



SOUTH GATE CITY COUNCIL REGULAR MEETING AGENDA

Tuesday, August 11, 2020 at 6:30 p.m.

TELECONFERENCE

DIAL-IN-NUMBER: 1 (669) 900-6833

MEETING ID: 897 6041 0328

<https://us02web.zoom.us/j/89760410328>

I. Call To Order/Roll Call With Invocation & Pledge

CALL TO ORDER	Maria Davila, Mayor
INVOCATION	Pastor Elias Gabriel, First Baptist Church
PLEDGE OF ALLEGIANCED	Daisy Banuelos, South Gate Resident
ROLL CALL	Carmen Avalos, City Clerk

II. City Officials

MAYOR Maria Davila	CITY CLERK Carmen Avalos
VICE MAYOR Al Rios	CITY TREASURER Gregory Martinez
COUNCIL MEMBERS Maria del Pilar Avalos Denise Diaz Gil Hurtado	CITY MANAGER Michael Flad CITY ATTORNEY Raul F. Salinas

COVID 19 Meeting Procedures

Pursuant to Governor Newsom's Executive Order N-29-20, dated March 17, 2020, members of the South Gate City Council, staff, and the public will participate in the August 11, 2020 meeting via a teleconference. To avoid exposure to COVID-19 this meeting will be held with City Council Members participating via teleconference by calling Dial-in-Number: 1 (669) 900-6833 and Meeting ID: 897 6041 0328 and <https://us02web.zoom.us/j/89760410328>

Additionally, you may submit your comments electronically by emailing the City Clerk at cavalos@sogate.org.

Procedure for Participation:

Any person wanting to participate may request to "speak" on an agenda item. Once acknowledged and authorized by the Mayor the person may speak. Alternatively, any person may submit comments on an item electronically by emailing cavalos@sogate.org. Submissions by email must be received 30 minutes prior to the posted start time of the meeting if emailing subject.

Subject line should read: **COMMENTS FOR ITEM _____, MEETING OF August 11, 2020.**

Please note, you will enter the meeting muted, but if you want to comment on an Agenda Item or during the public comment portion of the Agenda, raise your hand or press *9 at the appropriate time indicated by the Mayor. When you are selected to speak, you will hear that you are unmuted, this is the time to make your public comments. Your patience with these changes is appreciated as the City adjusts to new ways of conducting business during the COVID-19 pandemic. Thank you.

Accessibility: Reasonable accommodations for individuals with disabilities will be handled on a case-by-case basis and in accordance with the Americans with Disabilities Act and Governor Newsom's Executive Order N-29-20. Please call the Office of the City Clerk at 323.563.9510.

III. Meeting Compensation Disclosure

Pursuant to Government Code Section 54952.3: Disclosure of compensation for meeting attendance by City Council Members is \$650 monthly regardless of the amount of meetings.

IV. Proclamations, Certificates, Introductions And Ceremonial Actions

1. Appointments To City Commissions, Committees And Boards

The City Council will consider making appointments to the City Commissions, Committees and Boards; the appointments will be

ratified by a majority vote of the City Council. (ADMIN)

Documents:

[ITEM 1 REPORT 08112020.PDF](#)

2. Ratification Of Daisy Banuelos' Appointment To The Commission For South Gate Youth

The City Council will consider ratifying, by a majority vote, the appointment of Daisy Banuelos to the Commission for South Gate Youth (PD)

Documents:

[ITEM 2 REPORT 08112020.PDF](#)

V. Public Hearings

3. Resolution Approving The Disposition Development Agreement With 5821 Firestone Boulevard, LLC Will Be Continued

The City Council will open the Public Hearing and consider continuing consideration of adopting a resolution approving the proposed Disposition and Development Agreement for the sale and development of the property located at 5821 Firestone Boulevard, to the August 25, 2020 City Council meeting. (CD)

Documents:

[ITEM 3 REPORT 08112020.PDF](#)

4. Resolution Applying A 3.36% Rate Increase For Residential Refuse Collection And Recycling Services

The City Council will conduct a Public Hearing to consider adopting a **Resolution** _____ amending Resolution No. 7872 (Schedule of Fees) to apply a 3.36% rate increase to the residential refuse collection and recycling services for Fiscal Year 2020/21, retroactively effective July 1, 2020. (PW)

Documents:

[ITEM 4 REPORT 08112020.PDF](#)

5. Resolution Approving The 2020-2025 Consolidated Plan; Annual Action Plan; Analysis Of Impediments To Fair Housing Choice; And Citizen Participation Plan Will Be Continued

The City Council will open the Public Hearing and continue consideration of adopting a Resolution approving the 2020-2025

Consolidated Plan; the Annual Action Plan for Fiscal Year 2020/21; the 2020 Analysis of Impediments to Fair Housing Choice; and the Citizen Participation Plan to the regularly scheduled City Council meeting of August 25, 2020. (CD)

Documents:

[ITEM 5 REPORT 08112020.PDF](#)

VI. Comments From The Audience

During this time, members of the public and staff may address the City Council regarding any items within the subject matter jurisdiction of the City Council. Comments from the audience will be limited to five (5) minutes per speaker; unless authorized by the Mayor, the time limit may not be extended by utilizing another member's time. There will be no debate or action on items not listed on the agenda unless authorized by law.

Note: The City Council desires to provide all members of the public with the opportunity to address the Council. Nevertheless, obscene language, comments intended to disrupt or interfere with the progress of the meeting or slanderous comments will not be tolerated and may result in ejection and/or may constitute a violation of South Gate Municipal Code Section 1.04.110.

VII. Reports And Comments From City Officials

During this time, members of the City Council will report on matters pertaining to their service on various intergovernmental boards and commissions as a representative of the City pursuant to Assembly Bill 1234. City Council Members will also have an opportunity to comment on matters not on the agenda.

Following the City Council Members, reports and comments will be heard by the City Clerk, City Treasurer, City Manager and Department Heads.

VIII. Consent Calendar Items

Agenda Items **6, 9, 10, 11 12, 13, 14 and 15** are consent Calendar Items.

All items including Ordinances, Resolutions and Contracts, may be approved by adoption of the Consent Calendar, individually and collectively by one (1) motion. There will be no separate discussion of these items unless Members of the City Council, the public, or staff request that specific items be removed from the Consent Calendar for separate discussion and action.

Any Motion to introduce or adopt an Ordinance on the Consent Calendar shall be: (1) a motion to waive the reading of the Ordinance and introduce the Ordinance or (2) a motion to waive the reading of the Ordinance and adopt the Ordinance, as appropriate.

6. Community Development Block Grant Subrecipient Agreements For Fiscal Year 2020/21

The City Council will consider: (CD)

a. Approving the Community Development Block Grant (CDBG) Program Subrecipient Agreements for Fiscal Year 2020/21, retroactively effective July 1, 2020, with:

1. The Fair Housing Foundation in the amount of \$24,000;
2. Southern California Rehabilitation Services in the amount of \$8,000;
3. The Salvation Army, DBA The Salvation Army Western Territory in the amount of \$22,500;
4. Helpline Youth Counseling in the amount of \$22,500;
5. The Tweedy Mile Association for a total amount of \$60,000; each of the ten participating businesses will receive a \$6,000 grant for exterior improvements; and

b. Authorizing the Mayor to execute the Agreements in a form acceptable to the City Attorney.

Documents:

[ITEM 6 REPORT 08112020.PDF](#)

7. This Item Was Removed From The Agenda.

8. This Item Was Removed From The Agenda.

9. Amendment No. 1 To Contract No. 3341 With John L. Hunter & Associates, Inc., For NPDES Program Management Services

The City Council will consider: (PW)

a. Approving **Amendment No. 1 to Contract No. 3341** with John L. Hunter and Associates, Inc., extending management services of the National Pollutant Discharge Elimination System Program for an additional two-year term, retroactively effective July 1, 2020, in an additional amount not to exceed \$116,335; and

b. Authorizing the Mayor to execute Amendment No. 1 in a form acceptable to the City Attorney.

Documents:

[ITEM 9 REPORT 08112020.PDF](#)

10. Amendment No. 2 To Contract No. 3243 With West Coast Arborist, Inc., Extending Tree Maintenance Services For An Additional Year

The City Council will consider: (PW)

a. Approving **Amendment No. 2 to Contract No. 3243** with West Coast Arborist, Inc., extending Citywide Tree Maintenance Services, for an additional one-year term, through July 31, 2021, for an amount not-to-exceed \$522,468; and

- b. Authorize the Mayor to execute Amendment No. 2 in a form acceptable to the City Attorney.

Documents:

[ITEM 10 REPORT 08112020.PDF](#)

11. Amendment No. 1 To Contract No. 3410 With Parkwood Landscape Maintenance, Inc., For Additional Landscape Maintenance Services

The City Council will consider: (PW)

- a. Approving **Amendment No. 1 to Contract No. 3410** with Parkwood Landscape Maintenance, Inc., extending landscaping maintenance services through June 30, 2021, and adding additional landscaping maintenance services for the new landscape and irrigation systems installed on the Firestone Boulevard medians, for an amount not-to-exceed \$172,885;
- b. Appropriating \$69,000 in Measure R Funds to Account No. 224-780-31-6101 (Measure R - Professional Services) to cover the cost for the additional landscaping maintenance services; and
- c. Authorizing the Mayor to execute Amendment No. 1 in a form acceptable to the City Attorney.

Documents:

[ITEM 11 REPORT 08112020.PDF](#)

12. Investment Report For Quarter Ended December 31, 2019

The City Council will consider receiving and filing the Quarterly Investment Report for the quarter ended December 31, 2019. (ADMIN SRVS)

Documents:

[ITEM 12 REPORT 08112020.PDF](#)

13. Investment Report For Quarter Ended March 31, 2020

The City Council will consider receiving and filing the Quarterly Investment Report for the quarter ended March 31, 2020. (ADMIN SVCS)

Documents:

[ITEM 13 REPORT 08112020.PDF](#)

14. Purchase Order For A Large Area Mower For The Parks & Recreation Department

The City Council will consider authorizing the issuance of a Purchase Order with Turf Star Western for the purchase of a Toro Groundsmaster model 5910, large area rotary mower for the Parks & Recreation Department in the total amount of \$128,882.47. (PARKS)

Documents:

[ITEM 14 REPORT 08112020.PDF](#)

15. Minutes

The City Council will consider approving the Special City Council Meeting minutes of July 21, 2020.
(CLERK)

Documents:

[ITEM 15 REPORT 08112020.PDF](#)

IX. Reports, Recommendations And Requests

16. Status Report Regarding Inclusionary Housing Ordinance

The City Council will consider: (CD)

- a. Receiving and filing a report of the recommended inclusionary housing ordinance policy; and
- b. Provide direction to staff.

Documents:

[ITEM 16 REPORT 08112020.PDF](#)

17. Warrants

The City Council will consider: (ADMIN SVCS)

- a. Approving Check Nos. 89415, 89420, 89428 and 89450 from July 28, 2020; and
- b. Approving the Warrant register for August 11, 2020.

Total of Checks:	\$11,498,214.24
Voids:	(\$ 420,662.14)
Total Payroll Deductions (FY 2020/21)	(\$ 355,059.20)
Grand Total:	\$10,722,492.90

Cancellations: 88922, 89390

Documents:

[ITEM 17A REPORT 08112020.PDF](#)

[ITEM 17B REPORT 08112020.PDF](#)

X. Adjournment

I, Carmen Avalos, City Clerk, certify that a true and correct copy of the foregoing Meeting Agenda was posted August 6, 2020 at 2:40 p.m. as required by law.

Carmen Avalos, CMC
City Clerk

Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office

8650 California Avenue, South Gate, California 90280
(323) 563-9510 * fax (323) 563-5411 * www.cityofsouthgate.org

In compliance with the American with Disabilities Act, if you need special assistance to participate in the City Council Meetings, please contact the Office of the City Clerk.

Notification 48 hours prior to the City Council Meeting will enable the City to make reasonable arrangements to assure accessibility.

RECEIVED

JUL 23 2020

Item No. 1

City of South Gate
CITY COUNCIL

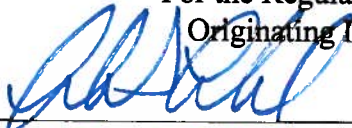
CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER


8:15am

AGENDA BILL

For the Regular Meeting of: August 11, 2020

Originating Department: Administration

City Manager: 
Michael Flad

City Manager: 
Michael Flad

SUBJECT: APPOINTMENTS TO CITY COMMISSIONS, COMMITTEES AND BOARDS

PURPOSE: Council Member Denise Diaz requested the addition of this item on the Agenda to allow for the appointments to fill vacancies on the Citizens Advisory Committee.

RECOMMENDED ACTION: The City Council will consider making appointments to City Commissions, Committees and Boards; the appointments will be ratified by a majority vote of the City Council.

FISCAL IMPACT: None.

ANALYSIS: None.

BACKGROUND: This item allows the City Council to make or change appointments to the Planning Commission, Parks & Recreation Commission, Civil Service Commission, Citizens Advisory Committee and Tweedy Mile Advisory Board. Currently, Council Member Diaz has two vacancies on the Citizens Advisory Committee. All appointments must be ratified by a majority vote of the City Council.

Pursuant to Ordinance No. 2286, adopted on September 27, 2011, the Tweedy Mile Advisory Board members are appointed to staggered, three year terms. There are no current vacancies on the Tweedy Mile Advisory Board.

ATTACHMENTS: Current Commission, Committee and Board Appointment Roster: 07-16-2020

Council Member	Planning Commission \$125/Meeting 1 st & 3 rd Tuesday at 7 pm	Parks & Recreation Commission \$75/Meeting 2 nd Thursday at 7 pm	Civil Service Commission \$100/Meeting As required	Citizens Advisory Committee \$25/Meeting Meets as needed
Maria del Pilar Avalos 2739 Glenwood Place Cell: (562) 719-1337 Elected: 03-03-2020 End of Term: March 2024	Jenny Perez 10319 Bowman Avenue Cell: (323) 443-4033 jennypbruin@gmail.com Appointed: 05-12-2020	Melissa Alvarado 10316 Hunt Avenue Cell: (323) 997-1539 runmeli@yahoo.com Appointed: 05-12-2020	Christina Montalvo 9815 Virginia Avenue Cell: (323) 946-3503 Cmontalvo4sg@gmail.com Appointed: 05-12-2020	Brigida Salinas 10308 San Anselmo Avenue Cell: (323) 627-3764 Brigida.m.salinas@gmail.com Appointed: 05-12-2020 Janet Cazares 8437 San Luis Avenue Cell: (323) 376-0102 jcazars6@yahoo.com Appointed: 05-12-2020
Denise Diaz 10365 Virginia Avenue Cell: (323) 667-7688 Elected: 03-07-2017 End of Term: March 2021	Diego Sepulveda 10316 Hunt Avenue Cell: (323) 385-5530 sepulvedamba@gmail.com Appointed: 05-12-2020	John Robert Montalvo 9815 Virginia Avenue Cell: (323) 392-8135 Johnmontalvo90280@yahoo.com Appointed: 04-09-2019	Irene Jensen Appointed: 04-25-2017	Darlene Lopez 3289 Sequoia Drive Cell: (323) 479-7405 Darelenclopez543@gmail.com Appointed: 05-12-2020 VACANT
Maria Davila 10035 San Luis Avenue Cell: (323) 243-9947 Elected: 01-28-2003 End of Term: March 2024	Jose Delgado 3925 Tenaya Avenue Cell: (323) 702-1519 josedelgado@hotmail.com Appointed: 01-10-2017	Jennifer Cypert 4718 Tweedy Boulevard Cell: (323) 829-0663 jsc001@msn.com Appointed: 02-10-2003	William John Currie (Bill) Appointed: 01-27-2015	Virginia Johnson 5751 McKinley Avenue Home: (562) 531-3700 Cell: (562) 761-3111 thepalm22@yahoo.com Appointed: 02-22-2005 Anthony Zepeda 5218 McCallum Avenue Cell: (323) 405-2006 anthonyzepeda10@yahoo.com Appointed: 05-27-2014
Al Rios 10408 Orange Avenue Cell: (323) 974-3540 Elected: 03-07-2017 End of Term: March 2021	Fabiola Inzunza 9542 Bowman Avenue Cell: (323) 743-3229 Fabiola.inzunza@gmail.com Appointed: 11-26-2019	Joshua Barron 8819 Beaudine Avenue Cell: (323) 791-5126 Joshb90280@yahoo.com Appointed: 04-25-2017	Juan Carlos Mendez Appointed: 04-25-2017	Juliano A. Jarquin 10606 McNerney Avenue (714) 345-3451 julianojarquin@gmail.com Appointed: 05-09-2017 Benigno Nunez 8420 San Carlos Avenue (323) 434-8304 Nunezbenny79@yahoo.com Appointed: 05-09-2017
Gil Hurtado 10001 W. Frontage Road, Space 215 Cell: (323) 893-5728 Elected: 03-03-2020 End of Term: March 2024	Jose De La Paz 10508 San Antonio Avenue Cell: (310) 467-0702 teamup@ioscedelapaz.com Appointed: 05-12-2020	Alan D. Flores, II 5255 Almirra Road Cell: (213) 280-2672 LaxxxII@yahoo.com Appointed: 05-12-2020	Robbie C. Hicklin Appointed: 04-28-2015	Norma Mendoza 8691 San Gabriel Avenue Cell: (562) 277-2992 Appointed: 05-12-2020 Norma.mendoza9@gmail.com Jimmy Torres 11610 Oklahoma Avenue Cell: (323) 742-0154 Jtorres1393@gmail.com Appointed: 07-14-2015

Council Member	Tweedy Mile Advisory Board 1 st Monday at 5 pm				
Maria del Pilar Avalos 2739 Glenwood Place Cell: (562) 719-1337 Elected: 03-03-2020 End of Term: March 2024	Maribel Chaidez 5225 Katella Road Cell: (323) 896-9595 maribreno@gmail.com Appointed: 09-11-2018 Term expires: 01-31-2022				
Denise Diaz 10365 Virginia Avenue Cell: (323) 667-7688 Elected: 03-07-2017 End of Term: March 2021	Joshua Barron 8819 Beaudine Avenue Cell: (323) 791-5126 Joshb90280@yahoo.com Appointed on 10-09-2018 by Al Rios for Denise Diaz Term expires: 01-31-2022				
Maria Davila 10035 San Luis Avenue Cell: (323) 243-9947 Elected: 01-28-2003 End of Term: March 2024	Minerva Rodriguez 2648 Indiana Avenue Cell: (213) 448-2890 mini4taxes@yahoo.com Appointed: 09-11-2018 Term expires: 01-31-2021				
Al Rios 10408 Orange Avenue Cell: (323) 974-3540 Elected: 03-07-2017 End of Term: March 2021	Victor Zamudio 2710 Illinois Avenue Cell: (404) 825-1858 vmzamudio@hotmail.com Appointed: 05-26-2020 Term expires 01-31-2021				
Gil Hurtado 10001 W. Frontage Road, Space 215 Cell: (323) 893-5728 Elected: 03-03-2020 End of Term: March 2024	Sylvia Masushige 8416 Beechwood Avenue Cell: (562) 755-6159 grandmasy101@hotmail.com Appointed: 05-12-2020 Term expires: 01-31-2023				

RECEIVED

City of South Gate

Item No. 2

CITY COUNCIL

AUG 4 2020

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

AGENDA BILL

For the Regular Meeting of: August 11, 2020

Originating Department: Police

Department Director:

Randall Davis
Randall Davis

City Manager:

Michael Flad
Michael Flad

SUBJECT: APPOINTMENT TO THE COMMISSION FOR SOUTH GATE YOUTH

PURPOSE: To ratify an appointment to the Commission for South Gate Youth (Commission) to fill vacancies.

RECOMMENDED ACTION: The City Council will ratify, by a majority vote, the appointment of Daisy Banuelos to the Commission for South Gate Youth.

FISCAL IMPACT: None.

ANALYSIS: The Commission is a non-profit organization that was founded by the South Gate Police Department over two decades ago with the purpose of funding and supporting youth programs and projects in the City. The Commission is comprised of 10 civilian Commissioners, the Executive Assistant to the Chief of Police and the Police Chief. The Commission currently has three vacancies and Chief Davis recommends the appointment of Daisy Banuelos to the Commission.

BACKGROUND: As a twenty-one year resident of the City, Daisy Banuelos recognizes the importance of the Commission's mission to support quality youth programs and projects. Based on her own experience as a youth, attending Bryson Elementary, South Gate Middle School and South East High School, she has first-hand experience of the difficulty in finding opportunities for South Gate youth. Daisy currently works as a Mental Health Therapist with youth between the ages of 11-18. As a Commissioner, she wants to be an agent of change for youth within her own community.

It is Chief Davis' belief that Daisy will work well with the current Commission members to promote youth programs and projects to support excellence in South Gate youth.

ATTACHMENT: Commission for South Gate Youth Roster 07/29/20

Commission for South Gate Youth

Meets the first Tuesday of every month at 6:00 p.m., in the Civic Center Community Room
The Commissioners are appointed by the Chief of Police, subject to a majority vote of the City Council

Chairperson Steve Costley	Bobbie Thompson	Anthony Zepeda	Yodit Glaze	Juan Carlos Mendez
Keith Hupp	Esperanza Galvan			
South Gate High School Student Body President	Southeast High School Student Body President	International High School Student Body President		

Revised: 07/30/20

RECEIVED

Item No. 3

AUG 5 2020

City of South Gate
CITY COUNCIL

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

4:55pm

AGENDA BILL

For the Regular Meeting of: August 11, 2020

Originating Department: Community Development

Department Director: William Guzman for City Manager: Russell Lewis for
Joe Perez Michael Flad

SUBJECT: DISPOSITION AND DEVELOPMENT AGREEMENT WITH GVD COMMERCIAL PROPERTIES, INC., FOR CITY OWNED PROPERTY LOCATED AT 5821 FIRESTONE BOULEVARD

PURPOSE: To continue the Public Hearing for the proposed Disposition and Development Agreement (DDA) with GVD Commercial Properties, Inc., (“Developer”) for the sale and development of City-owned property located at 5821 Firestone Boulevard to the August 25, 2020 City Council meeting, in order to allow for more time to finalize the terms of the DDA.

RECOMMENDED ACTION: Open the Public Hearing and continue consideration of adopting a resolution approving the proposed Disposition and Development Agreement for the sale and development of the property located at 5821 Firestone Boulevard, to the August 25, 2020 City Council meeting.

PUBLIC NOTIFICATION: Advertising and notification of the public hearing for this item was conducted in compliance with Chapter 11.50, Title 11 of the South Gate Municipal Code. Notice of the hearing was published in the Long Beach Press Telegram newspaper on July 18, 2020. In addition, notices were mailed to property owners and addresses located within 1,000 feet of the the proposed project area and property.

ATTACHMENT: Public Hearing Notice

**PUBLIC NOTICE
CITY OF SOUTH GATE
CITY COUNCIL**

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the City Council of the City of South Gate will hold a public hearing to consider adoption of a resolution approving a Disposition and Development Agreement (“DDA”) for the sale of property located at 5821 Firestone Blvd., in the City of South Gate, CA.

DATE OF HEARING: Tuesday, July 28, 2020

TIME OF HEARING: 6:30 pm

LOCATION OF HEARING: Members of the public wishing to observe the meeting may join through a Call-In Conference. For the updated Dial-In Number and Conference Code for the July 28th City Council meeting please visit the City’s website at www.cityofsouthgate.org/AgendaCenter

PROJECT LOCATION: 5821 Firestone Blvd. South Gate, CA 90280

PROJECT DESCRIPTION: Resolution approving a Disposition and Development Agreement (“DDA”) for the sale of property located at 5821 Firestone Blvd., in the City of South Gate.

ENVIRONMENTAL REVIEW: Passage of the proposed amendment would be deemed to be a “Project” under the California Environmental Quality Act, pursuant to Section 15378 of the State CEQA Guidelines codified at 14 CCR § 13578. However, that project has also been deemed Categorically Exempt under Section 15061 (b)(3) of the State CEQA Guidelines codified at 14 CCR § 15061, which states “A project is exempt from CEQA if: [. . . the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA].”

INVITATION TO BE HEARD: All interested persons are invited to the public hearing to be heard in favor of or in opposition to the proposed resolution or to provide comments. In addition, written comments may be submitted to the Community Development Department prior to the hearing. If you challenge the action taken on this proposal in court, you may be limited to raising only those issues you or someone else raised at the public hearing, described in this Notice, or in written correspondence delivered to the City of South Gate prior to or at the public hearing.

Those desiring a copy of the staff report or further information related to this project should contact:

Contact: Dianne Guevara, Management Analyst
Phone: 323-563-9535
E-mail: dguevara@sogate.org

Mailing Address: Community Development Department
City of South Gate
8650 California Avenue
South Gate, CA 90280-3075

ESPAÑOL

Información en Español acerca de esta junta puede ser obtenida llamando al 323-563-9535

Published: July 18, 2020

RECEIVED *City of South Gate*
CITY COUNCIL

Item No. 4

AUG 4 2020

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER
6:20pm

AGENDA BILL

For the Regular Meeting of: August 11, 2020

Originating Department: Public Works

Department Director:


Arturo Cervantes


City Manager:


Michael Flad

SUBJECT: PUBLIC HEARING AND RESOLUTION AMENDING THE SCHEDULE OF FEES TO INCREASE THE RESIDENTIAL REFUSE COLLECTION AND RECYCLING SERVICES RATES FOR FISCAL YEAR 2020/21

PURPOSE: The City has a Franchise Agreement with USA Waste of California, Inc., dba Waste Management of Los Angeles (WM) that stipulates automatic, annual rate increases to the residential refuse collection and recycling services rates based on the Consumer Price Index (CPI). Annually, the City Council amends the schedule of fees to apply said rate increase. Accordingly, the City Council must adopt a Resolution to amend the Schedule of Fees for Fiscal Year 2020/21 to reflect the new rates, retroactive to July 1, 2020.

RECOMMENDED ACTION: Following the conclusion of a Public Hearing, adopt Resolution amending Resolution No. 7872 (Schedule of Fees) to apply a 3.36% rate increase to the residential refuse collection and recycling services for Fiscal Year 2020/21, retroactively effective July 1, 2020.

 **FISCAL IMPACT:** There is no fiscal impact to the General Fund. The residential refuse collection and recycling service rates for WM will increase by 3.36%. As an example of the new service rates, the standard monthly service charge for residential accounts will increase from \$18.78 to \$19.41. Attachment "A" contains the amended schedule of fees.

NOTICING REQUIREMENTS: A public hearing notice was duly published in *the Los Angeles Wave*, a newspaper of general circulation, on Thursday, July 30, 2020.

ANALYSIS: The City has a Schedule of Fees that sets the annual schedule of fees for all rates, fees, charges, deposits, refunds, reimbursements and other City fees imposed or collected by the City. Established in Resolution No. 7872, the Schedule of Fees contains the rates for residential refuse collection and recycling services approved for Fiscal Year 2019/20. As such, the Schedule of Fees must be amended to apply the rate increase for Fiscal Year 2020/21. The proposed Resolution is required to amend the Schedule of Fees established in Resolution No. 7872, which requirement is established by the South Gate Municipal Code Section 2.76.010, (Fee Resolution Established), of Chapter 2.76 (South Gate Fee Resolution), of Title 2 (Licenses – Business Regulations). This section of the code requires the Schedule of Fees to be amended by Resolution of the City Council.

The proposed Resolution focuses on the rates for residential refuse collection and recycling services; however, commercial/industrial service rates will also increase by 3.36%. Following the increase, a typical residential customer can expect to pay an increase of \$0.63, monthly. The impact of the increase to commercial/industrial customers will depend on the services they are subscribed to. For example, some commercial/industrial customers have subscribed for organics and recycling services. The proposed 3.36% rate increase is retroactively effective July 1, 2020.

/

BACKGROUND: On May 10, 2005, the City Council approved Contract No. 2222, a Franchise Agreement with USA Waste of California, Inc., dba Waste Management of Los Angeles (WM), authorizing WM to be the exclusive provider of refuse collection and recycling services in the City. As the City's franchise refuse hauler, WM services residential, commercial and industrial properties. WM provides numerous services which include but not limited to: refuse collection, recyclables collection, organic waste collection, sharps collection by mail, roll off bins, free backyard service for disabled residents and bulky item pick up.

Section 4.7 (Rate Adjustments) of Contract No. 2222 with WM stipulates that the service rates shall be increased annually, by an annual CPI adjustment, for both (a) Commercial/Industrial services, and (b) Residential Refuse Collection and Recycling Services. The proposed Resolution is specifically focused on increasing the rates for residential refuse collection and recycling services because the City bills customers on behalf of Waste Management for said services. Although the Commercial/Industrial rates will also increase, the proposed Resolution does not focus on them since the City does not bill those customers on behalf of Waste Management.

Section 4.7.3 (Annual CPI Adjustment), of Contract No. 2222, as amended in 2011, entitles WM to annually increase all components of the residential, commercial and industrial service rates by the percentage increase in the "*Consumer Price Index (CPI), All Urban Consumers, for the Los Angeles/Riverside/Orange County metropolitan area, as published by the United States Department of Labor, Bureau of Labor Statistics.*" However, this CPI no longer exists and has been replaced with the CPI, All Urban Consumers, for the Los Angeles/Long Beach/Anaheim metropolitan area, as published by the United States Department of Labor, Bureau of Labor Statistics. According to the Franchise Agreement, in the event that the CPI is "discontinued, the parties shall utilize the index most nearly the same." Accordingly, the agreement was to use the Los Angeles/ Long Beach/Anaheim CPI. Said CPI for the period of February 2019 to February 2020 is 3.36% for all services provided by WM.

Under Contract No. 2222 between the City and WM, WM pays an annual Franchise Fee; the exact amount is dependent on revenues they collect. For example, for the last five fiscal years, WM paid the City \$866,321 (2015/16), \$948,833 (2016/17) and \$936,317 (2017/18), \$977,349 (2018/19), \$1,038,930 (2019/20).

- ATTACHMENTS:**
- A. Proposed Resolution
 - B. Notice of Public Hearing
 - C. Letter: Request from Waste Management
 - D. Section 4.7.3, of the Waste Management Contract No. 2222

AM:lc

RESOLUTION NO. _____

**CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SOUTH GATE, CALIFORNIA, AMENDING RESOLUTION
NO. 7872 (SCHEDULE OF FEES) TO APPLY A 3.36%
RATE INCREASE TO THE RESIDENTIAL REFUSE
COLLECTION AND RECYCLING SERVICES FOR
FISCAL YEAR 2020/21, RETROACTIVELY EFFECTIVE
JULY 1, 2020**

WHEREAS, the City of South Gate ("City") must, from time to time, adjust the schedule of fees charged for various services provided to the residents of the City; and

WHEREAS, on May 10, 2005, the City Council approved Contract No. 2222, a Franchise Agreement with USA Waste of California, Inc., dba Waste Management of Los Angeles ("Agreement"), authorizing Waste Management to be the exclusive provider of refuse collection and recycling services in the City; and

WHEREAS, that Agreement provides for an automatic annual increase in the rates, based on the percentage increase in the Consumer Price Index (CPI), All Urban Consumers, for the Los Angeles/Riverside/Orange County metropolitan area, as published by the United States Department of Labor, Bureau of Labor Statistics; and

WHEREAS, the CPI, All Urban Consumers, for the Los Angeles/Riverside/Orange County, as published by the United States Department of Labor, Bureau of Labor Statistics no longer exists and has been replaced with the CPI, All Urban Consumers, for the Los Angeles/Long Beach/Anaheim metropolitan area, as published by the United States Department of Labor, Bureau of Labor Statistics; and

WHEREAS, the CPI, All Urban Consumers, for the Los Angeles/Long Beach/Anaheim, as published by the United States Department of Labor, Bureau of Labor Statistics for the period of February 2019 to February 2020 is 3.36% which CPI shall be applied to increase the fees for residential refuse collection and recycling services; and

WHEREAS, a duly noticed Public Hearing concerning this matter was held, as required by law, on August 11, 2020.

NOW, THEREFORE THE CITY COUNCIL OF THE CITY OF SOUTH GATE DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council hereby amends the residential refuse collection and recycling services rates contained in the Schedule of Fees, Resolution No. 7872, as follows:

Standard Monthly Service Charge for Residential Customers:	2019/20	2020/21
101 Gallon Bin	\$18.78	\$19.41
Extra Bin	\$12.08	\$12.49
64 Gallon Bin	\$17.03	\$17.60
Extra Bin	\$8.42	\$8.70

SECTION 2. The City Council hereby approves the refuse collection and recycling services fees in this Resolution to be retroactively effective as of July 1, 2020.

SECTION 3. The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

PASSED, APPROVED and ADOPTED this 11th day of August 2020.

CITY OF SOUTH GATE:

By: _____
 Maria Davila, Mayor

ATTEST:

By: _____
 Carmen Avalos, City Clerk
 (SEAL)

APPROVED AS TO FORM:

By:  _____
 Raul F. Salinas, City Attorney

JUL 27 2020

FILED

CITY OF SOUTH GATE
NOTICE OF PUBLIC HEARING

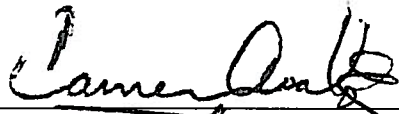
NOTICE IS HEREBY GIVEN that the City Council of the City of South Gate, California, will conduct a Public Hearing to consider adopting a resolution amending the City's Schedule of Fees to establish the 2020/21 residential refuse collection and recycling service fees.

A copy of the proposed service rates may be reviewed in the City Clerk's office during normal business hours. The Public Hearing is schedule for:

DATE: TUESDAY, AUGUST 11, 2020
TIME: 6:30 p.m.
LOCATION: COUNCIL CHAMBERS
SOUTH GATE CITY HALL
8650 CALIFORNIA AVENUE
SOUTH GATE, CA 90280

NOTICE IS HEREBY GIVEN that any and all persons interested in the matter hereinabove set forth are privileged to attend said hearing and then and there testify or present evidence upon any matter relating thereto.

THIS NOTICE IS GIVEN by the order of the City Clerk of said City and is dated this July 27, 2020.


Carmen Avalos, City Clerk

Publication date: July 30, 2020

Account No.: 251-714-25-6302



THINK GREEN®

April 1, 2020

Mr. Mike Flad
City Manager
City of South Gate
8650 California Ave
South Gate, CA 90280

RE: 2020/2021 Residential, Commercial and Industrial Rate Adjustment

Dear Mr. Flad,

Pursuant to Section 18.5 of the exclusive solid waste agreement, we respectfully request an annual adjustment of service rates. Please find the attached files in support of this request.

The index as outlined in the agreement cites usage of the Los Angeles-Riverside-Orange County for rate adjustment calculation. However, the index referenced has been eliminated and is no longer in existence, therefore, as in previous years, we have used the Los Angeles- Long Beach-Anaheim index for the rate adjustment calculation for the 2020/2021 contract year.

Calculated Adjustment Per Approved Rate Calculation Methodology: 3.6%

This adjustment would increase the basic residential monthly service rate from \$18.78 per month to \$19.41 per month.

We are proud to be your partner in providing meaningful environmental programs to the City of South Gate. Thank you for your favorable consideration. We look forward to discussing this request (and future requests) in further detail.

Sincerely,

Sharon Shapiro-Fox
Regional Public Affairs Manager
South Bay
Waste Management of Southern California

Schedule of Rates

Residential Collection Services Fees

For each single family residence and for each dwelling-unit within a multiple-unit residential complex (excluding those residences or dwelling units occupied by a qualified low income senior citizen), Effective as of the Effective date: July 1, 2012

- a. Standard Monthly service charge for recycling services and for servicing one (1) standard residential refuse container of a 96 to 101-gallon capacity (including an administrative fee of \$2.02) \$ 19.41
- b. Reduced monthly service charge for recycling services and for servicing one (1) standard residential refuse container of a 60 to 67-gallon capacity (including an administrative fee of \$1.91) \$ 17.60
- c. Extra monthly service charge for each additional standard refuse container of a 96 to 101-gallon capacity (including an administrative fee of \$.43) \$ 12.49
- d. Extra monthly service charge for each additional standard refuse container of a 60 to 67-gallon (including an administrative fee of \$.30) \$ 8.70

Senior Citizen-Residential

For each single family residence and for each dwelling-unit within a multiple-unit residential complex which is occupied by a low-income senior citizen, effective as of the Effective date:

- a. Standard Monthly service charge for recycling services and for servicing one (1) standard residential refuse container of a 96 or 101-gallon capacity. (This reflects a discount of \$4.00 per month and includes an administrative fee of \$2.02.) \$ 13.08
- b. Reduced monthly service charge for recycling services and for servicing one (1) standard residential refused container of a 60 or 67-gallon capacity. (This reflects a discount of \$4.00 per month and includes an administrative fee of \$1.91) \$ 11.29
- c. Extra monthly service charge for each additional standard refuse container of a 96 to 101-gallon capacity. (This includes an administrative fee of \$.43) \$ 12.49
- d. Extra monthly service charge for each additional standard refuse container of a 60 to 67-gallon (This includes an administrative fee of \$.30) \$ 8.70

Ancillary Rates

- a. Loss/Stolen Replacement are applied when a customers container is lost/stolen due to negligence (e.g. left out on non-service day). \$ 58.27

City of South Gate 2020-2021 Commercial and Industrial Rates

Commercial/Industrial Service Rates (Effective July 1, 2020)

1. Commercial Service

Bin Size	1X WK	2X WK	3X WK	4X WK	5X WK	6X WK
64 gallon container	\$31.59	\$63.18	\$94.76	\$126.35	\$157.94	\$189.53
96 gallon container	\$39.69	\$79.39	\$119.08	\$158.78	\$198.47	\$238.16
2 cy rate/month	\$124.68	\$201.38	\$277.74	\$354.29	\$461.80	\$540.74
3 cy rate/month	\$160.50	\$253.13	\$343.23	\$434.64	\$525.29	\$614.86
4 cy rate/month	\$185.23	\$296.35	\$411.19	\$524.77	\$638.38	\$735.93
5 cy rate/month	NA	NA	NA	NA	NA	NA
6 cy rate/month	\$281.54	\$463.78	\$643.08	\$829.73	\$1,007.53	\$1,198.78

Extra pick up charges per bin	2 yard	3 yard	4 yard	5 yard	6 Yard
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EXHIBIT A

\$56.72	\$72.91	\$89.17	\$105.32	\$121.53
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Overage fee per bin

2 yard	3 yard	4 yard	5 yard	6 Yard
\$56.72	\$72.91	\$89.13	\$105.32	\$121.53

Front Load Compactor

2 yard	3 yard	4 yard	5 yard	6 Yard	
\$371.64	\$481.49	\$555.68	\$703.83	\$844.63	
CO Compactor XPU	\$113.44	\$145.84	\$178.25	\$210.65	\$243.06

2. Other Services and Fees

a. Push Out						
Per bin per month	\$31.89	\$62.04	\$88.62	\$115.20	\$141.80	\$159.52
Per bin per month	\$49.25	\$86.99	\$128.67	\$164.11	\$200.20	\$237.96
c. Locking Lids						
Per bin per month	\$15.95	\$23.05	\$31.89	\$40.76	\$48.75	\$56.72
d. Bulky item pick-up (including e-waste)		\$32.92				
e. Commercial Recycling Contamination Fee:		\$26.34				
f. Commercial Reactivation from bad debt:		\$26.31				

Commercial Recycling Rate

South Gate Commercial Single Stream Recycling Rate						
Commercial Recycle	Ratepayer Charges					
Bin Size	1X WK	2X WK	3X WK	4X WK	5X WK	6X WK
35 gallon container	\$20.24	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
64 gallon container	\$24.56	\$39.71	\$0.00	\$0.00	\$0.00	\$0.00
96 gallon Container	\$23.17	\$46.34	\$69.52	\$0.00	\$0.00	\$0.00
2 cy rate/month	\$64.60	\$104.32	\$143.87	\$183.53	\$0.00	\$0.00
3 cy rate/month	\$76.21	\$120.18	\$162.97	\$206.38	\$249.42	\$291.95
4 cy rate/month	\$79.95	\$127.93	\$177.50	\$226.52	\$275.56	\$317.67
6 cy rate/month	\$109.37	\$180.16	\$249.82	\$322.35	\$391.41	\$465.72

Organics Service

Bin Size	1	2	3
64 gallon container			
Collection	\$21.81	\$43.63	\$65.44
Processing	\$39.96	\$79.93	\$119.89
Total	\$61.78	\$123.56	\$185.34
Each Additional Cart	\$55.23	\$110.46	\$165.69
2 cy rate/month			
Collection	\$86.10	\$139.07	\$191.80
Processing	\$159.85	\$319.70	\$479.55
Total	\$245.96	\$458.77	\$671.35
Each Additional Cart	\$220.12	\$417.04	\$613.81

Organics collections is currently offered on Mondays, Wednesday and Fridays only

3. ROLL OFF SERVICE Including C&D

Commercial - 5 ton minimum; Residential C&D - 3 ton minimum	
All Containers - any size	Haul Rate \$348.96
	Delivery Fee \$125.10
	Trip Charge \$131.68
	Relocation Char \$131.68
Compactor Service	Haul Rate \$459.50
Disposal Fee per ton	\$68.73
Roll off Weekly Rental Fee	\$59.25

8

4. Residential services offered - 3-yard temporary bin	
Cost per container (includes 7 day rental & disposal)	\$237.22
Additional pick-up	\$93.71
Weekly rental beyond initial 7 days	\$52.67

RO Rate Extended Businesses							
	Delivery	Open Top w/ 5 tons	Compactor w/5 tons	Over Tons	Relocate	Trip	Rental/ Wk
Perm	\$125.10	\$692.58	\$803.12	\$68.73	\$131.68	\$131.68	\$8.46
Temporary	\$125.10	\$692.58	N/A	\$68.73	\$131.68	\$131.68	\$8.46

RO Rate Extended Residential							
Temporary	\$125.10	\$555.13	N/A	\$68.73	\$131.68	\$131.68	\$8.46

5. Religious and Non-Profit commercial discount services
 Religious institutions or non-profit organizations registered under Section 501(c)(3) of the

Ancillary Rates	
R/O recycling rate- per haul	\$ 173.40
Recycling Extra Pick-up fee- \$ 50% of MSW rate	
CM delivery fee	\$ 33.52
R/O auto resume	\$ 26.16
Commercial Auto Resume Fee	\$ 26.16
CM Set-up Fee	\$ 26.16
R/O Set-up Fee	\$ 17.48

Proposed Rates	
AB 341 Non-Compliance Fee - per month	\$ 11.28

ORIGINAL

**FRANCHISE AGREEMENT BETWEEN THE CITY OF SOUTH
GATE AND USA WASTE OF CALIFORNIA, INC. FOR
COMMERCIAL/INDUSTRIAL AND RESIDENTIAL REFUSE
COLLECTION AND RECYCLING SERVICES**

4.6.5 Failure to maintain any refuse truck in accordance with the specifications after one (1) warning by the City Manager- Forty dollars (\$40.00) per truck per day.

4.6.6 The City Manager may decline to levy liquidated damages if he finds that the violation is insignificant or caused by a strike or accident or similar occurrence beyond the control of the Contractor. If the City Manager determines to levy liquidated damages, he shall so notify the Contractor in writing and send a copy of the notice to the Director of Finance of the City. The Director of Finance shall thereupon deduct the amount of such liquidated damages from any payment which is due to the Contractor or which thereafter becomes due. The reasonable determination by the City Manager hereunder shall be final and conclusive.

4.7 Rate Adjustments

4.7.1 Rate Freeze. Contractor agrees that there will not be any increases, for services provided to residential premises until July 1, 2006.

4.7.2 Adjustment Procedure. Contractor may submit an application for rate review not more often than annually. For residential rates, a completed rate review application, in the format prescribed by the City Manager, shall be submitted not later than April 15 for the period starting the following July 1. City will take action on the request as soon as possible and will complete the process by June 15, provided all required information has been submitted. For commercial/industrial rates, a completed rate review application, in the format prescribed by the City Manager, shall be submitted not later than September 15 for the period starting the following January 1. City will take action on the request as soon as possible and will complete the process by November 15, provided all required information has been submitted. In addition to being annually adjusted as provided in Section 4.7.3, Contractor's rates shall also be subject to adjustments for inordinate cost increases as provided in 4.7.4, automatic rate adjustments for tipping as provided in 4.7.5, and rate adjustment for changes in service requirements as provided in 4.7.6. Contractor agrees not to apply for a residential or commercial/industrial rate increase, except as provided in Section 4.7.5, until July 1, 2006 (residential) or January 1, 2007 (commercial/industrial).

4.7.3 Annual C.P.I. Adjustment. Commencing January 1, 2007 (for commercial/industrial services) and July 1, 2006 (for residential services), and each January 1 or July 1 thereafter for the term of the Agreement (in accordance with the timing and procedures set forth in Section 4.7.2). Contractor shall be entitled to a cost-of-living increase or decrease tied to the Consumer Price Index of the Bureau of Labor Statistics of the U.S. Department of Labor for all Urban Consumers (CPI-U) for the Los Angeles-Riverside-Orange CA All Items (1982-84=0), hereinafter referred to as the CPI, for the year prior to the month of February immediately preceding the date of the adjustment. Contractor shall provide City with the adjusted rates, if any, by April 15 to meet the July solid waste billing. Contractor's failure to provide such rates in a timely manner shall not constitute a waiver of its right to the CPI increase. In the event that publication or compilation of the CPI shall be transferred to any other government department or agency or shall be discontinued, then the parties shall utilize the index most nearly the same as the CPI to make such calculation. In the event that the Contractor and City cannot agree on such an index, the matter shall be submitted for non-judicial binding arbitration, each side to bear equal costs.

4.7.4 Extra Cost Increase Adjustment. The Contractor may apply for an increase in excess of the C.P.I. adjustment set forth in Section 4.7.3, for cost increases for certain component costs of collection. If a collection cost component of Contractor's cost is ten percent (10%) or more of the total cost of collection and Contractor shows the need for the requested cost rate increase by providing documentation that this component of Contractor's collection costs have increased by one hundred fifty percent (150%) or more than the percentage increase in the C.P.I. for the previous year, then that portion of Contractor's rate which that cost component represents shall increase by the percentage increase of the cost component. For example as to this Section 4.7.4, if the fuel component is fifteen percent (15%) of Contractor's cost of collection and the cost of fuel increases in a particular year by nine percent (9%), and the CPI for that year increases by six percent (6%), then the fuel cost component of Contractor's rate shall automatically increase by nine percent (9%) and the remaining components of the Contractor's rate shall increase by the six percent (6%) CPI for that year.

Contractor shall submit any and all data requested by and in the format prescribed by the City Manager for any requested cost increase request, The Council shall consider the

factors set forth above in determining whether to approve or deny the request. The decision of the City Council shall be final. The remedy of Contractor in the event of adverse decision is to terminate its obligations after thirty (30) days written notice to City. If the extra cost increase is not approved, the CPI adjustment will be retained. The Contractor may renew its cost increase request.

4.7.5 Automatic Rate Adjustment for Tipping Fees. The Contractor may adjust the disposal/processing portion of its rate structure upon an increase in tipping fees upon giving 30 days written notice to the City of such an increase. Provided, however, that if the City gives written notice to the Contractor of its intent to review the rate adjustment, and such notice is effective pursuant to Section 7.6 before the expiration of the thirty day notice given by the Contractor, the adjustment shall not become effective without Council approval. Any such rate adjustment for tipping fees shall be comprised of the percentage increase in the tipping fees, applied only to that portion of the rates which comprise tipping fees. Such rate adjustment for tipping fee increases shall not be requested if the overall effect of the increase in tipping fees is less than one percent (1%) of the Contractor's rate for any year. For annual tipping fee increases of less than one percent (1%), the Contractor will submit a request for a tipping fee increase as part of its Annual Adjustment application. The Contractor shall be entitled to one such increase in tipping fees per fiscal year, and any other request for increase due to tipping fee increase must first be reviewed for approval by the City Council. For purposes of this Section 4.7.5, the parties agree that tipping fees at the outset for disposal/processing constitute 33.3% of the residential rates and 50% of commercial rates. Subject to the approval of the City Council, this percentage allocation may be changed periodically by the City or the Contractor upon submittal of documentation that the percentage allocation has increased or decreased more than three and one half percent (3.5%) due to changes in tipping fees and collection costs. By way of example only, if the residential percentage increase in the tipping fees is 10%, 33.3% of the rates shall be increased by 10%, and 67.7% shall remain constant.

4.7.6 Rate Adjustment From Changes in Service Requirements. Changes in the Contractor's rates which result from changes in service requirements may be adjusted at the time that the service changes are implemented. Any rate adjustments resulting from changed in service requirements shall be submitted in the format prescribed by the City Manager and will

RECEIVED

AUG 6 2020

City of South Gate
CITY COUNCIL

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

12:10pm

AGENDA BILL

For the Regular Meeting of: August 11, 2020

Originating Department: Community Development

Department Director:

William Jaramila
Joe Perez

City Manager:

Randall Cas
Michael Flad

SUBJECT: FY 2020-2025 FIVE-YEAR CONSOLIDATED PLAN (INCLUDING THE 2020-2021 ANNUAL ACTION PLAN), 2020 ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE, AMENDMENT TO THE CITIZEN PARTICIPATION PLAN (CPP), AND ALLOCATION OF UNPROGRAMMED FUNDS

PURPOSE: To continue the Public Hearing for the approval of the proposed Fiscal Year 2020-2025 Consolidated Plan, 2020-2021 Annual Action Plan), 2020 Analysis of Impediments to Fair Housing Choice, and Citizen Participation Plan to the August 25, 2020 City Council meeting.

RECOMMENDED ACTION: Open the Public Hearing and continue consideration of adopting a Resolution approving the 2020-2025 Consolidated Plan; the Annual Action Plan for Fiscal Year 2020/21; the 2020 Analysis of Impediments to Fair Housing Choice; and the Citizen Participation Plan to the regularly scheduled City Council meeting of August 25, 2020.

PUBLIC NOTIFICATION: Advertising and notification of the public hearing for this item was conducted in compliance with Chapter 11.50, Title 11 of the South Gate Municipal Code. Notice of the hearing was published in the Long Beach Press Telegram newspaper on August 1, 2020. Due the coronavirus pandemic, HUD has allowed for added flexibility to reduce the required public comment period from 30 days to not-less-than five (5) days. The noticing conducted by the City complies with these requirements.

ATTACHMENT: Public Hearing Notice

**PUBLIC NOTICE
CITY OF SOUTH GATE
CITY COUNCIL**

NOTICE OF PUBLIC HEARING

The City Council of the City of South Gate will conduct a public hearing concerning the draft Five-Year Consolidated Plan for the allocation of Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) program funds, the draft Analysis of Impediments to Fair Housing Choice, the 2020-2021 Annual Action Plan, and the Citizen Participation Plan. As an entitlement jurisdiction, the City is required by the United States Department of Housing and Urban Development (HUD) to complete the Consolidated Plan and Analysis of Impediments to Fair Housing Choice every five years.

You and/or a collective representative of your group may participate in this hearing at the date, time, and place of the meeting as follows:

Hearing Date: Tuesday, August 11, 2020

Time: 6:30 p.m. or as soon thereafter as the matter may be heard

Place: Members of the public wishing to observe the meeting may join through a Call-In Conference. For the updated Dial-In Number and Conference Code for the August 11th City Council meeting please visit the **City's website at www.cityofsouthgate.org/AgendaCenter**

Due to the current Coronavirus public health emergency, no members of the public are being permitted entry into the Council Chambers during this public hearing. To facilitate public participation, however, this hearing will be available through a call-in conference.

- **The Consolidated Plan** is a five-year plan detailing the priorities and needs of the community for the use of CDBG and HOME funds.
- **The Analysis of Impediments to Fair Housing Choice** is a review of policies, procedures, and practices within the community that affect the location, availability and accessibility of housing and current residential patterns and conditions related to fair housing choice.
- **The Annual Action Plan** is submitted to HUD on an annual basis and identifies how the City plans to use the federal money during the next fiscal year to meet the goals and objectives approved by the City Council in the Five-Year Consolidated Plan.
- **The Citizen Participation Plan** sets forth the City of South Gate's policies and procedures for citizen participation in the development of the Consolidated Plan Documents and any subsequent amendments. The CPP provides an opportunity for nonprofit service agencies and the community to work in partnership with the City to identify needs and allocate CDBG and HOME funds.

The City will receive approximately \$1,487,150 in CDBG funds and approximately \$664,918 in HOME funds for FY 2020-2021. Additionally, \$1,152,808.50 of CDBG funds and \$1,128,255.67 of HOME funds will be carried over from previous fiscal years.

Total funding available for FY 2020-2021:

CDBG Funds	\$2,639,958.50
HOME Funds	\$1,793,173.67

The City also received \$874,841 in CDBG-CV funds in response to Covid-19. A portion of these funds was programmed in FY 2019-2020 and the remaining balance will be programmed in FY 2020-2021. The detailed budget breakdown is available in the Annual Action Plan. The proposed budgeted activities may be added, increased, reduced, or eliminated by the City Council at the time of the hearing.

This draft Consolidated Plan covers the period from July 1, 2020 through June 30, 2025. Included within this Consolidated Plan is the Annual Action Plan for the period July 1, 2020 through June 30, 2021, otherwise known as the 2020 program year; and the Analysis of Impediments to Fair Housing Choice for the period from July 1, 2020, through June 30, 2025.

Public Review and Comment Period: The Draft 2020-2025 Consolidated Plan which includes the Draft 2020 Analysis of Impediments to Fair Housing Choice and the Draft Fiscal Year 2020-2021 Annual Action Plan; and Citizen Participation Plan will be available for a 5-day public review and comment period beginning on August 4, 2020 and ending on August 11, 2020. These documents will be available for public review and/or purchase at the Community Development Department at City Hall, 8650 California Ave., California 90280 and on the City of South Gate's website at <https://www.cityofsouthgate.org/180/Community-Development-Block-Grant-CDBG-P>. Additional information may be obtained from the staff of the Community Development Department, Monday through Thursday, 10:00 A. M. to 2:00 P. M., or by telephoning (323) 563-9535.

The City of South Gate encourages citizen participation in the planning process. A Public Hearing will be held on August 11, 2020, 6:30 p.m. via the City's Call-in Conference.

Invitation to be heard: All interested persons are invited to the Public Hearing to be heard. In addition, written comments may be submitted to the City Council prior to the hearing. Comments may be submitted in writing by mailing comments to City of South Gate, Community Development Department, Attn: Dianne Guevara, Management Analyst, 8650 California Avenue, South Gate, CA 90280.

Those desiring a copy of the staff report or further information related to this project should contact

Contact: Dianne Guevara, Management Analyst
Phone: 323-563-9535
E-mail: dguevara@sogate.org

Mailing Address: Community Development Department
City of South Gate
8650 California Avenue
South Gate, CA 90280-3075

Accessibility: It is the intention of the City of South Gate to comply with the Americans with Disabilities Act (ADA) in all respects. The City of South Gate will attempt to accommodate attendees in every reasonable manner. Please contact at least 72 hours prior to the above scheduled public hearing to establish need and to determine if additional accommodation is feasible.

ESPAÑOL

Información en Español acerca de esta junta puede ser obtenida llamando al 323-563-9535

Dated: July 27, 2020

Published: July 30, 2020

RECEIVED

Item No. 6

AUG 4 2020

City of South Gate
CITY COUNCIL

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

4:50pm

AGENDA BILL

For the Regular Meeting of: August 11, 2020

Originating Department: Community Development

Department Director:

Joe Perez
Joe Perez

City Manager:

Michael Flad
Michael Flad

**SUBJECT: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
SUBRECIPIENT AGREEMENTS FOR FISCAL YEAR 2020/21**

PURPOSE: To approve the Community Development Block Grant (CDBG) Program Subrecipient Agreements for Fiscal Year 2020/21 with eligible organizations to provide services that will benefit low- and moderate income South Gate residents.

RECOMMENDED ACTIONS:

- a. Approve Community Development Block Grant (CDBG) Program Subrecipient Agreements for Fiscal Year 2020/21, retroactively effective July 1, 2020, with:
 - 1. The Fair Housing Foundation in the amount of \$24,000;
 - 2. Southern California Rehabilitation Services in the amount of \$8,000;
 - 3. The Salvation Army, DBA The Salvation Army Western Territory in the amount of \$22,500;
 - 4. Helpline Youth Counseling in the amount of \$22,500;
 - 5. The Tweedy Mile Association for a total amount of \$60,000; each of the ten participating businesses will receive a \$6,000 grant for exterior improvements; and
- b. Authorize the Mayor to execute the Agreements in a form acceptable to the City Attorney.

FISCAL IMPACT: There is no fiscal impact to the General Fund. Funds, in the amount of \$137,000, were included in the Fiscal Year 2020/21 CDBG budget for these Agreements. Funding is from the U.S. Department of Housing and Urban Development (HUD).

