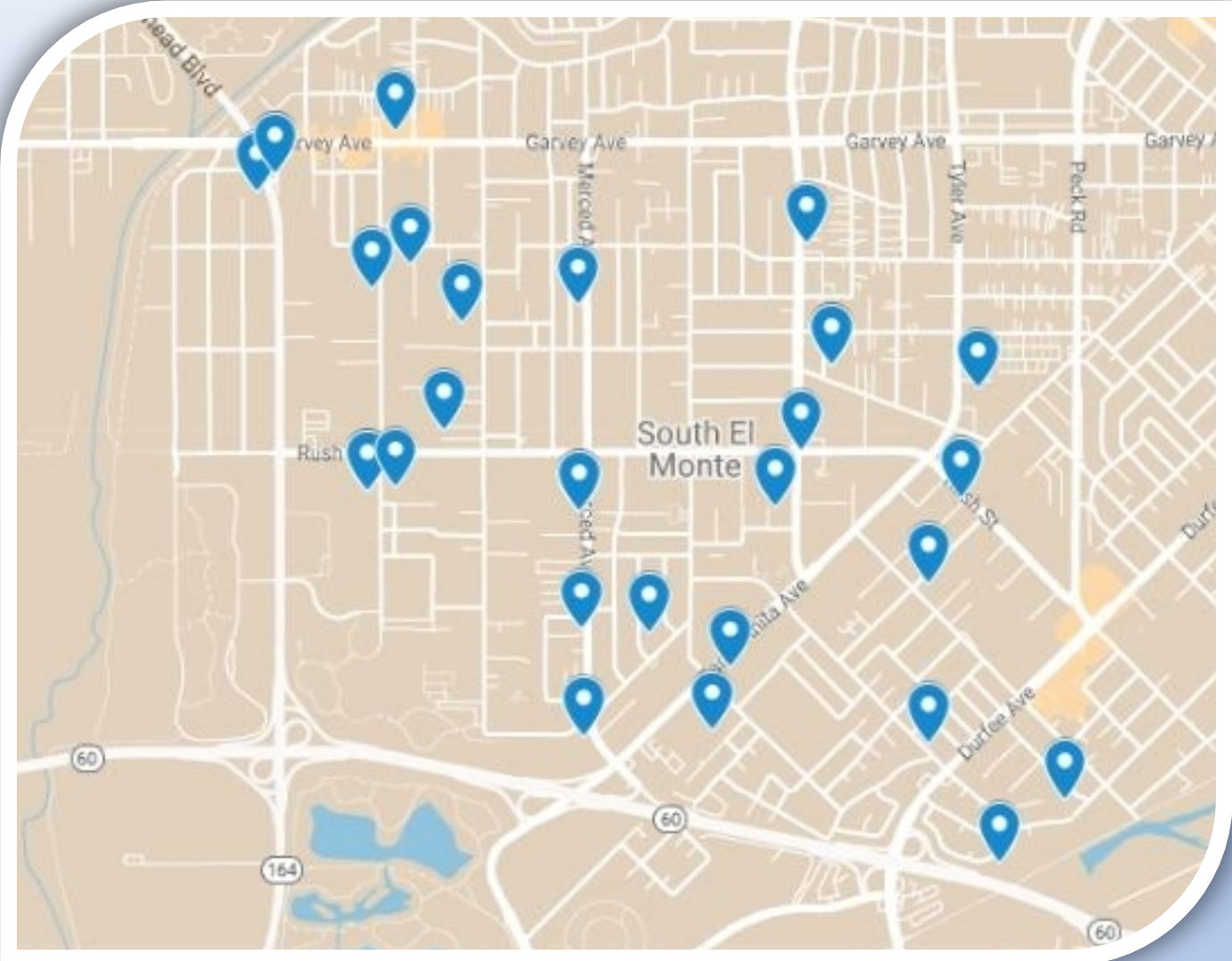
June 2025 Recap

Raul Rodriguez
Code Enforcement Supervisor

Code Enforcement Cases

June - 116

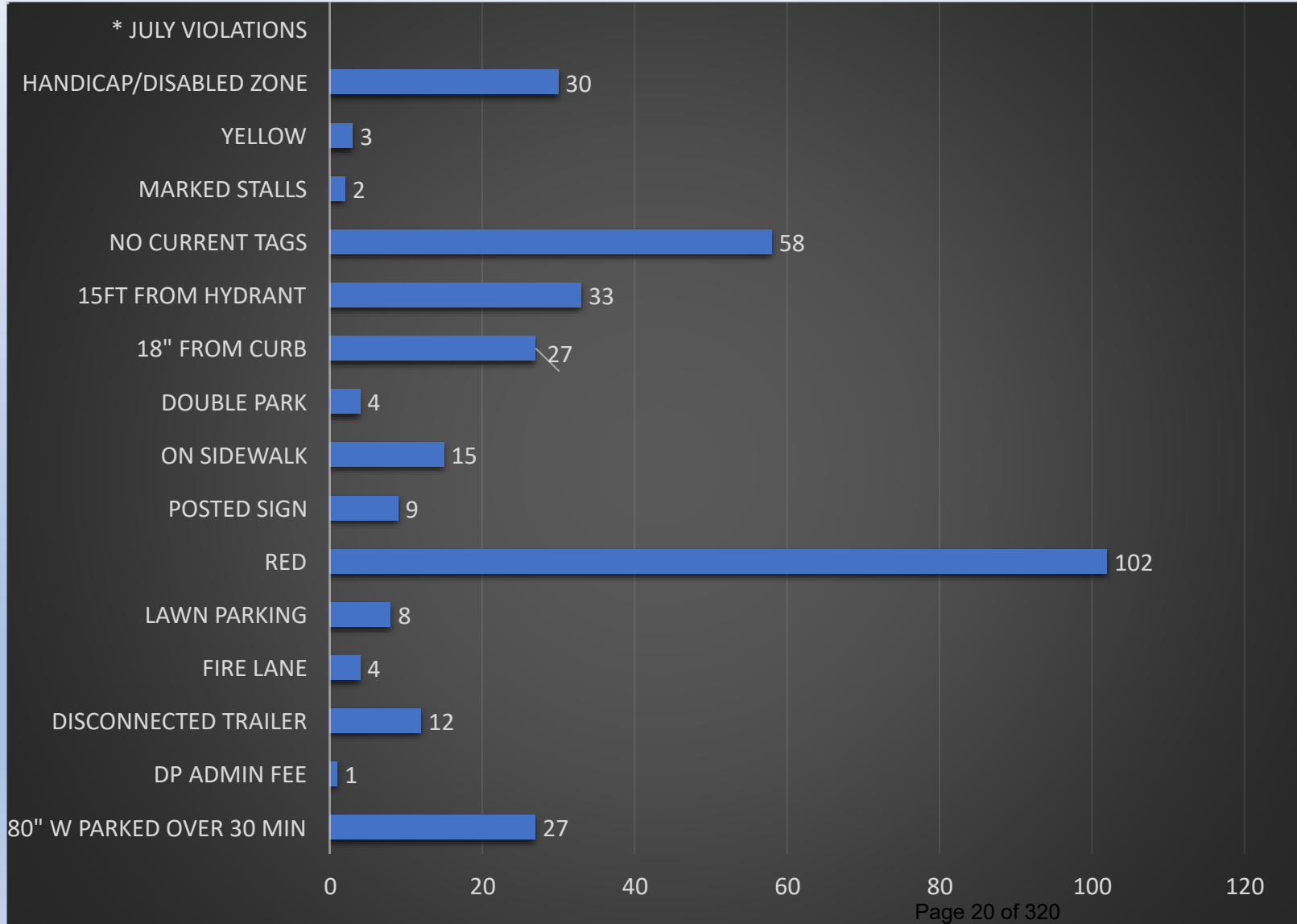
Building Code.....	7
Business.....	4
Graffiti (Private Property).....	17
Health & Safety.....	3
Homeless	9
Illegal Dumping/Bulk	6/14
Vehicle & Traffic	2
Property Maintenance.....	29
Street Vendors.....	10
Streets Sidewalks	5
Parking/Zoning.....	6/3
Prohibited Animals.....	1



Parking Citations

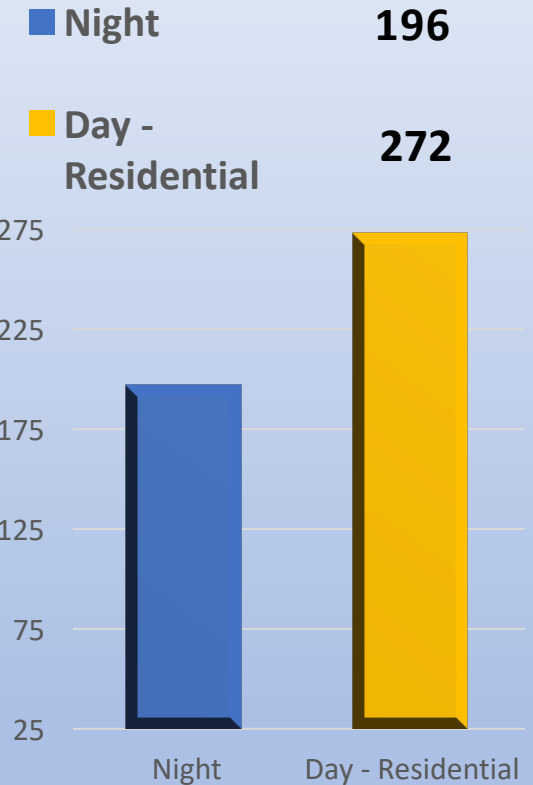
JUNE – 837

* Number of Citations issued differs from number of violations listed



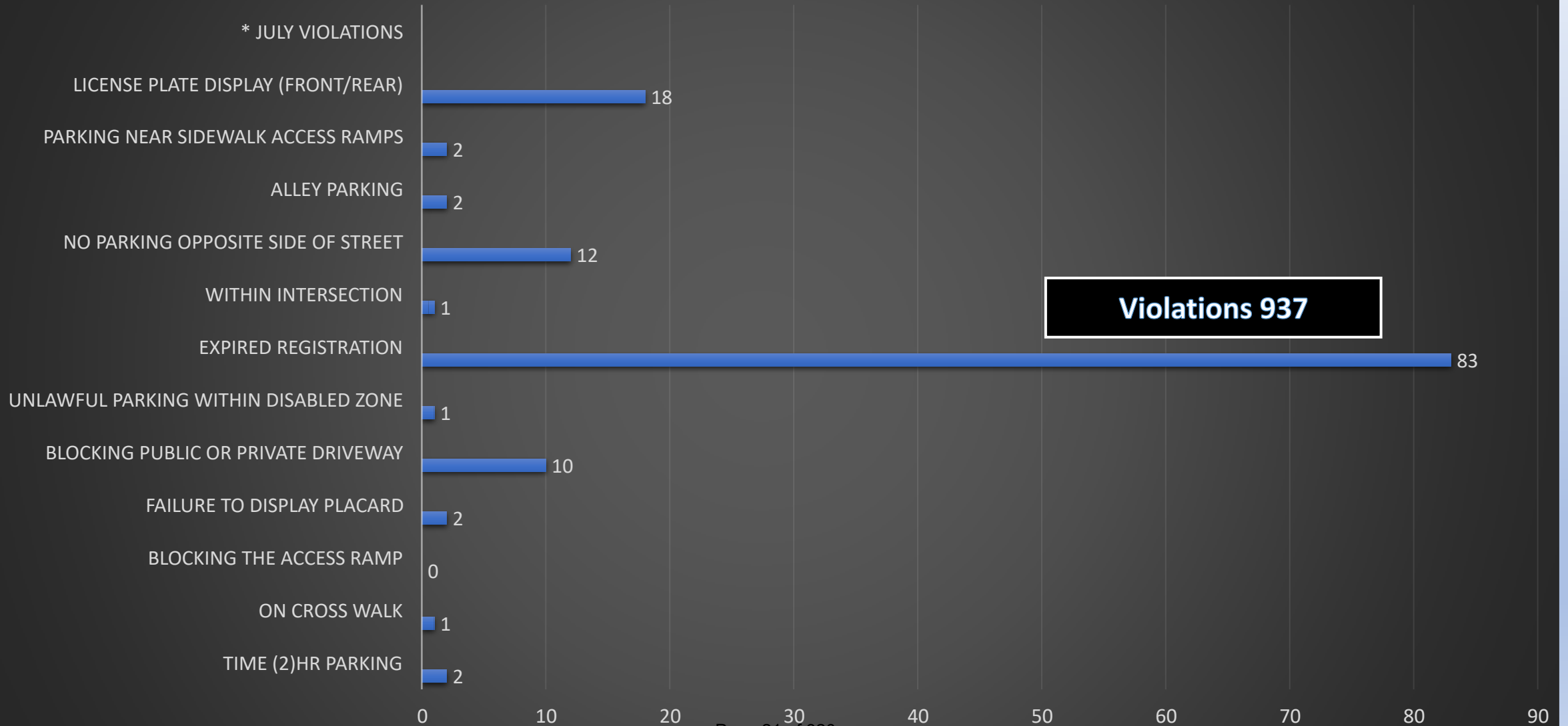
STREET SWEEPING –

468



Parking Citations

JUNE Continued -





City Council Agenda Report Agenda Item No. 7.a.

DATE: July 15, 2025

TO: Honorable Mayor and Members of the City Council

APPROVED BY: Rene Salas, City Manager

SUBMITTED BY: Gerardo Marquez, Interim Director of Community Development

SUBJECT: **CONTINUED FROM THE JULY 1, 2025, REGULAR CITY COUNCIL MEETING** - CONSIDERATION AND APPROVAL FOR AUTHORIZATION TO SOLICIT PROPOSALS THROUGH THE REQUEST FOR PROPOSAL PROCESS (RFP) FOR PUBLIC SAFETY SERVICES

SUMMARY: The City of South El Monte is requesting proposals from qualified professional firms to provide the City with public safety services.

RECOMMENDED ACTION: Staff recommends City Council approve the issuance of a RFP to provide public safety services in the form attached to the agenda report and authorize the City to solicit proposals.

FISCAL/FINANCIAL IMPACT: There is no fiscal impact for soliciting proposals.

DISCUSSION: The City of South El Monte is requesting proposals from qualified professional firms to provide the City with unarmed Public Safety Officer services, seven days a week. PSOs will be uniformed, unarmed, non-sworn personnel deployed to non-emergency and low-priority service calls.

The RFP for third-party services release date is July 16, 2025; responses to the RFP will be due on August 14, 2025 at 5:00 p.m.; and, the anticipated award of contract date is September 2025.

ATTACHMENT(S):

- A. RFP Public Safety Services

REQUEST FOR PROPOSAL

Public Safety Services



**CITY OF SOUTH EL MONTE
Public Works Department
1415 North Santa Anita Avenue
South El Monte, CA 91733**

July 16, 2025

Submittal Deadline: 5:00 P.M. August 14, 2025

**Contact:
Gerardo Marquez, Interim Director of
Community Development
Email: gmarquez@soelmonte.org**

CITY OF SOUTH EL MONTE, CALIFORNIA

**REQUEST FOR PROPOSAL (RFP)
Public Safety Services**

Firms wishing to be considered responsive to this RFP, must submit three (3) hard copies, and one (1) electronic PDF copy (saved on a flash drive) of their proposal in a sealed envelope no later than August 14, 2025, at 5:00 p.m. The envelope should be clearly marked as shown below:

Proposal for Public Safety Services
Attention:
Gerardo Marquez, Interim Director of Community Development
c/o Office of the City Clerk,
1415 Sana Anita Road
South El Monte, California 91733

Submit Questions to:

Gerardo Marquez, Interim Director of Community Development
gmarquez@soelmonte.org

1. LATE OR INCOMPLETE SUBMITTALS WILL NOT BE ACCEPTED.

The proposal must include all requirements listed under “Scope of Services” and “Proposal Requirements and Other Information”. This RFP contains additional information regarding the evaluation process, general terms and conditions, and the City’s template for professional services agreements under “Attachment D”. and City staff is available to respond to questions. To facilitate proposal development, the job bulletin has been provided under “Attachment A”.

2. SCOPE OF SERVICES SUMMARY: The City of South El Monte is requesting proposals from qualified professional firms to provide the City with unarmed Public Safety Officer services, seven days a week. PSOs will be uniformed, unarmed, non-sworn personnel deployed to non-emergency and low-priority service calls.

3. SCOPE OF SERVICES

The City seeks proposals to provide unarmed Public Safety Officer services for 10-hour shifts, seven days a week. PSOs will be uniformed, unarmed, non-sworn personnel deployed to non-emergency and low-priority service calls.

Services Include:

- Enforce parking ordinances and street sweeping violations
- Patrol residential, commercial, park and city facilities
- Tag and coordinate with LASD for removal of abandoned vehicles
- Provide crowd control for city events and traffic control involving vehicles
- Assist with code compliance and nuisance violations
- Respond to citizen complaints regarding public safety and code issues

Core Duties:

- Enforce parking and vehicle abatement laws
 - Issue citations and warnings for parking and street violations
 - Post temporary signage and support public events logistics
 - Observe and report criminal or suspicious activity
 - Serve as liaison to LASD and City departments for safety concerns
 - Maintain detailed records and reports of daily activities
-

4. OPERATIONS OVERVIEW

Public Safety Officer (PSO) Operations:

- Daily deployment in 10-hour shifts, seven days/week
- Background-checked and trained by vendor in accordance with City requirements
- Dispatched via City coordination
- Equipped with City-approved uniforms, vehicles, radios, and mobile data computers
- Shall not arrest, conduct vehicle stops, or issue criminal citations

Event & Community Support:

- Provide assistance for City events (parades, fairs, ceremonies)
 - Coordinate with Code Enforcement for inspections and compliance
-

5. PERSONNEL & TRAINING REQUIREMENTS

- All PSOs must pass a civilian background investigation approved by the City
 - Vendor must perform their own background check prior to hiring
 - PSOs must be physically capable of all duties with or without reasonable accommodation
 - City reserves the right to remove/replace any personnel
 - Required ongoing training topics:
 - Parking enforcement and citation procedures
 - Conflict Resolution and De-escalation
 - Report Writing
 - Narcan Administration
 - First Aid and Mental Health Response
 - Local municipal code enforcement
-
-

6. EQUIPMENT REQUIREMENTS

The vendor must provide the following:

- City-approved patrol vehicles (clean, operational, branded)
- Radios, mobile data computers, phones
- Narcan nasal spray, flashlights, uniforms (weather-appropriate)
- Lockers for personnel storage

All branding on uniforms and vehicles must be approved by the City.

7. REPORTING REQUIREMENTS

Vendor must provide an electronic reporting system with the following capabilities:

- Hourly logs of areas patrolled and public interactions
 - Incident reports, actions taken, and agency notifications
 - Historical and real-time data access
 - Mapping and location-specific tracking
 - Monthly reports to City's Public Safety Division
 - Semi-annual and annual reports to City Council
 - Custom reports upon request
-

8. COMMUNICATION AND OVERSIGHT

- Provide a dedicated management contact for daily coordination
 - Immediate reporting of significant incidents
 - Monthly public safety coordination meetings with City staff
 - Annual performance review with City
 - No unauthorized billing over contract amount without prior written approval
-

9. SHIFT AND SCHEDULING STANDARDS

- Ensure complete shift coverage with backup personnel
 - Log shift start/end times and complete required reports
 - Brief incoming shifts on prior issues
 - No billing for unstaffed hours
 - Maintain schedule flexibility for City needs
-
-

10. ADDITIONAL DUTIES

During all shifts, PSOs will:

- Deter illegal activity and report suspicious behavior
 - Maintain courteous, professional demeanor
 - Address unhoused individuals in coordination with City and LASD
 - Tag and report abandoned property in public areas
 - Educate public on safety, participate in community programs
 - Support City departments in enforcement of quality-of-life ordinances
 - Serve as visible, accessible presence in community spaces
 - Provide non-injury accident response and support traffic control
 - Inspect for yard sale permits, unauthorized signage, and vendor compliance
-

11. SUBMISSION REQUIREMENTS

Proposals must demonstrate:

- Vendor qualifications and past experience with similar services
 - Staffing and training approach
 - Equipment provision and maintenance plan
 - Sample reporting capabilities
 - Cost structure and proposed pricing
-

12. RESERVATION OF RIGHTS

The City reserves the right to:

- Modify staffing levels and hours
- Amend scope based on operational needs
- Select vendor based on overall value, not just price
- Terminate or reassign services based on City performance evaluations

EVALUATION OF PROPOSALS AND AWARD OF CONTRACT: This solicitation is for professional services and award of a professional services contract may be made to the most qualified firm who will best serve the City's interests taking into account the demonstrated competence and professional qualifications for the scope of services to be provided and at fair and reasonable price to the City.

The selected firm will be required to enter into a contractual agreement, inclusive of insurance requirements, with the City of South El Monte in accordance with the standard Professional Services Agreement (see Attachment D). Requested changes to the Professional Services Agreement must be

identified in the proposal but may not be approved.

Failure or refusal to enter into an Agreement or to conform to any of the stipulated requirements in connection therewith shall be just cause for an annulment of the award.

Evaluation and Award Schedule

The following is a tentative schedule of the RFP process. While the City will attempt to apply the necessary resources to maintain this schedule, the following dates are projections and the City reserves the right to modify this schedule as needed to accommodate the completion of this RFP process.

RFP Published	July 16, 2025
Proposals Due	August 14, 2025
Anticipated Consultant Selection:	September 2025

CONSULTANT SELECTION METHODOLOGY

The proposals will be evaluated based upon several factors. These factors may include:

Evaluation Criteria	Max Points
Completeness of the Proposals and compliance with the required RFP format.	15
Understanding of scope and approach to perform tasks efficiently.	25
Experience and Qualifications of Key Staff.	25
Ability to provide cost effective resources to perform duties assigned	35
Total Points	100

As part of the evaluation, the City will also contact references listed in the proposal.

The City Selection Panel will review the proposals received, and rank them based on the above criteria, and establish highest ranked consultant. The City may choose not to conduct oral interviews and negotiate a contract with the highest ranked consultant after the evaluation of written proposals.

At the City's discretion, the City may also conduct oral interviews with the top 3 ranked consultants. If oral interviews are conducted, the City will inform the selected consultants and provide the evaluation criteria for oral interviews at that time. After evaluations, the City will select the consultant who has ranked highest.

After ranking, cost negotiations will begin with the most qualified consultant and only their cost proposal will be opened. Should negotiations fail or result in a price that the local agency does not consider fair and reasonable, negotiations must be formally terminated, and the local agency must then undertake negotiations with the second most qualified consultant. If the negotiations with the second most qualified firm are not successful, negotiations must be formally terminated and the local agency must then undertake negotiations with the third most qualified consultant, and so on, until the price is determined to be fair and reasonable by the local agency.

GENERAL TERMS AND CONDITIONS

The City of South El Monte shall not, in any event, be liable for any pre-contractual expenses incurred

by the consultant. Pre-contractual expenses are defined as expenses incurred by the consultant in:

1. Preparing the response to this Request for Proposal.
2. Submitting the proposal to the City.
3. Negotiating with the City in any matter related to this proposal.
4. Any other expenses incurred by consultant prior to the date of the executed agreement.

The City of South El Monte reserves the right to reject any and all proposals. Further, the City makes no representations that any agreement will be awarded to any consultant responding to this RFP.

The City reserves the right to cancel the services at any phase or at any point in any phase and pay the Consultant only for costs of services satisfactorily performed and incurred to that date. All data, documents and other products used or developed during the course of facilitating the services will remain the property of the City.

Rejection of Proposals: The City reserves the right to reject any and all proposals received in response to this RFP and to waive any informality in any proposal if it is determined to be in the best interest of the City to do so.

Proposal Validity Period: Submission of a proposal will signify the consultant's agreement that the proposal, and contents thereof, are valid for 120 days following the submission of the proposal.

News Releases: News releases pertaining to the award of any contract resulting from this RFP shall not be made without prior approval of the City. The City's name and shield shall not appear on customer lists, advertising or other materials used to promote the Consultant's services without prior written approval of the City.

Closing: The City reserves the right to accept or reject any and all proposals, waive any defects or irregularity, modify the proposal terms or the selection process or negotiate a contract, along with a revised Scope of Services, schedule and fees with the Consultant. The City reserves the right to eliminate or add tasks identified in the Scope of Services with a corresponding reduction or increase in the fee. Staff shall present its recommendation to the City Council and is subject to its approval.

CITY OF SOUTH EL MONTE
PUBLIC SAFETY OFFICER (PART-TIME)

Definition

Under direction from the Code Enforcement and Public Safety Supervisor, patrols and enforces the City of South El Monte's street ordinances, parking regulations and code compliance requirements; identifies violations and conducts vehicle abatement; responds to resident requests and complaints; provides traffic and crowd control in the event of accidents; performs other duties as assigned.

SUPERVISION RECEIVED AND EXERCISED

Supervision is received from the Code Enforcement and Public Safety Supervisor. Supervision is not exercised by this classification.

ESSENTIAL DUTIES:

- Duties may include, but are not limited to the following:
- Enforces parking ordinances; patrols residential, commercial areas, parks and makes checks in response to residents' request; issues citations for violations of parking and stationary traffic violations; tags abandoned vehicles for impound.
- Identifies violations of parking laws including those which pertain to time parking zones, handicapped zones, yellow zones for loading, and other special parking zones; responds to public complaints of abandoned vehicles; administers street sweeping regulations and scheduled activities; issues citations of vehicles violating street sweeping parking violations.
- Coordinates special Public Safety Division functions and safety activities with the Los Angeles County Sheriff and Fire Departments; reports suspicious activity, code violations, and other safety issues to appropriate personnel; assesses status of abandoned vehicles and determines if vehicle should be towed.
- Provides traffic/crowd control for accidents, parades and other special events including non-injury accident investigation; assists with traffic control when there are accidents or other incidents in need; inspects yard sales for required permits.
- Serves as liaison between the community, the City's Public Safety Division and the Sheriff's Department for crime prevention programs.
- Contacts vehicle owners and sends warning notices for vehicle removal; follows-up on abandoned vehicle status; provides information on parking laws to citizens; posts temporary no parking signs for construction, and/or filming.
- Maintains parking citation logs; prepares related written and oral reports as needed sends copies of citations to collection agency.
- Identifies and reports traffic control problems and parking signs in need of repair removes unauthorized signs and banners; informs vendors and peddlers to leave restricted areas.
- Performs related duties as assigned.

JOB QUALIFICATIONS**Knowledge:**

- City geography
- Applicable local and county codes, regulations and ordinances governing parking within the City limits Vehicle abatement procedures

Competencies:

- Professional/Technical expertise – Is comprehensively knowledgeable of the most current information, theories, techniques, practices, and procedures of the field.
- Legal and Regulatory Navigation – Beyond the technical expertise of the profession, also knows and stays current on the relevant laws and regulations that pertain to the job.
- Action and Result Focus – Stays clear and focused on what is expected or needs to be accomplished.
- Teamwork – Understands one's role on the team and does whatever is needed to make the team a success. Customer Focus – Explores options and pursues solutions until customers are satisfied.
- Oral Communication – Shows attention through verbal and non-verbal cues (e.g., eye contact, smiling, nodding, body orientation).
- Writing – Uses correct vocabulary, grammar, sentence structure, spelling, and punctuation. Informing
- Attention to detail – Shows a high level of care and thoroughness in handling the details of the job. Adaptability – Adjusts quickly to changes in assignments and priorities.
- Safety Focus – Putting safety first for self and others.
- Handling Conflict – Deals with interpersonally or politically challenging situations calmly and diplomatically, diffusing tension.
- Integrity and Ethics – Takes responsibility for his/her actions.
- Using Technology – Proficient with equipment and computer applications used on the job. Influencing – Persuades others to consider and adopt a new position or attitude on a topic.
- Gathering and Analyzing Data – Identifies information needed to understand or address an issue.
- Critical Thinking and Problem Solving – Breaks down problems into components and recognizes interrelationships.
- Self-Management – Knows and adheres to policies and procedures.

Minimum Qualifications

Experience:

Two (2) years of experience with public contact, parking enforcement and traffic control.

Education:

High school diploma or equivalent. Associate's degree or higher in administration of justice or public administration is preferred.

Licenses and Certificates:

- Possession of a valid California driver's license and a satisfactory driving record. Post Certificate 8.32 (citation authority class) is preferred.
- May be required to obtain a certification of first aid and CPR training within six (6) months of employment.
- Successful completion of the Powers of Arrest course, which satisfies PC Section 832 (a) of the California Penal Code within six (6) months of employment is preferred.

Additional Requirements

PHYSICAL DEMANDS AND WORKING CONDITIONS

The physical demands and working conditions described here are representative of those that

must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Physical Demands:

- Required to stand, sit, walk, talk, hear and to use hands to finger, grasp and perform repetitive motions. Occasionally lift up to 25 pounds.
- Vision abilities required by these positions are those required to operate City vehicles in patrol operations.
- Repetitive tasks performed for extended periods of time requiring standing, sitting, walking, kneeling, crouching, stooping, and bending; pushing, pulling, and reaching overhead and above shoulders.
- Lift and move up to 50 pounds with assistance.

Working Conditions:

- Work performed at both inside and outside environments.
- Possible exposure to inclement weather conditions including wet and/or humid conditions, heat, fumes, or airborne particles.
- Noise level is occasionally loud in field settings.
- Drive a vehicle to perform City business.

ATTACHMENT B

AFFIDAVIT OF NON-COLLUSION

I state that I am _____ (title) _____ (name of firm) and that I am authorized to make this affidavit on behalf of my firm, and its owners, directors, and officers. I am the person responsible in my firm for the price(s) and the amount of this Offer.

I state that:

- 1) The price(s) and amount of this Offer have been arrived at independently and without consultation, communication or agreement with any other Proposer or potential Proposer.
- 2) That neither the price(s) nor the amount of this Offer, and neither the approximate price(s) nor approximate amount of this Offer, have been disclosed to any other firm or person who is a Proposer or potential Proposer, and they will not be disclosed before Solicitation opening.
- 3) No attempt has been made or will be made to induce any firm or person to refrain from bidding on this contract, or to submit an Offer higher than this Offer, or to submit any intentionally high or noncompetitive Offer or other form of complementary Offer.
- 4) The Offer of my firm is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive Offer.
- 5) _____ (name of firm), its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last four years been convicted of or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding on any public contract, except as described in the attached appendix. I state that _____ (name of firm) understands and acknowledges that the above representations are material and important and will be relied on by the City of South El Monte in awarding the contract(s) for which this Offer is submitted. I understand and my firm understands that any misstatement in this affidavit is and shall be treated as fraudulent concealment from the City of South El Monte of the true facts relating to the submission of Offers for this contract.

(Authorized Signature)

(Name of Company/Position)

Sworn to and subscribed before me this day _____ of _____, 20__.

Notary Public for California

My Commission Expires: _____

ATTACHMENT C

CLAIMS HISTORY

Each Consultant shall submit a summary of whether or not any of the following events have occurred within the past (10) years and, if so, a brief description of the circumstances involved (including, without limitation, the names of parties involved, current status and final disposition of the matter of dispute):

Failure to disclose any circumstances requested in the following paragraphs is grounds for disqualification.

- Failure by Consultant or any sub-consultant to enter into a contract to which it has received an award by a public entity.
- Forfeiture of a bid or proposal bond by proposer or any sub-consultant.
- Termination for default under a contract awarded by a public entity to Consultant or any sub-consultant.
- Debarment of Consultant or any sub-consultant by any municipal, county, state, federal, or local agency (note: debarment is grounds for automatic disqualification).
- The filing of a lawsuit or arbitration in which the Consultant or a sub-consultant was a defendant or cross-defendant at any time within the past ten (10) years that involved the performance of project, program, or engineering services and that involved an amount in controversy sought to be recovered from Consultant or the sub-consultant of more than \$100,000.00.
- Conviction of Consultant, a sub-consultant, or any of their principals or officers for violation of a state or federal antitrust law involving bid rigging, collusion, or restriction on competition between bidders, or conviction of violating any other federal or state law relating to bidding or contract performance (note: such conviction is grounds for automatic disqualification).
- Any publications involving firm or principals alleging or claiming corruption (such claims are grounds for automatic disqualification).
- Any suspension, revocation, or other disciplinary proceeding relating to a contracting or professional license issued to proposer or a sub-consultant.

ATTACHMENT D
PROFESSIONAL SERVICES CONTRACT TEMPLATE

CONTRACT SERVICES AGREEMENT

By and Between

CITY OF SOUTH EL MONTE

and

**AGREEMENT FOR CONTRACT SERVICES
BETWEEN THE CITY OF SOUTH EL MONTE AND**

THIS AGREEMENT FOR CONTRACT SERVICES (herein “Agreement”) is made and entered into this ____ day of _____, 2025 by and between the CITY OF SOUTH EL MONTE, a California, a municipal corporation (“City”) and _____ (“Consultant”). City and Consultant may be referred to, individually or collectively, as “Party” or “Parties.”

RECITALS

City has sought, by issuance of a Request for Proposals or Invitation for Bids, the performance of the services defined and described particularly in Article 1 of this Agreement.

Consultant, following submission of a proposal or bid for the performance of the services defined and described particularly in Article 1 of this Agreement, was selected by the City to perform those services.

Pursuant to the City of South El Monte Municipal Code, City has authority to enter into and execute this Agreement.

The Parties desire to formalize the selection of Consultant for performance of those services defined and described particularly in Article 1 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1. SERVICES OF CONSULTANT

1.1 Scope of Services.

In compliance with all terms and conditions of this Agreement, the Consultant shall provide those services specified in the “Scope of Services” attached hereto as Exhibit “A” and incorporated herein by this reference, which may be referred to herein as the “services” or “work” hereunder. As a material inducement to the City entering into this Agreement, Consultant represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the services required under this Agreement in a thorough, competent, and professional manner, and is experienced in performing the work and services contemplated herein. Consultant shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. Consultant covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be both of good quality as well as fit for the purpose intended. For purposes of this Agreement, the phrase “highest professional standards” shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

1.2 Consultant's Proposal.

The Scope of Services shall include the Consultant's scope of work or bid which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law.

Consultant shall keep itself informed concerning, and shall render all services hereunder in accordance with, all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental entity having jurisdiction in effect at the time service is rendered.

1.4 Licenses, Permits, Fees and Assessments.

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

1.5 Familiarity with Work.

By executing this Agreement, Consultant warrants that Consultant (i) has thoroughly investigated and considered the scope of services to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Consultant warrants that Consultant has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should the Consultant discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Consultant shall immediately inform the City of such fact and shall not proceed except at Consultant's risk until written instructions are received from the Contract Officer.

1.6 Care of Work.

The Consultant shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence.

1.7 Further Responsibilities of Parties.

Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

1.8 Additional Services.

City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Consultant, incorporating therein any adjustment in (i) the Contract Sum for the actual costs of the extra work, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Consultant. Any increase in compensation of up to ten percent (10%) of the Contract Sum or \$50,000, whichever is less; or, in the time to perform of up to one hundred eighty (180) days, may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively, must be approved by the City Council. It is expressly understood by Consultant that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services. Consultant hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Consultant anticipates and that Consultant shall not be entitled to additional compensation therefor. City may in its sole and absolute discretion have similar work done by other Consultants. No claims for an increase in the Contract Sum or time for performance shall be valid unless the procedures established in this Section are followed.

1.9 Special Requirements.

Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit "B" and any other provisions of this Agreement, the provisions of Exhibit "B" shall govern.

ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT.

2.1 Contract Sum.

Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed _____ (the "Contract Sum"), unless additional compensation is approved pursuant to Section 1.8.

2.2 Method of Compensation.

The method of compensation may include: (i) a lump sum payment upon completion; (ii) payment in accordance with specified tasks or the percentage of completion of the services, less contract retention; (iii) payment for time and materials based upon the Consultant's rates as specified in the Schedule of Compensation, provided that (a) time estimates are provided for the performance of sub tasks, (b) contract retention is maintained, and (c) the Contract Sum is not exceeded; or (iv) such other methods as may be specified in the Schedule of Compensation.

2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Contract Officer in advance, or actual subcontractor expenses of an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Consultant at all project meetings reasonably deemed necessary by the City. Coordination of the performance of the work with City is a critical component of the services. If Consultant is required to attend additional meetings to facilitate such coordination, Consultant shall not be entitled to any additional compensation for attending said meetings.

2.4 Invoices.

Each month Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month in a form approved by City's Director of Finance. By submitting an invoice for payment under this Agreement, Consultant is certifying compliance with all provisions of the Agreement. The invoice shall contain all information specified in Exhibit "C", and shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories. Consultant shall not invoice City for any duplicate services performed by more than one person.

City shall independently review each invoice submitted by the Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, or as provided in Section 7.3, City will use its best efforts to cause Consultant to be paid within forty-five (45) days of receipt of Consultant's correct and undisputed invoice; however, Consultant acknowledges and agrees that due to City warrant run procedures, the City cannot guarantee that payment will occur within this time period. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission. Review and payment by City for any invoice provided by the Consultant shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

2.5 Waiver.

Payment to Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.

ARTICLE 3. PERFORMANCE SCHEDULE

3.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance.

Consultant shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D" and incorporated herein by this reference. When requested by the Consultant, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively.

3.3 Force Majeure.

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Consultant shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Consultant be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Consultant's sole remedy being extension of the Agreement pursuant to this Section.

3.4 Term.

Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding 1 year from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit "D"). [The City may, in its sole discretion, extend the Term for ____ additional one-year terms.]

ARTICLE 4. COORDINATION OF WORK

4.1 Representatives and Personnel of Consultant.

The following principals of Consultant ("Principals") are hereby designated as being the principals and representatives of Consultant authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

(Name)	(Title)
(Name)	(Title)

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. All personnel of Consultant, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals. For purposes of this Agreement, the foregoing Principals may not be replaced nor may their responsibilities be substantially reduced by Consultant without the express written approval of City. Additionally, Consultant shall utilize only competent personnel to perform services pursuant to this Agreement. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant’s staff and subcontractors, if any, assigned to perform the services required under this Agreement. Consultant shall notify City of any changes in Consultant’s staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance.

4.2 Status of Consultant.

Consultant shall have no authority to bind City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant’s officers, employees, or agents are in any manner officials, officers, employees or agents of City. Neither Consultant, nor any of Consultant’s officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City’s employees. Consultant expressly waives any claim Consultant may have to any such rights.

4.3 Contract Officer.

The Contract Officer shall be Rene Salas, City Manager or such person as may be designated by the City Manager. It shall be the Consultant’s responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Consultant shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority, if specified in writing by the City Manager, to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.4 Independent Consultant.

Neither the City nor any of its employees shall have any control over the manner, mode or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or control of Consultant's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Consultant shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Consultant in its business or otherwise or a joint venturer or a member of any joint enterprise with Consultant. Consultant represents and warrants that the personnel used to provide services to the City pursuant to this Agreement are classified by Consultant as employees and that Consultant issues or will issue a W-2 to such personnel.

In the event that Consultant or any employee, agent, subcontractor, or independent contractor of Consultant providing services under this Agreement claims or is determined by a federal or state agency, a court of competent jurisdiction, or the California Public Employees' Retirement System ("CalPERS") to be classified as other than an independent contractor for the City, then Consultant shall indemnify, defend, and hold harmless the City for the payment of any and all assessed fines, penalties, judgments, employee and/or employer contributions, and any other damages and costs assessed to the City as a consequence of, or in any way attributable to, the assertion that Consultant or any of Consultant's personnel used to provide the Services under this Agreement are other than independent contractors of the City.

4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Consultant, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Consultant shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Consultant, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Consultant or any surety of Consultant of any liability hereunder without the express consent of City.

ARTICLE 5. INSURANCE AND INDEMNIFICATION

5.1 Insurance Coverages.

Without limiting Consultant's indemnification of City, and prior to commencement of any services under this Agreement, Consultant shall obtain, provide and maintain at its own expense

during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to City.

(a) General liability insurance. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$2,000,000 per occurrence, \$4,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO “insured contract” language will not be accepted.

(b) Automobile liability insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Services to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

(c) Professional liability (errors & omissions) insurance. Consultant shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and Consultant agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this Agreement.

(d) Workers’ compensation insurance. Consultant shall maintain Workers’ Compensation Insurance (Statutory Limits) and Employer’s Liability Insurance (with limits of at least \$1,000,000).

(e) Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall include all of the requirements stated herein.

(f) Additional Insurance. Policies of such other insurance, as may be required in the Special Requirements in Exhibit “B”.

5.2 General Insurance Requirements.

(a) Proof of insurance. Consultant shall provide certificates of insurance to City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers’ compensation. Insurance certificates and endorsements must be approved by City’s Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City at all times during the term of this Agreement. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

(b) Duration of coverage. Consultant shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Services hereunder by Consultant, its agents, representatives, employees or subconsultants.

(c) Primary/noncontributing. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

(d) City's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

(e) Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or that is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

(f) Waiver of subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(g) Enforcement of contract provisions (non-estoppel). Consultant acknowledges and agrees that any actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

(h) Requirements not limiting. Requirements of specific coverage features or limits contained in this section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Consultant maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

(i) Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide to City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

(j) Additional insured status. General liability policies shall provide or be endorsed to provide that City and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

(k) Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.

(l) Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

(m) Pass through clause. Consultant agrees to ensure that its subconsultants, subcontractors, and any other party involved with the project who is brought onto or involved in the project by Consultant, provide the same minimum insurance coverage and endorsements required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the project will be submitted to City for review.

(n) Agency's right to revise specifications. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the City and Consultant may renegotiate Consultant's compensation.

(o) Self-insured retentions. Any self-insured retentions must be declared to and approved by City. City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by City.

(p) Timely notice of claims. Consultant shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

(q) Additional insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

5.3 Indemnification.

To the full extent permitted by law, Consultant agrees to indemnify, defend and hold harmless the City, its officers, employees and agents ("Indemnified Parties") against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein "claims or

liabilities”) that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Consultant, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Consultant is legally liable (“indemnitors”), or arising from Consultant’s or indemnitors’ reckless or willful misconduct, or arising from Consultant’s or indemnitors’ negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith:

Consultant will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys’ fees incurred in connection therewith;

Consultant will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Consultant hereunder; and Consultant agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Consultant for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Consultant hereunder, Consultant agrees to pay to the City, its officers, agents or employees, any and all costs and expenses incurred by the City, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys’ fees.

Consultant shall incorporate similar indemnity agreements with its subcontractors and if it fails to do so Consultant shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Consultant in the performance of professional services hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of City’s sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from City’s negligence, except that design professionals’ indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of Consultant and shall survive termination or expiration of this Agreement.

ARTICLE 6. RECORDS, REPORTS, AND RELEASE OF INFORMATION

6.1 Records.

Consultant shall keep, and require subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to City and services performed hereunder (the “books and records”), as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. Any and all such documents shall be

maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required. In the event of dissolution of Consultant's business, custody of the books and records may be given to City, and access shall be provided by Consultant's successor in interest. Notwithstanding the above, the Consultant shall fully cooperate with the City in providing access to the books and records if a public records request is made and disclosure is required by law including but not limited to the California Public Records Act.

6.2 Reports.

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

6.3 Ownership of Documents.

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the "documents and materials") prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the City's sole risk and without liability to Consultant, and Consultant's guarantee and warranties shall not extend to such use, reuse or assignment. Consultant may retain copies of such documents for its own use. Consultant shall have the right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom. Moreover, Consultant with respect to any documents and materials that may qualify as "works made for hire" as defined in 17 U.S.C. § 101, such documents and materials are hereby deemed "works made for hire" for the City.

6.4 Confidentiality and Release of Information.

(a) All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the Contract Officer.

(b) Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Contract Officer or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered “voluntary” provided Consultant gives City notice of such court order or subpoena.

(c) If Consultant, or any officer, employee, agent or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorney’s fees, caused by or incurred as a result of Consultant’s conduct.

(d) Consultant shall promptly notify City should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION

7.1 California Law.

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Consultant covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in the County of Los Angeles, State of California.

7.2 Disputes; Default.

In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default. Instead, the City may give notice to Consultant of the default and the reasons

for the default. The notice shall include the timeframe in which Consultant may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Consultant is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Consultant does not cure the default, the City may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the City to give notice of the Consultant's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

7.3 Retention of Funds.

Consultant hereby authorizes City to deduct from any amount payable to Consultant (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Consultant's acts or omissions in performing or failing to perform Consultant's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Consultant, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Consultant to insure, indemnify, and protect City as elsewhere provided herein.

7.4 Waiver.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.5 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

7.6 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel

specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Notwithstanding any contrary provision herein, Consultant shall file a statutory claim pursuant to Government Code Sections 905 et seq. and 910 et seq., in order to pursue a legal action under this Agreement.

7.7 Liquidated Damages.

Since the determination of actual damages for any delay in performance of this Agreement would be extremely difficult or impractical to determine in the event of a breach of this Agreement, the Contractor and its sureties shall be liable for and shall pay to the City _____ liquidated damages for each working day of delay in the performance of any service required hereunder, as specified in the Schedule of Performance (Exhibit "D"). The City may withhold from any monies payable on account of services performed by the Contractor any accrued liquidated damages. Pursuant to Government Code Section 4215, Contractor shall not be assessed liquidated damages for delay in completion of the project when such delay was caused by the failure of the public agency or owner of the utility to provide for removal or relocation of utility facilities.

7.8 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Consultant, except that where termination is due to the fault of the Consultant, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Consultant reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Consultant may determine. Upon receipt of any notice of termination, Consultant shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Consultant has initiated termination, the Consultant shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Consultant has initiated termination, the Consultant shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

7.9 Termination for Default of Consultant.

If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

7.10 Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

ARTICLE 8. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

8.1 Non-liability of City Officers and Employees.

No officer or employee of the City shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 Conflict of Interest.

Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the Contract Officer. Consultant agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects her/his financial interest or the financial interest of any corporation, partnership or association in which (s)he is, directly or indirectly, interested, in violation of any State statute or regulation. The Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

8.3 Covenant Against Discrimination.

Consultant covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class in the performance of this Agreement. Consultant shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class.

8.4 Unauthorized Aliens.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C. § 1101 *et seq.*, as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any liability or sanctions be imposed against City for such use of unauthorized aliens, Consultant hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

ARTICLE 9. MISCELLANEOUS PROVISIONS

9.1 Notices.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer (with her/his name and City title), City of South El Monte, 1415 Santa Anita Avenue, South El Monte, California 91733 and in the case of the Consultant, to the person(s) at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

9.2 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

9.4 Integration; Amendment.

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Consultant and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

9.5 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.6 Warranty & Representation of Non-Collusion.

No official, officer, or employee of City has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of City participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of “financial interest” shall be consistent with State law and shall not include interests found to be “remote” or “noninterests” pursuant to Government Code Sections 1091 or 1091.5. Consultant warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any City official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded any agreement. Consultant further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any City official, officer, or employee, as a result of consequence of obtaining or being awarded any agreement. Consultant is aware of and understands that any such act(s), omission(s) or other conduct resulting in such payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

Consultant’s Authorized Initials _____

9.7 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) that entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

CITY:

CITY OF SOUTH EL MONTE, a municipal corporation

Rene Salas, City Manager

ATTEST:

Adrian Garcia, City Clerk

APPROVED AS TO FORM:

City Attorney

CONSULTANT:

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Address: _____

“If applicable,” two corporate officer signatures required when Consultant is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONSULTANT’S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONSULTANT’S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2025 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL		_____
<input type="checkbox"/> CORPORATE OFFICER		TITLE OR TYPE OF DOCUMENT
_____	TITLE(S)	_____
<input type="checkbox"/> PARTNER(S)	<input type="checkbox"/> LIMITED	_____
<input type="checkbox"/> GENERAL		NUMBER OF PAGES
<input type="checkbox"/> ATTORNEY-IN-FACT		_____
<input type="checkbox"/> TRUSTEE(S)		DATE OF DOCUMENT
<input type="checkbox"/> GUARDIAN/CONSERVATOR		_____
<input type="checkbox"/> OTHER _____		_____

SIGNER IS REPRESENTING:
 (NAME OF PERSON(S) OR ENTITY(IES))

_____ SIGNER(S) OTHER THAN NAMED ABOVE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2025 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL		_____
<input type="checkbox"/> CORPORATE OFFICER		TITLE OR TYPE OF DOCUMENT
_____	TITLE(S)	_____
<input type="checkbox"/> PARTNER(S)	<input type="checkbox"/> LIMITED	_____
<input type="checkbox"/> GENERAL		NUMBER OF PAGES
<input type="checkbox"/> ATTORNEY-IN-FACT		_____
<input type="checkbox"/> TRUSTEE(S)		DATE OF DOCUMENT
<input type="checkbox"/> GUARDIAN/CONSERVATOR		_____
<input type="checkbox"/> OTHER _____		_____

SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

_____ SIGNER(S) OTHER THAN NAMED ABOVE

EXHIBIT "A"

SCOPE OF SERVICES

I. Consultant will perform the following Services:

- A.
- B.
- C.

III. As part of the Services, Consultant will prepare and deliver the following tangible work products to the City:

- A.
- B.
- C.

IV. In addition to the requirements of Section 6.2, during performance of the Services, Consultant will keep the City apprised of the status of performance by delivering the following status reports:

V. All work product is subject to review and acceptance by the City, and must be revised by the Consultant without additional charge to the City until found satisfactory and accepted by City.

VI. Consultant will utilize the following personnel to accomplish the Services:

- A.
- B.
- C.

EXHIBIT "B"

SPECIAL REQUIREMENTS

(Superseding Contract Boilerplate)

The Agreement is amended as provided herein. Deleted text is indicated in ~~striethrough~~ and added text in ***bold italics***.

EXHIBIT "C"

SCHEDULE OF COMPENSATION

- I. Consultant shall perform the following tasks at the following rates:**
 - II. A retention of ten percent (10%) shall be held from each payment as a contract retention to be paid as part of the final payment upon satisfactory completion of services.**
 - III. Within the budgeted amounts for each Task, and with the approval of the Contract Officer, funds may be shifted from one Task subbudget to another so long as the Contract Sum is not exceeded per Section 2.1, unless Additional Services are approved per Section 1.8.**
 - IV. The City will compensate Consultant for the Services performed upon submission of a valid invoice. Each invoice is to include:**
 - A. Line items for all personnel describing the work performed, the number of hours worked, and the hourly rate.**
 - B. Line items for all materials and equipment properly charged to the Services.**
 - C. Line items for all other approved reimbursable expenses claimed, with supporting documentation.**
 - D. Line items for all approved subcontractor labor, supplies, equipment, materials, and travel properly charged to the Services.**
 - V. The total compensation for the Services shall not exceed the Contract Sum as provided in Section 2.1 of this Agreement.**
 - VI. The Consultant's billing rates for all personnel are attached as Exhibit C-1.**
-

EXHIBIT "D"

SCHEDULE OF PERFORMANCE

- I. Consultant shall perform all services timely in accordance with the following schedule:**
- II. Consultant shall deliver the following tangible work products to the City by the following dates.**
- III. The Contract Officer may approve extensions for performance of the services in accordance with Section 3.2.**

EXHIBIT "E"

CERTIFICATE OF INSURANCE

This is to certify that the following endorsement is part of the policy(ies) described below:

NAMED INSURED

COMPANIES AFFORDING
COVERAGE

A.

B.

C.

ADDRESS

COMPANY (A. B. C.)	COVERAGE	POLICY NUMBER	EXPIRATION DATE	B.I.	LIMITS P.D.	AGGREGATE
	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> GENERAL LIABILITY <input type="checkbox"/> PRODUCTS/COMPLETED OPERATIONS <input type="checkbox"/> BLANKET CONTRACTUAL <input type="checkbox"/> Consultant'S PROTECTIVE <input type="checkbox"/> PERSONAL INJURY <input type="checkbox"/> EXCESS LIABILITY <input type="checkbox"/> WORKERS' COMPENSATION <input type="checkbox"/>					

It is hereby understood and agreed that the City of South El Monte, its City Council and each member thereof and every officer and employee of the City shall be named as joint and several assureds with respect to claims arising out of the following project or agreement:

It is further agreed that the following indemnity agreement between the City of South El Monte and the named insured is covered under the policy: Consultant agrees to indemnify, hold harmless and defend City, its City Council and each member thereof and every officer and employee of City from any and all liability or financial loss resulting from any suits, claims, losses or actions brought against and from all costs and expenses of litigation brought against City, its City Council and each member thereof and any officer or employee of City which results directly or indirectly from the wrongful or negligent actions of Consultant's officers, employees, agents or others employed by Consultant while engaged by Consultant in the (performance of this agreement) construction of this project.

It is further agreed that the inclusion of more than one assured shall not operate to increase the limit of the company's liability and that insurer waives any right of contribution with insurance which may be available to the City of South El Monte

In the event of cancellation or material change in the above coverage, the company will give 30 days written notice of cancellation or material change to the certificate holder.

Except to certify that the policy(ies) described above have the above endorsement attached, this certificate or verification of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate or verification of insurance may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies.

DATE: _____

BY:

Authorized Insurance Representative

TITLE:

AGENCY:

ADDRESS:



City Council Agenda Report Agenda Item No. 7.b.

DATE: July 15, 2025

TO: Honorable Mayor and Members of the City Council

APPROVED BY: Rene Salas, City Manager

SUBMITTED BY: Adrian Garcia, MMC, City Clerk

SUBJECT: CONSIDERATION AND APPROVAL OF THE SPECIAL CITY COUNCIL MEETING MINUTES OF JUNE 26, 2025, AND THE REGULAR CITY COUNCIL MEETING MINUTES OF JULY 1, 2025

SUMMARY: Staff is requesting approval of Minutes for the June 26, 2025, Special City Council Meeting and the July 1, 2025, Regular City Council Meeting.