ALIGNMENT WITH COUNCIL GOALS: These proposed Subrecipient Agreements support the City Council's goals of creating and protecting strong and sustainable neighborhoods by supporting organizations that provide needed services and programs that benefit low- and moderate- income residents of South Gate.

ANALYSIS: During the regularly scheduled City Council meeting of April 28, 2020, the City Council reviewed and approved the Citizens Advisory Committee's (CAC) funding recommendations for the award of the CDBG funds for Fiscal Year 2020/21.

The proposed CDBG Subrecipient Agreements reflect the approved allocations for Fiscal Year 2020/21 under the CDBG Program. The following services will be provided to eligible low- and moderate- income residents by each awarded subrecipient during Fiscal Year 2020/21:

- The Fair Housing Foundation will offer tenant and landlord counseling and mediation; discrimination complaint intake and investigation as well as community education and outreach. Funding amount: \$24,000.
- Southern California Rehabilitation Services will provide home modifications and medical equipment to residents with disabilities. Funding amount: \$8,000.
- The Salvation Army will provide assistance with transitional and permanent housing for homeless residents. Funding amount: \$22,500.
- Helpline Youth Counseling will assist residents at risk of becoming homeless to achieve and maintain housing stability. Funding amount \$22,500.
- The Tweedy Mile Association will provide eligible business owners along the Tweedy Mile funding for upgrading and maintaining their business storefronts. Each of the ten participating businesses will receive a \$6,000 grant for exterior improvements. Total funding amount: \$60,000.

ATTACHMENTS: Proposed CDBG Subrecipient Agreements

**COMMUNITY DEVELOPMENT BLOCK GRANT SUBRECIPIENT AGREEMENT
BETWEEN THE CITY OF SOUTH GATE AND
FAIR HOUSING FOUNDATION**

This Community Development Block Grant Subrecipient Agreement ("Agreement") is made and entered into on August 11, 2020, and retroactively effective as of July 1, 2020, by and between the City of South Gate, a municipal corporation ("Grantee") and Fair Housing Foundation of Long Beach, a California non-profit public benefit corporation, doing business as Fair Housing Foundation ("Subrecipient"). The Grantee and Subrecipient are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

RECITALS

WHEREAS, Grantee has applied for and received Community Development Block Grant ("CDBG") funds from the United States Government through its Department of Housing and Urban Development, hereinafter referred to as "HUD" under Title 1 of Housing and Community Development Act of 1974, as amended, hereinafter referred to as the "ACT";

WHEREAS, Grantee wishes to engage Subrecipient, which is qualified by reason of experience, preparation, organization, staffing, and facilities, to provide the program and/or services as described below in "Scope of Services"; and

WHEREAS, Grantee recognizes the public benefit in providing the program and/or services described below in the Scope of Services to low- and moderate-income ("LMI") persons and desires Subrecipient to carry out said program and/or services on Grantee's behalf.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and the mutual benefits to be derived there from, the Parties agree as follows:

1. SCOPE OF SERVICES

A. Activities

The Subrecipient will provide general counseling, investigation, enforcement and litigation on landlord/tenant issues, housing discrimination as well as outreach and education to South Gate residents.

B. National Objectives

The Subrecipient certifies that the activities carried out with funds provided under this Contract will benefit low-and moderate-income persons, as defined under 24 CFR Part 570.208 (a) (2) of the CDBG Program National Objectives.

C. Levels of Accomplishment

Total number of City of South Gate residents to be served during Fiscal Year 2019-2020 and Fiscal Year 2020-2021: **270 individuals.**

2. TIME OF PERFORMANCE

The program and/or services to be provided by Subrecipient hereunder **shall commence retroactively to July 1, 2020, and shall be completed no later than June 30, 2021.** This Agreement does not reimburse

any expenditure incurred by Subrecipient prior to the date of commencement and execution of this Agreement by Grantee. This Agreement does not reimburse any expenditure made after the completion date without written authorization to extend the contract, but not more than 12 months, as set forth in Section 27, Time of Performance Modifications. Notwithstanding any provision contained herein to the contrary, this Agreement shall remain in effect during any period of time that Subrecipient has control over CDBG funds, including program income as provided in Section 11, Program Income below.

3. COMPENSATION AND METHOD OF PAYMENT

It is expressly agreed and understood that the total amount to be paid by Grantee under this Agreement shall not exceed the sum of **TWENTY-FOUR THOUSAND DOLLARS (\$24,000.00)** of Fiscal Year 2020-2021 CDBG funds. Notwithstanding Section 7, Budget Modifications, below and Section 8, Changes in Grant Allocation, below, Grantee, in its sole discretion exercisable at any time hereunder, may increase the compensation payable hereunder to Subrecipient ("Additional Funding") by giving Subrecipient a written notice offering the Additional Funding ("Additional Funding Offering Notice") for the program and/or services provided under Section 1, Scope of Services above, together with such additional levels of accomplishment, if any, that Grantee may prescribe as a condition to accepting the Additional Funding. Subrecipient may accept the Additional Funding and agree to comply with the additional levels of accomplishment, if any, set forth in the Additional Funding Offering Notice by delivering to Grantee a written notice of acceptance ("Additional Funding Acceptance Notice") within five (5) business days after Subrecipient's receipt of the Additional Funding Offering Notice. If Subrecipient for any reason does not deliver to Grantee the Additional Funding Acceptance Notice within such 5-business day period, then the failure to deliver the Additional Funding Acceptance Notice shall be deemed Subrecipient's rejection of the Additional Funding. This payment shall constitute full and complete compensation for Subrecipient services under this Agreement. For the purpose of this Agreement, Grantee shall disburse the CDBG funds and monitor Subrecipient's performance in satisfying the Scope of Services under the terms of this Agreement. Notwithstanding the foregoing, Grantee shall not be obligated to disburse to Subrecipient any funds that Grantee does not directly or indirectly receive from HUD for the CDBG program for this Agreement.

Disbursement of payments to Subrecipient shall be made upon Grantee's receipt of the **Request for Reimbursement Form** together with true and correct copies of receipts, timesheets, invoices, and such other documentation as may be reasonably requested by Grantee.

Expenditures shall be documented with supportive evidence for each expenditure and proof of payment, in accordance with HUD regulations. Payments may also be contingent upon certification that Subrecipient's financial management system is in accordance with the standards specified in OMB Circular A-110. After timely receipt by Grantee of each properly documented expenditure submittal, Grantee will draw a warrant in favor of Subrecipient for the approved expenditure amount within thirty (30) days.

4. QUARTERLY PERFORMANCE REPORTS

Quarterly Performance Reports shall be submitted by Subrecipient corresponding to the quarters of the Agreement year: Quarter 1 = July - September, Quarter 2 = October - December, Quarter 3 = January - March and Quarter 4 = April - June. A complete Quarterly Performance Report must be received by the Grantee within 30 days after the end of Quarters 1, 2 and 3, and within 10 days of June 30th after the 4th Quarter.

5. BUDGET SECTION

No more than the amounts specified in the Program Budget may be spent for the separate cost categories specified in the Budget Summary without express prior written approval of Grantee. Subrecipient acknowledges that verbal authorizations shall not be deemed a substitute for written approval.

6. USE OF FUNDS

Funds allocated pursuant to this Agreement shall be used exclusively for costs included in Subrecipient program budget. Agreement funds shall not be used as security or to guarantee payments for any non-program obligations, nor as loans for non-program activities.

7. BUDGET MODIFICATIONS

Grantee, or its designee, may allow budget modifications to this Agreement when such modifications are approved in advance in writing and: a) do not exceed Eight Thousand Dollars (\$8,000) per budget cost category; b) are specifically requested by Subrecipient; c) do not alter the amount of compensation with this Agreement; d) will not change the eligibility of the project goals or Scope of Services under this Agreement; e) are in the best interests of Grantee and Subrecipient in performing the Scope of Services; and f) when related to salaries, are in accordance with applicable salary ordinances or laws. Requests for modification as described above are subject to review for compliance with the Consolidated Plan, budget summary and program description by the Housing Administrator.

8. CHANGES IN GRANT ALLOCATION

Grantee reserves the right to reduce the amount of CDBG funds to be paid hereunder when Grantee's fiscal monitoring indicates that Subrecipient rate of expenditure will result in unspent funds at the end of the program year. Changes in the grant allocation will be done after consultation with Subrecipient and written notification by Grantee.

9. REVENUE DISCLOSURE REQUIREMENT

By its execution of this Agreement, Subrecipient certifies that it has previously filed with Grantee a written statement listing all revenue received, or expected to be received, by Subrecipient from Federal, State, City or County of Los Angeles sources, or from other governmental or private agencies, and applied or expected to offset in whole or in part any of the costs incurred by Subrecipient in conducting current or prospective projects, programs, services, or business activities, including, but not necessarily limited to, the project, program, service or business activity which is the subject of this Agreement. Such statement shall reflect the name and a description of such project, program, service, or business activity, the dollar amount of funding provided, or to be provided, by each and every agency for each such project, program, service, or business activity, and the full name and address of each such agency. During the term of this Agreement, Subrecipient shall prepare and file a similar written statement each time it receives funding from any agency which is in addition to that revenue disclosed in Subrecipient's initial revenue disclosure statement hereunder. Such statement shall be filed by Subrecipient with Grantee within fifteen (15) calendar days following receipt of such additional funding. Subrecipient shall make available for inspection and audit by Grantee's employees, agents, contractors, or other representatives, upon request, at any time during the duration of this Agreement and during a period of three (3) years thereafter, all of its books and records relating to the operation by it of each project, program, service, or business activity which is funded in whole or in part with governmental monies, whether or not such monies are received through Grantee. All such books and records shall be maintained by Subrecipient. Failure of Subrecipient to comply with the requirements of this section of the Agreement shall constitute a material breach of contract upon which Grantee may cancel, terminate, or suspend this Agreement.

10. JOINT FUNDING

For programs in which there are sources of funds in addition to CDBG funds, Subrecipient shall provide proof of such funding. Grantee shall not pay for any projects, programs, services, or business activities provided by Subrecipient which are funded by other sources. All restrictions and/or requirements provided in this Agreement relative to accounting, budgeting, and reporting applies to the total program regardless of funding sources.

11. PROGRAM INCOME

Program income represents net income directly generated from the use of CDBG funds by Subrecipient as a result of the activity funded under the terms of this Agreement. When such income is generated by an activity only partially assisted with CDBG funds, the income shall be prorated to reflect the percentage of CDBG funds used. Subrecipient shall return program income to Grantee. Program income shall be returned to Grantee within thirty (30) days after the occurrence of any of the following: (A) disposition or sale of real or personal property occurs or; (B) cumulative program income reaches increments of One Thousand Dollars (\$1,000); or (C) the end of each fiscal year. Subrecipient shall include the reports required by Section 22, Program Reporting, all sources and amounts of program income on a monthly and year-to-date basis.

12. FISCAL LIMITATIONS

HUD may place programmatic or fiscal limitation(s) on CDBG funds not presently anticipated by the parties. Accordingly, Grantee reserves the right to revise, rescind, terminate for convenience or otherwise modify this Agreement because of or related to actions affecting HUD program funding. Where Grantee has reasonable grounds to question Subrecipient's fiscal accountability, financial soundness, or compliance with this Agreement, Grantee may act to suspend the operation of this Agreement for up to sixty (60) days upon three (3) days' notice to Subrecipient of Grantee's intention to so act, pending an audit or other resolution of such questions. Subrecipient expressly acknowledges that such changes shall not be the basis for a claim for monetary or other damages. In no event, however, shall any revision made by Grantee affect expenditures and legally binding commitments made by Subrecipient before Subrecipient received notice of such revision, provided that such amounts have been committed in good faith and are otherwise allowable and that such commitments are consistent with HUD cash withdrawal guidelines.

13. NONEXPENDABLE PROPERTY

Subrecipient shall maintain an accurate and independently verifiable record for each item of nonexpendable property acquired for this program with CDBG funds. This record shall be provided to Grantee upon request. "Nonexpendable property" shall include tangible personal property, including but not limited to computer equipment, office equipment, and real property and any interest in such real property, including any mortgage or other encumbrance of real property as well as any funds derived from the sale or disposal of nonexpendable property. Any utilization of funds derived from the sale or disposition of nonexpendable property must have prior approval of Grantee and otherwise comply with all applicable laws and regulations. Upon termination of this Agreement, Grantee reserves the right to determine the final disposition of said nonexpendable property acquired for this program with CDBG funds, including funds derived therefrom. Said disposition may include Grantee taking possession and title of said nonexpendable property. Nonexpendable personal property means tangible personal property having a useful life of more than one (1) year and an acquisition cost of Five Hundred Dollars (\$500) or more per unit.

14. EXPENDABLE PERSONAL PROPERTY

Expendable personal property refers to all tangible personal property other than nonexpendable personal property.

15. PURCHASE OR LEASE OF NONEXPENDABLE PROPERTY OR EQUIPMENT

Subrecipient shall obtain competitive bids prior to purchasing or leasing any nonexpendable personal property or equipment over Five Hundred Dollars (\$500) in unit value and having a life expectancy of more than one (1) year. Such property shall be properly tagged and inventoried. This inventory shall be provided to Grantee promptly upon request.

16. ACQUISITION OF SUPPLIES AND EQUIPMENT

Subrecipient may purchase from a related agency/organization only if: a) prior authorization is obtained in writing from Grantee; b) charges do not exceed the authorized amount and minimum written specifications are met; c) a community related benefit is derived from such Subrecipient -related acquisition; and d) no conflict of interest for private gain accrues to Subrecipient or its directors, employees, agents or officers or their respective relatives by blood or marriage. For purposes of this Agreement, "relatives" includes parents, child, spouse, brother, sister, in-laws and step relationships.

Grantee reserves the right to disallow any purchase from any vendor of supplies, equipment, nonexpendable property or expendable property which is purchased in whole or in part with funds provided by this Agreement. Subrecipient may seek prior approval of Grantee for any such expenditure, and prior approval which is granted shall be binding on Grantee unless such expenditure violates federal law or regulations or is disallowed by HUD.

17. PURCHASE

Purchase of equipment or property must be completed before the end of the 4th quarter in any calendar year and all equipment invoices must be submitted by the end of the last month of the term of this Agreement.

18. TRAVEL AND CONFERENCE RESTRICTIONS

Subrecipient certifies and agrees that travel and conference expenses for persons other than employees of Subrecipient, will not be paid by funds provided through this Agreement. No travel expenses for out-of-state travel shall be included in this Agreement unless specifically listed in the Budget Summary, attached hereto. Subrecipient further agrees that any travel expense incurred by Subrecipient which is not listed in the Program Budget shall not be paid by funds provided through this Agreement.

19. USE OF FUNDS FOR ENTERTAINMENT, GIFTS, OR FUND-RAISING ACTIVITIES

Subrecipient certifies and agrees that it will not use funds provided through this Agreement to pay for any entertainment, gifts, or fund-raising activities.

20. MONITORING

Grantee will conduct quarterly program monitoring to review beneficiary files and program records. Grantee and HUD shall have the right of access to all activities and facilities operated by Subrecipient under this Agreement. Facilities include all files, records and other documents related to the performance of this Agreement. Activities include attendance staff, board of directors, advisory committee and advisory board meetings and observation of on-going program functions. Subrecipient will permit on-site inspection by Grantee and HUD and ensure that its employees and board members furnish such information as, in the judgment of Grantee and HUD representatives, may be relevant to compliance with contractual conditions and HUD directives, or the effectiveness, legality and achievements of the program.

Substandard performance as determined by Grantee will constitute non-compliance with and a breach of this Agreement. If action to correct and cure such substandard performance is not taken and completed by Subrecipient within a reasonable period of time after being notified by Grantee, this Agreement may be suspended or terminated by Grantee in accordance with its suspension or termination procedures.

21. BENEFICIARY QUALIFICATION

Persons qualifying for program services on the basis of income, hereinafter referred to as beneficiaries, shall have an annual household gross income equal to or less than the low- and moderate-income limits defined by the U.S. Department of Housing and Urban Development (HUD) Income Limits. Subrecipient is responsible for obtaining from Grantee the current applicable HUD Income Guidelines for each year of the

Agreement term identified in Section 2, Time of Performance. Under CDBG regulations, the following clientele categories qualify as presumed to benefit persons, 51% of whom are low-and-moderate income: Abused Children; Battered Spouses; Elderly Persons (62 and older); Handicapped Persons; Homeless Persons; Illiterate Persons; Migrant Farm Workers. However, Subrecipient shall document the household income of all beneficiaries by obtaining from beneficiaries, completed "Beneficiary Qualification Statements."

22. PROGRAM REPORTING

Subrecipient agrees to prepare and submit financial, program progress, evaluations and other reports as required by HUD or Grantee directives. Subrecipient shall maintain such property, personnel, financial and other records and accounts as are considered necessary by HUD or Grantee to assure proper accounting for all Agreement funds. All Subrecipient records, with the exception of confidential client information, shall be made available to representatives of Grantee and the appropriate Federal agencies. Subrecipient is required to submit data necessary to complete the "Annual Grantee Performance Report" or "Consolidated Annual Performance and Evaluation Report (CAPER)", in accordance with HUD regulations in the format and at the time designated by Grantee.

23. FINANCIAL MANAGEMENT

A. Accounting

Subrecipient agrees to comply with OMB Circular A-110 and further agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

B. Cost Principles

Subrecipient shall administer its program in conformance with OMB Circulars A-122 "Cost Principles for Non-Profit Organizations" or A-21 "Cost Principles for Education Institutions," as applicable, for all costs incurred whether charged on a direct or indirect basis.

24. DOCUMENTATION AND RECORD KEEPING

A. Records to be Maintained

Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR Part 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National objectives of the CDBG program;
- c. Records required for determining the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the Fair Housing and Equal Opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR part 570.502, and OMB Circular A 110; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR 570.

B. Retention

Subrecipient shall retain all records pertinent to expenditures incurred under this Agreement for a period of four (4) years after the termination of this Agreement. Records for non-expendable property acquired with funds under this Agreement shall be retained for four (4) years after final disposition of such property. Records for any displaced person must be kept for four (4) years after he/she has received final payment. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the three-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

C. Client Data

Subrecipient shall maintain and submit client data demonstrating client eligibility for services provided by obtaining completed "Beneficiary Qualification Statements." Such data shall include, but not be limited to, client name, address, income or for determining eligibility and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request during on-site monitoring.

D. Disclosure

Subrecipient understands that client information collected under this Agreement is private and the use, dissemination, transmission or other disclosure of such information, when not directly connected with the administration of the Grantee's or Subrecipient's responsibilities with respect to services provided under this Agreement, is strictly prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian. Subrecipient shall take all commercially reasonable action and implement such necessary procedures to safeguard the privacy of all client information and shall provide Grantee promptly upon request a narrative description of such safeguards.

E. Property Records

Subrecipient shall maintain real property inventory records which clearly identify properties purchased, improved or sold. Properties retained shall continue to meet eligibility criteria and shall conform to the "changes in use" restrictions specified in 25 CFR Parts 570.503(b) (8), as applicable.

F. Close-Outs

Subrecipient's obligation to the Grantee under this Agreement shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets, including the return of all unused material, equipment, unspent cash advances, program income balances, and accounts receivable to Grantee and determining the custodianship of records.

G. Audit and Inspections

Subrecipient shall arrange for an independent financial/compliance audit to be performed within the direction of Generally Accepted Auditing Standards and Government Auditing Standards and conducted for each fiscal year during the term of this Agreement. Such audit shall be completed not later than one hundred twenty (120) days following the end of such fiscal year. In the event Subrecipient receives Five Hundred Thousand Dollars (\$500,000) or more in the aggregate in federal funds from all federal funding sources within a fiscal year, Subrecipient shall be required to perform an audit in compliance with OMB Circular A-133.

Subrecipient shall submit a copy of the audit report to Grantee within thirty (30) days of completion. Within thirty (30) days of the submittal of said audit report, Subrecipient shall provide to Grantee a "Corrective Action Plan" which shall contain a written response to any concerns or findings identified in said audit report. The response must examine each concern or finding and explain a proposed resolution, including a schedule for correcting any deficiency. All actions to correct said conditions or findings shall be taken within six (6) months after receipt of the audit report. Any concern or finding will be referred to the HUD field office.

Grantee, or HUD, may make additional audits or reviews, as necessary, to carry out the responsibilities of Subrecipient under Federal, State or Local laws and regulations. Subrecipient agrees to cooperate fully with all persons conducting said additional audits or reviews. Grantee and its authorized representatives shall, at all times, have access for the purpose of audit or inspection, to any and all books, documents, papers, records, property and premises of Subrecipient.

If indications of misappropriation or misapplication of the funds of this Agreement cause Grantee to require an additional audit, the cost of the audit will be encumbered and deducted from this Agreement budget. Should Grantee subsequently determine that the additional audit was not warranted, the amount encumbered will be restored to the Agreement budget. Subrecipient shall reimburse all misappropriation or misapplication of funds to Grantee.

25. ASSIGNMENT

This Agreement is not assignable by Subrecipient without the express written consent of Grantee. Any attempt by Subrecipient to assign any performance of the terms of this Agreement shall be null and void and shall constitute a material breach of this Agreement.

26. TERMINATION AND TERMINATION COSTS

This Agreement may be terminated in whole or in part at any time by either party upon giving thirty (30) days' notice in writing to the other party. Grantee and Subrecipient shall set forth the reasons and conditions for termination in compliance with the provisions of federal regulations at 24 CFR Part 85.44, Termination for Convenience.

Grantee may immediately terminate this Agreement upon the termination, suspension, discontinuation or substantial reduction in CDBG funding for the Agreement activity, or if for any reason the timely completion of the work under this Agreement is rendered improbable, infeasible or impossible. If Subrecipient materially fails to comply with any term of this Agreement, Grantee may take one or more of the actions provided under federal regulation at 24 CFR Part 85.43, including, without limitation, temporarily withholding cash, disallowing non-compliant costs, wholly or partly terminating the award, withholding future awards, and other remedies that are legally available. In such event, Subrecipient shall be compensated for all services rendered and all necessarily incurred costs performed in good faith in accordance with the terms of this Agreement that have been previously reimbursed, to the date of said termination to the extent that CDBG funds are available from HUD.

27. REVERSION OF ASSETS

Upon termination of this Agreement Subrecipient shall transfer to Grantee all real property acquired or improved in whole or in part with CDBG funds in excess of Twenty Five Thousand Dollars (\$25,000) under this Agreement; or it must be disposed of in a manner resulting in a reimbursement to Grantee in the amount of the current fair market value of the property less any portion thereof attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to, the property.

28. TIME OF PERFORMANCE MODIFICATIONS

Grantee may grant time of performance modifications to this Agreement when such modifications:

- a. In aggregate do not exceed twelve (12) calendar months;
- b. Are specifically requested by Subrecipient;
- c. Will not change the project goals or scope of services;
- d. Are in the best interests of Grantee and Subrecipient in performing the scope of services under this Agreement; and
- e. Do not alter the amount of compensation under this Agreement.

29. INDEPENDENT CONTRACTOR

At all times hereunder, each of Grantee and Subrecipient will be acting in an independent capacity and not as agents, employees, partners, joint venture, or associates of one another. The employees or agents of one party shall not be deemed or construed to be the agent or employees of the other party for any purpose whatsoever.

30. AFFIRMATIVE ACTION AND CONTRACT COMPLIANCE

Subrecipient shall make every commercially reasonable good faith effort to ensure that all projects funded wholly or in part by CDBG funds shall provide equal employment and career advancement opportunities for minorities and women, consistent with Federal and State laws. In addition, Subrecipient shall make every commercially reasonable good faith effort to employ residents of the area and shall keep a record of the positions that have been created directly or as a result of this program.

Subrecipient agrees to comply with the provisions of the Affirmative Action Compliance Program of Grantee and rules and regulations adopted pursuant thereto. Subrecipient shall comply with Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, Title VII of the Civil Rights Act of 1964, the California Fair Housing and Employment Act, applicable California Public Contracts Code and other applicable Federal, State, and Grantee laws, regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.

31. PERSONNEL AND PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

Subrecipient agrees to comply with Title I of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104 (b) and Section 109 of Title 1 of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246 as amended by Executive Orders 11365 and 12086.

2. Nondiscrimination

Subrecipient will not discriminate against any employee or applicant for employment because of race, creed, gender, gender identity (including gender expression), color, religion, ancestry, sexual orientation, national origin, disability, age, marital status, family/parental status, or veteran/military status, or status with regard to public assistance. Subrecipient will take affirmative action to ensure

that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

3. Land Covenants

This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570.601 and 602 in regards to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States Government are beneficiaries of and entitled to enforce such covenants. Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. SECTION 504

Subrecipient agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C 706), which prohibits discrimination against the handicapped in any Federally assisted program.

B. Affirmative Action

1. Access to Records

Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

2. EEO/AA Statement

Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

32. RELIGIOUS PROSELYTIZING OR POLITICAL ACTIVITIES

Subrecipient agrees that it will not perform or permit any religious proselytizing or political activities in connection with the performance of this Agreement. Funds under this Agreement will be used exclusively for performance of the work required under this Agreement and no funds made available under this Agreement shall be used to promote any religious or political activities.

33. CONFLICT OF INTEREST

Subrecipient, its directors, officers, agents and employees shall comply with all applicable Federal, State and Local laws and regulations governing conflict of interest. To this end, Subrecipient will make available to its directors, officers, agents and employee's copies of all applicable Federal, State, and Local laws and

regulations governing conflict of interest. In particular, the following Federal regulation paraphrased from 24 CFR 570-611, Conflict of Interest: Except for salaries and related administrative or personnel costs, no employees, agents consultants, officers or elected officials or appointed officials, of subrecipients which receive CDBG funds, who exercise or have exercised any CDBG functions or who are in a position to participate in a decision making process or gain inside information, may obtain a personal or financial interest or benefit from a CDBG assisted activity or any CDBG funded contract, subcontract or agreement, during their tenure or for one year thereafter.

Subrecipient shall furnish to Grantee, prior to Grantee's execution of this Agreement, a written list of all current or proposed subgrantees/subcontractors, vendors or personal service providers, including subsidiaries of Subrecipient. This list should be limited to those subgrantees/subcontractors, vendors or personal service providers, including subsidiaries of Subrecipient, which will receive Ten Thousand Dollars (\$10,000) or more during the term of this Agreement. Such a list shall include the names, addresses, telephone numbers, and identification of principal party (ies), and a description of services to be provided. During the term of this Agreement, Subrecipient shall notify Grantee in writing of any change in the list of subgrantees/ subcontractors, vendors, personal service providers or subsidiaries of Subrecipient within fifteen (15) days of change.

34. REPRESENTATIONS AND WARRANTIES

Subrecipient represents and warrants: (A) that Subrecipient is a duly organized and validly existing nonprofit corporation in good standing under the laws of the state of its incorporation; (B) that the form, terms and provisions of this Agreement have been approved in all respects by Subrecipient's governing board at a meeting duly noticed and held; (C) that Subrecipient's executive director has been duly authorized to execute and deliver this Agreement on behalf of Subrecipient; (D) that Subrecipient's execution, delivery and performance of this Agreement are not in contravention of any provision of law, or of any agreement, by which Subrecipient is bound; (E) no action or proceeding is now pending or, to the best of Subrecipient's knowledge, is threatened, against Subrecipient, in equity or otherwise, before any court, board, commission, agency or instrumentality of the Federal Government or any state government or of any municipal government or any agency or subdivision thereof; or before any arbitrator or panel of arbitrators; (F) Subrecipient is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any material contractual obligation of Subrecipient, and no condition exists which with the giving of notice or the lapse of time or both would constitute such a default; (G) all financial statements furnished to Grantee by Subrecipient are true, correct and complete in all material respects and all other information previously furnished by or on behalf of Subrecipient to Grantee in connection with this Agreement is true, complete and correct in all material respects and does not fail to state any material fact necessary to make the statements made not misleading; and (H) no material adverse change in the operations or financial condition of Subrecipient has occurred since the selection of Subrecipient and the allocated award of CDBG funds were approved by the City Council of the City of South Gate at the duly noticed public hearing held on April 28, 2020.

35. INDEMNIFICATION

Subrecipient shall indemnify, hold harmless and defend Grantee (with legal counsel selected by Grantee) and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising from Subrecipient acts, errors or omissions and for any costs or expenses incurred by Grantee on account of any claim therefore, except where such indemnification is prohibited by law. Subrecipient shall promptly notify Grantee in writing of the occurrence of any such claims, actions, losses, damages, and/or liability. Subrecipient shall indemnify and hold harmless Grantee against any liability, claims, losses, demands, and actions incurred by Grantee as a result of the determination by HUD or its successor that activities undertaken by Subrecipient under the program(s) fail to comply with any

laws, regulations or policies applicable thereto or that any funds billed by and disbursed to Subrecipient under this Agreement were improperly expended.

36. INSURANCE REQUIREMENTS

Without in any way affecting the indemnity herein provided and in addition thereto, Subrecipient shall secure and maintain throughout the Agreement the following types of insurance with limits as shown:

Workers' Compensation - A program of Worker's Compensation insurance or a State-approved Self Insurance Program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits, covering all persons providing services on behalf of Subrecipient and all risks to such persons under this Agreement.

Commercial General and Automobile Liability Insurance - This coverage to include contractual coverage and automobile liability coverage for owned, hired, and non-owned vehicles. The policy shall have combined single limits for bodily injury and property damage of not less than One Million Dollars (\$1,000,000).

Additional Named Insurance - All policies, shall contain additional endorsements naming Grantee and its officers, employees, agents, and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder.

Policies Primary and Non-Contributory - All policies required above are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by Grantee.

Proof of Coverage - Subrecipient shall immediately furnish certificates of insurance to Grantee evidencing the insurance coverage, including endorsements, above required prior to the commencement of performance of services hereunder, which shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to Grantee, and Subrecipient shall maintain such insurance from the time Subrecipient commences performance of services hereunder until the completion of such services. Within sixty (60) days of the commencement of this Agreement, Subrecipient shall furnish to Grantee certified copies of the policies and all endorsements. Subrecipient shall complete and submit, Insurance Inventory, along with the above required insurance documents.

Insurance Review - The above insurance requirements are subject to periodic review by Grantee. Grantee's Risk Manager is authorized, but not required, to reduce or waive any of the above insurance requirements whenever the Risk Manager determines that any of the above insurance is not available, is unreasonably priced, or is not needed to protect the interests of Grantee. In addition, if the Risk Manager determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Risk Manager is authorized, but not required, to change the above insurance requirements, to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against Grantee, inflation, or any other item reasonably related to the Grantee's risk.

Any such reduction or waiver for the entire term of the Agreement and any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. Subrecipient agrees to execute any such amendment within thirty (30) days of receipt.

37. ENVIRONMENTAL CONDITIONS

A. Air and Water

Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- i. Clean Air Act, 42 U.S. C., 7401, et seq.
- ii. Federal Water Pollution Control Act, as amended, 33 U.S. C. 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports and information, as well as other requirements specified in said Section 115 and Section 308, and all regulations and guidelines issued thereunder.
- iii. Environmental Protection Agency (EPA) regulations pursuant to 40 C.F. R., Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 USC 4001), Subrecipient shall assure that for activities located in an area identified by FEMA as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations in 24 CFR 570.608 and 24 CFR Part 35. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken.

D. Historic Preservation

Subrecipient agrees to comply with the Historic Preservation requirement set forth in the National Historic Preservation Act of 1966, as amended (17 U.S.C. 470) and the procedures set forth in 36 CFR, Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, State, or Local historic property list.

38. COMPLIANCE WITH LAWS

Subrecipient agrees to comply with all applicable Federal, State, and Local laws, ordinances, regulations, and directives as they pertain to the performance of this Agreement. This Agreement is subject to and incorporates the terms of the ACT; 24 Code of Federal Regulations, Part 570 and Part 85, Chapter V; and U.S. Office of Management and Budget Circulars A-110, A-122, and A-133.

39. LOBBYING

Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any

way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V, United States Code.

Subrecipient certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement; and
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
- c. It will require that the language of this certification be included in any award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grant, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

40. AMENDMENTS

This Agreement with exhibits embodies the whole of agreements of the Parties hereto. There are no oral agreements not contained herein. No amendment of this Agreement shall be valid unless made in the form of a written amendment to this Agreement formally approved and executed by both Parties.

41. NOTICES

All notices shall be served in writing. The notices shall be sent to the following addresses:

CITY OF SOUTH GATE:

Joe Perez, Community Development Director
Community Development Department
8650 California Avenue
South Gate, CA 90280
Phone: (323) 563-9585
Fax: (323) 567-0725
E-Mail: jperez@sogate.org

WITH COURTESY COPY TO:

Carmen Avalos, City Clerk
City of South Gate
8650 California Avenue
South Gate, CA 90280
Phone: (323) 563-9511
Fax: (323) 563-5411
E-Mail: cavalos@sogate.org

SUBRECIPIENT:

Stella Verdeja, Executive Director
Fair Housing Foundation
3605 Long Beach Blvd., #302
Long Beach, CA 90807
Phone: (562) 989-1206 ext. 1100
E-Mail: sverdeja@fhfca.org

42. COUNTERPART EXECUTION

This Agreement may be executed in one or more counterparts. When executed, each counterpart shall be deemed an original irrespective of date of execution. Said counterparts shall together constitute one and the same Agreement.

The selection of Subrecipient and the allocated award of CDBG funds were previously approved at the duly noticed public hearing held on April 28, 2020, by the City Council of the City of South Gate. This Agreement is an acknowledgment of that selection and allocation of CDBG funds and subsequent responsibilities of the Subrecipient and Grantee.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

CITY OF SOUTH GATE:

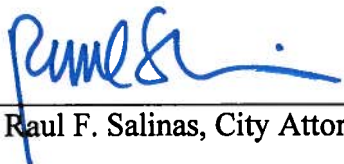
By: _____
Maria Davila, Mayor

Dated: _____

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney

FAIR HOUSING FOUNDATION:

By: _____
Stella Verdeja, Executive Director

Dated: _____

**COMMUNITY DEVELOPMENT BLOCK GRANT SUBRECIPIENT AGREEMENT
BETWEEN THE CITY OF SOUTH GATE AND
SOUTHERN CALIFORNIA REHABILITATION SERVICES, INC.**

This Community Development Block Grant Subrecipient Agreement ("Agreement") is made and entered into on August 11, 2020, and retroactively effective as of July 1, 2020, by and between the City of South Gate, a municipal corporation ("Grantee") and Southern California Rehabilitation Services, a California Non-profit corporation, doing business as Southern California Rehabilitation Services, Inc. ("Subrecipient"). The Grantee and Subrecipient are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

RECITALS

WHEREAS, Grantee has applied for and received Community Development Block Grant ("CDBG") funds from the United States Government through its Department of Housing and Urban Development, hereinafter referred to as "HUD" under Title 1 of Housing and Community Development Act of 1974, as amended, hereinafter referred to as the "ACT";

WHEREAS, Grantee wishes to engage Subrecipient, which is qualified by reason of experience, preparation, organization, staffing, and facilities, to provide the program and/or services as described below in "Scope of Services"; and

WHEREAS, Grantee recognizes the public benefit in providing the program and/or services described below in the Scope of Services to low- and moderate-income ("LMI") persons and desires Subrecipient to carry out said program and/or services on Grantee's behalf.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and the mutual benefits to be derived there from, the Parties agree as follows:

1. SCOPE OF SERVICES

A. Activities

The Subrecipient will provide home modifications, durable medical equipment and technology devices to eligible South Gate residents with disabilities.

B. National Objectives

The Subrecipient certifies that the activities carried out with funds provided under this Contract will benefit low-and moderate-income persons, as defined under 24 CFR Part 570.208 (a) (2) of the CDBG Program National Objectives.

C. Levels of Accomplishment

Total number of City of South Gate residents to be served during Fiscal Year 2019-2020 and Fiscal Year 2020-2021: **17 individuals.**

2. TIME OF PERFORMANCE

The program and/or services to be provided by Subrecipient hereunder **shall commence retroactively to July 1, 2020, and shall be completed no later than June 30, 2021.** This Agreement does not reimburse any expenditure incurred by Subrecipient prior to the date of commencement and execution of this

Agreement by Grantee. This Agreement does not reimburse any expenditure made after the completion date without written authorization to extend the contract, but not more than 12 months, as set forth in Section 27, Time of Performance Modifications. Notwithstanding any provision contained herein to the contrary, this Agreement shall remain in effect during any period of time that Subrecipient has control over CDBG funds, including program income as provided in Section 11, Program Income below.

3. COMPENSATION AND METHOD OF PAYMENT

It is expressly agreed and understood that the total amount to be paid by Grantee under this Agreement shall not exceed the sum of **EIGHT THOUSAND DOLLARS (\$8,000.00)** of Fiscal Year 2020-2021 CDBG funds. Notwithstanding Section 7, Budget Modifications, below and Section 8, Changes in Grant Allocation, below, Grantee, in its sole discretion exercisable at any time hereunder, may increase the compensation payable hereunder to Subrecipient ("Additional Funding") by giving Subrecipient a written notice offering the Additional Funding ("Additional Funding Offering Notice") for the program and/or services provided under Section 1, Scope of Services above, together with such additional levels of accomplishment, if any, that Grantee may prescribe as a condition to accepting the Additional Funding. Subrecipient may accept the Additional Funding and agree to comply with the additional levels of accomplishment, if any, set forth in the Additional Funding Offering Notice by delivering to Grantee a written notice of acceptance ("Additional Funding Acceptance Notice") within five (5) business days after Subrecipient's receipt of the Additional Funding Offering Notice. If Subrecipient for any reason does not deliver to Grantee the Additional Funding Acceptance Notice within such 5-business day period, then the failure to deliver the Additional Funding Acceptance Notice shall be deemed Subrecipient's rejection of the Additional Funding. This payment shall constitute full and complete compensation for Subrecipient services under this Agreement. For the purpose of this Agreement, Grantee shall disburse the CDBG funds and monitor Subrecipient's performance in satisfying the Scope of Services under the terms of this Agreement. Notwithstanding the foregoing, Grantee shall not be obligated to disburse to Subrecipient any funds that Grantee does not directly or indirectly receive from HUD for the CDBG program for this Agreement.

Disbursement of payments to Subrecipient shall be made upon Grantee's receipt of the **Request for Reimbursement Form** together with true and correct copies of receipts, timesheets, invoices, and such other documentation as may be reasonably requested by Grantee.

Expenditures shall be documented with supportive evidence for each expenditure and proof of payment, in accordance with HUD regulations. Payments may also be contingent upon certification that Subrecipient's financial management system is in accordance with the standards specified in OMB Circular A-110. After timely receipt by Grantee of each properly documented expenditure submittal, Grantee will draw a warrant in favor of Subrecipient for the approved expenditure amount within thirty (30) days.

4. QUARTERLY PERFORMANCE REPORTS

Quarterly Performance Reports shall be submitted by Subrecipient corresponding to the quarters of the Agreement year: Quarter 1 = July - September, Quarter 2 = October - December, Quarter 3 = January - March and Quarter 4 = April - June. A complete Quarterly Performance Report must be received by the Grantee within 30 days after the end of Quarters 1, 2 and 3, and within 10 days of June 30th after the 4th Quarter.

5. BUDGET SECTION

No more than the amounts specified in the Program Budget may be spent for the separate cost categories specified in the Budget Summary without express prior written approval of Grantee. Subrecipient acknowledges that verbal authorizations shall not be deemed a substitute for written approval.

6. USE OF FUNDS

Funds allocated pursuant to this Agreement shall be used exclusively for costs included in Subrecipient program budget. Agreement funds shall not be used as security or to guarantee payments for any non-program obligations, nor as loans for non-program activities.

7. BUDGET MODIFICATIONS

Grantee, or its designee, may allow budget modifications to this Agreement when such modifications are approved in advance in writing and: a) do not exceed Eight Thousand Dollars (\$8,000) per budget cost category; b) are specifically requested by Subrecipient; c) do not alter the amount of compensation with this Agreement; d) will not change the eligibility of the project goals or Scope of Services under this Agreement; e) are in the best interests of Grantee and Subrecipient in performing the Scope of Services; and f) when related to salaries, are in accordance with applicable salary ordinances or laws. Requests for modification as described above are subject to review for compliance with the Consolidated Plan, budget summary and program description by the Housing Administrator.

8. CHANGES IN GRANT ALLOCATION

Grantee reserves the right to reduce the amount of CDBG funds to be paid hereunder when Grantee's fiscal monitoring indicates that Subrecipient rate of expenditure will result in unspent funds at the end of the program year. Changes in the grant allocation will be done after consultation with Subrecipient and written notification by Grantee.

9. REVENUE DISCLOSURE REQUIREMENT

By its execution of this Agreement, Subrecipient certifies that it has previously filed with Grantee a written statement listing all revenue received, or expected to be received, by Subrecipient from Federal, State, City or County of Los Angeles sources, or from other governmental or private agencies, and applied or expected to offset in whole or in part any of the costs incurred by Subrecipient in conducting current or prospective projects, programs, services, or business activities, including, but not necessarily limited to, the project, program, service or business activity which is the subject of this Agreement. Such statement shall reflect the name and a description of such project, program, service, or business activity, the dollar amount of funding provided, or to be provided, by each and every agency for each such project, program, service, or business activity, and the full name and address of each such agency. During the term of this Agreement, Subrecipient shall prepare and file a similar written statement each time it receives funding from any agency which is in addition to that revenue disclosed in Subrecipient's initial revenue disclosure statement hereunder. Such statement shall be filed by Subrecipient with Grantee within fifteen (15) calendar days following receipt of such additional funding. Subrecipient shall make available for inspection and audit by Grantee's employees, agents, contractors, or other representatives, upon request, at any time during the duration of this Agreement and during a period of three (3) years thereafter, all of its books and records relating to the operation by it of each project, program, service, or business activity which is funded in whole or in part with governmental monies, whether or not such monies are received through Grantee. All such books and records shall be maintained by Subrecipient. Failure of Subrecipient to comply with the requirements of this section of the Agreement shall constitute a material breach of contract upon which Grantee may cancel, terminate, or suspend this Agreement.

10. JOINT FUNDING

For programs in which there are sources of funds in addition to CDBG funds, Subrecipient shall provide proof of such funding. Grantee shall not pay for any projects, programs, services, or business activities provided by Subrecipient which are funded by other sources. All restrictions and/or requirements provided in this Agreement relative to accounting, budgeting, and reporting applies to the total program regardless of funding sources.

11. PROGRAM INCOME

Program income represents net income directly generated from the use of CDBG funds by Subrecipient as a result of the activity funded under the terms of this Agreement. When such income is generated by an activity only partially assisted with CDBG funds, the income shall be prorated to reflect the percentage of CDBG funds used. Subrecipient shall return program income to Grantee. Program income shall be returned to Grantee within thirty (30) days after the occurrence of any of the following: (A) disposition or sale of real or personal property occurs or; (B) cumulative program income reaches increments of One Thousand Dollars (\$1,000); or (C) the end of each fiscal year. Subrecipient shall include the reports required by Section 22, Program Reporting, all sources and amounts of program income on a monthly and year-to-date basis.

12. FISCAL LIMITATIONS

HUD may place programmatic or fiscal limitation(s) on CDBG funds not presently anticipated by the parties. Accordingly, Grantee reserves the right to revise, rescind, terminate for convenience or otherwise modify this Agreement because of or related to actions affecting HUD program funding. Where Grantee has reasonable grounds to question Subrecipient's fiscal accountability, financial soundness, or compliance with this Agreement, Grantee may act to suspend the operation of this Agreement for up to sixty (60) days upon three (3) days' notice to Subrecipient of Grantee's intention to so act, pending an audit or other resolution of such questions. Subrecipient expressly acknowledges that such changes shall not be the basis for a claim for monetary or other damages. In no event, however, shall any revision made by Grantee affect expenditures and legally binding commitments made by Subrecipient before Subrecipient received notice of such revision, provided that such amounts have been committed in good faith and are otherwise allowable and that such commitments are consistent with HUD cash withdrawal guidelines.

13. NONEXPENDABLE PROPERTY

Subrecipient shall maintain an accurate and independently verifiable record for each item of nonexpendable property acquired for this program with CDBG funds. This record shall be provided to Grantee upon request. "Nonexpendable property" shall include tangible personal property, including but not limited to computer equipment, office equipment, and real property and any interest in such real property, including any mortgage or other encumbrance of real property as well as any funds derived from the sale or disposal of nonexpendable property. Any utilization of funds derived from the sale or disposition of nonexpendable property must have prior approval of Grantee and otherwise comply with all applicable laws and regulations. Upon termination of this Agreement, Grantee reserves the right to determine the final disposition of said nonexpendable property acquired for this program with CDBG funds, including funds derived therefrom. Said disposition may include Grantee taking possession and title of said nonexpendable property. Nonexpendable personal property means tangible personal property having a useful life of more than one (1) year and an acquisition cost of Five Hundred Dollars (\$500) or more per unit.

14. EXPENDABLE PERSONAL PROPERTY

Expendable personal property refers to all tangible personal property other than nonexpendable personal property.

15. PURCHASE OR LEASE OF NONEXPENDABLE PROPERTY OR EQUIPMENT

Subrecipient shall obtain competitive bids prior to purchasing or leasing any nonexpendable personal property or equipment over Five Hundred Dollars (\$500) in unit value and having a life expectancy of more than one (1) year. Such property shall be properly tagged and inventoried. This inventory shall be provided to Grantee promptly upon request.

16. ACQUISITION OF SUPPLIES AND EQUIPMENT

Subrecipient may purchase from a related agency/organization only if: a) prior authorization is obtained in writing from Grantee; b) charges do not exceed the authorized amount and minimum written specifications are met; c) a community related benefit is derived from such Subrecipient -related acquisition; and d) no conflict of interest for private gain accrues to Subrecipient or its directors, employees, agents or officers or their respective relatives by blood or marriage. For purposes of this Agreement, "relatives" includes parents, child, spouse, brother, sister, in-laws and step relationships.

Grantee reserves the right to disallow any purchase from any vendor of supplies, equipment, nonexpendable property or expendable property which is purchased in whole or in part with funds provided by this Agreement. Subrecipient may seek prior approval of Grantee for any such expenditure, and prior approval which is granted shall be binding on Grantee unless such expenditure violates federal law or regulations or is disallowed by HUD.

17. PURCHASE

Purchase of equipment or property must be completed before the end of the 4th quarter in any calendar year and all equipment invoices must be submitted by the end of the last month of the term of this Agreement.

18. TRAVEL AND CONFERENCE RESTRICTIONS

Subrecipient certifies and agrees that travel and conference expenses for persons other than employees of Subrecipient, will not be paid by funds provided through this Agreement. No travel expenses for out-of-state travel shall be included in this Agreement unless specifically listed in the Budget Summary, attached hereto. Subrecipient further agrees that any travel expense incurred by Subrecipient which is not listed in the Program Budget shall not be paid by funds provided through this Agreement.

19. USE OF FUNDS FOR ENTERTAINMENT, GIFTS, OR FUND-RAISING ACTIVITIES

Subrecipient certifies and agrees that it will not use funds provided through this Agreement to pay for any entertainment, gifts, or fund-raising activities.

20. MONITORING

Grantee will conduct quarterly program monitoring to review beneficiary files and program records. Grantee and HUD shall have the right of access to all activities and facilities operated by Subrecipient under this Agreement. Facilities include all files, records and other documents related to the performance of this Agreement. Activities include attendance staff, board of directors, advisory committee and advisory board meetings and observation of on-going program functions. Subrecipient will permit on-site inspection by Grantee and HUD and ensure that its employees and board members furnish such information as, in the judgment of Grantee and HUD representatives, may be relevant to compliance with contractual conditions and HUD directives, or the effectiveness, legality and achievements of the program.

Substandard performance as determined by Grantee will constitute non-compliance with and a breach of this Agreement. If action to correct and cure such substandard performance is not taken and completed by Subrecipient within a reasonable period of time after being notified by Grantee, this Agreement may be suspended or terminated by Grantee in accordance with its suspension or termination procedures.

21. BENEFICIARY QUALIFICATION

Persons qualifying for program services on the basis of income, hereinafter referred to as beneficiaries, shall have an annual household gross income equal to or less than the low- and moderate-income limits defined by the U.S. Department of Housing and Urban Development (HUD) Income Limits. Subrecipient is responsible for obtaining from Grantee the current applicable HUD Income Guidelines for each year of the

Agreement term identified in Section 2, Time of Performance. Under CDBG regulations, the following clientele categories qualify as presumed to benefit persons, 51% of whom are low-and-moderate income: Abused Children; Battered Spouses; Elderly Persons (62 and older); Handicapped Persons; Homeless Persons; Illiterate Persons; Migrant Farm Workers. However, Subrecipient shall document the household income of all beneficiaries by obtaining from beneficiaries, completed "Beneficiary Qualification Statements."

22. PROGRAM REPORTING

Subrecipient agrees to prepare and submit financial, program progress, evaluations and other reports as required by HUD or Grantee directives. Subrecipient shall maintain such property, personnel, financial and other records and accounts as are considered necessary by HUD or Grantee to assure proper accounting for all Agreement funds. All Subrecipient records, with the exception of confidential client information, shall be made available to representatives of Grantee and the appropriate Federal agencies. Subrecipient is required to submit data necessary to complete the "Annual Grantee Performance Report" or "Consolidated Annual Performance and Evaluation Report (CAPER)", in accordance with HUD regulations in the format and at the time designated by Grantee.

23. FINANCIAL MANAGEMENT

A. Accounting

Subrecipient agrees to comply with OMB Circular A-110 and further agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

B. Cost Principles

Subrecipient shall administer its program in conformance with OMB Circulars A-122 "Cost Principles for Non-Profit Organizations" or A-21 "Cost Principles for Education Institutions," as applicable, for all costs incurred whether charged on a direct or indirect basis.

24. DOCUMENTATION AND RECORD KEEPING

A. Records to be Maintained

Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR Part 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National objectives of the CDBG program;
- c. Records required for determining the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the Fair Housing and Equal Opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR part 570.502, and OMB Circular A 110; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR 570.

B. Retention

Subrecipient shall retain all records pertinent to expenditures incurred under this Agreement for a period of four (4) years after the termination of this Agreement. Records for non-expendable property acquired with funds under this Agreement shall be retained for four (4) years after final disposition of such property. Records for any displaced person must be kept for four (4) years after he/she has received final payment. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the three-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

C. Client Data

Subrecipient shall maintain and submit client data demonstrating client eligibility for services provided by obtaining completed "Beneficiary Qualification Statements." Such data shall include, but not be limited to, client name, address, income or for determining eligibility and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request during on-site monitoring.

D. Disclosure

Subrecipient understands that client information collected under this Agreement is private and the use, dissemination, transmission or other disclosure of such information, when not directly connected with the administration of the Grantee's or Subrecipient's responsibilities with respect to services provided under this Agreement, is strictly prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian. Subrecipient shall take all commercially reasonable action and implement such necessary procedures to safeguard the privacy of all client information and shall provide Grantee promptly upon request a narrative description of such safeguards.

E. Property Records

Subrecipient shall maintain real property inventory records which clearly identify properties purchased, improved or sold. Properties retained shall continue to meet eligibility criteria and shall conform to the "changes in use" restrictions specified in 25 CFR Parts 570.503(b) (8), as applicable.

F. Close-Outs

Subrecipient's obligation to the Grantee under this Agreement shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets, including the return of all unused material, equipment, unspent cash advances, program income balances, and accounts receivable to Grantee and determining the custodianship of records.

G. Audit and Inspections

Subrecipient shall arrange for an independent financial/compliance audit to be performed within the direction of Generally Accepted Auditing Standards and Government Auditing Standards and conducted for each fiscal year during the term of this Agreement. Such audit shall be completed not later than one hundred twenty (120) days following the end of such fiscal year. In the event Subrecipient receives Five Hundred Thousand Dollars (\$500,000) or more in the aggregate in federal funds from all federal funding sources within a fiscal year, Subrecipient shall be required to perform an audit in compliance with OMB Circular A-133.

Subrecipient shall submit a copy of the audit report to Grantee within thirty (30) days of completion. Within thirty (30) days of the submittal of said audit report, Subrecipient shall provide to Grantee a "Corrective Action Plan" which shall contain a written response to any concerns or findings identified in said audit report. The response must examine each concern or finding and explain a proposed resolution, including a schedule for correcting any deficiency. All actions to correct said conditions or findings shall be taken within six (6) months after receipt of the audit report. Any concern or finding will be referred to the HUD field office.

Grantee, or HUD, may make additional audits or reviews, as necessary, to carry out the responsibilities of Subrecipient under Federal, State or Local laws and regulations. Subrecipient agrees to cooperate fully with all persons conducting said additional audits or reviews. Grantee and its authorized representatives shall, at all times, have access for the purpose of audit or inspection, to any and all books, documents, papers, records, property and premises of Subrecipient.

If indications of misappropriation or misapplication of the funds of this Agreement cause Grantee to require an additional audit, the cost of the audit will be encumbered and deducted from this Agreement budget. Should Grantee subsequently determine that the additional audit was not warranted, the amount encumbered will be restored to the Agreement budget. Subrecipient shall reimburse all misappropriation or misapplication of funds to Grantee.

25. ASSIGNMENT

This Agreement is not assignable by Subrecipient without the express written consent of Grantee. Any attempt by Subrecipient to assign any performance of the terms of this Agreement shall be null and void and shall constitute a material breach of this Agreement.

26. TERMINATION AND TERMINATION COSTS

This Agreement may be terminated in whole or in part at any time by either party upon giving thirty (30) days' notice in writing to the other party. Grantee and Subrecipient shall set forth the reasons and conditions for termination in compliance with the provisions of federal regulations at 24 CFR Part 85.44, Termination for Convenience.

Grantee may immediately terminate this Agreement upon the termination, suspension, discontinuation or substantial reduction in CDBG funding for the Agreement activity, or if for any reason the timely completion of the work under this Agreement is rendered improbable, infeasible or impossible. If Subrecipient materially fails to comply with any term of this Agreement, Grantee may take one or more of the actions provided under federal regulation at 24 CFR Part 85.43, including, without limitation, temporarily withholding cash, disallowing non-compliant costs, wholly or partly terminating the award, withholding future awards, and other remedies that are legally available. In such event, Subrecipient shall be compensated for all services rendered and all necessarily incurred costs performed in good faith in accordance with the terms of this Agreement that have been previously reimbursed, to the date of said termination to the extent that CDBG funds are available from HUD.

27. REVERSION OF ASSETS

Upon termination of this Agreement Subrecipient shall transfer to Grantee all real property acquired or improved in whole or in part with CDBG funds in excess of Twenty Five Thousand (\$25,000) under this Agreement; or it must be disposed of in a manner resulting in a reimbursement to Grantee in the amount of the current fair market value of the property less any portion thereof attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to, the property.

28. TIME OF PERFORMANCE MODIFICATIONS

Grantee may grant time of performance modifications to this Agreement when such modifications:

- a. In aggregate do not exceed twelve (12) calendar months;
- b. Are specifically requested by Subrecipient;
- c. Will not change the project goals or scope of services;
- d. Are in the best interests of Grantee and Subrecipient in performing the scope of services under this Agreement; and
- e. Do not alter the amount of compensation under this Agreement.

29. INDEPENDENT CONTRACTOR

At all times hereunder, each of Grantee and Subrecipient will be acting in an independent capacity and not as agents, employees, partners, joint venture, or associates of one another. The employees or agents of one party shall not be deemed or construed to be the agent or employees of the other party for any purpose whatsoever.

30. AFFIRMATIVE ACTION AND CONTRACT COMPLIANCE

Subrecipient shall make every commercially reasonable good faith effort to ensure that all projects funded wholly or in part by CDBG funds shall provide equal employment and career advancement opportunities for minorities and women, consistent with Federal and State laws. In addition, Subrecipient shall make every commercially reasonable good faith effort to employ residents of the area and shall keep a record of the positions that have been created directly or as a result of this program.

Subrecipient agrees to comply with the provisions of the Affirmative Action Compliance Program of Grantee and rules and regulations adopted pursuant thereto. Subrecipient shall comply with Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, Title VII of the Civil Rights Act of 1964, the California Fair Housing and Employment Act, applicable California Public Contracts Code and other applicable Federal, State, and Grantee laws, regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.

31. PERSONNEL AND PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

Subrecipient agrees to comply with Title I of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104 (b) and Section 109 of Title 1 of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246 as amended by Executive Orders 11365 and 12086.

2. Nondiscrimination

Subrecipient will not discriminate against any employee or applicant for employment because of race, creed, gender, gender identity (including gender expression), color, religion, ancestry, sexual orientation, national origin, disability, age, marital status, family/parental status, or veteran/military status, or status with regard to public assistance. Subrecipient will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include

but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

3. Land Covenants

This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570.601 and 602 in regards to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States Government are beneficiaries of and entitled to enforce such covenants. Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. SECTION 504

Subrecipient agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C 706), which prohibits discrimination against the handicapped in any Federally assisted program.

B. Affirmative Action

1. Access to Records

Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

2. EEO/AA Statement

Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

32. RELIGIOUS PROSELYTIZING OR POLITICAL ACTIVITIES

Subrecipient agrees that it will not perform or permit any religious proselytizing or political activities in connection with the performance of this Agreement. Funds under this Agreement will be used exclusively for performance of the work required under this Agreement and no funds made available under this Agreement shall be used to promote any religious or political activities.

33. CONFLICT OF INTEREST

Subrecipient, its directors, officers, agents and employees shall comply with all applicable Federal, State and Local laws and regulations governing conflict of interest. To this end, Subrecipient will make available to its directors, officers, agents and employee's copies of all applicable Federal, State, and Local laws and regulations governing conflict of interest. In particular, the following Federal regulation paraphrased from

24 CFR 570-611, Conflict of Interest: Except for salaries and related administrative or personnel costs, no employees, agents consultants, officers or elected officials or appointed officials, of subrecipients which receive CDBG funds, who exercise or have exercised any CDBG functions or who are in a position to participate in a decision making process or gain inside information, may obtain a personal or financial interest or benefit from a CDBG assisted activity or any CDBG funded contract, subcontract or agreement, during their tenure or for one year thereafter.

Subrecipient shall furnish to Grantee, prior to Grantee's execution of this Agreement, a written list of all current or proposed subgrantees/subcontractors, vendors or personal service providers, including subsidiaries of Subrecipient. This list should be limited to those subgrantees/subcontractors, vendors or personal service providers, including subsidiaries of Subrecipient, which will receive Ten Thousand Dollars (\$10,000) or more during the term of this Agreement. Such a list shall include the names, addresses, telephone numbers, and identification of principal party (ies), and a description of services to be provided. During the term of this Agreement, Subrecipient shall notify Grantee in writing of any change in the list of subgrantees/ subcontractors, vendors, personal service providers or subsidiaries of Subrecipient within fifteen (15) days of change.

34. REPRESENTATIONS AND WARRANTIES

Subrecipient represents and warrants: (A) that Subrecipient is a duly organized and validly existing nonprofit corporation in good standing under the laws of the state of its incorporation; (B) that the form, terms and provisions of this Agreement have been approved in all respects by Subrecipient's governing board at a meeting duly noticed and held; (C) that Subrecipient's executive director has been duly authorized to execute and deliver this Agreement on behalf of Subrecipient; (D) that Subrecipient's execution, delivery and performance of this Agreement are not in contravention of any provision of law, or of any agreement, by which Subrecipient is bound; (E) no action or proceeding is now pending or, to the best of Subrecipient's knowledge, is threatened, against Subrecipient, in equity or otherwise, before any court, board, commission, agency or instrumentality of the Federal Government or any state government or of any municipal government or any agency or subdivision thereof; or before any arbitrator or panel of arbitrators; (F) Subrecipient is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any material contractual obligation of Subrecipient, and no condition exists which with the giving of notice or the lapse of time or both would constitute such a default; (G) all financial statements furnished to Grantee by Subrecipient are true, correct and complete in all material respects and all other information previously furnished by or on behalf of Subrecipient to Grantee in connection with this Agreement is true, complete and correct in all material respects and does not fail to state any material fact necessary to make the statements made not misleading; and (H) no material adverse change in the operations or financial condition of Subrecipient has occurred since the selection of Subrecipient and the allocated award of CDBG funds were approved by the City Council of the City of South Gate at the duly noticed public hearing held on April 28, 2020.

35. INDEMNIFICATION

Subrecipient shall indemnify, hold harmless and defend Grantee (with legal counsel selected by Grantee) and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising from Subrecipient acts, errors or omissions and for any costs or expenses incurred by Grantee on account of any claim therefore, except where such indemnification is prohibited by law. Subrecipient shall promptly notify Grantee in writing of the occurrence of any such claims, actions, losses, damages, and/or liability. Subrecipient shall indemnify and hold harmless Grantee against any liability, claims, losses, demands, and actions incurred by Grantee as a result of the determination by HUD or its successor that activities undertaken by Subrecipient under the program(s) fail to comply with any laws, regulations or policies applicable thereto or that any funds billed by and disbursed to Subrecipient

under this Agreement were improperly expended.

36. INSURANCE REQUIREMENTS

Without in any way affecting the indemnity herein provided and in addition thereto, Subrecipient shall secure and maintain throughout the Agreement the following types of insurance with limits as shown:

Workers' Compensation - A program of Worker's Compensation insurance or a State-approved Self Insurance Program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with Two Hundred Fifty Thousand Dollars (\$250,000) limits, covering all persons providing services on behalf of Subrecipient and all risks to such persons under this Agreement.

Commercial General and Automobile Liability Insurance - This coverage to include contractual coverage and automobile liability coverage for owned, hired, and non-owned vehicles. The policy shall have combined single limits for bodily injury and property damage of not less than One Million Dollars (\$1,000,000).

Additional Named Insurance - All policies, shall contain additional endorsements naming Grantee and its officers, employees, agents, and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder.

Policies Primary and Non-Contributory - All policies required above are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by Grantee.

Proof of Coverage - Subrecipient shall immediately furnish certificates of insurance to Grantee evidencing the insurance coverage, including endorsements, above required prior to the commencement of performance of services hereunder, which shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to Grantee, and Subrecipient shall maintain such insurance from the time Subrecipient commences performance of services hereunder until the completion of such services. Within sixty (60) days of the commencement of this Agreement, Subrecipient shall furnish to Grantee certified copies of the policies and all endorsements. Subrecipient shall complete and submit, Insurance Inventory, along with the above required insurance documents.

Insurance Review - The above insurance requirements are subject to periodic review by Grantee. Grantee's Risk Manager is authorized, but not required, to reduce or waive any of the above insurance requirements whenever the Risk Manager determines that any of the above insurance is not available, is unreasonably priced, or is not needed to protect the interests of Grantee. In addition, if the Risk Manager determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Risk Manager is authorized, but not required, to change the above insurance requirements, to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against Grantee, inflation, or any other item reasonably related to the Grantee's risk.

Any such reduction or waiver for the entire term of the Agreement and any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. Subrecipient agrees to execute any such amendment within thirty (30) days of receipt.

37. ENVIRONMENTAL CONDITIONS

A. Air and Water

Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- i. Clean Air Act, 42 U.S. C., 7401, et seq.
- ii. Federal Water Pollution Control Act, as amended, 33 U.S. C. 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports and information, as well as other requirements specified in said Section 115 and Section 308, and all regulations and guidelines issued thereunder.
- iii. Environmental Protection Agency (EPA) regulations pursuant to 40 C.F. R., Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 USC 4001), Subrecipient shall assure that for activities located in an area identified by FEMA as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations in 24 CFR 570.608 and 24 CFR Part 35. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken.

D. Historic Preservation

Subrecipient agrees to comply with the Historic Preservation requirement set forth in the National Historic Preservation Act of 1966, as amended (17 U.S.C. 470) and the procedures set forth in 36 CFR, Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, State, or Local historic property list.

38. COMPLIANCE WITH LAWS

Subrecipient agrees to comply with all applicable Federal, State, and Local laws, ordinances, regulations, and directives as they pertain to the performance of this Agreement. This Agreement is subject to and incorporates the terms of the ACT; 24 Code of Federal Regulations, Part 570 and Part 85, Chapter V; and U.S. Office of Management and Budget Circulars A-110, A-122, and A-133.

39. LOBBYING

Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V,

United States Code.

Subrecipient certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement; and
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying." in accordance with its instructions; and
- c. It will require that the language of this certification be included in any award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grant, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

40. AMENDMENTS

This Agreement with exhibits embodies the whole of agreements of the Parties hereto. There are no oral agreements not contained herein. No amendment of this Agreement shall be valid unless made in the form of a written amendment to this Agreement formally approved and executed by both Parties.

41. NOTICES

All notices shall be served in writing. The notices shall be sent to the following addresses:

CITY OF SOUTH GATE:

Joe Perez, Community Development Director
Community Development Department
8650 California Avenue
South Gate, CA 90280
Phone: (323) 563-9585
Fax: (323) 567-0725
E-Mail: jperez@sogate.org

WITH COURTESY COPY TO:

Carmen Avalos, City Clerk
City of South Gate
8650 California Avenue
South Gate, CA 90280
Phone: (323) 563-9511
Fax: (323) 563-5411
E-Mail: cavalos@sogate.org

SUBRECIPIENT:

Zeb Jenkins, Finance Manager
Southern California Rehabilitation Services, Inc.
7830 Quill Drive, Suite D
Downey, CA 90242
Phone: (562) 862-6531
E-Mail: zjenkins@scrc-ilc.org

42. COUNTERPART EXECUTION

This Agreement may be executed in one or more counterparts. When executed, each counterpart shall be deemed an original irrespective of date of execution. Said counterparts shall together constitute one and the

same Agreement.

The selection of Subrecipient and the allocated award of CDBG funds were previously approved at the duly noticed public hearing held on April 28, 2020, by the City Council of the City of South Gate. This Agreement is an acknowledgment of that selection and allocation of CDBG funds and subsequent responsibilities of the Subrecipient and Grantee.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

CITY OF SOUTH GATE:

By: _____
Maria Davila, Mayor

Dated: _____

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney

**SOUTHERN CALIFORNIA
REHABILITATION SERVICES, INC.:**

By: _____
Zeb Jenkins, Finance Manager

Dated: _____

**COMMUNITY DEVELOPMENT BLOCK GRANT SUBRECIPIENT AGREEMENT
BETWEEN THE CITY OF SOUTH GATE AND
THE SALVATION ARMY**

This Community Development Block Grant Subrecipient Agreement ("Agreement") is made and entered into on August 11, 2020, and retroactively effective as of July 1, 2020, by and between the City of South Gate, a municipal corporation ("Grantee") and The Salvation Army, a Domestic Non-profit corporation, doing business as The Salvation Army Western Territory ("Subrecipient"). The Grantee and Subrecipient are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

RECITALS

WHEREAS, Grantee has applied for and received Community Development Block Grant ("CDBG") funds from the United States Government through its Department of Housing and Urban Development, hereinafter referred to as "HUD" under Title 1 of Housing and Community Development Act of 1974, as amended, hereinafter referred to as the "ACT";

WHEREAS, Grantee wishes to engage Subrecipient, which is qualified by reason of experience, preparation, organization, staffing, and facilities, to provide the program and/or services as described below in "Scope of Services"; and

WHEREAS, Grantee recognizes the public benefit in providing the program and/or services described below in the Scope of Services to low- and moderate-income ("LMI") persons and desires Subrecipient to carry out said program and/or services on Grantee's behalf.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and the mutual benefits to be derived there from, the Parties agree as follows:

1. SCOPE OF SERVICES

A. Activities

The Subrecipient will provide at least three (3) beds for temporary shelter for South Gate residents who are experiencing homelessness.

B. National Objectives

The Subrecipient certifies that the activities carried out with funds provided under this Contract will benefit low-and moderate-income persons, as defined under 24 CFR Part 570.208 (a) (2) of the CDBG Program National Objectives.

C. Levels of Accomplishment

Total number of City of South Gate residents to be served during Fiscal Year 2019-2020 and Fiscal Year 2020-2021: **12 individuals.**

2. TIME OF PERFORMANCE

The program and/or services to be provided by Subrecipient hereunder **shall commence retroactively to July 1, 2020, and shall be completed no later than June 30, 2021.** This Agreement does not reimburse any expenditure incurred by Subrecipient prior to the date of commencement and execution of this Agreement by Grantee. This Agreement does not reimburse any expenditure made after the completion date

without written authorization to extend the contract, but not more than 12 months, as set forth in Section 27, Time of Performance Modifications. Notwithstanding any provision contained herein to the contrary, this Agreement shall remain in effect during any period of time that Subrecipient has control over CDBG funds, including program income as provided in Section 11, Program Income below.

3. COMPENSATION AND METHOD OF PAYMENT

It is expressly agreed and understood that the total amount to be paid by Grantee under this Agreement shall not exceed the sum of **TWENTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$22,500.00)** of Fiscal Year 2020-2021 CDBG funds. Notwithstanding Section 7, Budget Modifications, below and Section 8, Changes in Grant Allocation, below, Grantee, in its sole discretion exercisable at any time hereunder, may increase the compensation payable hereunder to Subrecipient ("Additional Funding") by giving Subrecipient a written notice offering the Additional Funding ("Additional Funding Offering Notice") for the program and/or services provided under Section 1, Scope of Services above, together with such additional levels of accomplishment, if any, that Grantee may prescribe as a condition to accepting the Additional Funding. Subrecipient may accept the Additional Funding and agree to comply with the additional levels of accomplishment, if any, set forth in the Additional Funding Offering Notice by delivering to Grantee a written notice of acceptance ("Additional Funding Acceptance Notice") within five (5) business days after Subrecipient's receipt of the Additional Funding Offering Notice. If Subrecipient for any reason does not deliver to Grantee the Additional Funding Acceptance Notice within such 5-business day period, then the failure to deliver the Additional Funding Acceptance Notice shall be deemed Subrecipient's rejection of the Additional Funding. This payment shall constitute full and complete compensation for Subrecipient services under this Agreement. For the purpose of this Agreement, Grantee shall disburse the CDBG funds and monitor Subrecipient's performance in satisfying the Scope of Services under the terms of this Agreement. Notwithstanding the foregoing, Grantee shall not be obligated to disburse to Subrecipient any funds that Grantee does not directly or indirectly receive from HUD for the CDBG program for this Agreement.

Disbursement of payments to Subrecipient shall be made upon Grantee's receipt of the **Request for Reimbursement Form** together with true and correct copies of receipts, timesheets, invoices, and such other documentation as may be reasonably requested by Grantee.

Expenditures shall be documented with supportive evidence for each expenditure and proof of payment, in accordance with HUD regulations. Payments may also be contingent upon certification that Subrecipient's financial management system is in accordance with the standards specified in OMB Circular A-110. After timely receipt by Grantee of each properly documented expenditure submittal, Grantee will draw a warrant in favor of Subrecipient for the approved expenditure amount within thirty (30) days.

4. QUARTERLY PERFORMANCE REPORTS

Quarterly Performance Reports shall be submitted by Subrecipient corresponding to the quarters of the Agreement year: Quarter 1 = July - September, Quarter 2 = October - December, Quarter 3 = January - March and Quarter 4 = April - June. A complete Quarterly Performance Report must be received by the Grantee within 30 days after the end of Quarters 1, 2 and 3, and within 10 days of June 30th after the 4th Quarter.

5. BUDGET SECTION

No more than the amounts specified in the Program Budget may be spent for the separate cost categories specified in the Budget Summary without express prior written approval of Grantee. Subrecipient acknowledges that verbal authorizations shall not be deemed a substitute for written approval.

6. USE OF FUNDS

Funds allocated pursuant to this Agreement shall be used exclusively for costs included in Subrecipient program budget. Agreement funds shall not be used as security or to guarantee payments for any non-program obligations, nor as loans for non-program activities.

7. BUDGET MODIFICATIONS

Grantee, or its designee, may allow budget modifications to this Agreement when such modifications are approved in advance in writing and: a) do not exceed Eight Thousand Dollars (\$8,000) per budget cost category; b) are specifically requested by Subrecipient; c) do not alter the amount of compensation with this Agreement; d) will not change the eligibility of the project goals or Scope of Services under this Agreement; e) are in the best interests of Grantee and Subrecipient in performing the Scope of Services; and f) when related to salaries, are in accordance with applicable salary ordinances or laws. Requests for modification as described above are subject to review for compliance with the Consolidated Plan, budget summary and program description by the Housing Administrator.

8. CHANGES IN GRANT ALLOCATION

Grantee reserves the right to reduce the amount of CDBG funds to be paid hereunder when Grantee's fiscal monitoring indicates that Subrecipient rate of expenditure will result in unspent funds at the end of the program year. Changes in the grant allocation will be done after consultation with Subrecipient and written notification by Grantee.

9. REVENUE DISCLOSURE REQUIREMENT

By its execution of this Agreement, Subrecipient certifies that it has previously filed with Grantee a written statement listing all revenue received, or expected to be received, by Subrecipient from Federal, State, City or County of Los Angeles sources, or from other governmental or private agencies, and applied or expected to offset in whole or in part any of the costs incurred by Subrecipient in conducting current or prospective projects, programs, services, or business activities, including, but not necessarily limited to, the project, program, service or business activity which is the subject of this Agreement. Such statement shall reflect the name and a description of such project, program, service, or business activity, the dollar amount of funding provided, or to be provided, by each and every agency for each such project, program, service, or business activity, and the full name and address of each such agency. During the term of this Agreement, Subrecipient shall prepare and file a similar written statement each time it receives funding from any agency which is in addition to that revenue disclosed in Subrecipient's initial revenue disclosure statement hereunder. Such statement shall be filed by Subrecipient with Grantee within fifteen (15) calendar days following receipt of such additional funding. Subrecipient shall make available for inspection and audit by Grantee's employees, agents, contractors, or other representatives, upon request, at any time during the duration of this Agreement and during a period of three (3) years thereafter, all of its books and records relating to the operation by it of each project, program, service, or business activity which is funded in whole or in part with governmental monies, whether or not such monies are received through Grantee. All such books and records shall be maintained by Subrecipient. Failure of Subrecipient to comply with the requirements of this section of the Agreement shall constitute a material breach of contract upon which Grantee may cancel, terminate, or suspend this Agreement.

10. JOINT FUNDING

For programs in which there are sources of funds in addition to CDBG funds, Subrecipient shall provide proof of such funding. Grantee shall not pay for any projects, programs, services, or business activities provided by Subrecipient which are funded by other sources. All restrictions and/or requirements provided in this Agreement relative to accounting, budgeting, and reporting applies to the total program regardless of funding sources.

11. PROGRAM INCOME

Program income represents net income directly generated from the use of CDBG funds by Subrecipient as a result of the activity funded under the terms of this Agreement. When such income is generated by an activity only partially assisted with CDBG funds, the income shall be prorated to reflect the percentage of CDBG funds used. Subrecipient shall return program income to Grantee. Program income shall be returned to Grantee within thirty (30) days after the occurrence of any of the following: (A) disposition or sale of real or personal property occurs or; (B) cumulative program income reaches increments of One Thousand Dollars (\$1,000); or (C) the end of each fiscal year. Subrecipient shall include the reports required by Section 22, Program Reporting, all sources and amounts of program income on a monthly and year-to-date basis.

12. FISCAL LIMITATIONS

HUD may place programmatic or fiscal limitation(s) on CDBG funds not presently anticipated by the parties. Accordingly, Grantee reserves the right to revise, rescind, terminate for convenience or otherwise modify this Agreement because of or related to actions affecting HUD program funding. Where Grantee has reasonable grounds to question Subrecipient's fiscal accountability, financial soundness, or compliance with this Agreement, Grantee may act to suspend the operation of this Agreement for up to sixty (60) days upon three (3) days' notice to Subrecipient of Grantee's intention to so act, pending an audit or other resolution of such questions. Subrecipient expressly acknowledges that such changes shall not be the basis for a claim for monetary or other damages. In no event, however, shall any revision made by Grantee affect expenditures and legally binding commitments made by Subrecipient before Subrecipient received notice of such revision, provided that such amounts have been committed in good faith and are otherwise allowable and that such commitments are consistent with HUD cash withdrawal guidelines.

13. NONEXPENDABLE PROPERTY

Subrecipient shall maintain an accurate and independently verifiable record for each item of nonexpendable property acquired for this program with CDBG funds. This record shall be provided to Grantee upon request. "Nonexpendable property" shall include tangible personal property, including but not limited to computer equipment, office equipment, and real property and any interest in such real property, including any mortgage or other encumbrance of real property as well as any funds derived from the sale or disposal of nonexpendable property. Any utilization of funds derived from the sale or disposition of nonexpendable property must have prior approval of Grantee and otherwise comply with all applicable laws and regulations. Upon termination of this Agreement, Grantee reserves the right to determine the final disposition of said nonexpendable property acquired for this program with CDBG funds, including funds derived therefrom. Said disposition may include Grantee taking possession and title of said nonexpendable property. Nonexpendable personal property means tangible personal property having a useful life of more than one (1) year and an acquisition cost of Five Hundred Dollars (\$500) or more per unit.

14. EXPENDABLE PERSONAL PROPERTY

Expendable personal property refers to all tangible personal property other than nonexpendable personal property.

15. PURCHASE OR LEASE OF NONEXPENDABLE PROPERTY OR EQUIPMENT

Subrecipient shall obtain competitive bids prior to purchasing or leasing any nonexpendable personal property or equipment over Five Hundred Dollars (\$500) in unit value and having a life expectancy of more than one (1) year. Such property shall be properly tagged and inventoried. This inventory shall be provided to Grantee promptly upon request.

16. ACQUISITION OF SUPPLIES AND EQUIPMENT

Subrecipient may purchase from a related agency/organization only if: a) prior authorization is obtained in writing from Grantee; b) charges do not exceed the authorized amount and minimum written specifications are met; c) a community related benefit is derived from such Subrecipient -related acquisition; and d) no conflict of interest for private gain accrues to Subrecipient or its directors, employees, agents or officers or their respective relatives by blood or marriage. For purposes of this Agreement, "relatives" includes parents, child, spouse, brother, sister, in-laws and step relationships.

Grantee reserves the right to disallow any purchase from any vendor of supplies, equipment, nonexpendable property or expendable property which is purchased in whole or in part with funds provided by this Agreement. Subrecipient may seek prior approval of Grantee for any such expenditure, and prior approval which is granted shall be binding on Grantee unless such expenditure violates federal law or regulations or is disallowed by HUD.

17. PURCHASE

Purchase of equipment or property must be completed before the end of the 4th quarter in any calendar year and all equipment invoices must be submitted by the end of the last month of the term of this Agreement.

18. TRAVEL AND CONFERENCE RESTRICTIONS

Subrecipient certifies and agrees that travel and conference expenses for persons other than employees of Subrecipient, will not be paid by funds provided through this Agreement. No travel expenses for out-of-state travel shall be included in this Agreement unless specifically listed in the Budget Summary, attached hereto. Subrecipient further agrees that any travel expense incurred by Subrecipient which is not listed in the Program Budget shall not be paid by funds provided through this Agreement.

19. USE OF FUNDS FOR ENTERTAINMENT, GIFTS, OR FUND-RAISING ACTIVITIES

Subrecipient certifies and agrees that it will not use funds provided through this Agreement to pay for any entertainment, gifts, or fund-raising activities.

20. MONITORING

Grantee will conduct quarterly program monitoring to review beneficiary files and program records. Grantee and HUD shall have the right of access to all activities and facilities operated by Subrecipient under this Agreement. Facilities include all files, records and other documents related to the performance of this Agreement. Activities include attendance staff, board of directors, advisory committee and advisory board meetings and observation of on-going program functions. Subrecipient will permit on-site inspection by Grantee and HUD and ensure that its employees and board members furnish such information as, in the judgment of Grantee and HUD representatives, may be relevant to compliance with contractual conditions and HUD directives, or the effectiveness, legality and achievements of the program.

Substandard performance as determined by Grantee will constitute non-compliance with and a breach of this Agreement. If action to correct and cure such substandard performance is not taken and completed by Subrecipient within a reasonable period of time after being notified by Grantee, this Agreement may be suspended or terminated by Grantee in accordance with its suspension or termination procedures.

21. BENEFICIARY QUALIFICATION

Persons qualifying for program services on the basis of income, hereinafter referred to as beneficiaries, shall have an annual household gross income equal to or less than the low- and moderate-income limits defined by the U.S. Department of Housing and Urban Development (HUD) Income Limits. Subrecipient is responsible for obtaining from Grantee the current applicable HUD Income Guidelines for each year of the

Agreement term identified in Section 2, Time of Performance. Under CDBG regulations, the following clientele categories qualify as presumed to benefit persons, 51% of whom are low-and-moderate income: Abused Children; Battered Spouses; Elderly Persons (62 and older); Handicapped Persons; Homeless Persons; Illiterate Persons; Migrant Farm Workers. However, Subrecipient shall document the household income of all beneficiaries by obtaining from beneficiaries, completed "Beneficiary Qualification Statements."

22. PROGRAM REPORTING

Subrecipient agrees to prepare and submit financial, program progress, evaluations and other reports as required by HUD or Grantee directives. Subrecipient shall maintain such property, personnel, financial and other records and accounts as are considered necessary by HUD or Grantee to assure proper accounting for all Agreement funds. All Subrecipient records, with the exception of confidential client information, shall be made available to representatives of Grantee and the appropriate Federal agencies. Subrecipient is required to submit data necessary to complete the "Annual Grantee Performance Report" or "Consolidated Annual Performance and Evaluation Report (CAPER)", in accordance with HUD regulations in the format and at the time designated by Grantee.

23. FINANCIAL MANAGEMENT

A. Accounting

Subrecipient agrees to comply with OMB Circular A-110 and further agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

B. Cost Principles

Subrecipient shall administer its program in conformance with OMB Circulars A-122 "Cost Principles for Non-Profit Organizations" or A-21 "Cost Principles for Education Institutions," as applicable, for all costs incurred whether charged on a direct or indirect basis.

24. DOCUMENTATION AND RECORD KEEPING

A. Records to be Maintained

Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR Part 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National objectives of the CDBG program;
- c. Records required for determining the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the Fair Housing and Equal Opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR part 570.502, and OMB Circular A 110; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR 570.

B. Retention

Subrecipient shall retain all records pertinent to expenditures incurred under this Agreement for a period of four (4) years after the termination of this Agreement. Records for non-expendable property acquired with funds under this Agreement shall be retained for four (4) years after final disposition of such property. Records for any displaced person must be kept for four (4) years after he/she has received final payment. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the three-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

C. Client Data

Subrecipient shall maintain and submit client data demonstrating client eligibility for services provided by obtaining completed "Beneficiary Qualification Statements." Such data shall include, but not be limited to, client name, address, income or for determining eligibility and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request during on-site monitoring.

D. Disclosure

Subrecipient understands that client information collected under this Agreement is private and the use, dissemination, transmission or other disclosure of such information, when not directly connected with the administration of the Grantee's or Subrecipient's responsibilities with respect to services provided under this Agreement, is strictly prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian. Subrecipient shall take all commercially reasonable action and implement such necessary procedures to safeguard the privacy of all client information and shall provide Grantee promptly upon request a narrative description of such safeguards.

E. Property Records

Subrecipient shall maintain real property inventory records which clearly identify properties purchased, improved or sold. Properties retained shall continue to meet eligibility criteria and shall conform to the "changes in use" restrictions specified in 25 CFR Parts 570.503(b) (8), as applicable.

F. Close-Outs

Subrecipient's obligation to the Grantee under this Agreement shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets, including the return of all unused material, equipment, unspent cash advances, program income balances, and accounts receivable to Grantee and determining the custodianship of records.

G. Audit and Inspections

Subrecipient shall arrange for an independent financial/compliance audit to be performed within the direction of Generally Accepted Auditing Standards and Government Auditing Standards and conducted for each fiscal year during the term of this Agreement. Such audit shall be completed not later than one hundred twenty (120) days following the end of such fiscal year. In the event Subrecipient receives Five Hundred Thousand (\$500,000) or more in the aggregate in federal funds from all federal funding sources within a fiscal year, Subrecipient shall be required to perform an audit in compliance with OMB Circular A-133.

Subrecipient shall submit a copy of the audit report to Grantee within thirty (30) days of completion. Within thirty (30) days of the submittal of said audit report, Subrecipient shall provide to Grantee a "Corrective Action Plan" which shall contain a written response to any concerns or findings identified in said audit report. The response must examine each concern or finding and explain a proposed resolution, including a schedule for correcting any deficiency. All actions to correct said conditions or findings shall be taken within six (6) months after receipt of the audit report. Any concern or finding will be referred to the HUD field office.

Grantee, or HUD, may make additional audits or reviews, as necessary, to carry out the responsibilities of Subrecipient under Federal, State or Local laws and regulations. Subrecipient agrees to cooperate fully with all persons conducting said additional audits or reviews. Grantee and its authorized representatives shall, at all times, have access for the purpose of audit or inspection, to any and all books, documents, papers, records, property and premises of Subrecipient.

If indications of misappropriation or misapplication of the funds of this Agreement cause Grantee to require an additional audit, the cost of the audit will be encumbered and deducted from this Agreement budget. Should Grantee subsequently determine that the additional audit was not warranted, the amount encumbered will be restored to the Agreement budget. Subrecipient shall reimburse all misappropriation or misapplication of funds to Grantee.

25. ASSIGNMENT

This Agreement is not assignable by Subrecipient without the express written consent of Grantee. Any attempt by Subrecipient to assign any performance of the terms of this Agreement shall be null and void and shall constitute a material breach of this Agreement.

26. TERMINATION AND TERMINATION COSTS

This Agreement may be terminated in whole or in part at any time by either party upon giving thirty (30) days' notice in writing to the other party. Grantee and Subrecipient shall set forth the reasons and conditions for termination in compliance with the provisions of federal regulations at 24 CFR Part 85.44, Termination for Convenience.

Grantee may immediately terminate this Agreement upon the termination, suspension, discontinuation or substantial reduction in CDBG funding for the Agreement activity, or if for any reason the timely completion of the work under this Agreement is rendered improbable, infeasible or impossible. If Subrecipient materially fails to comply with any term of this Agreement, Grantee may take one or more of the actions provided under federal regulation at 24 CFR Part 85.43, including, without limitation, temporarily withholding cash, disallowing non-compliant costs, wholly or partly terminating the award, withholding future awards, and other remedies that are legally available. In such event, Subrecipient shall be compensated for all services rendered and all necessarily incurred costs performed in good faith in accordance with the terms of this Agreement that have been previously reimbursed, to the date of said termination to the extent that CDBG funds are available from HUD.

27. REVERSION OF ASSETS

Upon termination of this Agreement Subrecipient shall transfer to Grantee all real property acquired or improved in whole or in part with CDBG funds in excess of Twenty Five Thousand Dollars (\$25,000) under this Agreement; or it must be disposed of in a manner resulting in a reimbursement to Grantee in the amount of the current fair market value of the property less any portion thereof attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to, the property.

28. TIME OF PERFORMANCE MODIFICATIONS

Grantee may grant time of performance modifications to this Agreement when such modifications:

- a. In aggregate do not exceed twelve (12) calendar months;
- b. Are specifically requested by Subrecipient;
- c. Will not change the project goals or scope of services;
- d. Are in the best interests of Grantee and Subrecipient in performing the scope of services under this Agreement; and
- e. Do not alter the amount of compensation under this Agreement.

29. INDEPENDENT CONTRACTOR

At all times hereunder, each of Grantee and Subrecipient will be acting in an independent capacity and not as agents, employees, partners, joint venture, or associates of one another. The employees or agents of one party shall not be deemed or construed to be the agent or employees of the other party for any purpose whatsoever.

30. AFFIRMATIVE ACTION AND CONTRACT COMPLIANCE

Subrecipient shall make every commercially reasonable good faith effort to ensure that all projects funded wholly or in part by CDBG funds shall provide equal employment and career advancement opportunities for minorities and women, consistent with Federal and State laws. In addition, Subrecipient shall make every commercially reasonable good faith effort to employ residents of the area and shall keep a record of the positions that have been created directly or as a result of this program.

Subrecipient agrees to comply with the provisions of the Affirmative Action Compliance Program of Grantee and rules and regulations adopted pursuant thereto. Subrecipient shall comply with Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, Title VII of the Civil Rights Act of 1964, the California Fair Housing and Employment Act, applicable California Public Contracts Code and other applicable Federal, State, and Grantee laws, regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.

31. PERSONNEL AND PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

Subrecipient agrees to comply with Title I of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104 (b) and Section 109 of Title 1 of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246 as amended by Executive Orders 11365 and 12086.

2. Nondiscrimination

Subrecipient will not discriminate against any employee or applicant for employment because of race, creed, gender, gender identity (including gender expression), color, religion, ancestry, sexual orientation, national origin, disability, age, marital status, family/parental status, or veteran/military status, or status with regard to public assistance. Subrecipient will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include

but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

3. Land Covenants

This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570.601 and 602 in regards to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States Government are beneficiaries of and entitled to enforce such covenants. Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. SECTION 504

Subrecipient agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C 706), which prohibits discrimination against the handicapped in any Federally assisted program.

B. Affirmative Action

1. Access to Records

Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

2. EEO/AA Statement

Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

32. RELIGIOUS PROSELYTIZING OR POLITICAL ACTIVITIES

Subrecipient agrees that it will not perform or permit any religious proselytizing or political activities in connection with the performance of this Agreement. Funds under this Agreement will be used exclusively for performance of the work required under this Agreement and no funds made available under this Agreement shall be used to promote any religious or political activities.

33. CONFLICT OF INTEREST

Subrecipient, its directors, officers, agents and employees shall comply with all applicable Federal, State and Local laws and regulations governing conflict of interest. To this end, Subrecipient will make available to its directors, officers, agents and employee's copies of all applicable Federal, State, and Local laws and regulations governing conflict of interest. In particular, the following Federal regulation paraphrased from

24 CFR 570-611, Conflict of Interest: Except for salaries and related administrative or personnel costs, no employees, agents consultants, officers or elected officials or appointed officials, of subrecipients which receive CDBG funds, who exercise or have exercised any CDBG functions or who are in a position to participate in a decision making process or gain inside information, may obtain a personal or financial interest or benefit from a CDBG assisted activity or any CDBG funded contract, subcontract or agreement, during their tenure or for one year thereafter.

Subrecipient shall furnish to Grantee, prior to Grantee's execution of this Agreement, a written list of all current or proposed subgrantees/subcontractors, vendors or personal service providers, including subsidiaries of Subrecipient. This list should be limited to those subgrantees/subcontractors, vendors or personal service providers, including subsidiaries of Subrecipient, which will receive Ten Thousand Dollars (\$10,000) or more during the term of this Agreement. Such a list shall include the names, addresses, telephone numbers, and identification of principal party(ies), and a description of services to be provided. During the term of this Agreement, Subrecipient shall notify Grantee in writing of any change in the list of subgrantees/ subcontractors, vendors, personal service providers or subsidiaries of Subrecipient within fifteen (15) days of change.

34. REPRESENTATIONS AND WARRANTIES

Subrecipient represents and warrants: (A) that Subrecipient is a duly organized and validly existing nonprofit corporation in good standing under the laws of the state of its incorporation; (B) that the form, terms and provisions of this Agreement have been approved in all respects by Subrecipient's governing board at a meeting duly noticed and held; (C) that Subrecipient's executive director has been duly authorized to execute and deliver this Agreement on behalf of Subrecipient; (D) that Subrecipient's execution, delivery and performance of this Agreement are not in contravention of any provision of law, or of any agreement, by which Subrecipient is bound; (E) no action or proceeding is now pending or, to the best of Subrecipient's knowledge, is threatened, against Subrecipient, in equity or otherwise, before any court, board, commission, agency or instrumentality of the Federal Government or any state government or of any municipal government or any agency or subdivision thereof; or before any arbitrator or panel of arbitrators; (F) Subrecipient is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any material contractual obligation of Subrecipient, and no condition exists which with the giving of notice or the lapse of time or both would constitute such a default; (G) all financial statements furnished to Grantee by Subrecipient are true, correct and complete in all material respects and all other information previously furnished by or on behalf of Subrecipient to Grantee in connection with this Agreement is true, complete and correct in all material respects and does not fail to state any material fact necessary to make the statements made not misleading; and (H) no material adverse change in the operations or financial condition of Subrecipient has occurred since the selection of Subrecipient and the allocated award of CDBG funds were approved by the City Council of the City of South Gate at the duly noticed public hearing held on April 28, 2020.

35. INDEMNIFICATION

Subrecipient shall indemnify, hold harmless and defend Grantee (with legal counsel selected by Grantee) and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising from Subrecipient acts, errors or omissions and for any costs or expenses incurred by Grantee on account of any claim therefore, except where such indemnification is prohibited by law. Subrecipient shall promptly notify Grantee in writing of the occurrence of any such claims, actions, losses, damages, and/or liability. Subrecipient shall indemnify and hold harmless Grantee against any liability, claims, losses, demands, and actions incurred by Grantee as a result of the determination by HUD or its successor that activities undertaken by Subrecipient under the program(s) fail to comply with any laws, regulations or policies applicable thereto or that any funds billed by and disbursed to Subrecipient

under this Agreement were improperly expended.

36. INSURANCE REQUIREMENTS

Without in any way affecting the indemnity herein provided and in addition thereto, Subrecipient shall secure and maintain throughout the Agreement the following types of insurance with limits as shown:

Workers' Compensation - A program of Worker's Compensation insurance or a State-approved Self Insurance Program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with Two Hundred Fifty Thousand Dollars (\$250,000) limits, covering all persons providing services on behalf of Subrecipient and all risks to such persons under this Agreement.

Commercial General and Automobile Liability Insurance - This coverage to include contractual coverage and automobile liability coverage for owned, hired, and non-owned vehicles. The policy shall have combined single limits for bodily injury and property damage of not less than One Million Dollars (\$1,000,000).

Additional Named Insurance - All policies, shall contain additional endorsements naming Grantee and its officers, employees, agents, and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder.

Policies Primary and Non-Contributory - All policies required above are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by Grantee.

Proof of Coverage - Subrecipient shall immediately furnish certificates of insurance to Grantee evidencing the insurance coverage, including endorsements, above required prior to the commencement of performance of services hereunder, which shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to Grantee, and Subrecipient shall maintain such insurance from the time Subrecipient commences performance of services hereunder until the completion of such services. Within sixty (60) days of the commencement of this Agreement, Subrecipient shall furnish to Grantee certified copies of the policies and all endorsements. Subrecipient shall complete and submit, Insurance Inventory, along with the above required insurance documents.

Insurance Review - The above insurance requirements are subject to periodic review by Grantee. Grantee's Risk Manager is authorized, but not required, to reduce or waive any of the above insurance requirements whenever the Risk Manager determines that any of the above insurance is not available, is unreasonably priced, or is not needed to protect the interests of Grantee. In addition, if the Risk Manager determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Risk Manager is authorized, but not required, to change the above insurance requirements, to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against Grantee, inflation, or any other item reasonably related to the Grantee's risk.

Any such reduction or waiver for the entire term of the Agreement and any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. Subrecipient agrees to execute any such amendment within thirty (30) days of receipt.

37. ENVIRONMENTAL CONDITIONS

A. Air and Water

Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- i. Clean Air Act, 42 U.S. C., 7401, et seq.
- ii. Federal Water Pollution Control Act, as amended, 33 U.S. C. 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports and information, as well as other requirements specified in said Section 115 and Section 308, and all regulations and guidelines issued thereunder.
- iii. Environmental Protection Agency (EPA) regulations pursuant to 40 C.F. R., Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 USC 4001), Subrecipient shall assure that for activities located in an area identified by FEMA as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations in 24 CFR 570.608 and 24 CFR Part 35. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken.

D. Historic Preservation

Subrecipient agrees to comply with the Historic Preservation requirement set forth in the National Historic Preservation Act of 1966, as amended (17 U.S.C. 470) and the procedures set forth in 36 CFR, Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, State, or Local historic property list.

38. COMPLIANCE WITH LAWS

Subrecipient agrees to comply with all applicable Federal, State, and Local laws, ordinances, regulations, and directives as they pertain to the performance of this Agreement. This Agreement is subject to and incorporates the terms of the ACT; 24 Code of Federal Regulations, Part 570 and Part 85, Chapter V; and U.S. Office of Management and Budget Circulars A-110, A-122, and A-133.

39. LOBBYING

Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V,

United States Code.

Subrecipient certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement; and
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying." in accordance with its instructions; and
- c. It will require that the language of this certification be included in any award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grant, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

40. AMENDMENTS

This Agreement with exhibits embodies the whole of agreements of the Parties hereto. There are no oral agreements not contained herein. No amendment of this Agreement shall be valid unless made in the form of a written amendment to this Agreement formally approved and executed by both Parties.

41. NOTICES

All notices shall be served in writing. The notices shall be sent to the following addresses:

CITY OF SOUTH GATE:

Joe Perez, Community Development Director
Community Development Department
8650 California Avenue
South Gate, CA 90280
Phone: (323) 563-9585
Fax: (323) 567-0725
E-Mail: jperez@sogate.org

WITH COURTESY COPY TO:

Carmen Avalos, City Clerk
City of South Gate
8650 California Avenue
South Gate, CA 90280
Phone: (323) 563-9511
Fax: (323) 563-5411
E-Mail: cavalos@sogate.org

SUBRECIPIENT:

Richard P. Chalk, Divisional Finance Director
The Salvation Army, a Domestic Nonprofit Corporation
DBA The Salvation Army Western Territory
5600 Rickenbacker Road, #2A
Bell, CA 90201
Phone: (323) 263-1206
E-Mail: stevelittle.uswsalvationarmy.org

42. COUNTERPART EXECUTION

This Agreement may be executed in one or more counterparts. When executed, each counterpart shall be deemed an original irrespective of date of execution. Said counterparts shall together constitute one and the same Agreement.

The selection of Subrecipient and the allocated award of CDBG funds were previously approved at the duly noticed public hearing held on April 28, 2020, by the City Council of the City of South Gate. This Agreement is an acknowledgment of that selection and allocation of CDBG funds and subsequent responsibilities of the Subrecipient and Grantee.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

CITY OF SOUTH GATE:

By: _____
Maria Davila, Mayor

Dated: _____

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney

**THE SALVATION ARMY, DBA THE
SALVATION ARMY WESTERN
TERRITORY:**

By: _____
Richard P. Chalk, Divisional Finance Director

Dated: _____

**COMMUNITY DEVELOPMENT BLOCK GRANT SUBRECIPIENT AGREEMENT
BETWEEN THE CITY OF SOUTH GATE AND
HELPLINE YOUTH COUNSELING**

This Community Development Block Grant Subrecipient Agreement (“Agreement”) is made and entered into on August 11, 2020, and retroactively effective as of July 1, 2020, by and between the City of South Gate, a municipal corporation (“Grantee”) and Helpline Youth Counseling, a California Non-profit corporation, doing business as Helpline Youth Counseling (“Subrecipient”). The Grantee and Subrecipient are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

RECITALS

WHEREAS, Grantee has applied for and received Community Development Block Grant ("CDBG") funds from the United States Government through its Department of Housing and Urban Development, hereinafter referred to as “HUD” under Title 1 of Housing and Community Development Act of 1974, as amended, hereinafter referred to as the “ACT”;

WHEREAS, Grantee wishes to engage Subrecipient, which is qualified by reason of experience, preparation, organization, staffing, and facilities, to provide the program and/or services as described below in “Scope of Services”; and

WHEREAS, Grantee recognizes the public benefit in providing the program and/or services described below in the Scope of Services to low- and moderate-income ("LMI") persons and desires Subrecipient to carry out said program and/or services on Grantee's behalf.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and the mutual benefits to be derived there from, the Parties agree as follows:

1. SCOPE OF SERVICES

A. Activities

The Subrecipient will provide financial assistance to income eligible households who have recently become homeless, or are at eminent risk of, experiencing homelessness. Such assistance may include such things as payment of rental arrears, future rent, security deposits, utility deposits and case management.

B. National Objectives

The Subrecipient certifies that the activities carried out with funds provided under this Contract will benefit low-and moderate-income persons, as defined under 24 CFR Part 570.208 (a) (2) of the CDBG Program National Objectives.

C. Levels of Accomplishment

Total number of City of South Gate residents to be served during Fiscal Year 2019-2020 and Fiscal Year 2020-2021: **14**.

2. TIME OF PERFORMANCE

The program and/or services to be provided by Subrecipient hereunder **shall commence retroactively to July 1, 2020, and shall be completed no later than June 30, 2021**. This Agreement does not reimburse

any expenditure incurred by Subrecipient prior to the date of commencement and execution of this Agreement by Grantee. This Agreement does not reimburse any expenditure made after the completion date without written authorization to extend the contract, but not more than 12 months, as set forth in Section 27, Time of Performance Modifications. Notwithstanding any provision contained herein to the contrary, this Agreement shall remain in effect during any period of time that Subrecipient has control over CDBG funds, including program income as provided in Section 11, Program Income below.

3. COMPENSATION AND METHOD OF PAYMENT

It is expressly agreed and understood that the total amount to be paid by Grantee under this Agreement shall not exceed the sum of **TWENTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$22,500.00)** of Fiscal Year 2020-2021 CDBG funds. Notwithstanding Section 7, Budget Modifications, below and Section 8, Changes in Grant Allocation, below, Grantee, in its sole discretion exercisable at any time hereunder, may increase the compensation payable hereunder to Subrecipient ("Additional Funding") by giving Subrecipient a written notice offering the Additional Funding ("Additional Funding Offering Notice") for the program and/or services provided under Section 1, Scope of Services above, together with such additional levels of accomplishment, if any, that Grantee may prescribe as a condition to accepting the Additional Funding. Subrecipient may accept the Additional Funding and agree to comply with the additional levels of accomplishment, if any, set forth in the Additional Funding Offering Notice by delivering to Grantee a written notice of acceptance ("Additional Funding Acceptance Notice") within five (5) business days after Subrecipient's receipt of the Additional Funding Offering Notice. If Subrecipient for any reason does not deliver to Grantee the Additional Funding Acceptance Notice within such 5-business day period, then the failure to deliver the Additional Funding Acceptance Notice shall be deemed Subrecipient's rejection of the Additional Funding. This payment shall constitute full and complete compensation for Subrecipient services under this Agreement. For the purpose of this Agreement, Grantee shall disburse the CDBG funds and monitor Subrecipient's performance in satisfying the Scope of Services under the terms of this Agreement. Notwithstanding the foregoing, Grantee shall not be obligated to disburse to Subrecipient any funds that Grantee does not directly or indirectly receive from HUD for the CDBG program for this Agreement.

Disbursement of payments to Subrecipient shall be made upon Grantee's receipt of the **Request for Reimbursement Form** together with true and correct copies of receipts, timesheets, invoices, and such other documentation as may be reasonably requested by Grantee.

Expenditures shall be documented with supportive evidence for each expenditure and proof of payment, in accordance with HUD regulations. Payments may also be contingent upon certification that Subrecipient's financial management system is in accordance with the standards specified in OMB Circular A-110. After timely receipt by Grantee of each properly documented expenditure submittal, Grantee will draw a warrant in favor of Subrecipient for the approved expenditure amount within thirty (30) days.

4. QUARTERLY PERFORMANCE REPORTS

Quarterly Performance Reports shall be submitted by Subrecipient corresponding to the quarters of the Agreement year: Quarter 1 = July - September, Quarter 2 = October - December, Quarter 3 = January - March and Quarter 4 = April - June. A complete Quarterly Performance Report must be received by the Grantee within 30 days after the end of Quarters 1, 2 and 3, and within 10 days of June 30th after the 4th Quarter.

5. BUDGET SECTION

No more than the amounts specified in the Program Budget may be spent for the separate cost categories specified in the Budget Summary without express prior written approval of Grantee. Subrecipient

acknowledges that verbal authorizations shall not be deemed a substitute for written approval.

6. USE OF FUNDS

Funds allocated pursuant to this Agreement shall be used exclusively for costs included in Subrecipient program budget. Agreement funds shall not be used as security or to guarantee payments for any non-program obligations, nor as loans for non-program activities.

7. BUDGET MODIFICATIONS

Grantee, or its designee, may allow budget modifications to this Agreement when such modifications are approved in advance in writing and: a) do not exceed Eight Thousand (\$8,000) per budget cost category; b) are specifically requested by Subrecipient; c) do not alter the amount of compensation with this Agreement; d) will not change the eligibility of the project goals or Scope of Services under this Agreement; e) are in the best interests of Grantee and Subrecipient in performing the Scope of Services; and f) when related to salaries, are in accordance with applicable salary ordinances or laws. Requests for modification as described above are subject to review for compliance with the Consolidated Plan, budget summary and program description by the Housing Administrator.

8. CHANGES IN GRANT ALLOCATION

Grantee reserves the right to reduce the amount of CDBG funds to be paid hereunder when Grantee's fiscal monitoring indicates that Subrecipient rate of expenditure will result in unspent funds at the end of the program year. Changes in the grant allocation will be done after consultation with Subrecipient and written notification by Grantee.

9. REVENUE DISCLOSURE REQUIREMENT

By its execution of this Agreement, Subrecipient certifies that it has previously filed with Grantee a written statement listing all revenue received, or expected to be received, by Subrecipient from Federal, State, City or County of Los Angeles sources, or from other governmental or private agencies, and applied or expected to offset in whole or in part any of the costs incurred by Subrecipient in conducting current or prospective projects, programs, services, or business activities, including, but not necessarily limited to, the project, program, service or business activity which is the subject of this Agreement. Such statement shall reflect the name and a description of such project, program, service, or business activity, the dollar amount of funding provided, or to be provided, by each and every agency for each such project, program, service, or business activity, and the full name and address of each such agency. During the term of this Agreement, Subrecipient shall prepare and file a similar written statement each time it receives funding from any agency which is in addition to that revenue disclosed in Subrecipient's initial revenue disclosure statement hereunder. Such statement shall be filed by Subrecipient with Grantee within fifteen (15) calendar days following receipt of such additional funding. Subrecipient shall make available for inspection and audit by Grantee's employees, agents, contractors, or other representatives, upon request, at any time during the duration of this Agreement and during a period of three (3) years thereafter, all of its books and records relating to the operation by it of each project, program, service, or business activity which is funded in whole or in part with governmental monies, whether or not such monies are received through Grantee. All such books and records shall be maintained by Subrecipient. Failure of Subrecipient to comply with the requirements of this section of the Agreement shall constitute a material breach of contract upon which Grantee may cancel, terminate, or suspend this Agreement.

10. JOINT FUNDING

For programs in which there are sources of funds in addition to CDBG funds, Subrecipient shall provide proof of such funding. Grantee shall not pay for any projects, programs, services, or business activities provided by Subrecipient which are funded by other sources. All restrictions and/or requirements provided

in this Agreement relative to accounting, budgeting, and reporting applies to the total program regardless of funding sources.

11. PROGRAM INCOME

Program income represents net income directly generated from the use of CDBG funds by Subrecipient as a result of the activity funded under the terms of this Agreement. When such income is generated by an activity only partially assisted with CDBG funds, the income shall be prorated to reflect the percentage of CDBG funds used. Subrecipient shall return program income to Grantee. Program income shall be returned to Grantee within thirty (30) days after the occurrence of any of the following: (A) disposition or sale of real or personal property occurs or; (B) cumulative program income reaches increments of One Thousand Dollars (\$1,000); or (C) the end of each fiscal year. Subrecipient shall include the reports required by Section 22, Program Reporting, all sources and amounts of program income on a monthly and year-to-date basis.

12. FISCAL LIMITATIONS

HUD may place programmatic or fiscal limitation(s) on CDBG funds not presently anticipated by the parties. Accordingly, Grantee reserves the right to revise, rescind, terminate for convenience or otherwise modify this Agreement because of or related to actions affecting HUD program funding. Where Grantee has reasonable grounds to question Subrecipient's fiscal accountability, financial soundness, or compliance with this Agreement, Grantee may act to suspend the operation of this Agreement for up to sixty (60) days upon three (3) days' notice to Subrecipient of Grantee's intention to so act, pending an audit or other resolution of such questions. Subrecipient expressly acknowledges that such changes shall not be the basis for a claim for monetary or other damages. In no event, however, shall any revision made by Grantee affect expenditures and legally binding commitments made by Subrecipient before Subrecipient received notice of such revision, provided that such amounts have been committed in good faith and are otherwise allowable and that such commitments are consistent with HUD cash withdrawal guidelines.

13. NONEXPENDABLE PROPERTY

Subrecipient shall maintain an accurate and independently verifiable record for each item of nonexpendable property acquired for this program with CDBG funds. This record shall be provided to Grantee upon request. "Nonexpendable property" shall include tangible personal property, including but not limited to computer equipment, office equipment, and real property and any interest in such real property, including any mortgage or other encumbrance of real property as well as any funds derived from the sale or disposal of nonexpendable property. Any utilization of funds derived from the sale or disposition of nonexpendable property must have prior approval of Grantee and otherwise comply with all applicable laws and regulations. Upon termination of this Agreement, Grantee reserves the right to determine the final disposition of said nonexpendable property acquired for this program with CDBG funds, including funds derived therefrom. Said disposition may include Grantee taking possession and title of said nonexpendable property. Nonexpendable personal property means tangible personal property having a useful life of more than one (1) year and an acquisition cost of Five Hundred Dollars (\$500) or more per unit.

14. EXPENDABLE PERSONAL PROPERTY

Expendable personal property refers to all tangible personal property other than nonexpendable personal property.

15. PURCHASE OR LEASE OF NONEXPENDABLE PROPERTY OR EQUIPMENT

Subrecipient shall obtain competitive bids prior to purchasing or leasing any nonexpendable personal property or equipment over Five Hundred Dollars (\$500) dollars in unit value and having a life expectancy of more than one (1) year. Such property shall be properly tagged and inventoried. This inventory shall be

provided to Grantee promptly upon request.

16. ACQUISITION OF SUPPLIES AND EQUIPMENT

Subrecipient may purchase from a related agency/organization only if: a) prior authorization is obtained in writing from Grantee; b) charges do not exceed the authorized amount and minimum written specifications are met; c) a community related benefit is derived from such Subrecipient -related acquisition; and d) no conflict of interest for private gain accrues to Subrecipient or its directors, employees, agents or officers or their respective relatives by blood or marriage. For purposes of this Agreement, "relatives" includes parents, child, spouse, brother, sister, in-laws and step relationships.

Grantee reserves the right to disallow any purchase from any vendor of supplies, equipment, nonexpendable property or expendable property which is purchased in whole or in part with funds provided by this Agreement. Subrecipient may seek prior approval of Grantee for any such expenditure, and prior approval which is granted shall be binding on Grantee unless such expenditure violates federal law or regulations or is disallowed by HUD.

17. PURCHASE

Purchase of equipment or property must be completed before the end of the 4th quarter in any calendar year and all equipment invoices must be submitted by the end of the last month of the term of this Agreement.

18. TRAVEL AND CONFERENCE RESTRICTIONS

Subrecipient certifies and agrees that travel and conference expenses for persons other than employees of Subrecipient, will not be paid by funds provided through this Agreement. No travel expenses for out-of-state travel shall be included in this Agreement unless specifically listed in the Budget Summary, attached hereto. Subrecipient further agrees that any travel expense incurred by Subrecipient which is not listed in the Program Budget shall not be paid by funds provided through this Agreement.

19. USE OF FUNDS FOR ENTERTAINMENT, GIFTS, OR FUND-RAISING ACTIVITIES

Subrecipient certifies and agrees that it will not use funds provided through this Agreement to pay for any entertainment, gifts, or fund-raising activities.

20. MONITORING

Grantee will conduct quarterly program monitoring to review beneficiary files and program records. Grantee and HUD shall have the right of access to all activities and facilities operated by Subrecipient under this Agreement. Facilities include all files, records and other documents related to the performance of this Agreement. Activities include attendance staff, board of directors, advisory committee and advisory board meetings and observation of on-going program functions. Subrecipient will permit on-site inspection by Grantee and HUD and ensure that its employees and board members furnish such information as, in the judgment of Grantee and HUD representatives, may be relevant to compliance with contractual conditions and HUD directives, or the effectiveness, legality and achievements of the program.

Substandard performance as determined by Grantee will constitute non-compliance with and a breach of this Agreement. If action to correct and cure such substandard performance is not taken and completed by Subrecipient within a reasonable period of time after being notified by Grantee, this Agreement may be suspended or terminated by Grantee in accordance with its suspension or termination procedures.

21. BENEFICIARY QUALIFICATION

Persons qualifying for program services on the basis of income, hereinafter referred to as beneficiaries , shall have an annual household gross income equal to or less than the low- and moderate-income limits

defined by the U.S. Department of Housing and Urban Development (HUD) Income Limits. Subrecipient is responsible for obtaining from Grantee the current applicable HUD Income Guidelines for each year of the Agreement term identified in Section 2, Time of Performance. Under CDBG regulations, the following clientele categories qualify as presumed to benefit persons, 51% of whom are low-and-moderate income: Abused Children; Battered Spouses; Elderly Persons (62 and older); Handicapped Persons; Homeless Persons; Illiterate Persons; Migrant Farm Workers. However, Subrecipient shall document the household income of all beneficiaries by obtaining from beneficiaries, completed "Beneficiary Qualification Statements."

22. PROGRAM REPORTING

Subrecipient agrees to prepare and submit financial, program progress, evaluations and other reports as required by HUD or Grantee directives. Subrecipient shall maintain such property, personnel, financial and other records and accounts as are considered necessary by HUD or Grantee to assure proper accounting for all Agreement funds. All Subrecipient records, with the exception of confidential client information, shall be made available to representatives of Grantee and the appropriate Federal agencies. Subrecipient is required to submit data necessary to complete the "Annual Grantee Performance Report" or "Consolidated Annual Performance and Evaluation Report (CAPER)", in accordance with HUD regulations in the format and at the time designated by Grantee.