RECOMMENDED ACTION: Staff is requesting approval of Minutes for the June 26, 2025, Special City Council Meeting and the July 1, 2025, Regular City Council Meeting.

FISCAL/FINANCIAL IMPACT:

DISCUSSION:

ATTACHMENT(S):

- A. DRAFT Spec CC Minutes 06-26-25
- B. DRAFT Reg CC Minutes 07-01-25

CITY OF SOUTH EL MONTE
SPECIAL CITY COUNCIL MEETING MINUTES
Thursday, June 26, 2025 - 6:30 PM
1415 Santa Anita Avenue, South El Monte, California 91733

Mayor Olmos called the meeting to order at 6:30 P.M.

Mayor Olmos announced she was participating remotely via audio/visual and stated that no other individuals 18 years of age or older were present in the room at the remote location.

1. ROLL CALL

PRESENT: Councilmember(s): Acosta, Bojorquez, Rodriguez, Mayor Pro Tem Delgado, and Mayor Olmos (via Zoom)

ABSENT: Councilmember(s): None

STAFF PRESENT: Rene Salas, City Manager; Susie A. Altamirano, City Attorney; Adrian Garcia, City Clerk; Masami Higa, Director of Finance; Ariana De La Cruz, Director of Community Services; Iyob Tessema, Director of Human Resources and Risk Management; Danilo Batson, Interim Director of Public Works; and Sabrina Muhne, Deputy City Clerk.

Zoom was provided for the public to participate during Public Comment via teleconference.

2. PLEDGE OF ALLEGIANCE – Councilmember Rodriguez led the Pledge of Allegiance.

Mayor Olmos offered a brief invocation.

3. APPROVAL OF THE AGENDA

Motion by Mayor Pro Tem Delgado, seconded by Councilmember Bojorquez, to approve the agenda. Motion passed 5-0, by the following vote:

AYES: Councilmember(s): Acosta, Bojorquez, Rodriguez, Mayor Pro Tem Delgado, and Mayor Olmos

NAYS: Councilmember(s): None

ABSENT: Councilmember(s): None

4. PUBLIC COMMENT

Mayor Olmos opened Public Comment.

1. John Ventura, resident, requested clarification on the Public Comment statement, spoke on Agenda Item 5.a. and expressed concerns on political decisions.

PUBLIC COMMENT (CONTINUED)

2. Richard Angel, resident, spoke on public safety, cannabis buffer zones, and Agenda Item 5.a.
3. Denise Silva, resident and Community Services Commissioner, inquired on how residents are notified of calling special meetings, and expressed concerns on Agenda Item 5.a.
4. Olivia, resident, expressed concerns on the calling of special meetings, expressed concerns on Agenda Item 5.a., and requested notification on the budget audit meetings.
5. Roseanne Angel, resident, spoke on the Public Safety Division, the July 1st Regular City Council Meeting, and cannabis.
6. Monica Ramos, resident, expressed concerns on Agenda Item 5.a.
7. Ruth Escalera, resident, spoke on the July 1st Regular City Council Meeting, and Agenda Item 5.a.
8. Patricia Saucedo, resident, expressed concerns on Agenda Item 5.a.
9. Joe Martinez, resident and Public Safety Supervisor, spoke in support of the Public Safety Division, and expressed concerns on Agenda Item 5.a.
10. Pastor Patricia Garrett, spoke on hearing the public comments, and spoke on Agenda Item 5.a.
11. Hortencia Vasquez, resident and Community Services Commissioner, expressed concerns on Agenda Item 5.a.

There being no further public comments, Mayor Olmos closed Public Comment.

Mayor Pro Tem Delgado, Councilmember Bojorquez, Councilmember Acosta, and Mayor Olmos made comments in response to the public comments received.

Councilmember Rodriguez directed questions to the City Manager and commented in response to the public comments received.

5. GENERAL BUSINESS

5.a. FISCAL YEAR (FY) 2025-2026 ANNUAL BUDGET ADOPTION

Mayor Olmos introduced the item, and Rene Salas, City Manager, introduced Masami Higa, Director of Finance, who provided a report.

Discussion ensued on the topics of tuition reimbursement, the forecasted deficit, savings with the proposed budget changes, insurance benefit rates for City employees, 2022 tax measures, tariffs affecting the deficit, the reserves, the Public

GENERAL BUSINESS (CONTINUED)

Item 5.a.

Safety Division's services and staff numbers, current and future cuts, contracted costs vs. in-house costs, budget amendments, prior budget discussions, future revenues, and the Finance Department's transparency and awards.

Motion by Mayor Pro Tem Delgado, seconded by Councilmember Bojorquez, to approve Resolution No. 25-057, the FY25-26 Proposed Budget.

Mayor Olmos requested clarification on the cost-cutting strategies that would be adopted in the proposed budget.

Substitute Motion by Mayor Olmos, seconded by Councilmember Acosta, to amend the main motion to not include the elimination of the Public Safety Division.

Second Substitute Motion by Councilmember Rodriguez, seconded by Mayor Olmos, to continue the item to the July 1, 2025, Regular City Council Meeting. Second Substitute Motion passed 4-1, by the following vote:

AYES: Councilmember(s): Acosta, Rodriguez, Mayor Pro Tem Delgado, and Mayor Olmos
NAYS: Councilmember(s): Bojorquez
ABSENT: Councilmember(s): None

The Substitute Motion and Main Motion were withdrawn.

6. CLOSED SESSION

At 8:08 p.m., Mayor and City Council recessed into Closed Session.

6.a. CONFERENCE WITH LEGAL – ANTICIPATED LITIGATION - Pursuant to California Government Code Sections 54956.9(d)(2) and 54569(e)(1): One Matter.

At 10:09 p.m., Mayor Olmos reconvened the meeting with all councilmembers present.

Susie A. Altamirano, City Attorney, announced City Council discussed Item 6.a., a report was provided, feedback was given, and there was no reportable action.

14. ADJOURNMENT

There being no further business coming before this body, at 10:10 p.m., Mayor Olmos adjourned the meeting in honor of Edward Rozuk, IV and Esther De La Rosa, to a Regular City Council Meeting on Tuesday, July 1, 2025, at 6:00 p.m.

Minutes prepared by Sabrina A. Muhne, Deputy City Clerk.

Adrian Garcia, MMC, City Clerk

Gloria Olmos, Mayor

CITY OF SOUTH EL MONTE
REGULAR CITY COUNCIL MEETING MINUTES
Tuesday, July 1, 2025 - 6:00 PM
1415 Santa Anita Avenue, South El Monte, California 91733

Mayor Olmos called the meeting to order at 6:00 P.M.

1. ROLL CALL

PRESENT: Councilmember(s): Acosta, Bojorquez, Rodriguez, Mayor Pro Tem Delgado, and Mayor Olmos

ABSENT: Councilmember(s): None

STAFF PRESENT: Rene Salas, City Manager; Susie A. Altamirano, City Attorney; Adrian Garcia, City Clerk; Masami Higa, Director of Finance; Ariana De La Cruz, Director of Community Services; Iyob Tessema, Director of Human Resources and Risk Management; Danilo Batson, Interim Director of Public Works; Gerardo Marquez, Interim Director of Community Development; and Sabrina Muhne, Deputy City Clerk.

Zoom was provided for the public to participate during Public Comment via teleconference.

2. PLEDGE OF ALLEGIANCE – Councilmember Bojorquez led the Pledge of Allegiance.

3. INVOCATION – Pastor Gary Clouse, Valley Community Outreach, offered the invocation.

4. PRESENTATIONS

4.a. Mayor and City Council presented a proclamation to Ariana De La Cruz, Director of Community Services and to the Community Services staff, proclaiming “the Month of July 2025 as Parks Make Life Better Month.”

5. APPROVAL OF THE AGENDA AND WAIVER OF FULL READING OF ORDINANCES

Councilmember Acosta requested to move Agenda Item 12.a.1. to be heard before Agenda Item 9.d.

Susie A. Altamirano, City Attorney, announced that staff is requesting to continue Agenda Item 7.e. to the July 15, 2025, Regular City Council Meeting, to continue Agenda Item 9.a. to the September 2, 2025, Regular City Council Meeting, and Walk-On Agenda Item 9.d. requires two-thirds approval from the council.

Motion by Mayor Pro Tem Delgado, seconded by Councilmember Rodriguez, to approve the agenda as amended. Motion passed 5-0, by the following vote:

APPROVAL OF THE AGENDA AND WAIVER OF FULL READING OF ORDINANCES (CONTINUED)

AYES: Councilmember(s): Acosta, Bojorquez, Rodriguez, Mayor Pro Tem Delgado, and Mayor Olmos

NAYS: Councilmember(s): None

ABSENT: Councilmember(s): None

6. PUBLIC COMMENT

Mayor Olmos opened Public Comment.

1. Dalila Galvan, resident, requested Councilmember Acosta to speak on her behalf due to illness, and expressed concerns on a scam solicitation she received from the National Police Association requesting donations on behalf of the South El Monte City Council.
2. Michael Grijalva, Teamsters Local 986, opposed Agenda Item 7.e.
3. Lisa Ducharme, Region Commissioner, American Youth Soccer Organization (AYSO Region 908), spoke in support of Agenda Item 9.b., requesting the fee waiver so they can continue to keep the costs minimal for the players and introduced the Every Player in the Community (EPIC) program for special needs players.
4. Denise Silva, resident and Community Services Commissioner, expressed concerns on Agenda Items 7.e. and 9.d., and shared other cost-cutting ideas.
5. Dr. Elizabeth Evans, Superintendent, Valle Lindo School District, recognized the City and thanked the Public Safety Department for supporting the schools at ceremonies and events.
6. Winston Vega, resident, expressed concerns on Agenda Item 7.e., and shared that he has seen positive changes at the schools since the Public Safety Officers have been assisting with parking and traffic flow issues.
7. Monica Ramos, resident, expressed concerns on Agenda Item 9.d., and concurred with the prior speakers' comments on the traffic issues at the schools.
8. Pastor Ben Garrett, resident, expressed concerns on Agenda Item 9.d.
9. John Ventura, resident, expressed pride in seeing the Parks & Recreation staff honored at the meeting, shared his work history with the City, expressed concerns on the holding of the June 26th Special City Council Meeting, expressed concerns on Agenda Item 9.d., and spoke on the votes against a Town Hall to discuss cannabis buffer zones.
10. Irma Peniche, resident, expressed concerns on Agenda Item 9.d.

PUBLIC COMMENT (CONTINUED)

11. Maria Heng, expressed concerns on Agenda Item 9.a.
12. Joe Martinez, Public Safety Supervisor, expressed concerns on Agenda Item 9.d.
13. Emma Ramos, resident, expressed concerns on Agenda Item 9.a.
14. Danny Olmos, resident, expressed concerns on Agenda Item 9.d.
15. Eduardo Saucedo, resident, spoke on a public records request status, spoke on Agenda Item 9.d., and the cannabis measure.
16. Ruby Rose Yopez, expressed kudos to the Parks & Recreation team and their receiving recognition from the City, and spoke on Agenda Item 9.d.
17. Letter from Lester Pascual, resident, was read aloud by the Mayor expressing concerns on Public Safety issues and concerns on Agenda Items 9.a. and 9.d.

There being no further public comments, Mayor Olmos closed Public Comment.

7. CONSENT CALENDAR

Motion by Mayor Pro Tem Delgado, seconded by Councilmember Acosta, to approve the Consent Calendar as amended. Motion passed 5-0, by the following vote:

AYES: Councilmember(s): Acosta, Bojorquez, Rodriguez, Mayor Pro Tem Delgado, and Mayor Olmos
NAYS: Councilmember(s): None
ABSENT: Councilmember(s): None

- 7.a.** Approved the Minutes for the June 17, 2025, Regular City Council Meeting.
- 7.b.** Adopted Resolution No. 25-058, authorizing payment of City expenditures for the period of June 18, 2025, through July 1, 2025, totaling \$1,027,597.57.
- 7.c.** Adopted Resolution No. 25-059, approving Subaward ENP252608 by and between the County and City for Elderly Nutrition Program Services from July 1, 2025, to June 30, 2026, and authorized the City Manager or designee to execute agreement.
- 7.d.** Adopted Resolution No. 25-060, accepting the completion of the FY 24-25 Pavement Rehabilitation Project, authorized the City Clerk to send the Notice of Completion for recordation to the Los Angeles County Recorder's Office, and released retention accordingly.

CONSENT CALENDAR (CONTINUED)

7.e. *This item was continued.*

8. PUBLIC HEARINGS

8.a. CONSIDERATION AND APPROVAL OF RESOLUTION NO. 25-061, APPROVING SPECIAL ASSESSMENT FOR UNPAID TRASH COLLECTION FEES AS OF MARCH 31, 2025, DELINQUENT AND OUTSTANDING AT JUNE 1, 2025

Mayor Olmos introduced the item and opened the Public Hearing.

1. Denaee Amaya, Director of Government Affairs, Athens Services, shared that she is available to answer questions on delinquent accounts.
2. Eduardo Saucedo, resident, spoke on outstanding bills and late fees.

There being no further public comments, Mayor Olmos closed the Public Hearing.

Motion by Mayor Pro Tem Delgado, seconded by Councilmember Acosta, to adopt Resolution 25-061, approving the Report of delinquent accounts to be placed as a Special Assessment on the FY2025-2026 property tax roll and authorizing the City Manager, or his designee, to submit to the Los Angeles County Assessor the delinquent account Report. Motion passed 5-0, by the following vote:

AYES: Councilmember(s): Acosta, Bojorquez, Rodriguez, Mayor Pro Tem Delgado, and Mayor Olmos
NAYS: Councilmember(s): None
ABSENT: Councilmember(s): None

8.b. CONSIDERATION AND APPROVAL OF RESOLUTION NO. 25-062, APPROVING THE ANNUAL LEVY OF THE SEWER SERVICE FEE FOR FISCAL YEAR 2025-2026

Mayor Olmos introduced the item and opened the Public Hearing.

There being no public comments, Mayor Olmos closed the Public Hearing.

Motion by Councilmember Rodriguez, seconded by Councilmember Bojorquez, to adopt Resolution No. 25-062, adopting the Written Report and approving the annual levy of the Sewer Service Fee for Fiscal Year 2025-2026 at \$35.37 per sewer unit. Motion passed 5-0, by the following vote:

AYES: Councilmember(s): Acosta, Bojorquez, Rodriguez, Mayor Pro Tem Delgado, and Mayor Olmos
NAYS: Councilmember(s): None
ABSENT: Councilmember(s): None

9. GENERAL BUSINESS

9.a. CONTINUED FROM THE JUNE 3, 2025, REGULAR CITY COUNCIL MEETING - UPDATE ON CANNABIS BUFFER ZONE MAPS

This item was continued to the September 2, 2025, Regular City Council Meeting.

9.b. LETTER FROM SOUTH EL MONTE AMERICAN YOUTH SOCCER ORGANIZATION REQUESTING A FACILITY FEE WAIVER FOR THE USE OF DEAN L. SHIVELY PARK FIELD AND CONSIDERATION TO WAIVE THE LIGHT FEES ASSOCIATED WITH THE RESERVATION

Mayor Olmos introduced the item.

Motion by Mayor Pro Tem Delgado, seconded by Councilmember Acosta, to approve the facility fee waiver request for the use of Shively Park field in the amount of \$41,000.00, and to waive the reservation light fees at Shively Park, estimated at \$12,450.00. Motion passed 5-0, by the following vote:

AYES: Councilmember(s): Acosta, Bojorquez, Rodriguez, Mayor Pro Tem Delgado, and Mayor Olmos
NAYS: Councilmember(s): None
ABSENT: Councilmember(s): None

9.c. CONSIDERATION AND APPROVAL OF RESOLUTION NO. 25-063, AMENDING AND STREAMLINING THE PROVISIONS FOR MEDICAL OPT OUT AND ADMINISTRATION LEAVE

Mayor Olmos introduced the item, and Masami Higa, Director of Finance, presented a report.

Motion by Mayor Pro Tem Delgado, seconded by Councilmember Acosta, to adopt Resolution No. 25-063, amending and streamlining the provisions for Medical Opt-out and Administrative Leave. Motion passed 5-0, by the following vote:

AYES: Councilmember(s): Acosta, Bojorquez, Rodriguez, Mayor Pro Tem Delgado, and Mayor Olmos
NAYS: Councilmember(s): None
ABSENT: Councilmember(s): None

Agenda Item 12.a.1. was heard at this time.

12.a. COUNCILMEMBER MANUEL ACOSTA

1. A Review of City Reserves and its Purpose.

Councilmember Acosta summarized his item and requested a definition or policy on when it is appropriate to dip into the City reserves.

COUNCILMEMBER MANUEL ACOSTA (CONTINUED)

Item 12.a.1.

Discussion ensued on the reserves increasing, new business economics and developers, budget cuts, the existing reserve policy, clarification on staff's direction

Motion by Councilmember Acosta, seconded by Mayor Olmos, to create a policy where reserves will be used during economic uncertainties, especially to cover short-term deficits.

Councilmember Rodriguez and Mayor Pro Tem Delgado requested clarification on the direction to bring back a new policy.

Substitute Motion by Mayor Olmos, seconded by Councilmember Acosta, to stay within the policy and use the reserves as needed.

Councilmember Rodriguez requested clarification on how this action differs from the existing policy.

Second Substitute Motion by Councilmember Bojorquez, seconded by Mayor Pro Tem Delgado, to continue this item so staff can provide a presentation on the existing policy and to provide recommendations on how to expand on that policy. Second Substitute Motion passed 5-0, by the following vote:

AYES: Councilmember(s): Bojorquez, Rodriguez, and Mayor Pro Tem Delgado
NAYS: Councilmember(s): Acosta, and Mayor Olmos
ABSENT: Councilmember(s): None

The Substitute Motion and the Main Motion were withdrawn.

9.d. FISCAL YEAR (FY) 2025-2026 ANNUAL BUDGET ADOPTION

Mayor Olmos introduced the item, and Masami Higa, Director of Finance, provided a brief report.

Councilmember Acosta shared additional cost-cutting ideas such as a temporary hiring freeze, compared in-house public safety service versus contracted public safety service, looking for grants, reducing the number of community events, reducing the number of hours for one-time community events, reducing the frequency of the newsletter, reducing crime saturation, and reducing janitorial frequency.

Other discussion topics included adopting the budget and later amending it with the other cost-cutting ideas, the prior surplus, public input, prior budget decisions, the reserves,

Item 9.d.

Motion by Mayor Olmos, seconded by Councilmember Acosta, to approve the budget, minus the cost-cutting measure number four to outsource the Public Safety Division. Motion failed 2-3, by the following vote:

AYES: Councilmember(s): Acosta, and Mayor Olmos
NAYS: Councilmember(s): Bojorquez, Rodriguez, and Mayor Pro Tem Delgado
ABSENT: Councilmember(s): None

Motion by Mayor Pro Tem Delgado, seconded by Councilmember Bojorquez, to adopt Resolution No. 25-064, FY25-26 Proposed Budget. Motion passed 3-2, by the following vote:

AYES: Councilmember(s): Bojorquez, Rodriguez, and Mayor Pro Tem Delgado
NAYS: Councilmember(s): Acosta, and Mayor Olmos
ABSENT: Councilmember(s): None

10. COMMITTEE REPORTS, INCLUDING AB 1234 REPORTS

Councilmember Acosta announced he attended the following: the Rio Hondo College Foundation's A Taste of Rio event, a Parks & Recreation community pool party, and the annual Temple Station Explorer Scholarship Award Ceremony, and the League of California Cities Disaster Recovery Checklist and Best Practices for Municipalities webinar.

Councilmember Bojorquez announced he had nothing to report.

Mayor Pro Tem Delgado announced he had nothing to report.

Councilmember Rodriguez announced he had nothing to report.

Mayor Olmos announced she attended the following: the Rio Hondo College Foundation's A Taste of Rio event, the annual Temple Station Explorer Scholarship Award Ceremony, and a Parks & Recreation community pool party.

11. CORRESPONDENCE – NONE

12. COUNCILMEMBERS' AGENDA

12.a. COUNCILMEMBER MANUEL ACOSTA

1. A Review of City Reserves and its Purpose.

This item was heard before Agenda Item 9.d.

COUNCILMEMBERS' AGENDA (CONTINUED)

Item 12.a.

- 2. South El Monte Public Safety Officers Less Expensive than Contract Public Safety Officers.**

This item was skipped due to action being taken on Agenda Item 9.d., and no action was taken on this item.

- 3. Special City Council Meetings**

Councilmember Acosta summarized his item and directed questions to the City Attorney.

Susie A. Altamirano, City Attorney, responded to questions related to specific criteria per Government Code 54956, and the procedural process for calling of a special meeting.

No action was taken on this item.

12.b. MAYOR GLORIA OLMOS

To revisit Agenda Item 9.a. from the June 3, 2025, Regular City Council Meeting agenda, that specifies the now safe buffer of 1,000 feet in regards to the cannabis. To keep it at 1,000 feet. Not to change it to 600 feet.

This item was skipped due to Agenda Item 9.a. being moved to the September 2, 2025, Regular City Council Meeting, and will be discussed at that time.

No action was taken on this item.

13. CLOSED SESSION

At 8:06 p.m., Mayor and City Council recessed into Closed Session.

- 13.a. CONFERENCE WITH LEGAL – ANTICIPATED LITIGATION** - Pursuant to California Government Code Sections 54956.9(d)(2) and 54569(e)(1): Two Matters.

At 8:30 p.m., Mayor Olmos left Closed Session.

At 9:09 p.m., Mayor Olmos reconvened the meeting with all councilmembers present.

Susie A. Altamirano, City Attorney, announced City Council discussed Item 13.a., a report was provided, feedback was given, and there was no reportable action.

14. ADJOURNMENT

There being no further business coming before this body, at 9:12 p.m., Mayor Olmos adjourned the meeting in honor of Esther De La Rosa, to a Regular City Council Meeting on Tuesday, July 15, 2025, at 6:00 p.m.

Minutes prepared by Sabrina A. Muhne, Deputy City Clerk.

Adrian Garcia, MMC, City Clerk

Gloria Olmos, Mayor

DRAFT



City Council Agenda Report

Agenda Item No. 7.c.

DATE: July 15, 2025

TO: Honorable Mayor and Members of the City Council

APPROVED BY: Rene Salas, City Manager

SUBMITTED BY: Masami Higa, Director of Finance

SUBJECT: CONSIDERATION AND APPROVAL OF RESOLUTION NO. 25-065, APPROVING WARRANTS FOR THE PERIOD OF JULY 2, 2025, THROUGH JULY 15, 2025

SUMMARY: Authorizing payment of City expenditures for the period of July 2, 2025, through July 15, 2025, totaling \$1,990,685.45.

RECOMMENDED ACTION: Staff recommends City Council adopt Resolution No. 25-065, authorizing payment of City expenditures.

FISCAL/FINANCIAL IMPACT:

DISCUSSION:

ATTACHMENT(S):

- A. Resolution No. 25-065 - 07.15.25
- B. Expense Approval Report 7.15.25

ATTACHMENT A

RESOLUTION NO. 25-065

A RESOLUTION OF THE SOUTH EL MONTE CITY COUNCIL ALLOWING CERTAIN CLAIMS AND DEMANDS FOR THE PERIOD OF JULY 2, 2025, THROUGH JULY 15, 2025, TOTALING \$ 1,990,685.45.

THE CITY COUNCIL OF THE CITY OF SOUTH EL MONTE DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1: That in accordance with Section 37202 of the Government Code, the Finance Director hereby certifies to the accuracy of the following demands and the availability of funds for payment thereof.

Finance Director

SECTION 2: That the following claims and demands have been audited as required by law and that the same are hereby allowed in the amount hereafter set forth.

	<u>CLAIMANT</u>	<u>CLAIM PERIOD</u>	<u>WARRANT #'S</u>	<u>AMOUNT</u>
FY 24/25	Electronic Warrants	7/2/25-7/15/25	DFT0002866-2895	\$156,255.08
FY 24/25	Regular Warrants	7/2/25-7/15/25	16725-16806	\$1,594,639.75
Payroll	Direct Deposit	PPE 7/5/25	10429-10580	\$214,970.26
Payroll	Check	PPE 7/5/25	2120-2148	\$24,820.36

TOTAL EXPENDITURES RESOLUTION NO. 25-065 \$ 1,990,685.45

PASSED, APPROVED, AND ADOPTED this 15th day of July 2025.

Gloria Olmos, Mayor

ATTEST:

Adrian Garcia, MMC, City Clerk

Attachment: Exhibit A – Expense Report

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF SOUTH EL MONTE)

I, Adrian Garcia, MMC, City Clerk of the City of South El Monte, do hereby certify that the foregoing Resolution, being Resolution No. 25-065, was duly passed and approved by the City Council of the City of South El Monte at a regular meeting of said Council held on the 15th day of July 2025, and that said Resolution was adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Adrian Garcia, MMC, City Clerk

ATTACHMENT B



South El Monte, CA

Warrant Register Council Meeting 07/15/25

Account Number	Vendor Name	Payment Number	Payment Date	Description (Item)	Amount
01.0100.1060.5810	CALIFORNIA JPIA	16725	07/01/2025	FY 25-26 LIABILITY INSURANCE	282,222.00
01.0100.1060.5815	CALIFORNIA JPIA	16725	07/01/2025	FY 25-26 WORKERS COMPENSATION	336,307.00
01.0000.0000.2245	CALIFORNIA TEAMSTERS LOCAL 911	16726	07/01/2025	JUNE'25 ADMIN	1,628.00
01.0000.0000.2245	CALIFORNIA TEAMSTERS LOCAL 911	16726	07/01/2025	JUNE'25 MISC	572.00
01.0151.1543.5952	CONTAINER ALLIANCE COMPANY	16727	07/01/2025	STORAGE CONTAINER	2,160.77
01.0151.1544.5210	JASON MARSHALL	16728	07/01/2025	4TH OF JULY BAND PERFORMANCE SVCS	1,200.00
37.0670.6720.5977	JCL TRAFFIC SERVICES	16729	07/01/2025	FAST DRY PAINT	2,121.93
37.0670.6720.5977	JCL TRAFFIC SERVICES	16729	07/01/2025	STREET SIGNS	2,130.72
01.0151.1544.5210	JOSE GONZALEZ NICHOLAS	16730	07/01/2025	4TH OF JULY BAND PERFORMANCE	1,200.00
01.0151.1544.5210	MIGUEL MORAN	16731	07/01/2025	4TH OF JULY SOUND SYSTEM SVCS	2,000.00
01.0000.0000.4554	MYA GRIEGO	16732	07/01/2025	4/27/25 MVD CR DMG DEP FRND	50.00
01.0000.0000.2270	STATE OF CA FRANCHISE TAX BOARD	16733	07/01/2025	R.R GARNISHMENT PPE 6/21/25	586.61
01.0130.1330.5715	T-MOBILE USA INC	16734	07/01/2025	5/21-6/20/25 CITY CELL PHONES	2,981.67
01.0000.0000.2240	VONS CREDIT UNION	16735	07/01/2025	JUNE'25	111.00
01.0100.1060.5820	CALIFORNIA JPIA	16736	07/03/2025	JULY'25-JULY'26 PROPERTY & AUTO INSURANCE	178,257.00
01.0000.0000.4522	CEJA, BEATRIS	16737	07/03/2025	JUNE 12TH NIGHT MARKET RFND	60.00
01.0000.0000.4522	CEJA, BEATRIS	16737	07/03/2025	JUNE 26TH NIGHT MARKT RFND	60.00
01.0151.1542.5952	DELILAH PONCE	16738	07/03/2025	4TH OF JULY BOXING SHOW OFFICIALS FEE	450.00
01.0100.1010.5910	HECTOR DELGADO	16739	07/03/2025	JULY'25 ICA SEMINAR/ PER DIEM	504.00
01.0100.1010.5910	LARRY RODRIGUEZ	16740	07/03/2025	JULY'25 ICA SEMINAR/ PER DIEM	504.00
01.0000.0000.4522	RIO, PAM	16741	07/03/2025	JUNE 12TH NIGHT MARKET RFND	70.00
01.0000.0000.4522	RIO, PAM	16741	07/03/2025	JUNE 26TH NIGHT MARKT RFND	70.00
01.0151.1543.5952	RODERICK PANTOJA	16742	07/03/2025	4TH OF JULY FIREWORK BAND PERFORMANCE	3,000.00
01.0100.1010.5910	RUDY BOJORQUEZ	16743	07/03/2025	JULY'25 ICA SEMINAR/ PER DIEM	504.00
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	16744	07/03/2025	5/3-6/12/25 1946 MERCED AVE	1,178.99
01.0151.1541.5430	ARIANA GUTIERREZ	16745	07/08/2025	TBALL SUPPLIES	225.00
01.0150.1530.5430	NICOLE VALDEZ	16746	07/08/2025	6/28/25 SR EXCURSION CHARGES/ REIMBURSEMENT	125.00
01.0150.1515.5204	ABRAHAM FLORES ROJO	16747	07/09/2025	JUNE'25 PC MEETING	100.00
01.0151.1544.5430	ALLIANT INSURANCE SERVICES	16748	07/09/2025	4TH OF JULY EVENT INSURANCE	395.00
01.0130.1310.5406	AMAZON CAPITAL SERVICES, INC	16749	07/09/2025	DEPARTMENT SUPPLIES	67.72
01.0130.1310.5406	AMAZON CAPITAL SERVICES, INC	16749	07/09/2025	DEPARTMENT SUPPLIES	13.94
01.0170.1020.5406	AMAZON CAPITAL SERVICES, INC	16749	07/09/2025	LAPTOP CHARGER	128.08
01.0130.1310.5406	AMAZON CAPITAL SERVICES, INC	16749	07/09/2025	FINANCE SUPPLIES	84.15
01.0170.1020.5956	AMAZON CAPITAL SERVICES, INC	16749	07/09/2025	SAFETY GLASSES & LENS WIPES	61.91
01.0140.1430.5406	AMAZON CAPITAL SERVICES, INC	16749	07/09/2025	DEPT. SUPPLIES	86.73
01.0100.1040.5922	AMAZON CAPITAL SERVICES, INC	16749	07/09/2025	DEPT. SUPPLIES	18.81
01.0170.1020.5515	BASE HILL, INC.	16750	07/09/2025	JUNE'25 JANITORIAL SVCS	8,335.00
01.0170.1020.5515	BASE HILL, INC.	16750	07/09/2025	6/1/25 SPECIAL CLEANING/ SCTR	240.00
01.0150.1515.5204	BLANCA M. FIGUEROA	16751	07/09/2025	JUNE'25 PC MEETING	100.00

44.0800.8010.5525	BROTHERS AUTOMOTIVE PROPER CARE LLC	16752	07/09/2025	#45 DETAIL WASH	29.99
01.0170.1770.5525	BROTHERS AUTOMOTIVE PROPER CARE LLC	16752	07/09/2025	#30 INTERIOR/EXTERIOR DETAIL	70.00
01.0151.1542.5952	BROTHERS AWARDS & TROPHIES	16753	07/09/2025	4TH OF JULY BOXING SHOW TROPHIES	1,329.00
01.0151.1541.5430	BSN SPORTS LLC	16754	07/09/2025	BASKETBALL CAMP EQUIPMENT	557.73
01.0000.0000.4252	CALIFORNIA BUILDING STANDARD COMMIS	16755	07/09/2025	APR-JUNE'25-BLDG STANDARDS ADMIN FEE	29.70
39.0900.9000.6025	CONDOR, INC	16756	07/09/2025	RETENTION RELEASE POOL PJT#630	13,559.00
68.0900.9000.6025	CONDOR, INC	16756	07/09/2025	RETENTION RELEASE POOL PJT#252	14,133.54
01.0160.1620.5520	DDC ELECTRIC SUPPLY, INC.	16757	07/09/2025	EMG LIGHT RESTROOM SCTR	747.56
01.0170.1770.5525	DWS TIRES	16758	07/09/2025	#48 R/F TIRE	30.00
44.0800.8010.5525	DWS TIRES	16758	07/09/2025	#38 REPAIR TIRE	35.00
01.0170.1720.5520	ECOLAB PEST ELIM. DIVISION	16759	07/09/2025	6/26 PEST CONTROL YARD	160.43
01.0160.1610.5520	ECOLAB PEST ELIM. DIVISION	16759	07/09/2025	6/26 PEST CONTROL CCTR	79.20
01.0170.1710.5520	ECOLAB PEST ELIM. DIVISION	16759	07/09/2025	6/26 PEST CONTROL CHALL	222.56
01.0160.1620.5520	ECOLAB PEST ELIM. DIVISION	16759	07/09/2025	6/26 PEST CONTROL SCTR	341.15
01.0160.1650.5520	EWING IRRIGATION	16760	07/09/2025	SPEED SOUTHERN FOR WEEDS	93.91
68.0900.9000.6020	FLOCK GROUP, INC	16761	07/09/2025	JULY'25 FLOCK SAFETY YEAR 2	24,000.00
01.0170.7020.5215	GOGO, INC	16762	07/09/2025	9/1/25-8/31/26 CODE ENFORCEMENT SUBSCRIPTION	5,244.00
01.0140.1410.5204	GRACIE H. RETAMOZA	16763	07/09/2025	JUNE'25 PC MEETING	150.00
01.0160.1630.5520	GRANT'S TRUE VALUE HARDWARE	16764	07/09/2025	STUCCO PAPER/PARK/ MCTR	2.20
01.0160.1650.5520	GRANT'S TRUE VALUE HARDWARE	16764	07/09/2025	GASKET RESTROOM REPAIR NTP	0.87
01.0160.1630.5520	GRANT'S TRUE VALUE HARDWARE	16764	07/09/2025	FAWCET REPAIR MCTR	19.32
01.0170.1720.5520	GRANT'S TRUE VALUE HARDWARE	16764	07/09/2025	PARTS YARD CAMERAS	15.46
01.0160.1630.5520	GRANT'S TRUE VALUE HARDWARE	16764	07/09/2025	WATER PIPE REPAIR MCTR	10.80
37.0670.6720.5977	GRANT'S TRUE VALUE HARDWARE	16764	07/09/2025	PARTS SEMH ST/RD MNTC	96.64
01.0160.1650.5520	HAJOCA CORPORATION	16765	07/09/2025	RESTROOM REPAIR NTP	150.30
01.0160.1640.5425	HASA INC.	16766	07/09/2025	6/25 CHEMICAL DELIVERY	744.19
01.0130.1310.5904	HINDERLITER, DE LLAMAS & ASSOC	16767	07/09/2025	APR-JUNE'25 SALES TAX	2,090.56
01.0170.1710.5520	INNER-COOL CORP	16768	07/09/2025	6/26/25 CHILLER VALVE REPAIR CHALL	841.90
01.0140.1410.5204	JACQUELINE RUBIO	16769	07/09/2025	JUNE'25 PC MEETING	150.00
37.0670.6720.5977	JCL TRAFFIC SERVICES	16770	07/09/2025	NIGHT MARKET RENTAL & RTN	1,200.00
37.0670.6720.5977	JCL TRAFFIC SERVICES	16770	07/09/2025	STREET SIGNS ST/RD MAINT	270.89
01.0151.1545.5499	JCL TRAFFIC SERVICES	16770	07/09/2025	6/26 NIGHT MARKET CANCEL MESSAGE BOARD	900.00
37.0670.6720.5977	JCL TRAFFIC SERVICES	16770	07/09/2025	PAVEMENT MARKERS	221.00
01.0140.1410.5204	JEFFREY MICHAEL ORTIZ	16771	07/09/2025	JUNE'25 PC MEETING	150.00
01.0000.0000.4554	KENIA VILLEGAS	16772	07/09/2025	6/28/25 MVD CR FULL RFND (CANCELLED)	250.00
01.0140.1410.5204	KENNETH EUEKHEANG TANG	16773	07/09/2025	JUNE'25 PC MEETING	150.00
40.0900.9000.5968	KIMLEY-HORN AND ASSOCIATES, INC.	16774	07/09/2025	MAY'25 TRF SIGNAL TIMING/ENG#607	3,258.05
01.0100.1020.5215	L.A COUNTY AUDITOR-CONTROLLER	16775	07/09/2025	FY 25-26 NET OPERATING EXPENSES	714.72
01.0110.1110.5220	L.A. COUNTY SHERIFF'S DEPT.	16776	07/09/2025	MAY'2025 LAW ENFORCEMENT SVCS	475,596.99
01.0110.1110.5610	L.A. COUNTY SHERIFF'S DEPT.	16776	07/09/2025	MAY'2025 LIABILITY INSURANCE	59,449.62
01.0140.1410.5204	LEONEL A. BARRERA JR	16777	07/09/2025	JUNE'25 PC MEETING	150.00
01.0130.1330.5215	MODERN IT, INC	16778	07/09/2025	JULY'25 MANAGED SVCS	13,530.00
01.0130.1330.5215	MODERN IT, INC	16778	07/09/2025	JULY'25 OFFICE 365	6,342.01
01.0150.1515.5204	NAOMI LOPEZ	16779	07/09/2025	JUNE'25 PC MEETING	100.00
01.0150.1515.5204	NYDIA ROMERO	16780	07/09/2025	JUNE'25 PC MEETING	100.00
01.0100.1020.5405	OFFICE DEPOT	16781	07/09/2025	OFFICE SUPPLIES	311.57
37.0670.6720.5977	PACIFIC PRODUCTS AND SERVICES LLC	16782	07/09/2025	SEMh ST/RD MNTC PROJECT	2,213.89
37.0670.6720.5977	PACIFIC PRODUCTS AND SERVICES LLC	16782	07/09/2025	SEMh ST/RD MNTC PROJECT	2,213.89

01.0170.7020.5215	PHOENIX GROUP INFORMATION SYSTEMS	16783	07/09/2025	MAY '25 - ADMIN CITE SVCS	1,603.40
01.0170.1100.5215	PHOENIX GROUP INFORMATION SYSTEMS	16783	07/09/2025	MAY '25 - PARKING CITE SVCS	4,475.08
01.0151.1543.5952	PREMIER JANITORIAL SERVICES	16784	07/09/2025	FIREWORK FESTIVAL EQUIPMENT RENTALS	1,406.46
01.0151.1544.5210	PREMIER JANITORIAL SERVICES	16784	07/09/2025	FOURTH OF JULY EQUIPMENT RENTALS	2,343.59
01.0160.1610.5520	QUENCH USA, INC.	16785	07/09/2025	CC' WTR FLTR JUNE'25	38.77
37.0670.6720.5977	SHARPLINE SOLUTIONS, INC	16786	07/09/2025	IMPACT RECOVERY SYSTEM/ ST & RD MTNC	36,462.47
37.0670.6720.5977	SOUTHEAST CONSTRUCTION PRODUCTS,INC	16787	07/09/2025	PARTS SEMH ST TRAFFIC PROJECT	186.84
01.0170.1770.5525	SOUTHERN TIRE MART LLC	16788	07/09/2025	JCB TRACTOR TIRE REPAIR	52.77
01.0151.1545.5499	SUNBELT RENTALS, INC.	16789	07/09/2025	FORKLIFT RENTAL NM (CANCELED)	572.78
01.0170.1770.5525	SUPER AUTO COLLISION CENTER INC	16790	07/09/2025	UNIT #15 REPAIR & HEADLIGHT	2,643.91
06.0300.3010.5430	SUPERIOR WAREHOUSE GROCERS	16791	07/09/2025	FOOD ITEMS/ CI NUTRITION PRGM	53.82
06.0300.3020.5430	SUPERIOR WAREHOUSE GROCERS	16791	07/09/2025	FOOD ITEMS/ CII NUTRITION PRGM	5.98
06.0300.3010.5430	SUPERIOR WAREHOUSE GROCERS	16791	07/09/2025	FOOD ITEMS FOR CI NUTR PRGM	90.63
06.0300.3020.5430	SUPERIOR WAREHOUSE GROCERS	16791	07/09/2025	FOOD ITEMS FOR CII NUTR PRGM	10.06
01.0100.1040.5921	THE SAUCE CREATIVE SERVICES CORP.	16792	07/09/2025	JULY'25 CITY NEWSLETTER	6,298.82
44.0800.8010.5525	THE SMOG SPOT	16793	07/09/2025	#16 SMOG CHECK	40.00
01.0170.1770.5525	THE SMOG SPOT	16793	07/09/2025	#9 SMOG CHECK	40.00
01.0140.1430.5215	TIERRA WEST ADVISORS, INC	16794	07/09/2025	MAY'25 ECON DEV & ICSC SVCS	18,390.00
01.0170.1020.5515	TIERRA WEST ADVISORS, INC	16794	07/09/2025	JUNE'25 INTERIM SERVICES	28,792.50
01.0100.1020.5215	TOWNSEND PUBLIC AFFAIRS	16795	07/09/2025	JUNE'25 CONSULTING SERVICES	6,750.00
01.0170.1770.5525	TRUE AUTO WERX	16796	07/09/2025	#52 WINDOW TINT	260.00
92.0000.0000.6125	U.S. BANK	16797	07/09/2025	JUNE'25-MAY'26 BOND ADMIN FEE	2,200.00
01.0170.1740.5435	ULINE	16798	07/09/2025	JANITORIAL SUPPLIES	1,033.53
01.0170.1720.5520	UNISHIELD	16799	07/09/2025	7/2 FIRST AID SUPP YARD	893.88
01.0160.1620.5420	UNISHIELD	16799	07/09/2025	7/2 FIRST AID SUPP	227.27
01.0160.1610.5420	UNISHIELD	16799	07/09/2025	7/2 FIRST AID SUPP CCTR	186.30
01.0160.1640.5420	UNISHIELD	16799	07/09/2025	FIRST AID SUPP/ POOL	398.05
01.0170.1710.5420	UNISHIELD	16799	07/09/2025	7/2 FIRST AID CHALL	269.08
01.0150.1515.5204	VICTOR MONTIEL	16800	07/09/2025	JUNE'25 PC MEETING	100.00
01.0170.1710.5520	WATER CHEMISTS,DIV. OF CCI CHEMICAL	16801	07/09/2025	JUNE'25 H2O SVCS	425.00
01.0170.1740.5435	WAXIE SANITARY SUPPLY	16802	07/09/2025	JANITORIAL SUPPLIES	9,357.76
01.0170.1750.5215	WEST COAST ARBORISTS, INC	16803	07/09/2025	6/1-6/15/25 CIVIC CENTER TRIMMING	3,871.00
01.0160.1660.5520	WHITTIER FERTILIZER	16804	07/09/2025	STEER FOR SHIVLEY FIELDS	126.26
01.0160.1660.5520	WHITTIER FERTILIZER	16804	07/09/2025	GORILLA & RED CHIPS/ SHIVLEY PARK	881.57
92.0000.0000.5215	WILLDAN FINANCIAL SERVICES	16805	07/09/2025	ARBITRAGE REBATE SERVICES	2,000.00
01.0150.1530.5952	WINNER INTERNATIONAL INC.	16806	07/09/2025	HALLOWEEN & LUNCHEON SUPPLIES	183.50
01.0130.1330.5215	CHARTER COMMUNICATIONS HOLDINGS, LLC	DFT0002866	07/01/2025	6/16-7/15/25 CABLE & INTERNET SVCS/ CHALL	350.13
01.0130.1330.5215	CHARTER COMMUNICATIONS HOLDINGS, LLC	DFT0002867	06/30/2025	6/9-7/8/25 1450 LIDCOMBE AVE	106.24
01.0151.1545.5430	HOME DEPOT CREDIT SERVICES	DFT0002868	06/26/2025	SUPPLIES FOR KRUSE FEED	163.60
01.0151.1545.5430	HOME DEPOT CREDIT SERVICES	DFT0002868	06/26/2025	SUPPLIES FOR NIGHT MARKET	61.87
01.0160.1610.5520	HOME DEPOT CREDIT SERVICES	DFT0002868	06/26/2025	SUPPLIES REFUND	(71.99)
01.0160.1610.5520	HOME DEPOT CREDIT SERVICES	DFT0002868	06/26/2025	PLANTER REPAIR	170.28
01.0160.1610.5520	HOME DEPOT CREDIT SERVICES	DFT0002868	06/26/2025	PAINT/ CCTR	45.93
01.0160.1610.5520	HOME DEPOT CREDIT SERVICES	DFT0002868	06/26/2025	SUPPLIES FOR FRONT LOBBY/ CCTR	225.77
01.0160.1610.5520	HOME DEPOT CREDIT SERVICES	DFT0002868	06/26/2025	SUPPLIES FOR COMM. CTR	126.83
01.0160.1610.5520	HOME DEPOT CREDIT SERVICES	DFT0002868	06/26/2025	SPRAY PAINT FOR COMM. CTR	37.07
01.0160.1640.5520	HOME DEPOT CREDIT SERVICES	DFT0002868	06/26/2025	PAINT FOR POOL DECK	151.67
01.0160.1640.5520	HOME DEPOT CREDIT SERVICES	DFT0002868	06/26/2025	PAINT FOR POOL	87.45

01.0160.1640.5520	HOME DEPOT CREDIT SERVICES	DFT0002868	06/26/2025	SCUB PADS	65.44
01.0160.1660.5520	HOME DEPOT CREDIT SERVICES	DFT0002868	06/26/2025	WATER HOSESAND WATER PISTOL ECT.	96.30
01.0170.1710.5520	HOME DEPOT CREDIT SERVICES	DFT0002868	06/26/2025	MRMORIAL EVENT	482.93
01.0170.1710.5520	HOME DEPOT CREDIT SERVICES	DFT0002868	06/26/2025	FLAG MONUMENT	262.68
01.0170.1710.5520	HOME DEPOT CREDIT SERVICES	DFT0002868	06/26/2025	DOCUMENT BOXES AND TOUGH TOTE FOR SAFETY CENTER	256.03
01.0170.1710.5520	HOME DEPOT CREDIT SERVICES	DFT0002868	06/26/2025	SUPPLIES TO INSTALL POWER	167.12
01.0170.1710.5520	HOME DEPOT CREDIT SERVICES	DFT0002868	06/26/2025	SUPPLIES FOR FLAG OF VALOR	143.99
01.0170.1710.5520	HOME DEPOT CREDIT SERVICES	DFT0002868	06/26/2025	FLAG POLE POTS	131.50
01.0170.1710.5520	HOME DEPOT CREDIT SERVICES	DFT0002868	06/26/2025	FLAG POLE PLANTS	66.17
01.0170.1750.5962	HOME DEPOT CREDIT SERVICES	DFT0002868	06/26/2025	STEP FOLDING PLASTIC LADDERS	39.71
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002869	07/01/2025	5/13-6/10/25 1926 DURFEE AVE	399.32
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002869	07/01/2025	5/13-6/10/25 1903 DURFEE AVE	141.13
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002869	07/01/2025	5/13-6/10/25 11016 GOMEZ PALACIO DR	24.64
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002869	07/01/2025	5/13-6/10/25 2018 DURFEE AVE	256.96
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002870	07/01/2025	5/12-6/9/25 1222 PECK RD	422.08
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002870	07/01/2025	5/12-6/9/25 1502 PECK RD	410.69
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002870	07/01/2025	5/12-6/9/25 1508 PECK RD	365.14
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002870	07/01/2025	5/12-6/9/25 1628 DURFEE AVE	308.19
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002870	07/01/2025	5/12-6/9/25 1710 DURFEE AVE	245.57
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002870	07/01/2025	5/12-6/9/25 1109 PECK RD	228.48
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002870	07/01/2025	5/12-6/9/25 FARNDON-PECK	74.02
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002870	07/01/2025	5/12-6/9/25 1660 DURFEE AVE	141.13
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002870	07/01/2025	5/12-6/9/25 THIENES/ PARKWAY	26.60
01.0130.1310.5280	SECTRAN SECURITY INC.	DFT0002871	06/26/2025	JUNE'25 ARMORED SVCS	213.06
01.0170.1730.5710	SOUTHERN CALIFORNIA EDISON	DFT0002872	06/30/2025	5/15-6/15/25 1824 CENTRAL AVE	725.53
01.0170.1730.5710	SOUTHERN CALIFORNIA EDISON	DFT0002873	06/30/2025	5/15-6/15/25 1556 CENTRAL AVE	2,386.58
01.0170.1730.5710	SOUTHERN CALIFORNIA EDISON	DFT0002874	06/30/2025	5/15-6/15/25 1530 CENTRAL AVE	2,305.37
01.0170.1730.5710	SOUTHERN CALIFORNIA EDISON	DFT0002875	06/30/2025	5/15-6/15/25 1415 SANTA ANITA AVE	1,740.28
01.0130.1330.5950	XEROX CORPORATION	DFT0002876	07/01/2025	5/30-6/29/25 COPIER LEASE	283.91
01.0130.1330.5950	XEROX CORPORATION	DFT0002877	07/01/2025	5/30-6/29/25 COPIER LEASE	1,554.99
01.0000.0000.2020	CALPERS RETIREMENT	DFT0002878	06/27/2025	RATE PLAN 685	265.60
01.0000.0000.2020	CALPERS RETIREMENT	DFT0002878	06/27/2025	RATE PLAN 27216	285.93
01.0000.0000.2020	CALPERS RETIREMENT	DFT0002879	06/27/2025	RATE PLAN 27216	584.34
01.0000.0000.2020	CALPERS RETIREMENT	DFT0002880	06/27/2025	RATE PLAN 27216	20,502.19
01.0000.0000.2020	CALPERS RETIREMENT	DFT0002880	06/27/2025	RATE PLAN 23047	2,200.92
01.0000.0000.2020	CALPERS RETIREMENT	DFT0002880	06/27/2025	RATE PLAN 685	10,074.46
01.0000.0000.2021	CALPERS RETIREMENT	DFT0002880	06/27/2025	SERVICE CREDIT PURCHASE/ A. O	155.77
01.0000.0000.2205	DEPARTMENT OF THE TREASURY	DFT0002881	06/27/2025	PPE 6/21/25 FEDERAL	28,233.38
01.0000.0000.2215	DEPARTMENT OF THE TREASURY	DFT0002881	06/27/2025	PPE 6/21/25 FICA	41,443.78
01.0000.0000.2215	DEPARTMENT OF THE TREASURY	DFT0002881	06/27/2025	PPE 6/21/25 MEDICARE	9,692.50
01.0000.0000.2030	EMPLOYMENT DEVELOPMENT DEPT.	DFT0002882	06/30/2025	UI TAX WTHD'G	803.07
01.0000.0000.2030	EMPLOYMENT DEVELOPMENT DEPT.	DFT0002882	06/30/2025	TNG TAX WTHD'G	40.11
01.0000.0000.2210	EMPLOYMENT DEVELOPMENT DEPT.	DFT0002882	06/30/2025	STATE WTHD'G	9,845.89
01.0000.0000.2230	EMPOWER RETIREMENT, LLC	DFT0002883	06/30/2025	EMPLOYEE BEFORE TAX	2,440.00
01.0000.0000.2230	EMPOWER RETIREMENT, LLC	DFT0002883	06/30/2025	EMPLOYER MATCH	3,863.75
01.0000.0000.2235	EMPOWER RETIREMENT, LLC	DFT0002883	06/30/2025	EMPLOYEE AFTER TAX	1,250.00
01.0000.0000.2355	EMPOWER RETIREMENT, LLC	DFT0002883	06/30/2025	EMPLOYEE LOAN REPAYMENT	1,259.44

01.0000.0000.2270	EXPERT PAY - STATE DISBURSEMENT UNIT	DFT0002884	06/27/2025	CASE 1457313	402.50
01.0000.0000.2270	EXPERT PAY - STATE DISBURSEMENT UNIT	DFT0002884	06/27/2025	CASE 200000002135289	429.50
01.0000.0000.2270	EXPERT PAY - STATE DISBURSEMENT UNIT	DFT0002884	06/27/2025	CASE 0980438	150.00
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002885	07/02/2025	5/14-6/11/25 1450 LIDCOMBE	461.94
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002886	07/02/2025	5/14-6/11/25 1675 DURFEE AVE	192.39
01.0151.1541.5490	WALMART COMMUNITY/GECRB	DFT0002887	07/02/2025	SNACK BAR FOOD SUPPLIES	8.47
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002888	07/08/2025	5/19-6/16/25 2218 ROSEMEAD BLVD	141.13
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002889	07/08/2025	5/19-6/16/25 2004 ROSEMEAD BLVD	24.64
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002890	07/08/2025	5/20-6/17/25 2464 ROSEMEAD BLVD	283.50
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002891	07/08/2025	5/20-6/17/25 2620 ROSEMEAD BLVD	141.13
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002892	07/08/2025	5/15-6/12/25 1824 CENTRAL AVENUE	854.85
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002892	07/08/2025	5/15-6/12/25 1707 N MERCED AVE	24.64
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002892	07/08/2025	5/15-6/12/25 1500 N CENTRAL AVENUE	820.68
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002892	07/08/2025	5/15-6/12/25 1556 CENTRAL AVENUE	467.64
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002892	07/08/2025	5/15-6/12/25 1415 SANTA ANITIA AVENUE	387.92
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01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002892	07/08/2025	5/15-6/12/25 1819 N MERCED AVENUE	199.30
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002892	07/08/2025	5/15-6/12/25 N LERMA/ MILLET	245.57
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002892	07/08/2025	5/15-6/12/25 N/E MERCED SANTA ANITA	175.30
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002892	07/08/2025	5/15-6/12/25 2022 N CENTRAL AVENUE	113.88
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002892	07/08/2025	5/15-6/12/25 10452 RUSH STREET	96.80
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002892	07/08/2025	5/15-6/12/25 2000 SANTA ANITA AVENUE	91.11
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002892	07/08/2025	5/15-6/12/25 MERCED N/W SANTA ANITA	67.67
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002892	07/08/2025	5/15-6/12/25 1900 CENTRAL AVE	193.61
01.0170.1730.5720	SAN GABRIEL VALLEY WATER	DFT0002892	07/08/2025	5/12-6/12/25 1652 TYLER AVENUE	175.30
01.0170.1730.5710	SOUTHERN CALIFORNIA EDISON	DFT0002893	07/07/2025	5/21-6/19/25 9465 GARVEY AVE	15.02
01.0170.1730.5710	SOUTHERN CALIFORNIA EDISON	DFT0002894	07/08/2025	DEPOSIT & SERVICE CONNECTION FEE	878.80
01.0170.1730.5705	SO CAL GAS	DFT0002895	07/09/2025	5/30-6/30/25 1415 SANTA ANITA AVE	216.77

Grand Total \$ 1,750,894.83

Authorization Signatures

A handwritten signature in black ink, appearing to read 'R Salas', positioned above a horizontal line.