23. FINANCIAL MANAGEMENT

A. Accounting

Subrecipient agrees to comply with OMB Circular A-110 and further agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

B. Cost Principles

Subrecipient shall administer its program in conformance with OMB Circulars A-122 "Cost Principles for Non-Profit Organizations" or A-21 "Cost Principles for Education Institutions," as applicable, for all costs incurred whether charged on a direct or indirect basis.

24. DOCUMENTATION AND RECORD KEEPING

A. Records to be Maintained

Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR Part 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National objectives of the CDBG program;
- c. Records required for determining the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the Fair Housing and Equal Opportunity components of the CDBG program;

- f. Financial records as required by 24 CFR part 570.502, and OMB Circular A 110; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR 570.

B. Retention

Subrecipient shall retain all records pertinent to expenditures incurred under this Agreement for a period of four (4) years after the termination of this Agreement. Records for non-expendable property acquired with funds under this Agreement shall be retained for four (4) years after final disposition of such property. Records for any displaced person must be kept for four (4) years after he/she has received final payment. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the three-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

C. Client Data

Subrecipient shall maintain and submit client data demonstrating client eligibility for services provided by obtaining completed "Beneficiary Qualification Statements." Such data shall include, but not be limited to, client name, address, income or for determining eligibility and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request during on-site monitoring.

D. Disclosure

Subrecipient understands that client information collected under this Agreement is private and the use, dissemination, transmission or other disclosure of such information, when not directly connected with the administration of the Grantee's or Subrecipient's responsibilities with respect to services provided under this Agreement, is strictly prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian. Subrecipient shall take all commercially reasonable action and implement such necessary procedures to safeguard the privacy of all client information and shall provide Grantee promptly upon request a narrative description of such safeguards.

E. Property Records

Subrecipient shall maintain real property inventory records which clearly identify properties purchased, improved or sold. Properties retained shall continue to meet eligibility criteria and shall conform to the "changes in use" restrictions specified in 25 CFR Parts 570.503(b) (8), as applicable.

F. Close-Outs

Subrecipient's obligation to the Grantee under this Agreement shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets, including the return of all unused material, equipment, unspent cash advances, program income balances, and accounts receivable to Grantee and determining the custodianship of records.

G. Audit and Inspections

Subrecipient shall arrange for an independent financial/compliance audit to be performed within the direction of Generally Accepted Auditing Standards and Government Auditing Standards and conducted for each fiscal year during the term of this Agreement. Such audit shall be completed not later than one hundred twenty (120) days following the end of such fiscal year. In the event Subrecipient receives Five Hundred Thousand Dollars (\$500,000) or more in the aggregate in federal funds from all federal funding sources within a fiscal year, Subrecipient shall be required to perform an audit in compliance with OMB

Circular A-133.

Subrecipient shall submit a copy of the audit report to Grantee within thirty (30) days of completion. Within thirty (30) days of the submittal of said audit report, Subrecipient shall provide to Grantee a "Corrective Action Plan" which shall contain a written response to any concerns or findings identified in said audit report. The response must examine each concern or finding and explain a proposed resolution, including a schedule for correcting any deficiency. All actions to correct said conditions or findings shall be taken within six (6) months after receipt of the audit report. Any concern or finding will be referred to the HUD field office.

Grantee, or HUD, may make additional audits or reviews, as necessary, to carry out the responsibilities of Subrecipient under Federal, State or Local laws and regulations. Subrecipient agrees to cooperate fully with all persons conducting said additional audits or reviews. Grantee and its authorized representatives shall, at all times, have access for the purpose of audit or inspection, to any and all books, documents, papers, records, property and premises of Subrecipient.

If indications of misappropriation or misapplication of the funds of this Agreement cause Grantee to require an additional audit, the cost of the audit will be encumbered and deducted from this Agreement budget. Should Grantee subsequently determine that the additional audit was not warranted, the amount encumbered will be restored to the Agreement budget. Subrecipient shall reimburse all misappropriation or misapplication of funds to Grantee.

25. ASSIGNMENT

This Agreement is not assignable by Subrecipient without the express written consent of Grantee. Any attempt by Subrecipient to assign any performance of the terms of this Agreement shall be null and void and shall constitute a material breach of this Agreement.

26. TERMINATION AND TERMINATION COSTS

This Agreement may be terminated in whole or in part at any time by either party upon giving thirty (30) days' notice in writing to the other party. Grantee and Subrecipient shall set forth the reasons and conditions for termination in compliance with the provisions of federal regulations at 24 CFR Part 85.44, Termination for Convenience.

Grantee may immediately terminate this Agreement upon the termination, suspension, discontinuation or substantial reduction in CDBG funding for the Agreement activity, or if for any reason the timely completion of the work under this Agreement is rendered improbable, infeasible or impossible. If Subrecipient materially fails to comply with any term of this Agreement, Grantee may take one or more of the actions provided under federal regulation at 24 CFR Part 85.43, including, without limitation, temporarily withholding cash, disallowing non-compliant costs, wholly or partly terminating the award, withholding future awards, and other remedies that are legally available. In such event, Subrecipient shall be compensated for all services rendered and all necessarily incurred costs performed in good faith in accordance with the terms of this Agreement that have been previously reimbursed, to the date of said termination to the extent that CDBG funds are available from HUD.

27. REVERSION OF ASSETS

Upon termination of this Agreement Subrecipient shall transfer to Grantee all real property acquired or improved in whole or in part with CDBG funds in excess of Twenty Five Thousand Dollars (\$25,000) under this Agreement; or it must be disposed of in a manner resulting in a reimbursement to Grantee in the amount of the current fair market value of the property less any portion thereof attributable to expenditures of non-

CDBG funds for the acquisition of, or improvement to, the property.

28. TIME OF PERFORMANCE MODIFICATIONS

Grantee may grant time of performance modifications to this Agreement when such modifications:

- a. In aggregate do not exceed twelve (12) calendar months;
- b. Are specifically requested by Subrecipient;
- c. Will not change the project goals or scope of services;
- d. Are in the best interests of Grantee and Subrecipient in performing the scope of services under this Agreement; and
- e. Do not alter the amount of compensation under this Agreement.

29. INDEPENDENT CONTRACTOR

At all times hereunder, each of Grantee and Subrecipient will be acting in an independent capacity and not as agents, employees, partners, joint venture, or associates of one another. The employees or agents of one party shall not be deemed or construed to be the agent or employees of the other party for any purpose whatsoever.

30. AFFIRMATIVE ACTION AND CONTRACT COMPLIANCE

Subrecipient shall make every commercially reasonable good faith effort to ensure that all projects funded wholly or in part by CDBG funds shall provide equal employment and career advancement opportunities for minorities and women, consistent with Federal and State laws. In addition, Subrecipient shall make every commercially reasonable good faith effort to employ residents of the area and shall keep a record of the positions that have been created directly or as a result of this program.

Subrecipient agrees to comply with the provisions of the Affirmative Action Compliance Program of Grantee and rules and regulations adopted pursuant thereto. Subrecipient shall comply with Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, Title VII of the Civil Rights Act of 1964, the California Fair Housing and Employment Act, applicable California Public Contracts Code and other applicable Federal, State, and Grantee laws, regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.

31. PERSONNEL AND PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

Subrecipient agrees to comply with Title I of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104 (b) and Section 109 of Title 1 of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246 as amended by Executive Orders 11365 and 12086.

2. Nondiscrimination

Subrecipient will not discriminate against any employee or applicant for employment because of race, creed, gender, gender identity (including gender expression), color, religion, ancestry, sexual orientation, national origin, disability, age, marital status, family/parental status, or veteran/military

status, or status with regard to public assistance. Subrecipient will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

3. Land Covenants

This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570.601 and 602 in regards to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States Government are beneficiaries of and entitled to enforce such covenants. Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. SECTION 504

Subrecipient agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C 706), which prohibits discrimination against the handicapped in any Federally assisted program.

B. Affirmative Action

1. Access to Records

Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

2. EEO/AA Statement

Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

32. RELIGIOUS PROSELYTIZING OR POLITICAL ACTIVITIES

Subrecipient agrees that it will not perform or permit any religious proselytizing or political activities in connection with the performance of this Agreement. Funds under this Agreement will be used exclusively for performance of the work required under this Agreement and no funds made available under this Agreement shall be used to promote any religious or political activities.

33. CONFLICT OF INTEREST

Subrecipient, its directors, officers, agents and employees shall comply with all applicable Federal, State and Local laws and regulations governing conflict of interest. To this end, Subrecipient will make available

to its directors, officers, agents and employee's copies of all applicable Federal, State, and Local laws and regulations governing conflict of interest. In particular, the following Federal regulation paraphrased from 24 CFR 570-611, Conflict of Interest: Except for salaries and related administrative or personnel costs, no employees, agents consultants, officers or elected officials or appointed officials, of subrecipients which receive CDBG funds, who exercise or have exercised any CDBG functions or who are in a position to participate in a decision making process or gain inside information, may obtain a personal or financial interest or benefit from a CDBG assisted activity or any CDBG funded contract, subcontract or agreement, during their tenure or for one year thereafter.

Subrecipient shall furnish to Grantee, prior to Grantee's execution of this Agreement, a written list of all current or proposed subgrantees/subcontractors, vendors or personal service providers, including subsidiaries of Subrecipient. This list should be limited to those subgrantees/subcontractors, vendors or personal service providers, including subsidiaries of Subrecipient, which will receive Ten Thousand Dollars (\$10,000) or more during the term of this Agreement. Such a list shall include the names, addresses, telephone numbers, and identification of principal party(ies), and a description of services to be provided. During the term of this Agreement, Subrecipient shall notify Grantee in writing of any change in the list of subgrantees/ subcontractors, vendors, personal service providers or subsidiaries of Subrecipient within fifteen (15) days of change.

34. REPRESENTATIONS AND WARRANTIES

Subrecipient represents and warrants: (A) that Subrecipient is a duly organized and validly existing nonprofit corporation in good standing under the laws of the state of its incorporation; (B) that the form, terms and provisions of this Agreement have been approved in all respects by Subrecipient's governing board at a meeting duly noticed and held; (C) that Subrecipient's executive director has been duly authorized to execute and deliver this Agreement on behalf of Subrecipient; (D) that Subrecipient's execution, delivery and performance of this Agreement are not in contravention of any provision of law, or of any agreement, by which Subrecipient is bound; (E) no action or proceeding is now pending or, to the best of Subrecipient's knowledge, is threatened, against Subrecipient, in equity or otherwise, before any court, board, commission, agency or instrumentality of the Federal Government or any state government or of any municipal government or any agency or subdivision thereof; or before any arbitrator or panel of arbitrators; (F) Subrecipient is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any material contractual obligation of Subrecipient, and no condition exists which with the giving of notice or the lapse of time or both would constitute such a default; (G) all financial statements furnished to Grantee by Subrecipient are true, correct and complete in all material respects and all other information previously furnished by or on behalf of Subrecipient to Grantee in connection with this Agreement is true, complete and correct in all material respects and does not fail to state any material fact necessary to make the statements made not misleading; and (H) no material adverse change in the operations or financial condition of Subrecipient has occurred since the selection of Subrecipient and the allocated award of CDBG funds were approved by the City Council of the City of South Gate at the duly noticed public hearing held on April 28, 2020.

35. INDEMNIFICATION

Subrecipient shall indemnify, hold harmless and defend Grantee (with legal counsel selected by Grantee) and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising from Subrecipient acts, errors or omissions and for any costs or expenses incurred by Grantee on account of any claim therefore, except where such indemnification is prohibited by law. Subrecipient shall promptly notify Grantee in writing of the occurrence of any such claims, actions, losses, damages, and/or liability. Subrecipient shall indemnify and hold harmless Grantee against any liability, claims, losses, demands, and actions incurred by Grantee as a result of the determination by HUD

or its successor that activities undertaken by Subrecipient under the program(s) fail to comply with any laws, regulations or policies applicable thereto or that any funds billed by and disbursed to Subrecipient under this Agreement were improperly expended.

36. INSURANCE REQUIREMENTS

Without in any way affecting the indemnity herein provided and in addition thereto, Subrecipient shall secure and maintain throughout the Agreement the following types of insurance with limits as shown:

Workers' Compensation - A program of Worker's Compensation insurance or a State-approved Self Insurance Program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with Two Hundred Fifty Thousand Dollars (\$250,000) limits, covering all persons providing services on behalf of Subrecipient and all risks to such persons under this Agreement.

Commercial General and Automobile Liability Insurance - This coverage to include contractual coverage and automobile liability coverage for owned, hired, and non-owned vehicles. The policy shall have combined single limits for bodily injury and property damage of not less than One Million Dollars (\$1,000,000).

Additional Named Insurance - All policies, shall contain additional endorsements naming Grantee and its officers, employees, agents, and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder.

Policies Primary and Non-Contributory - All policies required above are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by Grantee.

Proof of Coverage - Subrecipient shall immediately furnish certificates of insurance to Grantee evidencing the insurance coverage, including endorsements, above required prior to the commencement of performance of services hereunder, which shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to Grantee, and Subrecipient shall maintain such insurance from the time Subrecipient commences performance of services hereunder until the completion of such services. Within sixty (60) days of the commencement of this Agreement, Subrecipient shall furnish to Grantee certified copies of the policies and all endorsements. Subrecipient shall complete and submit, Insurance Inventory, along with the above required insurance documents.

Insurance Review - The above insurance requirements are subject to periodic review by Grantee. Grantee's Risk Manager is authorized, but not required, to reduce or waive any of the above insurance requirements whenever the Risk Manager determines that any of the above insurance is not available, is unreasonably priced, or is not needed to protect the interests of Grantee. In addition, if the Risk Manager determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Risk Manager is authorized, but not required, to change the above insurance requirements, to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against Grantee, inflation, or any other item reasonably related to the Grantee's risk.

Any such reduction or waiver for the entire term of the Agreement and any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. Subrecipient agrees to execute any such amendment within thirty (30) days of receipt.

37. ENVIRONMENTAL CONDITIONS

A. Air and Water

Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- i. Clean Air Act, 42 U.S. C., 7401, et seq.
- ii. Federal Water Pollution Control Act, as amended, 33 U.S. C. 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports and information, as well as other requirements specified in said Section 115 and Section 308, and all regulations and guidelines issued thereunder.
- iii. Environmental Protection Agency (EPA) regulations pursuant to 40 C.F. R., Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 USC 4001), Subrecipient shall assure that for activities located in an area identified by FEMA as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations in 24 CFR 570.608 and 24 CFR Part 35. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken.

D. Historic Preservation

Subrecipient agrees to comply with the Historic Preservation requirement set forth in the National Historic Preservation Act of 1966, as amended (17 U.S.C. 470) and the procedures set forth in 36 CFR, Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, State, or Local historic property list.

38. COMPLIANCE WITH LAWS

Subrecipient agrees to comply with all applicable Federal, State, and Local laws, ordinances, regulations, and directives as they pertain to the performance of this Agreement. This Agreement is subject to and incorporates the terms of the ACT; 24 Code of Federal Regulations, Part 570 and Part 85, Chapter V; and U.S. Office of Management and Budget Circulars A-110, A-122, and A-133.

39. LOBBYING

Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V,

United States Code.

Subrecipient certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement; and
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying." in accordance with its instructions; and
- c. It will require that the language of this certification be included in any award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grant, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

40. AMENDMENTS

This Agreement with exhibits embodies the whole of agreements of the Parties hereto. There are no oral agreements not contained herein. No amendment of this Agreement shall be valid unless made in the form of a written amendment to this Agreement formally approved and executed by both Parties.

41. NOTICES

All notices shall be served in writing. The notices shall be sent to the following addresses:

CITY OF SOUTH GATE:

Joe Perez, Community Development Director
Community Development Department
8650 California Avenue
South Gate, CA 90280
Phone: (323) 563-9585
Fax: (323) 567-0725
E-Mail: jperez@sogate.org

WITH COURTESY COPY TO:

Carmen Avalos, City Clerk
City of South Gate
8650 California Avenue
South Gate, CA 90280
Phone: (323) 563-9511
Fax: (323) 563-5411
E-Mail: cavalos@sogate.org

SUBRECIPIENT:

Jeff Farber, Executive Director
Helpline Youth Counseling, a California Nonprofit Corporation
14181 Telegraph Road
Whittier, CA 90604
Phone: (562) 273-0722
E-Mail: jfarber@hycinc.org

42. COUNTERPART EXECUTION

This Agreement may be executed in one or more counterparts. When executed, each counterpart shall be deemed an original irrespective of date of execution. Said counterparts shall together constitute one and the same Agreement.

The selection of Subrecipient and the allocated award of CDBG funds were previously approved at the duly noticed public hearing held on April 28, 2020, by the City Council of the City of South Gate. This Agreement is an acknowledgment of that selection and allocation of CDBG funds and subsequent responsibilities of the Subrecipient and Grantee.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

CITY OF SOUTH GATE:

By: _____
Maria Davila, Mayor

Dated: _____

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney

HELPLINE YOUTH COUNSELING:

By: _____
Jeff Farber, Executive Director

Dated: _____

**COMMUNITY DEVELOPMENT BLOCK GRANT SUBRECIPIENT AGREEMENT
BETWEEN THE CITY OF SOUTH GATE AND
TWEEDY MILE ASSOCIATION**

This Community Development Block Grant Subrecipient Agreement ("Agreement") is made and entered into on August 11, 2020, and retroactively effective as of July 1, 2020, by and between the City of South Gate, a municipal corporation ("Grantee") and Tweedy Mile Association, a California Non-profit corporation, doing business as Tweedy Mile Association ("Subrecipient"). The Grantee and Subrecipient are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

RECITALS

WHEREAS, Grantee has applied for and received Community Development Block Grant ("CDBG") funds from the United States Government through its Department of Housing and Urban Development, hereinafter referred to as "HUD" under Title 1 of Housing and Community Development Act of 1974, as amended, hereinafter referred to as the "ACT";

WHEREAS, Grantee wishes to engage Subrecipient, which is qualified by reason of experience, preparation, organization, staffing, and facilities, to provide the program and/or services as described below in "Scope of Services"; and

WHEREAS, Grantee recognizes the public benefit in providing the program and/or services described below in the Scope of Services to low- and moderate-income ("LMI") persons and desires Subrecipient to carry out said program and/or services on Grantee's behalf.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and the mutual benefits to be derived there from, the Parties agree as follows:

1. SCOPE OF SERVICES

A. Activities

The Subrecipient will provide financial assistance to local eligible South Gate small businesses to make exterior building improvements such as paint, new signage, stucco, and repair of doors and windows.

B. National Objectives

The Subrecipient certifies that the activities carried out with funds provided under this Contract will benefit low-and moderate-income persons, as defined under 24 CFR Part 570.208 (a) (2) of the CDBG Program National Objectives.

C. Levels of Accomplishment

Total number of City of South Gate residents to be served during Fiscal Year 2019-2020 and Fiscal Year 2020-2021: **10 businesses.**

2. TIME OF PERFORMANCE

The program and/or services to be provided by Subrecipient hereunder **shall commence retroactively to July 1, 2020, and shall be completed no later than June 30, 2021.** This Agreement does not reimburse any expenditure incurred by Subrecipient prior to the date of commencement and execution of this

Agreement by Grantee. This Agreement does not reimburse any expenditure made after the completion date without written authorization to extend the contract, but not more than 12 months, as set forth in Section 27, Time of Performance Modifications. Notwithstanding any provision contained herein to the contrary, this Agreement shall remain in effect during any period of time that Subrecipient has control over CDBG funds, including program income as provided in Section 11, Program Income below.

3. COMPENSATION AND METHOD OF PAYMENT

It is expressly agreed and understood that the total amount to be paid by Grantee under this Agreement shall not exceed the sum of **SIXTY THOUSAND DOLLARS (\$60,000.00)** of Fiscal Year 2020-2021 CDBG funds. Notwithstanding Section 7, Budget Modifications, below and Section 8, Changes in Grant Allocation, below, Grantee, in its sole discretion exercisable at any time hereunder, may increase the compensation payable hereunder to Subrecipient ("Additional Funding") by giving Subrecipient a written notice offering the Additional Funding ("Additional Funding Offering Notice") for the program and/or services provided under Section 1, Scope of Services above, together with such additional levels of accomplishment, if any, that Grantee may prescribe as a condition to accepting the Additional Funding. Subrecipient may accept the Additional Funding and agree to comply with the additional levels of accomplishment, if any, set forth in the Additional Funding Offering Notice by delivering to Grantee a written notice of acceptance ("Additional Funding Acceptance Notice") within five (5) business days after Subrecipient's receipt of the Additional Funding Offering Notice. If Subrecipient for any reason does not deliver to Grantee the Additional Funding Acceptance Notice within such 5-business day period, then the failure to deliver the Additional Funding Acceptance Notice shall be deemed Subrecipient's rejection of the Additional Funding. This payment shall constitute full and complete compensation for Subrecipient services under this Agreement. For the purpose of this Agreement, Grantee shall disburse the CDBG funds and monitor Subrecipient's performance in satisfying the Scope of Services under the terms of this Agreement. Notwithstanding the foregoing, Grantee shall not be obligated to disburse to Subrecipient any funds that Grantee does not directly or indirectly receive from HUD for the CDBG program for this Agreement.

Disbursement of payments to Subrecipient shall be made upon Grantee's receipt of the **Request for Reimbursement Form** together with true and correct copies of receipts, timesheets, invoices, and such other documentation as may be reasonably requested by Grantee.

Expenditures shall be documented with supportive evidence for each expenditure and proof of payment, in accordance with HUD regulations. Payments may also be contingent upon certification that Subrecipient's financial management system is in accordance with the standards specified in OMB Circular A-110. After timely receipt by Grantee of each properly documented expenditure submittal, Grantee will draw a warrant in favor of Subrecipient for the approved expenditure amount within thirty (30) days.

4. QUARTERLY PERFORMANCE REPORTS

Quarterly Performance Reports shall be submitted by Subrecipient corresponding to the quarters of the Agreement year: Quarter 1 = July - September, Quarter 2 = October - December, Quarter 3 = January - March and Quarter 4 = April - June. A complete Quarterly Performance Report must be received by the Grantee within 30 days after the end of Quarters 1, 2 and 3, and within 10 days of June 30th after the 4th Quarter.

5. BUDGET SECTION

No more than the amounts specified in the Program Budget may be spent for the separate cost categories specified in the Budget Summary without express prior written approval of Grantee. Subrecipient acknowledges that verbal authorizations shall not be deemed a substitute for written approval.

6. USE OF FUNDS

Funds allocated pursuant to this Agreement shall be used exclusively for costs included in Subrecipient program budget. Agreement funds shall not be used as security or to guarantee payments for any non-program obligations, nor as loans for non-program activities.

7. BUDGET MODIFICATIONS

Grantee, or its designee, may allow budget modifications to this Agreement when such modifications are approved in advance in writing and: a) do not exceed Eight Thousand Dollars (\$8,000) per budget cost category; b) are specifically requested by Subrecipient; c) do not alter the amount of compensation with this Agreement; d) will not change the eligibility of the project goals or Scope of Services under this Agreement; e) are in the best interests of Grantee and Subrecipient in performing the Scope of Services; and f) when related to salaries, are in accordance with applicable salary ordinances or laws. Requests for modification as described above are subject to review for compliance with the Consolidated Plan, budget summary and program description by the Housing Administrator.

8. CHANGES IN GRANT ALLOCATION

Grantee reserves the right to reduce the amount of CDBG funds to be paid hereunder when Grantee's fiscal monitoring indicates that Subrecipient rate of expenditure will result in unspent funds at the end of the program year. Changes in the grant allocation will be done after consultation with Subrecipient and written notification by Grantee.

9. REVENUE DISCLOSURE REQUIREMENT

By its execution of this Agreement, Subrecipient certifies that it has previously filed with Grantee a written statement listing all revenue received, or expected to be received, by Subrecipient from Federal, State, City or County of Los Angeles sources, or from other governmental or private agencies, and applied or expected to offset in whole or in part any of the costs incurred by Subrecipient in conducting current or prospective projects, programs, services, or business activities, including, but not necessarily limited to, the project, program, service or business activity which is the subject of this Agreement. Such statement shall reflect the name and a description of such project, program, service, or business activity, the dollar amount of funding provided, or to be provided, by each and every agency for each such project, program, service, or business activity, and the full name and address of each such agency. During the term of this Agreement, Subrecipient shall prepare and file a similar written statement each time it receives funding from any agency which is in addition to that revenue disclosed in Subrecipient's initial revenue disclosure statement hereunder. Such statement shall be filed by Subrecipient with Grantee within fifteen (15) calendar days following receipt of such additional funding. Subrecipient shall make available for inspection and audit by Grantee's employees, agents, contractors, or other representatives, upon request, at any time during the duration of this Agreement and during a period of three (3) years thereafter, all of its books and records relating to the operation by it of each project, program, service, or business activity which is funded in whole or in part with governmental monies, whether or not such monies are received through Grantee. All such books and records shall be maintained by Subrecipient. Failure of Subrecipient to comply with the requirements of this section of the Agreement shall constitute a material breach of contract upon which Grantee may cancel, terminate, or suspend this Agreement.

10. JOINT FUNDING

For programs in which there are sources of funds in addition to CDBG funds, Subrecipient shall provide proof of such funding. Grantee shall not pay for any projects, programs, services, or business activities provided by Subrecipient which are funded by other sources. All restrictions and/or requirements provided in this Agreement relative to accounting, budgeting, and reporting applies to the total program regardless of funding sources.

11. PROGRAM INCOME

Program income represents net income directly generated from the use of CDBG funds by Subrecipient as a result of the activity funded under the terms of this Agreement. When such income is generated by an activity only partially assisted with CDBG funds, the income shall be prorated to reflect the percentage of CDBG funds used. Subrecipient shall return program income to Grantee. Program income shall be returned to Grantee within thirty (30) days after the occurrence of any of the following: (A) disposition or sale of real or personal property occurs or; (B) cumulative program income reaches increments of One Thousand Dollars (\$1,000); or (C) the end of each fiscal year. Subrecipient shall include the reports required by Section 22, Program Reporting, all sources and amounts of program income on a monthly and year-to-date basis.

12. FISCAL LIMITATIONS

HUD may place programmatic or fiscal limitation(s) on CDBG funds not presently anticipated by the parties. Accordingly, Grantee reserves the right to revise, rescind, terminate for convenience or otherwise modify this Agreement because of or related to actions affecting HUD program funding. Where Grantee has reasonable grounds to question Subrecipient's fiscal accountability, financial soundness, or compliance with this Agreement, Grantee may act to suspend the operation of this Agreement for up to sixty (60) days upon three (3) days' notice to Subrecipient of Grantee's intention to so act, pending an audit or other resolution of such questions. Subrecipient expressly acknowledges that such changes shall not be the basis for a claim for monetary or other damages. In no event, however, shall any revision made by Grantee affect expenditures and legally binding commitments made by Subrecipient before Subrecipient received notice of such revision, provided that such amounts have been committed in good faith and are otherwise allowable and that such commitments are consistent with HUD cash withdrawal guidelines.

13. NONEXPENDABLE PROPERTY

Subrecipient shall maintain an accurate and independently verifiable record for each item of nonexpendable property acquired for this program with CDBG funds. This record shall be provided to Grantee upon request. "Nonexpendable property" shall include tangible personal property, including but not limited to computer equipment, office equipment, and real property and any interest in such real property, including any mortgage or other encumbrance of real property as well as any funds derived from the sale or disposal of nonexpendable property. Any utilization of funds derived from the sale or disposition of nonexpendable property must have prior approval of Grantee and otherwise comply with all applicable laws and regulations. Upon termination of this Agreement, Grantee reserves the right to determine the final disposition of said nonexpendable property acquired for this program with CDBG funds, including funds derived therefrom. Said disposition may include Grantee taking possession and title of said nonexpendable property. Nonexpendable personal property means tangible personal property having a useful life of more than one (1) year and an acquisition cost of Five Hundred Dollars (\$500) or more per unit.

14. EXPENDABLE PERSONAL PROPERTY

Expendable personal property refers to all tangible personal property other than nonexpendable personal property.

15. PURCHASE OR LEASE OF NONEXPENDABLE PROPERTY OR EQUIPMENT

Subrecipient shall obtain competitive bids prior to purchasing or leasing any nonexpendable personal property or equipment over Five Hundred Dollars (\$500) in unit value and having a life expectancy of more than one (1) year. Such property shall be properly tagged and inventoried. This inventory shall be provided to Grantee promptly upon request.

16. ACQUISITION OF SUPPLIES AND EQUIPMENT

Subrecipient may purchase from a related agency/organization only if: a) prior authorization is obtained in writing from Grantee; b) charges do not exceed the authorized amount and minimum written specifications are met; c) a community related benefit is derived from such Subrecipient -related acquisition; and d) no conflict of interest for private gain accrues to Subrecipient or its directors, employees, agents or officers or their respective relatives by blood or marriage. For purposes of this Agreement, "relatives" includes parents, child, spouse, brother, sister, in-laws and step relationships.

Grantee reserves the right to disallow any purchase from any vendor of supplies, equipment, nonexpendable property or expendable property which is purchased in whole or in part with funds provided by this Agreement. Subrecipient may seek prior approval of Grantee for any such expenditure, and prior approval which is granted shall be binding on Grantee unless such expenditure violates federal law or regulations or is disallowed by HUD.

17. PURCHASE

Purchase of equipment or property must be completed before the end of the 4th quarter in any calendar year and all equipment invoices must be submitted by the end of the last month of the term of this Agreement.

18. TRAVEL AND CONFERENCE RESTRICTIONS

Subrecipient certifies and agrees that travel and conference expenses for persons other than employees of Subrecipient, will not be paid by funds provided through this Agreement. No travel expenses for out-of-state travel shall be included in this Agreement unless specifically listed in the Budget Summary, attached hereto. Subrecipient further agrees that any travel expense incurred by Subrecipient which is not listed in the Program Budget shall not be paid by funds provided through this Agreement.

19. USE OF FUNDS FOR ENTERTAINMENT, GIFTS, OR FUND-RAISING ACTIVITIES

Subrecipient certifies and agrees that it will not use funds provided through this Agreement to pay for any entertainment, gifts, or fund-raising activities.

20. MONITORING

Grantee will conduct quarterly program monitoring to review beneficiary files and program records. Grantee and HUD shall have the right of access to all activities and facilities operated by Subrecipient under this Agreement. Facilities include all files, records and other documents related to the performance of this Agreement. Activities include attendance staff, board of directors, advisory committee and advisory board meetings and observation of on-going program functions. Subrecipient will permit on-site inspection by Grantee and HUD and ensure that its employees and board members furnish such information as, in the judgment of Grantee and HUD representatives, may be relevant to compliance with contractual conditions and HUD directives, or the effectiveness, legality and achievements of the program.

Substandard performance as determined by Grantee will constitute non-compliance with and a breach of this Agreement. If action to correct and cure such substandard performance is not taken and completed by Subrecipient within a reasonable period of time after being notified by Grantee, this Agreement may be suspended or terminated by Grantee in accordance with its suspension or termination procedures.

21. BENEFICIARY QUALIFICATION

Persons qualifying for program services on the basis of income, hereinafter referred to as beneficiaries, shall have an annual household gross income equal to or less than the low- and moderate-income limits defined by the U.S. Department of Housing and Urban Development (HUD) Income Limits. Subrecipient is responsible for obtaining from Grantee the current applicable HUD Income Guidelines for each year of the

Agreement term identified in Section 2, Time of Performance. Under CDBG regulations, the following clientele categories qualify as presumed to benefit persons, 51% of whom are low-and-moderate income: Abused Children; Battered Spouses; Elderly Persons (62 and older); Handicapped Persons; Homeless Persons; Illiterate Persons; Migrant Farm Workers. However, Subrecipient shall document the household income of all beneficiaries by obtaining from beneficiaries, completed "Beneficiary Qualification Statements."

22. PROGRAM REPORTING

Subrecipient agrees to prepare and submit financial, program progress, evaluations and other reports as required by HUD or Grantee directives. Subrecipient shall maintain such property, personnel, financial and other records and accounts as are considered necessary by HUD or Grantee to assure proper accounting for all Agreement funds. All Subrecipient records, with the exception of confidential client information, shall be made available to representatives of Grantee and the appropriate Federal agencies. Subrecipient is required to submit data necessary to complete the "Annual Grantee Performance Report" or "Consolidated Annual Performance and Evaluation Report (CAPER)", in accordance with HUD regulations in the format and at the time designated by Grantee.

23. FINANCIAL MANAGEMENT

A. Accounting

Subrecipient agrees to comply with OMB Circular A-110 and further agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

B. Cost Principles

Subrecipient shall administer its program in conformance with OMB Circulars A-122 "Cost Principles for Non-Profit Organizations" or A-21 "Cost Principles for Education Institutions," as applicable, for all costs incurred whether charged on a direct or indirect basis.

24. DOCUMENTATION AND RECORD KEEPING

A. Records to be Maintained

Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR Part 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National objectives of the CDBG program;
- c. Records required for determining the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the Fair Housing and Equal Opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR part 570.502, and OMB Circular A 110; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR 570.

B. Retention

Subrecipient shall retain all records pertinent to expenditures incurred under this Agreement for a period of four (4) years after the termination of this Agreement. Records for non-expendable property acquired with funds under this Agreement shall be retained for four (4) years after final disposition of such property. Records for any displaced person must be kept for four (4) years after he/she has received final payment. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the three-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

C. Client Data

Subrecipient shall maintain and submit client data demonstrating client eligibility for services provided by obtaining completed "Beneficiary Qualification Statements." Such data shall include, but not be limited to, client name, address, income or for determining eligibility and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request during on-site monitoring.

D. Disclosure

Subrecipient understands that client information collected under this Agreement is private and the use, dissemination, transmission or other disclosure of such information, when not directly connected with the administration of the Grantee's or Subrecipient's responsibilities with respect to services provided under this Agreement, is strictly prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian. Subrecipient shall take all commercially reasonable action and implement such necessary procedures to safeguard the privacy of all client information and shall provide Grantee promptly upon request a narrative description of such safeguards.

E. Property Records

Subrecipient shall maintain real property inventory records which clearly identify properties purchased, improved or sold. Properties retained shall continue to meet eligibility criteria and shall conform to the "changes in use" restrictions specified in 25 CFR Parts 570.503(b) (8), as applicable.

F. Close-Outs

Subrecipient's obligation to the Grantee under this Agreement shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets, including the return of all unused material, equipment, unspent cash advances, program income balances, and accounts receivable to Grantee and determining the custodianship of records.

G. Audit and Inspections

Subrecipient shall arrange for an independent financial/compliance audit to be performed within the direction of Generally Accepted Auditing Standards and Government Auditing Standards and conducted for each fiscal year during the term of this Agreement. Such audit shall be completed not later than one hundred twenty (120) days following the end of such fiscal year. In the event Subrecipient receives Five Hundred Thousand Dollars (\$500,000) or more in the aggregate in federal funds from all federal funding sources within a fiscal year, Subrecipient shall be required to perform an audit in compliance with OMB Circular A-133.

Subrecipient shall submit a copy of the audit report to Grantee within thirty (30) days of completion. Within thirty (30) days of the submittal of said audit report, Subrecipient shall provide to Grantee a "Corrective Action Plan" which shall contain a written response to any concerns or findings identified in said audit report. The response must examine each concern or finding and explain a proposed resolution, including a schedule for correcting any deficiency. All actions to correct said conditions or findings shall be taken within six (6) months after receipt of the audit report. Any concern or finding will be referred to the HUD field office.

Grantee, or HUD, may make additional audits or reviews, as necessary, to carry out the responsibilities of Subrecipient under Federal, State or Local laws and regulations. Subrecipient agrees to cooperate fully with all persons conducting said additional audits or reviews. Grantee and its authorized representatives shall, at all times, have access for the purpose of audit or inspection, to any and all books, documents, papers, records, property and premises of Subrecipient.

If indications of misappropriation or misapplication of the funds of this Agreement cause Grantee to require an additional audit, the cost of the audit will be encumbered and deducted from this Agreement budget. Should Grantee subsequently determine that the additional audit was not warranted, the amount encumbered will be restored to the Agreement budget. Subrecipient shall reimburse all misappropriation or misapplication of funds to Grantee.

25. ASSIGNMENT

This Agreement is not assignable by Subrecipient without the express written consent of Grantee. Any attempt by Subrecipient to assign any performance of the terms of this Agreement shall be null and void and shall constitute a material breach of this Agreement.

26. TERMINATION AND TERMINATION COSTS

This Agreement may be terminated in whole or in part at any time by either party upon giving thirty (30) days' notice in writing to the other party. Grantee and Subrecipient shall set forth the reasons and conditions for termination in compliance with the provisions of federal regulations at 24 CFR Part 85.44, Termination for Convenience.

Grantee may immediately terminate this Agreement upon the termination, suspension, discontinuation or substantial reduction in CDBG funding for the Agreement activity, or if for any reason the timely completion of the work under this Agreement is rendered improbable, infeasible or impossible. If Subrecipient materially fails to comply with any term of this Agreement, Grantee may take one or more of the actions provided under federal regulation at 24 CFR Part 85.43, including, without limitation, temporarily withholding cash, disallowing non-compliant costs, wholly or partly terminating the award, withholding future awards, and other remedies that are legally available. In such event, Subrecipient shall be compensated for all services rendered and all necessarily incurred costs performed in good faith in accordance with the terms of this Agreement that have been previously reimbursed, to the date of said termination to the extent that CDBG funds are available from HUD.

27. REVERSION OF ASSETS

Upon termination of this Agreement Subrecipient shall transfer to Grantee all real property acquired or improved in whole or in part with CDBG funds in excess of Twenty Five Thousand Dollars (\$25,000) under this Agreement; or it must be disposed of in a manner resulting in a reimbursement to Grantee in the amount of the current fair market value of the property less any portion thereof attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to, the property.

28. TIME OF PERFORMANCE MODIFICATIONS

Grantee may grant time of performance modifications to this Agreement when such modifications:

- a. In aggregate do not exceed twelve (12) calendar months;
- b. Are specifically requested by Subrecipient;
- c. Will not change the project goals or scope of services;
- d. Are in the best interests of Grantee and Subrecipient in performing the scope of services under this Agreement; and
- e. Do not alter the amount of compensation under this Agreement.

29. INDEPENDENT CONTRACTOR

At all times hereunder, each of Grantee and Subrecipient will be acting in an independent capacity and not as agents, employees, partners, joint venture, or associates of one another. The employees or agents of one party shall not be deemed or construed to be the agent or employees of the other party for any purpose whatsoever.

30. AFFIRMATIVE ACTION AND CONTRACT COMPLIANCE

Subrecipient shall make every commercially reasonable good faith effort to ensure that all projects funded wholly or in part by CDBG funds shall provide equal employment and career advancement opportunities for minorities and women, consistent with Federal and State laws. In addition, Subrecipient shall make every commercially reasonable good faith effort to employ residents of the area and shall keep a record of the positions that have been created directly or as a result of this program.

Subrecipient agrees to comply with the provisions of the Affirmative Action Compliance Program of Grantee and rules and regulations adopted pursuant thereto. Subrecipient shall comply with Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, Title VII of the Civil Rights Act of 1964, the California Fair Housing and Employment Act, applicable California Public Contracts Code and other applicable Federal, State, and Grantee laws, regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.

31. PERSONNEL AND PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

Subrecipient agrees to comply with Title I of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104 (b) and Section 109 of Title 1 of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246 as amended by Executive Orders 11365 and 12086.

2. Nondiscrimination

Subrecipient will not discriminate against any employee or applicant for employment because of race, creed, gender, gender identity (including gender expression), color, religion, ancestry, sexual orientation, national origin, disability, age, marital status, family/parental status, or veteran/military status, or status with regard to public assistance. Subrecipient will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include

but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

3. Land Covenants

This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570.601 and 602 in regards to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States Government are beneficiaries of and entitled to enforce such covenants. Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. SECTION 504

Subrecipient agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C 706), which prohibits discrimination against the handicapped in any Federally assisted program.

B. Affirmative Action

1. Access to Records

Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

2. EEO/AA Statement

Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

32. RELIGIOUS PROSELYTIZING OR POLITICAL ACTIVITIES

Subrecipient agrees that it will not perform or permit any religious proselytizing or political activities in connection with the performance of this Agreement. Funds under this Agreement will be used exclusively for performance of the work required under this Agreement and no funds made available under this Agreement shall be used to promote any religious or political activities.

33. CONFLICT OF INTEREST

Subrecipient, its directors, officers, agents and employees shall comply with all applicable Federal, State and Local laws and regulations governing conflict of interest. To this end, Subrecipient will make available to its directors, officers, agents and employee's copies of all applicable Federal, State, and Local laws and regulations governing conflict of interest. In particular, the following Federal regulation paraphrased from

24 CFR 570-611, Conflict of Interest: Except for salaries and related administrative or personnel costs, no employees, agents consultants, officers or elected officials or appointed officials, of subrecipients which receive CDBG funds, who exercise or have exercised any CDBG functions or who are in a position to participate in a decision making process or gain inside information, may obtain a personal or financial interest or benefit from a CDBG assisted activity or any CDBG funded contract, subcontract or agreement, during their tenure or for one year thereafter.

Subrecipient shall furnish to Grantee, prior to Grantee's execution of this Agreement, a written list of all current or proposed subgrantees/subcontractors, vendors or personal service providers, including subsidiaries of Subrecipient. This list should be limited to those subgrantees/subcontractors, vendors or personal service providers, including subsidiaries of Subrecipient, which will receive Ten Thousand Dollars (\$10,000) or more during the term of this Agreement. Such a list shall include the names, addresses, telephone numbers, and identification of principal party(ies), and a description of services to be provided. During the term of this Agreement, Subrecipient shall notify Grantee in writing of any change in the list of subgrantees/ subcontractors, vendors, personal service providers or subsidiaries of Subrecipient within fifteen (15) days of change.

34. REPRESENTATIONS AND WARRANTIES

Subrecipient represents and warrants: (A) that Subrecipient is a duly organized and validly existing nonprofit corporation in good standing under the laws of the state of its incorporation; (B) that the form, terms and provisions of this Agreement have been approved in all respects by Subrecipient's governing board at a meeting duly noticed and held; (C) that Subrecipient's executive director has been duly authorized to execute and deliver this Agreement on behalf of Subrecipient; (D) that Subrecipient's execution, delivery and performance of this Agreement are not in contravention of any provision of law, or of any agreement, by which Subrecipient is bound; (E) no action or proceeding is now pending or, to the best of Subrecipient's knowledge, is threatened, against Subrecipient, in equity or otherwise, before any court, board, commission, agency or instrumentality of the Federal Government or any state government or of any municipal government or any agency or subdivision thereof; or before any arbitrator or panel of arbitrators; (F) Subrecipient is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any material contractual obligation of Subrecipient, and no condition exists which with the giving of notice or the lapse of time or both would constitute such a default; (G) all financial statements furnished to Grantee by Subrecipient are true, correct and complete in all material respects and all other information previously furnished by or on behalf of Subrecipient to Grantee in connection with this Agreement is true, complete and correct in all material respects and does not fail to state any material fact necessary to make the statements made not misleading; and (H) no material adverse change in the operations or financial condition of Subrecipient has occurred since the selection of Subrecipient and the allocated award of CDBG funds were approved by the City Council of the City of South Gate at the duly noticed public hearing held on April 28, 2020.

35. INDEMNIFICATION

Subrecipient shall indemnify, hold harmless and defend Grantee (with legal counsel selected by Grantee) and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising from Subrecipient acts, errors or omissions and for any costs or expenses incurred by Grantee on account of any claim therefore, except where such indemnification is prohibited by law. Subrecipient shall promptly notify Grantee in writing of the occurrence of any such claims, actions, losses, damages, and/or liability. Subrecipient shall indemnify and hold harmless Grantee against any liability, claims, losses, demands, and actions incurred by Grantee as a result of the determination by HUD or its successor that activities undertaken by Subrecipient under the program(s) fail to comply with any laws, regulations or policies applicable thereto or that any funds billed by and disbursed to Subrecipient

under this Agreement were improperly expended.

36. INSURANCE REQUIREMENTS

Without in any way affecting the indemnity herein provided and in addition thereto, Subrecipient shall secure and maintain throughout the Agreement the following types of insurance with limits as shown:

Workers' Compensation - A program of Worker's Compensation insurance or a State-approved Self Insurance Program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with Two Hundred Fifty Thousand Dollars (\$250,000) limits, covering all persons providing services on behalf of Subrecipient and all risks to such persons under this Agreement.

Commercial General and Automobile Liability Insurance - This coverage to include contractual coverage and automobile liability coverage for owned, hired, and non-owned vehicles. The policy shall have combined single limits for bodily injury and property damage of not less than One Million Dollars (\$1,000,000).

Additional Named Insurance - All policies, shall contain additional endorsements naming Grantee and its officers, employees, agents, and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder.

Policies Primary and Non-Contributory - All policies required above are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by Grantee.

Proof of Coverage - Subrecipient shall immediately furnish certificates of insurance to Grantee evidencing the insurance coverage, including endorsements, above required prior to the commencement of performance of services hereunder, which shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to Grantee, and Subrecipient shall maintain such insurance from the time Subrecipient commences performance of services hereunder until the completion of such services. Within sixty (60) days of the commencement of this Agreement, Subrecipient shall furnish to Grantee certified copies of the policies and all endorsements. Subrecipient shall complete and submit, Insurance Inventory, along with the above required insurance documents.

Insurance Review - The above insurance requirements are subject to periodic review by Grantee. Grantee's Risk Manager is authorized, but not required, to reduce or waive any of the above insurance requirements whenever the Risk Manager determines that any of the above insurance is not available, is unreasonably priced, or is not needed to protect the interests of Grantee. In addition, if the Risk Manager determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Risk Manager is authorized, but not required, to change the above insurance requirements, to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against Grantee, inflation, or any other item reasonably related to the Grantee's risk.

Any such reduction or waiver for the entire term of the Agreement and any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. Subrecipient agrees to execute any such amendment within thirty (30) days of receipt.

37. ENVIRONMENTAL CONDITIONS

A. Air and Water

Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- i. Clean Air Act, 42 U.S. C., 7401, et seq.
- ii. Federal Water Pollution Control Act, as amended, 33 U.S. C. 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports and information, as well as other requirements specified in said Section 115 and Section 308, and all regulations and guidelines issued thereunder.
- iii. Environmental Protection Agency (EPA) regulations pursuant to 40 C.F. R., Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 USC 4001), Subrecipient shall assure that for activities located in an area identified by FEMA as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations in 24 CFR 570.608 and 24 CFR Part 35. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken.

D. Historic Preservation

Subrecipient agrees to comply with the Historic Preservation requirement set forth in the National Historic Preservation Act of 1966, as amended (17 U.S.C. 470) and the procedures set forth in 36 CFR, Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, State, or Local historic property list.

38. COMPLIANCE WITH LAWS

Subrecipient agrees to comply with all applicable Federal, State, and Local laws, ordinances, regulations, and directives as they pertain to the performance of this Agreement. This Agreement is subject to and incorporates the terms of the ACT; 24 Code of Federal Regulations, Part 570 and Part 85, Chapter V; and U.S. Office of Management and Budget Circulars A-110, A-122, and A-133.

39. LOBBYING

Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V,

United States Code.

Subrecipient certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement; and
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
- c. It will require that the language of this certification be included in any award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grant, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

40. AMENDMENTS

This Agreement with exhibits embodies the whole of agreements of the Parties hereto. There are no oral agreements not contained herein. No amendment of this Agreement shall be valid unless made in the form of a written amendment to this Agreement formally approved and executed by both Parties.

41. NOTICES

All notices shall be served in writing. The notices shall be sent to the following addresses:

CITY OF SOUTH GATE:

Joe Perez, Community Development Director
Community Development Department
8650 California Avenue
South Gate, CA 90280
Phone: (323) 563-9585
Fax: (323) 567-0725
E-Mail: jperez@sogate.org

WITH COURTESY COPY TO:

Carmen Avalos, City Clerk
City of South Gate
8650 California Avenue
South Gate, CA 90280
Phone: (323) 563-9511
Fax: (323) 563-5411
E-Mail: cavalos@sogate.org

SUBRECIPIENT:

Laverne Bates, Treasurer
Tweedy Mile Association, California Nonprofit Corporation
3470 Tweedy Blvd.
South Gate, CA 90280
Phone: (323) 564-8233
E-Mail: johngottes@gmail.com

42. COUNTERPART EXECUTION

This Agreement may be executed in one or more counterparts. When executed, each counterpart shall be deemed an original irrespective of date of execution. Said counterparts shall together constitute one and the same Agreement.

The selection of Subrecipient and the allocated award of CDBG funds were previously approved at the duly noticed public hearing held on April 28, 2020, by the City Council of the City of South Gate. This Agreement is an acknowledgment of that selection and allocation of CDBG funds and subsequent responsibilities of the Subrecipient and Grantee.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

CITY OF SOUTH GATE:

By: _____
Maria Davila, Mayor

Dated: _____

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney

TWEEDY MILE ASSOCIATION:

By: _____
Laverne Bates, Treasurer

Dated: _____

RECEIVED

City of South Gate Item No. 9

CITY COUNCIL

AUG 6 2020

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

7:30am

AGENDA BILL

For the Regular Meeting of: August 11, 2020

Originating Department: Public Works

Department Director: Arturo Cervantes

City Manager: Michael Flad

SUBJECT: AMENDMENT NO. 1 TO CONTRACT NO. 3341 WITH JOHN L. HUNTER AND ASSOCIATES, INC., EXTENDING MANAGEMENT SERVICES OF THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) PROGRAM FOR TWO YEARS

PURPOSE: John L. Hunter and Associates, Inc., currently provides management services for the National Pollutant Discharge Elimination System (NPDES) Program under Contract No. 3341. The contract expired June 30, 2020. The contract allows for a two-year extension. Amendment No. 1 extends the contract for two additional years, at an additional amount of \$116,335.

RECOMMENDED ACTIONS:

- a. Approve Amendment No. 1 to Contract No. 3341 with John L. Hunter and Associates, Inc., extending management services of the National Pollutant Discharge Elimination System Program for an additional two-year term, retroactively effective July 1, 2020, in an additional amount not to exceed \$116,335; and
- b. Authorize the Mayor to execute Amendment No. 1 in a form acceptable to the City Attorney.

GA/MS
FISCAL IMPACT: There is no fiscal impact to the General Fund. Funds, in the amount of \$112,000.00, were included in the Fiscal Year 2020/21 Municipal Budget for this item in Account No. 217-727-57-6101 (Measure W - Professional Services). Contract No. 3341 has an available, unspent balance of approximately \$90,345.39, and with the \$116,335.00 from Amendment No. 1, will provide \$206,680.39 to cover the required NPDES services for Fiscal Years 2020/21 and 2021/22.

	Contract	Expended	Balance
Contract No. 3341	\$310,020.00	\$219,674.61	\$90,345.39
Amendment No. 1	\$116,335.00*	\$0.00	\$116,335.00
Contract Total	\$426,355.00	\$219,674.61	\$206,680.39

* This amount is needed to provide annual services at a rate of \$103,340 per year, in light of the contract balance.

ANALYSIS: Contract No. 3341, a three-year contract, expired on June 30, 2020; however, it provides for a two-year extension. The NPDES Program management services provided by John L. Hunter and Associates, Inc. (JHA), to date, are being delivered under the contract's three-year budget. Of the \$310,020 three-year contract amount, approximately \$90,345 is the remaining contract balance. Staff is recommending extending the contract for two additional years, at the current annual rate not-to-exceed \$103,340. In light of the contract balance, the additional amount needed to fully fund the two-year extension is \$116,335. Services will be provided under the same hourly rate schedule. Below is a summary of the initial three-year contract.

Staff is recommending an annual rate of \$103,340 despite the amount of the second and third year contract billings. This annual rate is anticipated to be necessary given the status of the City's

Municipal Separate Storm Sewer System (MS4) Permit. The Los Angeles Regional Water Quality Control Board (LARWQCB) is in the process of developing and issuing a new permit which should be released later this year. JHA services is being utilized to review and provide comments on the permit and will be further utilized to implement any new requirements that will arise from it.

BACKGROUND: The State of California manages water pollution through the National Pollution Discharge Elimination System (NPDES) Permit Program. The NPDES Permit Program controls water pollution by regulating point sources that discharge pollutants into the waters. The City has a permit from the State Water Resources Control Board to regulate the City's discharge of storm-water to the Los Angeles River, Rio Hondo Channel and Compton Creek. Amongst other, the permit required the development of a Watershed Management Plan which calls for over \$61 Million in total estimated cost, through 2028. John Hunter & Associates, Inc. has the expertise needed to meet the permit's complex requirements to ensure annual compliance.

Contract No. 3341, John L. Hunter and Associates provides management services to comply with the NPDES Program. The proposed services covers the following programs: Planning and Land Development, Development Construction, Industrial and Commercial Facilities, Public Agency Activities, Illicit Discharge Detection and Elimination, Training, Monitoring and Reporting, Annual Report and General Assistance with Municipal NPDES Program Services.

On June 27, 2017, the City Council approved Contract No. 3341 with John L. Hunter and Associates, Inc., for a three-year term, in the amount of \$310,020, to provide storm water management services for Fiscal Year 2017/18, 2018/19 and 2019/20. The contract expired on June 30, 2020; however, it provides for a contract extension of two years. In light of John L. Hunter and Associates' performance and of the contract balance, staff is recommending the contract extension of two years. Proposed Amendment No. 1 provides for the two-year extension.

ATTACHMENTS: A. Proposed Amendment No. 1
B. Contract No. 3341

JR:lc

**AMENDMENT NO. 1 TO CONTRACT NO. 3341
FOR MANAGEMENT SERVICES OF THE NATIONAL POLLUTANT DISCHARGE
ELIMINATION SYSTEM PROGRAM BETWEEN
THE CITY OF SOUTH GATE AND JOHN L. HUNTER AND ASSOCIATES, INC.**

This Amendment No. 1 to Contract No. 3341 for management services of the National Pollutant Discharge Elimination System (NPDES) Program (“Amendment No. 1”), is made and entered into on August 11, 2020, and retroactively effective July 1, 2020, by and between the City of South Gate, a municipal corporation (“City”), and John L. Hunter and Associates, Inc., a California corporation (“Consultant”). City and Consultant are sometimes hereinafter individually referred to as a “Party” and collectively as “Parties.”

RECITALS

WHEREAS, on June 27, 2017, the City Council approved Contract No. 3341 with Consultant (“Agreement”), for management services of the NPDES Program for a three-year term, through and including June 30, 2020, with an option for a two-year extension, in an amount not to exceed One Hundred Three Thousand Three Hundred Forty Dollars (\$103,340) annually; and

WHEREAS, City and Consultant desire to execute Amendment No. 1 to the Agreement extending the management services of the NPDES Program for an additional two-year term, through and including June 30, 2022, in an amount not to exceed **One Hundred Sixteen Thousand Three Hundred Thirty Five Dollars (\$116,335)**, under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment No. 1 to a total sum of \$426,355.

WHEREAS, Consultant submitted a Fee Proposal and summary as part of its cost proposal for additional management services of the NPDES Program, attached hereto as Exhibit “A” and made a part to this Agreement and this Amendment No. 1.

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. MODIFICATION TO AGREEMENT.

- a. COMPENSATION.** The amount of compensation paid by City to Consultant under the Agreement shall remain unchanged during the term of the Agreement. The City reserves the right to augment or reduce the scope of work as the City deems necessary. The management services shall be provided within the budget balance of the existing Agreement, plus the additional \$116,335 under this Amendment No. 1 per the scope of work and fees outlined in Exhibit “A”. **The annual amount is not to exceed Fifty Eight Thousand One Hundred Sixty Seven Dollars and Fifty Cents (\$58,167.50) during the additional two-year term.**

b. **TERM OF AGREEMENT.** This Amendment No. 1 is **retroactively effective as of July 1, 2020, and will remain in effect through and including June 30, 2022,** unless otherwise expressly extended and agreed to by both Parties in writing, or terminated by either Party as provided in the Agreement.

2. **EFFECT OF AMENDMENTS.** Except as expressly amended herein, all other terms and conditions of the Agreement and its amendments, attachments, and exhibits hereto, shall remain in full force and effect. All of the recitals to this Amendment No. 1 are incorporated into the Agreement as modified by this Amendment No. 1. City reserves the right to augment or reduce the scope of work as City deems necessary.

IN WITNESS WHEREOF, Parties hereto have caused this Amendment No. 1 to be executed and attested by their respective officers thereunto dully authorized.

CITY OF SOUTH GATE:


By: _____
Maria Davila, Mayor

Dated: _____

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney

JOHN L. HUNTER AND ASSOCIATES, INC.:

By: _____
John L. Hunter, President

Dated: _____

EXHIBIT A



August 4, 2020

Arturo Cervantes
City of South Gate
8650 California Avenue
South Gate, CA 90280

Subject: Extension of Professional Services to Provide Municipal NPDES Assistance

Dear Arturo Cervantes:

John L. Hunter & Associates, Inc. (JLHA) welcomes the opportunity to continue providing our services to the City of South Gate with regard to the environmental programs of Municipal NPDES (Stormwater).

Our existing scope of work with the City, and Standard Rate Schedule included on the following page will apply for the two-year service extension. Additional funding in the amount of \$116,335 will be needed to assist the City for the next two years for an estimated annual expenditure of \$103,340. It is anticipated that this amount provided will be sufficient for our assistance. Work will be conducted on a time and materials basis. JLHA will provide consultant services not to exceed the budgetary amount without the City's prior authorization.

Thank you again for the opportunity to offer our services. If you have any questions you can reach me at ihunter@jlha.net, or 310.344.8650 (mobile).

Sincerely,

John Hunter, P.E.

Standard Rate Schedule

Principal	\$195 / hour
Director	\$175 / hour
Staff Engineer	\$175 / hour
Project Manager	\$165 / hour
Assistant Project Manager	\$155 / hour
Project Engineer	\$155 / hour
Compliance Specialist II	\$125 / hour
Project Analyst II	\$125 / hour
Compliance Specialist I	\$115 / hour
Project Analyst I	\$115 / hour
Administrative Assistant, Laborer (OSHA 40hr certified)	\$75 / hour
Legal Consultation, Court Appearances/Document review, etc.	\$250 / hour
Subcontracted equipment	Cost + 5%

Fee Schedule effective as of January 1, 2020

JLHA does not add charges for overhead items such as administrative copying or mileage in and around the city.

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT FOR PROFESSIONAL SERVICES ("Agreement") is made and entered into by and between the City of South Gate, a municipal corporation, ("City"), and John L. Hunter and Associates, Inc., ("Consultant").

RECITALS

WHEREAS, City desires to engage Consultant to perform certain technical and professional engineering services, as provided herein, in connection with that certain project identified as: **NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) PROGRAMS FY 2017/18, 2018/19, 2019/20 (with the possibility of extending an additional two years)**

NOW, THEREFORE, the parties agree as follows:

1. **Parties to the Agreement.**

The parties to the Agreement are:

- A. Owner: The City of South Gate, a municipal corporation, having its principal office at 8650 California Avenue, South Gate, California 90280.
- B. Consultant: John L. Hunter and Associates, Inc.
6131 Orangethorpe Avenue, #350
Buena Park, CA 90620

2. **Representatives of the Parties and Service of Notices.**

The representatives of the parties who are primarily responsible for the administration of this Agreement, and to whom formal notices, demands and communications shall be given, are as follows:

- A. The principal representative of the City shall be:

Arturo Cervantes, P.E.
Director of Public Works/City Engineer
Public Works Department
City of South Gate
8650 California Avenue
South Gate, CA 90280

B. The principal representative of the Consultant shall be:

John L. Hunter
John L. Hunter and Associates, Inc.
6131 Orangethorpe Avenue, #350
Buena Park, CA 90620

C. Formal notices, demands and communications to be given hereunder by either party shall be made in writing and may be affected by personal delivery or by mail.

D. If the name of the principal representative designated to receive the notices, demands or communications, or the address of such person, is changed, written notice shall be given within five (5) working days of said change.

3. Description of Work.

City hereby engages Consultant, and Consultant accepts such engagement, to perform the technical and professional services, as needed, set forth in the "Proposal" attached hereto as Exhibit "A." Consultant shall perform and complete, in a manner satisfactory to City, all work and services set forth in Exhibit "A." The Director of Public Works, or the Director of Public Works' designee, shall have the right to review and inspect the work during the course of its performance at such times as may be specified by the Director of Public Works.

4. Data Provided to Consultant.

City shall provide to Consultant, without charge, all data, including reports, records, maps and other information, now in the City's possession, which may facilitate the timely performance of the work described in Exhibit "A."

5. Independent Contractor.

Consultant is an independent contractor and shall have no power or authority to incur any debt, obligation or liability on behalf of the City.

6. Consultant's Personnel.

A. All services required under this Agreement will be performed by Consultant, or under Consultant's direct supervision, and all personnel shall possess the qualifications, permits and licenses required by State and local law to perform such services, including, without limitation, a City of South Gate business license as required by the South Gate Municipal Code.

B. Consultant shall be solely responsible for the satisfactory work performance of all personnel engaged in performing services required by this Agreement, and compliance with all reasonable performance standards established by City.

C. Consultant shall be responsible for payment of all employees' and subcontractor's wages and benefits, and shall comply with all requirements pertaining to employer's liability, workers' compensation, unemployment insurance, and Social Security.

D. Consultant shall indemnify and hold harmless the City and all other related entities, officers, employees, and representatives, from any liability, damages, claims, costs and expenses of any nature arising from alleged violations of personnel practices, or of any acts or omissions by Consultant in connection with the work performed arising from this Agreement.

7. Compensation.

A. The total compensation to be paid by City to Consultant for as needed work and services described in Exhibit "A" shall be as submitted in the proposal for an amount not to exceed **\$103,340** for Professional Service in connection with NPDES Stormwater and TMDL Programs. Consultant's fees and charges for the work and services performed shall in no event exceed those set forth in Exhibit "A" attached hereto and made a part hereof. Notwithstanding anything to the contrary in the proposal, invoices will be processed for payment and paid subject to approval by Director of Public Works and City Council within sixty (60) days from date of receipt by Director of Public Works. Travel expenses (time, mileage, etc.) to attend business meetings and/or any other business associated with as-needed services shall be waived and shall not be shown on the Consultant and sub-consultant's compensation submittal to the City.

8. Indemnity and Insurance.

A. Consultant agrees to indemnify, hold harmless and defend the City, its officers and employees, from and against any and all claims, losses, obligations, or liabilities whatsoever incurred in or in any manner arising out of or related to Consultant's negligent or willful acts, errors or omissions, or those of its employees or agents. Consultant will deliver to City a certificate of insurance evidencing professional liability insurance coverage in an amount not less than \$1,000,000.

B. (1) The Consultant, at its expense, shall maintain in effect at all times during the performance of work under this Agreement not less than the following coverage and limits of insurance, which shall be maintained with insurers listed "A" or better in the Best's Insurance Guide and authorized to do business in the State of California.

(a) Workers' Compensation and Employer's Liability

- Workers' Compensation-coverage as required by law.
- Employer's Liability-limits of at least \$1,000,000 per occurrence.

(b) Comprehensive General Liability

- Combined Single Limit-\$1,000,000.

The automobile and comprehensive general liability policies may be combined in a single policy with a combined single limit of \$1,000,000. All of the Consultant's policies shall contain an endorsement providing that written notice shall be given to City at least thirty (30) calendar days prior to termination, cancellation or reduction of coverage in the policy.

(2) Policies providing for bodily injury and property damage coverage shall contain the following:

(a) An endorsement extending coverage to City as an additional insured, in the same manner as the named insured, as respects liability arising out of the performance of any work under the Agreement. Such insurance shall be primary insurance as respects the interest of City, and any other insurance maintained by City shall be considered excess coverage and not contributing insurance with the insurance required hereunder.

(b) "Severability of Interest" clause.

(c) Provision or endorsement stating that such insurance, subject to all of its other terms and conditions, applies to the liability assumed by Consultant under the Agreement, including without limitation that set forth in Section 10.A.

(3) Promptly on execution of this Agreement and prior to commencement of any work Consultant shall deliver to City copies of all required policies and endorsements to the required policies.

(4) The requirements as to the types and limits of insurance to be maintained by the Consultant are not intended to and shall not in any manner limit or qualify Consultant's liabilities and obligations under this Agreement.

(5) Any policy or policies of insurance that Consultant elects to carry as insurance against loss or damage to its equipment and tools or other personal property used in the performance of this Agreement shall include a provision waiving the insurer's right of subrogation against the City.

9. Termination for Convenience.

The City may terminate this Agreement at any time without cause by giving fifteen (15) days written notice to Consultant of such termination and specifying the effective date thereof. In that event, all finished or unfinished documents and other materials shall, at the option of City, become its property. If this Agreement is terminated by City as provided herein, Consultant will be paid a total amount equal to its costs as of the termination date, plus ten percent (10%) of that amount for profit. In no event shall the amount payable upon termination exceed the total maximum compensation provided for in this Agreement.

10. Termination for Cause.

A. The City may, by written notice to Consultant, terminate the whole or any part of this Agreement in any of the following circumstances:

(1) If Consultant fails to perform the services required by this Agreement within the time specified herein or any authorized extension thereof; or

(2) If Consultant fails to perform the services called for by this Agreement or so fails to make progress as to endanger performance of this Agreement in accordance with its terms, and in either of these circumstances does not correct such failure within a period of ten (10) days (or such longer period as City may authorize in writing) after receipt of notice from City specifying such failure.

B. In the event City terminates this Agreement in whole or in part as provided above in paragraph A of this Section 10, City may procure, upon such terms and in such manner as it may deem appropriate, services similar to those terminated.

C. If this Agreement is terminated as provided above in paragraph A, City may require Consultant to provide all finished or unfinished documents, data, studies, drawings, maps, photographs, reports, etc., prepared by Consultant. Upon such termination, Consultant shall be paid an amount equal to the value of the work performed. In ascertaining the value of the work performed up to the date of termination, consideration shall be given to both completed work and work in progress, to complete and incomplete drawings, and to other documents whether delivered to City or in possession of Consultant, and to authorized reimbursement expenses.

D. If, after notice of termination of the Agreement under the provisions of this Section 10, it is determined, for any reason, that Consultant was not in default, or that the default was excusable, then the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Section 9.

11. Non-Discrimination and Equal Employment Opportunity.

A. In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, religion, ancestry, sex, national origin, handicap or age. Consultant will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, sex, national origin, handicap or age. Affirmative action relating to employment shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship.

B. The provisions of subsection A above shall be included in all solicitations or advertisements placed by or on behalf of Consultant for personnel to perform any services under this Agreement. City shall have access to all documents, data and records of Consultant and its subcontractors for purposes of determining compliance with the equal employment opportunity and non-discrimination provisions of this Section, and all applicable provisions of Executive Order No. 11246 which is incorporated herein by this reference. A copy of Executive Order No. 11246 is available for inspection and on file with the Public Works Department.

12. Consultant's Warranties and Representations.

Consultant warrants and represents to City as follows:

A. Consultant has not employed or retained any person or entity, other than a bona fide employee working exclusively for Consultant, to solicit or obtain this Agreement.

B. Consultant has not paid or agreed to pay any person or entity, other than a bona fide employee working exclusively for Consultant, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the execution of this Agreement. Upon such breach or violation of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without further liability, or, in the alternative, to deduct from any sums payable hereunder the full amount or value of any such fee, commission, percentage or gift.

C. Consultant has no knowledge that any officer or employee of the City has any interest, whether contractual, noncontractual, financial, proprietary, or otherwise, in this transaction or in the business of the Consultant, and that if any such interest comes to the knowledge of Consultant at any time, a complete written disclosure of such interest will be made to City, even if such interest would not be deemed a prohibited "conflict of interest" under applicable laws.

D. Upon the execution of this Agreement, Consultant has no interest, direct or indirect, in any transaction or business entity which would conflict with or in any manner hinder the performance of services and work required by this Agreement, nor shall any such interest be acquired during the term of this Agreement.

13. Subcontracting, Delegation and Assignment.

A. Consultant shall not delegate, subcontract or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of the Director of Public Works; provided, however, that claims for money due or to become due to Consultant from City under this Agreement may be assigned to a bank, trust company or other financial institution without such approval. Any proposed delegation, assignment or subcontract shall provide a description of the services to be covered, identification of the proposed assignee, delegee or subcontractor, and an explanation of why and how the same was selected, including the degree of competition involved. Any proposed agreement with an assignee, delegee or subcontractor shall include the following:

(1) The amount involved, together with Consultant's analysis of such cost or price.

(2) A provision requiring that any subsequent modification or amendment shall be subject to the prior written consent of the City.

B. Any assignment, delegation or subcontract shall be made in the name of the Consultant and shall not bind or purport to bind the City and shall not release the Consultant from any obligations under this Agreement including, but not limited to, the duty to properly supervise and coordinate the work of employees, assignees, delegees and subcontractors. No such assignment, delegation or subcontract shall result in any increase in the amount of total compensation payable to Consultant under this Agreement.

14. Ownership of Documents.

All plans, specifications, reports, studies, tracings, maps and other documents prepared or obtained by Consultant in the course of performing the work required by this Agreement shall be the property of the City. Basic survey notes, sketches, charts, computations and similar data prepared or obtained by Consultant under this Agreement shall, upon request, be made available to City without restriction or limitation on their use.

15. Entire Agreement and Amendments.

A. This Agreement supersedes all prior proposals, agreements, and understandings between the parties and may not be modified or terminated orally.

B. No attempted waiver of any of the provisions hereof, nor any modification in the nature, extent or duration of the work to be performed by Consultant hereunder, shall be binding unless in writing and signed by the party against whom the same is sought to be enforced.

C. Consultant acknowledges and agrees that it has consulted with an attorney, or has knowingly foregone the opportunity to do so and executes this Agreement knowingly and voluntarily.

16. Resolution of Disputes.

Disputes regarding the interpretation or application of any provisions of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties. In the event that the parties cannot reach agreement, parties agree to submit their dispute to non-binding arbitration prior to the commencement of any legal action or suit. The parties are free to choose a mutually agreeable arbitrator; however, in the event of a lack of agreement between the parties, the matter shall be submitted to the American Arbitration Association and be subject to its Commercial Arbitration Rules. Each party shall bear its own costs and fees, and share equally in the cost of the arbitration fee.

17. Severability

If any provision of this agreement is held by court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions nevertheless will continue in full force and effect without being impaired or invalidated in any way.

18. Exhibits.

The following exhibit to which reference is made in this Agreement is deemed incorporated herein in their entirety:

Exhibit "A" Proposal dated May 31, 2017.

19. Governing Law.

This Agreement shall be governed by the laws of the State of California.

20. Effective Date.

Unless otherwise specified herein, this Agreement shall become effective as of the date set forth on which the last of the parties, whether City or Consultant, executes said Agreement, and shall terminate on June 30, 2020 unless terminated otherwise in accordance with the terms of this agreement.

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**AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN THE CITY AND
JOHN L. HUNTER AND ASSOCIATES, INC.**

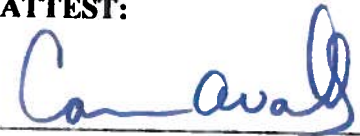
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

"CITY"
CITY OF SOUTH GATE


By: 
Maria Davila, Mayor

Dated: 7-11-17


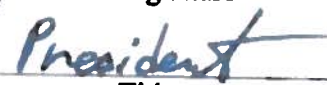
ATTEST:


Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:


Raul F. Salinas, City Attorney

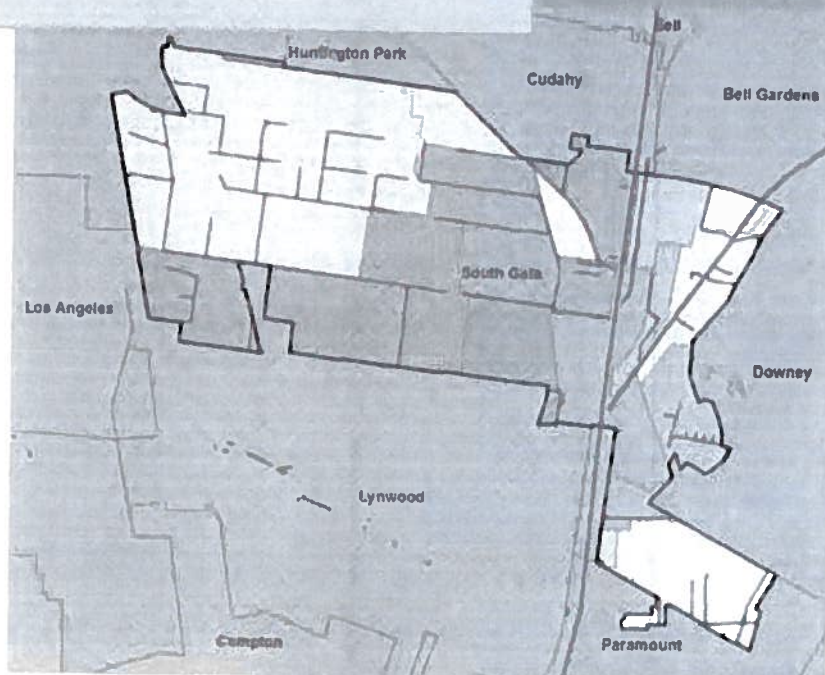
"CONSULTANT"
JOHN L. HUNTER AND ASSOCIATES, INC.

By: 
Signature

Title

Dated: 7/20/17

May 31, 2017

Professional Services Proposal to Provide Municipal NPDES Assistance



Prepared By:

John L. Hunter and Associates
6131 Orangethorpe Ave Ste 300
Buena Park, CA 90620
Proposal contact: mstafffield@ilha.net
(562) 802-7880 ext. 234

Prepared For:

City of South Gate
Attention: Arturo Cervantes
Public Works Department
8650 California Ave.
South Gate, CA 90280



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I. Company Credentials and Experience

John L. Hunter and Associates, Inc. (JLHA) is an environmental consulting corporation established in 1985 that specializes in serving municipal clients. JLHA's mission is to provide its clients with the expertise necessary to comply with mandated environmental programs, such as NPDES, stormwater and watershed management, industrial waste and fats, oils and grease (FOG) control, water conservation, and recycling. Services provided under these programs include program management, engineering, inspections, monitoring, grant administration, and public education.

A. Relevant Firm Experience

Table 1 lists NPDES services currently or recently provided by JLHA. The following are summaries of JLHA's experience related to NPDES Permit compliance and industrial waste and commercial FOG control.

1. Municipal NPDES Programs

JLHA has considerable experience with Municipal NPDES Permit compliance programs, beginning with the inception of the Phase I MS4 Permits in the 1990s. Currently JLHA implements elements of such programs for 37 cities in the Southland. Services include the following:

- 25 cities and 4 watershed groups: Program administration and/or technical support,
- 32 cities: Field services such as BMP compliance inspections,
- 22 cities: Plan review and approval (e.g., SUSMP/LID Plans, WQMPs, and SWPPPs),
- 29 cities and 3 watershed groups: Reporting (e.g., annual, TMDL, and/or watershed reports), and
- 28 cities and 3 watershed groups: Staff training.

Relevant and recent activities include:

- Representing cities in MS4 NPDES audits conducted by Regional Water Board staff:
Seal Beach, 2015 (and 2010, 2006) | Stanton, 2014 (and 2010)
- Obtaining and administering a Prop 84 grant for multi-watershed/multi-jurisdictional LID projects.
- Managing BMP inspection programs that cover, in total, over 10,000 sites.
- Developing 4 Watershed Management Programs in 2014-15 under the area-wide LA MS4 Permit.

JLHA also served as the lead consultant for the development of the Watershed Management Programs (WMPs) for the Lower Los Angeles River (LLAR), Lower San Gabriel River (LSGR), City of Long Beach, and Peninsula Cities Watershed Groups, and served as a sub-consultant for the development of the WMP for the Los Cerritos Channel (LCC) Watershed Group. As part of WMP development, JLHA also oversaw the development of Coordinated Integrated Monitoring Programs (CIMPs) for the LLAR, LSGR, and Peninsula Cities Watershed Groups. All plans were approved by the Regional Board in 2015 and 2016. Together the member agencies of these Watershed Groups represent 20 MS4 NPDES Permittees.

JLHA serves as the consultant team lead for the LLAR, LSGR, and Peninsula Cities Watershed Groups. Services include administering monitoring activities, watershed annual reporting, technical committee meetings, and certain WMP implementation efforts such as feasibility studies. In this capacity JLHA also regularly interfaces with city councils and Regional Board staff and members. JLHA also represents twelve municipal clients in watershed management groups for the Upper Los Angeles River, Upper San Gabriel River, Dominguez Channel and Los Cerritos Channel.

Table 1: Summary of Municipal NPDES Services Recently or Currently Provided

Client	First year of service	Years of service	Municipal NPDES Programs						Watershed				General Services			
			Development	Construction	Municipal Activities	Industrial/Commercial	Illicit Discharge Detection	Public Outreach	Watershed Plan Development	Watershed Plan Implementation	Monitoring	Studies	Reporting	Training	Grants	Program Mgmt. or Support
Arcadia	1995	22		x	x	x	x	x			x	x	x			
Artesia	2014	3		x	x	x	x	x		x		x	x		x	
Bellflower	2014	1				x										
Big Bear Lake	2004	13				x	x					x				
Buena Park	2010	7	x													
Carlsbad	2016												x			
Cerritos	2015	2		x												
Covina	2008	9	x	x									x			
Diamond Bar	2007	10	x	x	x	x	x	x		x		x	x		x	
Downey	2011	6	x	x	x	x	x	x		x		x	x		x	
Glendale	2013	4			x						x	x	x		x	
Gateway Water Mgmt. Authority	2012	5												x		
Hawaiian Gardens	2012	5	x	x	x	x	x	x		x		x	x		x	
Hawthorne	2000	17		x	x	x	x	x				x	x		x	
Inglewood	2015	2				x		x				x	x		x	
La Habra	2011	6	x	x	x	x	x	x				x			x	
Lakewood	2014	1				x										
Lomita	2015	2		x	x	x	x	x		x		x	x		x	
Long Beach	2014	3				x			x			x	x			
LCC Watershed Group	2013	4							x	x	x		x		x	
LLAR Watershed Group	2013	4							x	x	x		x		x	
LSGR Watershed Group	2013	4							x	x	x		x		x	
Lynwood	2014	3	x	x	x	x	x	x		x		x	x		x	
Manhattan Beach	2010	7			x	x										
Monterey Park	2005	12	x	x	x	x	x	x		x		x	x	x	x	
Norwalk	2010	7	x	x	x	x	x	x		x		x	x		x	
Paramount	2014	3	x	x	x	x	x	x		x		x	x		x	
Pasadena	2015	2	x							x		x	x		x	
Peninsula Watershed Group	2013	4							x	x	x		x		x	
Placentia	2013	4	x	x	x	x	x					x	x		x	
Rancho Palos Verdes	1994	23	x	x	x	x	x	x		x		x	x		x	
Rolling Hills	2009	8									x	x				
Santa Fe Springs	2016	1	x	x												
Seal Beach	2005	12	x	x	x	x	x	x				x	x	x	x	
Signal Hill	1985	32	x	x	x	x	x	x		x		x	x		x	
South Gate	1991	26	x	x	x	x	x	x		x		x	x	x	x	
South Pasadena	2005	12		x	x	x		x		x		x	x		x	
Stanton	2007	10	x	x	x	x	x	x				x	x	x	x	
Temple City	2003	14	x	x	x	x	x	x		x		x	x		x	
Villa Park	2013	4	x	x	x	x	x	x				x	x		x	
West Covina	2015	2	x	x	x	x	x	x		x		x	x		x	
West Hollywood	1995	22	x	x	x	x	x				x					
Whittier	2014	3		x	x	x	x	x		x		x	x		x	
TOTALS out of 43 clients			22	27	26	30	24	23	5	21	4	9	32	32	5	29

B. Track Record

JLHA has aided municipalities in compliance with NPDES MS4 Permit provisions since their first issuance in the 1990s. Since that time JLHA has maintained a track record of meeting project schedules. This may be evidenced by direct communication with existing clients, such as those listed in the References Section. Another metric for JLHA's ability to meet project schedules is through its success in representing clients in Regional Water Board NPDES Program audits. These audits included detailed reviews of records for NPDES sub-programs managed and implemented by JLHA Project Teams. Of the many Regional Water Board NPDES Program audits that JLHA personnel participated in, none resulted in enforcement actions. JLHA's success in meeting project schedules is also evident in its existing clients' previous NPDES annual reports, which tabulate program deliverables such as inspections, plan checks, and TMDL reporting.

C. Staffing Capability and Current Work Load

JLHA staffing is at 25, consisting of 20 full-time staff and 5 part-time staff. This includes 1 principal, 2 directors, 5 project managers, 5 engineers, 7 field inspectors, 2 GIS specialists, and 3 administrative staff. All staff operate out of JLHA's office at 6131 Orangethorpe Ave, Suite 300, in Buena Park, California. JLHA subcontracts additional services as-needed such as water quality monitoring and laboratory analysis, outfall screening, construction management, and computational analysis. Subcontracted services are not required for this project. The Project Team listed in the following section will be available to provide the requested services throughout the term listed in the RFP.

D. Relevant Company Credentials

Staff credentials include certified professionals in engineering, stormwater quality, BMP (Best Management Practice) inspection, erosion control, SWPPP development and implementation, and environmental assessment. Table 2 lists specialized credentials related to this project that are held by JLHA staff. The experience, credentials and education of the project team members are included in the following Section. Proof of credentials are included in the Appendices.

Table 2: Specialized Credentials held by JLHA Staff

Credential	Credential Description	Credentialed Staff Assigned to this Project?
CPSWQ	Certified Professional in Stormwater Quality	Yes
CPESC	Certified Professional in Erosion and Sediment Control	Yes
CESSWI	Certified Erosion, Sediment and Stormwater Inspector	Yes
QSD	Qualified SWPPP Developer (Construction)	Yes
QSP	Qualified SWPPP Practitioner (Construction)	Yes
QISP	Qualified Industrial Stormwater Practitioner	Yes
CGP ToR	Trainer of Record for the NPDES Construction General Permit	Yes
IGP ToR	Trainer of Record for the NPDES Industrial General Permit	Yes

II. Work Plan and Scope of Work

JLHA welcomes the opportunity to provide professional Municipal NPDES services to the City of South Gate. This section details the annual work plan for completing the scope of work. The schedule for completion of the services listed is within one year of start work. The timeframe of this proposal is for a period of one year. The scope of work may be extended for additional years upon mutual approval of the City and JLHA.

A. Quality Control and Resource Management

Service quality is ensured through a QA/QC budget assigned to each sub-program. This budget (approximately 5% of total program costs) is for time spent by Project Manager and Functional Manager's time to review the Project Team's work product. This time is also used to track and control the budget and to ensure control of the schedule of services provided as listed in the following subsections.

1. Planning and Land Development Program

Table 3 lists the scope of work for the Planning and Land Development Program. Turn-around time for plan review is two weeks. Although we are available to assist with all program tasks, we understand that some tasks, such as BMP installation verification, may be conducted in part or in full by in-house staff or other city contractors.

Table 3. As-needed Scope of Work for the Planning and Land Development Program

MS4 Permit §	Mandated Task
VI.D.7.b.i,ii	Develop planning forms (complete)
VI.D.7.d	Program Implementation
d.i	Prepare and adopt LID ordinance (complete)
d.ii	Review LID plans (SUSMPs) following the criteria of VI.D.7.b-c
d.iv.(1).(a)	Track projects and BMPs in an electronic database
d.iv.(1).(a)	Track all inspection reports and enforcement actions
d.iv.(1).(b)	Conduct BMP verification inspections
d.iv.(1).(c)	Notify existing SUSMP sites of maintenance requirements
d.iv.(1).(c)	Conduct BMP maintenance inspections
d.iv.(1).(e)	Conduct follow-up activities at non-compliant projects
VI.D.7.a	Manage Program, Implement QA/QC Procedures

Based on 1) our understanding of the City's existing Planning and Land Development Program and 2) the current MS4 Permit requirements for this program, we will make the following estimates:

Scope of Work Estimates		
Track	36	LID Plan projects (small and priority)
Review/approve	36	LID Plan projects (small and priority)
Conduct	36	BMP verification inspections (as-needed estimate)
Notify	8	Sites on BMP maintenance
Conduct	8	BMP maintenance inspections
Conduct	6	follow-up inspections

If through program implementation we find that these quantities are significant underestimates, we will inform the City. In this event additional work will not be conducted without written approval from the City.

2. Development Construction Program

Table 4 lists the scope of work for the Development Construction Program. Training sessions will be conducted at a time set by City staff. Training topics will include the key components of the QSP and QSD Programs. Updated and revised training documentation will be available for distribution. It is JLHA's understanding that City staff review SWPPPs. Should the City request a SWPPP review, turn-around time is two weeks. Inspections at state-permitted construction sites are conducted once a month. Inspections at sites disturbing less than one acre—an enhanced control measure that exceeds minimum requirements—can be conducted at the City's request. Enforcement actions, when necessary, are issued within one week. Follow-ups are conducted within the timeframe provided in the enforcement action.

Table 4. Scope of work for the Development Construction Program

MS4 Permit §	Task
VI.D.8.d	Sites less than one acre: Track, inspect, and conduct follow-ups at request of city
VI.D.8.g	Inventory Construction sites (≥1 acre)
g.i	Update monthly the inventory of >1 acre construction sites
g.ii, j.ii.(4).(f)	Track site inventory, inspections, and enforcement actions using an electronic database
VI.D.8.h	Review and Approval Construction SWPPPs
VI.D.8.j	Inspect ≥1 acre Construction Sites monthly for proper BMP implementation
VI.D.2, 8.k	Ensure Compliance (Implement Progressive Enforcement)
2.a.i	Follow-up at non-compliant facilities within 4 weeks
2.a.ii	Prepare formal violation notices following the City's municipal code
VI.D.8.l	Train City Staff
l.ii.(1)	Train plan reviewers and permitting staff in BMP standards and SWPPP requirements
l.ii.(2)	Train construction site inspection staff in BMP standards and SWPPP requirements
VI.D.8.a	Manage Program, Implement QA/QC Procedures

Based on 1) our understanding of the City's existing Development Construction Program and 2) the current MS4 Permit requirements for this program, we will make the following estimates:

Scope of Work Estimates		
Review/approve	4	SWPPPs
Track	3	CGP sites monthly
Inspect	3	CGP sites monthly
Conduct	36	CGP inspections in total
Conduct	7	follow-ups
Prepare	2	enforcement actions

If through program implementation we find that these quantities are significant underestimates, we will inform the City. In this event additional work will not be conducted without written approval from the City.

3. Industrial/Commercial Facilities Program

Table 5 lists the scope of work for the Industrial/Commercial Facilities Program. The second round of inspections will continue in this reporting year. The work will be completed prior to December 28, 2017.

Table 5. Scope of Work for the Industrial/Commercial Facilities Program

MS4 Permit §	Task
VI.D.6.b	Track Critical Industrial/Commercial Sources
b.i, iii	Review city databases to determine inventory of industrial/commercial facilities
b.ii	Track facilities in a watershed-based inventory using an electronic database Track inspection reports and enforcement actions with an electronic database
VI.D.6.c	Educate Industrial/Commercial Sources
c.i	Notify facility operators of applicable BMP requirements
c.ii	Develop and implement a Business Assistance Program
c.ii	Develop educational materials to be distributed to facilities
VI.D.6.d,e,f	Inspect Critical Industrial/Commercial Sources
6.d,e,f	Inspect commercial/ industrial facilities for proper BMP implementation
VI.D.2, 6.h	Ensure Compliance (Implement Progressive Enforcement)
2.a.i	Follow-up at non-compliant facilities within 4 weeks
2.a.ii	Prepare formal violation notices following the City's municipal code
VI.D.6.a	Manage Program, Implement QA/QC Procedures

Based on 1) our understanding of the City's existing Industrial/Commercial Facilities Program and 2) the current MS4 Permit requirements for this program, we will make the following estimates:

Scope of Work Estimates		
Track	503	facilities
Inspect	302	facilities
Educate	302	facilities
Conduct	45	follow-ups
Prepare	15	enforcement actions

If through program implementation we find that these quantities are significant underestimates, we will inform the City. In this event additional work will not be conducted without written approval from the City.

4. Public Agency Activities Program

Table 6 lists the scope of work for the Public Agency Activities Program. Training sessions will be conducted at a time set by City staff. Updated and revised training documentation will be available for distribution.

Table 6. Scope of work for the Public Agency Activities Program

MS4 Permit §	Task
VI.D.9.b	Public Construction Activities (addressed by Development Construction Program)
VI.D.9.c	Inventory Public Facilities, including pollution sources (not within scope of work)
VI.D.9.d d.ii, iii	Inventory Existing Development Retrofit Opportunities (not within scope of work) Identify and rank candidate retrofit areas using watershed model/screening tools
VI.D.9.e e.iii, vi e.iv	Public Agency Facility and Activity Management (not within scope of work) Develop BMPs for 64 activities listed in Table 18 of the MS4 Permit Develop language to require contractors to implement BMPs from VI.D.9.e.iii
VI.D.9.g g.ii	Landscape, Park, and Recreational Facilities Management (not within scope of work) Develop Integrated Pest Management Policy (complete)
VI.D.9.h h.iii TBD	Storm Drain Operation and Maintenance (not within scope of work) Prioritize catch basins Assist with installation of trash capture devices in high priority areas (not applicable)
VI.D.9.k	Municipal Employee and Contractor Training Train staff in targeted positions of requirements of Public Agency Activities Program
VI.D.9.a	Manage Program, Implement QA/QC Procedures

5. Illicit Discharge Detection and Elimination Program

Table 7 lists the scope of work for the Illicit Discharge Detection and Elimination Program. Our staff is available on an as-needed basis to respond to spills and investigations of illicit discharges. Training sessions will be conducted at a time set by City staff. Updated and revised training documentation will be available for distribution. Complaints received will be investigated within the timeframes provided in the MS4 Permit's Progressive Enforcement procedures (MS4 Permit VI.D.2.a). Enforcement actions will be undertaken following these procedures. If needed, within normal working hours inspection staff will be available to respond to any complaint within two hours.

Table 7. Scope of work for the Illicit Discharge Detection and Elimination Program

MS4 Permit §	Task
VI.D.10.b	Investigate and Eliminate Illicit Discharges (assume 24 investigations)
b.ii	Investigate illicit discharge complaints and prepare investigation reports (as needed)
b.iv.(1)	Conduct follow-up investigations to verify elimination of detected illicit discharges
VI.D.10.d	Public Reporting of Non-stormwater Discharges and Spills
d.iv	Develop written procedures for tracking complaints (complete)
d.v	Document complaints and investigations (as needed)
VI.D.10.e	Spill Response Plan (complete)
VI.D.10.f	Illicit Connection and Illicit Discharge Education and Training
f.iii	Train staff in illicit discharge identification, elimination, clean-up, reporting, documentation
VI.D.10.a	Manage Program, Implement QA/QC Procedures

6. Public Information and Participation (Outreach) Program

Table 8 lists the scope of work for the Public Information and Participation Program. The Point-of-Purchase Program will be implemented once within the reporting year. Educational material will be updated as-needed. Our staff is available as-needed to assist in stormwater education at City events.

Table 8. Scope of work for the Public Information and Participation Program

MS4 Permit §	Task
VI.D.5.c	Public Participation: Assist in a City event to promote public involvement in pollution prevention
VI.D.5.d	Residential Outreach Program
d.i.(1)	Prepare article for City media outlet
d.i.(2)	Update educational materials to address vehicle, house, yard, pesticide, animal, construction wastes
d.i.(3)	Distribute materials at points of purchase (auto, home improvement, gardening, pet/feed stores)
d.i.(4)	Maintain stormwater website
d.i.(5)	Provide educational materials to school children (primarily addressed by County program)
d.i.(6)	Provide educational materials in Spanish
VI.D.5.a	Administer Program, Implement QA/QC Procedures

7. Training

Annual training to City staff for the Development Construction, Public Agency Activities Program, and Illicit Discharge Program, is described in the corresponding scope of work subsections.

8. Monitoring and Reporting Program (Annual Report)

Table 9 lists the scope of work for the Monitoring and Reporting Program. The elements of the Annual Report prepared by JLHA will include a first draft to meet the mid-September watershed-wide deadline as well as a final draft for City review one month prior to submittal on December 15th.

Table 9. Scope of work for the Monitoring and Reporting Program

MS4 Permit §	Task
MRP XVIII, XIX	Reporting: Assist in preparation of Annual MS4 NPDES Annual Report
	Monitoring is not within the scope of this proposal

9. General Assistance with Municipal NPDES Program Services

In addition to the programs listed in the previous subsections, we are available for a variety of NPDES-related tasks. Table 10 lists some of these tasks. A budgetary allotment is incorporated into the not-to-exceed estimate.

Table 10. Scope of work for General MS4 NPDES Permit Assistance

As-Needed Task
Represent City at relevant NPDES-related meetings and update City staff
Provide program updates to City staff and elected officials
Provide assistance with the MS4 Permit renewal process
Represent City interests in negotiations and communications with the Regional Water Board
Provide assistance with other NPDES and TMDL-related tasks as requested by City staff

III. Proposed Team

Table 11 lists the roles of the Project Team. Detailed qualifications of the Project Team are included under the Resume section.

Table 11. Project Team Roles

Project Title	Team Member Information
Core Team	Name Michelle Staffield, MSE
	Roles Point-of-contact, project delivery, project development New Development and Watershed Management programs support
	Name John Hunter, PE, REA
Project Manager	Roles Point-of-contact, project delivery, project development Watershed program support
	Name Hugo Garcia, CESSWI, QSP
Project Analyst/ Compliance Inspector	Roles Point-of-contact, project development Watershed program support, field inspection support
	Name Jillian Brickey, MS, CPSWQ, QSD/P, CGP ToR
Company Director	Roles As-needed project oversight and support Used oil and BCR programs support
	Name Rosalinda Tandoc, PE
Senior Engineer	Roles Plan review and approval
	Name Jose Rodriguez, CESSWI, QSP
Functional Manager	Roles Business inspection programs support
	Name Jennifer Nowaczewski, CPSWQ, QSD/P
Functional Manager	Roles Construction and Watershed Management programs support
	Name Marie Anne Antiga
Project Analyst/ Outreach Specialist	Roles Public education programs implementation (NPDES, UO, and BCR)
	Name David Razo
Compliance Inspector	Roles Field compliance inspector

Additional key staff assisting Project Team on an as-needed basis:
Mikki Klee, PE, CPESC. Role: Plan review. Michelle Kim, MSE. Role: Plan review.

A. Project Team Experience with Similar Work

Table 12 lists similar services provided by the Core Project Team members to other municipal clients. The Table also includes the budget and contact information for each client. All of these services are ongoing, provided on an annual basis.

Table 12. Core Team Experience Providing Similar Work

Client	Service				Core Team Member Providing Service				Client Contact
	NPDES	FOG	UO	BCR	MS	CM	HG	IH	
Arcadia	x	x				x			Vanessa Hevener, 11800 Goldring Rd, 626.305.5327
Artesia	x							x	Okina Dor, 18747 Clarkdale Ave, 562.865.6262
Bellflower	x								N/A
Big Bear Lake	x	x						x	Joseph Cylwik, 39707 Big Bear Blvd, 909.866.5831
Buena Park	x								N/A
Cerritos	x								N/A
Covina	x	x							Sharon Gallant, 125 E College St, 626.384.5484
Diamond Bar	x					x			John Beshay, 21810 Copley Dr, 909.839.7043
Downey	x				x			x	Dan Mueller, 11111 Brookshire Ave, 562.622.3578
Glendale	x					x			Chris Chew, 633 E Broadway Rm 205, 818.548.3945
Gateway WM Authority	x							x	Grace Kast, 16401 Paramount Blvd, Paramount, 562.663.6850
Hawaiian Gardens	x							x	Joe Colombo, 21815 Pioneer Blvd, 562.420.2641
Hawthorne	x	x				x			Doug Krauss, 4455 W 126 th St, 310.349.2987
Inglewood	x	x				x			Lauren Amimoto, 1 W Manchester Blvd, 310.412.5333
La Habra	x						x		Melissa You, 110 E La Habra Blvd, 562.383.4000
Lakewood	x								Konya Vivante, 5050 Clark Ave, 562.866.9771
Lomita	x								Mark McAvoy, 24300 Narbonne Ave, 310.325.7110
Long Beach	x							x	Alvin Papa, 333 W Ocean Blvd, 562.570.6386
LCC Watershed Group	x						x	x	Alvin Papa, 333 W Ocean Blvd, 562.570.6386
LLAR Watershed Group	x				x			x	Grissel Chavez, 2175 Cherry Ave, Signal Hill, 562.989.3799
LSGR Watershed Group	x				x			x	Adriana Figueroa, 12700 Norwalk Blvd, Norwalk, 562.929.5915
Lynwood	x	x	x	x	x		x	x	Lorry Hempe, 11330 Bullis Rd, 310.603.0220
Manhattan Beach	x	x							N/A
Monterey Park	x		x			x			Bonnie Tam, 320 W Newmark Ave, 626.307.1383
Norwalk	x				x			x	Adriana Figueroa, 12700 Norwalk Blvd, 562.929.5915
Paramount	x								N/A
Pasadena	x							x	Kris Markarian, 100 Garfield Ave, 626.744.7311
Peninsula Watershed Group	x								N/A
Placentia	x								Luis Estevez, 401 E Chapman Ave, 714.993.8117
Rancho Palos Verdes	x								Lauren Ramezani, 30940 Hawthorne Blvd, 310.544.5245
Rolling Hills	x								N/A
Santa Fe Springs	x								N/A
Seal Beach	x		x						Steve Myrter, 211 Eighth St, 562.431.2527
Signal Hill	x	x			x			x	Grissel Chavez, 2175 Cherry Ave, 562.989.3799
South El Monte			x	x					Manny Mancha, 1415 Santa Anita Ave, 626.579.6540
South Gate	x	x	x	x	x		x	x	Guillermo Petra, 8650 California Ave, 323.563.9500
South Pasadena	x				x			x	Rafael Castillas, 1414 Mission St, 626.403.7200
Stanton	x	x							Allan Rigg, 7800 Katella Ave, 714.379.9222
Temple City	x		x			x			Andrew Coyne, 9701 Las Tunas Dr, 626.285.2171
Villa Park	x								Steve Franks, 17855 Santiago Blvd, 714.998.1500
West Covina	x					x			Chino Consunji, 1444 W Garvey Ave, 626.939.8425
West Hollywood	x				x	x			Matt Magener, 8300 Santa Monica Blvd, 323.848.6894
Whittier	x	x				x	x	x	Kyle Cason, 13230 Penn St, 562.567.9999

B. Resumes

The following section includes the resumes and certifications of key personnel for this project.

Education

M.S., Environmental Science, CSUF
 B.S., Zoology, Cal State Poly Pomona
 Minor, Chemistry

Certifications

CPSWQ, Envirocert (#0845)
 QSD/QSP, CASQA (#22731)
 CGP Trainer of Record, CASQA

Jillian Brickey, MS, CPSWQ, QSD/P, CGP ToR*Director*

Jillian Brickey has ten years of experience in environmental management, specializing in stormwater and watershed management and water conservation. Her relevant experiences include implementing and managing NPDES municipal Permit programs for Low Impact Development, Development Construction, and TMDL/watershed management. Tasks include plan review and approval, reporting, training municipal staff in program implementation, and representing client interests in interactions with regulators and other stakeholders.

Recent Experience and Project Qualifications

Municipal NPDES Permit Management: Ms. Brickey serves as a Programs Manager of municipal NPDES Permit programs for multiple cities throughout the Southland. NPDES Permits managed include all elements of the MS4 and CGP Permits, including erosion/sediment control and Low Impact Development (LID) for construction projects, and TMDL implementation for water bodies impaired by trash, metals, toxics, and bacteria. Through these management activities, she has:

- Represented cities in MS4 NPDES Permit New Development compliance audits from the Regional Water Quality Control Board. (Seal Beach: 2010, 2015, Stanton: 2010).
- Developed TMDL compliance plans for Metals, Toxics, Bacteria, and Trash. (Lower Los Angeles River, Lower San Gabriel River, Long Beach Nearshore Watersheds: 2013-2016.)
- Served as primary contact with clients and represented their interests when interacting with regulators. (Covina, La Habra, Seal Beach, South Pasadena, Stanton, Pasadena, West Hollywood).
- Developed Stormwater Quality Management Programs (Seal Beach: 2011), LID compliance guideline documents (Gateway cities, 2014), and LID ordinances (2014).
- Held CGP QSD/QSP training as a CGP ToR (Pasadena, 2016) and led over one hundred municipal training sessions in MS4 and CGP Permits. (Over 20 municipal clients: 2008-2016).
- Reviewed on behalf of municipal clients hundreds of LID Plans, WQMPs, and SWPPPs and verified proper installation and maintenance of hundreds of LID BMPs.
- Supervised JLHA plan checking staff.

Watershed Management: Ms. Brickey served as a Project Manager for the development of the Watershed Management Programs (WMPs) for the Lower Los Angeles River and Lower San Gabriel River Watershed Groups (2013-2016). The WMPs were developed by MS4 Permittees with shared watershed boundaries, with the objective of achieving surface water quality standards. Tasks included evaluating existing control measures and developing new control measures and compliance schedules to achieve water quality standards. She also oversaw the development and implementation of municipal LID ordinances as required through the WMP development process. This included the preparation of a LID Ordinance Equivalency Demonstration for the City of Long Beach.

She has also lead multi-jurisdictional workshops and technical committees on watershed management program implementation, and engaged with Regional Water Quality Control Board members, staff and non-governmental organizations in support of contested issues regarding the watershed management compliance approach. Through representation of municipal clients' stakeholder interests, Ms. Brickey has also participated in the development of watershed management programs and monitoring programs for the Upper Los Angeles River, Upper San Gabriel River, and Peninsula Cities Watershed Groups (2013-present).

John L. Hunter, PE

Principal

Education

B.S. Chemical Engineering, CSULB
B.S. Biological Sciences, UCI

Certifications and Licenses

CA Professional Chemical Engineer, 4724
CA Registered Environmental Assessor, 0900
CA Hazardous Substance Removal, A3382
CA General Engineering License, A-582340

Mr. Hunter serves as the Principal of JLHA. He has 31 years of experience in municipal environmental programs and currently oversees: (1) elements of over 40 separate NPDES programs encompassing three counties that covers programs such as: watershed and stormwater management, TMDL implementation, plan reviews, industrial and construction inspections, public agency activities, public outreach, and monitoring/reporting; (2) eleven municipal FOG programs encompassing permitting, inspections and enforcement; (3) seven municipal Used Oil Recycling programs; (4) three municipal Beverage Container Recycling programs; and (5) two water conservation programs. As of May 2016 Mr. Hunter serves as the chair for the LA Permit Group, which provides area-wide MS4 Permit updates to all affected parties under the LA Region MS4 Permit.

Related Experience

Watershed Management

Lead consultant for the Lower Los Angeles River Watershed Group, the Lower San Gabriel River Watershed Group, the Peninsula Cities Watershed Group, and the Long Beach Near-shore watersheds. Oversaw preparation and oversees continued development of the Watershed Management Programs for these groups. Also participates in the Upper Los Angeles River Watershed Group, the Dominguez Channel Watershed Group, and the Los Cerritos Channel Watershed Group.

Total Maximum Daily Loads

Los Angeles River Metals TMDL: Developed the Reach 1 Metals TMDL Implementation Plan on behalf of nine local agencies. The Plan was used as a source document for the Compliance Schedule in the Lower LA River WMP.

Los Angeles River Trash TMDL: Administered Trash DGR studies and associated compliance reports for multiple cities since 2004. Negotiated client interests with Regional Board staff. Obtained grant funding for and prepared the Hamilton Bowl BMP Study. The study evaluated different end-of-pipe trash capture systems for the Cities of Signal Hill and Long Beach.

MS4 Permit Minimum Control Measures (MCMs)

Oversees MCM elements of MS4 Permits for 37 cities. MCM programs include business and construction site inspections, LID Plan and SWPPP reviews, BMP implementation for public agency activities, illicit discharge investigations, and public outreach.

Representation and advocacy

Represents client interests in meetings with Regional Board staff/members regarding (E)WMPs, TMDLs, and other Permit mandates. Has chaired the Los Angeles River Watershed Management Committee, Santa Monica Bay Bacterial TMDL J7 Subcommittee, and the LA Permit Group. Currently serves as technical lead for the Lower San Gabriel, Lower Los Angeles, and Peninsula Cities Watershed Management Groups.

Michelle Staffield, MSE, EIT
Water Resources Engineer

10 Years of Experience in Water Quality

Education

M.S., Civil Engineering, Loyola Marymount
 B.S., Ecology, Behavior, & Evolution, UCSD

Certifications

EIT #141553, NCEES

Michelle Staffield has managed a variety of water quality improvement programs throughout Southern California. Her relevant experiences and tasks include implementing and managing NPDES municipal permit provisions such as watershed management, planning and land development, TMDL compliance, public information and participation, and representing clients at meetings.

She is also involved in the development and review

of Water Quality Management Plans (WQMPs), Standard Urban Stormwater Mitigation Plans (SUSMPs), and Watershed Management Programs.

Her current responsibilities include providing municipal NPDES plan checking services, conducting BMP verification and maintenance inspections, representing clients in meetings, and assisting in the implementation of Watershed Management Programs.

Michelle's client-specific responsibilities at JLHA include:

- Reviewing LID Plans following the standards of the Los Angeles County area-wide MS4 Permit for the cities of Diamond Bar, Downey, Monterey Park, Norwalk, Pasadena, Santa Fe Springs, Signal Hill, South Gate, and West Hollywood.
- Reviewing WQMPs following the standards of the North Orange County area-wide MS4 Permit for the cities of Buena Park, La Habra, Seal Beach, and Stanton. (WQMPs are the Orange County-equivalent of Los Angeles County's LID Plans.)
- Serving as point-of-contact with project engineers for the LID Plan and WQMP review process.
- Conducting post-construction BMP inspections for the City of West Hollywood.
- Assisting in municipal TMDL compliance activities, including the preparation of Trash TMDL studies and compliance reports.
- Assisting in MS4 Permit Project Management for the Cities of South Gate and Signal Hill. Tasks include serving as a point-of-contact with City staff, representing city interests at watershed meetings and other NPDES-related meetings and hearings, and preparing the Individual Annual Report.
- Assisting in Project Management of Watershed Management efforts under the LA County area-wide MS4 Permit. (Lower Los Angeles River and Lower San Gabriel River Watershed Management Groups.) Tasks include administering meetings, managing subcontractors, and preparing the watershed Annual Report.

Jose Rodriguez, CESSWI, QSP

Field Operations Manager

Education

B.S., Biology, UCI

Certifications and Training

CESSWI, Envirocert (#2830)

QSP, CASQA (#22917)

40 Hour HAZWOPER

Basic Inspector Academy, Cal EPA

Spanish fluency

Jose Rodriguez has worked with John L. Hunter & Associates in the environmental compliance fields of NPDES, FOG and Industrial Waste Control for ten years. His relevant experiences and tasks include implementing NPDES municipal permit provisions such as industrial/commercial inspections, illicit discharge detection and elimination, construction inspections, public education, public agency inspections, TMDL compliance, municipal staff training and completing annual reports. He has experience in conducting outfall screening and monitoring for non-storm water discharges in both the Lower Los Angeles River and the Lower San Gabriel River. In total, Mr. Rodriguez has conducted several thousand inspections for

agencies such as Stanton, Seal Beach, South Gate, Hawthorne, South El Monte, Arcadia and the Orange County Sanitation District.

Related Experience

Inspection Services

Mr. Rodriguez supervises field activities at JLHA, including inspection work to verify compliance with state and local environmental regulations. This includes MS4 NPDES Permit compliance inspections at commercial facilities such as restaurants and nurseries, NPDES-permitted industrial and construction sites, municipal facilities, and new developments. (New developments are inspected to verify proper post-construction BMP installation and maintenance verification.) He also oversees Industrial Waste and Fats, Oils, and Grease (FOG) Control BMP/pretreatment device inspections, as well as Clean Bay Restaurant (CBR) inspections. The CBR program incorporates elements of NPDES, FOG, and waste management.

In addition to supervising field staff, Mr. Rodriguez has conducted thousands of inspections through his tenure with JLHA. Clients include South Gate, Signal Hill, Downey, Paramount, and Manhattan Beach. In 2014 he represented the City of Stanton in a State compliance audit of the City's Industrial/commercial facility inspection program. The State auditors did not find program deficiencies.

Monitoring Services

Mr. Rodriguez supervises source investigations for outfalls with dry weather flows in both Orange and LA Counties. (OC Clients: Stanton, Seal Beach, Placentia, La Habra, Villa Park.) Within LA County, this work included the initial source identification work for the Lower San Gabriel River, Lower Los Angeles River, and Peninsula Cities Watershed Groups. Together these Groups represent twenty cities. He has also conducted stormwater sampling following the requirements of the Industrial General Permit (South Gate) and supervised trash generation monitoring studies as required by the LA River Trash TMDL. (Monterey Park, Glendale, South Pasadena, Temple City.)

Planning and Reporting

Mr. Rodriguez prepares NPDES annual reports for Industrial General Permit (IGP) facilities (West Covina, South Gate, Norwalk) as well as MS4 Permittees throughout Orange and LA County. As part of the MS4 Annual Report, he has prepared outfall screening reports. He has also developed Industrial SWPPPs for the Cities of Norwalk and South Gate.

Rosalinda Tandoc, PE

Staff Civil Engineer

Overview

Ms. Tandoc has over 30 years of experience reviewing and approving structural and architectural plans. Her specialty lies in reviewing and approving such plans for compliance with Permits (including MS4), City ordinances (including LID and Green Streets/Fats, Oils, and Grease/Industrial Waste/Erosion Control), Building Codes, and other State Laws. At JLHA, she has been instrumental in expediting plan review and approval for issuance of permits, interacting with clients to troubleshoot project development problems, and expediently facilitating completion of client projects. She has done this for all of JLHA's past and current clients, which now includes 23 cities.

Education

Master of Science in Civil Engineering
California State University, Long Beach

Certifications and Licenses

CA Registered Civil Engineer

Related Experience

With JLHA (Starting 2006)

- Reviews structural and architectural plans and residential and large and complicated buildings for compliance with the MS4 Permit, City Ordinances and State Law.
- Interacts with developers to facilitate completion of their projects
- Worked with the Principal in investigating problems presented to them.
- Code Consultant

Prior Experience:

- Los Angeles County Department of Public Works Building and Safety Division (1979 – 2006)
- Coordinated with local agencies in expediting the issuance of permits
- Assisted Permit Technician in solving problems that he or she may have incurred in the processing of permits and other related problems that need to be resolved at the counter.
- Assisted the City in developing ways and methods of expediting the processing of plans for issuance of permits.
- Assisted the City in developing plans and methods for effective office organization in the City Building Department in working with the City Planning Department.

Personal Advancement Courses

Engineering Management
Communication
Diversity Training
Business and English Writings
Supervisory Management

Achievements/Volunteer Works

Outstanding Woman of 1998, City of Cerritos
Greater Long Beach Girl Scout Council
Cerritos Senior Center, City of Cerritos
St. Linus Parish, Norwalk, CA
Cathedral of Our Lady of the Angels, Los Angeles

IV. Fees

A. Rate Schedule

Principal, Director, Staff Engineer	\$165/hr
Project Manager, Project Engineer	\$135/hr
Environmental Compliance Specialist II	\$115/hr
Environmental Compliance Specialist I and Public Outreach Specialist	\$95/hr
Administrative Assistant, Laborer (OSHA 40hr certified)	\$65/hr
Routine Industrial/Commercial Inspection	\$115/inspection
State Certified Laboratory Analysis	Cost + 5%
Legal Consultation, Court Appearances/Document review, etc.	\$250/hr
Subcontracted equipment	Cost + 5%

Prices effective as of January 1, 2017

B. Estimated Not-to-Exceed Fee Proposal

The following pages detail the estimated not-to-exceed annual costs for this project. A one page summary of these costs is also included.