Rene Salas, City Manager



City Council Agenda Report

Agenda Item No. 7.d.

DATE: July 15, 2025

TO: Honorable Mayor and Members of the City Council

APPROVED BY: Rene Salas, City Manager

SUBMITTED BY: Adrian Garcia, MMC, City Clerk

SUBJECT: CONSIDERATION AND APPROVAL OF PROPOSED DARK COUNCIL MEETING DATES FOR THE MONTH OF AUGUST 2025

SUMMARY: Staff is requesting City Council "go dark" on Tuesday, August 5, 2025, and Tuesday, August 19, 2025, as the City Council will be taking a recess during the month of August 2025.

RECOMMENDED ACTION: Staff recommends City Council approve "going dark" on Tuesday, August 5, 2025, and Tuesday, August 19, 2025.

FISCAL/FINANCIAL IMPACT: None.

DISCUSSION: Each year during the month of August, City Council takes a recess and does not hold meetings. If there is a need, a special meeting can be held during the month of August.

ATTACHMENT(S):

None



City Council Agenda Report Agenda Item No. 7.e.

DATE: July 15, 2025

TO: Honorable Mayor and Members of the City Council

APPROVED BY: Rene Salas, City Manager

SUBMITTED BY: Dianna Gomez, Sr. Executive Assistant to City Council/Community Liaison

SUBJECT: CONSIDERATION AND APPROVAL OF A REQUEST FOR PROPOSALS (RFP) FOR CONSULTING SERVICES TO UPDATE THE CITY'S LOCAL HAZARD MITIGATION PLAN (LHMP) AND AUTHORIZING STAFF TO SOLICIT PROPOSALS

SUMMARY: The Federal Disaster Management Act of 2000 (“DMA 2000”) requires every local, county, and state government to have an approved Local Hazard Mitigation Plan (“LHMP” or “the Plan”). In addition to minimizing the impact of major hazard events on the community, completion of the LHMP also maintains eligibility for future hazard mitigation funding following any significant disaster. As a result of the DMA 2000 legislation, hazard mitigation is now considered to be the first step in preparing for emergencies, rather than the final step in recovery. The City’s current LHMP will conclude its five-year lifecycle and expire on December 28, 2026.

On January 31, 2025, the City was awarded a Hazard Mitigation Grant Program (“HMGP”) by the U.S. Department of Homeland Security and the California Governor’s Office of Emergency Services (Cal OES) for the grant amount of \$151,500.00 with a 25% non-Federal share cost of \$50,500 for a total cost of \$202,000.00 and an additional Federal share of \$10,000 for Management cost.

RECOMMENDED ACTION: Staff recommends that the City Council approve the Request For Proposal (“RFP”) for Consulting Services to update the City’s LHMP Local Hazard Mitigation Plan and authorize staff to solicit proposals. This action solely approves the RFP and authorizes staff to solicit proposals.

FISCAL/FINANCIAL IMPACT: Staff anticipate a minimal cost, not to exceed \$1,000, for the publication of the RFP in the local newspaper. There is sufficient funding available within the respective Emergency Management Budget in the adopted FY 2025/26 Budget to account for this expense. Staff will recommend an award of contract at a future meeting date for the City Council’s consideration, with an anticipated date of September 2, 2025.

DISCUSSION: Pursuant to the Disaster Mitigation Act of 2000 (“DMA 2000”), the City is seeking a qualified consultant to coordinate, facilitate, and update the City’s LHMP, a plan that should be updated every 5-five years to keep it current and consistent with federal requirements. The DMA 2000 provides the legal basis for the Federal Emergency Management Agency (FEMA) mitigation planning requirements for State, local, and Indian Tribal governments as a condition of mitigation grant assistance. The LHMP Local Hazard Mitigation Plan will be updated in a form consistent with FEMA and Cal OES-approved mitigation plans to ensure eligibility for grant assistance in the event of a disaster.

The scope of work will include developing a planning team and plan development; public engagement; review of plans; risk assessment; hazard mitigation strategy; completion of draft; review of draft; plan maintenance; adoption of plan; and closeout. The LHMP will assess hazards posing a risk to the City, including: biological, chemical, dam/levee break, drought, earthquake, fire, flood, land subsidence, nuclear, terrorist, and toxic substances. Areas of vulnerability will also be assessed, and mitigation goals and objectives will be established to reduce or avoid their potential negative impacts. The scope of work will also include new FEMA rules that will require opportunities for the general public as well as interested external agencies (e.g., adjoining jurisdictions, commissions, etc.) to participate in the planning process. The City will focus on new FEMA rules on community outreach engagement, especially to underserved communities and socially vulnerable populations.

A FEMA-approved plan will help make the City and plan participants more disaster-resistant and pave the path towards improved resilience. Staff, therefore, recommends that the City Council approve the RFP for Consulting Services to Update the City’s LHMP and authorize staff to solicit proposals. Once approved, the release date for the RFP will be Wednesday, July 16, 2025, and the submission deadline will be August 14, 2025, at 4:00 p.m.

ATTACHMENT(S):

- A. 2025 Hazard Mitigation RFP JULY

Request for Proposals

To Provide the City of South El Monte with a Local Hazard
Mitigation Plan



RFP Release Date: July 16, 2025

RFP Response Due: 4:00 p.m. August 14, 2025

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I. General Information

Community Profile

Incorporated in 1958, the City of South El Monte is an industrial community of approximately 21,000 residents, encompassing 2.3 square miles. The City is located approximately 13 miles east of downtown Los Angeles and is adjacent to two major freeways and a major State Route in the San Gabriel Valley.

South El Monte offers a good blend of older and younger residents working in the same dedication and community spirit that the city was founded upon. Both residents and the City's business community are working together to make the City a better place to live and work.

After almost six decades, the City of South El Monte has matured into a viable commercial and industrial base, with over 2,400 businesses within its 2.3 square miles. The City is currently focusing on improving the environment of the community and making it a better place to live and work.

Overview

The City is seeking consulting services from a qualified firm that specializes in developing and updating a Local Hazard Mitigation Plan (LHMP).

II. PURPOSE & SERVICES DESCRIPTION

The purpose of this Request for Proposals (RFP) is to select the most-qualified consultant to update the City's LHMP for the City of South El Monte. The City will award no more than one contract on a not-to-exceed basis.

The selected consultant's responsibilities will include, but is not limited to, updating the LHMP; conducting community outreach regarding the changes to the LHMP; submitting the LHMP to California Office of Emergency Services (Cal OES) and the Federal Emergency Management Agency (FEMA) for review and approval; making necessary revisions to the LHMP that Cal OES and FEMA suggest; resubmitting the LHMP to Cal OES and FEMA for approval (if necessary); assisting with relevant presentations to City Planning Commission and City Council; and, providing the City with all maps in ArcGIS and PDF format.

The Consultant shall prepare final LHMP services bid documents (e.g., descriptions of services, fee and rate schedule, bid proposal) and provide LHMP services for the City based on the scope of services as outlined below.

III. SCOPE OF SERVICES

The selected consultant shall cover all labor, tools, equipment, materials, and any supervision necessary to facilitate the LHMP planning process. The City will be responsible for assembling a Hazard Mitigation Planning Team, consisting of City personnel from Administration, Public Works, Building and Planning, and Community Services.

The selected consultant's scope of required services shall include, but is not limited to, the following tasks:

Task 1 — Kick-off Meeting and Progress Meetings — The Consultant will attend a meeting with select City staff to coordinate actions that need to be taken to ensure the LHMP is successfully updated. City staff can request progress meetings where consultant will provide the City with the status of the project.

Task 2 — Conduct necessary research and analysis to prepare a written LHMP as prescribed by FEMA's Local Mitigation Plan Review Guide and the State Local Hazard Mitigation Planning Program in compliance with the newest Federal Disaster Management Act of 2000 requirements.

Task 3 - Identify, profile, and integrate all hazards and mitigation measures, both natural and man-made, that threaten the City. They will review the hazards with the Hazard Mitigation Planning Team and request input for the strategies to mitigate these hazards.

Task 4 — Conduct public outreach meeting(s) as needed to present findings and obtain feedback on draft strategies being considered for inclusion in the LHMP. Revise draft strategies based on feedback. The scope of work will also include new FEMA rules that require opportunities for the general public, as well as interested external agencies (e.g., Adjoining jurisdictions, commissions, etc.), to participate in the planning process.

Task 5 - Prepare draft LHMPs and submit draft LHMP to Cal OES and FEMA for review.

Task 6 — Conduct public outreach meeting(s) as needed to present draft LHMP and obtain feedback on draft LHMP. Revise LHMP based on feedback.

Task 7 - Make all corrections and revisions to the LHMP as requested by City Staff, City Commissions, Cal OES, or FEMA in order for the LHMP to be approved by both FEMA and OES.

Task 8 - Other related tasks in accordance with Cal OES and FEMA LHMP guidelines.

Task 9 - Assist in preparation of Planning Commission and City Council documents and Presentation(s).

Task 10- Present and produce all maps in ArcGIS and in PDF format.

IV. INFORMATION To BE INCLUDED IN THE OUALIFICATIONS SUBMITTAL (PROPOSAL)

1. The submittal must include the following general information about the Consultant:
 - Consultant's profile, including the types of services offered; the year founded; form of organization (corporate, partnership, sole proprietorship); number, size and location of offices; and number of employees.
 - List of similar projects that the Consultant has completed within the last five years including previous projects in which the Consultant and Subconsultants have worked together. Information on the completed projects should include project name and description; agency and client name along with the person to contact and telephone number; year completed; contract fee; and the final project cost. Clearly identify previous projects and include a summary of the roles and responsibilities of each party.
 - Legal name of Consulting firm or individual, including name, corporate address and telephone number.
 - Name, title, address, telephone number and email address of the individual(s) who has the authority to negotiate with the City; execute any agreement that may result from such negotiations; and will be Consultant's contact person during the Proposal evaluation period.
 - Federal Tax ID or Social Security No. for firm or individual.
 - A statement to the effect that the Proposal shall remain valid for a period of not less than 90 calendar days from the date of submittal.
 - Identification of all proposed sub-Consultants or Subcontractors, including legal name of the company, address and contact person.
 - Acknowledgement that Consultant is obligated by all addenda to this RFP.
 - Signature of a person authorized to bind Consulting firm to the terms of the Proposal.
 - Signed statement attesting that all information submitted with the Proposal is true and correct.
2. A description of the project team, including resumes, day rates, and responsibilities of all assigned staff. Additionally, provide an organization chart of your company, identifying all sub-contractors.

3. The Consultant's detailed approach for completing the tasks specified in the Scope of Services. The work approach shall be sufficiently detailed to demonstrate Consultant's ability to accomplish project tasks.
4. Provide a minimum of three most-recent similar clients including name, address, contact person, phone number, and e-mail address. The City is most interested in government and California clients and may randomly select agencies to contact from your list as part of the evaluation process.
5. A description of any potential work not included in the Consultant's scope of services or which has not been identified in this RFP, which the Consultant feel is essential to the successful completion of the project. This would include additional services by the Consultant or any other necessary tasks to be provided by the City. This potential work must be clearly identified, along with a suggested basis for payment, should those services be necessary or elected by the City.
6. The City must receive proposals by the designated due date and time. Proposals received after designated time and date will not be considered.
7. Consultant's understanding of the project, scope of work, the methodology/concept to be applied and the approaches to be taken in accomplishing each requirement.
8. Fee proposal: The fee proposal shall include all tasks required to perform the work with a maximum not-to-exceed fee for each task and a grand total not-to-exceed fee. Costs shall be all inclusive, including all overhead, materials, equipment, hourly labor rate, and all other miscellaneous direct and indirect costs. The scope of work provided in this RFP will be used as a guideline. It will be the selected Consultant's responsibility to identify all necessary tasks and costs associated with the services and to ensure that all LHMP services are completed in full compliance as required with Federal and State labor standards and regulations. The fee will be required to identify costs associated with, but not limited to, providing LHMP services. The Consultant shall provide its services for the duration of the agreement for the approved scope of work and fee.
9. Three copies of the Proposal which must not exceed 25 pages (double-sided pages count as 2 pages) shall be submitted to the City Clerk (Attn: Adrian Garcia, City of South El Monte, 1415 Santa Anita Avenue, South El Monte, CA 91733) by no later than 4:00 pm on August 14, 2025.
10. Litigation History - information on any litigation, claims, and/or matters that could have led to litigation or a claim arising out of work related to their projects or their subcontractor's projects for the last five years. Please refer to Attachment B for a more detailed list of circumstances ("Claims History").

11. Three copies of a fee Proposal for completing the proposed work, which may be placed in the same envelope as the Proposal. The proposer's fee for LHMP services shall be a fixed not-to-exceed lump sum amount.
12. Attachment A ("Affidavit of Non-Collusion") to be signed and submitted with proposal.
13. The proposal may be withdrawn upon request by the bidder without prejudice to himself/herself prior to, but not after, the time fixed for opening of bids, provided that the request is in writing, has been executed by the bidder or his duly authorized representative, and is filed with the City Clerk. No proposal may be withdrawn during the period of ninety (90) calendar days after the opening of proposals.
14. The successful bidder's proposal guarantee, if required, shall be held until the contract is executed and evidence of insurance, the necessary bonds, sufficiency of surety documents and other documents as specified in the contract documents are submitted. Bid security shall be returned to unsuccessful bidders within twenty (20) days after the successful bidder has signed the contract, submitted evidence of insurance, necessary bonds, sufficiency of surety documents and other documents as specified in the contract documents.

V. CORRECTIONS

Corrections or revisions to the RFP and documents prepared by the Consultant are anticipated and shall be considered part of the normal preparation process. No extension of time or fees shall be allowed for corrections as described herein.

VI. GENERAL INFORMATION

1. The Consultant is expected to establish and maintain a close working relationship with City Staff throughout the duration of the agreement.
2. The City shall not pay any cost incurred in the preparation of a response to this Request for Proposals.

VII. INSURANCE REOUIREMENTS

Refer to Section 13 ("Insurance") of the Sample Professional Services Agreement included in this RFP as Attachment C for insurance requirements.

VIII. PROPOSAL REVIEW

All proposals will be reviewed by a selection committee comprised of City staff. The various significant criteria that will be considered in the evaluation of proposals are summarized below. The City's final selection will not be dictated on any single factor or criteria including price. The relative importance of those factors involves judgment on the part of the Selection Committee and will include both objective and subjective analysis. A consultant may be eliminated from consideration for failure to comply with any of the following requirements, depending upon the critical nature of such requirements as determined by the City:

1. Meaningful experience providing Hazard Mitigation Plan Services
2. Cost
3. Compliance with Scope of Services (Section III)
4. Responsiveness and thoroughness of proposal
5. Personnel proposed work on the project and the qualifications of those individuals, reference checks, verification of certification, if applicable, and ability to satisfy insurance requirements
6. Any other factors determined by the City to be relevant to the performance of these services

No agreement for the work will be executed with a contractor who is not licensed in accordance with the laws of the State of California under applicable provisions of the Business and Professions Code. The licensing requirements for consultant shall apply also to sub-contractors. The City reserves the right to waive minor irregularities and omissions in any submission. The City reserves the right to reject any or all submitted qualifications, and no representation is made that any contract will be awarded pursuant to this Request for Proposals. The City shall not pay any costs associated with the preparation of proposals, including but not limited to the qualification's submittal, additional information, and/or in any other aspect of a qualification's submittal prior to the award of a written contract. The City will provide only the staff assistance and documentation specifically referred to herein and shall not be responsible for any other cost or obligation that may be incurred by the respondent. All items submitted to the City shall become the property of the City. The Consultant selected will be required to sign the City's Professional Services Agreement prior to City Council approval, a copy of which will be provided upon request. The City Council has final authority in the selection of the Consultant.

Below is the anticipated schedule for the Consultant selection process:

Request for Proposal Posting /Mailing	July 16, 2025
Submittal Deadline (Date proposals must be received)	August 14, 2025 by 4:00 p.m.
Tentative Interview (if necessary)	Week of August 25, 2025
Tentative City Council Award	September 2, 2025

For further information, contact Mr. Rene Salas, City Manager, at 626-579-6540.

IX. CONSULTANT AGREEMENT

A sample of the City's Professional Services Agreement is provided in this RFP as Attachment C. Your proposal shall contain a statement of the firm's willingness to execute the contract with an indication of any contractual requirements for which the Consultant takes exception. The bidder to whom award is made shall execute a written contract with the City in the form included in these contract documents and shall submit evidence of insurance, sufficiency of insurer documents, and other documents as herein provided within fifteen (15) days from the date of mailing of the written Notice of Award. Failure or refusal to enter into the agreement or to conform to any of the stipulated requirements shall be just cause for the annulment of the award. In the event the bidder to whom an award is made fails or refuses to execute the agreement within said time, submit evidence of insurance, sufficiency of surety documents, or other documents as specified in the contract documents, the City may declare non-compliant/non-responsive, and it may award the work to the next bidder or may call for new bids.

If the successful bidder refuses or fails to execute the contract, furnish evidence of insurance, sufficiency of surety documents, or other documents as specified in the contract documents, the City may award the contract to the second responsible bidder. If the second responsible bidder refuses to execute the contract, furnish evidence of insurance, sufficiency of surety documents, or other documents as specified in the contract documents, the City may award the contract to the third responsible bidder to execute the contract.

END OF RFP

ATTACHMENTS TO FOLLOW

Attachment A	Affidavit of Non-Collusion
Attachment B	Claims History
Attachment C	Sample Professional Services Agreement

ATTACHMENT A

AFFIDAVIT OF NON-COLLUSION

I state that I am _____ (title) of _____
(name of firm) and that I am authorized to make this affidavit on behalf of my firm, and its owners, directors,
and officers. I am the person responsible in my firm for the price(s) and the amount of this Offer.

I state that:

- (1) The price(s) and amount of this Offer have been arrived at independently and without consultation, communication or agreement with any other Proposer or potential Proposer.
- (2) That neither the price(s) nor the amount of this Offer, and neither the approximate price(s) nor approximate amount of this Offer, have been disclosed to any other firm or person who is a Proposer or potential Proposer, and they will not be disclosed before Solicitation opening.
- (3) No attempt has been made or will be made to induce any firm or person to refrain from bidding on this contract, or to submit an Offer higher than this Offer, or to submit any intentionally high or noncompetitive Offer or other form of complementary Offer.
- (4) The Offer of my firm is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive Offer.
- (5) _____ (name of firm), its affiliates, subsidiaries, officers, directors and employees are not currently under investigation by any governmental agency and have not in the last four years been convicted of or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding on any public contract, except as described in the attached appendix.

I state that _____ (name of firm) understands and acknowledges that the above representations are material and important and will be relied on by the City of South El Monte in awarding the contract(s) for which this Offer is submitted. I understand and my firm understands that any misstatement in this affidavit is and shall be treated as fraudulent concealment from the City of South El Monte of the true facts relating to the submission of Offers for this contract.

(Authorized Signature)

(Name of Company/Position)

Sworn to and subscribed before me this _____ day of _____ 20 .

Notary Public for California

My Commission Expires: _____

ATTACHMENT B

CLAIMS HISTORY

Each Consultant shall submit a summary of whether or not any of the following events have occurred within the past five (5) years and, if so, a brief description of the circumstances involved (including, without limitation, the names of parties involved, current status and final disposition of the matter of dispute):

Failure to disclose any circumstances requested in the following paragraphs is grounds for disqualification.

- Failure by Consultant or any sub-Consultant to enter into a contract to which it has received an award by a public entity.
- Termination for default under a contract awarded by a public entity to Consultant or any sub-Consultant.
- Debarment of Consultant or any sub-Consultant by any municipal, county, state, federal, or local agency (note: debarment is grounds for automatic disqualification).
- The filing of a lawsuit or arbitration in which the Consultant or a sub-Consultant was a defendant or cross-defendant at any time within the past five (5) years that involved the performance of project, program, or construction management services and that involved an amount in controversy sought to be recovered from Consultant or the sub-Consultant of more than \$100,000.00.
- Conviction of Consultant, a sub-Consultant, or any of their principals or officers for violation of a state or federal antitrust law involving bid rigging, collusion, or restriction on competition between bidders, or conviction of violating any other federal or state law relating to bidding or contract performance (note: such conviction is grounds for automatic disqualification).
- Any publications involving firm or principals alleging or claiming corruption (such claims are grounds for automatic disqualification).
- Any suspension, revocation, or other disciplinary proceeding relating to a contracting or professional license issued to proposer or a sub-Consultant.

ATTACHMENT C

SAMPLE PROFESSIONAL SERVICES AGREEMENT

CONTRACT SERVICES AGREEMENT

By and Between

CITY OF SOUTH EL MONTE

and

AGREEMENT FOR CONTRACT SERVICES
BETWEEN THE CITY OF SOUTH EL MONTE AND

THIS AGREEMENT FOR CONTRACT SERVICES (herein "Agreement") is made and entered into this day of _____, 2025 by and between the City of South El Monte, a California, a municipal corporation ("City") and _____ ("Consultant"). City and Consultant may be referred to, individually or collectively, as "Party" or "Parties."

RECITALS

A. City has sought, by issuance of a Request for Proposals or Invitation for Bids, the performance of the services defined and described particularly in Article 1 of this Agreement.

B. Consultant, following submission of a proposal or bid for the performance of the services defined and described particularly in Article I of this Agreement, was selected by the City to perform those services.

C. Pursuant to the City of South El Monte Municipal Code, City has authority to enter into and execute this Agreement.

D. The Parties desire to formalize the selection of Consultant for performance of those services defined and described particularly in Article I of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1. SERVICES OF CONSULTANT

1.1 Scope of Services.

In compliance with all terms and conditions of this Agreement, the Consultant shall provide those services specified in the "Scope of Services" attached hereto as Exhibit "A" and incorporated herein by this reference, which may be referred to herein as the "services" or "work" hereunder. As a material inducement to the City entering into this Agreement, Consultant represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the services required under this Agreement in a thorough, competent, and professional manner, and is experienced in performing the work and services contemplated herein. Consultant shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. Consultant covenants that it shall follow the highest professional

standards in performing the work and services required hereunder and that all materials will be both of good quality as well as fit for the purpose intended. For purposes of this Agreement, the phrase "highest professional standards" shall mean those standards of practice recognized by one or more firstclass firms performing similar work under similar circumstances.

1.2 Consultant's Proposal.

The Scope of Services shall include the Consultant's scope of work or bid which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law.

Consultant shall keep itself informed concerning, and shall render all services hereunder in accordance with, all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental entity having jurisdiction in effect at the time service is rendered.

1.4 Licenses Permits Fees and Assessments.

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

1.5 Familiarity with Work.

By executing this Agreement, Consultant warrants that Consultant (i) has thoroughly investigated and considered the scope of services to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Consultant warrants that Consultant has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should the Consultant discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Consultant shall immediately inform the City of such fact and shall not proceed except at Consultant's risk until written instructions are received from the Contract Officer.

1.6 Care of Work.

The Consultant shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers,

documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence.

1.7 Further Responsibilities of Parties.

Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

1.8 Additional Services.

City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Consultant, incorporating therein any adjustment in (i) the Contract Sum for the actual costs of the extra work, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Consultant. Any increase in compensation of up to ten percent (10%) of the Contract Sum or \$25,000, whichever is less; or, in the time to perform of up to one hundred eighty (180) days, may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively, must be approved by the City Council. It is expressly understood by Consultant that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services. Consultant hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Consultant anticipates and that Consultant shall not be entitled to additional compensation therefor. City may in its sole and absolute discretion have similar work done by other Consultants. No claims for an increase in the Contract Sum or time for performance shall be valid unless the procedures established in this Section are followed.

1.9 Special Requirements.

Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit "B" and any other provisions of this Agreement, the provisions of Exhibit "B" shall govern.

ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT.

2.1 Contract Sum

Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed _____ Dollars (\$ (the "Contract Sum")), unless additional compensation is approved pursuant to Section 1.9.

2.2 Method of Compensation

The method of compensation may include: (i) a lump sum payment upon completion; (ii) payment in accordance with specified tasks or the percentage of completion of the services, less contract retention; (iii) payment for time and materials based upon the Consultant's rates as specified in the Schedule of Compensation, provided that (a) time estimates are provided for the performance of sub tasks, (b) contract retention is maintained, and (c) the Contract Sum is not exceeded; or (iv) such other methods as may be specified in the Schedule of Compensation.

2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Contract Officer in advance, or actual subcontractor expenses of an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Consultant at all project meetings reasonably deemed necessary by the City. Coordination of the performance of the work with City is a critical component of the services. If Consultant is required to attend additional meetings to facilitate such coordination, Consultant shall not be entitled to any additional compensation for attending said meetings.

2.4 Invoices.

Each month Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month in a form approved by City's Director of Finance. By submitting an invoice for payment under this Agreement, Consultant is certifying compliance with all provisions of the Agreement. The invoice shall contain all information specified in Exhibit "C", and shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Subcontractor charges shall also be detailed by such categories. Consultant shall not invoice City for any duplicate services performed by more than one person.

City shall independently review each invoice submitted by the Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, or as provided in Section 7.3, City will use its best efforts to cause Consultant to be paid within forty-five (45) days of receipt of Consultant's correct and undisputed invoice; however, Consultant acknowledges and

agrees that due to City warrant run procedures, the City cannot guarantee that payment will occur within this time period. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission. Review and payment by City for any invoice provided by the Consultant shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

2.5 Waiver.

Payment to Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.

ARTICLE 3. PERFORMANCE SCHEDULE

3.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance.

Consultant shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D" and incorporated herein by this reference. When requested by the Consultant, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively.

3.3 Force Measure.

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Consultant shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Consultant be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Consultant's sole remedy being extension of the Agreement pursuant to this Section.

3.4 Term.

Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding _____years from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit "D"). [The City may, in its sole discretion, extend the Term for _____ additional one-year terms.]

ARTICLE 4. COORDINATION OF WORK

4.1 Representatives and Personnel of Consultant.

The following principals of Consultant ("Principals") are hereby designated as being the principals and representatives of Consultant authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

_____	_____
(Name)	(Title)

_____	_____
(Name)	(Title)

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. All personnel of Consultant, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals. For purposes of this Agreement, the foregoing Principals may not be replaced nor may their responsibilities be substantially reduced by Consultant without the express written approval of City. Additionally, Consultant shall utilize only competent personnel to perform services pursuant to this Agreement. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement. Consultant shall notify City of any changes in Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance.

4.2 Status of Consultant.

Consultant shall have no authority to bind City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees, or agents

are in any manner officials, officers, employees or agents of City. Neither Consultant, nor any of Consultant's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Consultant may have to any such rights.

4.3 Contract Officer.

The Contract Officer shall be [_____or] such person as may be designated by the City Manager. It shall be the Consultant's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Consultant shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority, if specified in writing by the City Manager, to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.4 Independent Consultant.

Neither the City nor any of its employees shall have any control over the manner, mode or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or control of Consultant's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Consultant shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Consultant in its business or otherwise or a joint venturer or a member of any joint enterprise with Consultant. Consultant represents and warrants that the personnel used to provide services to the City pursuant to this Agreement are classified by Consultant as employees and that Consultant issues or will issue a W-2 to such personnel.

In the event that Consultant or any employee, agent, subcontractor, or independent contractor of Consultant providing services under this Agreement claims or is determined by a federal or state agency, a court of competent jurisdiction, or the California Public Employees' Retirement System ("CalPERS") to be classified as other than an independent contractor for the City, then Consultant shall indemnify, defend, and hold harmless the City for the payment of any and all assessed fines, penalties, judgments, employee and/or employer contributions, and any other damages and costs assessed to the City as a consequence of, or in any way attributable to, the assertion that Consultant or any of Consultant's personnel used to provide the Services under this Agreement are other than independent contractors of the City.

4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Consultant, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Consultant shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Consultant, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Consultant or any surety of Consultant of any liability hereunder without the express consent of City.

ARTICLE 5. INSURANCE AND INDEMNIFICATION

5.1 Insurance Coverages.

Without limiting Consultant's indemnification of City, and prior to commencement of any services under this Agreement, Consultant shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and, in a form, satisfactory to City.

(a) General liability insurance. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$2,000,000 per occurrence, \$4,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

(b) Automobile liability insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Services to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1 combined single limit for each accident.

(c) Professional liability (errors & omissions) insurance. Consultant shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and Consultant agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this Agreement.

(d) Workers' compensation insurance. Consultant shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000).

(e) Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall include all of the requirements stated herein.

(f) Additional Insurance. Policies of such other insurance, as may be required in the Special Requirements in Exhibit "B".

5.2 General Insurance Requirements.

(a) Proof of insurance. Consultant shall provide certificates of insurance to City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City at all times during the term of this Agreement. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

(b) Duration of coverage. Consultant shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Services hereunder by Consultant, its agents, representatives, employees or subconsultants.

(c) Primary/noncontributing. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and noncontributory basis for the benefit of City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

(d) City's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary, and any premium paid by City will be promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

(e) Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or that is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size

Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

(f) Waiver of subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(g) Enforcement of contract provisions (non-estoppel). Consultant acknowledges and agrees that any actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

(h) Requirements not limiting. Requirements of specific coverage features, or limits contained in this section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Consultant maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

(i) Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide to City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

(j) Additional insured status. General liability policies shall provide or be endorsed to provide that City and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

(k) Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.

(l) Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

(m) Pass through clause. Consultant agrees to ensure that its subconsultants, subcontractors, and any other party involved with the project who is brought onto or involved in the project by Consultant, provide the same minimum insurance coverage and endorsements required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the project will be submitted to City for review.

(n) Agency's right to revise specifications. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the City and Consultant may renegotiate Consultant's compensation.

(o) Self-insured retentions. Any self-insured retentions must be declared to and approved by City. City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by City.

(p) Timely notice of claims. Consultant shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

(q) Additional insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

5.3 Indemnification.

To the full extent permitted by law, Consultant agrees to indemnify, defend and hold harmless the City, its officers, employees and agents ("Indemnified Parties") against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Consultant, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Consultant is legally liable ("indemnitors"), or arising from Consultant's or indemnitors reckless or willful misconduct, or arising from Consultant's or indemnitors' negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith:

(a) Consultant will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith;

(b) Consultant will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Consultant hereunder; and Consultant agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

(c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Consultant for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Consultant hereunder, Consultant agrees to pay to the City, its officers, agents or employees, any and all costs and expenses incurred by the City, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys' fees.

Consultant shall incorporate similar indemnity agreements with its subcontractors and if it fails to do so Consultant shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Consultant in the performance of professional services hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of City's sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from City's negligence, except that design professionals' indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of Consultant and shall survive termination of this Agreement.

ARTICLE 6. RECORDS REPORTS AND RELEASE OF INFORMATION

6.1 Records.

Consultant shall keep, and require subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to City and services performed hereunder (the "books and records"), as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required. In the event of dissolution of Consultant's business, custody of the books and records may be given to City, and access shall be provided by Consultant's successor in interest. Notwithstanding the above, the Consultant shall fully cooperate with the City in providing access to the books and records if a public records

request is made and disclosure is required by law including but not limited to the California Public Records Act.

6.2 Reports.

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

6.3 Ownership of Documents.

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the "documents and materials") prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the City's sole risk and without liability to Consultant, and Consultant's guarantee and warranties shall not extend to such use, reuse or assignment. Consultant may retain copies of such documents for its own use. Consultant shall have the right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom. Moreover, Consultant with respect to any documents and materials that may qualify as "works made for hire" as defined in 17 U.S.C. 101, such documents and materials are hereby deemed "works made for hire" for the City.

6.4 Confidentiality and Release of Information.

(a) All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the Contract Officer.

(b) Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Contract Officer or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

(c) If Consultant, or any officer, employee, agent or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorney's fees, caused by or incurred as a result of Consultant's conduct.

(d) Consultant shall promptly notify City should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. City retains the right, but has no obligation, to represent the Consultant or be present at any deposition, hearing, or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION

7.1 California Law.

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Consultant covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in the County of Los Angeles, State of California.

7.2 Disputes: Default.

In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default. Instead, the City may give notice to Consultant of the default and the reasons for the default. The notice shall include the timeframe in which Consultant may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Consultant is in default, the City shall hold all invoices and shall, when the default

is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Consultant does not cure the default, the City may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the City to give notice of the Consultant's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

7.3 Retention of Funds.

Consultant hereby authorizes City to deduct from any amount payable to Consultant (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Consultant's acts or omissions in performing or failing to perform Consultant's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Consultant, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Consultant to insure, indemnify, and protect City as elsewhere provided herein.

7.4 Waiver.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.5 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

7.6 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default,

to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Notwithstanding any contrary provision herein, Consultant shall file a statutory claim pursuant to Government Code Sections 905 et seq. and 910 et seq., in order to pursue a legal action under this Agreement.

7.7 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Consultant, except that where termination is due to the fault of the Consultant, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Consultant reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Consultant may determine. Upon receipt of any notice of termination, Consultant shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Consultant has initiated termination, the Consultant shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Consultant has initiated termination, the Consultant shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

7.8 Termination for Default of Consultant.

If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

7.9 Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees

shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

ARTICLE 8. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

8.1 Non-liability of City Officers and Employees.

No officer or employee of the City shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 Conflict of Interest.

Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the Contract Officer. Consultant agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects her/his financial interest or the financial interest of any corporation, partnership or association in which (s)he is, directly or indirectly, interested, in violation of any State statute or regulation. The Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

8.3 Covenant Against Discrimination.

Consultant covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class in the performance of this Agreement. Consultant shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class.

8.4 Unauthorized Aliens.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C. 1101 et seq., as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any liability or sanctions be imposed against City for such use of unauthorized aliens, Consultant hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

ARTICLE 9. MISCELLANEOUS PROVISIONS

9.1 Notices.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer (with her/his name and City title), City of South El Monte, 6330 Pine Avenue, South El Monte, California 90201 and in the case of the Consultant, to the person(s) at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

9.2 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

9.4 Integration: Amendment.

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Consultant and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

9.5 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.6 Warranty & Representation of Non-Collusion.

No official, officer, or employee of City has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of City participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of "financial interest" shall be consistent with State law and shall not include interests found to be "remote" or "noninterests" pursuant to Government Code Sections 1091 or 1091.5. Consultant warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any City official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded any agreement. Consultant further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any City official, officer, or employee, as a result of consequence of obtaining or being awarded any agreement. Consultant is aware of and understands that any such act(s), omission(s) or other conduct resulting in such payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

Consultant's Authorized Initials _____

9.7 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) that entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

CITY:

CITY OF SOUTH EL MONTE, a municipal corporation

Gloria Olmos, Mayor

ATTEST:

Adrian Garcia, MMC, City Clerk

APPROVED AS TO FORM:
OLIVAREZ MADRUGA LAW ORGANIZATION, LLP

Susie Altamirano, City Attorney

CONSULTANT:

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Address: _____

Two corporate officer signatures required when Consultant is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer.

CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONSULTANT'S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2020 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
<p>INDIVIDUAL CORPORATE OFFICER</p> <p>_____</p> <p style="text-align: center;">TITLE(S)</p>	<p>_____</p> <p style="text-align: center;">TITLE OR TYPE OF DOCUMENT</p>
<p><input type="checkbox"/> PARTNER(S) LIMITED</p> <p><input type="checkbox"/> GENERAL</p> <p><input type="checkbox"/> ATTORNEY-IN-FACT</p> <p><input type="checkbox"/> TRUSTEE(S)</p> <p><input type="checkbox"/> GUARDIAN/CONSERVATOR</p> <p><input type="checkbox"/> OTHER _____</p>	<p>_____</p> <p style="text-align: center;">NUMBER OF PAGES</p>
<p>_____</p>	<p>_____</p> <p style="text-align: center;">DATE OF DOCUMENT</p>

SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

SIGNER(S) OTHER THAN NAMED ABOVE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2020 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

INDIVIDUAL
CORPORATE OFFICER

TITLE OR TYPE OF DOCUMENT

TITLE(S)

- PARTNER(S) LIMITED
- GENERAL
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER _____

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

SIGNER(S) OTHER THAN NAMED ABOVE

EXHIBIT "A"

SCOPE OF SERVICES

- I. Consultant will perform the following Services:

- II. As part of the Services, Consultant will prepare and deliver the following tangible work products to the City:

- III. In addition to the requirements of Section 6.2, during performance of the Services, Consultant will keep the City appraised of the status of performance by delivering the following status reports:

- IV. All work product is subject to review and acceptance by the City, and must be revised by the Consultant without additional charge to the City until found satisfactory and accepted by City.

- V. Consultant will utilize the following personnel to accomplish the Services:

EXHIBIT "B"
SPECIAL REQUIREMENTS
(Superseding Contract Boilerplate)

EXHIBIT "C"
SCHEDULE OF COMPENSATION

I. Consultant shall perform the following tasks at the following rates:

	RATE	TIME	SUB-BUDGET	
A.	_____	_____	_____	_____
B.	_____	_____	_____	_____
C.	_____	_____	_____	_____
D.	_____	_____	_____	_____

II. A retention of ten percent (10%) shall be held from each payment as a contract retention to be paid as part of the final payment upon satisfactory completion of services.

III. Within the budgeted amounts for each Task, and with the approval of the Contract Officer, funds may be shifted from one Task subbudget to another so long as the Contract Sum is not exceeded per Section 2.1, unless Additional Services are approved per Section 1.9.

IV. The City will compensate Consultant for the Services performed upon submission of a valid invoice. Each invoice is to include:

- A. Line items for all personnel describing the work performed, the number of hours worked, and the hourly rate.
- B. Line items for all materials and equipment properly charged to the Services.
- C. Line items for all other approved reimbursable expenses claimed, with supporting documentation.
- D. Line items for all approved subcontractor labor, supplies, equipment, materials, and travel properly charged to the Services.

- V. The total compensation for the Services shall not exceed the Contract Sum as provided in Section 2.1 of this Agreement.
- VI. The Consultant's billing rates for all personnel are attached as Exhibit C-1.

c-1

EXHIBIT "D"

SCHEDULE OF PERFORMANCE

I. Consultant shall perform all services timely in accordance with the following schedule:

		<u>Days to Perform</u>	<u>Deadline Date</u>
A.	Task A	_____	_____
B.	Task B	_____	_____
C.	Task C	_____	_____

II. Consultant shall deliver the following tangible work products to the City by the following dates.

- A.
- B.
- C.

III. The Contract Officer may approve extensions for performance of the services in accordance with Section 3.2.

EXHIBIT

2



City Council Agenda Report Agenda Item No. 7.f.

DATE: July 15, 2025

TO: Honorable Mayor and Members of the City Council

APPROVED BY: Rene Salas, City Manager

SUBMITTED BY: Masami Higa, Director of Finance

SUBJECT: CONSIDERATION AND APPROVAL OF RESOLUTION NO. 25-066 AWARDED AN AGREEMENT TO VASQUEZ & COMPANY LLP FOR AUDITING SERVICES

SUMMARY: On June 5, 2025, the City issued a Request for Proposal (RFP) for Auditing Services and received two proposals. Staff reviewed the proposals and determined that of the two companies, Vasquez & Company (Vasquez) provided the best overall value to meet the needs of the City.

RECOMMENDED ACTION: Staff recommends City Council adopt Resolution No. 25-066, approving a three-year agreement with a two-year renewal option with Vasquez.

FISCAL/FINANCIAL IMPACT: Vasquez's proposal for its auditing services was as follows:

FY2024-2025 \$57,195
FY2025-2026 \$58,911
FY2026-2027 \$60,678
FY2027-2028 \$62,499 Optional
FY2028-2029 \$64,373 Optional

DISCUSSION: On May 6, 2025, the City Council adopted Resolution No. 25-045, authorizing the City Manager to exercise the right to terminate the contract services agreement with Moss, Levy & Hartzheim, LLP (MLH) and to authorize staff to issue an RFP for auditing services:

- On May 7, 2025, the City Manager terminated its agreement with MLH.
- On June 5, 2025, staff issued RFPs to nine (9) firms that provide auditing services to neighboring cities, and also posted the RFP on its website.
- Between June 5 and June 19, 2025, staff received various questions from four (4) firms.

- On June 25, 2025, staff prepared a list of questions and answers as an Addendum to the RFP, and provided it to the nine (9) firms, and also posted the Addendum on its website.
- On July 3, 2025, the City Clerk received two (2) proposals from Vasquez & Company, LLP, and LSL, LLP.

On July 7, 2025, staff reviewed the two (2) proposals and determined that Vasquez & Company (Vasquez) provided the best overall value to meet the needs of the City scored as follows:

- Criteria 1 - Completeness of the proposal and compliance with the required RFP format: Both firms scored an average of 25 points.
- Criteria 2 - Project understanding, scope and approach to develop the project efficiently: Both firms scored an average of 22.5 points. Neither specifically addressed how they intend to audit the infrastructure valuation the City plans to conduct in accordance with GASB 34 & 51, as explained in the Addendum.
- Criteria 3 - Experience and qualifications of key staff: Vasquez scored an average of 25 points and LSL scored an average of 20 points for the following reasons:
 - Vasquez included a specialized IT Manager as part of the audit engagement team. Staff felt that this could be important as the infrastructure valuation may contain GIS mapping data as support for the streets, curbs & gutters, sidewalks, streetlights, and sewer lines.
 - Staff researched the audit completion dates of Vasquez and LSL clients in Southern California, and found more examples of Vasquez completing before December 31st.
- Criteria 4 - Similar project experience: Vasquez scored an average of 25 points and LSL scored an average of 24 points as Vasquez provided more references.

Overall, Vasquez scored an average of 97.5 points total and LSL scored an average of 91.5 points total. Staff then compared the price quotes and found that they were relatively similar, with Vasquez being about 6% higher than LSL for the Annual Comprehensive Financial Report (ACFR) Audit and the Single Audit services, when excluding price quotes for services not requested within the RFP, such as Gann Limit Calculation, Measure W Audit, and preparation of the City's Financial Transactions Report and Annual Street Report that the City files annually with the State Controller.

Staff recommends City Council adopt Resolution No. 25-066, approving a three-year agreement with a two-year renewal option with Vasquez.

ATTACHMENT(S):

- A. Resolution No. 25-066
- B. Exhibit A to Resolution No. 25-066

ATTACHMENT A

RESOLUTION NO. 25-066

A RESOLUTION OF THE SOUTH EL MONTE CITY COUNCIL AUTHORIZING THE CITY TO ENTER INTO AN AGREEMENT BETWEEN THE CITY OF SOUTH EL MONTE AND VASQUEZ & COMPANY LLC FOR AUDITING SERVICES

WHEREAS, the City of South El Monte issued a Request for Proposals for Auditing Services on June 5, 2025; and

WHEREAS, two proposal responses were received by the July 3, 2025, deadline; and

WHEREAS, of the two proposals received, staff determined that Vasquez & Company LLP would provide the best overall value and fit to provide the auditing services for the City; and

WHEREAS, Vasquez’s proposal for a three-year contract was \$176,784, or \$58,928 average per year. An additional two-year mutual option is available at the conclusion of the initial three-year agreement; and

WHEREAS, the City Council now wishes to enter into an agreement with Vasquez & Company LLP for auditing services.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH EL MONTE DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The City Council hereby approves a professional services agreement (“Agreement”) with Vasquez & Company LLC to provide auditing services for the City, including all tasks requested in the RFP.

Section 2. The Mayor is directed to execute the Agreement in substantially the form attached as Exhibit A accompanying this Resolution. The Mayor and City Manager are hereby directed to take all actions necessary to enter into and effectuate the Agreement.

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

PASSED, APPROVED AND ADOPTED this 15th day of July 2025.

Gloria Olmos, Mayor

ATTEST:

Adrian Garcia, MMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF SOUTH EL MONTE)

I, Adrian Garcia, City Clerk of the City of South El Monte, do hereby certify that the foregoing Resolution, being Resolution No. 25-066, was passed and approved by the City Council of the City of South El Monte at a regular meeting of said Council held on the 15th day of July 2025, and that said Resolution was adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Adrian Garcia, MMC, City Clerk

ATTACHMENT B

CONTRACT SERVICES AGREEMENT

By and Between

CITY OF SOUTH EL MONTE

and

VASQUEZ & COMPANY LLP

**AGREEMENT FOR CONTRACT SERVICES
BETWEEN THE CITY OF SOUTH EL MONTE AND
VASQUEZ & COMPANY LLP**

THIS AGREEMENT FOR CONTRACT SERVICES (herein “Agreement”) is made and entered into this 15th day of July 2025, by and between the CITY OF SOUTH EL MONTE, a California municipal corporation (“City”) and VASQUEZ & COMPANY LLP (“Consultant”). City and Consultant may be referred to, individually or collectively, as “Party” or “Parties.”

RECITALS

A. City has sought, by issuance of a Request for Proposals or Invitation for Bids, the performance of the services defined and described particularly in Article 1 of this Agreement.

B. Consultant, following submission of a proposal or bid for the performance of the services defined and described particularly in Article 1 of this Agreement, was selected by the City to perform those services.

C. Pursuant to the City of South El Monte Municipal Code, City has authority to enter into and execute this Agreement.

D. The Parties desire to formalize the selection of Consultant for performance of those services defined and described particularly in Article 1 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1. SERVICES OF CONSULTANT

1.1 Scope of Services.

In compliance with all terms and conditions of this Agreement, the Consultant shall provide those services specified in the “Scope of Services” attached hereto as Exhibit “A” and incorporated herein by this reference, which may be referred to herein as the “services” or “work” hereunder. As a material inducement to the City entering into this Agreement, Consultant represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the services required under this Agreement in a thorough, competent, and professional manner, and is experienced in performing the work and services contemplated herein. Consultant shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. Consultant covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be both of good quality as well as fit for the purpose intended. For purposes of this Agreement, the phrase “highest professional standards” shall mean those

standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

1.2 Consultant's Proposal.

The Scope of Services shall include the Consultant's scope of work or bid which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law.

Consultant shall keep itself informed concerning, and shall render all services hereunder in accordance with, all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental entity having jurisdiction in effect at the time service is rendered.

1.4 Licenses, Permits, Fees and Assessments.

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

1.5 Familiarity with Work.

By executing this Agreement, Consultant warrants that Consultant (i) has thoroughly investigated and considered the scope of services to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Consultant warrants that Consultant has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should the Consultant discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Consultant shall immediately inform the City of such fact and shall not proceed except at Consultant's risk until written instructions are received from the Contract Officer.

1.6 Care of Work.

The Consultant shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be

responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence.

1.7 Further Responsibilities of Parties.

Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

1.8 Additional Services.

City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Consultant, incorporating therein any adjustment in (i) the Contract Sum for the actual costs of the extra work, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Consultant. Any increase in compensation of up to ten percent (10%) of the Contract Sum or \$25,000, whichever is less; or, in the time to perform of up to one hundred eighty (180) days, may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively, must be approved by the City Council. It is expressly understood by Consultant that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services. Consultant hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Consultant anticipates and that Consultant shall not be entitled to additional compensation therefor. City may in its sole and absolute discretion have similar work done by other Consultants. No claims for an increase in the Contract Sum or time for performance shall be valid unless the procedures established in this Section are followed.

1.9 Special Requirements.

Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit "B" and any other provisions of this Agreement, the provisions of Exhibit "B" shall govern.

ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT.

2.1 Contract Sum.

Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference.

2.2 Method of Compensation.

The method of compensation may include: (i) a lump sum payment upon completion; (ii) payment in accordance with specified tasks or the percentage of completion of the services, less contract retention; (iii) payment for time and materials based upon the Consultant's rates as specified in the Schedule of Compensation, provided that (a) time estimates are provided for the performance of sub tasks, (b) contract retention is maintained, and (c) the Contract Sum is not exceeded; or (iv) such other methods as may be specified in the Schedule of Compensation.

2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Contract Officer in advance, or actual subcontractor expenses of an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Consultant at all project meetings reasonably deemed necessary by the City. Coordination of the performance of the work with City is a critical component of the services. If Consultant is required to attend additional meetings to facilitate such coordination, Consultant shall not be entitled to any additional compensation for attending said meetings.

2.4 Invoices.

Each month Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month in a form approved by City's Director of Finance. By submitting an invoice for payment under this Agreement, Consultant is certifying compliance with all provisions of the Agreement. The invoice shall contain all information specified in Exhibit "C", and shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and subcontractor contracts. Sub-contractor charges shall also be detailed by such categories. Consultant shall not invoice City for any duplicate services performed by more than one person.

City shall independently review each invoice submitted by the Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, or as provided in Section 7.3, City will use its best efforts to cause Consultant to be paid within forty-five (45) days of receipt of Consultant's correct and undisputed invoice; however, Consultant acknowledges and agrees that due to City warrant run procedures, the City cannot guarantee that payment will occur within this time period. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission. Review and payment by City for any invoice provided by the Consultant shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

2.5 Waiver.

Payment to Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.

ARTICLE 3. PERFORMANCE SCHEDULE

3.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance.

Consultant shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the “Schedule of Performance” attached hereto as Exhibit “D” and incorporated herein by this reference. When requested by the Consultant, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively.

3.3 Force Majeure.

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Consultant shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer’s determination shall be final and conclusive upon the parties to this Agreement. In no event shall Consultant be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Consultant’s sole remedy being extension of the Agreement pursuant to this Section.

3.4 Term.

Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding December 31, 2027 years from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit “D”). The City may, in its sole discretion, extend the Term for two additional one-year terms related to the audit for fiscal year 2027-28 and fiscal year 2028-29.

ARTICLE 4. COORDINATION OF WORK

4.1 Representatives and Personnel of Consultant.

The following principals of Consultant (“Principals”) are hereby designated as being the principals and representatives of Consultant authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

Cristy A. Canieda
(Name)

Partner, Government Practice Leader
(Title)

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. All personnel of Consultant, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals. For purposes of this Agreement, the foregoing Principals may not be replaced nor may their responsibilities be substantially reduced by Consultant without the express written approval of City. Additionally, Consultant shall utilize only competent personnel to perform services pursuant to this Agreement. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement. Consultant shall notify City of any changes in Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance.

4.2 Status of Consultant.

Consultant shall have no authority to bind City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees, or agents are in any manner officials, officers, employees or agents of City. Neither Consultant, nor any of Consultant's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Consultant may have to any such rights.

4.3 Contract Officer.

The Contract Officer shall be the Director of Finance such person as may be designated by the City Manager. It shall be the Consultant's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Consultant shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority, if specified in writing by the City Manager, to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.4 Independent Consultant.

Neither the City nor any of its employees shall have any control over the manner, mode or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or control of Consultant's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Consultant shall perform all services required

herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Consultant in its business or otherwise or a joint venturer or a member of any joint enterprise with Consultant. Consultant represents and warrants that the personnel used to provide services to the City pursuant to this Agreement are classified by Consultant as employees and that Consultant issues or will issue a W-2 to such personnel.

In the event that Consultant or any employee, agent, subcontractor, or independent contractor of Consultant providing services under this Agreement claims or is determined by a federal or state agency, a court of competent jurisdiction, or the California Public Employees' Retirement System ("CalPERS") to be classified as other than an independent contractor for the City, then Consultant shall indemnify, defend, and hold harmless the City for the payment of any and all assessed fines, penalties, judgments, employee and/or employer contributions, and any other damages and costs assessed to the City as a consequence of, or in any way attributable to, the assertion that Consultant or any of Consultant's personnel used to provide the Services under this Agreement are other than independent contractors of the City.

4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Consultant, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Consultant shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Consultant, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Consultant or any surety of Consultant of any liability hereunder without the express consent of City.

ARTICLE 5. INSURANCE AND INDEMNIFICATION

5.1 Insurance Coverages.

Without limiting Consultant's indemnification of City, and prior to commencement of any services under this Agreement, Consultant shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to City.

(a) General liability insurance. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$2,000,000 per occurrence, \$4,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that

has not been amended. Any endorsement restricting standard ISO “insured contract” language will not be accepted.

(b) Automobile liability insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Services to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

(c) Professional liability (errors & omissions) insurance. Consultant shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and Consultant agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this Agreement.

(d) Workers’ compensation insurance. Consultant shall maintain Workers’ Compensation Insurance (Statutory Limits) and Employer’s Liability Insurance (with limits of at least \$1,000,000).

(e) Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall include all of the requirements stated herein.

(f) Additional Insurance. Policies of such other insurance, as may be required in the Special Requirements in Exhibit “B”.

5.2 General Insurance Requirements.

(a) Proof of insurance. Consultant shall provide certificates of insurance to City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers’ compensation. Insurance certificates and endorsements must be approved by City’s Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City at all times during the term of this Agreement. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

(b) Duration of coverage. Consultant shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Services hereunder by Consultant, its agents, representatives, employees or subconsultants.