**JLHA Annual Itemized Estimated Costs to Assist the City of South Gate
with Environmental Professional Services**

Municipal MS4 NPDES Estimated Costs

MS4 Permit §	Task	Cost
VI.D.6	Industrial/Commercial Facilities Program	\$37,860
VI.D.7	Planning and Land Development Program	\$26,875
VI.D.8	Development Construction Program (Inspections and Training)	\$10,745
VI.D.9	Public Agency Activities Program (Training)	\$1,755
VI.D.10	Illicit Discharge Detection and Elimination Program (Training)	\$8,055
VI.D.5	Public Information and Participation Program	\$1,750
VI.C, VI.E	TMDL/MS4 Permit Assistance (Trash DGR Study/Meeting attendance)	\$11,160
MRP XVIII, XIX	Reporting (Annual Report and Trash TMDL Report)	\$5,140
	Total	\$103,340

**JLHA Annual Itemized Estimated Costs to Assist the City of South Gate
with Environmental Professional Services**

MS4 Permit §	Mandated Task	Rate	Hours/Units	Cost	Sub-totals	Totals
VI.D.6	Industrial/Commercial Facilities Program				Assume 302 facilities to inspect.	\$37,860
VI.D.6.b	Track Critical Industrial/Commercial Sources				\$2,965	
VI.D.6.b.i, iii	Review city databases to determine inventory of industrial/commercial facilities	\$95	6 H	\$570		
VI.D.6.b.ii	Update electronic database with new tracking data on facilities to be inspected in reporting year (assume 302 facilities)	\$95	4 H	\$380		
	Track all inspection reports and enforcement actions at 302 facilities using an electronic database	\$65	31 H	\$2,015		
VI.D.6.c	Educate Industrial/Commercial Sources				\$190	
VI.D.6.c.i	Notify facility operators of applicable BMP requirements (cost incorporated into inspection cost)			\$0		
VI.D.6.c.ii	Develop and implement a Business Assistance Program (cost incorporated into inspection cost)			\$0		
VI.D.6.c.iii	Develop educational materials to be distributed to facilities (printing/mailing costs incurred by City)	\$95	2 H	\$190		
VI.D.6.d,e,f	Inspect Critical Industrial/Commercial Sources				\$26,450	
VI.D.6.e,f	Inspect 21 State NPDES Permitted Industrial facilities for proper BMP implementation	\$115	21 U	\$2,415		
VI.D.6.d,e,f	Inspect 281 commercial/light industrial facilities for proper BMP implementation	\$95	281 U	\$26,695		
	Discount applied due to tie in with Industrial Waste Inspection Program (for 38 facilities)	(\$70)	38 U	(\$2,660)		
VI.D.2, VI.D.6.h	Ensure Compliance (Implement Progressive Enforcement)				\$6,365	
VI.D.2.a.i	Follow-up at non-compliant facilities within 4 weeks (assume 15% of facilities)	\$95	46 U	\$4,370		
VI.D.2.a.ii	Second follow-up at non-compliant facilities (assume 10% of non-compliant facilities)	\$95	5 U	\$475		
VI.D.2.a.iii	Prepare formal violation notices following the City's municipal code (assume 5% of facilities)	\$95	16 H	\$1,520		
VI.D.6.a	Manage Program and Implement QA/QC procedures (assume 5% of sub-program costs)	\$135	14 H	\$1,890		\$1,890
VI.D.7	Planning and Land Development Program				Assume 72 LID plans, 12 BMP Inspections.	\$26,973
VI.D.7.b.i,ii	Develop planning forms to meet latest MS4 Permit requirements					
VI.D.7.d	Program Implementation				\$24,400	
VI.D.7.d.i	Prepare and adopt LID ordinance					
VI.D.7.d.ii	Review LID plans following the criteria of VI.D.7.b-c (assume 10 projects)	\$135	120 H	\$16,200		
	Review small-site LID plans following city ordinance (assume 22 projects)	\$135	22 H	\$2,970		
VI.D.7.d.iv.(1).(a)	Track projects and BMPs in an electronic database (assume 32 projects)	\$95	32 H	\$3,040		
VI.D.7.d.iv.(1).(a)	Track all inspection reports and enforcement actions (assume 12 reports)	\$65	3 H	\$195		
VI.D.7.d.iv.(1).(b)	Conduct BMP verification inspections (conducted in-house: as-needed service)					
VI.D.7.d.iv.(1).(c)	Notify existing LID Plan sites of maintenance requirements (assume 12 projects)	\$95	3 H	\$285		
VI.D.7.d.iv.(1).(c)	Conduct BMP maintenance inspections (assume 12 projects)	\$95	12 H	\$1,140		
VI.D.7.d.iv.(1).(e)	Conduct follow-up activities at non-compliant projects (assume 6 project(s))	\$95	6 H	\$570		
VI.D.7.a	Manage Program and Implement QA/QC procedures (assume 10% of sub-program costs)	\$165	15 H	\$2,475		\$2,475
VI.D.8	Development Construction Program (Inspections and Training)				Assume 3 State-permitted sites, 2 trainings.	\$10,745
VI.D.8.d	Sites less than one acre - As needed					
VI.D.8.g	Inventory Construction sites (>1 acre)				\$160	
VI.D.8.g.i	Update monthly inventory of >1 acre construction sites in a database (assume 3 records updated a month)	\$95	1 H	\$95		
VI.D.8.j,ii.(4).(f)	Track inspection reports and enforcement actions in a database	\$65	1 H	\$65		
VI.D.8.h	Construction Plan (SWPPP) Review and Approval				\$1,620	
VI.D.8.h.ii.(9)	Develop SWPPP review checklist					
VI.D.8.h.ii	Review and approve site SWPPPs prior to issuing land disturbance permits (assume 4 projects)	\$135	12 H	\$1,620		
VI.D.8.j	Inspect Construction Sites (>1 acre)				\$5,175	
VI.D.8.j.ii.(4).(e)	Develop BMP inspection report form (already completed)					
VI.D.8.j.ii	Inspect monthly 3 State NPDES-permitted construction sites for proper BMP implementation	\$115	45 U	\$5,175		
VI.D.8.j.ii.(4)	Develop and implement QA/QC procedures (assume 10% of sub-program costs)					
VI.D.2, VI.D.8.k	Ensure Compliance (Implement Progressive Enforcement)				\$1,780	
VI.D.2.a.i	Follow-up at non-compliant facilities within 4 weeks (assume 20% of site visits)	\$115	10 U	\$1,150		
VI.D.2.a.ii	Second follow-up at non-compliant facilities (assume 25% of non-compliant sites)	\$115	3 U	\$345		

**JLHA Annual Itemized Estimated Costs to Assist the City of South Gate
with Environmental Professional Services**

MS4 Permit #	Mandated Task	Rate	Hours/Units	Cost	Sub-totals	Totals
VI.D.2.a.ii	Prepare formal violation notices following the City's municipal code (assume 5% of site visits)	\$95	3 H	\$285		
VI.D.8.I	Train City Staff				\$1,350	
VI.D.8.I.ii.(1)	Train plan reviewers and permitting staff in BMP standards and SWPPP requirements	\$135	5 H	\$675		
VI.D.8.I.ii.(2)	Train construction site inspection staff in BMP standards and SWPPP requirements	\$135	5 H	\$675		
VI.D.8.a	Manage Program and Implement QA/QC procedures (assume 5% of sub-program costs)	\$165	4 H	\$660	\$660	
VI.D.9	Public Agency Activities Program (Training)				Assume 1 training,	\$1,790
VI.D.9.b	Public Construction Activities (this program is addressed by the Development Construction Program (VI.D.6))					
VI.D.9.c	Inventory Public Facilities (not included in scope of services)				\$0	
VI.D.9.c.i,ii	Maintain inventory of 24 categories of public facilities, including site descriptions and pollutants sources	\$135	0 H	\$0		
		\$95	0 H	\$0		
VI.D.9.d	Inventory Existing Development Retrofit Opportunities (not included in scope of services)				\$0	
VI.D.9.d.ii	Identify candidate retrofit areas using watershed model/screening tools	\$135	0 H	\$0		
VI.D.9.d.iii	Rank candidate retrofits based on criteria provided in MS4 Permit	\$135	0 H	\$0		
VI.D.9.e	Public Agency Facility and Activity Management (cost incorporated into training cost)				\$0	
VI.D.9.e.i	Determine need for state NPDES coverage for city owned industrial facilities					
VI.D.9.e.iii,vi	Develop BMPs for 64 activities listed in Table 18 of the MS4 Permit	\$115	0 H	\$0		
VI.D.9.e.iv	Develop contract language to require contractors to implement BMPs from VI.D.9.e.iii	\$135	0 H	\$0		
VI.D.9.g	Landscape, Park, and Recreational Facilities Management (cost incorporated into training cost)				\$0	
VI.D.9.g.ii	Develop Integrated Pest Management Policy					
VI.D.9.h	Storm Drain Operation and Maintenance				\$0	
VI.D.9.h.iii	Prioritize catch basins (not applicable to cities under a Trash TMDL)	\$135	0 H			
VI.D.9.x	Permittee Owned Treatment Control BMPs (addressed by the Planning and Land Development Program (VI.D.7))					
VI.D.9.k	Municipal Employee and Contractor Training				\$1,620	
	Train staff in targeted positions of requirements of Public Agency Activities Program	\$135	12 H	\$1,620		
VI.D.9.a	Manage Program and Implement QA/QC procedures (assume 5% of sub-program costs)	\$135	1 H	\$135	\$135	
VI.D.9	Illicit Discharge Detection and Elimination Program (Training)				Assume 18 complaints received, 1 training,	\$5,985
VI.D.10.a.i	Review municipal code to ensure adequate legal authority					
VI.D.10.b	Develop written procedures for illicit discharge investigation and elimination				\$5,985	
VI.D.10.b.i	Investigate illicit discharge complaints and prepare investigation reports (assume 18 investigations)	\$95	45 H	\$4,275		
VI.D.10.b.iv.(1)	Conduct follow-up investigation to verify that detected illicit discharges have been eliminated	\$95	18 H	\$1,710		
VI.D.10.d	Public Reporting of Non-stormwater Discharges and Spills				\$585	
VI.D.10.d.iv	Develop written procedures for tracking complaints (hold until EWMP approval)					
VI.D.10.d.v	Document complaints and investigations (assume 18 complaints)	\$65	9 H	\$585		
VI.D.10.e	Spill Response Plan					
VI.D.10.f	Illicit Connection and Illicit Discharge Education and Training				\$1,080	
VI.D.10.f.iii	Provide staff training in illicit discharge identification, elimination, clean-up, reporting, and documentation	\$135	8 H	\$1,080		
VI.D.10.a	Manage Program and Implement QA/QC procedures (assume 5% of sub-program costs)	\$135	3 H	\$405	\$405	
VI.D.5	Public Information and Participation Program				Assume 1 event(s), 20 site visits,	\$1,790
VI.D.5.c	Public Participation				\$255	
VI.D.5.c.ii	Participate in 1 City event(s) to provide public education/involvement in stormwater pollution prevention	\$95	2 H	\$190		
		\$65	1 H	\$65		
VI.D.5.d	Residential Outreach Program				\$1,225	
VI.D.5.d.i.(1)	Prepare article for City media outlet	\$95	1 H	\$95		
VI.D.5.d.i.(2)	Develop educational materials to address vehicle, house, yard, animal, construction wastes	\$95	1 H	\$95		
	Printing cost estimate (mailing costs incurred by City)	\$1	100 U	\$100		

**JLHA Annual Itemized Estimated Costs to Assist the City of South Gate
with Environmental Professional Services**

MS4 Permit §	Mandated Task	Rate	Hours/Units	Cost	Sub-totals	Totals
VI.D.5.d.i.(3)	Distribute materials to 20 points of purchase (auto parts, home improvement, pet/feed stores)	\$65	10 H	\$650		
	Printing cost included in VI.D.5.d.i.(2) task					
VI.D.5.d.i.(4)	Maintain stormwater website	\$95	1 H	\$95		
VI.D.5.d.i.(5)	Provide educational materials to school children (primarily addressed by County program)	\$95	2 H	\$190		
VI.D.5.a	Manage Program and Implement QA/QC procedures (assume 10% of sub-program costs)	\$135	2 H	\$270	\$270	
VI.C, VI.E	TMDL/MS4 Permit Assistance (Trash DGR Study/Meeting attendance)					\$11,160
VI.E, Att. P	Assist with Trash TMDL compliance activities (DGR Study) (not included in scope of services)	\$135	0 H	\$0	\$2,160	
		\$95	0 H	\$0		
		\$65	0 H	\$0		
	Assist with Statewide Trash Amendments Compliance	\$135	10 H	\$1,350		
VI.E, Att. P	Assist with Metals TMDL compliance activities	\$135	3 H	\$405		
VI.E, Att. P	Assist with Bacteria TMDL activities, including the LRSs for the LA River and Rio Hondo	\$135	3 H	\$405		
VI.C	As-needed representative of City as a member of Watershed Group	\$135	6 H	\$810	\$2,430	
VI.C	Update City on EWMP and CIMP developments and assist as-needed in implementation activities	\$135	12 H	\$1,620		
	Provide bimonthly newsletters on NPDES Programs and hold in-house meetings as needed	\$165	8 H	\$1,320	\$2,940	
		\$135	12 H	\$1,620		
	Represent City at relevant MS4 Permit-related meetings and update City staff	\$165	6 H	\$990	\$990	
	General as-needed assistance (council presentations, grant assistance, assistance with new regulation, etc.)	\$165	12 H	\$1,980	\$1,980	
VI.C, VI.E	Manage Programs and Implement QA/QC procedures (assume 5% of sub-program costs)	\$165	4 H	\$660	\$660	
MRP XVIII, XIX	Reporting (Annual Report and Trash TMDL Report)					\$8,140
MRP XVIII, XIX	Assist with preparation of Annual Report (excluding TMDL reporting)	\$135	10 H	\$1,350	\$4,600	
		\$115	20 H	\$2,300		
		\$95	10 H	\$950		
	Prepare Annual TMDL Report (Trash TMDL DGR Study)	\$135	4 H	\$540	\$540	
	Monitoring services are conducted _____ rate(s) and per (s) CIMP M ² V.					
	Annual Total					\$163,945

*Costs incurred for some tasks are dependent upon assumptions such as the expected number of plan reviews, construction sites, and industrial/commercial facilities. These assumptions are based on JLHA's prior experience—actual costs incurred for each task may vary. All services are provided on a time and materials basis, not to exceed the annual total without City approval.

RECEIVED

City of South Gate

Item No. 10

AUG 5 2020

CITY COUNCIL

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

5:55pm

AGENDA BILL

For the Regular Meeting of: August 11, 2020

Originating Department: Public Works

Department Director:

[Signature]
Arturo Cervantes

City Manager:

[Signature]
Michael Flad

SUBJECT: AMENDMENT NO. 2 TO CONTRACT NO. 3243 WITH WEST COAST ARBORIST, INC., FOR CITYWIDE TREE MAINTENANCE SERVICES, CITY PROJECT NO. 540-ST

PURPOSE: The City maintains its urban forest, which consists of over 17,000 trees, through the services of a maintenance contractor. The City's current maintenance agreement with West Coast Arborist, Inc., was extended through July 31, 2020. Amendment No. 2 will extend the term of the agreement one more year from August 1, 2020 to July 31, 2021.

RECOMMENDED ACTIONS:

- a. Approve Amendment No. 2 to Contract No. 3243 with West Coast Arborist, Inc., extending Citywide Tree Maintenance Services, for an additional one-year term, through July 31, 2021, for an amount not-to-exceed \$522,468; and
- b. Authorize the Mayor to execute Amendment No. 2 in a form acceptable to the City Attorney.

[Handwritten mark] **FISCAL IMPACT:** Proposed Amendment No. 2, for the period August 1, 2020 through July 31, 2021, is in the amount not-to-exceed \$522,468. A summary of Contract No. 3243 is provided below. Sufficient funding for Amendment No. 2 was included in the Fiscal Year 2020/21 Budget, as follows: \$550,000 in Account Number 251-714-25-6101 and \$90,000 in Account No. 100-460-61-6101, for a total of \$640,000.

Fiscal Year	Public Works	Parks & Recreation	Total
Account	Street Lighting & Landscape Maintenance (Acct. No. 251-714-25-6101)	General Fund (Acct. No. 100-460-61-6101)	
Contract No. 3243	\$1,330,250	\$270,000	\$1,600,250
Amendment No. 1	\$425,000	\$90,000	\$515,000
Amendment No. 2	\$432,471	\$89,997	\$522,468
Total Contract	\$2,187,721	\$449,997	\$2,637,718

ANALYSIS: The City maintains its urban forest on a three-year cycle. Under Amendment No. 1 of the current contract, West Coast Arborists completed year one of the cycle which encompassed approximately 33% of the tree inventory. Two years remain in the three-year cycle with an estimated budget requirement of \$680,065 in Year 2 and \$680,065 in Year 3. The City has been impacted financially as a result of COVID-19. As a cost-savings measure, staff is proposing to complete the scope of work for the remaining two years over a three-year period. This will reduce the cost of Year 2 to \$522,468, leaving a savings of approximately \$157,597.

In reducing the scope of work, a lower number of trees will be trimmed annually. To reduce potential risks and liabilities, a strategic maintenance program is recommended under Amendment No. 2. It focuses on trimming trees in the areas of the City with the highest potential risk under this new approach. These areas have trees that have experienced broken branches and/or fallen trees in a manner that has caused damage to private property and public infrastructure. Such have included Ficus, Elms, Carrotwood and Carob trees.

Amendment No. 2 is for an amount not-to-exceed \$522,468. This amount includes a negotiated cost adjustment of 2.65% for just the Grid Pruning line item, which increased from \$47.25 per tree to \$48.50 as reflected in the proposal for Amendment No. 2. The negotiated cost adjustment is less than the Consumer Price Index for this type of work for LA-Anaheim-Long Beach region which is 2.78%.

BACKGROUND: The City's urban forests consist of over 17,000 trees which are located on City streets and within City facilities such as municipal parks, the City Hall complex and municipal parking lots. The urban forest must be managed, maintained and replaced on a regular basis. This is essential for safety, to promote a healthy urban forest, and to minimize tree failures. Amendment No. 2 provides the services necessary to maintain the urban forest in Fiscal Year 2020/21.

On August 9, 2016, the City Council approved Contract No. 3243 with West Coast Arborist, Inc., (WCA), for a three-year term, for Citywide Tree Maintenance Services in the amount of \$1,600,250. On July 23, 2019, the City Council approved Amendment No. 1 to extend the term of the agreement for one additional year through July 31, 2020, in the amount of \$515,000.

Proposed Amendment No. 2 extends the term of the agreement for one additional year, for an amount not-to-exceed \$522,468. Amendment No. 2 provides for a comprehensive approach to tree maintenance, and includes grid pruning, special request pruning, crown reductions, emergency services and tree removals. Under this amendment, a total of 4,054 trees will be grid-trimmed as a part of the four-year trim cycle. An additional 779 trees will be treated with crown reductions or special pruning.

WCA has the expertise, experience and resources to maintain the City's urban forest. WCA has been in business for over 44 years. With over 750 employees companywide, WCA has contracts with over 220 agencies ranging from \$20,000 to \$6,000,000 per year. WCA is intimately familiar with the City's urban forest. They have been servicing the City for over 25 years.

ATTACHMENTS: A. Proposed Amendment No. 2
B. Amendment No. 1
C. Contract No. 3243

DT:ar/lc

**AMENDMENT NO. 2 TO CONTRACT NO. 3243
FOR CITYWIDE TREE MAINTENANCE SERVICES
CITY PROJECT NO. 540-ST WITH WEST COAST ARBORISTS, INC.**

This Amendment No. 2 to Contract No. 3243 for Citywide Tree Maintenance Services ("Amendment No. 2"), is made and entered into on August 11, 2020, by and between the City of South Gate, a municipal corporation ("City"), and West Coast Arborists, Inc., a California corporation ("Contractor"). City and Contractor are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

RECITALS:

WHEREAS, on August 9, 2016, the City Council approved Contract No. 3243 with Contractor ("Agreement") for Citywide Tree Maintenance Services for a three-year term through and including July 31, 2019, in the amount of One Million Six Hundred Thousand Two Hundred Fifty Dollars (\$1,600,250);

WHEREAS, on July 23, 2019, the City Council approved Amendment No. 1 extending the term of the Agreement for an additional one-year term through and including July 31, 2020, in the amount of Five Hundred Fifteen Thousand Dollars (\$515,000), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment No. 1 to a sum of Two Million One Hundred Fifteen Thousand Two Hundred Fifty Dollars (\$2,115,250); and

WHEREAS, the City and Contractor desire to execute Amendment No. 2 extending the term of the Agreement for an additional one-year term through and including July 31, 2021, in an amount not to exceed Five Hundred Twenty Two Thousand Four Hundred Sixty Eight Dollars (\$522,468), for services identified in Exhibit "A" attached hereto, under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement, Amendment No. 1 and Amendment No. 2 to a total sum of Two Million Six Hundred Thirty Seven Thousand Seven Hundred Eighteen Dollars (\$2,637,718).

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. TERM OF AGREEMENT.

The term of the Agreement shall be extended by one (1) additional year **through and including July 31, 2021**, unless otherwise expressly extended and agreed to by both Parties in writing, or terminated by either Party as provided in the Agreement.

2. COMPENSATION.

The amount of compensation paid by City to Contractor for the work identified in Exhibit "A" shall not exceed **Five Hundred Twenty Two Thousand Four Hundred Sixty Eight Dollars (\$522,468)**.

3. EFFECT OF AMENDMENTS.

Except as expressly amended herein, all other terms and conditions of Agreement shall remain in full force and effect. Without limiting the generality of the foregoing, Agreement shall remain unchanged during the term of Agreement as extended by Section 1 above. Furthermore, City reserves the right to augment or reduce the scope of work as City deems necessary.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment No. 2 to be executed and attested by their respective officers hereunto duly authorized.

CITY OF SOUTH GATE:

By: _____
Maria Davila, Mayor

Dated: _____

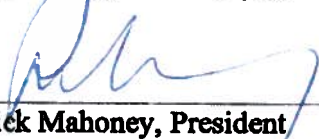
ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney

WEST COAST ARBORISTS, INC.:

By:  _____
Patrick Mahoney, President

Date: 8/5/2020

EXHIBIT A

CITY OF SOUTH GATE

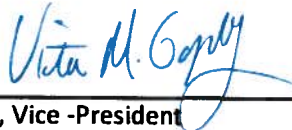
Contract Years 2020-21 & 2021-22 & 2022-23

Estimated Budget Based on a 4-year Cycle

Public Works Department			Year 2 of 4 Cycle FY20-21	
			BUDGETED	
WORK DESCRIPTION	MEASURE	UNIT RATE	QTY	EXTENDED TOTAL
Grid Pruning	EACH	\$48.50	4,054	\$196,619.00
Off Cycle/Special Request Pruning	EACH	\$102.70	92	\$9,448.40
Ficus/or Similar Pruning	EACH	\$308.10	274	\$84,419.40
Chinese Elm/or Similar Pruning	EACH	\$102.70	199	\$20,437.30
Annual Median Tree Pruning	EACH	\$71.90	214	\$15,386.60
Tree Pruning with Special Equipment	EACH	\$205.40	-	\$0.00
Tree and Stump Removal	DIA INCH	\$29.39	1,600	\$47,024.00
Stump Only Removal	DIA INCH	\$10.30	-	\$0.00
Plant 15-gal tree w/ 180-day maint.	EACH	\$256.75	-	\$0.00
Crew Rental	HOUR	\$184.80	200	\$36,960.00
Emergency Crew Rental	HOUR	\$184.80	120	\$22,176.00
SUB-TOTAL:				\$432,470.70
<i>Year #2 = Grid #'s 8, 9, 10, 11, and all Median trees and Parking Lot as assigned by the City.</i>				

Parks Department			BUDGETED	
			QTY	
WORK DESCRIPTION	MEASURE	UNIT RATE	QTY	EXTENDED TOTAL
Tree Pruning less than 50 feet	EACH	\$71.90	391	\$28,112.90
Tree Pruning more than 50 feet	EACH	\$102.70	505	\$51,863.50
Tree and Stump Removal	DIA INCH	\$29.39	340	\$9,992.60
SUB-TOTAL:				\$89,969.00

Confirmed by:



 Victor Gonzalez, Vice -President
 West Coast Arborists, Inc.

**AMENDMENT NO. 1 TO CONTRACT NO. 3243
FOR CITYWIDE TREE MAINTENANCE SERVICES
BETWEEN THE CITY OF SOUTH GATE AND WEST COAST ARBORISTS, INC.**

This Amendment No. 1 to Contract No. 3243 for Citywide Tree Maintenance Services ("Amendment No. 1"), is made and entered into on July 23, 2019, and effective as of August 1, 2019, by and between the City of South Gate, a municipal corporation ("City"), and West Coast Arborists, Inc., a California Corporation, ("Contractor"). City and Contractor are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

RECITALS:

WHEREAS, on August 9, 2016, the City Council approved Contract No. 3243 with Contractor ("Agreement") for Citywide Tree Maintenance Services for a three (3) year term through and until July 31, 2019, in the amount of One Million Six Hundred Thousand and Two Hundred Fifty Dollars (\$1,600,250) ; and

WHEREAS, City and Contractor desire to extend the term of Agreement for a one (1) year term through and including July 31, 2020, as shown on Contractor's Schedule of Compensation attached hereto as part of this Amendment No. 1 as Exhibit "A"; and

WHEREAS, City and Contractor desire to execute Amendment No. 1 in an amount not to exceed Five Hundred and Fifteen Thousand Dollars (\$515,000) for services identified in Exhibit A;

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. MODIFICATION TO AGREEMENT.

a. COMPENSATION OF SERVICES.

The amount of compensation paid by City to Contractor for the services identified in Exhibit A shall be in an amount not to exceed five hundred and fifteen thousand dollars (\$515,000).

b. EXTENSION OF TERM.

The term of Agreement shall be extended from July 31, 2019 through and including July 31, 2020.

c. SCOPE OF WORK.

Contractor agrees to provide the services and perform the tasks set forth in Exhibit A and made part of this Agreement. The Scope of Work may be amended from time to time by way of a written directive from City.

2. EFFECT OF AMENDMENT.

Except as expressly amended herein, all other terms and conditions of Agreement shall remain in full force and effect. Without limiting the generality of the foregoing, Agreement shall remain unchanged during the term of Agreement as extended by Section 1. above. Furthermore, City reserves the right to augment or reduce the scope of work as City deems necessary.

3. EFFECTIVE DATE.

The effective date of this Amendment No. 1 is August 1, 2019, and shall remain in effect through and including July 31, 2020, unless extended or terminated otherwise in accordance with the terms of Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment No. 1 to be executed and attested by their respective officers hereunto duly authorized.

CITY OF SOUTH GATE:


By: 
Jorge Morales, Mayor

Dated: 7/23/19

ATTEST:

By: 
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By: 
Raul F. Salinas, City Attorney

WEST COAST ARBORISTS, INC.:

By: 
Pat Mahoney, President

Dated: 7/18/19

AGREEMENT FOR CITYWIDE TREE MAINTENANCE PROGRAM
CITY PROJECT NO. 540-ST

THIS AGREEMENT is entered into as of the 1st day of August, 2016 by and between the CITY OF SOUTH GATE, a municipal corporation ("City"), and West Coast Arborists, Inc., a California corporation ("Contractor" herein), and is made with reference to the following:

RECITALS:

A. City desires to contract for citywide tree maintenance services, which are required to maintain certain city-owned trees consisting of and identified within the City's 18 zones.

B. Contractor has represented that it is duly licensed and has the management, maintenance, and operating personnel necessary to provide the citywide tree maintenance services described in this Agreement.

NOW, THEREFORE, CITY AND CONTRACTOR HEREBY AGREE AS FOLLOWS:

1. **PARTIES, TERM, AND SCOPE OF SERVICES**

Section 101. Parties to the Agreement

The parties to this Agreement are:

- A. The City of South Gate, a municipal corporation, having its principal office at 8650 California Avenue, South Gate, California 90280.
- B. West Coast Arborist, Inc., a California corporation, having its principal office at 2200 E. Via Burton Street, Anaheim, CA 92806.

Section 102. Representatives of the Parties and Service of Notices

The representatives of the respective parties who are primarily responsible for the administration of this Agreement, and to whom formal notices, demands, and communications shall be given, are as follows:

- A. The principal representative of the City shall be:
Mr. David Torres
Field Operations Manager
Public Works Corporate Yard
4244 Santa Ana Street
South Gate, California 90280
Telephone - (323) 563-5785
Email: dtorres@sogate.org

With a courtesy notice to:

Raul F. Salinas
City Attorney
8650 California Avenue
South Gate, California, 90280

Carmen Avalos
City Clerk
8650 California Avenue
South Gate, California, 90280

- B. The principal representative of the Contractor shall be:

Mr. Patrick Mahoney
President
West Coast Arborists, Inc.
2200 E. Burton Street
Anaheim, CA 92806

- C. Formal notices, demands, and communications to be given hereunder by either party shall be made in writing and may be affected by personal delivery or by mail.
- D. If the name of the principal representative designated to receive the notices, or communications, or the address of such person, is changed, written notice shall be given within five (5) working days of said change.

Section 103. Term of Agreement

- A. The term of this Agreement shall be for a period of three (3) years, commencing August 1, 2016 through July 31, 2019. At the conclusion of this three-year period, the City at its option may renew this contract for up to three consecutive periods of one year each, beginning August 1, 2019, August 1, 2020 and August 1, 2021, subject to the termination and cancellation provisions of Section 608.
- B. Performance under this Agreement shall not commence until the Contractor has obtained the City's approval of the insurance required in Section 601.

Section 104. Scope of Work

The Contractor will be required to perform and complete the tree trimming and tree maintenance work by providing all labor, tools, transportation, equipment, materials and supplies necessary to complete all work in a professional, thorough and timely manner, in accordance with standards and specifications as contained in the "Scope of Work" attached here to as Exhibit "A".

II. DUTIES AND POWERS OF THE CITY

Section 201. Field Operations Manager

- A. The Field Operations Manager or his designee shall be responsible for the administration of this Agreement and is authorized to issue to the Contractor directives concerning the performance of the work required by this Agreement, and the required levels of service.
- B. In addition to subparagraph A above, the City's Field Operations Manager shall have responsibility for the ongoing supervision of Contractor's performance under this Agreement and shall monitor the satisfactory completion of all tree maintenance services required hereunder. Pursuant to Section 505 hereof, the Field Operations Manager or his Designee shall have authority to initiate the "Failure to Perform Notification" and to determine the reduction in the amounts to be paid by City to Contractor.

Section 202. Failure of Contractor to Provide the Service As Agreed

If in the opinion of the City, the Contractor at any time during the period of the Contract fails to properly and satisfactorily perform the service called for in the Contract, or otherwise fails or neglects to comply with the terms of the Contract, the City may make arrangements elsewhere for the material/service, or any part thereof, and hold the Contractor responsible for re-procurement costs incurred by the City.

It is specifically provided and agreed that time shall be of the essence in regards to the Contract performance requirement. Unacceptable performance may include but not limited to: late/nonperformance, partial performance, performance not meeting specification, giving wrong prices, invoicing problems, etc.

Section 203. Liquidated Damages

- A. Except as to the indemnity obligations provided herein, if the Contractor fails to perform the services within the time specified in this contract, or any extension thereof, the Contractor shall, in place of actual damages, pay to the City as fixed, agreed, and liquidated damages for each calendar day of delay the sum of \$500.
- B. Alternatively, if the performance is so delayed, the City may terminate the Contract in whole or in part under the Termination for Default clause of the contract and in that event, the Contractor shall be liable for fixed, agreed and liquidated damages accruing until the time the City may reasonably obtain performance of similar services. The liquidated damages shall be in addition to excess costs under the Termination clause.
- D. The Contractor shall not be charged with liquidated damages when the delay in performance arises out of causes beyond the control and without the fault or

negligence of the Contractor as defined in the Termination for Default clause in this contract.

III. DUTIES AND POWERS OF THE CONTRACTOR

Section 301. Independent Contractor Status

The parties agree that the performance of the Contractor's services hereunder shall be in the capacity of an independent contractor and that no employees of the Contractor have been, are, or shall be employees of the City by virtue of this Agreement, and the Contractor shall so inform each employee organization and each employee who is hired or retained under this Agreement.

Section 302. Contractor's Personnel – General Provisions

- A. The Contractor shall be solely responsible for the satisfactory work performance of all employees and their compliance with all reasonable performance standards established by the City.
- B. The Contractor shall be responsible for payment of all employees' and subcontractor's wages and benefits, and shall comply with all requirements pertaining to employer's liability, workers' compensation, unemployment insurance, and Social Security.
- C. The Contractor shall indemnify and hold harmless the City from any liability, damages, claims, costs, and expenses of any nature arising from alleged violations of personnel practices.
- E. Contractor shall determine the number of skilled tree trimmers required to perform the daily, nightly, weekly or monthly services required under this Agreement.
- E. Contractor's work crews shall be supervised by a Lead worker/Supervisor who is able to communicate effectively in English both orally and in writing. A temporary Lead worker/Supervisor shall be appointed to supervise in the absence of the Lead worker/Supervisor. Contractor shall notify the City's Field Operations Manager or his Designee of any such temporary designation prior to the commencement of any work shift.
- F. Contractor shall maintain a 24-hour answering service, seven (7) days a week, for the purpose of receiving and responding to any emergency requests from City personnel. The telephone number for the answering service is 1-800-546-23696.
- G. Contractor shall, at all times, enforce strict discipline upon its employees and shall neither employ, nor allow to remain in its employment, any person deemed by Contractor to be unfit.

- H. Contractor shall observe all laws, ordinances, rules and regulations relating to the use and conservation of water, heat and electricity, fire prevention, and smoking.

Section 303. Uniforms and Identification

- A. Contractor's personnel shall wear standard uniforms provide by the Contractor. Such uniforms shall identify the Contractor's employees at all times while performing services under this Agreement.
- B. Contractor shall provide at no cost to the City, each authorized employee with an identification card approved by the Field Operations Manager or his Designee for the purpose of entering and exiting the City Facilities.

Section 304. Vehicles and Parking

- A. All vehicles and equipment utilized by Contractor in performing services under this Agreement shall be marked with appropriate identification of Contractor's company.
- B. Contractor shall park its vehicles and equipment in designated parking areas, or in locations to not impede normal vehicular or pedestrian traffic unless otherwise when marked as identified in the Contractor's list of equipment and following such regulations for work areas requiring temporary traffic control.

IV. PERFORMANCE STANDARDS

Section 401. Quality of Work

- A. All tree maintenance services hereunder shall be performed in accordance with all applicable federal, state, county and City laws, ordinances and regulations.
- B. The City's Field Operations Manager or his Designee shall have the right to inspect all work and to approve or reject the work performed and the equipment and or materials used by the Contractor.
- C. Any failure or refusal by the Contractor to perform the services required hereunder, or to correct poor workmanship or sub-standard performance, may result in the initiation of the "Failure to Perform Notification" as provided for in Section 505.

Section 402. Work Schedules

Contractor's services shall be provided pursuant to the work schedules as approved from time to time by the City. Contractor shall not be responsible or liable for any failure or delay in performance as a consequence of natural disasters, fire, acts of the government, or civil disorders.

Section 403. Labor Strikes

Contractor shall provide continuous tree maintenance services pursuant to this Agreement. In the event of any labor strike affecting Contractor's personnel, Contractor shall, at its sole cost and expense, take such actions as may be necessary to avoid any interruption of the services hereunder. Contractor's failure to do so shall entitle the City to take appropriate action so as to provide for the continuation of such services, and the cost thereof shall be borne by the Contractor.

V. COMPENSATION AND PAYMENTS

Section 501. Compensation

The compensation to be paid by City to Contractor for all services rendered under this Agreement shall be \$1,600,250.00, not including additional services which are identified in the Price Proposal Sheet. Any future adjustment in compensation shall be subject to the mutual agreement of the parties. Annual CPI price adjustments are subject to approval by the City Council.

Section 502. Invoicing

Contractor shall, not later than the fifth working day of each month following the month in which services are rendered, submit to the City an invoice documenting the Contractor's services during the preceding month. Such invoice shall be accompanied by the certified payroll records described in Section 504.

Section 503. Payment

Subject to any deductions, which may be imposed pursuant to Section 505, compensation shall be paid by the City to the Contractor within thirty (30) working days after receipt by the City of Contractor's invoice for services rendered and the certified payroll records described in Section 504. The City shall pay the Contractor according to the billing schedule provided herein as Exhibit B (Accounts Payable Schedule) which delineating the payment schedule and invoice deadlines for the fiscal year 2015-2016. The subsequent years schedules shall be provided prior to the beginning of each fiscal year.

Section 504. Certified Payroll Records

- A. Contractor shall comply with all applicable provisions of Sections 1776, 1777.5 and 1777.7 of the California Labor Code and shall submit certified payroll records with each monthly invoice or other request for payment. No invoice or other request for payment will be processed by the City in the absence of such certified payroll records.
- B. Contractor shall be responsible for compliance with Section 1776 of the California Labor Code and shall insert a provision in all subcontracts, if any,

requiring subcontractors to comply with said Section.

Section 505. Deductions from Monthly Progress Payments

If Contractor fails to perform any of the tree maintenance services specified in Section 104 above, then the Field Operations Manager or his Designee shall give written notice thereof to the Contractor's Lead worker/Supervisor. Such notice shall be entitled "Failure to Perform Notification" and shall state the nature of the services which were not performed, and the date or dates the services were omitted. This notice shall also set for the computations of the Field Operations Manager or his Designee as to the appropriate deduction proposed to the Contractor. Such proposed deductions from the payment shall be subject to prior discussions between the parties.

Section 506. Taxes

Contractor shall have the sole responsibility for the payment of all federal, state and local taxes, and for all unemployment contributions and other required set asides and deductions.

VI. GENERAL TERMS AND CONDITIONS

Section 601. Insurance

The Contractor shall secure and maintain, and require its subcontractor(s) to secure and maintain, the minimum amounts of coverage listed below to protect against claims that may arise from operations under the Contract, whether such operations are by the Contractor or anyone directly or indirectly employed by them. All coverage shall be from a source acceptable to the City.

All Contractors, and their approved subcontractors, shall have obtained insurance coverage for Commercial General Liability (CGL), Commercial (Business) Automobile Liability (CA or BA), and Workers' Compensation (WC). Throughout the term of this Agreement, the Contractor shall obtain and maintain worker's compensation and employer's liability insurance as required by the laws of the State of California. Such insurance coverage shall include a waiver of subrogation against the City and shall provide that it may not be canceled or reduced in coverage without thirty (30) days prior written notice to the City. A certificate evidencing such insurance shall be filed with the City prior to the commencement of services hereunder.

It shall be the Contractor's responsibility, not the City's, to monitor its subcontractor(s) for compliance with the insurance requirements described in this Section.

Failure of the Contractor to obtain or maintain the required coverage or furnish the required certificates, endorsements, or policies shall constitute a material breach of this Agreement and may result in termination of the Agreement. Further, failure of the

Contractor to require its subcontractor(s) to obtain and maintain the same minimum limits and coverage and to provide the required certificates, endorsements and policies as described in this Section shall also constitute a material breach of, and may result in, termination of the Contractor's Agreement.

In lieu of termination, the City reserves the right to purchase the required coverage(s) on the Contractor's behalf. However, the cost of any insurance purchased shall be the responsibility of, and paid for by, the Contractor.

Section 602. Evidence of Insurance

Satisfactory Evidence of Insurance shall be provided to the City. All Certificates and endorsements shall be signed by an authorized representative of the insurance carrier. The City reserves the right to require the original Certificate(s)/endorsement(s) and/or to require copies of the Contractor's insurance policy(ies). Insurance Certificates are required to have a 30-day nonrenewal/cancellation notice clause and shall include NAMED ADDITIONAL INSURED ENDORSEMENTS as indicated below.

City of South Gate
8650 California Avenue
South Gate, California 90280

Satisfactory Evidence of Insurance must be submitted and approved by the City prior to providing any product or service covered under this Agreement, unless an extension is authorized by the City.

Section 603. Additional Insured

The CGL and CA/BA policies shall be endorsed to name the following as additional insureds:

- 1) City of South Gate, its past and present officers, employees and agents.

Section 604. Rating of Insurer

All policies shall be from admitted insurers with an A.M. Best rating of at least A-VII, except for the State Fund for W/C. Coverage provided by the California State Compensation Insurance Fund (State Fund) is acceptable. The City reserves the right to approve other carriers if found acceptable to the City's risk management and insurance services.

Section 605. Minimum Required Coverage

1. Comprehensive General Liability Insurance: (include products liability coverage, when applicable); \$1,000,000 per occurrence.
2. Auto Liability Insurance: \$1,000,000 per occurrence combined single limit. (CSL)
3. Workers' Comprehensive Insurance: as required by California law.

4. City of South Gate, its officers, employees and agents are to be named as an Additional Insured on the above-captioned insurance coverage's as respects the City's interests under this agreement. This is to be complied with by presenting an appropriate insurance certificate to the City prior to award of contract and commencement of work under this contract; and by presenting to the City an endorsement to the policy, signed by an officer of the insurance company within thirty (30) days of the inception date of this agreement.
5. Insurance policies shall be in a form written through companies acceptable to the City and shall include those endorsements, which are necessary to extend coverage which is appropriate to the nature of the agreement.

Section 606. Indemnification

Contractor shall not incur any debt, obligation or liability for or on behalf of the City and shall indemnify, defend and hold harmless the City and its officers, employees and agents, from and against any and all claims, costs, expenses, damages, liabilities and judgments attributable to or arising out of any act, error or omission on the part of Contractor, or Contractor's officers, agents, servants, employees or subcontractors, while performing services under this Agreement.

Section 607. Subcontracting, Delegation and Assignment

- A. Contractor shall not delegate, subcontract or assign its duties or rights hereunder, either whole or in part, without the prior written consent of the City; provided, however, that claims for money due or to become due to Contractor from City under this Agreement may be assigned to a bank, trust company or other financial institution without such approval. Any delegation, assignment or subcontract shall provide a description of the services to be covered, identification of the proposed assignee, delegee or proposed subcontractor, and an explanation of why and how the same was selected, including the degree of competition involved.

Any proposed agreement with an assignee, delegee or subcontractor shall include the following:

1. The amount involved, together with Contractor's analysis of such cost or price.
 2. A provision requiring that any subsequent modification or Amendment shall be subject to the prior written consent of the City.
- B. Any assignment, delegation or subcontract shall be made in the name of the Contractor and shall not bind or purport to bind the City and shall not release the Contractor from any obligations under this Agreement including, but not limited to, the duty to properly supervise and coordinate the work of employees, assignees, delegees and subcontractors. No such assignment, delegation or subcontract shall result in any increase in the amount of compensation payable to Contractor under this Agreement.

Section 608. Termination and Cancellation

- A. Upon any determination by either party that the other party has failed to comply with any of the terms or provisions of this Agreement, a notice of intent to terminate specifying the reasons therefore shall be delivered by the terminating party to the other party. If the specified default or defaults are not cured within ten (10) days after the delivery of such notice, then this Agreement may be terminated by giving a written notice of termination to the defaulting party and specifying the effective date of termination which date shall be not less than twenty (20) days after the date of said notice.
- B. Notwithstanding the provisions of subsection A above, the City reserves the right to cancel the services described herein without cause and to terminate payments to the Contractor related thereto. The City shall give the Contractor thirty (30) days' written notice of any such cancellation unless a shorter notice period is acceptable to both parties.
- C. In the event of termination or cancellation hereunder, Contractor shall be entitled to compensation for all services rendered pursuant to this Agreement up to the effective date of termination, subject to any offsets or deductions which may be established by the City.

Section 609. Non - Discrimination

- A. In the performance of this Agreement, Contractor shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, religion, ancestry, sex, national original, handicap, or age. Operator will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, sex, national origin, handicap, or age. Affirmative action relating to employment shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment, layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship.
- B. The provisions of Subsection A above shall be included in all solicitations or advertisements placed by or on behalf of Contractor for personnel to perform any services under this Agreement. City shall have access to all documents, data, and records of Contractor and its subcontractors for purposes of determining compliance with the fair employment and non-discrimination provisions of this Section. Contractor agrees that recruitment for permanent full-time employees will be conducted in the City of South Gate.

Section 610. Permits and Licenses

Contractor shall obtain and maintain during the term of this Agreement all necessary licenses,

permits and certificates required by law for the conduct of Contractor's business and for the provision of services hereunder, including, without limitation, a City of South Gate business license as required by the South Gate Municipal Code.

Section 611. Conflict of Interest

The parties agree that, to their knowledge, no member of the City Council, officer or employee of the City has any interest, whether contractual, non-contractual, financial or otherwise in this transaction, or in other business of the Contractor, and that if any such interest comes to the knowledge of either party at any time, a full and complete disclosure of all such information will be made in writing to the other party, even if such interest would not be considered a conflict of interest under applicable laws. Contractor assures that it has, at the time of execution of this Agreement, no interest, and that it shall not acquire any interest in the future, direct or indirect, which would conflict in any manner with the performance of services required hereunder. Contractor further assures that, in the performance of the services hereunder, no person having any such interest shall be employed.

The Contractor, for itself and its employees, officers, agents or representatives, warrants and represents that it has not offered any sum or sums to any officer or employee of the City to encourage, assist, approve or otherwise induce the award of the Agreement to Contractor.

Section 612. Resolution of Disputes

- A. Disputes regarding the interpretation or application of any provisions of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties.
- B. If any action at law or in equity is brought to enforce or interpret any provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded. The losing party's obligation shall be deemed to have accrued on the date of the commencement of such actions and shall be enforceable whether or not the action is prosecuted to judgment. As used herein, the term "attorneys' fees, costs and necessary disbursements" shall include, without limitation, attorneys' fees, costs, and expenses incurred in connection with any (a) post judgment motions, (b) contempt proceedings, (c) garnishment, levy, and debtor and third-party examinations, (d) discovery, and (e) bankruptcy litigation. As used herein, the term "prevailing party" shall include without limitation any party against whom a cause of action, complaint, cross-complaint, counter-claim, cross-claim or third party complaint is voluntarily dismissed, with or without prejudice.

Section 613. Amendments

This Agreement supersedes all prior proposals, agreements and understandings between the

parties and may not be modified or terminated orally, and no modification, termination or attempted waive of any of the provisions hereof shall be binding unless in writing and signed by the party against whom the same is sought to be enforced.

Section 614. Exhibits

The following exhibits to which reference is made in this Agreement are deemed incorporated herein in their entirety:

- Exhibit A: Scope of Work
- Exhibit B: Price Proposal Sheet
- Exhibit C: Invoice Processing Sheet
- Exhibit D: Holiday Schedule

Section 611. Governing Law

This Agreement shall be governed by the laws of the State of California. All judicial proceedings brought against any party hereto arising out of or relating to this Agreement may be brought in any state or federal court of competent jurisdiction in the County of Los Angeles, State of California, and by execution and delivery of this Agreement each party accepts for itself and in connection with its properties, generally and unconditionally, the exclusive jurisdiction of the aforesaid courts (both personal jurisdiction and subject matter jurisdiction), waives any defense of *forum non conveniens* and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement. Each party hereby agrees that service of all process in any such proceeding in any such court may be made by registered or certified mail, return receipt requested, to any other party at its address provided herein, such service being hereby acknowledged by each party to be sufficient for personal jurisdiction in any action against said party in any such court and to be otherwise effective and binding service in every respect. Nothing herein shall affect the right to serve process in any other manner permitted by law.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

"CITY"
CITY OF SOUTH GATE

By: W.H. De Witt
W.H. (Bill) De Witt, Mayor

Dated: 08/10/16

ATTEST:

Carmen Avalos
Carmen Avalos, City Clerk
(SEAL)

"CONTRACTOR"
WEST COAST ARBORISTS, INC.

By: Patrick Mahoney
Patrick Mahoney, President

Dated: 8/16/16

APPROVED AS TO FORM:

Raul F. Salinas
Raul F. Salinas, City Attorney

SCOPE OF WORK

The Contractor will be required to perform and complete the tree trimming and tree maintenance work by providing all labor, tools, transportation, equipment, materials and supplies necessary to complete all work in a professional, thorough and timely manner, in accordance with standards and specifications as contained in this Section "Scope of Work."

A. ANNUAL TREE MAINTENANCE PROGRAM

- 1) The Contractor shall be required to submit a work schedule based on the City's annual tree pruning requirements, tree removal and replacement program, and planting projects, as detailed in Sections S through W of this Scope of Work.

The Proposal shall include a recommended annual work plan, daily work schedules, personnel and vehicles that would be required to complete the annual maintenance program as described in this Section A of the Scope of Work.

Depending on the City's current and future tree trimming and tree maintenance needs, the scheduled work may require multiple crews to perform concurrently within the same time periods.

- 2) The Contractor shall have competent working supervisors at each jobsite at all times when work is being performed. Each supervisor must be capable of communicating effectively both in written and oral English and hold the necessary certifications or credentials as described herein for that position. All supervisors must possess adequate technical background to ensure that all work is accomplished in accordance with the special provisions of this RFP.

B. EMERGENCY RESPONSE PROTOCOL

- 1) The Contractor is required to have a Project Manager available by telephone on a 24-hour basis that is assigned to provide direct and prompt attention to requests from City for emergency and after-hours tree service requests.
 - a. Contractor shall acknowledge tree related emergency calls during normal business hours of operation and after-hours within fifteen (15) minutes of the initial call by the City. As used herein, the term "normal" business hours of operation means 7:00 am to 5:00 pm, Monday through Thursday, excluding federal holidays.
 - b. The response time for a crew to arrive on-site for tree related emergencies during normal business hours of operation shall not

exceed one (1) hour.

- c. The response time for a crew to arrive on-site for tree related emergencies outside of normal business hours of operation shall not exceed two (2) hours.

Failure to meet these requirements for timely responses to emergencies shall result in a \$500 penalty for each occurrence, as the actual damages incurred by the City in such occurrence cannot readily be ascertained at this time.

C. CONTRACTOR EMPLOYEE PROTOCOL

- 1) Contractor shall employ sufficient personnel qualified by reason of education, training and experience to discharge the services agreed to be performed by Contractor. Contractor shall provide service of the highest quality at all times, and personnel retained to perform this service shall be temperate, competent and otherwise fully qualified to fulfill the Contractor's obligations under the agreement.
- 2) All employees of Contractor performing services shall be dressed in clean, unaltered uniforms with suitable company identification. No portion of the uniform may be removed while working. Employees not in uniform shall be immediately removed from the work area. The Contractor shall provide a standard uniform consisting of at least a collared shirt with buttons, complimenting pants, a belt, and boots appropriate to the work. All shirts, jackets, or safety vests shall be clearly marked with company identification and the name of the employee wearing the uniform in the field. Contractor employees shall appear neat and well-groomed at all times. Contractor employees shall wear brightly colored safety vests when operating machinery and/or while working within five hundred (500) feet of moving traffic or such other distance required by any applicable laws.
- 3) The Contractor's employees shall be subject to the following minimum requirements, skills, abilities and knowledge:
 - a. All proper licenses for operation of equipment utilized by such employee.
 - b. Ability to operate and maintain equipment in accordance with the manufacturer's recommendations.
 - c. Mechanical ability to make required operator adjustments to the equipment being used.
 - d. Knowledgeable of safety regulations as they relate to tree care and traffic control.

- e. American Red Cross Standard First Aid Certification (minimum of one member of each crew).
- f. Ability to communicate orally and in writing in English.
- g. Demonstrated knowledge of tree care and related operations.

D. TREE INVENTORY

No later than three (3) months after full execution of subject contract, the successful Contractor shall provide a complete Citywide update of the City's tree inventory. The tree inventory data shall conform to the existing tree inventory database and include but not be limited to the following data fields:

1) Tree Location

A GPS tree inventory shall be created with a new database using the City's standardized addressing system for all parks and open space areas. The Contractor shall be required to create an ESRI Nobel Geoviewer compatible "shape file" utilizing such data.

The inventory shall be capable of showing the location of every existing tree site and vacant tree site on the City's existing GIS base maps (streets, parcels, addresses, ROW and hardscape, etc.).

The tree inventory shall be conducted by visiting each tree site or vacant planting site and plot the position. The data shall be compatible with the latest version of Nobel Geoviewer. The location shall be stated within one (1) foot minimum accuracy.

Contractor shall indicate whether such tree is located within designated street, street median, City Park, City Parking Lot or other City Facility.

Contractor shall update the tree inventory on a daily basis, as conditions require (e.g., tree removed, tree planted, etc.). The City shall have access to updated data at all times per Paragraph N, "Record Keeping".

2) Measurement of Canopy Spread and trunk diameter

As a part of the data collection process, successful Contractor shall measure the canopy spread of each tree using either a laser rangefinder or a Roll-a-Tape, to the nearest foot, using a pre-established uniform protocol. The diameter of the trunk shall be recorded at grade to the nearest inch. This data shall be included in the inventory database in a format suitable for use by the City.

3) Tree Condition

- a. General condition of individual trees

- b. Pruning requirements (i.e., recommended pruning cycle)
- c. Condition of surrounding hardscape (i.e. displacement, recent repairs)
- d. Root pruning and
- e. Presence of disease and/or pests.

E. WORK QUALITY AND GENERAL STANDARDS

All work performed by Contractor shall comply with good arboreal practice for the particular species of trees being trimmed, shall be consistent with the Pruning Standards as adopted by the International Society of Arboriculture, and/or "Pruning Landscape Trees" by U.C. Agricultural Extension Service #AXT-288. The Contractor shall also meet the requirements of the most current American National Standards, A300 (Part 1) – for Tree Care Operations – Tree, Shrub, and other Woody Plant Management – Standard Practices (Pruning), Z133-1-1972, entitled "Safety Requirements for Tree Pruning, Trimming, Repair or Removal," published by the American National Standard Institute, Inc., 1430 Broadway, New York, New York 10018.

The City's designated representative shall determine if the Contractor has met all trimming requirements, and payment shall not be made by City for trimming that is not in accordance with the above standards.

Prior to beginning the work, the Contractor shall review with the City's designated representative the various methods, tools and work scheduling to be used on the specific project to be undertaken.

Any structural weakness, decayed trunk or branches, or split crotches or limbs discovered by the Contractor during the course of trimming shall be reported to the City's designated representative for determination of action, as soon as it is discovered. When working on a tree, Contractor shall be responsible for the removal of all vines entwined in the tree or around its trunk, and for the removal of sucker/watersprout growth from tree trunks.

Daily tree trimming operations shall commence no earlier than 7:00 AM and shall be completed each day no later than 5:00 PM. Unless otherwise approved by the City's Director of Public Works/City Engineer or his/her designee, all work on the City major thoroughfares shall be in accordance with the requirements as shown below:

No work shall be done between the hours of 6-9:00 a.m. on the westbound direction and eastbound direction or between 3-7 p.m. on these major thoroughfares:

- 1) Firestone Boulevard – City limit to City Limit
- 2) Atlantic Avenue - City limit to City Limit
- 3) Garfield Avenue - City limit to City Limit
- 4) California Avenue - City limit to City Limit
- 5) Otis Avenue – Santa Ana Avenue to South of Tweedy
- 6) Long Beach Boulevard - City limit to City Limit
- 7) Paramount Avenue - City limit to City Limit
- 8) Tweedy Avenue - Atlantic to State Avenue

Contractor's quality of work for all trimming of trees shall be such that if a tree has been trimmed within the last 24 months, and there is an issue such as limb drop, dead branches, etc., Contractor will respond as directed by the City's designated representative (whether emergency or standard response) at Contractor's own expense.

A work zone shall be established and maintained for each tree trimming or other operations. Contractor shall use all appropriate methods used in the field of tree trimming and tree maintenance for establishing and maintaining such work zone. No person other than members of Contractor's work crew may be allowed to enter such work zone. If any person enters such work zone, Contractor shall immediately cease all work and operation of all equipment until the work zone is clear.

All traffic control shall be per the Manual of Uniform Traffic Control Devices (MUTCD), latest edition.

F. PUBLIC NOTICING

Contractor shall supply and post standard signage, with professional quality graphics, approved by the City's designated representative, on the trunk of the tree at the work site at which work is to be performed, at least seventy two hours (72) in advance of work with the signage clearly stating what type of work is to be done and what affect the work will have on parking availability at that particular site. Posting shall be affixed to the tree trunk using materials that do not cause permanent damage to the tree. In the event that a tree trunk is not available for posting, the Contractor shall affix the posting to a standard size safety cone and place that cone in the center of the parkway where a tree is to be planted or atop a stump that is scheduled for grinding.

POST GRID TRIMMING SURVEY – Additionally, the Contractor shall supply and place brightly colored door hangers at each property adjacent to any regularly scheduled grid trimming operation after each day's work is completed. The wording shall include questions asking for the resident's or business'

opinion of and satisfaction with the grid trimming work and clean-up completed that day. This survey notice will include the City's web-address for Tree Trimming Maintenance, the City's contact telephone number, and mailing address for ease of mailing. The information format, wording, and materials used for this notice shall be provided by the Contractor and must be approved by the City's designated representative prior to its use.

G. TOOL SANITATION

On all trees, including palms, known or suspected to be diseased, pruning tools and cut surfaces shall be disinfected with a ten (10) percent chlorine bleach solution after each cut and between trees where there is danger of transmitting the disease on tools. Fresh solution shall be mixed daily. Old solutions shall be disposed of through proper disposal methods. Dumping used or old bleach solutions on the ground or down the storm drain is strictly prohibited. Per the Los Angeles County National Pollutant Discharge Elimination System (NPDES) Municipal Separate Storm Sewer System (MS4) Permit Order No.R4- 2012-0175, it is unlawful for any person to discharge non-storm water discharges to the MS4 unless the discharger meets the requirements set forth in the NPDES MS4 Permit.

H. PRE-INSPECTION

- 1) Prior to the commencement of any work in the vicinity of any tree, the Contractor shall identify the location of utilities, irrigation components and/or any private property element(s) that could be compromised by any work activity. If identified, the Contractor shall take appropriate action to protect same. If, during the course of pre-inspection, the Contractor identifies damage that exists before the onset of work, the Contractor shall document the damages with photos and report such damage to the City's designated representative prior to commencing work in that area. All photo documentation shall have the time and date embedded. Any claim of damage that cannot be refuted by photo-documentation and/or a written report to the City's designated representative shall be considered the responsibility of the Contractor.
- 2) Any damaged paved surfaces and landscape areas shall be restored to their original condition. Repair to all piping, sprinkler heads and improvements damaged by tree maintenance or service performed by the Contractor that cannot be refuted by photo-documentation and/or a written report to the City's designated representative shall be considered the responsibility of the Contractor.