(c) Primary/noncontributing. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination

of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

(d) City's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

(e) Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or that is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

(f) Waiver of subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(g) Enforcement of contract provisions (non-estoppel). Consultant acknowledges and agrees that any actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

(h) Requirements not limiting. Requirements of specific coverage features or limits contained in this section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Consultant maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

(i) Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide to City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

(j) Additional insured status. General liability policies shall provide or be endorsed to provide that City and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

(k) Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.

(l) Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

(m) Pass through clause. Consultant agrees to ensure that its subconsultants, subcontractors, and any other party involved with the project who is brought onto or involved in the project by Consultant, provide the same minimum insurance coverage and endorsements required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the project will be submitted to City for review.

(n) Agency's right to revise specifications. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the City and Consultant may renegotiate Consultant's compensation.

(o) Self-insured retentions. Any self-insured retentions must be declared to and approved by City. City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by City.

(p) Timely notice of claims. Consultant shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

(q) Additional insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

5.3 Indemnification.

To the full extent permitted by law, Consultant agrees to indemnify, defend and hold harmless the City, its officers, employees and agents ("Indemnified Parties") against, and will hold and save them and each of them harmless from, any and all actions, either judicial,

administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein “claims or liabilities”) that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Consultant, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Consultant is legally liable (“indemnitors”), or arising from Consultant’s or indemnitors’ reckless or willful misconduct, or arising from Consultant’s or indemnitors’ negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith:

(a) Consultant will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys’ fees incurred in connection therewith;

(b) Consultant will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Consultant hereunder; and Consultant agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

(c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Consultant for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Consultant hereunder, Consultant agrees to pay to the City, its officers, agents or employees, any and all costs and expenses incurred by the City, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys’ fees.

Consultant shall incorporate similar indemnity agreements with its subcontractors and if it fails to do so Consultant shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Consultant in the performance of professional services hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of City’s sole negligence or willful acts or omissions, except that design professionals’ indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of Consultant and shall survive termination or expiration of this Agreement.

ARTICLE 6. RECORDS, REPORTS, AND RELEASE OF INFORMATION

6.1 Records.

Consultant shall keep, and require subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to City and services performed hereunder (the “books and records”), as shall be necessary to perform the services required by this Agreement and enable the Contract

Officer to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required. In the event of dissolution of Consultant's business, custody of the books and records may be given to City, and access shall be provided by Consultant's successor in interest. Notwithstanding the above, the Consultant shall fully cooperate with the City in providing access to the books and records if a public records request is made and disclosure is required by law including but not limited to the California Public Records Act.

6.2 Reports.

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

6.3 Ownership of Documents.

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the "documents and materials") prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the City's sole risk and without liability to Consultant, and Consultant's guarantee and warranties shall not extend to such use, reuse or assignment. Consultant may retain copies of such documents for its own use. Consultant shall have the right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom. Moreover, Consultant with respect to any documents and materials that may qualify as "works made for hire" as defined in 17 U.S.C. § 101, such documents and materials are hereby deemed "works made for hire" for the City.

6.4 Confidentiality and Release of Information.

(a) All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the Contract Officer.

(b) Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Contract Officer or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered “voluntary” provided Consultant gives City notice of such court order or subpoena.

(c) If Consultant, or any officer, employee, agent or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorney’s fees, caused by or incurred as a result of Consultant’s conduct.

(d) Consultant shall promptly notify City should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION

7.1 California Law.

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Consultant covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in the County of Los Angeles, State of California.

7.2 Disputes; Default.

In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default. Instead, the City may give notice to Consultant of the default and the reasons for the default. The notice shall include the timeframe in which Consultant may cure the

default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Consultant is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Consultant does not cure the default, the City may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the City to give notice of the Consultant's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

7.3 Retention of Funds.

Consultant hereby authorizes City to deduct from any amount payable to Consultant (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Consultant's acts or omissions in performing or failing to perform Consultant's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Consultant, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Consultant to insure, indemnify, and protect City as elsewhere provided herein.

7.4 Waiver.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.5 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

7.6 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel

specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Notwithstanding any contrary provision herein, Consultant shall file a statutory claim pursuant to Government Code Sections 905 et seq. and 910 et seq., in order to pursue a legal action under this Agreement.

7.7 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Consultant, except that where termination is due to the fault of the Consultant, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Consultant reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Consultant may determine. Upon receipt of any notice of termination, Consultant shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Consultant has initiated termination, the Consultant shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Consultant has initiated termination, the Consultant shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

7.8 Termination for Default of Consultant.

If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

7.9 Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

ARTICLE 8. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

8.1 Non-liability of City Officers and Employees.

No officer or employee of the City shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 Conflict of Interest.

Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the Contract Officer. Consultant agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects her/his financial interest or the financial interest of any corporation, partnership or association in which (s)he is, directly or indirectly, interested, in violation of any State statute or regulation. The Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

8.3 Covenant Against Discrimination.

Consultant covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class in the performance of this Agreement. Consultant shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class.

8.4 Unauthorized Aliens.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C. § 1101 *et seq.*, as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any liability or sanctions be imposed against City for such use of unauthorized aliens, Consultant hereby agrees to and shall reimburse City for the cost of all such

liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

ARTICLE 9. MISCELLANEOUS PROVISIONS

9.1 Notices.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer (with her/his name and City title), City of South El Monte, 6330 Pine Avenue, South El Monte, California 90201 and in the case of the Consultant, to the person(s) at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

9.2 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

9.4 Integration; Amendment.

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Consultant and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

9.5 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent

of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.6 Warranty & Representation of Non-Collusion.

No official, officer, or employee of City has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of City participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of “financial interest” shall be consistent with State law and shall not include interests found to be “remote” or “noninterests” pursuant to Government Code Sections 1091 or 1091.5. Consultant warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any City official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded any agreement. Consultant further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any City official, officer, or employee, as a result of consequence of obtaining or being awarded any agreement. Consultant is aware of and understands that any such act(s), omission(s) or other conduct resulting in such payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

Consultant’s Authorized Initials _____

9.7 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) that entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

CITY:

CITY OF SOUTH EL MONTE, a municipal corporation

Gloria Olmos, Mayor

ATTEST:

Adrian Garcia, City Clerk

APPROVED AS TO FORM:

OLIVAREZ MADRUGA LAW ORGANIZATION, LLP

Susie Altamirano, City Attorney

CONSULTANT:

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Address: _____

IF APPLICABLE: Two corporate officer signatures required when Consultant is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer.

EXHIBIT “A”

SCOPE OF SERVICES

- I. Consultant will perform the following Services:**
- A. Annual Comprehensive Financial Report (ACFR) Audit
 - B. Single Audit
- II. As part of the Services, Consultant will prepare and deliver the following tangible work products to the City:**
- A. PDF or another format agreeable to the City of the ACFR and Single Audit Report
- III. In addition to the requirements of Section 6.2, during performance of the Services, Consultant will keep the City appraised of the status of performance by delivering the following status reports:**
- A. Communication required or recommended between the auditor and those charged with governance and/or management
 - B. Briefing on any new auditing or accounting standards that the auditor believes management should be aware of.
 - C. Briefing on any new regulatory standards, tax laws, or industry best practices that the auditor would like to share with management for continuous improvement.
- IV. All work product is subject to review and acceptance by the City.**
- V. Consultant will utilize the following personnel to accomplish the Services:**
- A. Employees of Vasquez.
 - B. Use of a specialist where needed, with prior written permission from the City.

EXHIBIT "B"

SPECIAL REQUIREMENTS

(Superseding Contract Boilerplate)

The Agreement is amended as provided herein. Deleted text is indicated in ~~strikethrough~~ and added text in ***bold italics***.

I. Section 6.3, "Ownership of Documents," of the Agreement is hereby amended to read in its entirety as follows:

"6.3 Ownership of Documents.

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the "documents and materials") prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the City's sole risk and without liability to Consultant, and Consultant's guarantee and warranties shall not extend to such use, reuse or assignment. Consultant may retain copies of such documents for its own use. Consultant shall have the right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Consultant fails to secure such assignment. Consultant shall indemnify City for all damages resulting therefrom. Moreover, Consultant with respect to any documents and materials that may qualify as "works made for hire" as defined in 17 U.S.C. § 101, such documents and materials are hereby deemed "works made for hire" for the City. ***This provision is not applicable to audit working papers prepared in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants (GAAS) or the standards applicable to financial audits contained in Government Auditing Standards (current edition) issued by the Comptroller General of the United States (GAGAS).***"

II. Section 5.2, "General Insurance Requirements," sub-section (f), "Waiver of subrogation," of the Agreement is hereby amended to start with an exception as follows:

(f) Waiver of subrogation. ***Except for professional liability insurance***, all insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in

compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants

EXHIBIT “C”

SCHEDULE OF COMPENSATION

I. Consultant shall perform the following tasks at the following rates:

Services	Option Years				
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
ACFR Audit	\$ 50,829	\$ 52,354	\$ 53,924	\$ 55,542	\$ 57,208
Single Audit	6,366	6,557	6,754	6,956	7,165
	57,195	58,911	60,678	62,499	64,373

II. A retention of ten percent (10%) shall be held from each payment as a contract retention to be paid as part of the final payment upon satisfactory completion of services.

III. Within the budgeted amounts for each Task, and with the approval of the Contract Officer, funds may be shifted from one Task subbudget to another so long as the Contract Sum is not exceeded per Section 2.1, unless Additional Services are approved per Section 1.9.

IV. The City will compensate Consultant for the Services performed upon submission of a valid invoice. Each invoice is to include:

- A. Line items for all personnel describing the work performed, the number of hours worked, and the hourly rate.
- B. Line items for all materials and equipment properly charged to the Services.
- C. Line items for all other approved reimbursable expenses claimed, with supporting documentation.
- D. Line items for all approved subcontractor labor, supplies, equipment, materials, and travel properly charged to the Services.

EXHIBIT “D”

SCHEDULE OF PERFORMANCE

I. Consultant shall perform all services timely in accordance with the following schedule:

		<u>Auditing Services</u>	<u>Deadline Date</u>
A.	Task A	6/30/25 Engagement	12/31/25 for ACFR; 3/31/26 for Single Audit
B.	Task B	6/30/26 Engagement	12/31/26 for ACFR; 3/31/27 for Single Audit
C.	Task C	6/30/27 Engagement	12/31/27 for ACFR; 3/31/28 for Single Audit

II. Consultant shall deliver the following tangible work products to the City by the following dates.

III. The Contract Officer may approve extensions for performance of the services in accordance with Section 3.2.



City Council Agenda Report Agenda Item No. 7.g.

DATE: July 15, 2025

TO: Honorable Mayor and Members of the City Council

APPROVED BY: Rene Salas, City Manager

SUBMITTED BY: Danilo Batson, Interim Director of Public Works

SUBJECT: CONSIDERATION AND APPROVAL OF RESOLUTION NO. 25-067, NOTICE OF INTENT TO VACATE SLOPE EASEMENT AT 1606 DURFEE AVENUE

SUMMARY: Thomas Co (“Owner”) has requested the vacation of the Slope Easement as more specifically described and depicted in Attachment “B”.

RECOMMENDED ACTION: Staff recommends City Council adopt Resolution No. 25-067, to vacate the Slope Easement at 1606 Durfee Avenue and authorize City Staff to proceed with Slope Easement vacation.

FISCAL/FINANCIAL IMPACT: There will be no fiscal impact with this action.

DISCUSSION: In 1956, Los Angeles County acquired a Slope Easement for public road and highway purposes as filed on October 18, 1956, and entered on October 19, 1956, in Judgement Book 3176, Page 68 per FC. 597943, Final Order of Condemnation. The Slope Easement was recorded in Book 52727, PG 330 of official records, as more specifically described and depicted in Attachment “B”. With the incorporation of the City of South El Monte in 1958, the Slope Easement became that of the City of South El Monte.

Pursuant to California Streets & Highways Code Sections 8300, *et seq.*, a public street, highway, or service easement may be vacated or abandoned by the initiation of the City Council or by privately initiated requests where interested persons petition or request that the City Council vacate a city street, highway, or public use easement.

Here, Thomas Co, property owner, has requested the Slope Easement be vacated. Staff has reviewed the documents Thomas Co. provided and has determined that the Slope Easement is unnecessary for present or prospective public use. Pursuant to California Streets & Highways Code Sections 8330 *et seq.*, summary vacation is proper because the easement has not been used for the purpose for which it was dedicated or acquired within the past five consecutive years, the easement is unneeded excess for the City, and there are no public facilities utilities within the easement.

Vacating the Slope Easement is not considered a “project” under the California Environmental Quality Act (“CEQA”) (Pub. Res. Code § 21000 *et seq.*) and CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 *et seq.*), and is therefore not subject to environmental review.

ATTACHMENT(S):

- A. Final Order of Condemnation BK 52727 PG 330
- B. Legal Description and Map
- C. Resolution No. 25-067

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North 48° 14' 14" West; thence South 48° 14' 14" East along first
above described prolonged radial 15.00 feet to said true point of
beginning.

Dated this 18 day of October, 1956.

[Signature]
Presiding Judge

HAROLD W. KENNEDY, COUNTY COUNSEL
1100 HALL OF RECORDS
LOS ANGELES, CALIFORNIA
MU. 9211

3048

RECORDED
INDEXED
OCT 23 1956
LOS ANGELES COUNTY CLERK
3048

[Handwritten signature]

AL:bj
10-2-56

date entered: 10-19-56
3: 3176
P: 68

THIS IS A TRUE COPY OF THE RECORD OF CHARGE
FORWARD TO LAW SOCIETY UPON THE CONDI-
TION THAT IT IS TO BE USED FOR OFFICIAL
BUSINESS AND/OR TO DETERMINE ELIGIBILITY FOR
VETERANS BENEFITS.

THE DOCUMENT TO WHICH THIS CERTIFICATE IS AT-
TACHED IS A FULL, TRUE AND CORRECT COPY OF THE
ORIGINAL ON FILE AND OF RECORD IN MY OFFICE,
SAME HAVING BEEN FILED *Oct 18-1956*
AND ENTERED *Page 7-1730*
JUDGMENT BOOK *3176* PAGE *618*
ATTEST *October 29th 1956*
HAROLD J. OSTLY County Clerk and Clerk of the Superior
Court of the State of California, in and
for the County of Los Angeles.
BY *A. Loveland* DEPUTY

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF LOS ANGELES

COUNTY OF LOS ANGELES,)
)
 Plaintiff,)
)
 vs.)
)
 FRANK R. WIRZ, also known as)
 Frank Wirz, et al.,)
)
 Defendants.)

EC. 597943

FINAL ORDER OF CONDEMNATION

(Parcels 15-1 & 15, 15-3, the
interest of defendants Carl W.
Faucett, Mary K. Faucett and
Frank R. Wirz in Parcels 15-4,
known as 15-4B, 15-4B.2, 15-5,
15-5B.2, S.3 and S.4 and
579-5D)

It appearing satisfactorily to the Court that the plaintiff
has paid to the defendants, FRANK R. WIRZ, also known as Frank
Wirz, CARL W. FAUCETT and MARY K. FAUCETT, owners of Parcels 15-1
& 15 and claimants of interest as to Parcels 15-4, known as 15-4B,
15-4B.2, 15-5, 15-5B.2, S.3 & S.4 and 579-5D; the sums to be paid
by the terms of the interlocutory judgment in condemnation made and
filed herein;

NOW, THEREFORE, on motion of HAROLD W. KENNEDY, County Counsel,
and ARTHUR LOVELAND, Deputy County Counsel, attorneys for plaintiff,
it is hereby ORDERED, ADJUDGED AND DECREED:

That the real property heretofore referred to and described
as Parcels 15-1 & 15, 15-3, the interest of defendants, Carl W.
Faucett, Mary K. Faucett and Frank R. Wirz in Parcels 15-4, known
as 15-4B, 15-4B.2, 15-5, 15-5B.2, S.3 & S.4 and 579-5D, be, and the
same is, condemned as prayed, and the plaintiff, COUNTY OF LOS

HAROLD W. KENNEDY, COUNTY COUNSEL
1100 HALL OF RECORDS
LOS ANGELES, CALIFORNIA
MU. 9211

1 ANGELES, shall and by this judgment does take and acquire an
2 easement in, upon, over and across said parcels of land for public
3 road and highway purposes.

4 Said real property is more particularly described as follows:

5 PARCEL 15-1:

6 That portion of the northwesterly 25 feet of Lot A, Tract No.
7 2948, as shown on map recorded in Book 30, page 48, of Maps, in
8 the office of the Recorder of the County of Los Angeles, lying
9 southwesterly of the southwesterly line of Tract No. 11904,
10 as shown on map recorded in Book 221, pages 14 and 15, of said
11 Maps.

12 PARCEL 15-1B (Slope easement for cuts and/or fills):

13 That portion of Lot A, Tract No. 2948, as shown on map re-
14 corded in Book 30, page 48, of Maps, in the office of the Recorder
15 of the County of Los Angeles, within a strip of land 25 feet
16 wide, the northwesterly line of which is described as follows:

17 Beginning at the intersection of the southwesterly line of
18 said lot with a line parallel with and 25 feet southeasterly,
19 measured at right angles, from the northwesterly line of said lot;
20 thence northeasterly along said parallel line 90.00 feet.

21 The southeasterly line of the above described 25 foot
22 strip of land is to be prolonged at the beginning thereof so as
23 to terminate in said southwesterly line.

24 PARCEL 15-3:

25 That portion of that certain parcel of land in Lot 3, Block
26 E. of Subdivisions of the Rancho Potrero De Felipe Lago, (and
27 vacated street adjoining) as shown on map recorded in Book 43,
28 pages 43 et seq., of Miscellaneous Records, in the office of the
29 Recorder of the County of Los Angeles, described in decree filed as
30 Document No. 4999-Q, under Certificate of Title No. TW-61391, on
31 file in the office of the Registrar of Titles of said county,
32

lying southeasterly of the southwesterly prolongation of the center line of Durfee Avenue, 50 feet wide, as shown on map of Tract No. 2948, recorded in Book 30, page 48, of Maps, in the office of said recorder.

Excepting therefrom that portion thereof within public roads of record as same existed on September 22, 1950.

PARCEL 15-4:

That portion of Lot 3, Block E, of Subdivisions of the Rancho Potrero De Felipe Lugo, as shown on map recorded in Book 43, page 48 et seq., of Miscellaneous Records, in the office of the Recorder of the County of Los Angeles, and that portion of that certain unnamed road, (running through said lot) described second in order of the Board of Supervisors of said county, vacating said road, recorded in Book 114, page 82, of Official Records, in the office of said recorder, within a strip of land 100 feet wide lying 50 feet on each side of the following described center line:

Beginning at the intersection of the center line of Slack Road (formerly Fickert Avenue), 50 feet wide from the northwest, with the center line of Durfee Avenue, 50 feet wide, both as shown on map of Tract No. 2948, recorded in Book 30, page 48, of Maps, in the office of said recorder; thence South 45° 29' 20" West along the southwesterly prolongation of said last mentioned center line 183.63 feet to the beginning of a curve concave to the east, tangent to said prolongation, and having a radius of 2000 feet; thence southerly along said curve 2002.77 feet.

Excepting therefrom that portion thereof lying southerly of the northerly line of that certain parcel of land described in deed to Frank Wirz et al., recorded as Document No. 636 on April 5, 1949 in Book 28760, page 25 of Official Records, in the office of said recorder, and that portion thereof lying within that certain parcel of land described in decree filed as Document No.

HAROLD W. KENNEDY, COUNTY COUNSEL
1100 HALL OF RECORDS
LOS ANGELES, CALIFORNIA
MU. 9211

4090-Q, under Certificate of Title No. TW-61391, on file in the office of the Registrar of Titles of said county.

PARCEL 15-4.2 (Slope easement for cuts and/or fills):

That portion of Lot 3, Block H. of Subdivisions of the Rancho Potrero De Felipe Lugo, as shown on map recorded in Book 43 page 43 et seq., of Miscellaneous Records, in the office of the Recorder of the County of Los Angeles, and that portion of that certain unnamed road, (running through said lot) described second in order of the Board of Supervisors of said county, vacating said road, recorded in Book 114, page 83, of Official Records, in the office of said recorder, within a strip of land 20 feet wide, the northwesterly line of which is the southeasterly line of that certain 100 foot strip of land described in Parcel 15-4 in an action entitled County of Los Angeles vs. Carl W. Faucett, et al., filed as Case No. 562988 of the Superior Court of the State of California in and for the County of Los Angeles, notice of Lis Pendens, of which was recorded as Document No. 3992 on February 14, 1951, in Book 35565, page 302, of said Official Records.

Excepting therefrom that portion thereof lying southerly of the northerly line of that certain parcel of land described in Deed to Frank Wirt et al., recorded as Document No. 636 on April 8, 1949 in Book 29760, page 25, of said Official Records.

Also excepting therefrom that portion of the southeasterly 15 feet thereof which lies southwesterly of a radial which passes through the northeasterly terminus of that certain curve in the center line of said certain 100 foot strip of land described in said Parcel 15-4 as having a radius of 2000 feet.

PARCEL 15-5:

That portion of that certain parcel of land in the Rancho Potrero De Felipe Lugo, as shown on map recorded in Book 4, pages

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1100 HALL OF RECORDS
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286 and 287, of Patents, in the office of the Recorder of the County of Los Angeles, described in deed to Frank Wirz, et al., recorded as Document No. 636 on April 5, 1949, in Book 29760, page 25 of Official Records, in the office of said recorder, within a strip of land 100 feet wide lying 50 feet on each side of the following described center line:

Beginning at the intersection of the center line of Slack Road (formerly Fickert Avenue), 50 feet wide from the northwest, with the center line of Durfee Avenue, 50 feet wide, both as shown on map of Tract No. 2948, recorded in Book 30, page 48, of Maps, in the office of said recorder; thence South $45^{\circ} 20' 20''$ West along the southwesterly prolongation of said last mentioned center line 183.63 feet to the beginning of a curve concave to the east, tangent to said prolongation, and having a radius of 2000 feet; thence southerly along said curve 2002.77 feet.

PARCEL 15-53.2 (Slope easement for cuts and/or fills):

That portion of that certain parcel of land in the Rancho Potrero De Felipe Lugo, as shown on map recorded in Book 4, pages 286 and 287, of Patents, in the office of the Recorder of the County of Los Angeles, described in deed to Frank Wirz et al., recorded as Document No. 636 on April 5, 1949, in Book 29760, page 25, of Official Records, in the office of said recorder, within a strip of land 5 feet wide, the northwesterly line of which is parallel and/or concentric with and 50 feet southeasterly, measured at right angles or radially, from the following described line:

Beginning at the intersection of the center line of Slack Road (formerly Fickert Avenue), 50 feet wide from the northwest, with the center line of Durfee Avenue, 50 feet wide, both as shown on map of Tract No. 2948, recorded in Book 30, page 48, of Maps, in the office of said recorder; thence South $45^{\circ} 20' 20''$ West along the southwesterly prolongation of said last mentioned center line 183.63 feet to the beginning of a curve concave to the east,

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tangent to said prolongation, and having a radius of 2000 feet;
thence southerly along said curve 3002.77 feet.

Excepting therefrom that portion thereof which lies south-
westerly of that certain radial of above described 2000 foot radius
curve which has a bearing of North $48^{\circ} 14' 14''$ West.

PARCEL 15-53.3 (Slope easement for cuts and/or fills):

That portion of Rancho Potrero De Felipe Lugo, as shown on
map recorded in Book 4, pages 286 and 287, of Patents, in the office
of the Recorder of the County of the County of Los Angeles with the
following described boundaries:

Commencing at the intersection of the center line of Slack
Road (formerly Fickert Avenue), 50 feet wide from the northwest,
with the center line of Durfee Avenue, 50 feet wide, both as shown
on map of Tract No. 2948, recorded in Book 39, page 48, of Maps, in
the office of said recorder; thence South $45^{\circ} 20' 29''$ West
along the southwesterly prolongation of said last mentioned center
line 183.63 feet to the beginning of a curve concave to the south-
east, tangent to said southwesterly prolongation, and having a
radius of 2000 feet; thence southwesterly along said curve to a
radial thereof which bears North $49^{\circ} 03' 42''$ West; thence North
 $49^{\circ} 03' 42''$ West along the northwesterly prolongation of said
radial 50.00 feet to a point in a curve concentric with and 50
feet northwesterly, measured radially, from first above described
curve, said point being the true point of beginning; thence North
 $49^{\circ} 03' 42''$ West 5.00 feet; thence North $84^{\circ} 18' 36''$ West 6.13
feet to a curve concentric with and 60 feet northwesterly, measured
radially, from first above described curve; thence southwesterly
along said last mentioned concentric curve 121.32 feet to a radial
thereof which bears North $52^{\circ} 32' 04''$ West; thence South 52°
 $32' 04''$ East 5.00 feet to a curve concentric with and 55 feet
northwesterly, measured radially from first above described curve;
thence southwesterly along said last mentioned concentric curve

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101.63 feet to a radial thereof which bears North 55° 22' 05" West; thence South 65° 03' 16" East 5.08 feet to a point in first above described concentric curve to which a radial thereof bears North 55° 20' 39" West; thence northeasterly along first above described concentric curve 224.78 feet to said true point of beginning.

PARCEL 15-55.4 (Slope easement for cuts and/or fills):

That portion of Rancho Potrero De Felipe Lugo, as shown on map recorded in Book 4, pages 286 and 287, of Patents, in the office of the Recorder of the County of Los Angeles, within the following described boundaries:

Commencing at the intersection of the center line of Slack Road (formerly Fickert Avenue), 50 feet wide from the northwest, with the center line of Durfee Avenue, 50 feet wide, both as shown on map of Tract No. 2948, recorded in Book 30, page 48, of Maps, in the office of said recorder; thence South 45° 29' 20" West along the southwesterly prolongation of said last mentioned center line 183.63 feet to the beginning of a curve concave to the southeast, tangent to said southwesterly prolongation, and having a radius of 2000 feet; thence southwesterly along said curve to a radial thereof which bears North 48° 14' 14" West; thence North 48° 14' 14" West along the northwesterly prolongation of said radial 50.00 feet to a point in a curve concentric with and 50 feet northwesterly, measured radially, from first above described curve, said point being the true point of beginning; thence northeasterly along said concentric curve 11.05 feet to a radial thereof which bears North 47° 55' 42" West; thence North 84° 15' 36" West 18.60 feet to a point in a curve concentric with and 65 feet northerly, measured radially, from first above described curve, a radial of said last mentioned concentric curve to said last mentioned point bears North 48° 14' 04" West; thence southwesterly along said last mentioned concentric curve 0.10 feet to said

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prolonged radial which bears North $48^{\circ} 14' 14''$ West; thence South $48^{\circ} 14' 14''$ East along said prolonged radial 15.00 feet to said true point of beginning.

PARCEL 579-5D (For storm drain purposes):

That portion of Rancho Potrero De Felipe Lugo, as shown on map recorded in Book 4, pages 286 and 287, of Patents, in the office of the Recorder of the County of Los Angeles, within the following described boundaries:

Commencing at the intersection of the center line of Slack Road (formerly Fickert Avenue), 50 feet wide from the northwest, with the center line of Durfee Avenue, 50 feet wide, both as shown on map of Tract No. 2948, recorded in Book 30, page 48, of Maps, in the office of said recorder; thence South $45^{\circ} 20' 20''$ West along the southwesterly prolongation of said last mentioned center line 183.63 feet to the beginning of a curve concave to the southeast, tangent to said southwesterly prolongation, and having a radius of 2000 feet; thence southwesterly along said curve to a radial thereof which bears North $48^{\circ} 14' 14''$ West; thence North $48^{\circ} 14' 14''$ West along the northwesterly prolongation of said radial 50.00 feet to a point in a curve concentric with and 50 feet northwesterly, measured radially, from first above described curve, said point being the true point of beginning; thence southwesterly along said concentric curve to a radial thereof which bears North $49^{\circ} 03' 42''$ West; thence North $49^{\circ} 03' 42''$ West along the northwesterly prolongation of said last mentioned radial 5.00 feet; thence North $84^{\circ} 18' 36''$ West 25.00 feet; thence North $5^{\circ} 41' 24''$ East 20.00 feet; thence South $84^{\circ} 18' 36''$ East 20.98 feet to a curve concentric with and 65 feet northwesterly, measured radially from first above described curve; thence northeasterly along said last mentioned concentric curve 12.24 feet to first above described prolonged radial which bears

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ATTACHMENT B



CIVIL ENGINEERING & LAND SURVEYING, INC.



EXHIBIT "A"
SLOPE EASEMENT LEGAL DESCRIPTION

A 25-FOOT STRIP OF LAND, BEING PORTION OF LOT A OF TRACT NO. 2948, AS SHOWN ON MAP RECORDED IN BOOK 30, PAGE 48, OF MAPS, IN THE OFFICE OF THE RECORDER OF THE COUNTY OF LOS ANGELES, THE NORTHWESTERLY LINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHWESTERLY LINE OF SAID LOT WITH A PARALLEL LINE WHICH IS 25 FEET SOUTHEASTERLY, MEASURED AT RIGHT ANGLES, FROM THE NORTHWESTERLY LINE OF SAID LOT; THENCE NORTHEASTERLY ALONG SAID PARALLEL LINE, A DISTANCE OF 90.00 FEET.

EXCEPTING FROM SAID STRIP OF LAND, THAT PORTION WITHIN THE RIGHT OF WAY OF DURFEE AVENUE AND MICHAEL HUNT DRIVE (FORMERLY SLACK ROAD), AS THEY NOW EXIST.

AS SHOWN IN EXHIBIT B ATTACHED HERETO AND BY THIS REFERENCE MADE A PART THEREOF.

Cynthia A. De Leon 06/11/2025
CYNTHIA A. DE LEON, PE (e.signed)
RCE NO. 31604
EXPIRATION DATE: 12/31/2026



347 S. Robertson Blvd., Beverly Hills, CA 90211
Phone (310) 659-0871 • Fax: (310) 659-0845
www.mglandsur.com

ATTACHMENT C

RESOLUTION NO. 25-067

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH EL MONTE, CALIFORNIA ORDERING THE VACATION OF THE SLOPE EASEMENT AT 1606 DURFEE AVENUE

WHEREAS, California Streets and Highways Code Section 8330, *et seq.*, provides the summary vacation procedure to vacate the Slope Easement by City Council Resolution; and

WHEREAS, Thomas Co (“Owner”), as the owner of the property commonly known as 1606 Durfee Avenue, South El Monte, California, Tract No. 2948, requested the vacation of the Slope Easement, legally described and depicted in Exhibit “A”; and

WHEREAS, the County of Los Angeles acquired the Slope Easement for Tract No. 2948, as shown on map recorded in Book 30, Page 48, as filed on October 18, 1956 and entered on October 19, 1956 in Judgement Book 3176, Page 68 per FC. 597943, Final Order of Condemnation; and

WHEREAS, in 1958, when the City of South El Monte was incorporated, the County Slope Easement became a City Slope Easement; and

WHEREAS, the summary vacation procedures under California Streets & Highways Code Sections 8330 *et seq.* are proper because the easement has not been used for the purpose for which it was dedicated or acquired within the past five consecutive years, the easement is unneeded excess, and there are no public facilities or utilities within the easement area to be vacated.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOUTH EL MONTE THAT:

SECTION 1. The above recitals are hereby declared to be true and correct and are incorporated into this Resolution as findings of the City Council.

SECTION 2. The City Council hereby finds and declares that:

- a. There is no present or prospective public use for the Slope Easement or for any other public use of a like nature that can be anticipated;
- b. The Slope Easement has not been used for the purpose for which it was dedicated or acquired within the past five consecutive years;
- c. The Slope Easement is unneeded excess for the City; and
- d. There are no public facilities or utilities within the Slope Easement.

SECTION 3. The City Council further finds and declares that the Slope Easement, as more specifically described and depicted in Exhibit “A”, which is incorporated herein and made a part hereof, is ordered vacated.

SECTION 4. In accordance with the California Environmental Quality Act (“CEQA”) (Pub. Res. Code § 21000 *et seq.*) and CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 *et seq.*) the City Council finds that vacating this Slope Easement does not qualify as a “project” under CEQA, because a vacation does not authorize specific physical improvements or developments, and future projects would be subject to environmental review under CEQA. Therefore, it can be seen with certainty that vacating the Slope Easement would not result in direct or indirect environmental impact and would not have a significant effect on the environment.

SECTION 5. The City Clerk is hereby directed to record a certified copy of this Resolution with attached exhibits, attested by the City Clerk under seal, in Office of the Recorder of Los Angeles County. Upon recordation, the vacation will be complete.

PASSED, APPROVED AND ADOPTED this 15th day of July, 2025

Gloria Olmos, Mayor

ATTEST:

Adrian Garcia, MMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF SOUTH EL MONTE)

I, Adrian Garcia, MMC, City Clerk of the City of South El Monte, do hereby certify that the foregoing Resolution, being Resolution No. 25-067, was passed and approved by the City Council of the City of South El Monte at a regular meeting of said Council held on the 17th day of July 2025, and that said Resolution was adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Adrian Garcia, MMC, City Clerk



Successor Agency Agenda Report Agenda Item No. 8.a.

DATE: July 15, 2025

TO: Honorable Chairperson and Members of the Board

APPROVED BY: Rene Salas, Executive Director

SUBMITTED BY: Adrian Garcia, MMC, City Clerk

SUBJECT: CONSIDERATION AND APPROVAL OF PROPOSED DARK SUCCESSOR AGENCY MEETING DATE FOR THE MONTH OF AUGUST 2025

SUMMARY: Staff is requesting the Successor Agency Board "go dark" on Tuesday, August 19, 2025, as the Successor Agency Board will be taking a recess during the month of August 2025.

RECOMMENDED ACTION: Staff recommends the Successor Agency Board approve "going dark" on Tuesday, August 19, 2025.

FISCAL/FINANCIAL IMPACT: None.

DISCUSSION: Each year during the month of August, the Successor Agency Board takes a recess and does not hold meetings. If there is a need, a special meeting can be held during the month of August.

ATTACHMENT(S):

None



City Council Agenda Report

Agenda Item No. 10.a.

DATE: July 15, 2025

TO: Honorable Mayor and Members of the City Council

APPROVED BY: Rene Salas, City Manager

SUBMITTED BY: Rene Salas, City Manager

SUBJECT: CONSIDERATION AND APPROVAL OF TWO AGREEMENTS WITH SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS (SGVCOG) TO PARTICIPATE IN THE SGV WORK FORCE PROGRAM

SUMMARY: The San Gabriel Valley Council of Governments (SGVCOG) launched the SGV Works workforce development program to provide paid employment and supportive services to individuals facing significant barriers to employment. The program originally began through funding secured by Senator Susan Rubio in the 2021 State Budget. Building on the success of this initiative, SGVCOG has now received \$2,000,000 in Federal Community Project Funding—secured through the efforts of Senator Alex Padilla, Representative Grace Napolitano, and Representative Linda Sánchez—to continue and expand the program through March 31, 2026.

RECOMMENDED ACTION: Staff recommends approval of both contracts with SGVCOG to participate in the Work Force program.

FISCAL/FINANCIAL IMPACT: No fiscal impact. The participants in this work force program will be paid from the grant on a reimbursement basis.

DISCUSSION: In alignment with federal funding requirements, SGV Works emphasizes placement into high-quality jobs and pathways that offer growth potential and long-term sustainability. One of these high-growth pathways is local government. The SGVCOG has engaged local jurisdictions in order to identify potential worksites for program participants. The City of South El Monte had expressed interest in serving as a worksite, and the SGVCOG has confirmed its interest in working with the City as well.

As a participating worksite, the City would temporarily hire and employ five (5) program participants for up to 360 hours each. Participants would undergo the City's standard hiring process and would be placed in various departments, where they would be supervised by City staff. The City would serve as the "employer of record" for each Participant and would be responsible for paying participants' wages. The SGVCOG's federal grant provides funding for participants' wages, so the City would be fully

reimbursed for participants' wages, with no fiscal impact on the City. Additionally, the City would receive an administrative fee of \$750 per participant to partially support onboarding and oversight responsibilities.

The City's participation as a worksite in the SGV Works program would support local workforce development by offering real world job experience to individuals seeking to enter or re-enter the job market and contribute to regional efforts by assisting individuals from underrepresented or disadvantaged backgrounds. It would also provide additional staffing support, for up to 360 hours per participant, at no additional cost to the city.

1. The City would receive an administrative fee of \$750 per participant to address some of the City's administrative duties.
2. There would be no fiscal impact on the City, as all participant wages are covered through the SGVCOG.

To facilitate the City's participation as an SGV Works worksite, the City would execute two (2) agreements with the SGVCOG. The first agreement would outline the City's responsibilities as a worksite for the SGV Works Program and that would allow for the City to be reimbursed for participants' wages, as well as the cost of other supplies and materials that participants might need (Attachment A). The second agreement would provide an administrative fee of \$750 per participant (Attachment B). Staff is recommending that the City Council authorize the execution of these agreements to allow for the City to serve as an SGV Works worksite.

SGV Works is designed to connect underserved clients—such as transition-aged youth, unhoused individuals, and justice-involved people to high-quality employment opportunities. The program is designed to provide pathways to sustainable, long-term careers through paid work experience and wrap-around support services such as resume building, skills training, and assistance in accessing continued education or employment. The SGV Works Program will serve up to 125 clients, with a goal of 110 program completions. Each participant will receive supportive services, necessary training, supplies, and equipment and paid work experience to help them secure unsubsidized employment following the Program. To support this effort, SGVCOG is working with service providers, including Goodwill Southern California and God's Pantry, to implement the program. These service providers will provide supportive services, including resume and interview preparation, addressing barriers to clients' employment success, and other support necessary to help the clients secure employment or other opportunities after completing the Program.

Staff recommends approval of both SGVCOG contracts to be able to participate in their SGV Work Force program.

ATTACHMENT(S):

- A. Worksite MOA Template
- B. Workforce Program Admin MOA Template
- C. Exhibit A - Worksite Positions
- D. Exhibit B - DOL NOFA

ATTACHMENT A

WORKSITE AGREEMENT BETWEEN THE SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS AND SOUTH EL MONTE FOR THE SGV WORKS WORKFORCE DEVELOPMENT PROGRAM

This Agreement (“Agreement”) is dated for identification purposes as of July 15, 2025 by and between the XXX (“Worksite”) and the San Gabriel Valley Council of Governments, a California joint powers authority (“SGVCOG”). South El Monte and SGVCOG may be referred to herein collectively as the “Parties” or individually as a “Party.”

RECITALS:

- A. The SGVCOG was established to maximize resources and to improve the quality of life in the San Gabriel Valley; and
- B. The SGVCOG established the SGV Works Workforce Development Program (“Program”) to provide supportive services and work experience for individuals with certain barriers to employment in the San Gabriel Valley; and
- C. The SGVCOG was awarded Community Project Funding (CPF)/Congressional Directed Spending (CDS), under the direction of the U.S. Department of Labor (“DOL”), to implement the Program and serve up to 125 individuals with barriers to employment, including justice-involved individuals, transition-aged youth, persons experiencing or at-risk of homelessness, and those from disadvantaged communities (“Participants”) by providing access to quality jobs in high-growth sectors such as government, clean energy, and construction; and
- D. The SGVCOG has contracted with qualified service providers (“Service Providers”) to provide comprehensive case management and wrap-around supportive services to ensure the Participants’ Program success, and to identify work experience opportunities for each Participant; and
- E. The Worksite has expressed willingness to contribute to the Program by providing a Transitional Job for eligible Program participants; and
- F. A Transitional Job is defined in the Workforce Innovation and Opportunities Act (WIOA) as a time-limited, wage-paid work experience for individuals that have certain barriers to employment and are chronically unemployed or have an inconsistent work history that is designed to establish a work history, provide work experience, and to help develop workplace skills in order to prepare an individual for unsubsidized employment and job retention; and
- G. Worksite and SGVCOG desire to set forth the terms of their collaboration with respect to this effort in this Agreement and further agree as follows:

I. INCORPORATION OF RECITALS

The above Recitals are made a substantive part of this Agreement.

II. TERM:

- A. Except as provided in Subsection B below, the term of this Agreement shall commence upon execution of this Agreement and shall continue through March 31, 2026, or until the completion of all work completed under this Agreement, whichever is sooner. The term of this Agreement may be extended by mutual written agreement of the Parties.
- B. Notwithstanding the foregoing, this Agreement shall automatically terminate upon the earlier expiration or termination of the DOL/SGVCOG Grant Agreement (Federal Award Number 24A60CP000298).

III. RESPONSIBILITIES OF THE PARTIES:

- A. SGVCOG Responsibilities:
 - 1. Serve as the lead agency responsible for managing the grant funds, ensuring program compliance, coordinating regional partnerships, and overseeing reporting and performance outcomes in accordance with DOL guidelines, in order to ensure successful implementation of the Program.
 - 2. Provide a point-of-contact to serve as the SGVCOG's Project Manager.
 - 3. Maintain all required records for the Program.
 - 4. Conduct on-site monitoring of the Worksite to ensure compliance with this Agreement.
 - 5. Contract with Service Providers and work with them to ensure the following:
 - a. Worksite supervisors are oriented to the responsibilities, procedures and operations regarding this Agreement.
 - b. Worksite assignments are appropriate in terms of meeting Participant's needs.
 - c. Eligible clients are referred to the Worksite for consideration.
 - d. Applicants are oriented during intake as to their rights and responsibilities as Worksite Participants.
 - e. Each Participant at the Worksite has a designated work assignment that aligns with his/her professional needs.
 - f. Each Participant is provided with comprehensive employment and supportive services to support his/her success at the Worksite.
 - 6. Respond to and address Worksite questions regarding Program implementation.
 - 7. Coordinate conference calls and/or meetings with Worksite and Service Providers as necessary.
 - 8. Facilitate alignment between Worksite, Service Providers, and other stakeholders as to ensure Program and Participant success.
 - 9. Reimburse payment for submitted invoices. The SGVCOG will only provide reimbursement for time worked by a Participant at the rate of pay specified in Exhibit A.

B. Worksite Responsibilities:

1. [If City] Maintain membership in the SGVCOG during the entire term of this Agreement.
2. Designate a point-of-contact to serve as the Worksite's point of contact to provide direction and support, and manage the day-to-day coordination with the SGVCOG and Service Providers.
3. Review applications and resumes for and serve as the employer of record for up to X qualified eligible Program Participants to be employed in position(s) that are approved by the SGVCOG and outlined in Exhibit A.
4. Provide training to Participants so they will be able to perform the duties associated with their position satisfactorily.
5. Orient trainees to the Worksite on their first day of work within the trainee's first week of employment. The facilities and equipment of the Worksite used under this Agreement shall comply with all applicable federal, state and local health and safety laws.
6. Provide the Participant with work safety instructions for reasonable protection against injury and damage. It is the Worksite's responsibility to provide a safe worksite that follows appropriate safety and labor law requirements.
7. Provide productive work assignments that provide the agreed-upon experience and advance the Participant's goals and ensure that adequate work is available to keep the Participants busy during working hours.
8. Provide supervision at the Worksite, including an alternate supervisor when regular supervisors are absent.
9. Provide on-site exposure to the world of work and promote the development of good work habits and basic work skills for the Participant.
10. Provide compliant timekeeping system through which Participants' timesheets are submitted and approved by the supervisor.
11. Complete a mid-point and end-point evaluation of each Participant, using the forms provided by the SGVCOG, and review each Participant's progress with the Participant and the Service Provider. Provide a copy of the completed evaluations to the SGVCOG.
12. Ensure that each Participant does not work more than 30 hours per week, or more than 360 hours in total without prior written approval from the SGVCOG.
13. Work with the Service Providers to ensure the success of each Participant. Notify the Service Provider immediately when there are concerns, issues with a Participant.
14. Provide release time for Participants to attend skill training, counseling and/or comprehensive employment and supportive services to be provided by the Service Provider to support the Participant's work experience.
15. Ensure that all state and federal labor, health and safety laws are followed at the Worksite.
16. Participate in scheduled conference calls and/or meetings with the SGVCOG and providers throughout the term of this Agreement.
17. Provide feedback and elevate questions to the SGVCOG's Project Manager on the implementation of the Program when necessary.

[If also Employer of Record]

18. Upon receipt of Participants' timesheets, prepare trainees' payroll and pay trainees at least once per month, on a schedule that is consistent with the Worksite's payroll schedule.
19. Ensure that Workers' Compensation Insurance is provided for all Participants.
20. Authorize payment only for time worked by a Participant at the rate of pay specified in Exhibit B, which is attached hereto and incorporated herein. No Participant shall be required to work, or be compensated for work for more than 40 hours per week or those hours permitted to work in accordance with the child labor laws.
21. Submit to SGVCOG authenticated Participant timesheets in accordance with the budget and payroll procedures in Exhibit B.
22. Submit detailed invoices to SGVCOG with appropriate back-up, including authenticated Participant timesheets, as outlined in Exhibit B.

IV. INELIGIBLE EXPENSES:

- A. Work within the Project Budget but funded by another source.
- B. Work or expenditures not completed during the term of this Agreement, including work performed prior to the effective date of this Agreement.

V. INVOICING:

- A. Worksite shall submit invoices for any eligible expenses on a monthly basis. Worksite must provide all necessary back-up documentation, including but not limited to timesheets, invoices, or receipts, as support for the invoice.
- B. Worksite shall be reimbursed only for time worked by a Participant at the rate of pay specified in Exhibit A. SGVCOG will provide such reimbursement for eligible expenses up to a total amount not to exceed _____ (\$xx,xxx,xx) (the "Not To Exceed Contract Amount").

THE MAXIMUM AMOUNT OF SGVCOG'S OBLIGATION UNDER THIS AGREEMENT IS THE AMOUNT SPECIFIED IN THIS PARAGRAPH.

VI. AMENDMENTS:

- A. For any change which materially affects the Program, or in any way modifies any term or condition included under this Agreement, a written amendment to the Agreement shall be prepared and executed by the Worksite and by the SGVCOG for such change to be effective.
- B. Minor changes to the Program may be approved by the SGVCOG's Project Manager, who shall in writing and in his or her reasonable discretion, determine whether the change is minor. Any increase in the Not To Exceed Contract Amount

shall require a written amendment.

VII. PROJECT MANAGEMENT:

- A. For the purposes of this Agreement, SGVCOG designates the following individual as its Project Manager: Levonn Gardner, Management Analyst, whose contact information is set forth below.
- B. For the purposes of this Agreement, the Worksite designates the following individual as its representative: Iyob Tessema, whose contact information is set forth below.
- C. Either Party may change the designations set forth herein upon written notice to the other Party.

VIII. DEFAULT; REMEDIES:

- A. Default. A “Default” under this Agreement is defined as any one or more of the following: (i) failure of either Party to comply with the terms and conditions contained in this Agreement; and/or (ii) failure of either Party to perform its obligations, set forth herein, satisfactorily or make sufficient progress during the active period of the Program.
- B. Remedies. In the event of a Default by either Party, the non-defaulting Party will provide a written notice of such Default and thirty (30) days to cure the Default. In the event that the defaulting Party fails to cure the Default or commit to cure the Default and commence the same within such 30-day period and to the satisfaction of the non-defaulting Party, the non-defaulting Party may terminate this Agreement. Such termination shall be effective immediately upon the provision of written notice by the non-defaulting Party to the defaulting Party. The remedies described herein are non-exclusive. In the event of a Default by either Party, the non-defaulting Party shall have the right to seek any and all remedies available at law or in equity.

IX. INDEMNIFICATION:

- A. Worksite agrees to defend, indemnify, and hold free and harmless the SGVCOG, its member agencies, and their respective elected and appointed boards, officials, officers, agents, employees, and volunteers, at Worksite’s sole expense, from and against any and all claims, actions, suits, or other legal proceedings brought against the SGVCOG, its member agencies, and their respective elected and appointed boards, officials, officers, agents, employees, and volunteers arising out of or relating to the acts or omissions of Worksite in connection with this Agreement.
- B. SGVCOG agrees to defend, indemnify, and hold free and harmless the Worksite, its elected and appointed boards, officials, officers, agents, employees, and

volunteers, at SGVCOG’s sole expense, from and against any and all claims, actions, suits, or other legal proceedings brought against the Worksite, its employees, and volunteers arising out of or relating to the acts or omissions of SGVCOG in connection with this Agreement.

X. INSURANCE:

A. Worksite and SGVCOG shall maintain and keep in full force and effect during the term of this Agreement insurance or a program of self-insurance against claims for injuries to persons or damages to property which may arise in connection with Worksite’s or SGVCOG’s performance of its obligations hereunder.

XI. OTHER TERMS AND CONDITIONS:

A. Notices. All notices required herein shall be sent by email, except for a notice of termination, default, or failure to cure, which shall be sent by certified mail, postage pre-paid, return receipt requested. Either Party may change its Project Manager or contact upon written notice to the other Party and shall promptly update the other Party in writing of any such changes.

To SGVCOG: Levonn Gardner
Management Analyst
1333 S. Mayflower Ave., Suite 360
Monrovia, CA 91016
(626) 457-1800
lgardner@sgvcog.org

with a copy to: Marisa Creter
Executive Director
1333 S. Mayflower Ave., Suite 360
Monrovia, CA 91016
mcreter@sgvcog.org

To Worksite:

B. No Partnership. This Agreement is not intended to be, and shall not be construed as, an agreement to form a partnership, agency relationship, or a joint venture between the Parties. Except as otherwise specifically provided in the Agreement, neither Party shall be authorized to act as an agent of or otherwise to represent the other Party.

C. Entire Agreement. This Agreement constitutes the entire understanding between the Parties with respect to the subject matter herein and supersedes any and all other prior writings and oral negotiations. This Agreement, subject to Section VI above, may be modified only in writing and signed by the Parties in interest at the time of such modification.

- D. Governing Law. This Agreement shall be governed by and construed under California law and any applicable federal law without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the Parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Los Angeles County, California.
- E. Compliance with Federal Regulations and Terms and Conditions. Worksite shall comply with all applicable federal regulations and the Terms and Conditions of the DOL/SGVCOG Grant Agreement, Federal Award Number 24A60CP000298, attached hereto as Exhibit B.
- F. Excusable Delays. Neither Party shall be considered in default in the performance of its obligations hereunder to the extent that the performance of any such obligation is prevented or delayed by unforeseen causes including acts of God, floods, earthquakes, fires, acts of a public enemy, pandemic, epidemic, and government acts beyond the control and without fault or negligence of the affected Party. Each Party hereto shall give notice promptly to the other of the nature and extent of any such circumstances claimed to delay, hinder, or prevent performance of any obligations under this Agreement.
- G. Waiver. Waiver by any Party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought.
- H. Headings. The section headings contained in this Agreement are for convenience and identification only and shall not be deemed to limit or define the contents to which they relate.
- I. Assignment. Neither Party may assign its interest in this Agreement, or any part thereof, without the prior written consent of the other Party. Any assignment without consent shall be void and unenforceable.
- J. Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.
- K. Authority to Execute. The person executing this Agreement on behalf of a Party warrants that they are duly authorized to execute this Agreement on behalf of said Party, and that by doing so said Party is formally bound to the provisions of this Agreement.

- L. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.
- M. Electronic Signatures. This Agreement may be executed with electronic signatures in accordance with Government Code Section 16.5. Such electronic signatures will be treated in all respects as having the same effect as an original signature.

[Signature page to follow.]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and to be effective on the date it has been fully executed by the Parties as set forth below.

FOR THE CITY OF SOUTH EL MONTE:

By: _____
Rene Salas
City Manager

Date: _____

ATTEST:

Adrian Garcia, MMC
City Clerk

APPROVED AS TO FORM:

Susie Altamirano
City Attorney

FOR THE SAN GABRIEL VALLEY
COUNCIL OF GOVERNMENTS:

By: _____
Marisa Creter
Executive Director

Date: _____

APPROVED AS TO FORM:

Cassie Trapesonian
General Counsel

ATTACHMENT B

MEMORANDUM OF AGREEMENT BETWEEN THE SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS AND THE CITY OF SOUTH EL MONTE FOR PARTICIPATION IN THE SGV WORKS WORKFORCE DEVELOPMENT PROGRAM

This Memorandum of Agreement (“MOA”) is dated for identification purposes as July 15, 2025 by and between the City of South El Monte, a municipal corporation (“City”) and the San Gabriel Valley Council of Governments, a California joint powers authority (“SGVCOG”). City and SGVCOG may be referred to herein collectively as the “Parties” or individually as a “Party.”

RECITALS:

- A. The SGVCOG was established to maximize resources and to improve the quality of life in the San Gabriel Valley; and
- B. The SGVCOG established the SGV Works Workforce Development Program (“Program”) to provide supportive services and work experience for individuals with certain barriers to employment in the San Gabriel Valley; and
- C. The SGVCOG was awarded Community Project Funding (CPF)/Congressional Directed Spending (CDS), under the direction of the U.S. Department of Labor (“DOL”), to implement the Program and serve up to 125 individuals with barriers to employment, including the justice-involved individuals, transition-aged youth, persons experiencing or at-risk of homelessness, and those from disadvantaged communities (“Participants”) by providing access to quality jobs in high-growth sectors such as government, clean energy, and construction; and
- D. The City has agreed to serve as a worksite for the Program to provide a Transitional Job for eligible Program Participants; and
- E. A Transitional Job is defined in the Workforce Innovation and Opportunities Act (WIOA) as a time-limited, wage-paid work experience for individuals that have certain barriers to employment and are chronically unemployed or have an inconsistent work history that is designed to establish a work history, provide work experience, and to help develop workplace skills in order to prepare an individual for unsubsidized employment and job retention; and
- F. The SGVCOG acknowledges that there will be additional costs associated with serving as a worksite for the Program; and
- G. The City and SGVCOG desire to set forth the terms of their collaboration with respect to this effort in this MOA and further agree as follows:

I. INCORPORATION OF RECITALS

The above Recitals are made a substantive part of this MOA.

II. TERM:

- A. Except as provided in Subsection B below, the term of this MOA shall commence upon execution of this MOA and shall continue through March 31, 2026, or until the completion of all work completed under this MOA, whichever is sooner. The term of this MOA may be extended by mutual written agreement of the Parties.
- B. Notwithstanding the foregoing, this MOA shall automatically terminate upon the earlier expiration or termination of the DOL/SGVCOG Grant Agreement (Federal Award Number 24A60CP000298).

III. RESPONSIBILITIES OF THE PARTIES:

A. SGVCOG Responsibilities:

- 1. Serves as lead agency to ensure successful implementation of the Program.
- 2. Provide a point-of-contact to serve as the SGVCOG's Project Manager.
- 3. Respond to and address City questions regarding Program implementation.
- 4. Coordinate conference calls and/or meetings with City and service provider partners as necessary.
- 5. Reimburse the City for the administrative costs associated with participating in the Program, providing a one-time payment of \$750.00 per Participant that is temporarily hired and provided a Transitional Job as part of the Program, for up to 30 Participants, as described in the budget attached in Exhibit A.
- 6. Review submitted invoices from the City. Upon receipt of a proper invoice, provide payment to the City for eligible expenses within 30 days of approval of City's invoice.

B. City Responsibilities:

- 1. Maintain membership in the SGVCOG during the entire term of the Program.
- 2. Provide supervision for any SGV Works Program Participants placed within the City.
- 3. Hire up to XX qualified eligible SGV Works Participants and provide a Transitional Job, operating the City worksite in alignment with the requirements of serving as a worksite for the Program.
- 4. Designate a point-of-contact to serve as the City's point of contact to provide direction and support and manage the day-to-day coordination with the SGVCOG and service provider partners.
- 5. Participate in scheduled conference calls and/or meetings with the SGVCOG and service providers throughout the term of the Program.
- 6. Provide feedback and elevate questions to the SGVCOG's Project Manager on the implementation of the Program when necessary.
- 7. Submit detailed invoices to the SGVCOG, as described in Exhibit A.

II. INVOICING:

- A. To receive payment under this MOA, City must first provide all necessary back-up

documentation, including proof of employment, to SGVCOG as described in Exhibit A.

- B. City shall be eligible for a one-time payment of \$750 per Participant, up to X Participants. SGVCOG will provide such reimbursement up to a total amount not to exceed _____ (\$xx,xxx,xx) (the “Not To Exceed Contract Amount”).

THE MAXIMUM AMOUNT OF SGVCOG’S OBLIGATION UNDER THIS MOA IS THE AMOUNT SPECIFIED IN THIS PARAGRAPH.

III. AMENDMENTS:

- A. For any change which materially affects the project scope of work, or in any way modifies any term or condition included under this MOA, an amendment to the MOA shall be prepared and executed by the City and by the SGVCOG for such change to be effective.
- B. Minor changes to the project scope of work or budget may be approved by the SGVCOG’s Project Manager, who shall in writing and in his or her reasonable discretion determine whether the change is minor. Any increase in the not to exceed amount of this MOA shall require an amendment.

IV. PROJECT MANAGEMENT:

- A. For the purposes of this MOA, SGVCOG designates the following individual as its Project Manager: Levonn Gardner, Management Analyst, whose contact information is set forth below.
- B. For the purposes of this MOA, the City designates the following individual as its representative: HR Director Iyob Tessema, whose contact information is set forth below.
- C. Either Party may change the designations set forth herein upon written notice to the other Party.

V. DEFAULT; REMEDIES:

- A. Default. A “Default” under this MOA is defined as any one or more of the following: (i) failure of either Party to comply with the terms and conditions contained in this MOA; and/or (ii) failure of either Party to perform its obligations set forth herein satisfactorily or make sufficient progress during the active period of the SGV Works program.
- B. Remedies. In the event of a Default by either Party, the non-defaulting Party will provide a written notice of such Default and thirty (30) days to cure the Default. In the event that the defaulting Party fails to cure the Default or commit to cure

the Default and commence the same within such 30-day period and to the satisfaction of the non-defaulting Party, the non-defaulting Party may terminate this MOA. Such termination shall be effective immediately upon the provision of written notice by the non-defaulting Party to the defaulting Party. The remedies described herein are non-exclusive. In the event of a Default by either Party, the non-defaulting Party shall have the right to seek any and all remedies available at law or in equity.

V. INDEMNIFICATION:

- A. City agrees to defend, indemnify, and hold free and harmless the SGVCOG, its member agencies, and their respective elected and appointed boards, officials, officers, agents, employees, and volunteers, at City’s sole expense, from and against any and all claims, actions, suits, or other legal proceedings brought against the SGVCOG, its member agencies, and their respective elected and appointed boards, officials, officers, agents, employees, and volunteers arising out of or relating to the acts or omissions of City in connection with this MOA.
- B. SGVCOG agrees to defend, indemnify, and hold free and harmless the City, its employees, and volunteers, at SGVCOG’s sole expense, from and against any and all claims, actions, suits, or other legal proceedings brought against the City, its employees, and volunteers arising out of or relating to the acts or omissions of SGVCOG in connection with this MOA.

VII. INSURANCE:

- A. City and SGVCOG shall maintain and keep in full force and effect during the term of this MOA insurance or a program of self-insurance against claims for injuries to persons or damages to property which may arise in connection with City’s or SGVCOG’s performance of its obligations hereunder.

VIII. OTHER TERMS AND CONDITIONS:

- A. Notices. All notices required herein shall be sent by email, except for a notice of termination, default, or failure to cure, which shall be sent by certified mail, postage pre-paid, return receipt requested. Either Party may change its Project Manager or contact upon written notice to the other Party and shall promptly update the other Party in writing of any such changes.

To SGVCOG: Levonn Gardner
 Management Analyst
 1333 S. Mayflower Ave., Suite 360
 Monrovia, CA 91016
 (626) 457-1800
 lgardner@sgvcog.org

with a copy to: Marisa Creter
Executive Director
1333 S. Mayflower Ave., Suite 360
Monrovia, CA 91016
mcreter@sgvcog.org

To City:

- B. No Partnership. This MOA is not intended to be, and shall not be construed as, an agreement to form a partnership, agency relationship, or a joint venture between the Parties. Except as otherwise specifically provided in the MOA, neither Party shall be authorized to act as an agent of or otherwise to represent the other Party.
- C. Entire MOA. This MOA constitutes the entire understanding between the Parties with respect to the subject matter herein and supersedes any and all other prior writings and oral negotiations. This MOA may be modified only in writing and signed by the Parties in interest at the time of such modification.
- D. Governing Law. This MOA shall be governed by and construed under California law and any applicable federal law without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this MOA, the Parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Los Angeles County, California.
- E. Excusable Delays. Neither Party shall be considered in default in the performance of its obligations hereunder to the extent that the performance of any such obligation is prevented or delayed by unforeseen causes including acts of God, floods, earthquakes, fires, acts of a public enemy, pandemic, epidemic, and government acts beyond the control and without fault or negligence of the affected Party. Each Party hereto shall give notice promptly to the other of the nature and extent of any such circumstances claimed to delay, hinder, or prevent performance of any obligations under this MOA.
- F. Waiver. Waiver by any Party to this MOA of any term, condition, or covenant of this MOA shall not constitute a waiver of any other term, condition, or covenant. No waiver of any provision of this MOA shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought.
- G. Headings. The section headings contained in this MOA are for convenience and identification only and shall not be deemed to limit or define the contents to which they relate.
- H. Assignment. Neither Party may assign its interest in this MOA, or any part thereof, without the prior written consent of the other Party. Any assignment without

consent shall be void and unenforceable.

- I. Severability. If any provision of this MOA is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.
- J. Authority to Execute. The person executing this MOA on behalf of a Party warrants that they are duly authorized to execute this MOA on behalf of said Party, and that by doing so said Party is formally bound to the provisions of this MOA.
- K. Counterparts. This MOA may be executed in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.
- L. Electronic Signatures. This MOA may be executed with electronic signatures in accordance with Government Code Section 16.5. Such electronic signatures will be treated in all respects as having the same effect as an original signature.

[Signature page to follow.]

IN WITNESS WHEREOF, the Parties hereto have caused this MOA to be executed and to be effective on the date it has been fully executed by the Parties as set forth below.

FOR THE CITY OF SOUTH EL MONTE:

By: _____
Rene Salas
City Manager

Date: _____

ATTEST:

Adrian Garcia, MMC
City Clerk

APPROVED AS TO FORM:

Susie Altamirano
City Attorney

FOR THE SAN GABRIEL VALLEY
COUNCIL OF GOVERNMENTS:

By: _____
Marisa Creter
Executive Director

Date: _____

APPROVED AS TO FORM:

Cassie Trapesonian
General Counsel

Exhibit A

Project Budget

The SGVCOG shall provide \$750 per Participant, for up to 30 Participants, that is hired and provided with a Transitional Job by the City.

	Per Participant	# of Participants	TOTAL
Administrative Cost	\$750		

City shall be eligible for a one-time payment upon providing documentation satisfactory to the SGVCOG that the Participant has been hired and is working in a Transitional Job at the City, and the City is complying with the requirements to serve as a worksite for the Program. Upon receipt of such documentation, SGVCOG shall make payment to the City within [x] calendar days.

WORKSITE POSITIONS

Worksite: _____ Supervisor: _____

Address: _____ Phone No.: _____

Type of Organization : _____

Nature/Description of Organization (e.g. farm supply sales, restaurant, etc.):

Person Responsible for Time/Attendance: _____

Trainee Title: _____ No. of Openings: _____

Work Hours: _____ to _____ Hourly Rate: _____ Days of the Week: _____

Elements of Training/Skills to be Learned

- 1) _____
- 2) _____
- 3) _____
- 4) _____
- 5) _____

Project Description/Project Outcome (list a specific project and outcome of project trainee may be involved in):

Special Requirements

Medical: _____

Clothing: _____

Other: _____

Minimum Age Requirement (Please specify reason): _____

Equipment/Tools to be Operated or Used: _____

Screening Required by Site (Please specify): _____

Worksite Representative Signature

Date

Print Name and Title

ATTACHMENT D

TERMS AND CONDITIONS
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Part A: General Award, System for Award Management and Uniform Guidance

A(1.) Compliance and the Order of Precedence

The recipient of this Federal award must assure to fully comply with the rules and requirements specified in the award document. Program requirements may be located in the Funding Opportunity Announcement (FOA), statutes, Executive Orders, government-wide regulations, agency regulations, agency policy guidance such as Training Employment Guidance Letter (TEGL), and the terms outlined in the award document. The list below identifies the hierarchy of authority.

The following order of precedence applies to your activities under this Federal award. In the event of any inconsistency between the terms and conditions of this Notice of Award (NOA) and other requirements, consult the below order:

1. Workforce Innovation and Opportunity Act, Section 169(c)
2. Other applicable Federal statutes.
3. Consolidated Appropriations Act, 2023 (Public Law 117-328) dated December 29, 2022.
4. Implementing Regulations.
5. Executive Orders and Presidential Memoranda.
6. The Office of Management and Budget (OMB) Guidance, including the Uniform Guidance at 2 CFR (Code of Federal Regulations) parts 200 and 2900.
7. The U.S. Department of Labor (DOL) or Employment and Training Administration (ETA) directives.
8. Terms and conditions of this award.

By drawing down funds, your organization as the award recipient agrees to the provisions of 2 CFR 200.521, 2 CFR 2900.20, and 2 CFR 2900.21 and is subject to having its award removed as a result of an ALJ decision. As part of this process, the Grant Officer will provide instructions on transition and closeout to both the newly selected grant recipient and to the grant recipient whose positions is affected, or which is being removed.

A(2.) Training and Employment Guidance Letter (TEGL)

The Training and Employment Guidance Letter and any amendments found [TEGL 19-22 | U.S. Department of Labor \(dol.gov\)](#) are hereby incorporated into this NOA. Award recipients are bound by the authorizations, restrictions, and requirements contained in the FOA. Therefore, the expenditure of funds by the award recipient certifies that your organization has read and will comply with all the parts that are contained in the NOA. **Notice of Award** The funds provided under this Notice of Award (NOA) must be expended according to all applicable Federal statutes, regulations and policies, and the applicable provisions in the appropriations act(s). The funds shall be obligated and expended via a NOA. These obligations and expenditures may not exceed the amount awarded by the NOA unless otherwise amended by the ETA.

A(3.) Approved Statement of Work

This project's narrative is the approved Statement of Work (SOW). It has been included as Attachment D. If there is any inconsistency between the project narrative and the program statute, appropriation, regulations, Executive Orders, Uniform Guidance, and DOL or ETA directives, the order of precedence (as described in Section A(1). above) will prevail.

A(4.) SF-424, Application for Federal Assistance, and SF-424B, Assurances and Certifications

The signed SF-424, Application for Federal Assistance, has been included as an attachment to this award. The individual that signed the SF-424 on behalf of the applicant is considered the Authorized Representative of the applicant. As stated in block 21 of the SF-424 form, the signature of the Authorized Representative on the SF-424 certifies that the award recipient is in compliance with the Assurances and Certifications form SF-424B available at [Grants.gov](https://www.grants.gov). The award recipient does not need to submit the SF-424B form separately.

A(5.) Federal Project Officer (FPO) or Program Official (PO)

See item number 10 on page 1 of this grant agreement for the Program Official/Federal Project Officer name and contact information.

The individual named as the Program Official/Federal Project Officer is not authorized to change any of the terms or conditions of the award or approve prior approval requests. Any changes to the terms or conditions or prior approvals must be approved by the Grant Officer through the use of a formally executed award amendment process.

A(6.) System for Award Management

System for Award Management (SAM) is the official Federal system that collects, validates, stores, and disseminates business information about the Federal government's trading partners in support of contract awards, grants, and electronic payment processes.

A SAM registration is required for an entity to be able to apply for Federal awards, to request amendments to existing awards, and to enable them to closeout expiring awards. See [Training and Employment Notice \(TEN\) 18-17](#) for additional guidance.

Unless the award recipient is exempt from this requirement under 2 CFR 25.110, the grant award or cooperative agreement recipient must maintain current information in the SAM. This includes information on the recipient's immediate and highest-level owner and subsidiaries, as well as on all of the recipient's predecessors that have been awarded a Federal contract or Federal financial assistance within the last three years, if applicable, until the award recipient submits the final financial report required under this Federal award or receive the final payment, whichever is later.

DOL advises award recipients and other awardees of Federal awards such as cooperative agreements registered in SAM to review their registration information, particularly their

financial information and points of contact. Assistance is available by contacting the Federal Service Desk at [FSD.gov](https://www.fsd.gov). Grant award or cooperative agreement recipients should alert their FPO and contact ETA at ETAAccountingGrants@dol.gov if they find that payments have been paid to a bank account other than their registered bank account.

DOL routinely checks the validity of a grant award or cooperative agreement recipient's SAM registration and verifies that the recipient is not included on the excluded parties list before making an award or approving a modification to an existing award. Failure to have an active SAM registration can delay award recipients from receiving their initial award or requested modifications to their existing awards.

DOL further encourages award recipients to review the expiration date of their SAM registration and begin the renewal process well in advance, to ensure that their registration remains valid. If the award recipient has not logged in and updated its entity registration record within at least the past 365 days, its record will expire and go into inactive status. Timely renewal will ensure that the award recipient can continue to request and receive modifications to their existing grants, as well as apply for new funding opportunities. Further, the EIN number must remain active until the award closeout process is fully completed.

A(7.) Unique Entity Identifier Requirements

Effective on April 4, 2022, the DUNS Number was replaced by a new, non-proprietary identifier requested in and assigned by [SAM.gov](https://sam.gov). This new identifier is called the Unique Entity Identifier (UEI), or the Entity ID. To learn more about how to access your UEI, please visit the U.S. General Service Administration (GSA), [Unique Entity Identifier Update webpage](#).

If the grant award or cooperative agreement recipient is authorized to make subawards (see definition below in Section A (10.)) under this award, then the recipient:

1. Must notify potential subrecipients that no entity may receive a subaward from the award recipient until the entity has provided its UEI to the recipient.
2. May not make a subaward to an entity unless the entity has provided its UEI to the grant award or cooperative agreement recipient. Subrecipients are not required to obtain an active SAM registration but must obtain a UEI.

A(8.) Uniform Guidance Revisions

The Office of Management and Budget issued revisions to 2 CFR parts 25, 170, 183, and 200 (the Uniform Guidance) on August 13, 2020, and February 22, 2021 (technical correction). These revisions became effective November 12, 2020, except for the amendments to 2 CFR 200.216 and 200.340, which were immediately effective on August 13, 2020. The award recipient must operate in compliance with these revised regulations. Please note that the section numbering in the Uniform Guidance has changed in some instances, and this terms and conditions document has been updated accordingly.

A(9.) For-Profit Entities and Profit

For-profit and foreign entities are included in the definition of Non-Federal Entity (NFE) for DOL awards, per DOL's OMB-approved exception found at 2 CFR 2900.2. These entities, along with all other recipients of Federal awards, must comply with the Uniform Guidance found at 2 CFR parts 200 and 2900. The regulation at 2 CFR 2900.2 defines Non-Federal Entity as a state, local government, Indian tribe, institution of higher education (IHE), for-profit entity, foreign public entity, foreign organization or nonprofit organization that carries out a Federal award as a recipient or subrecipient.

The recipient is prohibited from earning a profit resulting from the implementation of this cooperative agreement. As directed in 2 CFR 200.400(g), non-Federal entities may not earn or keep any profit resulting from Federal financial assistance unless explicitly authorized in the Federal award. Additionally, the provision on profit only applies to WIOA Title 1 programs at 20 CFR 683.295.

A(10.) Subawards

A *subaward* means an award provided by a *Pass-Through Entity* (PTE) to a subrecipient for the subrecipient to carry out part of a Federal award received by the PTE. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the PTE considers a contract.

The provisions of the Terms and Conditions of this award will be applied to any subrecipient under this award. The recipient is responsible for monitoring the subrecipient, ensuring that the Terms and Conditions are in all subaward packages and that the subrecipient complies with all applicable regulations and the Terms and Conditions of this award (2 CFR 200.101(b)).

A(11.) Vendor/Contractor Defined

The term "contractor," sometimes referred to as a vendor, is a dealer, distributor, merchant or other seller providing goods or services that are required to implement a Federal program (see 2 CFR 200.1). These goods or services may be for an organization's own use or for the use of the beneficiaries of the Federal program. Additional guidance on distinguishing between a subrecipient and a contractor (vendor) is provided in 2 CFR 200.331. When procuring contractors for goods and services, DOL/ETA recipients and subrecipients must follow the procurement requirements found at 2 CFR 200.320 (except states, pursuant to 2 CFR 200.317), which calls for free and open competition.

A(12.) Technical Assistance, Resources, and Information

Additional resources, training, and information to assist the award recipient are located on the ETA website, [Resources webpage](#) and on the Grants Application and Management collection page on [WorkforceGPS.org](#). [SMART training](#) is a technical assistance initiative sponsored by DOL/ETA to assist its award recipients and subrecipients in

improving its program/project operations through effective grants management. Please take some time to review the training modules which are focused on:

Strategies for sound grant management that include:

Monitoring,
Accountability,
Risk mitigation and
Transparency.

These four themes are woven throughout the OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, also known as the Uniform Guidance (2 CFR Part 200 and 2 CFR Part 2900). The 508-compliant PowerPoints of the modules may be found on WorkforceGPS.org at the [Resource](#) page.

A(13.) Monitoring, Technical Assistance, and Additional Specific Conditions of Award

All award recipients, including states and territories managing the Unemployment Insurance programs, are subject to 2 CFR 200.208, *Specific conditions*, which indicates that the Federal awarding agency may adjust specific award conditions as needed. A specific condition is based on an analysis of the following factors:

1. Based on the criteria in §200.206, *Federal awarding agency review of risk posed by applicants*;
2. The applicant or recipient's history of compliance with the general or specific terms and conditions of a Federal award;
3. The applicant or recipient's ability to meet expected performance goals as described in 2 CFR 200.211; or
4. A responsibility determination of an applicant or recipient.

Additional Federal award conditions may include items such as the following:

1. Requiring payments as reimbursements rather than advance payments;
2. Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given performance period;
3. Requiring additional, more detailed financial reports;
4. Requiring additional project monitoring;
5. Requiring the non-Federal entity to obtain technical or management assistance; or
6. Establishing additional prior approvals.

Award recipients may be required to obtain technical or management assistance through an established provider/contractor that has been selected or hired by DOL/ETA that may include in-person or remote assistance.

A(14.) Evaluation, Data, and Implementation

Award recipients must cooperate during the implementation of a third-party evaluation. This means providing DOL/ETA or its authorized contractor with the appropriate data

and access to program operating personnel and participants in a timely manner.

A(15.) Program Requirements

TEGL-19-22 contains the program requirements for this award.

Part B: Indirect Costs, Budget, and Cost Share (Match)

B(1.) Indirect Cost Rate and Cost Allocation Plan

An award recipient that is claiming indirect costs to a Federal award must have a Negotiated Indirect Cost Rate Agreement (NICRA), Cost Allocation Plan (CAP), or elect to utilize the de minimis rate of 10% of modified total direct costs (MTDC). Indirect (facilities & administrative (F&A)) costs are costs incurred for a common or joint purpose that benefit more than one cost objective and are not readily assignable to one cost objective without specifically benefitting effort disproportionate to the results achieved. Direct costs, by contrast, can be identified specifically with a particular cost objective, such as a Federal award, or other internally or externally funded activity that can be directly assigned to such activities relatively easily with a high degree of accuracy. Identification with the Federal award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect (F&A) costs.

If the DOL serves as the Federal Cognizant Agency (FCA) for the award recipient, then the award recipient must work with DOL's Cost & Price Determination Division (CPDD), which has delegated authority to negotiate and issue a NICRA or CAP on behalf of the Federal Government. More information about the DOL's CPDD is available at DOL's Cost & Price Determination Division (CPDD) their [website](#) and provides guidelines to help develop indirect cost rates, links to the applicable cost principles, and contact information. The CPDD also has Frequently Asked Questions to provide general information about the indirect cost rate approval process and due dates for provisional and final indirect cost rate proposals.

If a new NICRA is issued during the award's period of performance, it must be provided to DOL within 30 days of issuance. Funds may be re-budgeted as necessary between direct cost categories as long as they are consistent with the Budget Flexibility term within this agreement, grant requirements, and DOL regulations on prior approval. However, the total amount of the award will not be increased.

- (1) The award recipient has a federally approved NICRA or CAP covering the entirety or a portion of the grant period of performance is included as Attachment F. If the NICRA or CAP covers only a portion of the period of performance, a new approved NICRA or CAP will need to be provided for the remaining portion of the period of performance. Once approved, the NICRA or CAP must be submitted to your Federal Project Officer.

- (2) The award recipient has elected to use the De Minimis Rate of 10% of Modified Total Direct Costs (MTDC). To avoid a serious inequity in the distribution of indirect cost, DOL defines MTDC as all direct salaries and wages, applicable fringe benefits, materials and supplies, services, and travel up to the first \$25,000 of each subaward or subcontract (regardless of the period of performance of the subawards and subcontracts under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward or subcontract in excess of \$25,000.

See 2 CFR 200.414(f) for more information on use of the de minimis rate. Please be aware that incurred indirect-type costs (such as but not limited to top management salaries, financial oversight, human resources, payroll, personnel, auditing costs, accounting and legal, etc. used for the general oversight and administration of the organization) must not be classified as direct costs; these types of costs are recovered as part of charging the de minimis rate.

To use de minimis, the award recipient must not have a current negotiated (including provisional) rate.

A governmental department or agency unit that receives more than \$35 million in direct Federal funding must submit its indirect cost rate proposal to its cognizant agency for indirect costs and cannot utilize the de minimis rate in accordance with 2 CFR 200.414(f).

De minimis may be used indefinitely. If the award recipient elects to utilize the de minimis rate, this methodology must be used consistently for all Federal awards until such time as the award recipient chooses to negotiate for an indirect cost rate, which the award recipient may apply to do at any time.

- (3) The award recipient has claimed indirect costs on the SF-424A; however, an approved NICRA or CAP approved by the FCA was not provided and the award recipient did not elect to utilize the de minimis rate of 10% of MTDC. An approved NICRA or CAP must be submitted to the Grant Officer, or the award recipient must elect to utilize the de minimis rate of 10% of MTDC in order to charge indirect costs to the Federal award.

URGENT NOTICE: Estimated indirect costs have been specified on the SF-424A Budget Information form, however only the de minimis rate of 10% of MTDC will be released to support the indirect costs in the absence of a NICRA or CAP approved by the FCA.

The remaining funds which have been awarded for indirect costs are restricted and may not be used for any purpose until the recipient provides a signed copy of the NICRA or CAP. As the grant award or cooperative agreement recipient, the recipient must submit an indirect cost rate proposal or CAP to their FCA.

Alternatively, the award recipient may request the de minimis rate if eligible in accordance with 2 CFR 200.414(f).

As the award recipient, the recipient must submit an indirect cost rate proposal or CAP. If the FCA for indirect costs is DOL, these documents should be submitted to the DOL's Cost & Price Determination Division (CPDD). Otherwise, they should be submitted to the award recipient's FCA. Alternatively, the award recipient may request the de minimis rate if eligible (see section b. above). In addition, the recipient must notify the FPO that the documents have been submitted to the appropriate FCA.

If the award recipient does not submit a NICRA proposal within 90 days of award, they will be limited to the de minimis rate of 10% of Modified Total Direct Costs (MTDC).

- (4) The award recipient elected to exclude indirect costs from the proposed budget. F&A costs should only be classified as direct costs if they meet the conditions specified in 2 CFR 200.413(c).

If indirect costs are misclassified as direct costs, per the guidelines at 2 CFR 200.412 - 414, such costs may become disallowed through an audit or compliance review conducted by a Federal staff person. Please be aware that incurred indirect costs (such as but not limited to top management salaries, financial oversight, human resources, payroll, personnel, auditing costs, accounting and legal, etc. used for the general oversight and administration of the organization) must not be classified as direct costs; these types of costs are indirect costs. Only direct costs, as defined by the cost principles contained in the Uniform Guidance will be charged.

B(2.) Indirect Cost Rate – Financial Reporting for NICRA and De Minimis

All award recipients with an approved NICRA or de minimis rate must report indirect costs on their **FINAL** ETA-9130 Financial Report. If an award recipient has a NICRA and a CAP, only the indirect costs tied to the NICRA are reported on the FINAL ETA-9130 Financial Report. The grant recipient may refer to the [ETA-9130 Report](#) for additional guidance.

B(3.) Budget - Approved

The award recipient's budget documents are attached in this NOA. The documents are: 1) the SF-424, included as Attachment A; 2) the SF-424A, included as Attachment B; and 3) the Budget Narrative, included as Attachment C. The award recipient must confirm that all costs are allowable, reasonable, necessary, and allocable before charging any expense. Pursuant to 2 CFR 2900.1, the approval of the budget as awarded does not constitute prior approval of those items specified in 2 CFR part 200 and 2 CFR part 2900 or as a

part of the grant award as requiring prior approval. The Grant Officer is the only official with the authority to provide such approval.

Any changes to the budget that impact the Statement of Work (SOW) and agreed upon outcomes or deliverables will require a request for modification and prior approval from the Grant Officer.

If the period of performance will include multiple budget periods, subsequent budget periods are subject to the availability of funds, program authority, satisfactory performance, and compliance terms and conditions of the Federal award.

Unless otherwise authorized in a grant award or cooperative agreement or subsequent modification, recipients must expend funds with the shortest period of availability first (20 CFR 683.110).

B(4.) Budget Flexibility

Award recipients are not permitted to make transfers that would cause any funds to be used for purposes other than those consistent with this Federal program. Any budget changes that impact the SOW and agreed upon outcomes or deliverables require a request for modification and approval from the Grant Officer.

Any request for a budget modification or non-competing extension of the final budget should be submitted to the Grant Officer, in writing, at least 30 days before the Period of Performance is scheduled to expire. Such requests usually are for a period of up to 12 months.

As directed in 2 CFR 200.308(f), for programs where the Federal share is over the Simplified Acquisition Threshold (SAT) (currently \$250,000), the transfer of funds among direct cost categories or programs, functions, and activities is restricted such that if the cumulative amount of such transfers exceeds or is expected to exceed 10% of the total budget as last approved by the Federal awarding agency, the award recipient must receive prior approval from the Grant Officer. Any changes within a specific cost category on the SF-424A do not require a grant modification unless the change results in a cumulative transfer among direct cost categories exceeding 10% of total budget. It is recommended that the assigned Federal Project Officer or point of contact review any within-line changes to the award recipient's budget prior to implementation to ensure they do not require a modification.

For programs where the Federal share of the project is below the SAT of \$250,000, recipients are not required to obtain the Grant Officer's approval when transferring funds among direct cost categories.

Part C: Funds Management

C(1.) Funds – Payment Management System (PMS)

Upon receipt of a NOA, in order to draw funds from the U.S. Department of Health and Human Services (HHS) Payment Management System (PMS), an active account must be established. To establish an account, award recipients must complete an SF-1199A and PMS Access form (shown as the PMS New User Access Request on the PMS website) (User Access). DOL is responsible for completing portions of the SF-1199A and submitting the completed SF-1199A to the Division of Payment Management, which operates PMS. Federal award recipients do not need to complete these forms if they already have an account with PMS.

C(2.) Funds - Return & Refunds

DOL does not accept paper checks for any type of returned funds. For active grants, all return of funds are to be submitted electronically through the PMS operated by the HHS via the same method as a drawdown. For grants that have been cancelled or are expired (typically older than five years), incoming payments, including returns and recoveries to DOL, must be made via the Pay.gov website.

If there are questions regarding the return of funds, or your organization no longer has access to PMS, contact the DOL/ETA, Office of Financial Administration via email at: ETA-ARteam@dol.gov for further assistance.

Part D: Costs - Limitations, Items, and Restrictions

D(1.) Consultants

For the purposes of this grant award, the Grant Officer has determined that fees paid to a consultant who provides services under a program shall be limited to \$815.00 a day (representing an eight-hour workday). Such costs must be reasonable, allocable, and allowable to the program. Any fees paid in excess of this amount cannot be paid without prior approval from the Grant Officer.

D(2.) Equipment

The award recipient(s) must submit a request to purchase equipment and receive **prior approval** from the Grant Officer as defined in the Uniform Guidance at 2 CFR 200.1. A request to purchase equipment will be reviewed and approved in a modification to the award. Prior approval is required only when the per unit's acquisition cost is \$5,000 or more regardless of the non-Federal entity's capitalization threshold. Equipment purchases must be made in accordance with 2 CFR 200.313 or 2 CFR 200.439.

Being awarded this grant **does not** automatically mean that the equipment specified in the approved budget or SOW is approved by the Grant Officer. Unless approval is provided in the grant agreement remarks, the recipient must submit a detailed list describing the planned purchases to the FPO for review within 90 days of the NOA date. Recipients are strongly encouraged to submit requests to purchase equipment as early as possible in the grant's period of performance with as many planned pieces of equipment as possible.

Recipients may not purchase equipment during the last year of the period of performance or the last year of full program service delivery (not follow-up activities), whichever comes first. If any approved acquisition has not occurred prior to the last funded year of performance, approval for that item will be rescinded.

D(3.) Pre-Award Costs

All costs incurred by the award recipient prior to the start date specified in the grant award issued by the Department are **incurred at the recipient's own expense**.

D(4.) Program Income

The Addition method as described in 2 CFR 200.307 must be used in allocating any program income generated for this awards award. The award recipient must expend all program income prior to drawing down any additional funds as required at 2 CFR 200.305(b)(5) and 2 CFR 200.307(e). The DOL will require any program income remaining at the end of period of performance to be returned to DOL. In addition, award recipient(s) must report program income on the quarterly financial report using the applicable ETA-9130 or SF-425 reports.

D(5.) Supportive Services & Participant Support Costs

When supportive services are expressly authorized by a program statute, regulation, or TEGL, this award waives the prior approval requirement for participant support costs as described in 2 CFR 200.456. Costs must still meet the basic considerations at 2 CFR 200.402 – 200.411. Questions regarding supportive services and participant support costs should be directed to the FPO who is assigned to the award.

D(6.) Travel

This award waives the prior approval requirement for domestic travel as contained in 2 CFR 200.475. For domestic travel to be an allowable cost, it must be necessary, allowable, reasonable, allocable and conform to the non-Federal entity's written policies and procedures. All travel must also comply with Fly America Act (49 USC 40118), which states in part that any air transportation, regardless of price, must be performed by, or under a code-sharing arrangement with, a U.S. Flag air carrier if service provided by such carrier is available.

D(7.) Travel – Foreign

Foreign travel is not allowable except with prior written approval from the Grant Officer through the process described in 2 CFR 200.407 and 2 CFR 2900.16. All travel, both domestic and Grant Officer approved foreign travel, must comply with the Fly America Act (49 USC 40118), which states in part that any air transportation, regardless of price, must be performed by, or under a code-sharing arrangement with, a U.S. Flag air carrier if service provided by such carrier is available.

D(8.) Travel – Mileage Reimbursement Rates

Pursuant to 2 CFR 200.475(a), all award recipients must have policies and procedures in place related to travel costs; however, for reimbursement on a mileage basis, this Federal grant award cannot be charged more than the maximum allowable mileage reimbursement rates for Federal employees. Mileage rates must be checked annually at GSA's [Privately Owned Vehicle \(POV\) Mileage Reimbursement Rates webpage](#) to ensure compliance.

D(9.) Conferences and Conference Space

Conferences sponsored in whole or in part by the award recipient are allowable if the conference is necessary and reasonable for the successful performance of the Federal award. Award recipients are urged to use discretion and good judgment to ensure that all conference costs charged to the grant are appropriate and allowable. For more information on the requirements and the allowability of costs associated with conferences, refer to 2 CFR 200.432. Recipients will be held accountable to the requirements in 2 CFR 200.432. Therefore, costs that do not comply with 2 CFR 200.432 will be questioned and may be disallowed.

D(10.) Hotel-Motel Fire Safety

Pursuant to 15 U.S.C. 2225a, the recipient must ensure that all space for conferences and conventions or training seminars funded in whole or in part with Federal funds complies with the protection and control guidelines of the Hotel and Motel Fire Safety Act (P.L. 101-391, as amended). Recipients may search the [Hotel-Motel National Master List](#) to see if a property is in compliance, or to find other information about the Act.

Part E: Reporting, Audit, and Closeout

E(1.) Reports – Financial Reports

All ETA award recipients are required to submit quarterly financial and narrative progress reports for each award.

- 1) **Financial Reports.** All ETA award recipients are required to report financial data on the ETA-9130 Financial Report. ETA-9130 reports are due by the 15th day of the second month after each calendar-year quarter. A final financial report must be submitted no later than 120 calendar days after the quarter encompassing the award end date ends, or 120 calendar days after the completion of the quarter in which all funds have been expended, whichever comes first. For additional guidance on ETA's financial reporting, reference [ETA-9130 Financial Reporting Resources](#).

The instructions for accessing both the online financial reporting system and the HHS PMS can be found in the transmittal memo accompanying this NOA.

E(2.) Reports – Narrative Progress Reports

- 1) **Narrative Progress Reports.** Award recipients are required to submit quarterly and final narrative reports on grant activities funded under this award. All reports are due by the 15th day of the second month after each calendar-year quarter.
 - a) The last quarterly progress report that award recipients submit will serve as the grant's Final Performance Report. This report should provide both ***quarterly and cumulative*** information on the award's activities. It must summarize project activities, employment outcomes and other deliverables, and related results of the project.
 - b) The award recipient shall use any standard forms and instructions to report on training and employment outcomes and other data relating to the progress reports as provided by ETA.

The award recipient shall utilize standard reporting processes and electronic reporting systems to submit their quarterly progress reports as provided by ETA.

E(3.) Federal Funding Accountability and Transparency Act (FFATA or Transparency Act)

Applicable to grants and cooperative agreements:

- 1) Reporting of first-tier subawards.
 - a) *Applicability.* Unless the award recipient is exempt as provided in paragraph [4.] of this award term, the award recipient must report each action that equals or exceeds \$30,000 in Federal funds for a subaward to a non-Federal entity or Federal agency (see definitions in paragraph [5.] of this award term).
 - b) *Where and when to report.*
 - I. The Federal entity or Federal agency must report each obligating action described in paragraph [1.a.] of this award term to [FSRS.gov](#).
 - II. For subaward information, the recipient must report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November

7, 2010, the obligation must be reported by no later than December 31, 2010.)

- c) *What to report.* The award recipient must report the information about each obligating action that the submission instructions posted at FSRS.gov specify.

2) Exemptions.

If, in the previous tax year, the award recipient had gross income, from all sources, under \$300,000, the recipient is exempt from the requirements to report:

- a) Subawards; and
b) The total compensation of the five most highly compensated executives of any subrecipient.

3) Definitions.

For purposes of this award term:

- a) *Federal Agency* means a Federal agency as defined in 5 U.S.C. 551(1) and further clarified by 5 U.S.C. 552(f).
- b) *Non-Federal Entity* means all of the following, as defined in 2 CFR part 25:
- I. A Governmental organization, which is a State, local government, or Indian tribe;
 - II. A foreign public entity;
 - III. A domestic or foreign nonprofit organization; and
 - IV. A domestic or foreign for-profit organization.
- c) *Executive* means officers, managing partners, or any other employees in management positions.
- d) *Subaward*:
- I. This term is used as a legal instrument to provide support for the performance of any portion of the substantive project or program for which the grant recipient received this award and that the grant recipient as the recipient award to an eligible subrecipient.
 - II. The term does not include the award recipient's payment to a contractor, as defined in 2 CFR 200.331, for property and services needed to carry out the project or program.
 - III. A subaward may be provided through any legal agreement, including an agreement that the grant recipient or a subrecipient considers a contract.
- e) *Subrecipient* means a non-Federal entity or Federal agency that:
- I. Receives a subaward from the award recipient under this award; and
 - II. Is accountable to the grant recipient for the use of the Federal funds provided by the subaward.
- f) *Total compensation* means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
- I. *Salary and bonus.*
 - II. *Awards of stock, stock options, and stock appreciation rights.* Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance

with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

- III. *Earnings for services under non-equity incentive plans.* This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives and are available generally to all salaried employees.
- IV. *Change in pension value.* This is the change in present value of defined benefit and actuarial pension plans.
- V. *Above-market earnings on deferred compensation which is not tax-qualified.*
- VI. Other compensation, if the aggregate value of all such other compensation (e.g., severance, termination payments, value of life insurance paid on behalf of the employee, perquisites, or property) for the executive exceeds \$10,000.

E(4.) Integrity and Performance Matters – FAPIIS (For awards exceeding \$500,000)

- 1) If the total value of the currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of this Federal award, then the award recipient during that period of time must maintain the currency of information reported to the System for Award Management (SAM) that is made available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)) about civil, criminal, or administrative proceedings described in Paragraph 2 of this award term and condition. This is a statutory requirement under Section 872 of Public Law 110-417, as amended (41 U.S.C. 2313). As required by Section 3010 of Public Law 111-212, all information posted in the designated integrity and performance system on or after April 15, 2011, except past performance reviews required for Federal procurement contracts, will be publicly available.
- 2) Proceedings about which the award recipient must report. Submit the information required about each proceeding that:
 - a) Is in connection with the award or performance of a grant, cooperative agreement, or procurement contract from the Federal Government;
 - b) Reached its final disposition during the most recent 5-year period; and
 - c) Is one of the following:
 - I. A criminal proceeding that resulted in a conviction, as defined in Paragraph 5. of this award term;
 - II. A civil proceeding that resulted in a finding of fault and liability and paying a monetary fine, penalty, reimbursement, restitution, or damages of \$5,000 or more;
 - III. An administrative proceeding, as defined in Paragraph 5. of this award term, that resulted in a finding of fault and liability and grant recipient payment of either monetary fine or penalty

of \$5,000 or more or a reimbursement, restitution, or damages in excess of \$100,000; or

- IV. Any other criminal, civil, or administrative proceeding if:
- a. It could have led to an outcome described in Paragraph 2.c.I, II, or III of this award term;
 - b. It had a different disposition arrived at by consent or compromise with an acknowledgment of fault on the grant recipient's part; and
 - c. The requirement in this award term to disclose information about the proceeding does not conflict with applicable laws and regulations.

3) Reporting procedures. Enter in SAM, Entity Management area (formerly CCR), or any successor system, the FAPIIS information that SAM requires about each proceeding described in Paragraph 2 of this award term. The award recipient does not need to submit the information a second time under assistance awards that were received if the recipient already provided the information through SAM (formerly CCR) because the recipient was required to do so under Federal procurement contracts that the recipient was awarded.

4) Reporting frequency. During any period of time when the award recipient is subject to the requirement in Paragraph 1 of this award term, the award recipient must report FAPIIS information through SAM no less frequently than semiannually following the initial report of any proceedings for the most recent 5-year period, either to report new information about any proceeding(s) that the award recipient has not reported previously or to affirm that there is no new information to report.

5) Definitions. For purposes of this award term:

- a. Administrative proceeding means a non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability (e.g., SEC Administrative proceedings, Civilian Board of Contract Appeals proceedings, and Armed Services Board of Contract Appeals proceedings). This includes proceedings at the Federal and State level. It does not include audits, site visits, corrective plans, or inspection of deliverables.
- b. Conviction, for purposes of this award term, means a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere.
- c. Total value of currently active grants, cooperative agreements, and procurement contracts includes —
 - I. Only the Federal share of the funding under any award with a recipient cost share or match; and
 - II. The value of all options, even if not yet exercised.

E(5.) Audits

Organization-wide or program-specific audits must be performed in accordance with Subpart F, the Audit Requirements of the Uniform Guidance. DOL award recipients that expend \$750,000 or more in a year from any Federal awards must have an audit conducted for that year in accordance with the requirements contained in 2 CFR 200.501. OMB's approved DOL exception at 2 CFR 2900.2 expands the definition of 'non-Federal entity' to include for-profit entities and foreign entities. As such, for-profit and foreign entities that are recipients/subrecipients of a DOL award must adhere to the Uniform Guidance at 2 CFR 200, including Subpart F. Audits of direct award recipients that are for-profit and foreign entities must be submitted directly to: USDOL ETA-OGM, Attn: Audit Resolution, 200 Constitution Ave NW, Room N-4716, Washington, DC 20210. All other audit reports are submitted through the Federal Audit Clearinghouse.

The Federal Audit Clearinghouse (FAC) will transition from the U.S. Census Bureau (Census) to the U.S. General Services Administration (GSA) on October 1, 2023. At that time, all submissions will need to be made through the new FAC hosted by GSA. Any draft not fully submitted to the Census FAC by October 1, 2023 may need to be completely re-started at the new GSA FAC.

E(6.) Audit Submission Deadline Extension Related to Major Disaster Areas

OMB announced on the FAC website that a six-month single audit submission extension is available to non-federal entity recipients in Puerto Rico, Alaska, Florida, South Carolina, and North Carolina that have due dates between September 18, 2022, and December 31, 2022. Although the extension is due to complications created by various weather-related events, the extension is available to all recipients in each of the states and not just those located in certain areas of the states most significantly impacted. OMB encourages recipients in less affected areas to submit their reports as soon as possible.

E(7.) Closeout/Final Year Requirements

At the end of the grant period, the award recipient will be required to close the grant with the DOL. The grant award and cooperative agreement recipient will be notified approximately 15 days prior to the end of the period of performance that the closeout process will begin when the period of performance ends. See ETA's Grant Closeout webpage for further information on the closeout process. The recipient's responsibilities at closeout may be found at 2 CFR 200.344. During the closeout process, the award recipient must be able to provide documentation for all direct and indirect costs that are incurred. For instance, if an organization is claiming indirect costs, the required documentation is a NICRA or CAP issued by the award recipient's FCA. For those approved to utilize a de minimis rate for indirect costs, the grant agreement or cooperative agreement is sufficient documentation. Not having documentation for direct or indirect costs will result in costs being disallowed and subject to debt collection.

The only liquidation that can occur during closeout is the liquidation of accrued expenditures (NOT obligations) for goods and/or services received during the period of performance specified in this award (see 2 CFR 2900.15).

Part F: National Policy and Restrictions

F(1.) Architectural Barriers

The Architectural Barriers Act of 1968, 42 U.S.C. 4151 *et seq.*, as amended, the Federal Property Management Regulations (see 41 CFR 102-76), and the Uniform Federal Accessibility Standards issued by the U.S. General Services Administration (GSA) (see 36 CFR 1191, Appendixes C and D) set forth requirements to make facilities accessible to, and usable by, the physically handicapped and include minimum design standards. All new facilities designed or constructed with grant support must comply with these requirements.

F(2.) Domestic Preferences for Procurements

As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of 2 CFR 200.322 must be included in all subawards including all contracts and purchase orders for work or products under this award.

F(3.) Drug-Free Workplace

The Drug-Free Workplace Act of 1988, 41 U.S.C. 702 *et seq.*, and 2 CFR 182 require that all award recipients receiving awards from any Federal agency maintain a drug-free workplace. The award recipient must notify the awarding office if an employee of the recipient is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for suspension or debarment.

F(4.) Flood Insurance

The Flood Disaster Protection Act of 1973, as amended, 42 U.S.C. 4001 *et seq.*, provides that no Federal financial assistance to acquire, modernize, or construct property may be provided in communities in the United States identified as flood-prone, unless the community participates in the National Flood Insurance Program and flood insurance is purchased within 1 year of the identification. The flood insurance purchase requirement applies to both public and private applicants for the DOL support. Lists of flood-prone areas that are eligible for flood insurance are published in the Federal Register by Federal Emergency Management Agency (FEMA).

F(5.) Intellectual Property Rights

The Federal Government reserves a paid-up, nonexclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use for Federal purposes: the copyright in all products developed under the grant, including a subgrant or contract under the grant or subgrant; and any rights of copyright to which the award recipient, subrecipient or a contractor purchases ownership under an award (including but not

limited to curricula, training models, technical assistance products, and any related materials). Such uses include, but are not limited to, the right to modify and distribute such products worldwide by any means, electronically or otherwise.

Federal funds may not be used to pay any royalty or license fee for use of a copyrighted work, or the cost of acquiring by purchase a copyright in a work, where the DOL has a license or rights of free use in such work, although they may be used to pay costs for obtaining a copy which is limited to the developer/seller costs of copying and shipping.

If revenues are generated by selling products developed with grant funds, including intellectual property, these revenues are considered as program income. Program income must be used in accordance with the provisions of this grant award and 2 CFR 200.307.

The following language must be on all workforce products developed in whole or in part with grant funds:

“This workforce product was funded by a grant awarded by the U.S. Department of Labor (DOL)’s, Employment and Training Administration. The product was created by the recipient and does not necessarily reflect the official position of DOL. DOL makes no guarantees, warranties, or assurances of any kind, express or implied, with respect to such information, including any information on linked sites and including, but not limited to, accuracy of the information or its completeness, timeliness, usefulness, adequacy, continued availability, or ownership. This product is copyrighted by the institution that created it.”

F(6.) Promoting Equitable Delivery of Government Benefits and Equal Opportunity

The Department of Labor (Labor) seeks to affirmatively advance equity, civil rights and equal opportunity in the policies, programs, and services it provides. Therefore, consistent with Executive Order 13985, *Advancing Racial Equity and Support for Underserved Communities Through the Federal Government*, grant award and cooperative agreement recipients must execute the terms and conditions of their award in a manner that advances equity for all, including people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality. This extends to all award activities including, but not limited to, service delivery, selection of subrecipients and contractors, and procurement of goods and services. Government programs are designed to serve all eligible individuals. As an expectation, Labor’s award recipients should make the goods and services they provide widely available with the goal of effectively serving a diverse population of eligible individuals; fairly, justly, and impartially in administering the grant award. Award recipients are encouraged to engage in contracting and subcontracting for goods and services related to performing the terms and conditions of their grants in such a way to achieve equity.

The term “equity” means the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, and Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality.

The term “underserved communities” refers to populations sharing a particular characteristic, as well as geographic communities, that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life, as exemplified by the list in the preceding definition of “equity.”

F(7.) Personally Identifiable Information

The award recipient(s) must recognize and safeguard Personally Identifiable Information (PII) except where disclosure is allowed by prior written approval of the Grant Officer or by court order. Award recipients must meet the requirements in TEGL No. 39-11, Guidance on the Handling and Protection of PII.

F(8.) Publicity and Lobbying/Advocacy

Publicity - Pursuant to P.L. 117-328, Division H, Title V, Section 503, the award recipient is not authorized to use any funds provided under this award—other than for normal and recognized executive–legislative relationships—for publicity or propaganda purposes, for the preparation, distribution or use of any kit, pamphlet, booklet, publication, electronic communication, radio, television, or video presentation, designed to support or defeat legislation pending before the Congress or any state or local legislature or legislative body, except in presentation to the Congress or any state or local legislature itself, or designed to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any state or local government, except in presentation to the executive branch of any state or local government itself.

Lobbying/Advocacy - Pursuant to P.L. 117-328, Division H, Title V, Section 503, no federal funds may be used to pay the salary or expenses of any grant recipient, or agent acting for such recipient, related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or executive order proposed or pending before the Congress or any state government, state legislature or local legislature or legislative body, other than for normal and recognized executive–legislative relationships or participation by an agency or officer of a state, local or tribal government in policymaking and administrative processes within the executive branch of that government.

F(9.) Telecommunications Prohibition

Award recipients must adhere to 2 CFR 200.216 - Prohibition on certain telecommunications and video surveillance services or equipment (effective August 13, 2020).

Grant award and cooperative agreement recipients, and subrecipients are prohibited from obligating or expending loan or grant funds to:

Procure or obtain;

Extend or renew a contract to procure or obtain; or

Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities). Including telecommunications or video surveillance services provided by such entities or using such equipment and telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

In implementing the prohibition under Public Law 115-232, section 889, subsection (f), paragraph (1), heads of executive agencies administering loan, grant, or subsidy programs shall prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered communications equipment and services, to procure replacement equipment and services, and to ensure that communications service to users and customers is sustained. See Public Law 115-232 (section 889) and 2 CFR 200.471 for additional information.

F(10.) Veterans' Priority Provisions

The Jobs for Veterans Act (Public Law 107-288) requires award recipients to provide priority service to veterans and spouses of certain veterans for the receipt of employment, training, and placement services in any job training program directly funded, in whole or in part, by the DOL. The regulations implementing this priority of service can be found at 20 CFR Part 1010. In circumstances where an award recipient must choose between two qualified candidates for a service, one of whom is a veteran or eligible spouse, the veterans' priority of service provisions require that the award recipient give the veteran or

eligible spouse priority of service by first providing him or her that service. To obtain priority of service, a veteran or spouse must meet the program's eligibility requirements. Award recipients must comply with the DOL guidance on veterans' priority. ETA's TEGL No. 10-09 (issued November 10, 2009) provides guidance on implementing priority of service for veterans and eligible spouses in all qualified job training programs funded in whole or in part by DOL.

F(11.) Waste, Fraud and Abuse

No entity receiving Federal funds may require employees or contractors of such entity seeking to report fraud, waste, or abuse to sign internal confidentiality agreements or statements prohibiting or otherwise restricting such employees or contractors from lawfully reporting such waste, fraud, or abuse to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information.

F(12.) Whistleblower Protection

All employees working for contractors, grantees/ grant recipients, subcontractors, subgrantees/ subrecipients, and recipients of cooperative agreements working on this Federal award are subject to the whistleblower rights and remedies established at 41 U.S.C. 4712. The award recipient shall inform its employees and applicable contractors and subrecipients, in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation. The award recipient shall insert the substance of this clause in all subawards and contracts over the Simplified Acquisition Threshold.

F(13.) Executive Order 12928 – Historically Black Colleges and Universities and other Minority Institutions such as Hispanic-Serving Institutions and Tribal Colleges and Universities

Pursuant to Executive Order (EO) 12928, the award recipient is strongly encouraged to provide subcontracting/subgranting opportunities to Historically Black Colleges and Universities and other Minority Institutions such as Hispanic-Serving Institutions and Tribal Colleges and Universities; and to Small Businesses Owned and Controlled by Socially and Economically Disadvantaged Individuals.

F(14.) Executive Order 13043 - Increasing Seat Belt Use

Pursuant to EO 13043, Increasing Seat Belt Use in the United States, dated April 16, 1997, the award recipients are encouraged to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented, or personally owned vehicles.

F(15.) Executive Order 13166 - Improving Access to Services for Persons with Limited English Proficiency

As clarified by EO 13166, Improving Access to Services for Persons with Limited English Proficiency, dated August 11, 2000, and resulting agency guidance, national

origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with Title VI, award recipients must take reasonable steps to ensure that LEP persons have meaningful access to programs in accordance with DOL's Policy Guidance on the Prohibition of National Origin Discrimination as it Affects Persons with Limited English Proficiency, 68 FR 32289 (May 29, 2003). Meaningful access may entail providing language assistance services, including oral and written translation, where necessary. Award recipients are encouraged to consider the need for language services for LEP persons served or encountered both in developing budgets and in conducting programs and activities. For assistance and information regarding your LEP obligations, go to LEP.gov.