I. SETUP, OPERATIONS, EQUIPMENT STAGING

The Contractor shall setup, operate and stage in a manner that presents the least amount of disruption to residents, businesses, and the public and traffic flow. Outside of an emergency situation, at no time will multiple setups or equipment staging be allowed on both sides of a street within the same block. Equipment shall never be stored or left unattended on a public street, City facility or private property. The staging of equipment shall not be exempt from the work hour restrictions defined herein.

J. IDENTIFICATION AND REPORTING OF HAZARDS

While performing work of any type, the tree worker should inspect for any obvious hazards related to trees, including uplifted sidewalk segments. All hazardous situations should be corrected or promptly reported to the City. Any defective or weakened trees shall be reported to the City's designated representative. Contractor will be responsible to provide the City with the location and height of the uplifted sidewalks as part of the GIS mapping inventory. This information will be updated, at a minimum, on a weekly basis.

K. RISK MANAGEMENT

Tree work is a controlled task. At no time should work be performed so as to result in a loss of control incident (e.g. free-falling large limbs or trunk sections, hinge cutting to avoid use of ropes/hoisting equipment, lack of safety apparatus/equipment guards, improper use/loading of equipment). Failure to maintain control at all times shows a lack of planning and judgment, which is considered dangerous, and can result in serious injury or death. The Contractor will be held fully liable for any damages and/or injuries. In addition, the Contractor shall be responsible for the mitigation of any damages related to a loss of control incident, and indemnification and defense obligations of the City.

L. CLEANUP OF GREEN WASTE AND DEBRIS

Limbs, logs or any other debris resulting from any tree operations shall be promptly and properly removed. The work area shall be kept safe at all times until all operations are completed. Under no circumstances shall the accumulation of brush, limbs, logs or other debris be allowed to pose a hazard to the public. During production trimming and removals, debris shall be removed from public rights of way and private property within one (1) hour of the completion of work on the tree from which the debris was generated. All trimming activities shall cease immediately if clean-up equipment ceases to function or is not available (e.g. loader, roll off equipment, staff). Street rights of way shall not be used to stage unattended debris generated during normal business hours of operation. All debris from tree operations shall be cleaned up each day before the work crew leaves the site. All lawn areas shall be raked, all streets/sidewalks shall be swept, and all brush, branches, or other debris shall be removed from the site. Areas are to be left in a condition equal to or better than that which existed prior to the commencement of tree operations. No material is

to be allowed to enter any storm drain. Under no circumstances shall any member of the public be allowed into the work area. Under no circumstances shall any member of the public be allowed to collect, salvage, or remove any brush, limbs, logs or other debris from the work area.

M. DISPOSAL OF MATERIALS

Contractor shall provide to the City evidence of Recycling Credit under AB939 (1989) – The Integrated Waste Management Act – for all green waste produced as a result of the Contractor’s operations under this Agreement. All green waste shall be reduced, reused, recycled, and/or transformed by Contractor. Weight slips shall be required as proof of final disposal and must be submitted by Contractor with each demand for payment. All brush generated from tree trimming operations shall be recycled where practical.

1) Wood Chips

Reducing shall include but not be limited to chipping, grinding, and/or shredding operations. Disposal is to be at a recycling yard for use in a mulching program, and Contractor shall provide proof of such with each demand for payment, or through use as mulch on City property at the direction of the City’s Field Operations Manager.

The City shall have first right of refusal as to the use of all disease-free wood chips generated from chipping, grinding, and/or shredding operations. Chips generated from trimming operations within the City of South Gate may be dumped and spread at a City designated site with written permission from the City’s designated representative.

Wood waste generated from tree removals shall be chipped into pure wood chips with an even uniform size. Diseased trees shall not be commingled with regular trees in the creation of wood chips. The disease-free chips shall be dumped and spread in specified locations in the City at the direction of the City’s designated representative. It is the responsibility of the Contractor to appropriately dispose of diseased trees.

N. RECORD KEEPING: DATA COLLECTION / TREE INVENTORY / RECORD MAINTENANCE

Contractor shall provide and operate, a computerized tree inventory system and that is compatible or acceptable to the City IT department with the current City inventory system (web-based SQL Server) and shall upload all historic data. The system shall be password accessible twenty-four (24) hours each day of the year via the internet. Historic tree inventory and work history data, to be provided to the City, shall be uploaded and operational within Contractor’s tree inventory system prior to the commencement of all tree service work under the terms of an awarded agreement. Thereafter, the Contractor shall update and maintain the tree site specific, internet accessible, computerized tree inventory

system to reflect changes in baseline data (e.g. species, height, DBH) and to record the date, cost and crew identity for any trimming, removal, planting or emergency response work that occurs at any tree site at which tree work is performed. The system shall be upgraded to reflect the removal and replacement of trees, as well as the addition of trees to the inventory. The system shall be capable of maintaining and displaying all past work histories for any and all tree sites in the inventory, both individually and collectively by query, as well as future scheduling to the extent known. All aspects of the system including, but not limited to, data entry, system maintenance, system hardware and/or software upgrades and server security and stability shall be the responsibility of the Contractor and shall be provided at no cost to the City of South Gate. The system shall not be proprietary in the nature of its function and shall operate and interface with common computer software and web based applications, including the ability to export data into common spreadsheet applications. The records created for the City shall be the property of the City and shall be uploaded to the City system no less than once a month.

Tree site/task specific hardcopy backup data for any work that has occurred during a billing cycle shall accompany the invoicing for that period and shall be accessible for review on the internet based computerized tree inventory system prior to the submittal of invoicing for that work. Invoicing for work that does not meet the requirements defined herein will not be processed for payment until such time as the requirements have been satisfied.

Failure to meet and maintain the requirements for the computerized tree inventory system shall be grounds for termination of the agreement.

Upon termination of the agreement, Contractor shall, within 20 days, shall transmit all records and files, at no cost, to the City in a compatible format and shall otherwise cooperate in good faith to deliver any and all records generated by a Contractor which are related to services provided to the City.

O. ACCIDENT INVESTIGATION

Any duty-related incident which results in any injury shall be reported to the City's designated representative within one (1) hour by the Contractor. Contractor shall cooperate fully with the City in the investigation of any incident, injury or death occurring on City property including a complete written report submitted by Contractor to the City's designated representative, or designated representative, within 24 hours following the occurrence.

Should any structure or property be damaged during permitted or contracted tree operation, the persons conducting the work shall immediately notify the property owners and City's designated representative within one (1) hour. Contractor shall make all arrangements for repairs to property damaged to be made within forty eight (48) hours, except utility lines, which shall be repaired the same working day. Contractor shall be solely responsible for

contacting all utilities, neighboring property owners, and contractors required to complete such repairs. Repairs on private property shall be made in accordance with the appropriate building code under permits issued by the City of South Gate as applicable. Any damage caused by the permitted or contracted persons shall be repaired or restored by them at their expense to a condition similar or equal to that existing before such damage or injury, or they shall repair such damage in a manner acceptable to the City.

Special attention is drawn to existing irrigation systems, plant material, landscape features, lights and utility boxes in City parkways, parks and public landscape areas and the need to avoid damage and to repair any damage that occurs on the same day that the damage occurs. Contractor may self-perform such work on irrigation systems upon approval and acceptance of such work by the Operations Manager and/or designee.

Contractor's responsibility shall be continuous and not be limited to working hours or days.

P. WITHHOLDING PAYMENT

The City may withhold payment to such extent as may be necessary to protect the City from loss due to one or more of the following reasons:

- 1) Defective, unsatisfactory or inadequate work not corrected.
- 2) Claims filed or reasonable evidence indicating probable filing of claims.
- 3) Failure of the Contractor to make proper payments to subcontractors or for materials or labor.
- 4) A reasonable doubt that the agreement can be completed for the balance unpaid.
- 5) Damage that resulted from an incident involving property damage.

Q. INSPECTIONS

The City's designated representative shall be furnished with every reasonable means for ascertaining full knowledge of the daily tree maintenance operations involving the workmanship, character of materials and equipment used and employed in the work. Each day, the Contractor shall be required to provide the City's designated representative, with a written schedule of all daily tree maintenance operations including but not limited to trimming, planting, removals, stump grinding, root pruning, and watering.

Inspection of the work shall not relieve the Contractor of any obligations to complete the work as outlined in this document. Defective work shall be made good even if the defective work was not pointed out during the initial inspection and the work was accepted for payment.

- 1) Any work found to be unacceptable will be noted in writing to Contractor. Upon receipt of notice of any deficiencies, the Contractor shall make a reasonable effort to correct the deficiencies within five (5) working days. If unacceptable conditions are not corrected within this time period the City shall have the right to deduct payment or have services performed by others at Contractor's expense.

R. MINOR MODIFICATIONS AND/OR ADDITIONAL WORK

The City may modify these specifications with the joint approval of the Contractor and the Public Works Director or assignee. All modifications shall be in writing.

- 1) In the event that the City of South Gate should require additional work beyond the requirements of these specifications, the Contractor shall perform all work based on the unit prices rate schedule provided in with Contractor's cost proposal.
- 2) Additional work may be added to the agreement work as the need arises. The Contractor shall perform all specified and approved additional work at the unit prices submitted with the Contractor's cost proposal..
- 3) Contractor will be required to demonstrate the ability to properly execute the expanded workload with the necessary increase in labor, materials and equipment needed to complete the additional work in a timely manner.

S. TREE PRUNING

Any tree work performed on a City tree must be performed according to the City's specifications, including, but not limited to, the ANSI A300 Standard Practices (Pruning), and the ISA Best Management Practices (BMP) for Pruning. The criterion for pruning varies based on the type or purpose of pruning. Contractor shall provide written pruning specifications for each of the specific types of pruning work to be performed (i.e., structural/young tree training, risk reduction, clearance, improve aesthetics; reduce fruit/fruit, etc.). The specifications shall include, but not limited to, the objectives, procedures, Personnel Qualifications, and any specific notes that may be necessary.

- 1) **General Specifications for tree pruning**

Contractor shall limit routine pruning of live tissue to 20% - 30% of the canopy in any one-prune cycle. In exceptional cases, up to 25% of the live canopy may be pruned. Pruning of greater than 35% of live tissue in any tree is prohibited unless specific direction is obtained from the City's designated representative. Where clearance allows, live crown ratios shall be maintained at 60% or greater.

- a. Contractor shall prune trees so as to prevent branch and foliage interference with safe public passage. Contractor shall maintain street clearance to a minimum of fourteen feet, six inches (14' 6") above the paved surface of the street and fourteen (14) feet above the curb and surface of a public sidewalk or pedestrian way. Exceptions are allowed for young trees, which would be irreparably damaged by such pruning action. If pruning to these standards would result in permanent disfiguration of a tree, the Contractor shall not prune the tree until such time as direction is obtained from the City's designated representative.
- b. Contractor shall use best practices when removing a live branch. Such shall include pruning cuts in branch tissue just outside the branch bark ridge and collar, which are trunk tissue. If no collar is visible, the angle of the cut should approximate the angle formed by the branch bark ridge and the trunk.
- c. Contractor shall use best management practices when removing a live branch. Such shall include pruning cuts in branch tissue just outside the branch bark ridge and collar, which are trunk tissue. If no collar is visible, or if there is no collar and included bark is present, the angle of the cut shall follow the example in the ISA BMP for Tree Pruning.
- d. When removing a dead branch, the final cut should be made outside the collar of live callus tissue. If the collar has grown out along the branch stub, only the dead stub should be removed, the live collar should remain intact and uninjured.
- e. Whenever pruning involves the removal of limbs that are too large to hold securely in one hand during the cutting operation, the limb shall be pre-cut at a point several feet beyond the intended final cut to avoid splitting or tearing of the limb. A three-cut method shall be employed as described in the ANSI A300 Pruning Standards. The final cut shall be made in a manner to prevent unnecessary tearing back of the bark and wood. Cuts that result in tearing of tissue on limbs below cuts shall be prohibited.
- f. All final tree pruning cuts shall be made in such a manner so as to favor the earliest possible covering of the wound by natural callus growth. Excessively deep flush cuts, which produce large wounds or weaken the tree at the cut, shall not be made. The branch collar should not be removed.

- g. All dead and dying branches and branch stubs shall be removed.**
- h. All broken or loose branches shall be removed.**
- i. Branches that are developing in such a manner as to become larger than the limbs they originate from shall be removed.**
- j. When encountering limbs that are weighted with more foliage than the limb is likely to support, selectively prune branches toward the end of the limb in order to reduce end weight and thus decrease the likelihood of limb failure.**
- k. Selectively prune branches that create sight line conflicts with traffic control signs and/or devices.**
- l. Selectively prune branches that are within five (5) feet of a structure**
- m. Clear trees of sprout or sucker growth to a minimum height of ten (10) feet above ground level. Exceptions are allowed for young trees, which would be irreparably damaged by such pruning action.**
- n. Prune so as to maintain a balanced appearance when viewed from the opposite side of the street immediately opposite the tree, unless authorized by the City's designated representative to do otherwise. Such pruning shall not leave other parts of the canopy excessively unbalanced or overextended.**
- o. Remove all vines entwined in trees and on tree trunks. Vine tendrils shall be removed without injury to trees. Vines include but are not limited to ivy and mistletoe.**
- p. Tree limbs shall be removed and controlled in such a manner as to cause no damage to other parts of the tree, or to other plants or property.**
- q. All tools used on a tree known to contain an infectious tree disease shall be properly disinfected immediately before and after completing work on such tree.**
- r. All pest infestations relating to termites, bees, beetles hornets, or wasps shall be promptly reported to the City.**
- s. All cutting tools and saws used in tree pruning shall be kept sharpened to result in final cuts with an un-abrasive wood surface and secure bark remaining intact.**

- t. All trees six (6) inches in diameter or less shall be pruned with hand tools only.
- u. Chain saws will not be permitted to remove any branches two (2) inches or less in diameter. This is to prevent any unnecessary abrasions to cambial tissue that may predispose a tree to insect and/or future disease/decay problems.
- v. Any extraneous metal, wire, rubber or other material interfering with tree growth shall be removed when possible. Extraneous materials that cannot be removed shall be reported to the City and noted in the tree inventory updates.
- w. The use of climbing spurs or spike shoes in the act of pruning trees is prohibited, unless specifically directed by the City to aid in the safety of climbers performing the removal of a tree.
- x. Any grouping of seven (7) or more trees in close proximity to one another (an approximate 200 yard radius), shall be priced as grid trimmings even when off the regularly scheduled grid plan.

2) **Crown Raising/Clearance Prune:**

A Crown Raising or Clearance Prune is performed when conditions within the crown of a tree are such that a certain objective needs to be met or a certain condition needs attention. A crown raising or clearance prune does not involve the detail of work found in a full prune. Crown raising or clearance pruning may consist of one or more of the following pruning types:

- a. **Crown Raising:** Crown Raising consists of removing the lower branches of a tree in order to provide clearance for buildings, vehicles and pedestrians. It is important that a tree have at least one-half of its foliage on branches that originate in the lower two-thirds of its crown to ensure a well-formed, tapered structure and to uniformly distribute stress within the tree. Where clearance allows, live crown ratio of trees shall be maintained at 60% or greater.
- b. **Clearance Prune:** Clearance prune is employed as a means of eliminating limbs from the crown of a tree when an entire pruning of the tree is not warranted. Clearance pruning does not involve the fine detail work described herein as "fullprune."
- c. Contractor shall limit routine pruning of live tissue to 10% - 15% of the canopy in any one prune cycle. In exceptional cases, up to 25% of the live canopy may be pruned. Pruning of greater than 25% of live tissue in any tree is prohibited unless specific direction is obtained from the City's designated representative.

3) **Pruning Specifications for individual Species**

a. **General Trimming and Shaping of Conifers.** Two basic classes of conifers can be found in South Gate, those with branches radiating out from the trunk in whorls such as Pine trees or Cedar trees and those that sprout branches in a random manner such as Juniper or Yew . Conifers shall typically be pruned in late winter or early spring. Typically, 20% - 30 % of the live foliage may be removed, and no more than 35% of the live foliage may be removed unless directed otherwise by the City's designated representative. Where clearance allows, live crown ratios shall be maintained at 60% or greater.

1. Contractor shall limit routine pruning of live tissue to 20% - 30% of the canopy in any one prune cycle. In exceptional cases, up to 30% of the live canopy may be pruned. Pruning of greater than 40% of live tissue in any tree is prohibited unless specific direction is obtained from the City's designated representative.
2. Cut to laterals to preserve the natural form of the tree, leaving the head open enough for the branching system to show and permitting the dead material to be easily cleaned out and light to show through the head. Tree foliage shall be reduced by no less to twenty-five percent (25%).
3. To control the growth of large, mature conifers contractor shall be required to prune the new growth of lateral limbs.
4. Typical pruning of conifers shall consist of removing crossed limbs, deadwood or unwanted branches from the interior of the canopy. Small limbs, including suckers and waterspouts, shall be cut close to the trunk or branch from which they arise.
5. Heading cuts and/or topping will not be allowed under any circumstances. Heading, rounding over, or stubbing shall not be an accepted practice for reducing the size or the framework of any tree.
6. All pruning shall be accomplished in such a manner that will result in a balanced canopy. There may be situations where this is not possible (i.e., accessibility), or may have to be accomplished over several pruning cycles.

b. **General Trimming and Shaping of Trees**

Follow the shape indicated by the natural growth habits of each tree species. Trimming and shaping of trees shall be as directed by the City's designated representative and in accordance with the following:

1. Cut to laterals to preserve the natural form of the tree, leaving the head open enough for the branching system to show and permitting the dead material to be easily cleaned out and light to show through the head. Tree foliage shall be reduced by at least twenty-five percent (25%) and up to thirty percent (30%).
2. In specific cases the City's designated representative may direct the contractor to reduce the size of the tree crown in an effort to limit the height of specific trees.
3. Trim to remove dead wood or weak, diseased, insect-infested, broken, low, or crossing limbs. Branches with an extremely narrow angle of attachment should normally be removed.
4. Small limbs, including suckers and waterspouts, shall be cut close to the trunk or branch from which they arise.
5. Heading cuts and/or topping will not be allowed under any circumstances. Heading, rounding over, or stubbing shall not be an accepted practice for reducing the size or the framework of any tree.

T. SPECIALTY PRUNE CLASSIFICATIONS FOR TREES

- 1) A Full Prune is performed when conditions within the crown of a hardwood tree are such that the entire tree needs to be fully pruned. Complete pruning is recommended when the primary objective is to maintain or improve tree health and structure, and includes pruning to reduce overall canopy mass and excessive wood weight. Trees that are identified for a Full Prune shall typically have 20% - 30%, and no more than 35%, of the live foliage removed. Work must be performed according to the City's specifications, including, but not limited to, the ANSI A300 Standard Practices (Pruning), and the ISA Best Management Practices (BMP) for Pruning. The criterion for pruning varies based on the type or purpose of pruning. Contractor shall provide written pruning specifications for each of the specific types of pruning work to be performed (i.e., structural/young tree training, risk reduction, clearance, improve aesthetics, reduce fruit/fruit, etc.). The specifications shall include, but not limited to, the objectives, procedures, personnel qualifications, and any specific notes that may be necessary. A Full Prune typically consists of one or more of the following pruning treatments:
 - a. Crown Cleaning (zone price): Crown Cleaning or cleaning out is the removal of dead, diseased, crowded, weakly attached and low-vigor branches and water sprouts from the entirety of the tree crown. Care must be used to avoid stripping branches of all foliage at the interior of the tree crown. This practice, known as

“lion tailing” disrupts the structural integrity of the tree, making it subject to limb and branch failure, especially during high winds.

- b. **Crown Thinning (grid price):** Crown Thinning includes crown cleaning and the selective removal of branches to increase light penetration and air movement into and through the crown. Increased light and air stimulates and maintains interior foliage, which in turn improves branch taper and strength. Thinning reduces the wind-sail effect of the crown and the weight of heavy limbs. Care must be used to avoid stripping branches of all foliage at the interior of the tree crown. Thinning the crown can emphasize the structural beauty of trunk and branches as well as improve the growth of plants beneath the tree by increasing light penetration. When thinning the crown of mature trees, lions-tailing (striping foliage on branches, leaving growth only on the ends) shall be **prohibited**; 20-30% of the live foliage may be removed unless directed otherwise by the City’s designated representative.
- c. **Crown Reduction:** Crown Reduction is used to reduce the height and/or spread of a tree. Crown reduction varies from topping, a destructive practice, in that cuts are not made indiscriminately, resulting in large stubbed off limbs that are subject to decay. While reducing a crown, tree workers must adhere to the ANSI A300 tree trimming standards and the ISA BMP for Pruning. These standards emphasize knowledge of limb/branch size relationships, response growth patterns, and use of the branch bark collar in avoiding the onset of decay at cut sites.
- d. **Crown Thinning (zone price):** Crown Thinning includes crown cleaning and the selective removal of branches to increase light penetration and air movement into and through the crown. Increased light and air stimulates and maintains interior foliage, which in turn improves branch taper and strength. Thinning reduces the wind-sail effect of the crown and the weight of heavy limbs. Care must be used to avoid stripping branches of all foliage at the interior of the tree crown. Thinning the crown can emphasize the structural beauty of trunk and branches as well as improve the growth of plants beneath the tree by increasing light penetration. When thinning the crown of mature trees, up to 30% of the live foliage may be removed unless directed otherwise by the City’s designated representative.
- e. **Crown Reduction:** Crown Reduction is used to reduce the

height and/or spread of a tree. Crown reduction varies from topping, a destructive practice, in that cuts are not made indiscriminately, resulting in large stubbed off limbs that are subject to decay. While reducing a crown, tree workers must adhere to basic tree trimming practices involving limb/branch size relationships and use of the branch bark collar in avoiding the onset of decay at cut sites.

f Crown Restoration:

Crown Restoration is corrective pruning used as a means to restore the form of crowns that have been previously damaged by extenuating circumstances. This treatment is best performed by tree workers who have a good understanding of the effects of pruning for the cultivation of tree canopies.

U. PALM TREE PRUNING

Any tree work performed on a City tree must be done according to the City's specification including, but not limited to, the ANSI A300 Standard Practices (Pruning), and the ISA Best Management Practices (BMP) for Pruning. Contractor shall provide written pruning specifications for each of the specific types of palm pruning work to be performed. The specifications shall include, but not limited to, the objectives, procedures, personnel qualifications, and any specific notes that may be necessary. The criterion for pruning varies based on the type or purpose of pruning. Palm Pruning consists of maintaining the crowns and trunks of palm trees including the pruning of spent or declining fronds, seed pods and the skinning or shaping of spent petiole bases into a ball or nut as applicable by palm type.

- 1) The specifications for the pruning of palm trees are as follows:
- 2) Palm pruning should be performed when fruit, fronds, or loose petioles may create a dangerous condition.
- 3) Palms shall be pruned with the aid of an aerial lift or other acceptable means of climbing aids. The use of spurs and spikes to climb palms for pruning purposes shall not be allowed. Spikes or spurs may be used on palm trees that are being removed.

Any tree work performed on a City tree must be done according to the City's specification. The criterion for pruning varies based on the type or purpose of pruning. Palm Pruning consists of maintaining the crowns and trunks of palm trees including the pruning of spent or declining fronds, seed pods and the skinning or shaping of spent petiole bases into a ball or nut as applicable by palm type.

- 4) The specifications for the pruning of palm trees are as follows:
 - a. While making an approach to the palm crown for pruning, the Contractor shall inspect the trunk of the palm tree for signs of

decay, insect grass, bird nesting or any other condition suggestive of a structural abnormality. Upon finding any condition suggestive of a structural abnormality of the palm stem, the Contractor shall report to the City's designated representative immediately.

- b. Fronds shall be trimmed using a handsaw or pole saw that has been sterilized for no less than five (5) minutes by having the entirety of its cutting blade submersed in an equal solution of bleach and water before and after the handsaw is used to cut the fronds of any other palm tree.
- c. At no time shall a chainsaw be used to prune any frond from any Canary Island Date Palm (*Phoenix canariensis*) in the City of South Gate. The use of chainsaws to prune any frond from any Canary Island Date Palm will result in monetary penalties up to the cost of replacement of the palm.
- d. Live, healthy fronds, initiating at an angle of 90 degrees or greater from the horizontal plane, shall not be removed. Fronds removed should be cut close to the petiole base, taking into consideration the role of petiole bases in the formation and maintenance of the ornamental ball at the base of the canopy, as applicable by species. Live trunk tissue should never be cut while pruning palm fronds.
- e. Using properly sterilized equipment as described herein, any fruit or flower structures in the crown of the palm shall be removed concurrently with frond pruning. At no time shall a chainsaw be used to cut any fruit or flower from any Canary Island Date Palm (*Phoenix canariensis*) in the City of South Gate.
- f. Live, healthy fronds, initiating at an angle greater than the horizontal plane, shall not be removed. Removing all the live, healthy fronds below a 45 degree angle from horizontal is not an acceptable pruning practice. Fronds removed should be cut close to the petiole base, taking into consideration the role of petiole bases in the formation and maintenance of the ornamental ball at the base of the canopy, as applicable by species. Live trunk tissue should never be cut while pruning palm fronds.
- g. The use of chainsaws to prune any fruit or flower structures from any Canary Island Date Palm will result in monetary penalties up to the replacement cost.
- h. Care shall be taken in the handling of fruit and flowers as they are likely to release clear liquids that react with and can cause staining to hardscape elements. The Contractor shall be responsible for removing palm fruit related stains from private property hardscape elements.

- i. Maintenance of the ornamental ball located at the base of the palm canopy, directly below the live fronds, shall be as described by species as follows:
 1. Canary Island Date Palm (*Phoenix canariensis*): dead petiole bases shall be formed into an ornamental ball which begins directly below the lowest green fronds and acts to provide a base of support to the palm crown. This ornamental ball shall be uniform and smooth in appearance and shall extend no less than four (4) and no more than eight (8) feet below the lowest live frond in the crown. Ornamental balls with flattened or "stop sign" sides will not be accepted. The upper portion of the ornamental ball shall not taper in, resulting in a "pineapple" appearance as this treatment defeats the support capacity of the ball. The distal portion of the ball shall begin at a point flush with the periphery of the palm trunk and make a gradual taper upwards until it reaches the periphery of the shaped ornamental ball. The use of a sharpened shovels in shaping and maintaining ornamental balls often results in ornamental balls which have flat, un-tapered bottoms that are likely to relax and collapse into pedestrian and vehicular traffic zones with grave consequences. The ornamental ball of pruned palms will be subject to the City's representative's inspection and corrective action, if necessary to reshape the ball, will be performed at no extra charge by the Contractor.
 2. Canary Island Date Palm (*Phoenix canariensis*): dead petiole bases shall be formed into an ornamental ball which begins directly below the lowest green fronds and acts to provide a base of support to the palm crown. This ornamental ball shall be uniform and smooth in appearance and shall extend no less than four (4) and no more than eight (8) feet below the lowest live frond in the crown. Ornamental balls with flattened or "stop sign" sides will not be accepted. The upper portion of the ornamental ball shall not taper in, resulting in a "pineapple" appearance as this treatment defeats the support capacity of the ball. The distal portion of the ball shall begin at a point flush with the periphery of the palm trunk and make a gradual taper upwards until it reaches the periphery of the shaped ornamental ball. While forbidden to use chainsaws for pruning fronds, fruit and flowers from any palm tree in the City, the Contractor may use a clean chainsaw in forming and/or shaping the

ornamental ball of a Canary Island Date Palm. The use of a sharpened shovels in shaping and maintaining ornamental balls often results in ornamental balls which have flat, un-tampered bottoms that are likely to relax and collapse into pedestrian and vehicular traffic zones with grave consequences.

The Contractor shall use care not to cut into live trunk tissue while maintaining the ornamental ball. The Contractor shall remove any foreign plant material that has sprouted in an ornamental ball. The Contractor shall verify that the ornamental ball meets the standard described herein each time a Canary Island Date Palm is pruned.

3. **Date Palm (*Phoenix dactylifera*):** spent petiole bases are left to form a supportive "base" below the lowest green fronds of the crown. Unlike the ornamental ball of a Canary Island the Date Palm (*Phoenix canariensis*), the base does not require ornate shaping. Instead, spent petiole bases are left uniformly long to form the base of the canopy, which shall extend no less than four (4) and no more than six (6) feet below the lowest live frond in the crown. While forbidden to use chainsaws for pruning fronds, fruit and flowers from any palm tree in the City, the Contractor may use a chainsaw in forming and/or shaping the base of a Date Palm by shortening a number of the lower petiole bases to bring the length of the nut to standard. The Contractor shall use care not to cut into live trunk tissue while maintaining the nut. The Contractor shall verify that the base meets the standard described herein each time a Date Palm is pruned.
4. **Queen Palm (*Syagrus romanzoffianum*):** loose petiole bases are to be removed each time the crown of a Queen Palm is serviced. Petiole bases that are attached to live trunk tissue shall be left undamaged.
5. **King Palm (*Archontophoenix cunninghamiana*):** loose petiole bases are to be removed each time the crown of a King Palm is serviced. Petiole bases that are attached to live trunk tissue shall be left undamaged.
6. **Mexican Fan Palm (*Washingtonia robusta*):** spent petiole bases are left uniformly long to form a base which shall extend no more than four (4) feet below the lowest live

frond in the crown. Using hand tools, the Contractor shall skin the trunk area below the base clean without causing damage to live trunk tissue. The Contractor shall verify that the base meets the standard described herein each time a Mexican Fan Palm is pruned.

7. California Fan Palm (*Washingtonia filifera*): spent petiole bases are left uniformly long to form a nut which shall extend no more than eight (8) feet below the lowest live frond in the crown. Using hand tools, the Contractor shall skin the trunk area below the base clean without causing damage to live trunk tissue. The Contractor shall verify that the base meets the standard described herein each time a California Fan Palm is pruned.

V. TREE REMOVAL

Tree removal consists of the removal of the entirety of a tree or palm tree and the removal of its root system.

- 1) The Contractor shall comply with all general specifications standards described herein.
- 2) The price given by the Contractor for tree removals shall be inclusive of all staff, materials and equipment necessary to remove trees as described herein.
- 3) Contractor shall identify the location of all utilities and private property landscape irrigation components prior to the removal of a tree and its root system. The Contractor shall notify the City's designated representative in writing of any condition that prevents the removal of a tree and/or the grinding of its root system. The Contractor shall take all responsibility for any damage that occurs once the process of removing a tree and/or associated root grinding begins.
- 4) The Contractor shall comply with wildlife protection standards described herein whenever removing a tree.
- 5) The Contractor shall not remove any tree without first confirming that the tree being considered is indeed the tree to be removed. Any confusion should be resolved by contacting the City's designated representative for assistance. The errant removal of trees shall be penalized up to the cost of the replacement.
- 6) During a tree removal, the Contractor shall maintain control of the tree

and its parts at all times, which shall include the selection and use of proper techniques and equipment. At no time shall branches, limbs or tree trunks be allowed to freefall and create damage of any type. The Contractor will be held liable for loss of control incidents and shall pay for all damages and associated costs.

- 7) Cranes and other rigging equipment shall be properly certified, with evidence of such available for inspection prior to use of said equipment in the City of South Gate. Crane operators shall be certified by the National Commission for the Certification of Crane Operators (NCCCO) and shall be prepared to display current certification prior to operating a crane in the City. The use of cranes and certified operators shall not result in additional charges to the City beyond the unit price for the work being performed (e.g., price for tree removal).
- 8) While loading and handling debris, the Contractor shall maintain control at all times so as not to result in damage to the public rights or way or private property. In addition, the Contractor shall not drop logs or trunks so as to create undue noise or impact shock related damages to public and/or private property.

In the event that the stump is not removed the same day as tree removal, the stump shall be removed as described herein, no more than 15 days from the initial tree removal. Contractor shall be responsible for maintaining a Tree Stump Removal List on a daily basis with such list provided to the City weekly. Should the removal of any stump not occur within the 15 day period, contractor will remove the stump, within 48 hours of notification by the City, at contractor's expense. Stumps, including the root flare shall be ground to a depth of no less than eighteen (18) inches. Surface roots shall be traced and ground to a depth of less than eight (8) inches. Debris generated by stump grinding and root removal shall be removed from the site and replaced with a topsoil mix. Chips and stump grindings shall not be used as a backfill material.

- 9) The Contractor shall be responsible for the repair of any private property including irrigation system components damaged during a tree removal or stump grinding. Repairs shall be made using components matching those that were damaged.

W. TREE PLANTING AND YOUNG TREE CARE

- 1) **Tree Planting**

Tree planting consists of the installation of nursery stock container or palm trees supplied by the Contractor.

- a. The Contractor shall comply with all general specifications standards described herein and with the ANSI A300 Standard Practices for Planting and Transplanting.
- b. The Contractor shall comply with all general specifications standards described herein.
- c. As stated previously herein, the Contractor shall identify the location of all utilities and private property landscape irrigation components prior to the planting of any tree. The Contractor shall assume full responsibility for any damage that occurs during the planting of any tree.
- d. The Contractor shall supply quality nursery stock which is fully rooted and representative of recognized standards for size and quality of the material being planted. The Contractor will provide the City with a copy of the bill of lading (or other such documentation) indicating the nursery from which the tree is purchased.
- e. Brown trunk height (BTH) for palm trees shall be measured from the top of root ball to the lowest green frond attached to the trunk at an angle of ninety (90) degrees.
- f. Planting stock shall be well watered prior to shipping and covered for the duration of transport. Trees that are delivered uncovered, with a dry or fractured root ball or with broken scaffold limbs will be rejected. Root bound material will be rejected. Palms that are delivered uncovered, with a dry root ball or with a soilless root ball will be rejected.
- g. The Contractor shall not begin excavation for the planting of a tree without first confirming that the planting site being considered is indeed the site intended for the planting of a tree. Any confusion should be resolved by contacting the City's designated representative for assistance. In excavating planting pits, the Contractor shall not excavate deeper than the depth of the root ball of the tree being installed. The bottom of the planting pit shall be undisturbed so that the planted tree will not settle below top of root ball grade standards defined herein. As the width of the parkway allows, the Contractor shall excavate the planting pit to be two (2) times the width of the root ball of the nursery stock being planted.
- h. All nursery containers and box sides shall be removed from tree

root balls prior to planting. The Contractor shall not install trees with box bottoms left on. All container debris (e.g. strapping, box fragments, and nails) shall be removed from the planting pit prior to backfilling.

- 2) Circling or kinked roots should be straightened or severed prior to planting. Trees with severely circling roots shall be rejected.
 - a. The Contractor shall install the tree or palm so that the top of root ball is two (2) inches above top of curb so that the trunk flare is completely exposed. In the event that there is no curb (i.e. park site), the Contractor shall install the tree or palm so that the top of root ball is two (2) inches above surrounding finish grade. The Contractor shall not resort to cutting or trimming the root ball as a means of meeting grade standards.
 - b. The Contractor shall backfill tree plantings with an equal mix of excavated soil and topsoil. The topsoil portion of the backfill mix shall contain no more than ten (10) percent well decomposed organic fines.
 - c. The Contractor shall backfill palm plantings with one hundred (100) percent washed mortar (plaster) sand.
 - d. While backfilling, the Contractor shall cease backfilling when the planting pit is one half (1/2) full, and apply water to remove air pockets from the backfill. Once the water has drained, the Contractor shall resume backfilling the planting pit. A watering basin shall be constructed in a uniform circle and shall extend from the center of the tree trunk to six (6) inches beyond the edge of the root ball. The top of the watering basin shall be graded and maintained uniformly with the upper edge of the basin maintained at a grade of four (4) inches above the root flare of the tree.
- 3) The Contractor shall be responsible for the stability of planted trees. The nursery stake shall be removed from the trunk of the tree (as applicable) and the tree shall be double staked using two (2), two (2) inch lodge pole stakes of a length sufficient to be installed beyond the depth of the planting stock root ball and to extend to the lowest branches of the installed tree's crown. The stakes shall be installed an equal distance from the trunk of the tree and shall be installed perpendicular to the street or sidewalk and shall be installed so that one stake is orientated to be one hundred eighty (180) degrees opposite the other. The root ball

shall not be damaged by the installation of stakes. The stake shall not be in contact with any aerial part of the tree. The trunk of the tree shall be attached to the stakes using City approved tree ties installed as per manufacturer's specifications. Stakes and ties shall be installed as to allow some movement of the upper trunk and branches to encourage strong trunk wood and correct trunk taper. Stakes and ties shall be inspected annually and adjusted as needed to prevent mechanical injury to the tree. Stakes shall be removed once the root ball has become firmly established, generally after two - three growing seasons.

- 4) Upon completion of the planting of a tree, the Contractor shall seed and top dress any barren areas within ten (10) feet of the center of the trunk of the tree, but no closer than the watering berm, if there was established turf in that location. The seed shall be of the same tall fescue turf grass type existing on site or annual ryegrass if the turf is a non-seedable variety; to be applied at a rate appropriate for the type of turf seed applied. The seed shall be top dressed with well-decomposed organic fines, spread evenly with a topdressing roller, at a depth of one eighth (.125) inch. Use of manure, native soil or chip topdressings will not be allowed. The Contractor shall include seed establishment information for the property owner at the time of tree removal.
- 5) Where turf did not exist prior to planting, certified organic mulch (3-4 inches in depth) shall be applied to the ground within ten (10) feet of the center of the tree. Mulch shall be kept at least six (6) inches from the root collar and should not be mounded around the trunk at any time.

The Contractor shall be responsible for the stability of planted trees. The nursery stake shall be removed from the trunk of the tree (as applicable) and the tree shall be double staked using two (2), two (2) inch lodge pole stakes of a length sufficient to be installed beyond the depth of the planting stock root ball and to extend to the lowest branches of the installed tree's crown. The stakes shall be installed an equal distance from the trunk of the tree and shall be installed perpendicular to the street or sidewalk and shall be installed so that one stake is orientated to be one hundred eighty (180) degrees opposite the other. The root ball shall not be damaged by the installation of stakes. The stake shall not be in contact with any aerial part of the tree. The trunk of the tree shall be attached to the stakes using City approved tree ties installed as per manufacturer's specifications.

- a. Upon completion of the planting of a tree, the Contractor shall seed and top dress any barren areas within ten (10) feet of the center of the trunk of the tree if there was established turf in that location. The seed shall be of the same tall fescue turf grass type existing on site or annual ryegrass if the turf is a non-seedable

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- b. The Contractor shall not use hoses, equipment or water from private properties while installing or watering-in parkway trees.
- c. If new tree dies within a one year period from planting, the Contractor will replace it with a like specimen within seven (7) days of discovery, at Contractor's expense.
- d. If new tree is determined to be diseased within two years of planting, Contractor shall replace it with a like specimen, within seven (7) days of discovery, at Contractor's expense.

6) New Tree Care

- a. New Tree Care consists of the irrigation of young trees which have been installed by the Contractor and the cultivation of new canopy coverage. Irrigation and structural pruning to encourage strong scaffold branches, good form, and strong trunk taper will continue as directed by the City's designated representative.
- b. The Contractor shall comply with all general specifications standards described herein and with the ANSI A300 Standards Practices for Soil Management a. Modification, b. Fertilization, and c. Drainage.
- c. As stated previously herein, the Contractor shall identify the location of all utilities and private property landscape irrigation components prior to the planting of any tree. The Contractor shall take all responsibility for any damage that occurs during the planting of any tree.
- d. The Contractor shall not use hoses, equipment or water from private properties when watering parkway trees.
- e. While performing tree watering, the Contractor shall maintain the tree watering basin to include the removal of weeds and debris and the maintenance of the watering basin to size and grade standards defined herein.
- f. Trees shall be watered in such a manner that does not result in

erosion of the tree watering basin, splashing of parked vehicles or damage to any of the tree's surroundings. Haphazard riggings and/or watering out of the window from the cab of watering equipment will not be tolerated.

- g. At the time of irrigation, the Contractor shall note any vandalism, broken branches, significant dieback, presence of significant pests, and stake or tree tie issues that need attention.
- h. The Contractor shall maintain a daily log of trees watered. The log shall list the tree watered by site. A printed copy of the log, which shall be maintained in digital format, must accompany invoicing for tree watering services by the Contractor.
- i. Contractor will perform branch management strategies and structural pruning appropriate for young tree training in order to encourage strong trunk taper, well-formed and well-spaced scaffold limbs, and strong tree architecture that will reduce the risk of future failures and the need for mature tree corrective pruning. Structural pruning of young trees should be performed to eliminate or subordinate codominant stems, gradually raise the canopy with small pruning cuts as the tree matures, and encourage strong lateral attachments.
- j. Contractor shall provide written pruning specifications for young hardwood and coniferous trees' (starting at planting, then at 2 years, 5 years, 7, years, etc.) pruning work to be performed. The specifications shall include, but not limited to, the objectives, procedures, personnel qualifications, and any specific notes that may be necessary.
- k. The Contractor shall maintain a daily log of trees watered. The log shall list the tree watered by site. A printed copy of the log, which shall be maintained in digital format, must accompany invoicing for tree watering services by the Contractor.

X. ROOT PRUNING:

All root pruning shall be at the direction of Director of Public Works or his or her designee.

- 1) Selective root pruning may be required to remove specific offending roots which interfere with the work area. When pruning out selective roots, great care shall be given to retain as much root surface as possible, including sufficient buttress root dispersal around the radius of the tree. No more than one third (1/3) of a tree's root system shall be removed. Roots shall be cut back at least four (4") inches away from new hardscape to the nearest node. Pruning cuts shall be made clean and smooth with no crushing or tearing of the remaining root.

- 2) Root shaving may be required to remove a small portion of a nonessential buttress root or general root with a diameter of four (4") inches or greater. Roots will be shaved down to allow for at least two (2") inches of clearance between the root and the new hardscape. No more than one third (1/3) of a root's diameter shall be shaved off. Shaving cuts shall be made clean and smooth with no crushing or tearing of the remaining root.

Y. EXCLUSIONS:

The City may plant (not a part of this contract) approximately 1,600 new trees within the contract term in existing parkway areas Citywide. Trimming of these trees are NOT A PART of this contract. Trimming will not be required for the first six (6) years unless authorized by the Director of Public Works.

COST PROPOSAL

For all services described below, unless excluded by City in description of services below, City shall consider Unit Prices below to include, but not be limited to, all labor, equipment, fees of any kind, overhead, traffic control, fuel, materials, consumables, surcharges, disposal fees, and any other cost associated with and necessary for the Contractor to perform such service. No qualifications, exemptions, or alterations of services described below will be allowed. All requirements for which there is not a specific bid item, such as insurance, bonds, and invoicing for example, shall be distributed amongst the various unit prices being provided.

The Grand Total price shall be calculated by adding the Extended Prices for all Services as listed under General Services and Emergency Services.

The Extended Prices shall be calculated by each contractor and tallied for each Service as well as each Sub-total and the Grand Total. The Extended Prices are intended to show a potential amount of requested service and are being used for the sole purpose of evaluating unit service costs to determine the most qualified Contractor. Nothing in this RFP or in the Estimated amount of units shown in the Extended Prices is intend to be nor shall be taken to be a guarantee of such amount of any work, or amount of compensation under any future agreement; The successful Contractor shall be paid on the Unit Price only for work performed under the Agreement executed by the successful Contractor and the City.

A. GENERAL SERVICES

	Service	Unit	Unit Price	Estimated Units	Extended Price
1	YEAR 1 - Grid Trimmings: Trim all trees Maintenance Zones one (1) through eight (8). (1)(4)	Ea.	\$44.00	Approx. 7,000 Trees	\$308,000.00
2	YEAR 2 - *Grid Trimmings: Trim all trees Maintenance Zones nine (9) through fourteen (14). (1)(4)	Ea.	\$45.00	Approx. 7000 Trees	\$315,000.00
3	YEAR 3 - *Grid Trimmings: Trim all trees Maintenance Zones fifteen (15) through eighteen (18). (1)(4)	Ea.	\$46.00	Approx. 4,000 Trees	\$ 184,000.00
4	Cost per Tree (Off Cycle, Special Request Trimming/Pruning unit price. (1)(2)(3)	Ea.	\$100.00	250 Trees (2)	\$25,000.00
5	Cost per Ficus or similar-- Pruned every 3 Years (Crown Reduction/Pollarding) (4)	Ea.	\$300.00	250	\$ 75,000.00



6	Cost per Chinese Elm or similar - Pruned every 3 Years (Crown Reduction / Pollarding) [4]	Ea.	\$100.00	600	\$ 60,000.00
7	Cost per Trim all median island Trees Maintenance Zones one (1) through eighteen (18) Yearly [1][2][4]	Ea.	\$70.00	500	\$ 35,000.00
8	Trim City Park trees less than 50 feet in height. [3][4]	Fr.	\$70.00	1,500	\$ 105,000.00
9	Trim City Park trees more than 50 feet in height. [3][4]	Ea.	\$100.00	1,500	\$ 150,000.00
10	City Street and/or Park tree requiring special equipment (for example 85 ft. or larger bucket truck or crane) [3][4]	Ea.	\$200.00	200	\$ 40,000.00
11	Tree and Stump Removal (Trunk diameter to be measured at breast height.)	Inch	\$28.00	4,500	\$ 126,000.00
12	Stump Only Removal (Trunk diameter to be measured at breast height.)	Inch	\$10.00	2,500	\$ 25,000.00
13	Tree Inventory	L.S.	\$20,000	1	\$ 20,000.00
14	Furnish and install 15-gallon tree (includes tree, labor, equipment, root irrigation device, materials, 180-day establishment period, watering, delivery)	Ea.	\$250.00	25	\$ 6,250.00
A. SUB-TOTAL - GENERAL SERVICES					\$ 1,474,250.00

[1] All Grid Trim shall be a safety type of trim and shall follow the scope of work guidelines in Section S and T of Scope of Work.

[2] Any grouping of seven (7) or more trees in close proximity to one another (an approximate 200-yard radius), shall be priced as zone trimmings even when off the regularly scheduled grid plan.

[3] All Park trees will be trimmed in three (3) year cycles. Approximately, one-third of the trees will be trimmed on first year, another one-third on second year and the remaining one-third on the final year.

[4] All tree quantities are approximate quantities and actual number of trees shall be verified once the tree inventory is completed.

B. EMERGENCY SERVICES



	Service	Unit	Unit Price	Estimated Units	Extended Price
1	Crew rental (M-F, normal business hours) [5]	Crew Hours	\$180.00	200	\$ 36,000.00
2	Crew rental (nights) [5]	Crew Hours	\$180.00	250	\$ 45,000.00
3	Crew rental (weekends and/or holidays) [5]	Crew Hours	\$ 180.00	250	\$ 45,000.00
B. SUB-TOTAL - EMERGENCY SERVICES					\$ 126,000.00

[5] Fully equipped 3-person crew called in for emergency service; to include all manpower, equipment, tools, traffic control, disposal costs, and zero material markups.

CITYWIDE TREE MAINTENANCE PROGRAM GRAND TOTAL, (written in numbers):

\$ 1,600,250.00

CITYWIDE TREE MAINTENANCE PROGRAM GRAND TOTAL, (written in words):

One million six hundred thousand two hundred fifty dollars and zero cents.

The Grand Total is equal to the sum of (Sub Total – General Services) + (Sub Total – Emergency Services).

The Extended Prices shall be calculated by each and tallied for each service. The Contractor shall also tally the summary of costs so that the amounts in the Sub-total and in the Grand Total are to be clearly identified. The City will utilize the unit costs and tallied costs to confirm the accuracy of the costs submitted. If the City finds a mathematical error in a submittal within the tabulation of the Grand Total, a Sub-total, or an Extended Price, the City shall revise that amount to reflect the corrected sum. The City reserves the right to waive any irregularities in the cost proposal.

Submission of Cost Proposal and signature of representative of Contractor below shall serve as the basis for Contractor to perform stated services at the Unit Prices specified for duration of the term of the Agreement.

The undersigned represents that he/she is authorized to submit the Proposal on behalf of the Contractor. Contractor acknowledges that said Proposal shall remain valid for a period of ninety- (90) days and may not be withdrawn during such period.

48715 10-10-00

CONTRACTOR



Signature

7/5/16
Date

Patrick Mahoney
Print Name

President
Title

95-3250682
Social Security or Taxpayer ID Number

1000000956
DIR Registration Number

447/851 - 1250

Accounts Payable Invoice Schedule

Council Meetings are held on 2nd Tuesday & 4th Tuesday of Month

ADMINISTRATIVE SERVICES DEPARTMENT FY 2016-2017

ISSUING AGENCY	ACCOUNTS PAYABLE	ACCOUNTS PAYABLE SCHEDULE FOR PAYMENTS	TERMINAL DATE	ACCOUNTS PAYABLE INVOICE SCHEDULE
ISSUING AGENCY	ACCOUNTS PAYABLE	ISSUING AGENCY	ISSUING AGENCY	ISSUING AGENCY
ADP/HR	Adrian Abate	7/1/2016	7/1/2016	7/1/2016
ADP/HR	Adrian Abate	7/15/2016	7/15/2016	7/15/2016
ADP/HR	Adrian Abate	7/29/2016	7/29/2016	7/29/2016
ADP/HR	Adrian Abate	8/12/2016	8/12/2016	8/12/2016
ADP/HR	Adrian Abate	8/26/2016	8/26/2016	8/26/2016
ADP/HR	Adrian Abate	9/9/2016	9/9/2016	9/9/2016
ADP/HR	Adrian Abate	9/23/2016	9/23/2016	9/23/2016
ADP/HR	Adrian Abate	10/7/2016	10/7/2016	10/7/2016
ADP/HR	Adrian Abate	10/21/2016	10/21/2016	10/21/2016
ADP/HR	Adrian Abate	11/4/2016	11/4/2016	11/4/2016
ADP/HR	Adrian Abate	11/18/2016	11/18/2016	11/18/2016
ADP/HR	Adrian Abate	12/2/2016	12/2/2016	12/2/2016
ADP/HR	Adrian Abate	12/16/2016	12/16/2016	12/16/2016
ADP/HR	Adrian Abate	12/30/2016	12/30/2016	12/30/2016
ADP/HR	Adrian Abate	1/13/2017	1/13/2017	1/13/2017
ADP/HR	Adrian Abate	1/27/2017	1/27/2017	1/27/2017
ADP/HR	Adrian Abate	2/10/2017	2/10/2017	2/10/2017
ADP/HR	Adrian Abate	2/24/2017	2/24/2017	2/24/2017
ADP/HR	Adrian Abate	3/10/2017	3/10/2017	3/10/2017
ADP/HR	Adrian Abate	3/24/2017	3/24/2017	3/24/2017
ADP/HR	Adrian Abate	4/7/2017	4/7/2017	4/7/2017
ADP/HR	Adrian Abate	4/21/2017	4/21/2017	4/21/2017
ADP/HR	Adrian Abate	5/5/2017	5/5/2017	5/5/2017
ADP/HR	Adrian Abate	5/19/2017	5/19/2017	5/19/2017
ADP/HR	Adrian Abate	6/2/2017	6/2/2017	6/2/2017

END OF FISCAL YEAR 2016-2017

ISSUING AGENCY	ACCOUNTS PAYABLE	ACCOUNTS PAYABLE SCHEDULE FOR PAYMENTS	TERMINAL DATE	ACCOUNTS PAYABLE INVOICE SCHEDULE
ISSUING AGENCY	ACCOUNTS PAYABLE	ISSUING AGENCY	ISSUING AGENCY	ISSUING AGENCY
ADP/HR	Adrian Abate	7/1/2016	7/1/2016	7/1/2016
ADP/HR	Adrian Abate	7/15/2016	7/15/2016	7/15/2016
ADP/HR	Adrian Abate	7/29/2016	7/29/2016	7/29/2016
ADP/HR	Adrian Abate	8/12/2016	8/12/2016	8/12/2016
ADP/HR	Adrian Abate	8/26/2016	8/26/2016	8/26/2016
ADP/HR	Adrian Abate	9/9/2016	9/9/2016	9/9/2016
ADP/HR	Adrian Abate	9/23/2016	9/23/2016	9/23/2016
ADP/HR	Adrian Abate	10/7/2016	10/7/2016	10/7/2016
ADP/HR	Adrian Abate	10/21/2016	10/21/2016	10/21/2016
ADP/HR	Adrian Abate	11/4/2016	11/4/2016	11/4/2016
ADP/HR	Adrian Abate	11/18/2016	11/18/2016	11/18/2016
ADP/HR	Adrian Abate	12/2/2016	12/2/2016	12/2/2016
ADP/HR	Adrian Abate	12/16/2016	12/16/2016	12/16/2016
ADP/HR	Adrian Abate	12/30/2016	12/30/2016	12/30/2016

END OF FISCAL YEAR 2016-2016

****Updated invoice processing schedule will be provided to selected contractor once schedule is released by Finance Department**

City of South Gate

2016-2017 Holiday Schedule

HOLIDAY	ACTUAL HOLIDAY	OBSERVED HOLIDAY	HOURS
Independence Day	Monday, July 4, 2016	Monday, July 4, 2016	10
Labor Day	Monday, September 5, 2016	Monday, September 5, 2016	10
Thanksgiving Day	Thursday, November 24, 2016	Thursday, November 24, 2016	10
Christmas Eve	Saturday, December 24, 2016	Floating Holiday	10
Christmas Day	Sunday, December 25, 2016	Monday, December 26, 2016	10
Holiday Leave	Tuesday, December 27, 2016	Tuesday, December 27, 2016	10
Holiday Leave	Wednesday, December 28, 2016	Wednesday, December 28, 2016	10
Holiday Leave	Thursday, December 29, 2016	Thursday, December 29, 2016	10
New Year's Day	Sunday, January 1, 2017	Monday, January 2, 2017	10
Martin Luther King, Jr. Day	Monday, January 16, 2017	Monday, January 16, 2017	10
President's Day	Monday, February 20, 2017	Monday, February 20, 2017	10
Cesar E. Chavez Day	Friday, March 31, 2017	Monday, March 27, 2017	10
Memorial Day	Monday, May 29, 2017	Monday, May 29, 2017	10
Total Hours			130

Approved By


 Michael Flad, City Manager


 Nellie Cobos, Deputy Director of Administrative Services/HR & RM

For all employees who receive 10 hours of paid holiday leave each year, the City will provide 10 days of paid holiday leave, plus 10 additional hours each year. The 10 additional hours will be added to employees' total leave of absence between Christmas Day and New Year's Day. If the event that results in 10 hours is necessary to effectuate the business of the City, the balance of the 10 hours will be taken as floating holidays. When a holiday falls on a Friday or Saturday, that day will become a floating holiday. When a holiday falls on a Sunday, the following Monday is the observed holiday. If a holiday falls on Sunday and Monday, then the holiday is observed on Monday and Tuesday. For further information on the City's Schedule of Holiday pay, please contact the City's HR & RM Department at 310.361.2222 or the Human Resources Office.