F(16.) Executive Order 13513 - Federal Leadership On Reducing Text Messaging While Driving

Pursuant to EO 13513, Federal Leadership On Reducing Text Messaging While Driving, dated October 1, 2009, award recipients and subrecipients are encouraged to adopt and enforce policies that ban text messaging while driving company-owned or -rented vehicles or government-owned vehicles (GOV), or while driving privately-owned vehicles (POV) when on official Government business or when performing any work for or on behalf of the Government. Award recipients and subrecipients are also encouraged to conduct initiatives of the type described in section 3(a) of this order.

F(17.) Public Law: The Build American, Buy America Act (BABAA)

The Build America, Buy America Act ("BABAA") was enacted on November 12, 2021 as part of the Infrastructure Investment and Jobs Act (IIJA), Public Law 117-58. With the passage of the IIJA, federal financial assistance projects for infrastructure must comply with domestic content procurement preference requirements established in BABAA Section 70914. These requirements went into effect May 14, 2022. The Buy America preference requires all iron, steel, manufactured products, and construction materials used for infrastructure projects in the United States under an award to be domestically manufactured. Covered activities include the construction, alteration, maintenance, or repair of public infrastructure, including buildings and real property (See OMB Memorandum M-22-11).

F(18.) Salary and Bonus Limitations

Pursuant to P.L. 117-328, Division H, Title I, Section 105, award recipients and subrecipients shall not use funds to pay the salary and bonuses of an individual, either as direct costs or as indirect costs, at a rate in excess of Executive Level II. The Executive Level II salary may change yearly and is located on the OPM.gov website. The salary and bonus limitation does not apply to contractors (vendors) providing goods and services as defined in 2 CFR 200.331. Where States are recipients of such funds, States may establish a lower limit for salaries and bonuses of those receiving salaries and bonuses from subrecipients, taking into account factors including the relative cost-of-living in the State, the compensation levels for comparable State or local government

employees, and the size of the organizations that administer Federal programs involved including DOL programs. See [TEGL 5-06](#) for further clarification.

F(19.) Harassment Prohibited

The grant recipient and any subrecipients are prohibited from engaging in harassment of an individual based on race, color, religion, sex, national origin, age, disability, or political affiliation or belief, or, for beneficiaries, applicants, and participants only, based on citizenship status or participation in any WIOA Title I-financially assisted program or activity. Harassing conduct of this type is a violation of the nondiscrimination provisions of WIOA and of 29 CFR Part 38.

- i. Unwelcome sexual advances, requests for sexual favors, or offensive remarks about a person's race, color, religion, sex, national origin, age, disability, political affiliation or belief, or citizenship or participation, and other unwelcome verbal or physical conduct based on one or more of these protected categories constitutes unlawful harassment on that basis(es) when:
- ii. Submission to such conduct is made either explicitly or implicitly a term or condition of accessing the aid, benefit, service, or training of, or employment in the administration of or in connection with, any WIOA title I-financially assisted program or activity; or
- iii. Submission to, or rejection of, such conduct by an individual is used as the basis for limiting that individual's access to any aid, benefit, service, training, or employment from, or employment in the administration of or in connection with, any WIOA Title I-financially assisted program or activity; or
- iv. Such conduct has the purpose or effect of unreasonably interfering with an individual's participation in a WIOA Title I-financially assisted program or activity creating an intimidating, hostile or offensive program environment.
- v. Harassment because of sex includes harassment based on gender identity or sexual orientation; harassment based on failure to comport with sex stereotypes; and harassment based on pregnancy, childbirth, and related medical conditions. Sex-based harassment may include harassment that is not sexual in nature but that is because of sex or where one sex is targeted for the harassment.

F(20.) Intellectual Property, Open Licensing Rights, and the Bayh-Dole Act

As required at 2 CFR 2900.13, any intellectual property developed under a discretionary Federal award process must be licensed under an open license, which allows subsequent users to copy, distribute, transmit and adapt the copyrighted work and attribute the work in the manner specified by the recipient.

All small business firms, and non-profit organizations (as defined in the link below, and including Institutions of Higher Education) must adhere to the Bayh-Dole Act, which requirements are provided at 37 CFR 401.3(a) and at [Bayh-Dole Act Required ETA Grant Term](#). To summarize, these requirements describe the ownership of intellectual property rights and the government's nonexclusive, nontransferable, irrevocable, paid-up

license to use any invention conceived or first actually reduced to practice in the performance of work under this grant award. These requirements are in addition to those found in the Intellectual Property Rights term above.

F(21.) Procurement

The Procurement Standards found in the Uniform Guidance at 2 CFR 200.318-327 require all award recipients and subrecipients to conduct procurement transactions in a manner that promote practical, open, and free competition. The award recipient's description in the SOW of a specific entity that will provide goods or services does not constitute approval or justification of sole-source procurement from this entity.

The Uniform Guidance (at 2 CFR 200.317) requires States (as defined in 2 CFR 200.1) to follow the same procurement policies and procedures it uses for non-Federal funds. The State must comply with 2 CFR 200.321, 200.322, and 200.323 and ensure that every purchase order or other contract includes any clauses required by 2 CFR 200.327.

Part G: National Prohibitions and Other Restrictions

G(1.) Contracting with Corporations with Felony Criminal Convictions Prohibited

The award recipient may not knowingly enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to, any corporation that was convicted of a felony criminal violation under any Federal law within the preceding 24 months.

G(2.) Contracting with Corporations with Unpaid Tax Liabilities Prohibited

The award recipient may not knowingly enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to, any corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.

G(3.) Trafficking in Persons Prohibited

1) This part establishes a government-wide award term for grants and cooperative agreements to implement the requirement in regard to Trafficking in persons.

a) *Provisions applicable to a recipient that is a private entity.*

I. The award recipient, the award recipient's employees, subrecipients under this award, and subrecipients' employees may not—

(A). Engage in severe forms of trafficking in persons during the period of time that the grant award is in effect; or

(B). Procure a commercial sex act during the period of time that the award is in effect; or

(C). Use forced labor in the performance of the award or subawards under the award.

II.DOL as the Federal awarding agency may unilaterally terminate this award, without penalty, if the award recipient or a subrecipient that is a private entity —

(A). Is determined to have violated a prohibition in paragraph a) I. of this award term; or

(B). Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a) I. of this award term through conduct that is either—

i. Associated with performance under this award; or

ii. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 2 CFR Part 2998.

b. *Provision applicable to a recipient other than a private entity.* DOL as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity—

I.Is determined to have violated an applicable prohibition in paragraph a(I) of this grant award term; or

II.Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a(I) of this grant award term through conduct that is either—

(A). Associated with performance under this award; or

(B). Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 29 CFR Part 98.

c. *Provisions applicable to any recipient.*

I.The award recipient must inform DOL immediately of any information the award recipient receives from any source alleging a violation of a prohibition in paragraph a.1 of this grant award term.

II.DOL’s right to terminate unilaterally that is described in paragraph a.II or b of this section:

(A). Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and

(B). Is in addition to all other remedies for noncompliance that are available to DOL under this grant award.

III. The award recipient must include the requirements of paragraph a) I. of this award term in any subaward the award recipient make to a private entity.

d. *Definitions.* For purposes of this award term:

I. "Employee" means either:

(A). An individual employed by the grant award recipient or a subrecipient who is engaged in the performance of the project or program under this award; or

(B). Another person engaged in the performance of the project or program under this grant award and not compensated by the grant recipient including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

II. "Forced labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

III. "Private entity":

(A). Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.

(B). Includes:

i. A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).

ii. A for-profit organization.

IV. "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

G(4.) Health Benefits Coverage for Contraceptives

Federal funds may not be used to enter in to or renew a contract which includes a provision for prescription drug coverage unless the contract also includes a provision for contraceptive coverage. This requirement does not apply to contracts with 1) the religious plans Personal Care's HMO and OSF Health Plans, Inc. and 2) any existing or future plan if the carrier for the plan objects to such coverage on the basis of religious beliefs.

In implementing this section, any plan that enters into or renews a contract may not subject any individual to discrimination on the basis that the individual refuses to prescribe or otherwise provide for contraceptives because such activities would be contrary to the individuals' religious beliefs or moral convictions. Nothing in this term shall be construed to require coverage of abortion or abortion related services.

G(5.) Health Benefits Coverage for Abortions Restricted

Pursuant to P.L. 117-328, Division H, Title V, Section 506 and 507, Federal funds may not be expended for health benefits coverage that includes coverage of abortions, except when the pregnancy is the result of rape or incest, or in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself that would, as certified by a physician, place the women in danger of death unless an abortion is performed. This restriction does not prohibit any non-Federal entity from providing health benefits coverage for abortions when all funds for that specific benefit do not come from a Federal source. Additionally, no funds made available through this grant award may be provided to a State or local government if such government subjects any institutional or individual health care entity to discrimination on the basis that the health care entity does not provide, pay for, provide coverage of, or refer for abortions.

G(6.) Fair Labor Standards Act Amendment for Major Disasters

Pursuant to P.L. 117-328, Division H, Title I, Section 108, the Fair Labor Standards Act of 1938 (FLSA) will apply as if the following language was added to Section 7 (the Maximum Hours Worked Section). This language specifically relates to occurrences of a major disaster (as declared or designated by the state or federal government) and are applied for a period of two years afterwards. The language is as follows:

“(s)(1) The provisions of this section [maximum hours worked] shall not apply for a period of 2 years after the occurrence of a major disaster to any employee—

(B) employed to adjust or evaluate claims resulting from or relating to such major disaster, by an employer not engaged, directly or through an affiliate, in underwriting, selling, or marketing property, casualty, or liability insurance policies or contracts;

(C) who receives from such employer on average weekly compensation of not less than \$591.00 per week or any minimum weekly amount established by the Secretary, whichever is greater, for the number of weeks such employee is engaged in any of the activities described in subparagraph (C); and (C) whose duties include any of the following:

- (i) interviewing insured individuals, individuals who suffered injuries or other damages or losses arising from or relating to a disaster, witnesses, or physicians;
- (ii) inspecting property damage or reviewing factual information to prepare damage estimates;
- (iii) evaluating and making recommendations regarding coverage or compensability of claims or determining liability or value aspects of claims;
- (iv) negotiating settlements; or
- (v) making recommendations regarding litigation.

(2) The exemption in this subsection shall not affect the exemption provided by section 13(a)(1) [of the FLSA].

(3) For purposes of this subsection—

- (A) the term ‘major disaster’ means any disaster or catastrophe declared or designated by any State or Federal agency or department;
- (B) the term ‘employee employed to adjust or evaluate claims resulting from or relating to such major disaster’ means an individual who timely secured or secures a license required by applicable law to engage in and perform the activities described in clauses (i) through (v) of paragraph (1)(C) relating to a major disaster, and is employed by an employer that maintains worker compensation insurance coverage or protection for its employees, if required by applicable law, and withholds applicable Federal, State, and local income and payroll taxes from the wages, salaries and any benefits of such employees; and
- (C) the term ‘affiliate’ means a company that, by reason of ownership or control of 25% or more of the outstanding shares of any class of voting securities of one or more companies, directly or indirectly, controls, is controlled by, or is under common control with, another company.”

G(7.) Blocking Pornography Required

Pursuant to P.L. 117-328, Division H, Title V, Section 520, no Federal funds may be used to maintain or establish a computer network unless such network blocks the viewing, downloading, and exchanging of pornography.

G(8.) Privacy Act

No funds can be used in contravention of 5 U.S.C. 552a (the Privacy Act) or regulations implementing the Privacy Act.

G(9.) Procuring Goods Obtained Through Child Labor Prohibited

Pursuant to P.L. 117-328, Division H, Title I, Section 103, no Federal funds may be obligated or expended for the procurement of goods mined, produced, manufactured, or harvested or services rendered, in whole or in part, by forced or indentured child labor in industries and host countries identified by the DOL prior to December 29, 2022. DOL has identified these goods and services at ILAB’s [List of Products Produced by Forced or Indentured Child Labor](#) webpage.

G(10.) Promotion of Drug Legalization Restricted

Pursuant to P.L. 117-328, Division H, Title V, Section 509, no Federal funds shall be used for any activity that promotes the legalization of any drug or other substance included in Schedule I of the schedules of controlled substances established under Section 202 of the Controlled Substances Act except for normal and recognized executive-congressional communications or where there is significant medical evidence of a therapeutic advantage to the use of such drug or other substance or that federally sponsored clinical trials are being conducted to determine therapeutic advantage.

G(11.) Public Communications – Certain Information Requirement

Pursuant to P.L. 117-328, Division H, Title V, Section 505, when issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all non-Federal entities receiving Federal funds shall clearly state:

- 1) The percentage of the total costs of the program or project which will be financed with Federal money;
- 2) The dollar amount of Federal funds for the project or program; and
- 3) The percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

The requirements of this term are separate from those in 2 CFR Part 200 and, when applicable, both must be complied with.

G(12.) Purchase of Sterile Needles or Syringes Restricted

Pursuant to P.L. 117-328, Division H, Title V, Section 526, no Federal funds shall be used to purchase sterile needles or syringes for the hypodermic injection of any illegal drug. This limitation does not apply to the use of funds for elements of a program other than making such purchases if the relevant State or local health department, in consultation with the Centers for Disease Control and Prevention, determines that the State or local jurisdiction, as applicable, is experiencing, or is at risk for, a significant increase in hepatitis infections or an HIV outbreak due to injection drug use, and such program is operating in accordance with State and local law.

G(13.) Restrictions Against the Creation or Research of Embryos

Pursuant to P.L. 117-328, Division H, Title V, Section 508, no Federal funds shall be used for (1) the creation of a human embryo or embryos for research purposes; or (2) research in which a human embryo or embryos are destroyed, discarded, or knowingly subjected to risk of injury or death greater than that allowed for research on fetuses in utero under 45 CFR 46.204(b) and section 498(b) of the Public Health Service Act (42 U.S.C. 289g(b)). For purposes of this section, the term “human embryo or embryos” includes any organism, not protected as a human subjected under 45 CFR 46 as of December 29, 2022, that is derived by fertilization, parthenogenesis, cloning, or any other means from one or more human gametes or human diploid cells.

Part H: Attachments

- H(1.) Attachment A: SF-424
- H(2.) Attachment B: SF-424A
- H(3.) Attachment C: Budget Narrative
- H(4.) Attachment D: Statement of Work
- H(5.) Attachment E: Payment Management System Access Letter



City Council Agenda Report Agenda Item No. 10.b.

DATE: July 15, 2025

TO: Honorable Mayor and Members of the City Council

APPROVED BY: Rene Salas, City Manager

SUBMITTED BY: Adrian Garcia, MMC, City Clerk

SUBJECT: CONSIDERATION AND APPROVAL OF RESOLUTION NO. 25-068, OF AN EMERGENCY PURCHASE AND INSTALLATION OF AUDIO AND VISUAL COUNCIL CHAMBER EQUIPMENT

SUMMARY: Emergency Purchase and Installation of Council Chamber Equipment.

RECOMMENDED ACTION: Staff recommends City Council:

1. Find that there is a need to complete the emergency work;
2. Adopt the attached Resolution No. 25-068, by four-fifths vote, to determine that there is a need to proceed with emergency work for the purchase and installation of audio and visual Council Chamber Equipment; and
3. Approve an agreement with Western Audio Visual for the purchase and installation of the Council Chamber Equipment in an Amount not to exceed \$80,000.

FISCAL/FINANCIAL IMPACT: The emergency purchase will be made with Cable PEG funds and will not have any fiscal impact on the General Fund.

DISCUSSION: In order to comply with upcoming legislative requirements, the Council Chamber is in dire need of immediate equipment replacement due to its failure to Live Stream as well as record public meetings. Failure to immediately install new audio and visual equipment will likely result in greater work and expenses and potential government code violations.

The City's Public Works contracts are subject to Public Contract Code that requires public bidding. Public Contract Code Section 20160 et., part of the Local Agency Public Construction Act, governs the competitive bidding requirements applicable to cities regarding public works projects.

Section 20168 of the Public Contract Code provides that, in case of an emergency, a city legislative body may pass a resolution by a four-fifths vote of its members declaring that

the public interest and necessity demand the immediate expenditure of public money to safeguard life, health or property. Upon adoption of the resolution, the City may expend any sum required in the emergency without otherwise complying with the Local Agency Public Construction Act. However, if notice for bids to let contracts will not be given, the legislative body must comply with the emergency contracting procedures in Public Contract Code section 22050.

Public Contract Code section 22050 permits public agencies, in case of an emergency and following a four-fifth vote of the agency’s governing body, to repair or replace a public facility, to take any directly related and immediate action required by that emergency and to procure the necessary equipment, services and supplies for those purposes, without giving notice for bids to let contracts. However, before doing so, the agency must make a finding, based on substantial evidence set in the minutes of its meeting, that the emergency will not permit a delay resulting from a competitive solicitation for bids, and that the action is necessary to respond to the emergency.

Public Contract Code section 22050 requires that if the governing body takes action on an emergency contract, it must review the emergency action at its next regular meeting and at each subsequent regular meeting thereafter to determine, by a four-fifths vote, that there is a need to continue the action. The governing body is required to terminate the emergency contraction actions at the earliest possible date that conditions warrant so that regularly noticed bidding can resume.

There is a threat to the City and community due to the failure of being able to provide live streaming and remote participation. Failure to immediately purchase and install the audio and live stream equipment will likely result in greater repair work and expenses, due to potential violations. If the City were to attempt to go through regularly noticed bidding procedures it would take several months to bid and award the contract.

A quote was received from Western Audio Visual to replace and upgrade the City Council Chamber's digital equipment. Work is expected to be completed by August 29, 2025, since the City Council will be “going dark” during the month of August, the timing provides a perfect opportunity to address this emergency.

ATTACHMENT(S):

- A. Resolution No. 25-068 - Four-Fifths Emergency Work for City Hall Council Chambers
- B. Council Chamber Proposal

ATTACHMENT A

RESOLUTION NO. 2025-068

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH EL MONTE, CALIFORNIA, DECLARING AUTHORITY TO THE CITY MANAGER OR HIS DESIGNEE(S) PURSUANT TO PUBLIC CONTRACT SECTION 20168 AND 22050 TO ENTER INTO AN EMERGENCY PUBLIC WORKS CONTRACT

WHEREAS, the City of South El Monte ("City") is a municipal corporation and general law City; and

WHEREAS, City Hall Council Chambers currently does not have the ability to live stream or allow for public participation; and

WHEREAS, the City Clerk is currently unable to review prior council meeting actions due to the inability to record meetings; and

WHEREAS, recent legislation will require public agencies to provide video and audio public participation; and

WHEREAS, pursuant to Public Contract Code section 20162, expenditures over \$5,000 involving public works projects, shall be contracted for and let to the lowest responsible bidder after notice; and

WHEREAS, Public Contract Code section 20168, a part of the Local Agency Public Construction Act, provides that in case of an emergency, the legislative body of a local agency may pass a resolution by a four-fifths vote of its members declaring that the public interest and necessity demand the immediate expenditure of public money to safeguard life, health or property and, upon adoption of the resolution, permits expending any sum required in the emergency without complying with the act, subject to compliance with the emergency contracting procedures in Public Contract Code section 22050; and

WHEREAS, California Public Contract Code section 22050(a)(1) provides that in the case of an emergency, a public agency, pursuant to a four-fifths vote of its governing body, may repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let contracts; and

WHEREAS, California Public Contract Code section 22050(a)(2) provides that before the governing body takes any action pursuant to Public Contract Code Section 22050(a)(1), it shall make a finding, based on substantial evidence set forth in the minutes of its meeting, that the emergency will not permit a delay resulting from a competitive solicitation for bids, and that the action is necessary to respond to the emergency; and

WHEREAS, if the City Council pursuant to Public Contract section 22050(c)(1) orders any action specified in Section 22050(a)(1), the City Council shall review the

emergency action at its next regularly scheduled meeting and at every regularly scheduled meeting thereafter until the action is terminated, to determine, by a four-fifths vote, that there is a need to continue the action; and

WHEREAS, when the City Council reviews the emergency action, it shall terminate the action at the earliest possible date that conditions warrant so that the remainder of the emergency action may be completed by giving notice for bids to let contracts; and

WHEREAS, the estimated cost for the emergency repair work needed to repair the water line is expected to not exceed Eighty Thousand Dollars (\$80,000).

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of South El Monte as follows:

SECTION 1. The City Council, after consideration of the staff report and presentation, discussion, oral testimony, and evidence presented to the City Council, hereby finds that the above recitals are true and correct and incorporate them herein.

SECTION 2. The City Council hereby finds, based on substantial evidence set forth in this Resolution and accompanying staff report and in accordance with Section 20168 and 22050 of the Public Contract Code, that the needed emergency repairs to the City Hall Council Chambers will not permit a delay resulting from a competitive solicitation for bids, that the action to award the emergency contract is necessary to respond to the emergency, and that competitive proposals would be unavailing or would not produce an advantage, and that the advertisement for competitive bid would thus be undesirable or impractical.

SECTION 3. The City Council hereby authorizes the City Manager to execute the emergency repairs contract with Western Audio Visual in an amount not to exceed Eighty Thousand Dollars (\$80,000).

SECTION 4. Pursuant to Public Contract Code section 22050(a)(2), the City Clerk is directed to record in the minutes of the meeting at which this Resolution is adopted, the City Council findings and the evidence offered in support thereof, that the emergency repairs needed will not permit a delay resulting from a competitive solicitation for bids, that the emergency contract action is necessary to respond to the emergency.

SECTION 5. City Staff is directed to prepare a staff report to the City at its next and subsequent regular meetings why the emergency repairs would not permit a delay resulting from a competitive solicitation and why the emergency repair contract action was necessary to respond to the emergency, so that the City Council may review the emergency contract action at its next regular meeting and at subsequent regular meetings thereafter to determine, by a four-fifths vote, whether there is a need to continue the action, or whether conditions warrant to terminate the emergency contracting action so that regular noticed bidding can resume.

SECTION 6. The City Clerk shall attest and certify to the passage and adoption of this Resolution and enter it into the book of original resolutions, and it shall become effective

immediately upon its approval by a four-fifths (4/5) vote of the City Council.

PASSED, APPROVED and ADOPTED this 15th day of July 2025.

Gloria Olmos, Mayor

ATTEST:

Adrian Garcia, MMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF SOUTH EL MONTE)

I, Adrian Garcia, City Clerk of the City of South El Monte, do hereby certify that the foregoing Resolution, being Resolution No. 25-068, was passed and approved by the City Council of the City of South El Monte at a regular meeting of said Council held on the 15th day of July 2025, and that said Resolution was adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Adrian Garcia, MMC, City Clerk

PROPOSAL



Council Chamber

Quote Number: WESTERN-0111

Revision: 0

Proposal Date: 6/9/2025



Presented By:

Western Audio Visual & Security

1592 N. Batavia Street, Suite 2
Orange, CA 92857

Hailey Schellin
(949) 584-7028
haileys@wav1.com



Working With WAVS

OUR COMPANY PROFILE LET US BE YOUR GAME CHANGER



Years in the Industry
34



Top Ranked Service
#1



Million \$+ Projects
25+



Certifications
100+

Western Audio Visual & Security is a design-build audio visual and security firm specializing in the design, engineering, installation, and service of corporate, civic and education audio visual and security systems. While we are primarily a Southern California based company, our coverage extends north to the central California region and east to Nevada and Arizona.

Our team is made up of highly recognized industry veterans with over 30 years of experience integrating solutions within executive boardrooms, conference rooms, auditoriums, training rooms, video conferencing suites, command/control centers and corporate headquarters throughout Southern California and beyond.

Starting with AV budgeting exercises and following through to post installation support, the Western Audio Visual & Security team is well equipped to take any project from it's design stage to final installation.



Scope of Work

Written Scope is T.B.D

Council Chamber

Display System

Quantity	Manufacturer/Model	Unit Price	Extended Price
1	Western AV OFE Display & Mount [OFE]	\$0.00	\$0.00

Signal Distribution and Switching System

Quantity	Manufacturer/Model	Unit Price	Extended Price
1	AGPTEK Dedicated Media Player for Logo	\$44.43	\$44.43
5	Crestron DM-NVX-D200 DM NVX® 4K60 4:2:0 Network AV Decoder with Scaler (Displays 1-3, Presentation Feed and Room Audio, Spare)	\$666.67	\$3,333.35
5	Crestron DM-NVX-E30 DM NVX 4K60 4:4:4 HDR Network AV Encoder	\$794.44	\$3,972.20
1	Western AV Note Sources (2) Clerk / Staff Table (HDMI Only) (1) Dedicated PC for Civic Plus (HDMI Only) Dedicated Media Player for Logo Spare Encoder	\$0.00	\$0.00




Audio System

Quantity	Manufacturer/Model	Unit Price	Extended Price
8	Biamp Desono DX-IC6-W 6.5" High Efficiency Coaxial In-Ceiling Loudspeaker w/ HF compression driver. 8 Ohm or 70V/100V operation, white	\$161.11	\$1,288.88
3	Biamp TESIRA EX-LOGIC Tesira Poe Logic Expander With 16 Logic GPIO (4 GPIO Are Configurable For Potentiometer Interface)	\$428.89	\$1,286.67
1	Biamp TESIRA EX-UBT Expander Supports Up To 8 Channels Of Configurable USB Audio	\$555.56	\$555.56

Council Chamber

	1	Biamp Tesira Forte AVB VT Audio DSP	\$2,688.89	\$2,688.89
	1	Biamp TESIRACONNECT TC-5D 5-Port Expansion Device With AVB To Dante Bridging	\$1,101.11	\$1,101.11
	1	Biamp TESIRAFORTE AVB AI Digital Audio Server With 12 Analog Input And 8 Analog Output And Up To 8 Channel Of Configurable USB Audio	\$2,017.78	\$2,017.78
	1	Biamp Voltera A 600.4 Four-channel, 600-watt analog amplifier	\$944.44	\$944.44
	12	Clock Audio TS003 Touch Sensitive Microphone Mute Switch, Red & Green LED, (7 Dais, 5 Staff)	\$151.11	\$1,813.32
	13	Shure MX418/C microflex 18" cardioid gooseneck microphone	\$198.44	\$2,579.72

Control System

	Quantity	Manufacturer/Model	Unit Price	Extended Price
	1	Crestron CP4N 4-Series Control System	\$1,711.11	\$1,711.11
	1	Crestron TS-1070-B-S 10.1" Tabletop Touch Screen, Black Smooth	\$1,815.56	\$1,815.56
	1	NETGEAR GSM4248PX-100NAS 40x1G PoE+ 960W and 8xSFP+ Managed Switch (Americas)	\$2,696.67	\$2,696.67
	1	RCI Custom Plates Custom Custom I/O Audio Plate in Rear of Chamber	\$250.00	\$250.00

Camera & Broadcast System

	Quantity	Manufacturer/Model	Unit Price	Extended Price
	1	Blackmagic Design CONVMUDCSTD/HD Blackmagic Design Mini Converter UpDownCross HD	\$176.67	\$176.67

Shipping, Handling & Consumables

	Quantity	Manufacturer/Model	Unit Price	Extended Price
	1	Western AV Cable and Connectors	\$1,594.00	\$1,594.00
	1	Western AV Crestron Tariff Surcharge	\$389.96	\$389.96
	1	Western AV Equipment Rack Hardware Equipment Rack Hardware (Lacing Bars, Blanks, Vents, etc.)	\$594.00	\$594.00

1	Western AV Installing Hardware & Accessories	\$844.00	\$844.00
	Installing Hardware & Accessories		

Labor

Installation Labor

Quantity	Manufacturer/Model	Unit Price	Extended Price
1	Western AV Engineering & Drafting Engineering & Drafting costs include site walks, creation of drawings, design review, installer support, meetings etc.	\$0.00	\$5,066.56
1	Western AV Project Management Project Management costs include meetings, site walks, project coordination / scheduling etc.	\$0.00	\$3,400.08
1	Western AV: Closing & Commissioning Training, Closing, Commissioning costs include updating all devices to the latest firmware, testing, troubleshooting, device configuring and training clients.		\$3,966.76
1	Western AV: Installation Labor Installation Labor includes pre-wire structure building, cable pulling, device installation, equipment rack fabrications, and testing.		\$18,700.44
1	Western AV: Programming Programming costs include user interface designing, off-site and on-site programming.		\$6,400.00

Equipment:	\$31,698.32
Labor:	\$37,533.84
G & A:	\$460.70
Travel:	\$0.00
Bond:	\$0.00
Shipping:	\$839.94
Electronic Waste:	\$4.00

Council Chamber Subtotal Without Tax	\$70,536.80
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LOCATION SUMMARY

Location	Installed Price
Council Chamber	\$70,536.80
Grand Total:	\$70,536.80

PROJECT SUMMARY

COST BREAKDOWN

Equipment:	\$31,698.32
Labor:	\$37,533.84
G & A:	\$460.70
Travel:	\$0.00
Bond:	\$0.00
Shipping and Handling:	\$839.94
Electronic Waste Recycling:	\$4.00
Sales Tax:	\$3,335.17

Grand Total:	\$73,871.97
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PAYMENT TERMS

100% Equipment Upon Order, Progress Billing for Labor

This quote is valid for 30 days. The sales tax is subject to change—in the event of a an increase, the client agrees to pay the current sales tax rate. This proposal is not to be copied, reproduced or forward to any third party as its contents are the property of Western Audio Visual.

City of South El Monte	Adrian Garcia	Date
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WAVS	Hailey Schellin	Date
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This proposal includes the use of prevailing wage rates.



City Council Agenda Report

Agenda Item No. 10.c.

DATE: July 15, 2025

TO: Honorable Mayor and Members of the City Council

APPROVED BY: Rene Salas, City Manager

SUBMITTED BY: Rene Salas, City Manager

SUBJECT: CONSIDERATION AND APPROVAL OF RESOLUTION NO. 25-069, ADOPTING CONTRACT AMENDMENT NO. 3 WITH TOWNSEND PUBLIC AFFAIRS LLC FOR GRANT WRITING SERVICES

SUMMARY: The contract with Townsend Public Affairs LLC (Townsend) for grant-writing services expired on June 30, 2025. Staff recommends City Council adopt Resolution No. 25-069, adopting Amendment No. 3 to extend the term of the agreement with Townsend for three (3) years through June 30, 2028, and increasing the scope of grant-writing services to cover all possible State and Federal grants for Public Works, Parks, Buildings, Transportation, and other.

RECOMMENDED ACTION: Staff recommends City Council adopt Resolution No. 25-069, adopting Contract Amendment No. 3 with Townsend.

FISCAL/FINANCIAL IMPACT: The fiscal impact is \$114,000 (\$9,500 per month), which is budgeted in the General Fund.

DISCUSSION: On March 23, 2022, the City entered into an agreement with Townsend to provide consulting services related to obtaining grant funding and legislative advocacy for the period March 23, 2022, through June 30, 2022.

On September 13, 2022, the City adopted Amendment No. 1 to extend the term of the agreement through June 30, 2023.

Effective July 1, 2023, the City adopted Amendment No. 2 to extend the term of the agreement through June 30, 2025.

Since March 23, 2022, Townsend has been successfully serving the City by conducting detailed research and analyses; developing legislative strategies and implementing those strategies; preparing and submitting progress reports; and filing lobbying disclosure reports. To date, Townsend has helped the City obtain \$4.8 million in grant funding for various City projects. Staff would like to continue this relationship to seek more grants

for the City.

Staff recommends City Council adopt Resolution No. 25-069 adopting Amendment No. 3 to extend the term of the agreement with Townsend for three (3) years through June 30, 2028 (Attachment A). Staff also recommends that the City Council authorize the City Manager to execute Amendment No. 3.

ATTACHMENT(S):

- A. Resolution No. 25-069 Townsend Public Affairs
- B. Amendment 3
- C. South El Monte Advocacy Proposal
- D. South El Monte Grant Writing Proposal

ATTACHMENT A

RESOLUTION NO. 25-069

A RESOLUTION OF THE SOUTH EL MONTE CITY COUNCIL
APPROVING AMENDMENT NO. 3 TO THE AGREEMENT
FOR CONTRACTUAL SERVICES WITH TOWNSEND PUBLIC
AFFAIRS LLC

WHEREAS, the existing agreement for contractual services expired on June 30, 2025; and

WHEREAS, Townsend Public Affairs (Townsend) has been successful in securing grants for the City; and

WHEREAS, the City would like to extend the term of the agreement with Townsend for an additional three (3) years with a monthly fee of \$9,500 through June 30, 2028.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH EL MONTE DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City and Townsend Public Affairs have agreed to enter into contract Amendment No. 3 to extend the term of the agreement through June 30, 2028, with a monthly fee of \$9,500 (Attachment B of the Staff Report).

SECTION 2. The City Clerk shall certify to the passage and adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this 15th day of July 2025.

Gloria Olmos, Mayor

ATTEST:

Adrian Garcia, MMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF SOUTH EL MONTE)

I, Adrian Garcia, City Clerk of the City of South El Monte, hereby certify that the foregoing Resolution, being Resolution No. 25-069, was duly passed and approved by the City Council of the City of South El Monte at a regular meeting of said Council held on the 15th day of July 2025, and that said Resolution was adopted by the following vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

Adrian Garcia, MMC, City Clerk

ATTACHMENT B

AMENDMENT NO. 3

TO AGREEMENT FOR CONTRACTUAL SERVICES

THIS AMENDMENT TO THE AGREEMENT FOR CONTRACT SERVICES (“Amendment”) by and between the **CITY OF SOUTH EL MONTE** (“City”) and **TOWNSEND PUBLIC AFFIARS LLC** (“Consultant”) is effective as of the 1st day of July, 2025.

RECITALS

A. City and Consultant entered into an Agreement for Contract Services dated 23rd day of March 2022, (“Agreement”) whereby Consultant agreed to provide legislative advisory services through June 30, 2022.

B. City and Consultant adopted Amendment 1 to extend the term of the agreement through June 30, 2023.

C. City and Consultant adopted Amendment 2 to extend the term of the agreement through June 30, 2025.

D. The City and Consultant would now like to adopt Amendment 3 to extend the term of the agreement through June 30, 2028.

E. City and Consultant agree that the monthly rate for services from 1st day of July 2025 shall be \$9,500 per month, or \$114,000 per fiscal year.

TERMS

1. **Contract Changes.** The Agreement is amended as provided herein. Deleted text is indicated in ~~strikethrough~~ and added text in ***bold italics***.

A. Compensation

2.1 Contact Sum. For the services rendered pursuant to this Agreement, Consultant shall be compensated in accordance with the “Schedule of Compensation” attached hereto as Exhibit “C” and incorporated herein by this reference, but not exceeding the maximum amount of ~~TWENTYTHOUSAND DOLLARS AND NO CENTS (\$20,000)~~ ***EIGHTY ONE THOUSAND AND NO CENTS (\$81,000)*** (Contract Sum).

B. Term

3.4 Term. Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services ***and during the time period of July 1, 2022 to June 30, 2023*** but not exceeding four months from ~~the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit “D”).~~ The

City may, in its sole discretion, extend the Term for six additional months. ~~two additional one year terms.~~

C. Exhibit “C” Schedule of Compensation

I. Consultant shall perform the following Services at the following rates:

Legislative Advocacy Services	
Term: March 23, 2022 – June 30, 2022	\$5,000 Per Month*
Term: July 1, 2022 to June 30, 2023 Term: July 1, 2025 to June 30, 2028	\$9,500 Per Month
State and Federal Legislative Advocacy	
• Conduct Detailed Orientation	Included
• Develop Legislative Strategy	Included
• Implement the Legislative Strategy	Included
• Build and Strengthen Relevant Relationships	Included
• Leverage Relationships for Strategic Advocacy Plan	Included
• Coordinate Advocacy Trips	Included
• Track Legislation	Included
• Craft Testimony and Position Letters	Included
• Draft Bill Language	Included
• State Budget Funding Opportunities	Included
• Federal Earmark Opportunities	Included
• Provide Progress Reports	Included
• Prepare and File Lobbying Disclosure Reports	Included
* The monthly fee includes all reasonable business and travel expenses	

D. Exhibit “D” Schedule of Performance

I. Consultant shall perform all services timely in accordance with the following schedule:

~~Project term is March 23, 2022—June 30, 2022. Consultant shall complete all services rendered hereunder no later than June 30, 2022. All services conducted shall be timely and in accordance with the schedule agreed to by both Parties.~~

2. **Continuing Effect of Agreement.** Except as amended by this Amendment, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement, as amended by this Amendment to the Agreement.

3. **Affirmation of Agreement; Warranty Re Absence of Defaults.** City and Consultant each ratify and reaffirm each and every one of the respective rights and obligations arising under the Agreement. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than as provided herein. Each party represents and warrants to the other that the Agreement is currently an effective, valid, and binding obligation.

Consultant represents and warrants to City that, as of the date of this Amendment, City is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

City represents and warrants to Consultant that, as of the date of this Amendment, Consultant is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

4. **Adequate Consideration.** The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment.

5. **Authority.** The persons executing this Amendment on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Amendment on behalf of said party, (iii) by so executing this Amendment, such party is formally bound to the provisions of this Amendment, and (iv) the entering into this Amendment does not violate any provision of any other agreement to which said party is bound.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

CITY:

CITY OF SOUTH EL MONTE, a municipal corporation

Rene Salas, City Manager

ATTEST:

Adrian Garcia, MMC, City Clerk

APPROVED AS TO FORM:

OLIVAREZ MADRUGA LAW ORGANIZATION, LLP

Susie Altamirano, City Attorney

CONTRACTOR:

CONSULTANT

By: _____
Name: Christopher Townsend
Title: President

By: _____
Name: Christopher Townsend
Title: Secretary

Address: Townsend Public Affairs
1401 Dove Street, Suite 330
Newport Beach, CA 92660

IF APPLICABLE: Two corporate officer signatures required when Contractor is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer.

TOWNSEND
PUBLIC AFFAIRS
EST **TPA** 1998

SACRAMENTO • WASHINGTON D.C.
NORTHERN CALIFORNIA • CENTRAL CALIFORNIA
SOUTHERN CALIFORNIA



**Proposal for
State & Federal Legislative
Advocacy Services**

July 9, 2025

TOWNSEND

PUBLIC AFFAIRS

EST TPA 1998

July 9, 2025

Rene Salas, City Manager
City of South El Monte
1415 Santa Anita Avenue
South El Monte, CA 91733

Dear Mr. Salas:

Thank you for the opportunity for Townsend Public Affairs, Inc. ("TPA") to submit our proposal for State & Federal Legislative Advocacy Services to the City of South El Monte ("City"). TPA has proudly represented the City since 2022, securing **over \$4.5 million** in funding for critical community projects and advancing the City's legislative priorities at both the State Capitol and in Washington, D.C.

Since our inception in 1998, TPA has earned the reputation as a ***Champion for Better Communities*** by providing the experience, resources, and relationships expected from a premier legislative advocacy and grant writing firm while also giving clients the unique brand of customer service they deserve: personal attention, maximum accessibility, and passion for their mission.

Our strategic approach to advocacy and funding is tailored to meet each client's individual needs. We leverage the breadth and depth of our team and our vast network of relationships with key stakeholders and decision makers.

Over the years, TPA has been proud to secure more than **\$3.2 billion in competitive grants and appropriations** and to successfully advance more than **150 pieces of legislation** on behalf of our clients. But beyond the numbers, what sets us apart is our dedication to helping communities like South El Monte turn bold ideas into reality—whether securing new funding, shaping statewide policy, or protecting vital resources that your residents rely on.

Thank you again for your interest in our firm and consideration of this proposal. Please contact us if you have any questions or need additional information. We have been honored to serve the City since 2022 and would be honored to continue to serve the City of South El Monte.

Yours truly,



Christopher Townsend
President



FIRM OVERVIEW

TPA is a state and federal legislative advocacy and grant writing firm that provides lobbying and funding services to public agencies and nonprofit organizations throughout California.

- **Founder/Owner/President:** Christopher Townsend
- **Advocacy Success:** Shepherded **over 150** client-sponsored legislative proposals into law
- **Funding Success:** Over **\$3.2 billion** in state, federal, and local government grants as well as grants from nonprofit organizations and private companies
- **Longevity:** 26 years (founded in 1998)
- **Number of Employees:** 23
- **Number of Registered State and Federal Lobbyists and Grant Writers:** 18
- **Number of Offices: Five**
 - TPA State Capitol Office, Sacramento
 - TPA Federal Office, Washington, DC
 - TPA Northern California Office, Oakland
 - TPA Central California Office, Fresno
 - TPA Southern California Office, Newport Beach
- **Types of Clients:**
 - City Governments
 - County Governments
 - Water and Sanitation Districts
 - Transportation Districts
 - K–12 School Districts
 - Community College Districts
 - Parks and Recreation Districts
 - Fire Protection Districts
 - Museums, Science Centers, and Cultural Facilities
- **Areas of Specialization:**
 - Local Governance (Cities, Counties, Special Districts)
 - Transportation Policy and Infrastructure
 - Water and Sanitation Policy and Infrastructure
 - Education Policy and Infrastructure
 - Housing and Economic Development
 - Parks and Community Facilities (Recreational, Cultural, Historical)
 - Energy, Environment, and Natural Resources
 - Public Safety
 - Budget and Finance
- **Ranking by Revenue Reported to the California Secretary of State:**
 - 5th of 491 Firms Registered for Q1 of the 2025–26 Legislative Session
 - 99th Percentile
- TPA is ranked as **one of the top 100 federal lobbying firms** and represents more California public agencies in Washington, DC than any other advocacy firm in the nation.



ACHIEVEMENTS ON BEHALF OF THE CITY OF SOUTH EL MONTE

Since 2022, TPA has served as a dedicated strategic partner to the City, providing comprehensive state and federal funding advocacy services. Through a close working relationship with City leadership and staff, TPA has played a key role in advancing the City's funding goals by identifying high-priority projects and aligning them with appropriate state, and federal funding opportunities. TPA works collaboratively with various City departments to develop and implement a tailored strategic funding plan designed to maximize grant competitiveness and position the City for long-term financial sustainability. This has included regular participation in strategy sessions, and ongoing communication with our designated point of contact to ensure alignment with evolving City priorities. TPA's proactive and collaborative approach has enhanced the City's capacity to pursue and win funding, enabling City leaders to more effectively plan, fund, and implement transformative projects that benefit the community.

TPA has been proud to partner with the City of South El Monte to secure critical funding that supports community priorities and long-term growth. The chart below highlights several recent successes, reflecting our strategic approach to identifying opportunities and delivering results.

PROGRAM	PROJECT	AWARD
FY 2024 Community Project Funding	New Temple Park	\$850,000
LA Metro 5310 Grant	Dial-A-Ride Electric Van Acquisition	\$216,000
FY 2022 Community Project Funding	Merced Avenue Greenway Project	\$3,000,000
SCAG Sustainable Communities Grant	Comprehensive Zoning Code Update	\$200,000
Caltrans Sustainable Transportation Planning Grant	Rosemead Corridor Enhancement Plan	\$301,002
CalFIRE Fire Prevention Grant	CERT Funding	\$15,000
LA Metro 5310 Grant	Dial-A-Ride Modernization Project	\$272,000
TOTAL FUNDING SECURED: \$4,854,002		



STATE LEGISLATIVE ADVOCACY ACHIEVEMENTS

Policy Sector	Issue	Outcome Of Lobbying Efforts
Municipal Management	Local Control	<ul style="list-style-type: none"> AB 2339 (Gipson, 2018) signed into law to permit cities to sell their drinking water property in special circumstances Secured a state audit request of the State Department of Health Care Services due to its management of sober living homes SB 927 (Anderson, 2016) signed into law to permit public utility districts to establish district boundaries without legislation.
	Local Infrastructure Revenue	<ul style="list-style-type: none"> Several bills signed into law to facilitate the voter consideration of local revenue measures Worked with numerous local governments on elements of redevelopment dissolution to maximize contractual obligations and implementation of local plans
	Cannabis	<ul style="list-style-type: none"> AB 2020 (Quirk, 2018), signed into law to allow cities to approve temporary cannabis events Led a coalition to help pass California’s first medicinal cannabis regulatory framework legislation
Transportation	Local Streets & Roads	<ul style="list-style-type: none"> AB 2496 (Petrie-Norris, 2022) signed into law to mitigate loud vehicle noise Relinquishment of certain sections of Highway 1, SR 133, Beach Boulevard, and other state highway systems to the jurisdiction of local cities
	Transit Districts	<ul style="list-style-type: none"> AB 3177 (Chavez, 2018) signed into law to permit the North County Transit District to negotiate procurements on the open market AB 354 (Nguyen, 2023) signed into law to expand SacRT’s Board of Directors AB 1052 (McCarty, 2023) signed into law to enable SacRT to limit potential future tax measures to jurisdictions within its boundary
	Vehicle Code	<ul style="list-style-type: none"> AB 705 (Lowenthal, 2023) signed into law to expand the allowable length of a vehicle that could be defined as an autoette
Water & Sanitation	Water Quality	<ul style="list-style-type: none"> AB 2022 (Gordon, 2016) first bill signed into law in the nation to allow the bottling of advanced recycled water for educational purposes
	Water District Formation	<ul style="list-style-type: none"> SB 634 (Wilk, 2017) signed into law to consolidate multiple existing water agencies to create the Santa Clarita Valley Water Agency
	Sanitation Infrastructure	<ul style="list-style-type: none"> SB 991 (Newman, 2022) signed into law to permit local agencies to use progressive design-build for water projects
Housing & Community Development	Homelessness	<ul style="list-style-type: none"> Creation of the Homelessness Emergency Aid Program (HEAP) to provide funding to cities, counties, and continuums of care Creation of the Homeless Housing, Assistance, and Prevention (HHAP) Grant Program AB 1285 (Wicks, 2023), signed into law to require continuums of care to provide evidence of encampment resolution impacts in regionally coordinated homelessness action plans



		<ul style="list-style-type: none"> AB 2011 (Wicks, 2022) signed into law to construct 2 million units of affordable and mixed-income housing along transit-friendly commercial corridors
	Affordable Housing	<ul style="list-style-type: none"> SB 593 (Wiener, 2023) signed into law to finance affordable housing units SB 591 (2021, Becker) signed into law to increase the production of intergenerational housing developments
	Community Development	<ul style="list-style-type: none"> AB 1486 (Ting, 2019) signed into law to clarify and strengthen provisions in the Surplus Land Act to promote the use of public land for affordable housing projects.
Recreation & Natural Resources	Park and Recreation Facilities	<ul style="list-style-type: none"> Implementation of Prop 68, which allocated \$4 billion to parks and recreation programs SB 5 (De Leon, 2017) signed into law to allocate \$3.5 billion in state funding for parks, drought/water, and flood protection programs Secured amendments to AB 1737 (2022, Holden) to protect cities from several onerous requirements related to the operation of day camps
	Energy	<ul style="list-style-type: none"> Secured amendments to SB 379 (2022, Weiner) to protect cities utilizing online, automated platforms for issuing solar-energy system permits
Public Safety	Crime Reduction	<ul style="list-style-type: none"> AB 645 (Friedman, 2023) signed into law to implement speed safety system pilot programs SB 1079 (2022, Portantino) signed into law to permit the use of sound-activated devices to prevent loud, modified exhaust systems
	E-Bike Safety	<ul style="list-style-type: none"> SB 381 (Min, 2023) signed into law to require a study on electric bicycles and the safety of riders and pedestrians
	Local Law Enforcement	<ul style="list-style-type: none"> Establishment of the North Orange County Public Safety Collaborative
	Emergency Management	<ul style="list-style-type: none"> AB 2553 (Ting, 2019) signed into law to expand an emergency shelter pilot program statewide
Education	Community College Districts	<ul style="list-style-type: none"> AB 1173 (Ta, 2023) signed into law to require local educational agencies (LEA) serving grades 9 to 12 to notify community college districts when holding career fairs Worked with a coalition of community college and K12 stakeholders to implement and fund the California Adult Education Program.
	School Facilities	<ul style="list-style-type: none"> SB 1406 (Mendoza, 2016) signed into law, protecting community colleges from frivolous lawsuits

FEDERAL LEGISLATIVE ADVOCACY ACHIEVEMENTS

Policy Sector	Issue	Outcome of Lobbying Efforts
Local Control & Local Budget	COVID-19 Pandemic Messaging	<ul style="list-style-type: none"> Helped lead the creation and passage of the CARES Act and the American Rescue Plan (ARPA) Crafted regional advocacy letters to urge for increased local relief funding Coordinated with the National League of Cities and the White House to utilize and distribute TPA templates, models, and language regarding COVID-19 messaging Facilitated conversations between the Department of Treasury and local public agencies regarding the implementation and reporting of CARES Act and ARPA funds
	Wireless Infrastructure	<ul style="list-style-type: none"> Obtained a copy of the draft text of the wireless infrastructure bill that threatened local control Using both statistics and anecdotal evidence, advocated against provisions that would challenge local control, resulting in the mitigation of provisions upon introduction
	Local Funding	<ul style="list-style-type: none"> Successfully advocated for reauthorization and return of funding for the Secure Rural Schools/Payment instead of Taxes programs
	State & Local Tax Deduction	<ul style="list-style-type: none"> Modified provision from tax legislation that would have impacted local public agency general fund budgets
	Sober Living Homes	<ul style="list-style-type: none"> Negotiated public messaging on the issue Influenced witnesses and premises for sober living hearing Proposed amendment to circumvent controversial provisions; the amendment was adopted by the House committee Pushed for House and Senate passage of opioids package, including sober living provision in each version—both packages passed with sober living provision intact
Transportation & Infrastructure	Streets, Roads, Public Transit, Highways, & Airports	<ul style="list-style-type: none"> Successfully advocated for continued or increased funding for four out of five federal transportation infrastructure programs between Fiscal Years 2018 and 2019, with the fifth program receiving a one-time tripling of funding in Fiscal Year 2018
Water	Water	<ul style="list-style-type: none"> Successfully advocated for an increase in funding for Bureau of Reclamation WaterSMART grant programs Authorized millions of dollars in funding for clients through the 2022 WRDA process
Affordable Housing, Homelessness, & Community Development	Homelessness	<ul style="list-style-type: none"> Secured direct HUD funding for innovative programs to provide temporary housing and rehabilitation to homeless individuals
	Private Activity Bonds	<ul style="list-style-type: none"> Negotiated the removal of a provision from tax legislation that would have impacted key financing tools for new construction
	Community Development Block Grants	<ul style="list-style-type: none"> Successfully advocated for maintained funding for HUD Community Development Block Grants between Fiscal Years 2017 and 2019
Public Safety & Emergency Management	Anti-Crime Provisions	<ul style="list-style-type: none"> Inserted rural gang priority language in House and Senate Appropriations Committee Report Created a regional coalition of Central California cities and law enforcement agencies to advocate for prioritizing rural gang violence
	Local Law Enforcement	<ul style="list-style-type: none"> Increased local police presence through securing funding from the U.S. Department of Justice COPS program
	Firefighter Grants	<ul style="list-style-type: none"> Successfully advocated for the continuation of funding for FEMA firefighter grants
Education	Public Education	<ul style="list-style-type: none"> Authorized \$30 million for California Maritime Centers of Excellence through the 2022 National Defense Authorization Act (NDAA)



EXAMPLES OF SUCCESSFUL STATE & FEDERAL EARMARKS

TPA is proud to have secured **\$3,850,000** in federal Community Project Funding for two critical City projects. Additionally, we are actively engaged in the current appropriations process on behalf of the City, with one pending earmark in the amount of \$2,000,000 for improvements to the New Temple Park facility.

The following charts detail TPA’s success in securing state and federal earmarks over the past several years. For each award, TPA strategized with our clients to identify priority projects and transform them into budget requests. TPA then worked closely and diligently with state and federal legislators, their staff, relevant committee members, and other key stakeholders to ensure our client projects were included in the final official budget.

STATE BUDGET EARMARKS		
Year	Total Number of Projects	Total Amount Awarded
2023-2024	55	\$73,910,000
2022-2023	42	\$200,950,000
2021-2022	30	\$377,715,020
2019-2020	15	\$36,230,000
TOTAL STATE BUDGET EARMARKS SECURED: \$688,805,020		

FEDERAL EARMARKS		
Year	Total Number of Projects	Total Amount Awarded
2024	52	\$57,599,445
2023	34	\$60,390,094
2022	30	\$59,060,357
TOTAL FEDERAL EARMARKS SECURED: \$177,049,896		

OVERALL FUNDING ACHIEVEMENTS

This table provides an overview of our funding achievements on behalf of our clients from state, federal, and local government agencies and private and nonprofit grant programs. These amounts represent grants secured through a competitive and/or legislative process and do NOT include any funds awarded to clients via formulas or related forms of funding entitlements.

Policy Area	State Funding	Federal Funding	All Sources
Water and Sanitation	\$134 Million	\$24.8 Million	\$159 Million
Transportation	\$766 Million	\$388 Million	\$1,154 Million
Education	\$257 Million	\$49.9 Million	\$306 Million
Parks and Recreation	\$306 Million	\$38.9 Million	\$345 Million
Cultural Resources	\$140 Million	\$14.3 Million	\$154 Million
Housing and Development	\$812 Million	\$42.2 Million	\$854 Million
Public Safety	\$161 Million	\$102.1 Million	\$263 Million
TOTAL	\$2.5 Billion	\$627 Million	\$3.2 Billion

A DETAILED 20-PAGE SCHEDULE OF OUR STATE, FEDERAL, AND LOCAL GRANT FUNDING ACHIEVEMENTS CAN BE PROVIDED UPON REQUEST



SCOPE OF SERVICES

TPA will utilize the following strategic and comprehensive approach to provide state and federal legislative advocacy services to the City:

- **Conduct Detailed Orientation:** TPA utilizes a comprehensive onboarding process that includes extensive meetings with various relevant members of City leadership and key City departments to help develop a strategic plan that is carefully tailored to satisfy the needs of the City and is designed for maximum success in the current political climate and funding environment.
- **Develop Legislative Strategy:** Utilizing the information gathered during the onboarding process, TPA will coordinate with the City to develop an official legislative platform and strategy representing the City's priorities in Sacramento and Washington, DC. This blueprint will be shared with key stakeholders in the State Legislature and Governor's Administration, as well as Congress and the Trump Administration.
- **Implement the Legislative Strategy:** TPA will advocate for the City's legislative agenda utilizing the following methods:
 - **Build and Strengthen Relevant Relationships:** TPA has cultivated a network of valuable relationships that will be leveraged to promote the City's legislative agenda.
 - **Leverage Relationships for Strategic Advocacy Plan:** TPA will engage various techniques to leverage our network of key relationships on behalf of the City:
 - Schedule meetings for the City to discuss relevant legislation
 - Prepare all briefing materials and talking points for the City
 - Brief legislative offices and stakeholders on the City's legislative agenda
 - Follow-up on meetings to ensure commitments and deliverables are being met
 - **Coordinate Advocacy Trips:** TPA will work with the City to coordinate advocacy trips to Sacramento and Washington, DC, to meet with the City's legislative delegation and legislators who serve on committees relevant to the City's agenda. Furthermore, whenever possible, TPA will also schedule legislators' site visits to the City.

For advocacy trips to Washington, DC, TPA will handle all details of the trip, including, but not limited to:

- Planning and scheduling of meetings
- Providing logistical support, including airport pickups, hotel pickups, and travel to and from meetings
- Providing access to a private office within walking distance to the Hill and with immediate access to the Metro
- Coordinating all meal reservations, including scheduling with key members to attend
- Access to the National Democratic Club
- Access to the Capitol Hill Club
- (National Republican Club of Capitol Hill)
- Organizing any additional activities of interest (White House tour, VIP Capitol Tour, Monument Tour, African American Museum tickets, etc.)



- **Track Legislation:** TPA will identify, analyze, and monitor all bill introductions and amendments relevant to the City's legislative platform and assess their potential impact on the City.
- **Craft Testimony and Position Letters:** TPA will prepare and submit written and verbal testimony regarding legislation relevant to the City. TPA will also draft and deliver position letters to legislators and key officials on specific bill language.
- **Draft Bill Language:** TPA will draft language and amendments for relevant legislation, as required to protect and promote the City's agenda.
- **Engage in the Rule-Making Process:** TPA will coordinate with the City to engage during the federal rule-making process to ensure the City's legislative agenda is being promoted and protected in Washington, DC. Engagement activities will include crafting and publishing public comments and contacting legislators to convey either support or opposition to the proposed rule.
- **State Budget Funding Opportunities:** To maximize state funding, TPA will work with the City to identify projects and other funding priorities suitable for funding through the State Budget. TPA will coordinate with the City to develop supporting materials for the budget request. TPA will also work with members of the City's state legislative delegation, along with the Assembly and Senate Budget Committees, to gain support for the inclusion of the City's project in the final State Budget approved by the Legislature.
- **Federal Earmark Opportunities:** To maximize federal funding, TPA will work with the City to identify projects and other funding priorities that may be suitable for funding through the Federal Earmark process. TPA will coordinate with the City to develop supporting materials for the earmark request. TPA will also work with members of the City's federal legislative delegation to gain support for the inclusion of the City's project.
- **Provide Progress Reports:** TPA will confer regularly with the City on our activities and provide timely electronic reports on the status of all legislative activity, such as bill language, amendments, and committee analyses. In addition to written reports, TPA will be available to the City for conference calls, in-person briefings, and meetings.
- **Prepare and File Lobbying Disclosure Reports:** TPA will prepare and file all applicable state and federal lobbying disclosure reports on behalf of the City.

FEE SCHEDULE

ALL-INCLUSIVE RETAINER:

DESCRIPTION OF SERVICES	MONTHLY FEE
State and Federal Legislative Advocacy Services	\$6,750*
• Conduct Detailed Orientation	Included
• Develop Legislative Strategy	Included
• Implement the Legislative Strategy	Included
• Build and Strengthen Relevant Relationships	Included
• Leverage Relationships for Strategic Advocacy Plan	Included
• Coordinate Advocacy Trips	Included
• Track Legislation	Included
• Craft Testimony and Position Letters	Included
• Draft Bill Language	Included
• Engage in the Rule-Making Process	Included
• State Budget Funding Opportunities	Included
• Federal Earmark Opportunities	Included
• Provide Progress Reports	Included
• Prepare and File Lobbying Disclosure Reports	Included
<i>*The monthly fee includes all reasonable business and travel expenses.</i>	
ANNUAL NOT-TO-EXCEED AMOUNT FOR THREE YEAR CONTRACT: \$81,000	



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SOUTHERN CALIFORNIA



**Proposal for
Grant Writing Services**

January 3, 2025

TOWNSEND
PUBLIC AFFAIRS
EST TPA 1998

January 3, 2025

Rene Salas, City Manager
City of South El Monte
1415 Santa Anita Avenue
South El Monte, CA 91733

Dear Mr. Salas:

Thank you for the opportunity for Townsend Public Affairs, Inc. ("TPA") to submit our proposal for Grant Writing Services to the City of South El Monte ("City"). Since 2022, TPA has been the proud legislative advocate for the City, helping champion its state and federal priorities and secure **\$4,854,002** in competitive funding for priority projects.

Since its inception in 1998, TPA has earned the reputation as a ***Champion for Better Communities*** by providing the experience, resources, and relationships expected from a premier legislative advocacy and grant writing firm while also giving clients the unique brand of customer service they deserve: personal attention, maximum accessibility, and passion for their mission.

Our strategic approach to advocacy and funding is tailored to meet the individual needs of each client by leveraging the breadth and depth of our team as well as our vast network of relationships with key stakeholders and decision makers.

Utilizing this method on behalf of our clients, TPA has secured over \$3.2 billion in competitive funding from state, federal, and local government agencies and provided strategic guidance in over 100 different funding programs.

Thank you again for your interest in our firm and your consideration of this proposal. Please contact us if you have any questions or need additional information. TPA has been honored to serve as the City's legislative advocate since 2022 and we would be honored to serve the City of South El Monte in an expanded capacity.

Yours truly,



Christopher Townsend
President



FIRM OVERVIEW

TPA is a state and federal legislative advocacy and grant writing firm that provides lobbying and funding services to public agencies and nonprofit organizations throughout California.

- **Founder/Owner/President:** Christopher Townsend
- **Advocacy Success:** Shepherded **over 150** client-sponsored legislative proposals into law
- **Funding Success:** Over **\$3.2 billion** in state, federal, and local government grants as well as grants from nonprofit organizations and private companies
- **Longevity:** 26 years (founded in 1998)
- **Number of Employees:** 22
- **Number of Registered State and Federal Lobbyists and Grant Writers:** 17
- **Number of Offices: Five**
 - TPA State Capitol Office, Sacramento
 - TPA Federal Office, Washington, DC
 - TPA Northern California Office, Oakland
 - TPA Central California Office, Fresno
 - TPA Southern California Office, Newport Beach
- **Types of Clients:**
 - Fire Protection Districts
 - City Governments
 - County Governments
 - Water and Sanitation Districts
 - Transportation Districts
 - K–12 School Districts
 - Community College Districts
 - Parks and Recreation Districts
 - Museums, Science Centers, and Cultural Facilities
- **Areas of Specialization:**
 - Public Safety
 - Energy, Environment, and Natural Resources
 - Local Governance (Cities, Counties, Special Districts)
 - Transportation Policy and Infrastructure
 - Water and Sanitation Policy and Infrastructure
 - Education Policy and Infrastructure
 - Housing and Economic Development
 - Parks and Community Facilities (Recreational, Cultural, Historical)
 - Budget and Finance
- **Ranking by Revenue Reported to the California Secretary of State:**
 - 8th of 491 Firms Registered for the 2023–24 Legislative Session
 - 99th Percentile
- **More California public agencies** have hired TPA to represent them in **Washington, DC** than any other advocacy firm in the nation.



FUNDING ACHIEVEMENTS ON BEHALF OF THE CITY

PROGRAM	PROJECT	AWARD
FY 2024 Federal Earmark	New Park Facility	\$850,000
LA Metro 5310 Grant	South El Monte Dial-A-Ride Electric Van Acquisition	\$216,000
FY 2022 Federal Earmark	Merced Avenue Greenway Project	\$3,000,000
SCAG Sustainable Communities Program	Comprehensive Zoning Code Update	\$200,000
Caltrans Sustainable Transportation Planning Grant Program	Rosemead Corridor Enhancement Plan	\$301,002
CalFIRE Fire Prevention Grant	South El Monte CERT	\$15,000
LA Metro 5310 Grant	Dial-A-Ride Modernization Project	\$272,000
TOTAL FUNDING SECURED: \$4,854,002		

GRANT WRITING EXPERIENCE

As the premier grant writing and advocacy firm for California municipalities, TPA has extensive experience in providing customized and effective grant writing services and has built a robust reputation by providing these services to more than 250 diverse cities throughout the state. With valuable state and federal agency relationships, an expansive understanding of countless funding programs in a wide range of policy areas, and the capacity to pursue any and all relevant opportunities, TPA has achieved **over \$3.2 billion** in funding success on behalf of clients and has maintained a trusted client base by ensuring seamless and timely communication. The funding secured has been allocated toward projects that positively impact local communities, such as transportation infrastructure improvements, workforce development programs, regional public safety initiatives, and community beautification projects.

This table provides an overview of our grant funding achievements on behalf of our clients from state, federal, and local government agencies as well as private and nonprofit grant programs. These amounts represent grants secured through a competitive and/or legislative process.

Policy Area	State Funding	Federal Funding	All Sources
Water and Sanitation	\$134 Million	\$21.6 Million	\$155 Million
Transportation	\$734 Million	\$409.5 Million	\$1,143 Million
Education	\$256 Million	\$49.9 Million	\$306 Million
Parks and Recreation	\$306 Million	\$38.9 Million	\$345 Million
Cultural Resources	\$140 Million	\$14.2 Million	\$154 Million
Housing and Development	\$797 Million	\$42.2 Million	\$840 Million
Public Safety	\$157 Million	\$99.8 Million	\$257 Million
TOTAL	\$2.5 Billion	\$676 Million	\$3.2 Billion

A DETAILED 20-PAGE SCHEDULE OF OUR STATE, FEDERAL, AND LOCAL GRANT FUNDING ACHIEVEMENTS CAN BE PROVIDED UPON REQUEST



GRANT WRITING SCOPE OF SERVICES

TPA will utilize the following strategic and comprehensive approach to provide grant writing services to the City:

- **Conduct Detailed Orientation:** TPA utilizes a comprehensive onboarding process that includes extensive meetings with various relevant members of City leadership and key City departments to help develop a strategic plan that is carefully tailored to satisfy the needs of the City and is designed for maximum success in the current political climate and funding environment.
- **Craft Strategic Funding Plan:** Utilizing the information gathered during the onboarding process, TPA will coordinate with the City to develop a proactive and comprehensive strategic funding plan that serves the needs of the City's priorities. ***The plan will do more than simply identify City projects***; it will outline and prioritize multiple funding options for each project and develop a specific plan of work tailored for each project. It will also identify key "strings attached" to help assess the cost/benefit ratio for each grant opportunity.
- **Identify, Research, and Monitor Grant Funding Opportunities:** TPA will utilize list-serve subscription programs, funding workshops, agency canvassing, and other networking tactics to ensure every potential opportunity is identified and reviewed for relevance with the City's projects. TPA will then share these opportunities with the City for further assessment and determination if a grant application is warranted. The City will also receive a grant matrix of funding programs that is updated regularly as new opportunities arise.
- **Community Outreach:** TPA will assist the City with community outreach required for grant applications by ensuring the City is aware of specific requirements, helping develop materials that capture all elements required by the grant, and compiling the outreach data for inclusion in the application.
- **Grant Application Development and Submittal:** TPA will develop, draft, submit, and follow up on each City grant application through the following process:
 - **Establishment of Clear Accountabilities:** TPA will coordinate with the City to ensure the assignment of responsibilities and tasks are made clear so that confusion and inefficiency are avoided, and the City is burdened as little as possible while TPA pursues a grant opportunity.
 - **Provide Overview of Full Application Requirements:** For each grant application, TPA will provide the City with a detailed overview of the requirements for the grant program and corresponding application to ensure that the program is a strong fit for the City's project. This will include:
 - Application timeline
 - Eligible project types
 - Funding availability and award maximums and minimums
 - List of application components, including proposal questions and any required attachments



- **Assemble Project Background and Details:** TPA will conduct a detailed informational interview with City staff most involved with each project to gain a full understanding of the project background and scope details necessary for developing the grant proposal and addressing all application questions.
- **Coordinate Technical Project Details:** For technical application components such as site plans, detailed cost estimates, project timelines, engineering plans, and cost-benefit analyses, TPA will coordinate with City staff to compile all necessary attachments and ensure consistency across all elements of the application.
- **Draft Written Proposal:** TPA will fully draft all narrative components of the application and, when applicable, will indicate where additional input or project detail from the City could be provided during the proposal review process.
- **Incorporate Feedback to Finalize Proposal:** Well ahead of the application deadline, TPA will provide the City with a full draft for review and feedback. TPA will incorporate any additional details or revisions provided during this process to finalize the grant application and will obtain City approval for the final version of the application before submission.
- **Submit Completed Application:** TPA will ensure that applications are submitted before the deadline, whether the submission is electronic or through hard copies, in accordance with submission instructions for each individual program. For hard copy submissions, TPA will print and package applications according to submission instructions and will ship applications through a reliable courier service such as FedEx to provide the City with tracking and delivery confirmation for the application. TPA will also obtain a receipt for proof of submission and provide the City with a final copy of all submitted application documents.
- **Funding Advocacy:** Throughout the grant application process TPA will leverage relationships with relevant officials and program officers in various state and federal funding agencies to ensure that City grant applications are aligned with the goals of the specific grant program and that the applications are well-crafted and well-positioned for funding.
- **Post-Grant Submittal Advocacy:** TPA will frequently contact legislators and agency officials to follow up on the status of a grant application and promote its need and urgency. This will include drafting letters of support after grant submissions and distributing them to legislators for their consideration. In addition, TPA will work with legislators to reach out to individual granting agencies to provide background on City's projects and convey their support for those projects.
- **Post-Award Grant Administration and Compliance:** TPA will also assist, as needed, with post-award administration and compliance for all grant applications submitted by TPA on behalf of the City. This assistance will include interacting with granting agencies on behalf of the City, providing support for the drafting and submission of required reports and evaluations, and other tasks related to the successful monitoring of and compliance with the program requirements.

- **Post-Award Services—Above and Beyond Advocacy:** TPA has a track record of success with post-award grant administration and retention. TPA has worked on behalf of clients who, due to unforeseen circumstances, have needed to request an extension of the grant performance period to accomplish project deliverables. TPA is prepared to engage in the legislative process and work with legislators to get bills passed that would allow for the City to retain its grant funding after the performance period would have otherwise ended. Additionally, TPA is prepared to work directly with the City and agencies to secure scope of work changes to already awarded projects to ensure the City will not have to return any hard-won grant funding.
- **Comprehensive Follow-Up on Unsuccessful Applications:** Despite all best efforts, some grant applications are not selected for funding. When grant applications are unsuccessful, TPA will work with the relevant state and federal funding agencies to set up in-person or telephone debriefing sessions to discuss the grant applications and how to best revise the grant applications for the next funding round to ensure success.
- **Provide Monthly Progress Reports:** TPA will confer regularly with the City on our activities. TPA will provide timely electronic monthly reports on the status of all funding activity, such as current funding opportunities, current applications, submitted applications, and post-grant submittal advocacy. In addition to written reports, TPA will be available to the City for conference calls, in-person briefings, and meetings.

FEE SCHEDULE

ALL-INCLUSIVE RETAINER:

DESCRIPTION OF SERVICES	MONTHLY FEE
Grant Writing Services	\$2,750*
• Conduct Detailed Orientation	Included
• Craft Strategic Funding Plan	Included
• Identify, Research, and Monitor Grant Funding Opportunities	Included
• Grant Application Development and Submittal	Included
• Establishment of Clear Accountabilities	Included
• Provide Overview of Full Applications Requirements	Included
• Assemble Project Background and Details	Included
• Coordinate Technical Project Details	Included
• Draft Written Proposal	Included
• Incorporate Feedback to Finalize Proposal	Included
• Submit Completed Application	Included
• Funding Advocacy	Included
• Post-Grant Submittal Advocacy	Included
• Post-Award Grant Administration and Compliance	Included
• Post-Award Services—Above and Beyond Advocacy	Included
• Comprehensive Follow-Up on Unsuccessful Applications	Included
• Provide Monthly Progress Reports	Included
<i>*The monthly fee includes all reasonable business and travel expenses.</i>	

The proposed monthly fee represents a bundled services discount and is contingent upon the City maintaining its current contract with TPA for State and Federal Legislative Advocacy Services.





City Council Agenda Report Agenda Item No. 10.d.

DATE: July 15, 2025

TO: Honorable Mayor and Members of the City Council

APPROVED BY: Rene Salas, City Manager

SUBMITTED BY: Gerardo Marquez, Interim Director of Community Development

SUBJECT: CONSIDERATION AND APPROVAL OF RESOLUTION NO. 25-070, AMENDING THE MASTER AFFORDABLE HOUSING COVENANT AND DENSITY BONUS AGREEMENT, AFFORDABILITY COVENANTS AND RESTRICTIONS BETWEEN THE CITY OF SOUTH EL MONTE AND KB HOME FOR THE PROPERTY LOCATED AT 2540 ROSEMEAD BOULEVARD.

SUMMARY: Approval of amendment to the Master Affordable Housing Covenant, Density Bonus Agreement, and Affordability Covenants and Restrictions

RECOMMENDED ACTION: Staff recommends City Council adopt Resolution No. 25-070, amending the previously approved Master Affordable Housing Covenant and Density Bonus Agreement, and Affordability Covenants and Restrictions.

FISCAL/FINANCIAL IMPACT: There is no anticipated fiscal impact associated with this action

DISCUSSION: On March 15, 2022, the Planning Commission adopted Resolution No. 21-16 ("March 2022 Resolution") approving Subdivision No. 21-16, Vesting Tentative Tract Map No. 083399, to subdivide four parcels vacant lot (12.3-acres), consisting of 207 residential units at APNs 8102-037-020 (2540 Rosemead Blvd.), 8102-037-017 and 8102-037-024 (2559-2603 Chico Avenue), and 8102-037-022 (the "Project").

On January 28, 2025 City Council adopted Resolution No. 25-007 approving Final Map No. 83399 and Master Affordable Housing Covenant and Density Bonus Agreement, and Affordability Covenants and Restrictions Affecting Real Property and Option to Purchase Property Secured by Deed of Trust; and authorized the City Clerk to record the Final Map, Master Affordable Housing Covenant and Density Bonus Agreement, and Affordability Covenants and Restrictions Affecting Real Property and Option to Purchase Property Secured by Deed of Trust, with the Los Angeles County Recorder's office.

After an in-depth review of the agreement, staff discovered that Section 2.5 of the

affordability agreement provided a provision that designated all city employees and their relatives as ineligible purchasers. Section 2.5 shall be amended to further clarify that only the individuals involved directly in the determination of the Density and their relatives shall be designated as ineligible purchasers of an affordable housing unit. The language that shall be amended in section 2.5 is provided below:

No Relative (as defined below) of (a) any employee, officer, board member or shareholder of Developer (or any successor Developer of the Project) or any of its members, affiliates or subsidiaries, or (b) any City Council member, Planning Commissioner, Director, or other employee or official of City, who materially participated in the determination of the Density Bonus contemplated herein, may purchase a Restricted AH Unit. "Relative" shall mean a parent, children, sibling, spouse, uncle, aunt, cousin, niece, nephew, grandparent, and grandchild and shall also extend to any of the foregoing persons related through marriage (i.e., in-laws or step relationships)

ATTACHMENT(S):

- A. Resolution No. 25-070
- B. First Amendment to Master Affordable Housing Density Agreement
- C. Master Agreement

ATTACHMENT A

RESOLUTION NO. 25-070

A RESOLUTION OF THE SOUTH EL MONTE CITY COUNCIL APPROVING AN AMENDMENT TO THE MASTER AFFORDABLE HOUSING COVENANT AND DENSITY BONUS AGREEMENT BETWEEN THE CITY AND KB HOME GREATER LOS ANGELES, INC. FOR THE PROPERTIES LOCATED AT THE CITY OF SOUTH EL MONTE, COUNTY OF LOS ANGELES, CALIFORNIA (APNs 8102-037-020, 8102-037-022, 8102-037-024 & 8102-035-017)

WHEREAS, on February 18, 2025 (the “Effective Date”), the Parties executed and entered into the Master Agreement in relation to the development of certain real property in City of South El Monte, County of Los Angeles, California (APNs 8102-037-020, 8102-037-022, 8102-037-024 & 8102-035-017) (“Property”); and

WHEREAS, the City granted a Density Bonus as provided for in the Master Agreement and in satisfaction of Developer’s obligations and covenants contained therein; and

WHEREAS, the Master Agreement is attached and incorporated hereto as **Exhibit A**; and

WHEREAS, the execution of this First Amendment was approved by the City of South El Monte City Council at its Regular Meeting of July 15, 2025, under Resolution No. 25-070.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOUTH EL MONTE AS FOLLOWS:

Section 1. No Relative (as defined below) of (a) any employee, officer, board member or shareholder of Developer (or any successor Developer of the Project) or any of its members, affiliates or subsidiaries, or (b) any City Council member, Planning Commissioner, Director, or other employee or official of City, who materially participated in the determination of the Density Bonus contemplated herein, may purchase a Restricted AH Unit. "Relative" shall mean a parent, children, sibling, spouse, uncle, aunt, cousin, niece, nephew, grandparent, and grandchild and shall also extend to any of the foregoing persons related through marriage (i.e., in-laws or step relationships).

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

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

Section 4. The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 15th day of July 2025.

Gloria Olmos, Mayor

ATTEST:

Adrian Garcia, MMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)
SS: CITY OF SOUTH EL MONTE)

I, Adrian Garcia, City Clerk of the City of South El Monte, hereby certifies that the foregoing Resolution, being Resolution No. 25-070, was duly passed and approved by the City Council of the City of South El Monte at a regular meeting of said Council held on the 15th day of July 2025, and that said Resolution was adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Adrian Garcia, MMC, City Clerk

ATTACHMENT B

FIRST AMENDMENT TO MASTER AFFORDABLE HOUSING COVENANT AND DENSITY BONUS AGREEMENT

THIS FIRST AMENDMENT (hereinafter, "First Amendment") to that certain agreement entitled "MASTER AFFORDABLE HOUSING COVENANT AND DENSITY BONUS AGREEMENT" dated February 18, 2025 (hereinafter, the "Master Agreement"), is hereby made and entered into this ____ day of _____ 2025 (hereinafter, the "Effective Date"), by and between the CITY OF SOUTH EL MONTE, a municipal corporation (hereinafter, "City") and KB HOME GREATER LOS ANGELES, INC., a California corporation (hereinafter, "Developer"). For purposes of this First Amendment, the capitalized term "Parties" shall be a collective reference to both CITY and Developer. The capitalized term "Party" may refer to either City or Developer, interchangeably as appropriate.

RECITALS

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

WHEREAS, on February 18, 2025 (the "Effective Date"), the Parties executed and entered into the Master Agreement in relation to the development of certain real property in City of South El Monte, County of Los Angeles, California (APNs 8102-037-020, 8102-037-022, 8102-037-024 & 8102-035017) ("Property"); and

WHEREAS, the City granted a Density Bonus as provided for in the Master Agreement and in satisfaction of Developer's obligations and covenants contained therein; and

WHEREAS, the Master Agreement is attached and incorporated hereto as **Exhibit A**; and

WHEREAS, the execution of this First Amendment was approved by the City of South El Monte City Council at its Regular Meeting of _____, 2025, under Resolution No. **XX**.

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

SECTION 1. Section 2.5 of the Master Agreement is hereby amended in its entirety to state as follows:

No Relative (as defined below) of (a) any employee, officer, board member or shareholder of Developer (or any successor Developer of the Project) or any of its members, affiliates or subsidiaries, or (b) any City Council member, Planning Commissioner, Director, or other employee or official of City, who materially participated in the determination of the Density Bonus contemplated herein, may purchase a Restricted AH Unit. "**Relative**" shall mean a parent, children, sibling, spouse, uncle, aunt, cousin, niece, nephew, grandparent, and grandchild and shall also extend to any of the

foregoing persons related through marriage (i.e., in-laws or step relationships).

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

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

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

"Developer":

By: KB HOME GREATER LOS ANGELES, INC.

Keltie B. Cole, President

"City":

CITY OF SOUTH EL MONTE

Rene Salas, City Manager

APPROVED AS TO FORM

Susie Altamirano, City Attorney

EXHIBIT A
MASTER AGREEMENT

ATTACHMENT C

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

City of South El Monte
1415 Santa Anita Avenue
South El Monte, CA 91733
Attn: City Clerk

APN: 8102-037-020, 8102-037-022, 8102-037-024 & 8102-035-017

AREA ABOVE FOR RECORDER'S USE ONLY
Exempt from recording fees per Govt. Code § 6103

MASTER AFFORDABLE HOUSING COVENANT AND DENSITY BONUS AGREEMENT

This MASTER AFFORDABLE HOUSING COVENANT AND DENSITY BONUS AGREEMENT ("**Agreement**") is entered into as of the ____ day of _____, 2025 ("**Effective Date**") by and between CITY OF SOUTH EL MONTE, a municipal corporation ("**City**") and KB HOME GREATER LOS ANGELES INC., a California corporation ("**Developer**").

RECITALS

A. Developer owns and is developing that certain real property in City of South El Monte, County of Los Angeles, California (APNs 8102-037-020, 8102-037-022, 8102-037-024 & 8102-035-017) legally described on Exhibit A attached hereto ("**Property**").

B. City has granted a density bonus ("**Density Bonus**") pursuant to Chapter 17.83 (Density Bonus Provisions) of City's Municipal Code and Government Code Section 65915 (collectively, the "**Density Bonus Law**") and South El Monte Planning Commission Resolution No. 21-19 ("**Planning Commission Resolution**"). The Density Bonus allows Developer to construct up to two hundred seven (207) total residential dwelling units on the Property ("**Project**").

C. In order to obtain the Density Bonus, Developer has agreed to restrict the sale and occupancy of fifteen (15) single family dwelling units and six (6) townhome dwelling units as affordable pursuant to the Density Bonus Law as provided in this Agreement. The layout of the Project and all the residential units are depicted and their locations identified on Exhibit B attached hereto ("**Project Layout**").

D. This Agreement shall satisfy Developer's obligation to enter into a written agreement with City as required by Section 17.83.050 of City's Municipal Code and as required by General Condition 22 of Planning Commission Resolution No. 21-19. In consideration of Developer's covenants hereunder, and on the condition subsequent that Developer performs its obligations hereunder, City hereby agrees that Developer has satisfied City's requirements with the provision of the Affordable Units as described herein to qualify for the Density Bonus for the Property, pursuant to the Planning Commission Resolution and the Density Bonus Law.

NOW, THEREFORE, in consideration of the above Recitals, which are incorporated herein by this reference, and of the mutual covenants hereinafter contained and for other good and valuable

consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE 1. DEFINITIONS AND EXHIBITS

1.1 Definitions. The following terms when used in this Agreement shall be defined as follows:

1.1.1 Applicable Affordable Housing Cost shall mean the maximum costs that can be borne by purchasers of the applicable Restricted AH Units under the requirements imposed by HSC Section 50052.5. The pertinent calculations are:

(a) **Affordable Housing Cost for Low Income Household** means a Total Housing Cost which does not exceed thirty percent (30%) of seventy percent (70%) of Area Median Income.

(b) **Affordable Housing Cost for Very Low Income Household** means a Total Housing Cost which does not exceed thirty percent (30%) of fifty percent (50%) of Area Median Income.

(c) **Affordable Housing Cost for Moderate Income Household** means a Total Housing Cost which does not exceed thirty-five percent (35%) of one hundred ten percent (110%) of Area Median Income.

1.1.2 Applicable AH Household Income shall have the following meanings, as applicable for the Restricted AH Unit:

(a) **Low Income Household** means a Household whose Gross Income meets the standards defined in HSC Section 50079.5. The maximum household income shall be the amount published by the California Department of Housing and Community Development (HCD) as adjusted to reflect the actual size of the Household purchasing a particular AH Restricted Unit.

(b) **Moderate Income Household** means a Household whose Gross Income meets the standards defined in HSC Section 50093. The maximum household income shall be the amount published by HCD as adjusted to reflect the actual size of the Household purchasing a particular AH Restricted Unit.

(c) **Very Low Income Household** shall mean a Household whose Gross Income meets the standards defined in HSC Section 50105. The maximum household income shall be the amount published by HCD as adjusted to reflect the actual size of the Household purchasing a particular AH Restricted Unit.

1.1.3 Area Median Income means the Los Angeles County area median income, adjusted for household size, as established by the United States Department of Housing and Urban Development (HUD), and as published periodically by HCD pursuant to Section 50093 et seq. of California Health and Safety Code and applicable regulations.

1.1.4 Benchmark Down Payment shall be set at 5% of the Purchase Price for Restricted AH Unit. This shall solely be used for the purpose of calculating the Purchase Price for Restricted AH Unit.

1.1.5 Covenant Agreement for Restricted AH Unit means the "Affordability

Covenants and Restrictions Affecting Real Property with Option to Purchase Secured by Deed of Trust” substantially in the form attached hereto as Exhibit D to be adjusted to the Affordable AH Household Income for the applicable Restricted AH Unit and to be recorded against the Restricted AH Unit as provided in Article 2 which shall bind the Restricted AH Unit for fifty-five (55) years. The Fannie Mae Shared Equity Amendment (Form 2200), shall be attached and included as part of each Covenant Agreement for Restricted AH Unit.

1.1.6 Covenant Deed of Trust shall mean a deed of trust in the form attached as Exhibit E to be executed by the applicable Eligible Purchaser which shall secure the Covenant Agreement for Restricted AH Unit for the applicable Restricted AH Unit being purchased to be recorded against the Restricted AH Unit concurrently with the Covenant Agreement as provided in Article 2.

1.1.7 Eligible Purchaser shall mean a person who is purchasing one of the Restricted AH Units who meets with all income and asset verification requirements in this Agreement for the applicable Restricted AH Unit and who is not an Ineligible Purchaser.

1.1.8 FMV of the Restricted AH Unit shall mean the fair market value of the Restricted AH Unit determined as provided in Section 2.7.1.

1.1.9 Gross Income means all income from whatever sources for all adult Household members, which is anticipated to be received during the 12-month period following the date of the determination of Gross Income. The applicable sources of income are defined in California Code of Regulations Title 25 Housing and Community Development Section 6914.

1.1.10 Household means all persons residing in a Restricted AH Unit.

1.1.11 HSC means California Health and Safety Code.

1.1.12 Ineligible Purchaser shall have the meaning defined in Section 2.5.

1.1.13 Market Rate Units means the Units within the Project which are not Restricted AH Units.

1.1.14 Purchase Price for Restricted AH Unit means the purchase price for the sale of the applicable Restricted AH Unit to an Eligible Purchaser which shall be calculated pursuant to HSC Section 50052.5 and Section 2.1 of this Agreement. The Purchase Price for a Restricted AH Unit shall be equal to the sum of the Supportable Mortgage plus the Benchmark Down Payment.

1.1.15 Required Marketing Efforts means marketing efforts that Developer is required to make with respect to the Restricted AH Units (as set forth in Section 2.3(a), below).

1.1.16 Restricted AH Units shall mean the following Units which are restricted for sale to Eligible Purchasers for the applicable affordability level as follows:

(SEE FOLLOWING PAGE)

Affordability Level	Single Family Units ¹	Townhome Units ¹	Totals
Very Low Income		187, 196 & 202	3
Low Income		186, 197 & 201	3
Moderate Income	26, 36, 51, 55, 67, 83, 89, 93, 105, 121, 127, 131, 158, 164 & 167		15
Totals	15	6	21

1.1.17 Supportable Mortgage means the mortgage amount that can be supported by an Eligible Purchase of a Restricted AH Unit based on the Affordable Housing Cost calculations. The mortgage calculation is based on the prevailing market interest rate for a 30-year fully amortizing mortgage with a fixed interest rate.

1.1.18 Total Housing Cost means the total monthly or annual recurring expenses required of a household to obtain shelter, and includes the mortgage payment (principal and interest, based on a fixed interest rate mortgage with a thirty (30) year term), and household-paid utilities, homeowner association dues, real estate taxes, mortgage insurance and any other related assessments.

1.1.19 Unit means a residential unit in the Project.

1.2 Exhibits. The following documents are attached to, and by this reference are incorporated herein and made a part of, this Agreement:

- Exhibit A Legal Description of the Property
- Exhibit B Project Layout Plan
- Exhibit C 2024 Household Income Information Published by HCD and Sample Computations of Purchase Prices for Restricted AH Units
- Exhibit D Covenant Agreement for Restricted AH Units
- Exhibit E Covenant Deed of Trust

ARTICLE 2. RESTRICTED AH UNITS

2.1 Purchase Price for Restricted AH Unit.

2.1.1 Determination. Developer shall sell each of the Restricted AH Units to an Eligible Purchaser for an amount that does not exceed the applicable Purchase Price for the Restricted AH Unit.

¹ As located on the Project Layout attached as Exhibit B.

2.1.2 Example Computation of Purchase Price. Example computations of the Purchase Prices for Restricted AH Units are provided on Exhibit C.

2.1.3 Loan. The maximum home loan amount for a Restricted AH Unit shall not exceed ninety-five percent (95%) of the Purchase Price for Restricted AH Unit. The maximum home loan amount for the Restricted AH Unit shall be submitted by Developer and approved or rejected by City within ten (10) business days from receipt.

2.1.4 Actual Down Payment. The maximum down payment contributed by an Eligible Purchaser shall not exceed 20% of the Purchase Price for the Residential AH Unit.

2.2 Purchase Price Ranges for Restricted AH Units. Prior to listing the Restricted AH Units, Developer shall calculate the applicable Purchase Prices for each Restricted AH Unit based on the number of bedrooms included in the applicable Restricted AH Unit and the with the range for the Applicable AH Household Income level. City shall reasonably cooperate to provide such confirmation to Developer within ten (10) business days of written request therefore.

2.3 Marketing and Selection of Eligible Purchasers.

(a) Developer shall conduct, "Required Marketing Efforts" in connection with the initial sales of the Restricted AH Units, which shall include: (i) production of specific marketing information highlighting the Restricted AH Units, including the specific affordability features for each Restricted AH Unit and the eligibility requirements and restrictions applicable to each Restricted AH Unit; and (ii) utilization of typical web-based outreach methods that can reasonably ensure an effective and efficient means of reaching the broadest range of potential Eligible Purchasers, including best efforts to contact nonprofit organizations and business associations that serve South El Monte residents in housing-related issues, and affordable housing advocacy groups, with the intent of reaching community based organizations serving people in the appropriate income levels. The City agrees, at no cost to City, to use its best efforts to identify, and reasonably assist the Developer with contacting, nonprofit organizations and business associations that serve South El Monte residents in housing-related issues, and affordable housing advocacy groups. Required Marketing Efforts will additionally include those marketing efforts that are typical customary practice and expected for the sale of real estate in the County of Los Angeles, including, a website marketing the Restricted AH Units in detail (sizes, locations, prices) and the criteria used to purchase them, as well as a form for interested parties to complete online indicating their interest in being notified about the availability of the Restricted AH Units.

(b) The Restricted AH Units may be sold to Eligible Purchasers selected by Developer who meet the income and affordability requirements provided in this Agreement and subject to the written approval of City. The City acknowledges the challenging nature of selling Restricted AH Units and agrees, at no cost to City, to reasonably assist the Developer with the advertising and marketing of the Restricted AH Units, which shall include a link on the City's website directing potential purchasers to the Developer's website for the Project. Developer is not required to sell a Restricted AH Unit to an Eligible Purchaser referred by City, but Developer shall accept or reject any such Eligible Purchaser based upon the same evaluation criteria that Developer applies to buyers of other Restricted AH Units. Upon City's request, Developer shall provide to City a written response detailing the reasons for rejection of an Eligible Purchaser referred by City.

2.4 Income and Assets of Eligible Purchasers. Prior to the sale of the Restricted AH Unit, Developer shall submit to City a completed income computation and certification form acceptable to or otherwise provided by City certifying that the Gross Income of the Eligible Purchaser

(including any co-purchaser) does not exceed the limit established for the Restricted AH Unit. Developer shall obtain an income certification form from the proposed Eligible Purchaser certifying that (i) the income of the proposed Eligible Purchaser is truthfully set forth in the income certification form; (ii) the proposed Eligible Purchaser does not own any real estate; and (iii) the proposed Eligible Purchase is not an Ineligible Purchaser.

Developer shall verify the income certification of the proposed Eligible Purchaser by providing the following documents:

- Signed copies of the two most recent years of federal income tax returns (with all schedules and attachments) for all Household members and persons who will appear on title to the Restricted AH Unit. If self-employed, four most recent quarterly tax filings must be provided.
- Copies of three most recent months of checking, savings, and other investment account statements for all Household members and persons who will appear on title to the Restricted AH Unit.
- If applicable:
 - Copy of separation agreement, divorce decree evidencing dissolution of marriage and/or alimony.
 - Paycheck stubs from the proposed Eligible Purchaser's three (3) most recent pay periods.
 - Copy of pension statements.
 - Income verification certification from the Social Security Administration and/or the California Department of Social Services if the proposed Eligible Purchaser receives assistance from such agencies.

Developer shall provide copies of all verification documentation to City.

2.5 Ineligible Purchaser. No Relative (as defined below) of (a) any employee, officer, board member or shareholder of Developer (or any successor Developer of the Project) or any of its members, affiliates or subsidiaries, or (b) any employee or official of City, may purchase a Restricted AH Unit. "**Relative**" shall mean a parent, children, sibling, spouse, uncle, aunt, cousin, niece, nephew, grandparent, and grandchild and shall also extend to any of the foregoing persons related through marriage (i.e., in-laws or step relationships).

2.6 Covenant Agreement for Restricted AH Unit. In accordance with Section 2.7 below, each Restricted AH Unit shall be subject to the Covenant Agreement for Restricted AH Unit which shall be effective for a period of fifty-five (55) years (unless terminated pursuant to such Covenant Agreement for Restricted AH Unit) commencing on the date of the recordation of (i) the grant deed from Developer to the Eligible Purchaser of the Restricted AH Unit; together with (ii) the Covenant Agreement for Restricted AH Unit and the Covenant Deed of Trust.

2.7 Close of Escrow for Restricted AH Unit.

2.7.1 FMV for Restricted AH Unit. Developer shall determine the FMV of the Restricted AH Unit which would be the sale price of the Unit if it was not restricted. Developer

may determine the FMV for the Restricted AH Unit based on its sale prices within the Project for comparable Units which shall be confirmed by a written broker opinion. Developer shall provide such information to City regarding the determination of the FMV of the Restricted AH Unit. The FMV of the Restricted AH Unit shall be inserted in the Covenant Agreement for Restricted AH Unit prior to execution by the Eligible Purchaser and City.

2.7.2 Process for Sale of Restricted AH Unit. The sale of the Restricted AH Unit to the Eligible Purchaser shall comply with the following requirements.

(a) A full copy of the executed sale agreement between Developer and the Eligible Purchaser shall be provided to City.

(b) The Covenant Agreement for Restricted AH Unit and Fannie Mae Shared Equity Amendment (Form 2200) shall be executed and acknowledged by the Eligible Purchaser and City. Concurrently the Eligible Purchaser shall also execute and acknowledge the Covenant Deed of Trust. The Covenant Agreement for Restricted AH Unit and Fannie Mae Shared Equity Amendment (Form 2200) and Covenant Deed of Trust shall be recorded in the Official Records, subordinate to the First Deed of Trust (as defined in the Covenant Agreement for Restricted AH Unit).

(c) A Request for Notice (as to the First Trust Deed) which shall be recorded at the closing.

(d) A Request for Notice of Delinquency executed by the Eligible Purchaser and City as to the First Trust Deed which shall be recorded at the closing.

(e) The Eligible Purchaser shall provide a certification in a form acceptable to City declaring under penalty of perjury that it is an Eligible Purchaser and such other information as requested by City.

(f) Developer shall provide a certification in a form acceptable to City declaring under penalty of perjury with respect to compliance with this Agreement as to the sale of the Restricted AH Unit.

(g) City shall execute a release of this Agreement from the Restricted AH Unit to be recorded at the close of escrow in accordance with Section 2.9.

(h) Upon close of escrow, escrow holder shall promptly deliver to City (i) conformed copies of all recorded documents, (ii) a copy of the escrow closing statement, (iii) complete final copies of all executed loan documents for the senior loan; and (iv) the Title Policy pursuant to Section 2.8.

2.8 Title Insurance Policy. At the close of the escrow for each Restricted AH Unit, an ALTA loan policy of title insurance shall be provided to City insuring the Covenant Deed of Trust subordinate only to the First Trust Deed in the amount of one hundred twenty percent (120%) of the difference between the FMV of the Restricted AH Unit less the purchase price of that Restricted AH Unit ("**Title Policy**"). The cost of the Title Policy shall be paid by Developer.

2.9 Release. At the close of escrow for each Restricted AH Unit, this Agreement shall terminate AS TO THAT SPECIFIC RESTRICTED AH UNIT ONLY. City shall execute, acknowledge and deliver to escrow in time for close of escrow, such documentation as reasonably required by the title company to confirm the release of this Agreement as to the applicable Restricted AH Unit.

2.10 Use of Qualified Third Party. City may elect to retain a third party who is qualified to provide the financial analysis and verification of each Eligible Purchaser as well as the calculation of the applicable Purchase Price for a Restricted AH Unit. Developer shall reimburse City for the cost of the qualified third party reasonably acceptable to Developer. Keyser Marston Associates is approved as such a qualified third party to provide such services.

ARTICLE 3. SALES AND RELEASES

3.1 Timing of Sale of Restricted AH Units. Developer shall use diligent efforts to market and sell the Restricted AH Units concurrently with the sale of the Market Rate Units. For the issuance of certificates of occupancy for the market rate Units in each phase, Developer must obtain certificates of occupancy for the Restricted AH Units in each phase (which may occur concurrently with issuance of the certificates of occupancy for the market rate Units). Compliance with this requirement may be enforced by City not issuing additional certificates of occupancy for the Market Rate Units until Developer is in compliance. Notwithstanding the foregoing, in accordance with General Condition 21 of the Planning Commission Resolution: (i) in the event any of the Very Low Income Restricted AH Units have not been sold to Very Low Income Households within 6 months of being marketed for sale and provided Developer has made reasonable and customary efforts to sell those Very Low Income Restricted AH Units to Very Low Income Households, then those (formerly) Very Low Income Restricted AH Units may be sold to Low Income Households for an amount that does not exceed the Purchase Price for Restricted AH Unit for Low Income Restricted AH Units; (ii) in the event any of the (formerly) Very Low Income Restricted AH Units, as described in the immediately preceding clause, have not been sold to Low Income Households within 12 months of being marketed for sale and provided Developer has made reasonable and customary efforts to sell those (formerly) Very Low Income Restricted AH Units to Low Income Households, then those (formerly) Very Low Income Restricted AH Units may be sold to Moderate Income Households for an amount that does not exceed the Purchase Price for Restricted AH Unit for Moderate Income Affordable Units; and (iii) in the event any of the Low Income Restricted AH Units have not been sold to Low Income Households within 6 months of being marketed for sale and provided Developer has made reasonable and customary efforts to sell those Low Income Restricted AH Units to Low Income Households, then those (formerly) Low Income Restricted AH Units may be sold to Moderate Income Households for an amount that does not exceed the Purchase Price for Restricted AH Unit for Moderate Income Affordable Units.

3.2 Release of Market Rate Units. Provided Developer is in compliance with the requirements in Section 3.1, upon transfer of any Market Rate Unit to an individual owner in conformity with the California Department of Real Estate issued public report ("**White Report**"), the provisions of this Agreement shall terminate with respect to that Market Rate Unit. City shall cooperate with providing any documents which the title company may require to affect the foregoing.

3.3 Common Area Property. Upon transfer of common area within the Project to the homeowners association which governs the Project in accordance with the White Report, this Agreement shall automatically terminate with respect to the common area so transferred. City shall cooperate with providing any documents which the title company may require to affect the foregoing.

ARTICLE 4. DUTIES AND RIGHTS

4.1 Construction of Project. As required by the Density Bonus Law, the Restricted AH Units shall be constructed concurrently with the Market Rate Units and the Restricted AH Units shall be dispersed through the Project and are highlighted on the Project Layout.

4.2 Maintenance. Until fee title of a Restricted AH Unit is transferred to an Eligible Purchaser, Developer shall, at its sole cost and expense, maintain the interiors and exteriors of the

Restricted AH Units in good, decent, safe and sanitary manner, in accordance with the standard of maintenance of the other Units in the Project.

4.3 Monitoring. Representatives of City shall be entitled to inspect and copy any and all records of Developer relating to sales of the Restricted AH Units to Eligible Purchasers at any time, upon reasonable notice, and to conduct an audit of such records. City shall pay the cost of the audit, provided, however, that if the audit discloses a default by Developer, the cost of the audit shall be borne by Developer who shall, upon demand, promptly reimburse City for the cost of the audit. Until a Restricted AH Unit is occupied by an Eligible Purchaser, representatives of City shall, upon reasonable notice to Developer, be entitled to enter the Restricted AH Unit to monitor compliance with this Agreement. City shall have the right to transfer this Agreement and the Covenant Agreement for Restricted AH Unit to any other public agency in its sole discretion.

ARTICLE 5. ENFORCEMENT

5.1 Enforcement & Remedies. This Agreement, without regard to technical classification or designation, shall be binding for the benefit of the City, and its successors and assigns for the entire period during which such covenants shall be in force and effect, without regard to whether the City, or its successors and assigns are or remain the owner of any land or interest therein to which such covenants relate. In the event of any breach of any such covenants, City, or its successors or assigns, shall be entitled to all rights and remedies available under the law upon the default of the terms of this Agreement by Developer, including to the extent applicable: (a) specific performance of the terms of this Agreement; (b) disgorgement of any amounts of sales proceeds which exceed the Purchase Price for Restricted AH Unit; (c) an award of its reasonable attorneys' fees, specifically including the cost to City of time expended by the office of City Attorney and reasonable expert and attorneys' fees; (iv) damages; (v) right to revoke certificates of occupancy; (vi) record a lien against the Property; and (vii) any other remedies available at law or equity. The rights and remedies are cumulative, and the exercise of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default.

5.2 Indemnification. Developer shall defend, indemnify and hold harmless City, its elected and appointed officials, officers, agents and employees, from all liability from loss, damage or injury to persons or property, including the payment by Developer of any and all reasonable legal costs and attorneys' fees, in any manner arising out of the acts and/or omissions of Developer pursuant to this Agreement. The indemnification obligations of Developer under this Agreement shall survive the expiration or earlier termination of this Agreement.

5.3 Agreement Appurtenant to Property. This Agreement is appurtenant to and shall run with the Property as an equitable servitude and covenant in favor of City and shall be binding on all successors of the Property until this Agreement is otherwise terminated.

5.4 Term. This Agreement shall terminate and be of no further force or effect (except as specified below) upon the last to occur (i) all Restricted AH Units have been sold to qualified Eligible Purchasers in accordance with this Agreement as evidenced by a recorded grant deed; and (ii) the Covenant Agreement for Restricted AH Unit and Covenant Deed of Trust have been executed by the Eligible Purchaser of each of the Restricted AH Units and recorded against the Restricted AH Unit concurrently with the grant deed. Notwithstanding the termination of this Agreement of record, the provisions of Sections 5.1, 5.2 and 6.1 shall remain in full force and effect as the personal obligation of Developer to City or City to Developer, as applicable.

5.5 Further Assurances: City Manager Authority. The parties shall execute any further documents in recordable form consistent with the terms of this Agreement as may from time to time

be reasonably necessary or appropriate to effectuate the purpose of this Agreement. Except as otherwise expressly provided in this Agreement, approvals or consents required of City shall be deemed granted by the written approval of City Manager or his/her designee. City Manager is also authorized to execute any further documents on behalf of City, including the Covenant Agreement for Restricted AH Unit and any subordination agreements for the sale of the Restricted AH Unit. Notwithstanding the foregoing, City Manager or designee may, in his or her sole and absolute discretion, refer to City Council any item requiring City approval.

5.6 Cooperation Covenant. The parties agree to cooperate with each other to effectuate the intent of this Agreement including, but not limited to, modifying some provisions in this Agreement (and the Covenant Agreement for Restricted AH Unit) as may be reasonably required by the California Department of Real Estate or other applicable governmental agencies.

5.7 Applicable Law. The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

ARTICLE 6. GENERAL PROVISIONS

6.1 Attorney's Fees and Costs. If any action or proceeding is brought by either party against the other under this Agreement, whether for interpretation, enforcement or otherwise, whether or not a final court judgment is entered, the prevailing party shall be entitled to reimbursement of all reasonable costs and expenses incurred by the prevailing party in such legal proceeding, including reasonable attorneys' fees, court costs and expenses and consultant and expert witness fees and expenses.

6.2 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in all force and effect.

6.3 Construction. The provisions of this Agreement shall be liberally construed for the purpose of effecting the intent under the Density Bonus Law and Planning Commission Resolution to increase the number of affordable dwellings in City. The article and section headings have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

6.4 Amendments. This Agreement may only be amended or modified by written agreement executed by Developer and City and recorded in the Official Records of Los Angeles County.

6.5 Notices. Formal notices, demands and communications between City and Developer shall be sufficiently given if delivered personally, or dispatched by registered or certified mail, postage prepaid, return receipt requested, to the respective addresses of City and Developer. Such notices, demands and communications, if given in person, shall be deemed given when delivered, and, if given by mail, shall be deemed given three (3) business days after deposit in the mail. If delivered by national overnight carrier service, it shall be deemed to have been delivered the following business day. Such written notices, demands and communications may be sent to the following addresses unless either party designates by notice a different address:

To Developer: KB Home Greater Los Angeles, Inc.
25152 Springfield Court, Suite 180
Valencia, CA 91355
Attn: Mr. Ron Mertz

With copy to: KB Home
10990 Wilshire Blvd., 7th Floor
Los Angeles, CA 90024
Attn: Phil Darrow, Esq.

To City: City of South El Monte
1415 Santa Anita Avenue
South El Monte, CA 91733
Attn: City Manager

With a copy to: Susie Altamirano, City Attorney
Olivarez Madruga Law
Organization, LLP
500 S. Grand Avenue
12th Floor
Los Angeles, CA 90071

6.6 Conflicts of Interest.

6.6.1 No member, official or employee of City shall have any personal interest, direct or indirect, in this Agreement; nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his personal interests or the interests of any corporation, partnership or association in which he is, directly or indirectly, interested.

6.6.2 Developer warrants that it has not paid or given, and will not pay or give, any person any money or other consideration for obtaining this Agreement, other than normal fees paid to Developer's independent contractors, attorneys, and consultants.

6.7 Non-liability. No member, official, employee, attorney or consultant of City shall be personally liable to Developer, or any successor in interest of Developer, in the event of any default or breach by City or for any amount which may become due to Developer or to its successor, or on any obligations under the terms of this Agreement. No director, officer, employee, attorney or consultant of Developer shall be personally liable to City, or any successor in interest of City, in the event of any default or breach by Developer or for any amount which may become due to City or to its successor, or on any obligations under the terms of this Agreement.

6.8 Qualification: Authority. Each individual executing this Agreement on behalf of Developer, represents, warrants and covenants to City that (a) Developer is duly formed and authorized to do business in the state of its incorporation, (b) such person is duly authorized to execute and deliver this Agreement on behalf of Developer in accordance with authority granted under the organizational documents of such entity, and (c) Developer is bound under the terms of this

Agreement.

6.9 Assignment Prohibited. Developer shall not assign or transfer any portion of this Agreement without the prior express written consent of City, which consent may be given or withheld in City's sole discretion. However, if any such assignment or transfer is to a purchaser of the entire Project, City shall not unreasonably withhold or delay its consent of the assignment provided that the purchaser shall assume all obligations under this Agreement in a form satisfactory to City.

6.10 No Waiver. The failure of City to enforce any term, covenant, or condition of this Agreement on the date it is to be performed shall not be construed as a waiver of City's right to enforce this, or any other, term, covenant, or condition of this Agreement at any later date or as a waiver of any term, covenant, or condition of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as indicated below.

CITY:

CITY OF SOUTH EL MONTE,
a municipal corporation

By: _____
Gloria Olmos, Mayor

DEVELOPER:

KB HOME GREATER LOS ANGELES
INC., a California corporation

By: _____
Keltie B. Cole, President

ATTEST:

Adrian Garcia, MMC
City Clerk

APPROVED AS TO FORM:

By: _____
Susie Altamirano
City Attorney

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____ 2024, before me, _____, Notary

Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[SEAL]

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____ 2024, before me, _____, Notary

Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[SEAL]

EXHIBIT A

Legal Description of the Property

That certain real property in City of South El Monte,

County of Los Angeles,

State of California legally described as follows:

PARCEL 1: (APN: 8102-037-020 AND 8102-037-022)

PARCEL 1 OF CERTIFICATE OF COMPLIANCE /LOT LINE ADJUSTMENT RECORDED MARCH 18, 2016 AS INSTRUMENT NO. [20160296565](#) OF OFFICIAL RECORDS, BEING THAT PORTION OF LOT 30, TRACT NO. 621, IN THE CITY OF SOUTH EL MONTE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN [BOOK 15, PAGES 182 AND 183](#) OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

BEGINNING AT A POINT IN THE EASTERLY LINE OF SAID LOT DISTANT NORTHERLY THEREON 100 FEET FROM THE SOUTHEASTERLY CORNER OF SAID LOT; THENCE NORTHWESTERLY IN A DIRECT LINE TO A POINT IN THE NORTHERLY LINE OF THE SOUTHERLY 200 FEET OF SAID LOT DISTANT WESTERLY THEREON 100 FEET FROM SAID EASTERLY LINE; THENCE WESTERLY ALONG SAID NORTHERLY LINE TO THE WESTERLY LINE OF THE EASTERLY 200 FEET OF SAID LOT; THENCE NORTHERLY ALONG SAID WESTERLY LINE TO THE NORTHERLY LINE OF THE SOUTHERLY 300 FEET OF SAID LOT; THENCE WESTERLY ALONG SAID LAST MENTIONED NORTHERLY LINE TO THE EASTERLY LINE OF THE WESTERLY 52 FEET OF SAID LOT; THENCE NORTHERLY ALONG SAID LAST MENTIONED EASTERLY LINE TO THE NORTHERLY LINE OF THE SOUTHERLY 500 FEET OF SAID LOT; THENCE EASTERLY ALONG SAID LAST MENTIONED NORTHERLY LINE TO THE WESTERLY LINE OF THE EASTERLY 100 FEET OF SAID LOT; THENCE NORTHERLY ALONG SAID LAST MENTIONED WESTERLY LINE TO THE NORTHERLY LINE OF SAID LOT; THENCE EASTERLY ALONG SAID LAST MENTIONED NORTHERLY LINE TO THE NORTHEASTERLY CORNER OF SAID LOT; THENCE SOUTHERLY ALONG THE EASTERLY LINE OF SAID LOT TO THE POINT OF BEGINNING.

PARCEL 2: (APN: 8102-037-024)

PARCEL 2 OF CERTIFICATE OF COMPLIANCE /LOT LINE ADJUSTMENT RECORDED MARCH 18, 2016 AS INSTRUMENT NO. [20160296565](#) OF OFFICIAL RECORDS, BEING LOT 29 OF TRACT 621, IN THE CITY OF SOUTH EL MONTE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN [BOOK 15 PAGES 182 AND 183](#) OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 3: (APN: 8102-035-017)

THAT PORTION OF LOT 12, OF TRACT 621, IN THE RANCHO POTRERO GRANDE, IN THE CITY OF SOUTH EL MONTE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 15 PAGES 182 AND 183](#) OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE EAST LINE OF SAID LOT, DISTANT SOUTH ALONG SAID EAST LINE, 250 FEET FROM THE SOUTHEAST CORNER OF LOT 22, BLOCK "C" OF TRACT 11814, AS PER MAP RECORDED IN [BOOK 216 PAGE 21](#) OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE WEST PARALLEL WITH THE SOUTH LINE OF SAID LOT 22, A DISTANCE OF 150 FEET TO THE NORTHEAST CORNER OF THE LAND DESCRIBED IN THE DEED TO TUNIS ANTHONY KOLL AND WIFE, RECORDED DECEMBER 27, 1946 IN [BOOK 24017 PAGE 407](#) OF OFFICIAL RECORDS OF SAID COUNTY; THENCE SOUTH ALONG THE EAST LINE AND THE SOUTHERLY PROLONGATION THEREOF OF

THE LAND SO CONVEYED, TO A POINT IN THE SOUTH LINE OF SAID LOT 12, DISTANT WEST ALONG SAID SOUTH LINE, 150 FEET FROM THE SOUTHEAST CORNER OF SAID LOT 12; THENCE EAST ALONG SAID SOUTH LINE OF LOT 12, A DISTANCE OF 150 FEET TO SAID SOUTHEAST CORNER OF LOT 12; THENCE NORTH ALONG SAID EAST LINE OF LOT 12 TO THE POINT OF BEGINNING.

EXCEPT ALL PETROLEUM, OIL AND ASPHALTUM, GAS AND ALL HYDROCARBONS IN, ON OR UNDER THE SOUTH HALF OF LOT 12, EXCEPTED AND RESERVED BY LINUS J. NIEMEYER AND CHRISTA NIEMEYER AS PER DEED RECORDED JULY 7, 1948 INSTRUMENT NO. 546, OF OFFICIAL RECORDS.

EXHIBIT B
PROJECT LAYOUT

EXHIBIT C

Sample Computation of Purchase Price for Restricted AH Units

TABLE 1

MAXIMUM HOUSEHOLD INCOMES
 INCOME QUALIFICATION TESTS
 OCTOBER 1 - DECEMBER 31, 2024
 SOUTH EL MONTE, CALIFORNIA

	Very Low Income Households H&SC §50105	Low Income Households H&SC §50079.5	Moderate Income Households H&SC §50093
1 Person Household	\$48,550	\$77,700	\$82,500
2 Person Household	\$55,450	\$88,800	\$94,300
3 Person Household	\$62,400	\$99,900	\$106,050
4 Person Household	\$69,350	\$110,950	\$117,850
5 Person Household	\$74,900	\$119,850	\$127,300
6 Person Household	\$80,450	\$128,750	\$136,700
7 Person Household	\$86,000	\$137,600	\$146,150
8 Person Household	\$91,550	\$146,500	\$155,550

TABLE 2

1

AFFORDABLE SALES PRICE CALCULATIONS
H&SC SECTION 50052.5 CALCULATION METHODOLOGY
OCTOBER 1 - DECEMBER 31, 2024
SOUTH EL MONTE, CALIFORNIA

	Townhomes		Single Family Homes
	VeryLowIncome Two-Bedroom Units	Low Income Two-Bedroom Units	Moderate Income Three-Bedroom Units
I. <u>Income Information</u>			
Benchmark Household Size	3	3	4
Area Median Income (AMI)	\$88,400	\$88,400	\$98,200
Percentage of AMI Used for Calculations	50%	70%	110%
Household Income Used for Calculations	\$44,200	\$61,880	\$108,020
% of Income Allocated to Housing	30%	30%	35%
Household Income Allotted to Housing	\$13,260	\$18,560	\$37,810
II. <u>Ongoing Expenses</u>			
Annual Utilities Allowance	\$3,120	\$3,120	\$3,804
Annual HOA Dues	4,740	4,740	2,952
Annual Maintenance Allowance	600	600	600
Property Taxes @ 1.15% of ASP	684	1,440	4,339
Total Expenses	\$9,144	\$9,900	\$11,695
III. <u>Income Available for Mortgage</u>	\$4,116	\$8,660	\$26,115
IV. <u>Affordable Sales Price</u>			
Supportable Mtg @ 6.12% Interest	\$56,500	\$118,800	\$358,400
Benchmark Down Payment @ 5% ASP	3,000	6,300	18,900
Maximum Affordable Sales Price	\$59,500	\$125,100	\$377,300

¹ The Affordable Sales Price are updated on the first day of each calendar quarter to reflect changes in the Area Median Income, the utilities allowances, and mortgage interest rates.

² Based on the 2024 Area Median Income published by HCD.

³ Based on the based on the LACDA All Electric Single Family Home utility allowance schedule effective as of 7/1/24. Monthly Utilities Allowance @ \$260 for the Two-Bedroom Units and \$317 for the Three-Bedroom Units.

⁴ Monthly HOA Dues @ \$395 for the Townhomes and \$246 for the Single Family Homes.

⁵ Monthly Maintenance Allowance @ \$50.

⁶ Based on the assumption that the units are subject to long-term income and affordability covenants.

⁷ Based on the average interest rate for a 30-year fixed interest rate fully amortizing mortgage loan published by Freddie Mac for the week of October 3, 2024.

EXHIBIT D

Covenant Agreement for Restricted AH Unit

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

City of South El Monte
1415 Santa Anita Avenue
South El Monte, CA 91711
Attn: City Clerk

SPACE ABOVE FOR RECORDER'S USE ONLY
Exempt from recording fee per Gov. Code §§ 27383 & 6103

APN: _____

**AFFORDABILITY COVENANTS AND RESTRICTIONS AFFECTING REAL PROPERTY AND
OPTION TO PURCHASE PROPERTY SECURED BY DEED OF TRUST**

Owner: _____

Residence: _____
South El Monte, California

THIS AFFORDABILITY COVENANTS AND RESTRICTIONS AFFECTING REAL
PROPERTY AND OPTION TO PURCHASE PROPERTY SECURED BY DEED OF TRUST
("Agreement") is entered into as of this ____ day of _____, 2025 ("Agreement Date") by
and between CITY OF SOUTH EL MONTE, a California municipal corporation ("City"), and
_____ (jointly and severally "Owner"). City and Owner are
sometimes referred to as a "Party" and jointly as the "Parties."

RECITALS

- A. Concurrently with the recordation of this Agreement, Owner has acquired that certain residence located at _____ in City of South El Monte, County of Los Angeles, State of California, and legally described in Exhibit A attached hereto and incorporated by reference ("Residence").
- B. The Residence is part of that certain residential development commonly known as "_____" ("Project") which was developed by KB HOME GREATER LOS ANGELES INC., a California corporation ("Developer").
- C. As a condition to developing the Project, Developer was required to record covenants to designate and restrict twenty-one (21) of the units in the Project as affordable housing. Developer and City entered into that certain Master Affordable Housing Covenant and Density Bonus Agreement dated _____, 2025 recorded on _____, 2025 as Instrument No. _____ in the Official Records of Los Angeles County ("Developer Agreement").
- D. Pursuant to the Developer Agreement, the use, occupancy and transfer of the Residence is restricted to qualified _____-Income purchasers to ensure its continued availability to Income Households (as defined below) for a period of at least fifty-five (55) years. The term "Income Household" means a household whose Gross Income, as defined in California Code of Regulations Title 25 Housing and Community Development Section 6914, meets the standards defined in Section _____ of the California Health & Safety Code Section and

applicable regulations adopted by HCD, including Subchapter 2 of Division 1 of Title 25 of the California Code of Regulation (beginning at Section 6910) (“**HCD Laws/Regulations**”).

- E. Owner is acquiring the Residence pursuant to the Developer Agreement for a purchase price of _____ Dollars (\$) (“**Original Sales Price**”) which amount is less than the fair market value of the Residence which is agreed to be _____ Dollars (\$) as of the Effective Date (“**Original Fair Market Value**”). In consideration for acquiring the Residence at less than its Original Fair Market Value, Owner agrees that the Residence shall be restricted by the covenants and restrictions as set forth in this Agreement.
- F. This Agreement is secured by a deed of trust executed by Owner and recorded concurrently with this Agreement in the Official Records (“**Deed of Trust**”).

NOW, THEREFORE, in consideration for Owner acquiring the Residence for less than the Original Fair Market Value, Owner agrees to the following covenants and restrictions which shall run with the Residence in favor of the City.

1. DEFINITIONS.

The following terms shall have the definitions below which can be found in the referenced sections:

- “Agreement” – Preamble (page 1).
- “Agreement Date” – Preamble (page 1).
- “Alternative Sale” – Section 10(b).
- “Base Price” – Section 12.1.
- “Breach Notice” – Section 14.
- “City” – Preamble (page 1).
- “City’s Share of Appreciation” – Section 13.2.
- “Deed of Trust” – Recital F.
- “Default Interest” – Section 13.2.
- “Default Purchase Exercise Notice” – Section 15.1.
- “Default Purchase Option” – Section 15.1.
- “Effective Date” – Section 2.
- “Eligible Purchaser” – Section 11.2.
- “Eligible Transfer” – Section 11.
- “Exercise Notice” – Section 8.

“Exercise Price” – Section 8.

“Fair Market Value” – Section 9.1.

“First Lender” – Section 21.1.

“First Deed of Trust” – Section 21.1.

“Gross Income – Recital D.

“HCD Laws/Regulations” – Recital D.

“Increased Base Price” – Section 12.1.

“Ineligible Purchaser” – Section 10(b).

“Initial Subsidy” – Section 13.2.

“___Income Household” – Recital D.

“Notice of Default” – Section 14.

“Official Records” – Section 2.

“Option” – Section 8.

“Original Fair Market Value” – Recital E.

“Owner” – Preamble (page 1).

“Owner’s Share of Appreciation” – Section 13.3.

“Project” – Recital B.

“Proposed Purchaser” – Section 10.

“Relative” – Section 3.

“Residence” – Recital A.

“Restricted Sales Price” – Section 12.

“Restrictive Covenants” – Section 11.1(e).

“Subordination Agreement” – Section 21.2.

“Term” – Section 2.

“Total Appreciation” – Section 13.4.

“Transfer” – Section 5.

“Transfer Notice” – Section 7.

“Value of Capital Improvements” – Section 12.2.

2. TERM OF AGREEMENT. The covenants, restrictions and equitable servitudes in this Agreement shall burden the Residence and run in favor of and for the benefit of, City. The term of this Agreement shall commence on the date this Agreement is recorded (“**Effective Date**”) in the Official Records of Los Angeles County (“**Official Records**”) and shall continue for a term of fifty-five (55) years, unless otherwise terminated as set forth in this Agreement including, but not limited to, Sections 8, 13 and/or 17 (“**Term**”).

3. OWNER CERTIFICATIONS. Owner certifies to City that (i) the financial and other information previously provided in order to qualify to purchase the Residence was true, correct and complete; (ii) Owner does not own any other residential property as of the Agreement Date; (iii) Owner intends to occupy the Residence as Owner’s principal place of residence; and (iv) Owner is not a Relative (as defined below) of any employee, officer, board member or shareholder of Developer (or any successor Developer of the Project) or any of its members, affiliates, or subsidiaries, or of any employee or official of City. “**Relative**” shall mean a parent, child, sibling, spouse, uncle, aunt, cousin, niece, nephew, grandparent and grandchild and shall also extend to any of the foregoing persons related through marriage (i.e. in-laws or step relationships).

4. LEASING AND OCCUPANCY OF RESIDENCE; ANNUAL CERTIFICATION.

4.1. Occupancy of Residence. Owner shall continuously occupy the Residence as his/her/their principal residence and the Residence shall be used as the primary residence of the Owner and Owner’s household and for no other purpose. City may grant a temporary written waiver of this occupancy requirement for good cause in its reasonable discretion. No more than __ () persons shall occupy the Residence, not including children born after the Effective Date.

4.2. Leasing of Residence. Owner may not lease any portion of the Residence.

4.3. Annual Certification. On an annual basis, Owner shall provide a certification in a form required by City that the Residence is owned and occupied by Owner.

5. TRANSFER OF RESIDENCE. “**Transfer**” means any sale, assignment or transfer, voluntary or involuntary, of any interest in the Residence, including, but not limited to, a fee simple interest, a joint tenancy interest, a life estate, a leasehold interest, or an interest under a land sale contract by which possession of the Residence is transferred and Owner retains title. Any Transfer without satisfaction of the provisions of this Agreement is prohibited. Transfers by devise, or inheritance to an existing spouse, children, surviving joint tenant, or a spouse as part of a dissolution proceeding or in connection with marriage, shall not be considered a Transfer for the purposes of this Agreement.

6. REFINANCE OF RESIDENCE.

6.1 Refinancing of First Deed of Trust. Subject to Section 6.3, Owner may refinance a loan secured by a First Deed of Trust (defined in Section 20.1) encumbering the Residence provided that City has previously reviewed and approved in writing the terms and conditions thereof including, but not limited to, the principal amount of the proposed loan, the interest rate, the terms of repayment, the identity of the maker of the proposed loan, any documentation pertaining to the subordination or enforcement of this Agreement, and the costs and fees associated with the making of the proposed loan. Owner must have received the written approval of the proposed loan by City prior to the date of its closing. In the event of a proposed refinance that includes a principal amount in excess of that needed to repay the loan secured by the First Deed

of Trust, any approval by City shall include conditions which, in the sole discretion of City, are warranted in order to insure the continued affordability of the Residence. Any refinancing of a First Deed of Trust that has not been previously approved by City shall constitute a default under this Agreement.

6.2 Junior Liens. Subject to Section 6.3, Owner may enter into a loan secured by a lien junior and subordinate to this Agreement provided that (i) the proceeds of each loan shall be used solely to pay for repairs or the construction of improvements to the Residence which improvements are consistent with all applicable covenants and restrictions of the Project; (ii) City has previously reviewed and approved the terms and conditions thereof, including, but not limited to, the principal amount of the proposed loan, the interest rate, the terms of repayment, the identity of the maker of the proposed loan, the costs and fees associated with the making of the proposed loan, and the nature and costs of the proposed repairs or the construction of improvements, to be paid with the proceeds thereof; and (iii) Owner shall have received the written approval of the proposed loan by City prior to the date of its closing. Without limiting the foregoing, the proceeds of the proposed loan shall not be used to pay for the construction of improvement of a luxury nature such as ground pools, spas, or interior or exterior decorative items, or improvements with an unreasonable useful life. The failure of Owner to comply fully with the provisions of this subsection when entering into a loan that is secured by a lien junior and subordinate to this Agreement shall constitute a default under this Agreement.

6.3 Notification Prior to Encumbrance or Hypothecation. If Owner desires to refinance a First Deed of Trust pursuant to Section 6.1, or to borrow funds for a new loan to be secured by a junior lien encumbering the Residence the proceeds of which are to be used to pay for repairs or the construction of improvements to the Residence pursuant to Section 6.2, prior written approval of City is required. Owner must request such approval in writing at least thirty (30) days prior to the recordation of a lien securing any such refinancing or loan, Owner shall submit in writing the following information and the applicable documents:

- i. Name and address of lender.
- ii. Terms of the loan, including, but not limited to, principal, interest rate, term, and loan fees.
- iii. Closing date of the loan.
- iv. Copy of all proposed escrow instructions, loan applications, security agreement, loan documents, and other agreements between Owner and the lender.
- v. Written documentation of compliance with the conditions for City approval as set forth in Section 6.1 and 6.2, as applicable.
- vi. Other written documentation reasonably requested by City.

City shall have fifteen (15) business days after its receipt of all of such information to approve or disapprove the proposed refinancing or loan. If the City does not issue its written approval within the fifteen (15) business day period, the loan shall be deemed disapproved.

7. NOTICE OF INTENDED TRANSFER. In the event Owner intends to Transfer or vacate the Residence, Owner shall promptly notify City in writing of such intent delivered at least ninety (90) days prior to the actual date of the proposed Transfer or vacation of the Residence ("**Transfer Notice**").

8. CITY PURCHASE OPTION. Upon City's receipt of a Transfer Notice, City shall have the option, but not the obligation, to purchase the Residence for the Exercise Price (defined below) ("**Option**"). City may exercise its Option to purchase the Residence by delivering written notice of exercise to Owner within thirty (30) days of receipt of the Transfer Notice ("**Exercise Notice**"). Within ninety (90) days of the date of the Exercise Notice, City shall purchase the Residence at the **lesser** of: (i) the Fair Market Value of the Residence, or (ii) Restricted Sales Price calculated pursuant to Section 12 ("**Exercise Price**"). City may assign its right to purchase the Residence to an Eligible Purchaser or to a governmental agency or nonprofit organization that is devoted to developing or preserving low and moderate income housing. After a Transfer, if the City does not exercise the Option, the Option rights set forth herein shall remain in full force and effect and apply to any future Transfer of the Residence during the Term.

9. FAIR MARKET VALUE.

9.1. After the Effective Date, the term "**Fair Market Value**" shall have the meaning ascribed in Section 1263.320 of the California Code of Civil Procedure, as it now exists or may subsequently be amended and shall be determined by a real estate appraiser selected by City. The appraiser shall have been previously approved by the Federal National Mortgage Association or the Federal Housing Administration and at the time of the appraisal shall be on the list of approved single-family housing appraisers. If possible, the appraisal shall be based upon properties sold in the market during the three (3) month period prior to the date of the Transfer Notice. The cost of the appraisal shall be divided equally between City and Owner. In the event that improvements to the Residence have been made by Owner that increase the value of the Residence, or if damage to the Residence has occurred or deferred maintenance while Owner owned the Residence has decreased the value of the Residence, the appraisal shall specifically ascribe a value to these adjustment factors and state what the Fair Market Value of the Residence would be without such adjustments. Nothing in this Section shall preclude Owner and City from establishing the Fair Market Value of the Residence by mutual written agreement in lieu of an appraisal pursuant to this Section.

9.2. If no appraisal has been conducted pursuant to Section 9.1, and it is necessary to determine the Value of Capital Improvements made to the Residence by Owner, such determination shall be made by a real estate appraiser selected by City. The cost of the appraisal shall be divided equally between City and Owner.

10. TRANSFER BY OWNER. If City does not exercise its Option under Section 8, Owner may sell the Residence to a person of Owner's choosing ("**Proposed Purchaser**") subject to the following limitations:

a. Transfer to Eligible Purchaser: If Owner transfers the Residence in a transaction that meets the Eligible Transfer requirements in Section 11, the maximum amount that Owner may receive for the Transfer shall be the Restricted Sales Price and the transfer shall comply with the requirements in Section 11.

b. Transfer by Alternative Sale: If Owner transfers the Residence in a transaction that does not meet the Eligible Transfer requirements of Section 11, or is in Ineligible Purchaser as defined in Section 2.5, or fails to provide Transfer Notice as required by Section 7 ("**Alternative Sale**"), the gross proceeds of such sale shall be divided between Owner and City pursuant

to Section 13.

11. ELIGIBLE TRANSFER. A Transfer of the Residence that meets the requirements set forth in this Section 11 shall qualify as an approved Transfer to an Eligible Purchaser (as defined below) (“**Eligible Transfer**”).

11.1. Disclosures and Submittals. Owner and the Proposed Purchaser shall provide the following information in writing and documents to City:

- a. The name, address and telephone number of the Proposed Purchaser.
- b. Financial information certified by the Proposed Purchaser in a form acceptable to City and any other supporting documentation requested by City which shall include authorization for City to verify the information provided. The financial information shall be used by City to determine the income eligibility of the Proposed Purchaser as a Income Household in accordance with HCD Laws/Regulations.
- c. The proposed sales contract, escrow instructions and all other related documents that shall set forth the terms of the sale of the Residence.
- d. A written certification from Owner and the Proposed Purchaser in a form acceptable to City that the sale shall be closed in accordance with the terms of the sales contract and other documents submitted to and approved by City. The certification shall also provide that the Proposed Purchaser or any other party has not paid and will not pay to Owner, and Owner has not received and will not receive from the Proposed Purchaser or any other party, money or other consideration, including personal property, in addition to what is set forth in the sales contract and documents submitted to City. The written certification shall also include a provision that in the event a Transfer is made in violation of the terms of this Agreement or false or misleading statements are made in any documents or certification submitted to City, City shall have the right to file an action at law or in equity to make the parties terminate and/or rescind the sale contract and/or declare the sale void or pursue damages, notwithstanding the fact that the sale may have closed and become final as between Owner and the Proposed Purchaser. In any event, any costs, liabilities or obligations incurred by Owner and the Proposed Purchaser for the return of any monies paid or received in violation hereunder or for any costs and legal expenses, shall be borne by Owner and/or the Proposed Purchaser and they shall hold City and its designee harmless and reimburse their expenses, legal fees and costs for any action they reasonably take in good faith in enforcing the terms of this Agreement.
- e. Restrictive Covenants in favor of the City executed and acknowledged by the Proposed Purchaser with substantially the same terms as the terms of this Agreement in a form acceptable to the City (“**Restrictive Covenants**”). City’s approval of the proposed sale shall be effective upon the recordation in the Official Records of both the Restrictive Covenants and a request for notice of default under the First Deed of Trust in favor of City. City may require the Proposed Purchaser to pay a reasonable fee to City and reimburse it for out-of-pocket costs to cover the costs of administering its right and obligations under this Agreement.
- f. Upon the close of the proposed sale, the escrow must provide to City a conformed copy of the recorded Restrictive Covenants, a Request for Notice of

Delinquency and the Request for Notice, a copy of the final sales contract, settlement statement, escrow instructions, an endorsement updating the City's loan title insurance policy and any other document that City may reasonably request.

11.2. Eligibility of Purchaser. A Proposed Purchaser who meets the following requirements shall be an **"Eligible Purchaser"**:

- a. Each Proposed Purchaser shall certify to City in a form acceptable to City that he or she will occupy the Residence as his or her principal residence;
- b. Each Proposed Purchaser shall not own any other real property; and
- c. The combined Gross Income for all household members of the Proposed Purchaser qualifies as a _____ Laws/Regulations.

Income Household in accordance with HCD.

12. DETERMINATION OF SALES PRICE. The maximum sales price ("**Restricted Sales Price**") that Owner shall receive for an Eligible Transfer of the Residence shall be the Increased Base Price as adjusted by Section 12.2, but, in no event, shall the sales price exceed the amount specified in Section 50052.5 of the Health & Safety Code and HCD Laws/Regulations.

12.1. Increased Base Price. The "**Base Price**" of the Residence means the purchase price paid by Owner (which is set forth in Recital E for the initial Owner), inclusive of closing costs actually paid by Owner. The "**Increased Base Price**" of the Residence means the Base Price, increased by the percentage of increase for a _____ Income Household adjusted for family size, for Los Angeles County as published by the California Department of Housing and Community Development as determined by California Health & Safety Code Section 50000 et seq. and applicable regulations adopted from time to time. The increase in household income shall be computed from the date of the original purchase of the Residence by Owner to the date of Transfer Notice. In the event that such income determination is no longer published, or has not been updated for a period of at least eighteen (18) months, City may use or develop such other reasonable method as it may choose in order to determine such increase in income.

12.2. Adjusted Increased Base Price. The Increased Base Price shall also be adjusted for the Value of Capital Improvements. The "**Value of Capital Improvements**" shall mean the value of substantial structural or permanent fixed improvements that cannot be removed without substantial damage to the Residence or substantial or total loss of value of the improvements. No such valuation shall be made except for improvements (i) made or installed by or under the direction of Owner and permitted by the covenants restricting the Project; (ii) approved in advance by City or its designee; and (iii) with an initial cost of Two Thousand Dollars (\$2,000) or more. The value of such improvements to be taken into account in calculation of the Increased Base Price shall be the increase in value of the Residence by reason of the improvements, and shall be determined by agreement of City and Owner, or, in the event of failure to agree, by appraisal pursuant to Section 9.2.

13. ALTERNATIVE SALE & PAYMENT TO CITY. If a Transfer is not to an Eligible Purchaser (i.e., an Alternative Sale), Owner and City shall each receive a portion of the proceeds of the sale pursuant to this Section.

13.1. Disclosures and Submittals. Owner and Proposed Purchaser shall deliver to City the same information and documents as required by Section 11.1, except that (i) the financial

statement of the Proposed Purchaser described in Section 11.1(b), and (ii) the Restrictive Covenants described in Section 11.1(e) and 11.1(f), shall not be required.

13.2. Amount Paid to City. City shall be entitled to receive the lesser of (i) its Initial Subsidy (defined below) plus the City's proportionate share of appreciation, and (ii) the sales price (provided the sales price is equal to Fair Market Value). The City's proportionate share of the Total Appreciation (defined in Section 13.4) shall be equal to the ratio of the City's Initial Subsidy to the Fair Market Value at the time of the initial sale to Owner ("**City's Share of Appreciation**"). City's Initial Subsidy means the Original Fair Market Value (as defined in Recital E) minus the Original Sales Price (as defined in Recital E), plus any down payment assistance from City ("**Initial Subsidy**").

City's share of sale proceeds shall be paid to City directly from escrow upon close of the Alternative Sale. In the event the amount due to City is not paid when due, the amount due to City shall accrue interest at the rate of ten percent (10%) per annum but not to exceed the (maximum amount permitted by law, commencing on the date said amount should have been paid to City until said amount is actually paid to City ("**Default Interest**").

13.3. Amount Paid to Owner. Owner shall be entitled to receive the sum of (i) his/her/their down payment, (ii) the Value of Capital Improvements, if any, plus (iii) the Owner's Share of Appreciation, but less (a) any amounts to pay off the First Lender and any other liens, and (b) closing costs to be paid by Owner. "**Owner's Share of Appreciation**" shall be the Total Appreciation of the Residence less the City's Share of Appreciation.

13.4. "Total Appreciation" shall mean Fair Market Value (as defined in Section 9.1) at the time of the sale, less the sum of (i) the Fair Market Value at the time of original acquisition and (ii) the Value of Capital Improvements.

14. DEFAULTS AND REMEDIES. Upon a breach of this Agreement or the Deed of Trust by Owner, City shall give written notice to Owner specifying in reasonable detail the nature of the breach ("**Breach Notice**"). If the breach is not cured to the satisfaction of City within (i) ten (10) days after delivery of the Breach Notice for failure to pay any sums due to the City under this Agreement; (ii) within thirty (30) days after delivery of the Breach Notice for failure to cure any non-monetary breach, and (iii) within thirty (30) days after recordation of a notice of default under any senior note or trust deed, City may thereafter elect to declare Owner in default under this Agreement by delivering a notice of default to Owner and First Lender ("**Notice of Default**").

Immediately following the Notice of Default, City may apply to a court of competent jurisdiction for specific performance of this Agreement, or for any such other relief at law or in equity as may be appropriate, including foreclosure of the Deed of Trust for the amount the amounts to be paid to City pursuant to this Agreement including its attorney's fees.

15. NON-LIABILITY OF CITY. City shall not be liable or obligated to Owner or any successor-in-interest to Owner by reason of its option to purchase under Section 8 or for any failure to exercise its option to purchase under those Sections.

16. FANNIE MAE REQUIREMENTS.

16.1 Insurance Settlements and Condemnation Proceeds. The holder of the First Deed of Trust shall have first claim to insurance settlements and condemnation proceeds.

16.2 Termination Upon Foreclosure or Deed in Lieu of Foreclosure. The provisions

of this Agreement shall automatically terminate and be of no further force and effect upon a foreclosure or deed in lieu of foreclosure. Any mortgagee who forecloses or accepts a deed in lieu of foreclosure shall take title free and clear of this Agreement and the covenants, conditions and restrictions set forth herein, and the City shall not be entitled to any proceeds from future sales or transfer of the property after foreclosure or acceptance of a deed in lieu of foreclosure.

16.3 Non-Applicability to Private Loans. To the extent Owner obtains a loan from a private individual, the provisions of this Section 16 shall not apply. Notwithstanding the foregoing, the provisions of this Section 16 are intended to fully comply with all requirements of Fannie Mae and nothing contained in this Section 16.3 shall be deemed to supersede any requirements of 16.1 or 16.2 as to any Fannie Mae loan.

17. RESTRICTIONS OF FORECLOSURE PROCEEDS. If a creditor acquires title to the Residence through a deed in lieu of foreclosure, a trustee's deed upon foreclosure sale, or otherwise, Owner shall not be entitled to the proceeds of sale to the extent that such proceeds otherwise payable to Owner when added to the proceeds paid or credited to the creditor exceed the amount Owner would have received by a sale in accordance with Section 11. Owner hereby irrevocably instructs the holder of such excess proceeds to pay such proceeds to City as consideration for the regulatory requirements of City allowing the Residence to be sold to a household that would not otherwise have been able to afford it.

18. COVENANTS RUN WITH THE LAND. Notwithstanding any other provision of law, this Agreement shall run with the land and shall be enforceable against Owner and successors-in-interest by the City..

19. SUPERIORITY OF RESTRICTIVE COVENANT. Owner covenants that he/she/they have not, and will not, execute any other agreement with provisions contradictory to or in opposition to the provisions hereof, and that, in any event, this Agreement is controlling as to the rights and obligations between Owner (and its successors) and City.

20. RIGHTS OF BENEFICIARIES UNDER FIRST DEED OF TRUST.

20.1 This Agreement shall not diminish or affect the rights of the First Lender under the First Deed of Trust or any subsequent First Deed of Trust recorded against the Residence after the Effective Date in accordance with Section 6. For purposes of this Agreement, "**First Lender**" shall be the lender of a purchase money loan used for purchase of the Residence which loan is secured by a deed of trust in first position on record title to the Residence as well as a permitted refinancing permitted under Section 6 ("**First Deed of Trust**").

20.2 Upon written request from Owner, City shall execute a subordination agreement in a form reasonably required by the First Lender subordinating this Agreement to the lien of a First Deed of Trust provided that the First Lender agrees (i) to provide notice of any default to City concurrently with such notice being provided to Owner, and (ii) to permit the City to cure any default under the First Deed of Trust ("**Subordination Agreement**"). Any Subordination Agreement shall only run to the benefit of the First Lender and any subsequent holder of the First Deed of Trust but shall not affect the rights and obligations of City and Owner under this Agreement including, but not limited to, Section 15.

21. INVALID PROVISIONS. If any one or more of the provisions contained in this Agreement shall be held to be invalid, illegal or unenforceable in any respect, such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

22. GOVERNING LAW. This Agreement shall be interpreted under the laws of the State of California.

23. NOTICES. All notices required herein shall be sent by certified mail, return receipt requested or express delivery service with a delivery receipt and shall be deemed to be effective as date received or the date delivery was refused as indicated on the return receipt as follows:

To Owner:	At the address of the Residence
To City:	City of South El Monte 1415 Santa Anita Avenue South El Monte, CA 91733 Attn: City Manager
With copy to:	City of South El Monte 1415 Santa Anita Avenue South El Monte, CA 91733 Attn: City Attorney
To First Lender:	At the address shown on the First Deed of Trust.

A Party may subsequently change addresses by providing written notice of the change in address to the other parties in accordance with this Section 23.

24. ATTORNEY'S FEES. Should either Party incur attorney's fees in seeking the enforcement of this Agreement, whether or not a final court judgment is entered, the prevailing Party shall be entitled to reimbursement of all reasonable costs and expenses incurred by the prevailing Party in such legal proceeding, including reasonable attorneys' fees, court costs and expenses and consultant and expert witness fees and expenses.

25. AGREEMENT APPURTENANT TO RESIDENCE. This Agreement is appurtenant to and shall run with the Residence as a covenant and equitable servitude in favor of City and shall be binding on all subsequent owners of the Residence.

26. FURTHER ASSURANCES. The Parties shall execute any further documents in recordable form consistent with the terms of this Agreement as may from time to time be necessary or appropriate to effectuate the purpose of this Agreement. The City Manager is authorized to execute any further documents on behalf of City.

27. AMENDMENT OR MODIFICATION. No modification, rescission, waiver, release or amendment of any provision of this Agreement shall be made except by a written agreement executed by Developer and City.

28. CONSTRUCTION. This Agreement shall be construed according to its fair meaning as if prepared by both Parties to this Agreement. Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent.

29. NO WAIVER. The failure of City to enforce any term, covenant, or condition of this Agreement on the date it is to be performed shall not be construed as a waiver of City's right to enforce this, or any other, term, covenant, or condition of this Agreement at any later date or as a waiver of any term, covenant, or condition of this Agreement.

30. ENTIRE AGREEMENT. This Agreement, together with its specific references, attachments, Exhibits incorporated here and all documents executed pursuant hereto, constitute the entire understanding and agreement of the Parties and supersedes all prior negotiations, discussions and previous agreements between City and Owner concerning all or any part of the subject matter of this Agreement. The Recitals are incorporated herein and made a part of this Agreement.

31. AUTHORITY. All Parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement and the names, titles, and capacities herein stated on behalf of any entities, persons, states, or firms represented or purported to be represented by such entities, persons, states or firms and that all former requirements necessary or required by state or federal law in order to enter into this Agreement had been fully complied with. Further, by entering into this Agreement no Party hereto shall have breached the terms or conditions of any other contract or agreement to which such Party is obligated, which such break would have a material effect herein.

32. GOOD FAITH COVENANT. The Parties agree to cooperate in good faith to effectuate the intent of this Agreement.

33. NO THIRD PARTY BENEFICIARIES. This Agreement and all provisions hereof are made and entered into for the sole protection and benefit of the City and Owner and their successors and assigns as may be approved in accordance with this Agreement. No other person shall have a right of action based upon any provision of this Agreement. _____

34. COUNTERPARTS. This Agreement may be signed in counterparts, each of which shall constitute an original.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

“OWNER”

“CITY”

CITY OF SOUTH EL MONTE,
a municipal corporation

Name: _____

By: _____

Name: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

By: _____
Susie Altamirano, City
Attorney

EXHIBIT E
Covenant Deed of Trust

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

City of South El Monte
1415 Santa Anita Avenue
South El Monte, CA 91711
Attn: City Clerk

Exempt from payment of recording fees pursuant to Government Code § 6103.

DEED OF TRUST WITH ASSIGNMENT OF RENTS (Securing Affordable Housing Covenants)

THIS DEED OF TRUST WITH ASSIGNMENT OF RENTS (“**Deed of Trust**”) is made as of the ___ day of _____, 202_, by _____ (as “**Trustor**”), whose address is _____ South El Monte, California _____, to FIDELITY NATIONAL TITLE INSURANCE COMPANY (as “**Trustee**”), for the benefit of the CITY OF SOUTH EL MONTE, a California municipal corporation (as “**Beneficiary**”), whose address is 1415 Santa Anita Avenue, South El Monte, CA 91711.

WITNESSETH: That Trustor grants to Trustee in trust, with power of sale, that property in the City of South El Monte, County of Los Angeles, State of California, described as set forth on Exhibit A attached hereto and hereby incorporated herein by reference (“**Property**”) together with rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits for the purpose of securing (1) that certain Affordability Covenants and Restrictions Affecting Real Property and Option to Purchase Property Secured by Deed of Trust of even date herewith between Trustor and Beneficiary, and extensions of modifications thereof which is being recorded concurrently herewith (“**Affordable Housing Agreement**”); (2) the performance of each agreement of Trustor incorporated by reference or contained herein; and (3) payment of any and all sums and interest thereon which may hereafter be loaned to Trustor, or his or her successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.

THIS DEED OF TRUST IS HEREBY MODIFIED/SUPPLEMENTED BY THE TERMS OF THAT CERTAIN RIDER TO DEED OF TRUST WHICH IS ATTACHED TO THIS DEED OF TRUST AND HEREBY INCORPORATED BY REFERENCE.

To protect the security of this Deed of Trust, and with respect to the Property, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each and all of the terms and provisions set forth in subdivision A, and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the fictitious deed of trust recorded in Orange County August 17, 1964, and in all other counties August 18, 1964, in the book and at the page of Official Records in the office of the county recorder of the county where said property is located, noted below opposite the name of such county, namely:

COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE
Alameda	1288	556	Kings	858	713	Placer	1028	379	Sierra	38	187
Alpine	3	130-31	Lake	437	110	Plumas	166	1307	Siskiyou	506	762
Amador	133	438	Lassen	192	367	Riverside	3778	347	Solano	1287	621
Butte	1330	513	Los Angeles	T-3878	874	Sacramento	5039	124	Sonoma	2057	427
Calaveras	185	338	Madera	911	136	San Benito	300	405	Stanislaus	1970	56
Colusa	323	391	Marin	1849	122	San Bernardino	6213	768	Sutter	655	585
Contra Costa	4684	1	Mariposa	90	453	San Francisco	A-804	596	Tehama	457	183
Del Norte	101	549	Mendocino	667	99	San Joaquin	2855	283	Trinity	108	595
El Dorado	704	635	Merced	1660	753	San Luis Obispo	1311	137	Tulare	2530	108
Fresno	5052	623	Modoc	191	93	San Mateo	4778	175	Tuolumne	177	160
Glenn	469	76	Mono	69	302	Santa Barbara	2055	881	Ventura	2607	237
Humboldt	801	83	Monterey	357	239	Santa Clara	6626	664	Yolo	769	16
Imperial	1189	701	Napa	704	742	Santa Cruz	1638	607	Yuba	398	693

Inyo	165	672	Nevada	363	94	Shasta	800	633
Kern	3756	690	Orange	7182	18	San Diego	SERIES 5 Book 1964, Page 149774	

shall inure to and bind the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivision A and B (identical in all counties, and printed on pages 3 and 4 hereof) are by the within reference thereto, incorporated herein and made a part of this Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor does not exceed the maximum allowed by law.

TRUSTOR

DO NOT RECORD

The following is a copy of Subdivisions A and B of the fictitious Deed of Trust recorded in each county in California as stated in the foregoing Deed of Trust and incorporated by reference in said Deed of Trust as being a part thereof as if set forth at length therein.

A. To protect the security of this Deed of Trust, Trustor agrees:

- 1) To keep said property in good condition and repair, not to remove or demolish any building thereon; to complete or restore promptly and in a good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor, to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.
- 2) To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at the option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
- 3) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed.
- 4) To pay: at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.
Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.
- 5) To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from the date of expenditure at the amount allowed by law in effect at the date hereof, and to pay for any statement provided for by law in effect at the date hereof regarding the obligation secured hereby any amount demanded by the Beneficiary not to exceed the maximum allowed by law at the time when said statement is demanded.

B. It is mutually agreed:

- 1) That any award in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.
- 2) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.
- 3) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon, or join in any extension agreement or any agreement subordinating the lien or charge hereof.
- 4) That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The Grantee in such reconveyance may be described as "the person or persons legally entitled thereto."
- 5) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in the performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or be a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collecting of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
- 6) That upon default by Trustor in payment of any indebtedness secured hereby or in the performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property, which

notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed, said note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at the amount allowed by law in effect at the date hereof; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

7) Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where said property is situated shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed is recorded and the name and address of the new Trustee.

8) That this Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledgees, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

9) That Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

DO NOT RECORD

REQUEST FOR FULL RECONVEYANCE

TO _____, TRUSTEE:

The undersigned is the legal owner and holder of the note or notes and of all indebtedness secured by the foregoing Deed of Trust. Said note or notes, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note or notes above mentioned, an all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you under the same.

Dated _____

Please mail Deed of Trust,
Note and Reconveyance to _____

Do Not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made.

RIDER TO DEED OF TRUST WITH ASSIGNMENT OF RENTS

THIS RIDER TO DEED OF TRUST WITH ASSIGNMENT OF RENTS ("**Rider**") is attached to and incorporated by reference to that certain Deed of Trust With Assignment of Rents, executed by _____ as "**Trustor**," in which FIDELITY NATIONAL TITLE INSURANCE

COMPANY is "**Trustee**," in favor of the CITY OF SOUTH EL MONTE, a California municipal corporation, as "**Beneficiary**." The Deed of Trust, as hereby modified/supplemented by this Rider, is hereinafter referred to as the "**Deed of Trust**."

All terms which are not defined in this Deed of Trust shall have the meaning given in the Affordable Housing Agreement.

The parties hereto agree:

1. Obligations Secured. Trustor makes this grant and assignment for the purpose of securing the following obligations:

- a. Payment and performance of all obligations of Trustor under this Deed of Trust recorded as Instrument No. _____;
- b. Payment of all obligations of Trustor under the Master Affordable Housing Agreement;
- c. Payment of all future advances and other obligations of Trustor or any other person, firm, or entity with the approval of Trustor, may agree to pay and/or perform (whether as principal, surety or guarantor) for the benefit of Beneficiary, when the obligation is evidenced by a writing which recites that it is secured by this Deed of Trust; and
- d. All modifications, extensions and renewals of any of the obligations secured hereby, however evidenced.

2. No Renting or Leasing. Trustor acknowledges and agrees that Trustor shall occupy the Property as Trustor's principal residence in accordance with the Affordable Housing Agreement and shall not rent or lease any portion of the Property. Nothing in the Deed of Trust including the assignment of rents shall be interpreted or construed to permit the Trustor to rent or lease any portion of the Property.

3. Mortgagee-in-Possession. Neither the assignment of rents set forth in the Deed of Trust nor the exercise by Beneficiary of any of its rights or remedies hereunder shall be deemed to make Beneficiary a "mortgagee-in-possession" or otherwise liable in any manner with respect to the Property, unless Beneficiary, in person or by agent, assumes actual possession thereof. Nor shall appointment of a receiver for the Property by any court at the request of Beneficiary or by agreement with Trustor, or the entering into possession of the Property by such receiver, be deemed to make Beneficiary a "mortgagee-in-possession" or otherwise liable in any manner with respect to the Property.

4. Restriction on Transfer of Property; Beneficiary's Right to Accelerate. In no event shall Borrower transfer any portion of the Property in violation of the Affordable Housing Agreement without the prior express written consent of Beneficiary which consent shall be given by Beneficiary only in the event that Beneficiary determines that the assignee or transferee is an Eligible Purchaser, that the assignee's or transferee's monthly housing payments are at, or less than, an Affordable Housing Cost, and that the assignee or transferee has expressly assumed the Note and the Affordable Housing Agreement by execution of a written assignment document to be provided by the Beneficiary. Violation of the transfer restrictions can result in the acceleration of Note as provided in the Affordable Housing Agreement.

5. No Cure. In the event Beneficiary collects and receives any rents under the Deed of Trust upon any default hereof, such collection or receipt shall in no way constitute a curing of the default.

6. Waiver. No delay or omission by Beneficiary in exercising any right or power accruing upon the compliance or failure of performance by Trustor hereto under the provisions of this Deed of Trust

shall impair any such right or power or be construed to be a waiver thereof. A waiver by Beneficiary of a breach, default or any other failure of performance by Trustor of any of the covenants, conditions or agreements hereof to be performed by Trustor shall not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions or conditions hereof.

7. Default. Any default under the Affordable Housing Agreement shall be deemed a default under this Deed of Trust.

IN WITNESS WHEREOF, Trustor has executed this Rider to be effective for all purposes as of the day and year first set forth above.

TRUSTOR:



City Council Agenda Report Agenda Item No. 10.e.

DATE: July 15, 2025

TO: Honorable Mayor and Members of the City Council

APPROVED BY: Rene Salas, City Manager

SUBMITTED BY: Susie Altamirano, City Attorney

SUBJECT: DISCUSSION AND CONSIDERATION OF RESOLUTION NO. 25-071, APPROVING THE FORMATION OF THE SOUTH EL MONTE COMMUNITY BENEFIT FOUNDATION

SUMMARY: Discussion and consideration of a Resolution approving the formation of the South El Monte Community Benefit Foundation by the South El Monte City Council.

RECOMMENDED ACTION: Staff recommends City Council:

1. Discuss and consider the formation of the City of South El Monte Community Benefit Foundation (Foundation);
2. Adopt Resolution No. 25-071;
3. Authorize the City Clerk or designee to draft any and all documents necessary to form the Foundation;
4. Direct Staff to develop a process for selecting the first Board of Directors of the Foundation for review and approval;
5. Work with the City Attorney to draft the Foundation's Bylaws and Articles of Incorporation to reflect a community-led governance structure; and
6. Provide additional direction to Staff.

FISCAL/FINANCIAL IMPACT: The fiscal impact anticipated from the formation of the Foundation would be the additional cost of staff time, legal and accounting costs, and other administrative overhead costs.

An advance of not less than \$2,000 is requested from the General Fund to cover the following expenses:

1. The Foundation must file its Articles of Incorporation with the California Secretary of State, with a \$30 filing fee.
2. The Foundation must file IRS Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code, with a \$600 filing fee.
3. The Foundation must file FTB 3500A, Submission of Exemption Request, with the State of California Franchise Tax Board, with \$25 filing fee.

The filing fees will be reimbursed by the Foundation upon receiving grants and donations.

DISCUSSION: The attached Resolution approves the formation of a public benefit corporation called the South El Monte Community Foundation. The Foundation will be established for the purpose of managing funds received by the Foundation through grants, donations, and corporate support, and for directing such funds towards the benefit of the South El Monte community. The Resolution authorizes and directs the City Manager and other City staff to take actions necessary to form the Foundation and to obtain tax-exempt status for the Foundation.

The Resolution specifies the composition of the Foundation's Board of Directors, proposing a Board to be composed of five (5) members, who shall be appointed by the City Council. The individuals under consideration must demonstrate an ability and/or expertise to effectively direct resources to areas of need in the South El Monte community, including the ability to select appropriate projects and coordinate with participating organizations and the ability to garner further financial support for the Foundation's projects. The Resolution authorizes the City Manager to develop Board member descriptions and work with staff to conduct outreach to attract a qualified and diverse applicant pool. The City Council would retain full discretion to review all applications and determine which applicants to invite for an interview with the City Council.

All meetings of the Board of Directors, or any committee thereof, shall be called, noticed, held and conducted in accordance with the applicable provisions of the Ralph M. Brown Act. (California Government Code section 54950, *et seq.*)

ENVIRONMENTAL ANALYSIS: The action proposed herein is not a project subject to the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060(c)(2), 15060(c)(3), and 15378. Approving and allocating funds for eligible housing projects is an administrative action that would not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Therefore, the proposed action is not a "project" subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required.

ATTACHMENT(S):

- A. Resolution No. 25-071

RESOLUTION NO. 25-071

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH EL MONTE, CALIFORNIA, APPROVING AND ESTABLISHING THE FORMATION OF THE SOUTH EL MONTE COMMUNITY FOUNDATION

WHEREAS, the City of South El Monte (“City”) has on occasion in the past received financial support for charitable, cultural, recreational, educational purposes or community activities to benefit the South El Monte community; and

WHEREAS, the solicitation and management of these contributions can be complicated and time-consuming, and therefore the City desires to streamline the solicitation and management of these funds and to have the ability to direct them toward projects that will best serve the South El Monte community through a tax-exempt public benefit corporation with a board composed of community members who have demonstrated an ability and willingness to support the interests of the City of South El Monte and its residents; and

WHEREAS, such purpose is an exempt purpose under Section 501(c)(3) of the Internal Revenue Code; and

WHEREAS, the City desires that such public benefit corporation shall be called the “South El Monte Community Foundation” (“Foundation”); and

WHEREAS, the City Council desires to approve the Articles of Incorporation of the Foundation in order to form the Foundation; and

WHEREAS, the City Council further desires to direct and authorize City staff to take all actions necessary to form the Foundation and obtain tax-exempt status on its behalf; and

WHEREAS, the City Council desires to specify the initial members of the Foundation’s Board of Directors, as well as define the overall structure and composition of the Board; and

WHEREAS, the City Council desires to appropriate sufficient funds to cover required state and federal filings necessary to obtain nonprofit status for the Foundation, with the expectation that such costs will be reimbursed by the Foundation.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH EL MONTE HEREBY FINDS, DETERMINES AND RESOLVES AS FOLLOWS:

SECTION 1. The above recitals are true and correct and are incorporated herein by reference.

SECTION 2. The City Council hereby approves the formation of a public benefit corporation to be known as the “South El Monte Community Foundation.”

SECTION 3. The City Manager, or his or her designee, is hereby authorized and directed to do any and all tasks necessary to carry out, perform, implement, and consummate the tax-exempt application process of the Foundation, including but not limited to filing all state and federal tax-exempt applications.

SECTION 4. The City Manager and all appropriate City staff are hereby authorized to develop Board member and officer job descriptions, conduct outreach to attract a qualified and diverse application pool, and develop an application process to review and enable City Council to select five (5) Board members, based on a consideration of the following criteria:

- a) The individual’s contributions to the City of any kind;
- b) The individual’s demonstrated ability and/or expertise to effectively direct resources to areas of need in the South El Monte community, including ability to select appropriate projects and coordinate with participating organizations; ability to garner further financial support for the Foundation’s projects.

The City Manager and/or designee(s) shall retain review all applications and determine which applicants are eligible to invite for an interview with City Council.

SECTION 5. The City Manager and all appropriate City staff are hereby authorized and directed to work with the City Attorney’s Office to draft the bylaws and Articles of Incorporation for the formation of the Foundation, to be approved by the Foundation at a later date.

SECTION 6. The City Council hereby appropriates Two Thousand Dollars (\$2,000.00) for payment of fees for obtaining non-profit status for the Foundation and any other incidental expenses, which shall be reimbursed by the Foundation upon receiving grants and donations.

PASSED, APPROVED, and ADOPTED this 15th day of July 2025.

Gloria Olmos, Mayor

ATTEST:

Adrian Garcia, MMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF SOUTH EL MONTE)

I, Adrian Garcia, City Clerk of the City of South El Monte, hereby certify that the foregoing Resolution, being Resolution No. 25-071, was duly passed and approved by the City Council of the City of South El Monte at a regular meeting of said Council held on the 15th day of July 2025, and that said Resolution was adopted by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Adrian Garcia, MMC, City Clerk



City Council Agenda Report Agenda Item No. 13.a.

DATE: July 15, 2025

TO: Honorable Mayor and Members of the City Council

APPROVED BY: Rene Salas, City Manager

SUBMITTED BY:

SUBJECT: COUNCILMEMBER MANUEL ACOSTA

1. Update on Commercial and Home Developments in South El Monte
2. Discussion/Action: South El Monte Emergency Preparedness – Flood Preparedness!

SUMMARY:

1. Update on Commercial and Home Developments in South El Monte

A report on the city's empty properties and the point of progress on their development.

2. Discussion/Action: South El Monte Emergency Preparedness – Flood Preparedness!

Floods are becoming more intense due to heavier rainfall driven by a changing climate. As the atmosphere becomes warmer, the ocean becomes warmer releasing more moisture in the air. The warming atmosphere now holds more water creating larger and denser clouds. Consequently, storms are having greater rainfall, challenging the natural channels which direct the water to the ocean. South El Monte is located in one of the lowest points in the San Gabriel Valley, as evident by the two rivers that flow into it, the Rio Hondo River on the west, and the San Gabriel River on the east, and the Whittier Narrows Dam to the south. The historical 100-year storm can have a rainfall of 2 - 4 inches per hour or 10 inches over a 24-hour period. The possibility of a torrential flood should be included in South El Monte's Emergency Plan and include the contact points during on and off-hours, how will the community be notified, and where is higher ground?

RECOMMENDED ACTION:

FISCAL/FINANCIAL IMPACT:

DISCUSSION:

ATTACHMENT(S):

None