Line	Service	West Coast Arborist				Mariposa				T.A.				G.E. & S.																																																																																								
		Unit	Unit Price	Estimated Units	Estimated Price	Unit	Unit Price	Estimated Units	Estimated Price	Unit	Unit Price	Estimated Units	Estimated Price	Unit	Unit Price	Estimated Units	Estimated Price																																																																																					
1	YRAB 1 - Grid Trimming: Trim all trees Maintenance Zones one (1) through eight (8) (1) EA	\$ 44.00	7000	\$ 308,000.00	EA	\$ 71.00	7000	\$ 511,000.00					EA	\$ 67.00	7000	\$ 469,000.00																																																																																						
2	YRAB 2 - Grid Trimming: Trim all trees Maintenance Zones nine (9) through fourteen (14) (1) EA	\$ 45.00	7000	\$ 315,000.00	EA	\$ 76.00	7000	\$ 532,000.00					EA	\$ 67.00	7000	\$ 469,000.00																																																																																						
3	YRAB 3 - Grid Trimming: Trim all trees Maintenance Zones fifteen (15) through eighteen (18) (1) EA	\$ 46.00	4000	\$ 184,000.00	EA	\$ 79.00	4000	\$ 316,000.00					EA	\$ 71.00	4000	\$ 284,000.00																																																																																						
4	Cost per Tree (20" Cycle, Special Regions) (1) EA	\$ 100.00	250	\$ 25,000.00	EA	\$ 215.00	250	\$ 53,750.00					EA	\$ 147.00	250	\$ 36,750.00																																																																																						
5	Cost per Plant or Shrub - Pruned every 3 Years (1) EA	\$ 100.00	250	\$ 25,000.00	EA	\$ 55.00	250	\$ 13,750.00					EA	\$ 99.00	250	\$ 24,750.00																																																																																						
6	Cost per Chinese Elm or similar - Pruned every 3 Years (1) EA	\$ 100.00	600	\$ 60,000.00	EA	\$ 72.00	600	\$ 43,200.00					EA	\$ 149.00	600	\$ 77,400.00																																																																																						
7	Cost per Tree all other than listed (1) EA	\$ 70.00	500	\$ 35,000.00	EA	\$ 151.00	500	\$ 75,500.00					EA	\$ 69.00	500	\$ 34,500.00																																																																																						
8	1/2" Varsity (1) EA	\$ 70.00	1,500	\$ 105,000.00	EA	\$ 154.00	1,500	\$ 231,000.00					EA	\$ 65.00	1,500	\$ 97,500.00																																																																																						
9	Trim City Park trees less than 30 feet in height (1) EA	\$ 100.00	1,500	\$ 150,000.00	EA	\$ 275.00	1,500	\$ 412,500.00			1,500	\$ 300.00	EA	\$ 69.00	1,500	\$ 103,500.00																																																																																						
10	City Street and/or Park tree requiring special equipment (for example 60 ft. or larger bucket truck or crane) (1) EA	\$ 200.00	200	\$ 40,000.00	EA	\$ 275.00	200	\$ 55,000.00					EA	\$ 79.00	200	\$ 15,800.00																																																																																						
11	Line and Shrub Pruned (Think diameter to be measured at breast height) (1) inch	\$ 28.00	4,500	\$ 126,000.00	inch	\$ 71.00	4,500	\$ 319,500.00					inch	\$ 133.00	4,500	\$ 598,500.00																																																																																						
12	Shrub Only Pruned (Think diameter to be measured at breast height) (1) inch	\$ 10.00	2,500	\$ 25,000.00	inch	\$ 15.00	2,500	\$ 37,500.00					inch	\$ 7.00	2,500	\$ 17,500.00																																																																																						
13	Tree Removal (1) EA	\$ 30,000.00	1	\$ 30,000.00	EA	\$ 60,000.00	1	\$ 60,000.00					EA	\$ 30,000.00	1	\$ 30,000.00																																																																																						
14	Stump and branch 15-gallon tree includes fuel, labor, equipment, root chipper drive, materials, 100-day establishment period, opening, delivery (1) EA	\$ 210.00	25	\$ 52,500.00	EA	\$ 165.00	25	\$ 4,125.00					EA	\$ 149.00	25	\$ 3,725.00																																																																																						
A. SUB-TOTAL - GENERAL SERVICES				\$ 1,674,329.00			\$ 3,744,978.00									\$ 1,864,178.00																																																																																						
B. EMERGENCY SERVICES																																																																																																						
<table border="1"> <thead> <tr> <th>Line</th> <th>Service</th> <th>Unit</th> <th>Unit Price</th> <th>Estimated Units</th> <th>Estimated Price</th> <th>Unit</th> <th>Unit Price</th> <th>Estimated Units</th> <th>Estimated Price</th> <th>Unit</th> <th>Unit Price</th> <th>Estimated Units</th> <th>Estimated Price</th> <th>Unit</th> <th>Unit Price</th> <th>Estimated Units</th> <th>Estimated Price</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Crew (normal) (24-Hr, normal business hours) (1) Crew Hours</td> <td>\$ 180.00</td> <td>250</td> <td>\$ 45,000.00</td> <td>Crew Hours</td> <td>\$ 225.00</td> <td>250</td> <td>\$ 56,250.00</td> <td></td> <td></td> <td></td> <td></td> <td>Crew Hours</td> <td>\$ 240.00</td> <td>250</td> <td>\$ 60,000.00</td> </tr> <tr> <td>2</td> <td>Crew (normal) (night) (1) Crew Hours</td> <td>\$ 180.00</td> <td>250</td> <td>\$ 45,000.00</td> <td>Crew Hours</td> <td>\$ 315.00</td> <td>250</td> <td>\$ 78,750.00</td> <td></td> <td></td> <td></td> <td></td> <td>Crew Hours</td> <td>\$ 295.00</td> <td>250</td> <td>\$ 63,750.00</td> </tr> <tr> <td>3</td> <td>Crew (normal) (weekends and/or holidays) (1) Crew Hours</td> <td>\$ 180.00</td> <td>250</td> <td>\$ 45,000.00</td> <td>Crew Hours</td> <td>\$ 315.00</td> <td>250</td> <td>\$ 78,750.00</td> <td></td> <td></td> <td></td> <td></td> <td>Crew Hours</td> <td>\$ 295.00</td> <td>250</td> <td>\$ 63,750.00</td> </tr> <tr> <td colspan="4">B. SUB-TOTAL - EMERGENCY SERVICES</td> <td>\$ 135,000.00</td> <td></td> <td></td> <td>\$ 303,750.00</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>\$ 197,500.00</td> </tr> </tbody> </table>																	Line	Service	Unit	Unit Price	Estimated Units	Estimated Price	Unit	Unit Price	Estimated Units	Estimated Price	Unit	Unit Price	Estimated Units	Estimated Price	Unit	Unit Price	Estimated Units	Estimated Price	1	Crew (normal) (24-Hr, normal business hours) (1) Crew Hours	\$ 180.00	250	\$ 45,000.00	Crew Hours	\$ 225.00	250	\$ 56,250.00					Crew Hours	\$ 240.00	250	\$ 60,000.00	2	Crew (normal) (night) (1) Crew Hours	\$ 180.00	250	\$ 45,000.00	Crew Hours	\$ 315.00	250	\$ 78,750.00					Crew Hours	\$ 295.00	250	\$ 63,750.00	3	Crew (normal) (weekends and/or holidays) (1) Crew Hours	\$ 180.00	250	\$ 45,000.00	Crew Hours	\$ 315.00	250	\$ 78,750.00					Crew Hours	\$ 295.00	250	\$ 63,750.00	B. SUB-TOTAL - EMERGENCY SERVICES				\$ 135,000.00			\$ 303,750.00									\$ 197,500.00
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Section A				\$ 1,809,329.00			\$ 3,948,728.00									\$ 2,061,678.00																																																																																						
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RECEIVED

City of South Gate

Item No. 11

AUG 6 2020

CITY COUNCIL

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

AGENDA BILL

8:10am

For the Regular Meeting of: August 11, 2020

Originating Department: Public Works

Department Director:

Arturo Cervantes
Arturo Cervantes

City Manager:

Michael Flad
Michael Flad

SUBJECT: AMENDMENT NO. 1 TO CONTRACT NO. 3410 WITH PARKWOOD LANDSCAPE MAINTENANCE, INC., FOR CITYWIDE LANDSCAPE MAINTENANCE SERVICES

PURPOSE: The City maintains landscaped facilities in the street medians and public right-of-way through the services of a maintenance contractor. The City's current maintenance agreement with Parkwood Landscape Maintenance, Inc., (Parkwood Landscape), will expire on January 31, 2021. Proposed Amendment No. 1 will extend the term of the contract to June 30, 2021, and will provide new services to maintain the landscape and irrigation systems recently installed on the new Firestone Boulevard medians.

RECOMMENDED ACTIONS:

- a. Approve Amendment No. 1 to Contract No. 3410 with Parkwood Landscape Maintenance, Inc., extending landscaping maintenance services through June 30, 2021, and adding additional landscaping maintenance services for the new landscape and irrigation systems installed on the Firestone Boulevard medians, for an amount not-to-exceed \$172,885;
- b. Appropriate \$69,000 in Measure R Funds to Account No. 224-780-31-6101 (Measure R – Professional Services) to cover the cost for the additional landscaping maintenance services; and
- c. Authorize the Mayor to execute Amendment No. 1 in a form acceptable to the City Attorney.

FISCAL IMPACT: There is no impact to the General Fund. Funds, in the amount of \$111,956, were included in the Fiscal Year 2020/21 Municipal Budget to fund landscape maintenance services for the period between February 1, 2021 and June 30, 2021. However, the quote from Parkwood for that period was only \$103,885. The cost of Amendment No. 1 will be funded as summarized below. An appropriation of \$69,000 in Measure R Funds is recommended to fund the additional landscaping maintenance services necessary for the new Firestone Boulevard's landscaped medians, from August 12, 2020 to June 30, 2021.

Proposed Amendment

Funding Type	Street Lighting & Landscape Maintenance	Proposition C	Water Funds	Gas Tax Funds	Measure R	Total
Account No.	251-714-25-6101	222-780-31-6101	411-731-71-6101	212-713-31-6101	224-780-31-6101	
Contract No. 3410	\$ 487,620	\$ 113,496	\$ 187,200	\$ 17,766		\$ 806,082
Proposed Amendment No. 1	\$ 62,843	\$ 14,627	\$ 24,125		\$ 71,290	\$ 172,885
Total Contract	\$ 550,463	\$ 128,123	\$ 211,325	\$ 17,766	\$ 71,290	\$ 978,967

ANALYSIS: Amendment No. 1 accomplishes the following: (1) adds a new service area to Contract No. 3410, (2) extends the term of the Contract No. 3410 to cover the existing and proposed services, (3) provides needed funds to pay for the proposed services, and (4) provides contingency funding to complete repairs resulting from accidents. Regarding the addition of the new service area, the Firestone

Boulevard Regional Corridor Capacity Enhancements Project (The Boulevard Project) installed new road medians on Firestone Boulevard in 2019, which included landscaping and irrigation systems. The Boulevard Project included a one-year landscape maintenance period after completion of the project. The landscape maintenance period ends on August 11, 2020. The landscape and irrigation systems must now be maintained by the Public Works Department. Parkwood Landscape is the Department's current landscape maintenance contractor. Staff is proposing to amend their contract to add the maintenance of the landscape and irrigation systems on Firestone Boulevard, (a) from Alameda Street to Hunt Street, and (b) from Firestone Place to Rayo Avenue. Contract No. 3410 expires on January 31, 2021, and Amendment No. 1 will also extend the contract by five months through June 30, 2021, to align their services with the fiscal year. Under this extension, the existing maintenance services and the proposed maintenance services will be provided through June 30, 2021. Amendment No. 1 provides a total of \$172,885 to fund approximately 11 months in new services (\$56,000), the 5 month extension of the existing service (\$103,885), and contingency funds (\$13,000). Contingency funds are necessary to complete repairs that are caused by accidental damage to landscaping through vehicular traffic accidents.

The Public Works Department does not have the manpower to provide the new proposed maintenance services with City forces. In total, the new services include providing landscaping and irrigation system maintenance for approximately 28,860 square feet of new median area. It includes the maintenance of palm trees, succulents, grasses, annuals, decomposed granite, irrigation systems and litter removal.

BACKGROUND: The City owns landscaped facilities citywide and the Public Works Department is responsible for their maintenance. Currently, these facilities are maintained by Parkwood Landscape under Contract No. 3410. Under the contract, Parkwood Landscape maintains (a) sidewalks and City parking lots within the Tweedy Mile Shopping District and the Hollydale Shopping District, (b) landscaped roadway medians citywide, (c) water well sites, (d) bus shelters and bus stops (e) the Alameda Sound Wall, City parking lots and other municipal facilities. The contract scope of work includes mowing, edging, weeding, pruning, fertilization, seasonal planting, trash pick-up, pest control, upkeep of the irrigation systems, and other general landscape maintenance tasks. It also includes maintenance for specials events such as the Children's Christmas Lane Parade on Tweedy Boulevard.

On January 23, 2018, the City Council approved Contract No. 3410 with Parkwood Landscape, for city-wide landscape maintenance services for a three-year term, in the amount of \$806,082, or \$268,694 annually for three years. The initial term of Contract No. 3410 expires on January 31, 2021. Proposed Amendment No. 1 will extend the term of the contract by five months, to June 30, 2021.

Located in Van Nuys, with a branch office in Santa Fe Springs, Parkwood Landscape has been providing professional landscape maintenance services since 1967. Parkwood Landscape exhibits the capability, capacity, and experience to perform this work. They have been providing similar services to a wide variety of agencies such as Port of Long Beach, cities of Palmdale, Hawthorne and Glendale, as well as the City of Los Angeles Japanese Garden. Parkwood Landscape operates with approximately 250 full-time employees and estimates that they deliver over \$20 million in projects annually, with contracts that range from \$25,000 to \$400,000. Parkwood Landscape is intimately familiar with the City's landscape. They have been servicing the City for over 2 years.

ATTACHMENTS: A. Proposed Amendment No. 1
B. Contract No. 3410

KT:lc

**AMENDMENT NO. 1 TO CONTRACT NO. 3410
FOR ADDITIONAL CITYWIDE LANDSCAPE MAINTENANCE SERVICES
WITH PARKWOOD LANDSCAPE MAINTENANCE, INC.**

This Amendment No. 1 to Contract No. 3410 for additional Citywide Landscape Maintenance Services with Parkwood Landscape Maintenance, Inc. ("Amendment No. 1"), is made and entered into on August 11, 2020, by and between the City of South Gate, a Municipal Corporation ("City"), and Parkwood Landscape Maintenance, Inc., a California Corporation ("Contractor"). City and Contractor are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

RECITALS:

WHEREAS, on January 23, 2018, the City Council approved Contract No. 3410 with Contractor ("Agreement") for Citywide Landscape Maintenance Services for a three-year term through and including January 31, 2021, in the amount of Eight Hundred Six Thousand Eighty Two Dollars (\$806,082);

WHEREAS, the City and Contractor desire to execute Amendment No. 1 adding necessary landscape and irrigation system maintenance services and as-needed repairs for the new Firestone Boulevard center medians commencing August 12, 2020 through and including June 30, 2021, for an amount not-to-exceed **Sixty Nine Thousand Dollars (\$69,000)**, for the landscaping maintenance services identified in the Scope of Work and Fee Proposal attached hereto as Exhibit "A" and made a part to this Amendment No. 1, under the terms and conditions of the Agreement; and

WHEREAS, the City and Contractor desire to execute Amendment No. 1 extending the term of the Agreement for an additional five-month term through and including June 30, 2021, in an amount not to exceed **One Hundred Three Thousand Eight Hundred Eighty Five Dollars (\$103,885)**, for the landscaping maintenance services identified in Exhibit "A", under the terms and conditions of the Agreement; and

WHEREAS, the aggregate sum of the additional landscaping maintenance services identified in Exhibit "A" and the extension through and including June 30, 2021, is One Hundred Seventy Two Thousand Eight Hundred Eighty Five Dollars (\$172,885), bringing the aggregate total sum of the Agreement and Amendment No. 1 to Nine Hundred Seventy Eight Thousand Nine Hundred Sixty Seven Dollars (\$978,967).

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. TERM OF AGREEMENT.

The term of the Agreement shall be extended by five (5) months **through and including June 30, 2021**, unless otherwise expressly extended and agreed to by both Parties in writing, or terminated by either Party as provided in the Agreement. The additional landscaping maintenance services identified in Exhibit "A" shall commence on August 12,

2020, through and including June 30, 2020.

2. COMPENSATION.

The amount of compensation paid by City to Contractor for the work identified in Exhibit "A" shall not exceed the sum of **One Hundred Seventy Two Thousand Eight Hundred Eighty Five Dollars (\$172,885)**.

3. EFFECT OF AMENDMENTS.

Except as expressly amended herein, all other terms and conditions of Agreement shall remain in full force and effect. Without limiting the generality of the foregoing, Agreement shall remain unchanged during the term of Agreement as extended by Section 1 above. Furthermore, City reserves the right to augment or reduce the scope of work as City deems necessary.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment No. 1 to be executed and attested by their respective officers hereunto duly authorized.

CITY OF SOUTH GATE:

By: _____
Maria Davila, Mayor

Dated: _____

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney

**PARKWOOD LANDSCAPE
MAINTENANCE, INC.:**

By: _____
David Melito, President

Dated: _____



Parkwood

16943 Hart Street
Van Nuys, California 91406

Telephone: 818 988 9677
Fax: 818 988 4934

August 3, 2020

Mr. Kenneth Tang
City of South Gate
4244 Santa Ana Street
South Gate, CA 90280

Re: Landscape Maintenance Fee Proposal
Amendment No. 1

Dear Kenneth:

Parkwood Landscape proposes Amendment No. 1 in accordance to the landscape maintenance fee schedule as outlined below. All terms and conditions of our existing contract shall apply.

Amendment No. 1

- Provide landscape and irrigation systems maintenance for new Firestone Blvd. medians from August 12, 2020 through June 30, 2021.
- Extend existing landscape maintenance contract from February 1, 2021 through June 30, 2021.
- Provide \$ 172,885.00 to fund new Firestone Blvd. medians from August 12, 2020 through June 30, 2021 in new services \$ 56,000.00, the five (5) month extension of existing landscape services \$103,885.00 and contingency funds \$ 13,000.00.

An authorized signature in the space below will convert this proposal to a contract agreement. Please sign both copies, keep the original for your own records and return a copy to our office.

Should you have any questions, please call me at our office.

Sincerely,
PARKWOOD LANDSCAPE MAINTENANCE, INC.

David L. Melito
President

LGya

cc: David Torres
Jorge Quintero
Lorenzo Gomez
Veronica Avila

Accepted by: _____ Date: _____

----- Original message -----

From: David Melito <dmelito@parkwoodlandscape.com>
Date: 3/3/20 8:38 AM (GMT-08:00)
To: David Torres <dtorres@sogate.org>
Cc: Lorenzo Gomez <lgomez@parkwoodlandscape.com>
Subject: RE: Firestone Blvd. Medians and Landscaping Detail Plans

David,

For budgetary purposes, I would estimate the cost for landscape and irrigation systems maintenance for Firestone Blvd at \$5,250.00 per month.

Should you have any questions, please feel free to contact me.

Best Regards,

David Melito
President



Parkwood
Landscape Maintenance

16443 Hart Street
Van Nuys CA 91406
Ph 818-988-9677

SCOPE OF WORK

A. TASK DESCRIPTION

Section 1 General

All applicable provisions of the City of South Gate Municipal Code and State Standards, are incorporated herein by reference and are intended to govern maintenance methods, except as modified herein or are inconsistent with the provisions hereof.

Section 2 Work Areas

The work areas to be maintained are within the public right-of-way, which is the back of sidewalk on one side of the street to the back of sidewalk at the other side of the street, and as described in the tables below. Within parking lots, the areas, also, include all planters within the lot on which the facility is situated, and all areas within the public parking lots and public areas and as described in the tables below.

The work areas for this contract include, but not limited to, the following:

i. Tweedy Maintenance District

Streets	From	To
Tweedy Blvd.	West City limits	East City limits
Long Beach Blvd.	Centerline of Tweedy Blvd.	160' North of the centerline of Tweedy Blvd.
Madison Ave.	Centerline of Tweedy Blvd.	160' North of the centerline of Tweedy Blvd.
State Street	Centerline of Tweedy Blvd.	160' North of the centerline of Tweedy Blvd.
Deeble Street	North Alley	Southerly R.O.W. on Tweedy Blvd
Dearborn Ave.	North Alley	Southerly R.O.W. on Tweedy Blvd
Victoria Ave.	North Alley	Southerly R.O.W. on Tweedy Blvd
Elizabeth Ave.	North Alley	South Alley
Virginia Ave.	North Alley	South Alley
California Ave.	North Alley	South Alley
San Antonio Ave.	North Alley	South Alley
San Carlos Ave.	North Alley	South Alley
San Gabriel Ave.	North Alley	South Alley
San Juan Ave.	North Alley	South Alley
San Luis Ave.	North Alley	South Alley
San Miguel Ave.	North Alley	South Alley
San Vincente Ave.	North Alley	South Alley

Mallison Ave.	North Alley	South Alley
Otis Street	North Alley	South Alley
McNerney Ave.	North Alley	South Alley
Bowman Ave.	North Alley	South Alley
Alexander Ave.	North Alley	South Alley
Bryson Ave.	North Alley	South Alley
Hunt Ave.	North Alley	South Alley

Parking Lots North of Tweedy Boulevard

N.E. corner California Avenue and alley
N.E. corner San Antonio Avenue and alley
N.W. corner San Carlos Avenue and alley
N.E. corner San Carlos Avenue and alley
N.W. corner San Juan Avenue and alley
N.E. corner San Juan Avenue and alley
N.W. corner San Luis Avenue and alley
N.W. corner San Miguel Avenue and alley
N.E. corner Otis Street and alley
N.E. corner McNerney Avenue and alley
N.W. corner McNerney Avenue and alley
N.W. corner Bowman Avenue and alley
N.E. corner Bowman Avenue and alley
N.E. corner Alexander Avenue and alley
N.E. corner Bryson Avenue and alley

Parking Lots South of Tweedy Boulevard

S.W. corner California Avenue and alley
S.E. corner San Antonio Avenue and alley
S.W. corner San Carlos Avenue and alley
S.W. corner San Luis Avenue and alley
S.E. corner San Vincente Avenue and alley
S.W. corner Mallison Avenue and alley
S.E. corner Mallison Avenue and alley
S.W. corner Bowman Avenue and alley
S.E. corner Bowman Avenue and alley
S.W. corner Alexander Avenue and alley
S.W. corner San Vincente Avenue and alley (along south wall only)

Firestone Boulevard
Alameda Street to Rayo Avenue
Starting on August 12, 2020

ii. Hollydale Maintenance District

Streets	From	To
Garfield Avenue	80' north of centerline of Roosevelt Ave.	North curb line of Century Blvd.
Main Street	Utah Avenue	Alley east of Garfield Ave.

Parking Lots

N.E. corner Utah Ave. and Main Street
S.E. corner Utah Ave. and Main Street
S.W. corner Garfield Ave. and Main Street

iii. Street Median Maintenance District

1. Intersection of Firestone Boulevard and Garfield Avenue: those raised planted medians at the intersection of Firestone Boulevard and Garfield Avenue extend: northerly to the north City boundary, easterly to the east City boundary, westerly to National Avenue and southerly one block.
2. Intersection of Garfield Avenue and Main Street extended northerly to Roosevelt Avenue and southerly to Century Boulevard.
3. Firestone Boulevard, east of Alameda Street.
4. Tweedy Blvd from Long Beach to Alameda
5. Atlantic Avenue.
6. State Street.

iv. Hawkins Reservoir Site

This location is on the Southwest quadrant of Firestone Boulevard and the Long Beach Freeway (I-710). Access is via Garfield Avenue, Miller Way and Frontage Road West.

v. City Water Well Site No. 26

This location is on the north side of Tweedy Boulevard and south side of Nebraska Avenue, west of Truba Avenue.

vi. City Water Well Site No. 27

This location is on the north side of Tweedy Boulevard and south side of Nebraska Avenue, east of Truba Avenue.

vii. City Water Well Site No. 28

This site is located at 3414 Ardmore Avenue, South Gate, CA 90280, west of California Avenue.

viii. City Water Well Site No. 29

This site is located at 2700 Ardmore Avenue, South Gate, CA 90280, at the intersection of Santa Fe Avenue and Ardmore Avenue in South Gate.

ix. South Gate Corporation Yard

Located at 4244 Santa Ana Street.

x. Civic Center Parking Lot and Planter at Tweedy Blvd./Deeble Street.

xi. Westside Reservoir Site

This location is on the north side of Tweedy Boulevard and south side of Nebraska Avenue.

xii. Alameda Soundwall Planter

This location is on the westside of Alameda Street, between Southern Avenue and Tweedy Boulevard.

xiii. Century Blvd. North

North side of Century Boulevard from State Street to Santa Fe Avenue.

Section 3 Task Description

The work to be performed, in the aforementioned areas, shall consist of, but not limited to, furnishing all labor, materials and equipment necessary to maintain all landscaped areas described, herein to include, but not limited to, turf, shrubs, groundcover, vines and irrigation systems.

The work shall also include emptying and maintenance of trash receptacles; maintenance and cleaning of benches, bus stop facilities, tree wells, and planters, and pickup debris, gum, animal feces, grease, paint, graffiti, glass and trash from all public places. Planting of annuals and mowing lawns in specified areas, manual and chemical weed abatement. Also, steam cleaning, and irrigation system maintenance.

Major repairs (exceeding \$1,000, single or aggregate per year) to the irrigation system are not included. City reserves the right to hire other parties to do the major irrigation repairs to the system.

The Contractor shall tour the sites and determine the quantity and type of landscaping and facilities to be maintained.

Actual work to be performed and required performance frequencies are defined in

the following divisions of these documents.

Section 4 **Safety**

The Contractor shall perform all the work required in such a manner as to meet all accepted standards for safe practices during all operations and to maintain safe condition of premises and right-of-ways at all times.

The Contractor shall so conduct his operations as to offer the least possible obstruction and inconvenience to the public to include disruption of the noise levels within the area.

All incidents out of the norm including but not limited to crimes, thefts, vandalism, hazards, etc., shall be reported immediately by phone to the Police Department at (323)563-9500

Section 5 **Cooperation/Collateral Work**

The Contractor shall recognize that during the course of the contract other activities and operations may be conducted by City forces and/or other contractors. These activities may include, but are not limited to: landscape refurbishment, irrigation system modification or repair, construction and storm related operations.

The Contractor may be required to modify or curtail certain operations and shall comply with any request by the Engineer to cooperate.

Section 6 **Contractor's Equipment**

All equipment and machinery utilized by the Contractor while performing work for the City shall be equipped and operated in such a manner so as to conform to all applicable laws and regulations including, but not exclusive to OSHA, concerning safety and operations. A complete listing of equipment must be submitted with the proposal on form provided.

Section 7 **Inspection**

The Contractor shall have a superintendent available at **bi-weekly intervals** for the purpose of conducting walk-through inspections of all maintained facilities.

Additionally, the Contractor's superintendent shall attend monthly status meetings at City Hall, field tours, and Tweedy Mile Association meetings unless directed otherwise.

In addition, the Director or his designated representative shall inspect the maintained facilities at random intervals while work is being performed and at the completion of required work to not discrepancies. Discrepancies will be noted

and the responsible party shall eliminate any problems immediately.

Section 8 **Schedule**

The Contractor shall note the specific days and/or periods have been established in these Special Provisions for the completion/performance of some items of work described herein.

Prior to commencement of work, the Contractor shall be required to submit to the Director or his assignee for approval, a schedule indicating the time/day/month proposed for performance of those items of work which are unspecified.

Failure to perform the work on the specified day and/or time shall result in the deduction and forfeit of five hundred dollars (\$500) from payments to the Contractor for every calendar day the schedule is not followed unless otherwise provided.

Requests to change the schedule shall be filed with the Director, or his assignee, at least 72-hours prior to the scheduled time for the work. Requests to change the schedule shall be made by telephone and directed to the Director, or his assignee, and followed in writing unless otherwise provided. All requests to change the schedule shall be subject to the approval of the Director, or his assignee. Therefore, the Contractor shall not implement any schedule changes until receipt of verbal or written notification from the Director, or his assignee that the requested change has been approved.

Failure to notify of a change and/or failure to perform an item of work on a scheduled day may result in deduction of payment for that date, or work, even though the work is performed on a subsequent day.

The Contractor shall adjust his schedule to compensate for all holidays in such a manner that all work required to be performed on that day shall be performed on either the day before the holiday or on the day after the holiday as determined in the Director, or his assignee.

Section 9 **Performance on Schedule**

Failure to complete the work as scheduled may result in the following actions:

- A) The sum of five hundred dollars (\$500) per calendar day will be deducted and forfeited from payments to the Contractor for each instance where an item of work is not completed in accordance with the schedule or specifications.
- B) An additional amount equal to the costs incurred by completion of the work by an alternate source, whether it is City forces or private Contractor, even if it exceeds the contract unit price will be deducted.

- C) These actions shall not be constructed as a penalty but as adjustment to payment for only the work actually performed or as cost to the City for inspection and other related costs from the failure of the Contractor to perform the work according to schedule.

Section 10 Notification

The Contractor shall inform the property owners and David Torres (323) 563-5784 at least 72-hours before performing work impacting businesses and property owners, such as, steam cleaning, sweeping. The notification to the City may be done by email to David Torres at dtorres@sogate.org or by fax to (323) 582-3106.

Notifications to business owners and property owners shall be done through the distribution of City pre-approved flyers to be distributed by the Contractor.

The Contractor shall take immediate action to resolve any complaints or requests due to unsatisfactory performance as soon as the Contractor is notified both verbally and/or in writing.

The Contractor shall complete corrective action within the following periods subsequent to verbal notification:

- A) All deficiencies, excluding minor irrigation repairs like replacing irrigation heads, within three (3) working days.
- B) Irrigation repairs will be subject to approval by the City upon submittal by the Contractor of a cost estimate and an itemization of repair items. Authorized repairs must be started within three (3) working days from approval.

The City reserves the right to hire outside parties to perform major irrigation repairs exceeding \$1,000

Section 11 Reports/Monthly Meeting

At the end of each month, the Contractor shall submit to the Director or designee, a detailed summary of all work accomplished which is other than that normally scheduled, along with the request for payment.

The Contractor shall attend a monthly Tweedy Business Mile Association meeting. In addition, the contractor shall meet with the City Staff at least once a month or as directed by the Director of Public Works. The exact schedule of the meeting will be provided to the Contractor after the award of the contract.

Once a month and with the submittal of the monthly invoice for services, the Contractor shall submit a monthly report to the City describing all the work completed during the past month.

Section 12 **Traffic Controls**

The Contractor shall provide and display all safety devices and traffic controls at all times when working in the public right-of-way. All Contractors' employees shall be attired in approved safety gear at all times and traffic control shall be as outlined in the "Work Area Traffic Control Handbook, and/or the MUTCD." Failure to do so will result in an immediate shutdown of activity by the City. Any work not accomplished as a result of the shutdown shall be performed at another time with proper safety devices at no additional expense to the City.

Contractor shall use electronic arrow and message boards whenever doing work on a major arterial, collector street, or thoroughfare.

Section 13 **Contractor's Personnel**

Each of the Contractor's working crews shall have a responsible leadman who may represent the Contractor to discuss the work in English with the Director, or his designate representative, at all times. All personnel must wear an ID tag, and shall wear a uniform where the company's name and logo is affixed. All Contractors' truck and equipment shall have a company logo and number affixed to it.

Section 14 **Irrigation System Operations**

Irrigation shall be maintained to ensure all landscaping is provided with sufficient irrigation water to promote and maintain a healthy appearance and condition at all times.

The entire irrigation system including all components from connection at meters shall be maintained in an operational state at all times. This coverage applies to all controllers and remote control valves, gate valves and backflow devices, main and lateral lines, sprinkler heads, moisture sensing devices and all drip irrigation system components.

The watering schedule will be established by the Contractor's Landscape Maintenance Supervisor. Application rates will be based on the amount of water the planted areas are capable of receiving without excessive runoff. The Contractor shall monitor the requirements of the plant material, soil conditions, seasonal temperature variations, wind conditions and rainfall and shall make appropriate changes in duration of watering cycles. The site(s) is equipped with an automatic system which provides for repeat cyclers to allow for water application over shorter periods of time that will allow for proper infiltration and thereby minimize runoff.

All irrigation shall be accomplished in accordance with the following periods:

- A) Automatic Systems Operation 10:00 p.m. – 6:00 a.m.

- B) Manual Irrigation 9:00 a.m. – 3:00 p.m.

Special watering required during daytime hours such as after fertilization, during periods of extreme dryness or heat, and during manual irrigation cycles shall be conducted in accordance with the following criteria:

- A) There shall be minimal drift onto private property caused from wind.
- B) There shall be irrigation personnel present at all times at each location until watering cycle is completed.

All damages resulting from under or over watering shall be repaired at the Contractor's expense.

Section 15 Irrigation System Maintenance/Repair

All irrigation systems shall be tested and inspected a **minimum of twice a month. A status report is required to be submitted at the end of each month.** A schedule shall be submitted at the start of the contract showing the location, day of week and time of day that each system will be tested. Any changes shall be submitted for approval prior to enactment.

The Contractor will adjust or clean all sprinkler heads, quick couplers, and valves to continue operation at maximum efficiency and performance.

All systems shall be adjusted in order to:

- A) Provide adequate coverage of all landscape areas
- B) Prevent excessive runoff and/or erosion
- C) Prevent watering roadways and facilities such as walkways, fences, private property and parking areas.

In addition to required testing, all irrigation systems shall be tested and inspected as necessary when damage is suspected, observed or reported.

All sprinkler heads shall be kept clear of over growth which may obstruct maximum operation. Contractor to replace all damaged and non-operational sprinkler heads.

All irrigation control valve strainers shall be inspected and cleaned a minimum of once per week.

All drip irrigation system emitters shall be cleaned and emitter flow checked a

minimum of once per week.

All irrigation system lateral lines shall be flushed a minimum of once every third month.

All backflow prevention devices shall be inspected for damage and leaks weekly. Any discrepancies shall be reported to the Director, or his assignee, immediately.

Section 16 Shrub Pruning/Maintenance

All shrubbery shall be pruned, shaped and thinned a minimum of three per year, once in late **April**, late **August** and early **January**, for safety, removal of broken or diseased branches, general containment and/or appearance.

All shrubs shall be trimmed to maintain vertical, horizontal clearance along walkways, parking areas and medians to prevent encroachment onto private property, to prevent obstruction of visibility of traffic signals and all signs and to prevent obstruction of sight distance for drivers entering/existing driveways from roadways, alleys or adjacent private property.

Prune shrubs to retain as much of the natural informal appearance as possible, consistent with intended use. Coordinate with the Director or his assignee.

Shrubs used as formal hedges or screens shall be pruned as required to present a neat appearance without a sheared appearance.

Remove any spent blossoms or dead flower stocks as required to present a neat clean appearance.

All leaves shall be raked from under the shrubs **twice each month** as needed.

All trimmings and debris shall be removed and disposed of offsite at the end of each day's work.

Section 17 Pruning Procedures:

All cuts shall be made sufficiently close, flush if possible, to the parent stem so that healing can readily start under normal conditions.

All limbs 1" or greater in diameter shall be under cut to prevent splitting.

All equipment utilized shall be clean, sharp and expressly designed for tree pruning.

Fertilization shall be scheduled **every six (6) months** to keep shrubs in a healthy and desirable condition. The Contractor shall use a well-balanced fertilizer.

Section 18 **Vines**

Vines and espalier plants shall be checked and retied as required. Secure vines with appropriate ties to promote directional growth on supports.

Do not use nails to secure vines on masonry walls.

Deep-water vines in pockets not provided with sprinklers as required to promote optimum growth.

The fertilization schedule of all vines shall be concurrent with fertilization of shrubs.

Vines shall be kept trimmed back from all signs, irrigation controllers and not allowed to grow up trees and into shrubs. Vines shall be trimmed to retain as much of the natural informal appearance as possible, consistent with the intended use which is to cover walls.

Section 19 **Groundcover**

Groundcover areas shall be maintained in a manner which will promote the healthy growth of the plant material in a somewhat natural state while removing weed infestations.

All groundcover shall be trimmed to restrict growth from sidewalks, trees, shrubs, behind curbs, around sprinkler heads, and from private property at all times.

A regular program of pre-emergent chemical application shall be used to control weed growth supplemented by hand removal of noxious weeds or grasses as required.

Weeds and grasses shall be removed from all planted areas upon emergence and not later than the next scheduled working day.

All bare soil areas shall be cultivated a minimum of **once per month**.

All paper or litter that accumulates in groundcover shall be picked as needed to be in compliance with the City's zero tolerance policy of maintaining the areas within District No 1 in an impeccable condition.

All groundcover areas shall be fertilized **every ninety (90) days** to promote a healthy appearance.

Section 20 **Turf**

Mow all turf areas weekly, if necessary, to maintain the specified height, with clippings mechanically collected and the borders neatly trimmed. Trim around

trees, rocks, valve boxes and other items located in the turf area keeping grass below weekly mowing height using a weed eater/line trimmer. The use of a line trimmer is not an acceptable substitute for an edger along paving, concrete walks and mow strips. The use of herbicides within the turf area as a means of trimming edges or around irrigation heads is not acceptable. Turf areas shall be mowed in accordance with acceptable horticultural standards. At no time shall more than 1/3 of the height of the grass be removed in any single mowing.

Irrigate as necessary to **maintain** proper growth rate and optimum appearance. The City shall approve all irrigation time cycles and shall be notified of any necessary changes 72-hours prior to any changes.

Maintain turf areas in a weed-free condition. For chemical control of broadleaf weeds, use of an approved selective herbicide shall be initiated on an as needed basis to maintain a weed-free condition. The Contractor shall supply the Engineer or assignee a written notice prior to any application of herbicide, pesticide or any other chemical within any work area containing potable water well or storage reservoir.

The Contractor shall NOT apply said chemicals prior to receiving a written approval for chemical work in these areas.

Contractor shall replace, at his own expense, all portions of dead turf, or turf showing signs of deterioration and change of color. Exceptions in this area are per written approval under drought condition and/or state mandates.

Section 21 **Fertilization:**

- A) Fertilize four (4) times annually with "Best" Turf Supreme 16-6-8 controlled release fertilizer or an approved equivalent, using two (2) pounds actual nitrogen per one thousand (1000) square feet, in March, June, October and December.
- B) Obtain written approval from Director prior to commencing with the application of fertilizer.

Control pests, including rodents, snails and diseases continuously to provide a healthy environment for plants and the public. This is to be done on a continuous basis with baits placed daily, if necessary.

Level, roll and reseed turf as needed to remediate any damage due to mechanical equipment. Maintain a level surface and fill in any bare areas.

All turf areas shall be mechanically aerated twice a year, or as needed. Aeration shall be done to a depth of not less than four (4) inches and shall be done immediately prior to the **March** and **October** fertilization. Prior to aeration, all irrigation heads and any other items, which could sustain damage during aeration, shall be flagged and any necessary precautions shall be taken to ensure that

irrigation, or similar equipment, is not damaged.

All landscape areas in close proximity to City potable water wells or storage reservoirs require special care by the Contractor to prevent the contamination by pesticides, herbicides or fertilizers. Any contamination of the above-mentioned water sources resulting from the negligence of the Contractor shall be cleaned to City and State Health Department standards at the Contractor's sole expense, and no additional compensation shall be allowed therefore.

Section 22 Tree, Shrub, Vine and Groundcover Replacement

The Contractor shall replace, at his expense, any shrubs or plants which die due to the Contractor's negligence or neglect. Size of replacement shrubs shall be equal to existing unless otherwise determined by the Director or his designated representative.

Section 23 Weed, Pest and Disease Control

The planters, beds, tree wells and areas of all landscaping shall be kept clear and free of all weeds, pests, insects and diseases at all times. Pests include, but are not limited to, gophers, snails, slugs, rabbits, squirrels and other rodents or pests which might cause harm or damage to the landscaping. Methods and materials used to accomplish this objective are subject to approval by the Director, or his designated representative prior to application. The Contractor is to possess all written recommendations, licenses, certificates and permits required by the State of California to handle and apply chemicals. A copy of said, written recommendation, licenses, certificates or permits shall be sent to the City of South Gate Director or his assignee.

Non-restricted chemicals shall be used wherever possible to perform weed and pest control. All methods employed to perform Rodent/Pest Control shall conform to all federal, state and county environmental regulations.

Section 24 General Facility Maintenance

Trash receptacles shall be emptied a minimum of four (4) times per week on Mondays, Wednesdays, Fridays and Sundays or as needed to ensure that receptacles are not overflowing, EXCEPT FOR TRASH RECEPTACLES ON TWEEDY BLVD, WHICH MUST BE SERVICED AND EMPTIED DAILY, early in the mornings. Concurrent with each trash pick-ups, the Contractor shall wash the exterior of trash receptacles and their lids. Interior buckets of trash receptacles shall be washed monthly during the first week of each month. The Contractor shall provide plastic liners for all City provided trash receptacles at the Contractor's expense. Contractor shall empty trash receptacles before, once during, and after special events which occur twice a year.

All trash and debris shall be removed from tree wells, rest areas, planters and medians on **Mondays, Wednesdays, Fridays and Sundays**.

The Contractor shall remove all trash and debris from planted areas of parking lots, planters and other hardscape areas, and clean all the areas from edge of planted area curb to a distance of twenty-four (24) inches from curbs to remove all trash and debris a **minimum of four (4) times per week, on Mondays, Wednesdays, Fridays and Sundays between the hours of 5:00 a.m. and 8:00 a.m. only.**

All clippings and any other debris generated by the Contractor's activities shall be removed and disposed of offsite at the end of each workday, or upon the completion of the Contractor's daily operations, whichever occurs first. The Contractor shall not sweep trash or debris into the streets and allow it to remain there for pickup by City street sweepers. Dust or nuisance conditions occasioned by Contractor's work will not be tolerated and shall be alleviated immediately.

In addition to the above, the Contractor shall be required to **perform three (3) special cleanups per year or as instructed by the Director of Public Works or assignee.** One special cleanup shall be required for the **Street Fair**. The other special cleanup shall be required for the **Christmas Parade**. The third shall special clean-up shall be as required due a special City Event. The Contractor shall be required to perform all items of work described in Section 9 on the **day before each event, on the day of each event, and on the day after each event.**

The Contractor shall not be allowed to alter the regular Monday, Wednesday, Friday, and Sunday schedule specified herein for each item of work, but shall be required to perform these items of work on consecutive days if necessary to comply with these contract requirements. The Director, or his assignee, shall notify the Contractor in writing a minimum of thirty (30) calendar days prior to the scheduled day of each event. Performance of the three required special cleanups shall not be paid as extra work, but shall be included in the Contractor's final sum quoted price for General Facilities Maintenance and no additional compensation shall be allowed therefore.

All green waste generated by the landscape maintenance of any City-owned property, by the Contractor, shall be reported to the City and disposed of at a recycling facility designated by the City that has composting capabilities and is approved by the Director of Public Works, or his assignee. The City shall receive credit of all recycled green waste.

Section 25 Steam Cleaning

Location: All public sidewalks, bus benches and hardscape areas within the Tweedy and Hollydale Business District areas, around the Azalea Shopping Center and on Atlantic Sidewalks

Frequency: Bus stops, shall require a minimum of twice per month
For sidewalks , shall require once per week

Task Description:

The Contractor shall thoroughly remove all gums and stain by steam clean and any other means from all sidewalks, walkways, and paved areas, **ON A WEEKLY BASIS** preferably on Mondays, to the satisfaction of the Director of Public Works or assignee. The Contractor shall use Best Management Practices (BMP's) as approved in the most current edition of the National Pollutant Elimination System (NPDES) Municipal Stormwater and Urban Runoff permit to reduce and amount of pollutant to be discharged to the storm drain system.

Sample BMP:

- Vacuuming the runoff before entering the catch basin by vacuum truck.
- Retention debris with a waddle or filter prior to entering the catch basin and debris shall be picked up and disposed of properly.

Section 26 Trash Pickup on Century Boulevard

Trash pickup shall occur once a week and application of provision in Section 25 shall apply.

Section 26A Special Events in Tweedy Boulevard

Refer to Exhibit A1B for details of maintenance work.

Section 27 ENFORCEMENT OF STANDARDS

Contractor shall strictly adhere to the standards set forth in this section and these specifications.

1. Contractor to assign a staff member to drive through the maintenance areas DAILY, to insure that all areas are kept clean and in an impeccable condition.

Failure by the Contractor to inspect areas daily will compel the City to perform that duty by hiring a third party. The cost to the City of providing this task will be deducted from any payments to Contractor.

2. All areas under this maintenance district shall be free from weeds, trash, deleterious materials, illegally dumped items, dying plants, unsightly plant material, chewing gum, spilled paint.

The City of South Gate has a zero tolerance policy for all items listed above in

this sub-section. Contractor must immediately notify the City of any items, except the ones listed above, abandoned in the maintenance district areas.

B. MAINTENANCE STANDARDS

1. Alameda Sound Wall

Alameda sound wall planter shall be maintained and trimmed in straight and neat horizontal and vertical planes, and shall not grow more or protrude than 30 inches from the soundwall. All “dead” areas shall be reported to the City and planted with similar plants. Failure by the Contractor to keep this site in excellent condition will compel the City to maintain it and charge the Contractor time and material (not less than \$500 per occurrence)

2. Medians and Parking Lots

All medians and parking lots must have an impeccable appearance at all times. Dead plants must be removed immediately and replaced within 48 hours. In the event the Contractor fails to replace the dead plants in the time prescribed above then the City will proceed with the replacement, and will charge the Contractor time and material for the replacement, and shall deduct the charges (minimum \$500 per occurrence) from future payments to the Contractor. All trash, weeds, and other materials must be removed from the medians and parking lots immediately. Failure to comply with this requirement will compel the City to complete the cleanup and charge the Contractor for time and material.(Not less than \$250 per occurrence). Such charges to be deducted from future payments owed the Contractor.

3. Well Site Landscape Maintenance

At all well sites included in this contract must have trees, hedges and ivy trimmed inside and outside. All trash picked up and all areas blown inside and out of perimeter fencing on a weekly basis. Weed abatement will be accomplished by trimming, no weed killing chemicals are to be used in area surrounding the potable water well sites. West Side Reservoir, Well 26, and Well 27 sites have exterior landscaping on Tweedy and Nebraska, in front and back. City pump operators will accompany the landscapers to open gates, disarm the video alarm systems and secure the sites.

4. Trash Receptacles

All trash receptacles under this contract shall be emptied per the schedule in these specifications, and whenever full, as reported by the Contractor’s staff assigned to monitor the maintenance areas within District No 1. Contractor shall immediately empty trash receptacles when notified or as reported by the Contractor’s staff assigned to monitor all sites. Failure to empty the trash receptacles when full will result in City crews completing the work. The cost of City time and material will be charged to the Contractor (not less than \$250 per occurrence)

5. City Staff Oversight

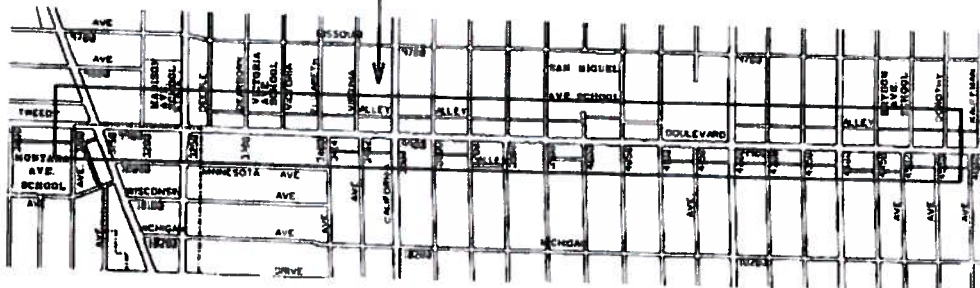
Public Works Maintenance Division personnel shall monitor all regularly scheduled maintenance duties like steam cleaning operations and approve or disapprove the final product, immediately upon completion of the operations. The Public Works Maintenance Superintendent may at his discretion require a written report from staff certifying that all duties were performed according to the contract specifications.

EXHIBITS A1 THROUGH A12

LOCATION MAPS AND TASK DESCRIPTIONS

EXHIBIT A1- TWEEDY AND HOLLYDALE DISTRICT

I. TWEEDY MAINTENANCE DISTRICT



Hollydale District

- 1 Maintain landscaped medians and public parking lots
- 2 Pick up trash from sidewalks and medians
- 3 Steam clean sidewalk and bus stop benches
- 4 Empty trash from receptacles and replace trash bags on Mondays, Wednesdays, Fridays, and Sundays
- 5 Perform all work required in the project specifications
- 6 Visit and inspect site daily and report conditions to the City Project Manager

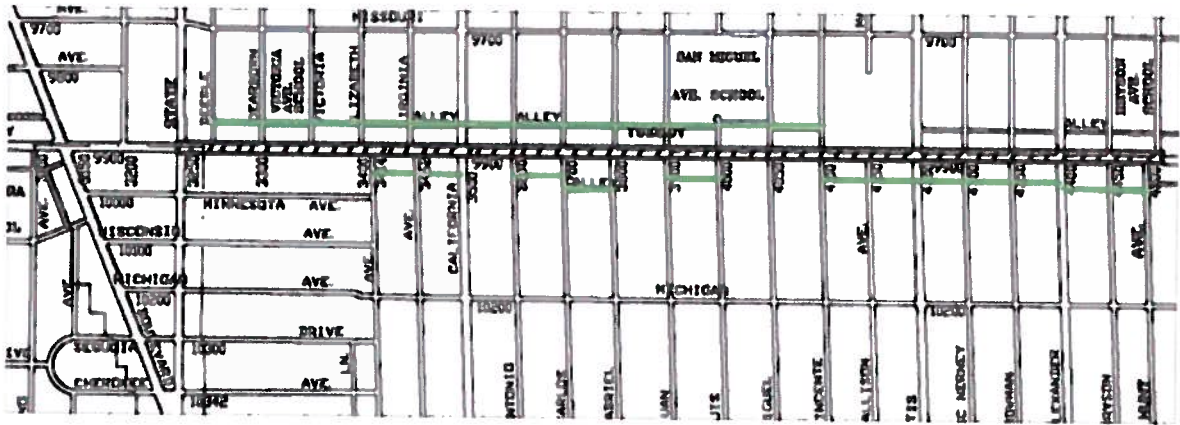
II. HOLLYDALE DISTRICT GARFIELD AVE FROM ROOSEVELT TO FLORENCE AVE



Tweedy District

- 1 Empty trash receptacles, replace trash bags Mondays, Wednesdays, Fridays, and Sundays per exhibit
- 2 Steam cleaning of bus benches twice a month
- 3 Steam cleaning of sidewalks, walkways and paved areas once a week
- 4 Pick up trash and weeds from medians, public places and parking lots
- 5 Perform all work required in the project specifications
- 6 Visit and inspect site daily and report conditions to the City Project Manager

EXHIBIT A1B - SPECIAL EVENTS IN TWEEDY BLVD



- 1) Two Special events occur in Tweedy Boulevard, from Hunt to Long Beach Blvd: 1) Street Fare (2 Days); and 2) Christmas Parade (2 Days). Contractor shall pickup trash in Tweedy Blvd. and two neighboring alleys on the north and south sides one time a day. Also, Sweep and pressure wash sidewalks, steam clean benches in Tweedy Blvd., on the day before and day after within the above limits.
- 2) One Special event occur on Tweedy Boulevard from State Street to California The events takes place during the evening from 3:00 pm in the late afternoon to 8:00PM IN the evening 1) Posada (1Day); Contractor shall pick up trash on Tweedy Boulevard. Also, Sweep and pressure wash sidewalks, steam clean benches on Tweedy Boulevard on the day before and day after the within the above limits.
- 3) Bid price(s) shall be per event.

EXHIBIT A2 - STREET MEDIAN DISTRICT

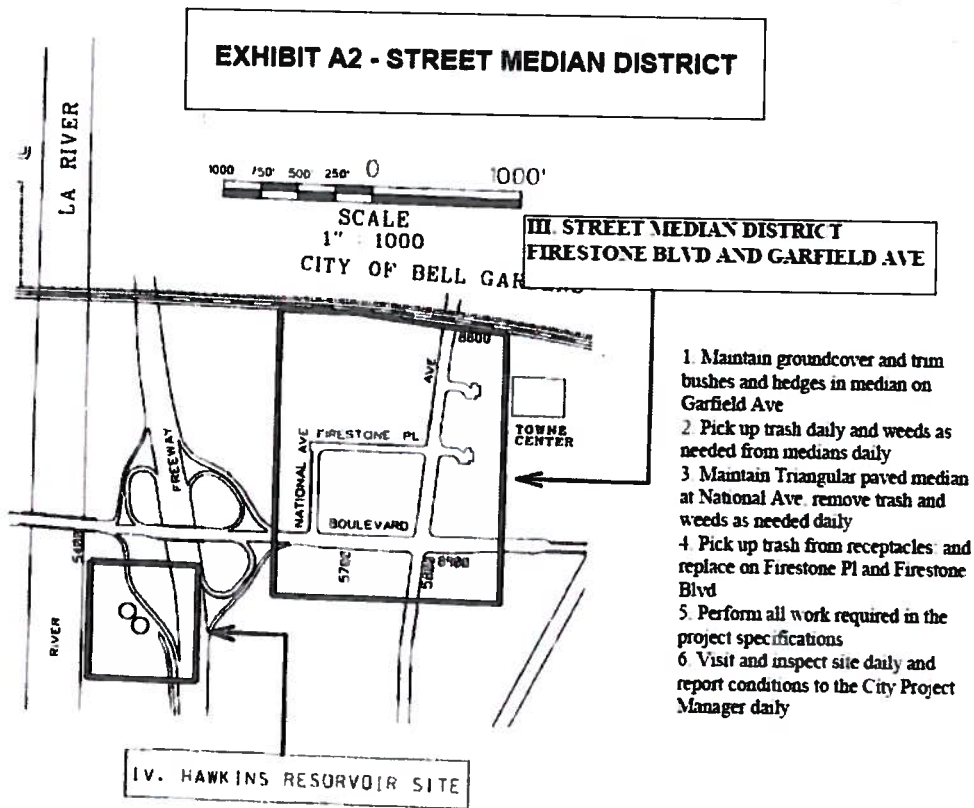
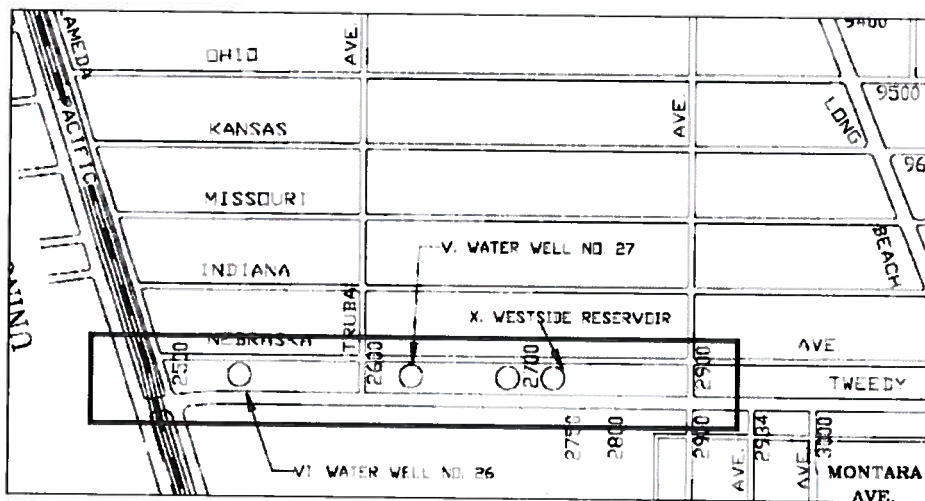


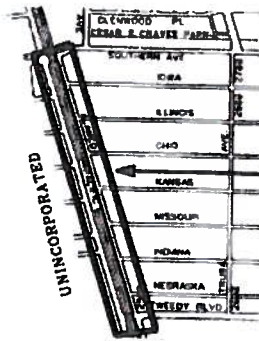
EXHIBIT A3 - WELL SITES 26, 27 AND WESTSIDE RESERVOIR



1. Remove all weeds biweekly
2. Weekly inspections and reports of condition of sites.
3. Remove all trash and debris from site daily

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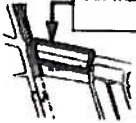
EXHIBIT A4 - ALAMEDA WALL AND FIRESTONE MEDIAN



XI. ALAMEDA SOUND WALL TWEEDEY BLVD TO SOUTHERN AVE.

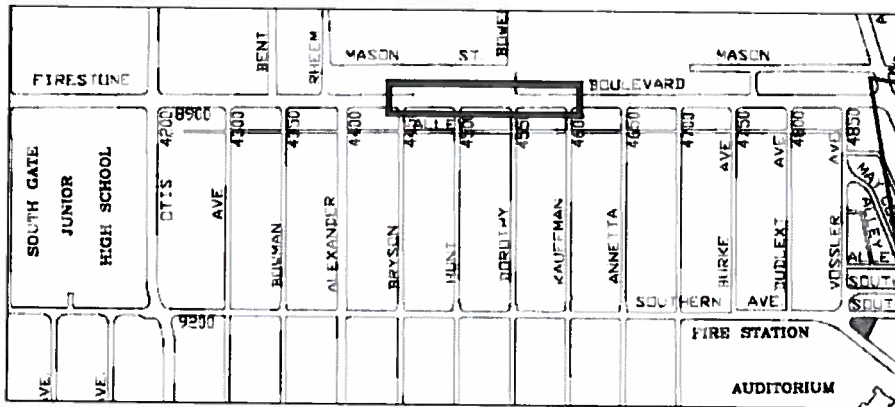
- 1 Maintain and trim vine along a straight line 30" from sound wall as needed
- 2 Trim hedges in planters along rectangular straight lines as needed
- 3 Remove dead vegetation as needed
- 4 Perform all work required in the project specifications
- 5 Visit and inspect site daily and report conditions to the City Project Manager

XI. MEDIAN ON FIRESTONE EAST OF ALAMEDA



1. Maintain landscaped median
2. Remove dead vegetation as needed
3. Maintain hedges in good condition and trim to straight lines weekly
4. Remove debris and trash from median and adjacent area daily
5. Perform all work required in the project specifications
6. Visit and inspect site daily and report conditions to the City Project Manager daily

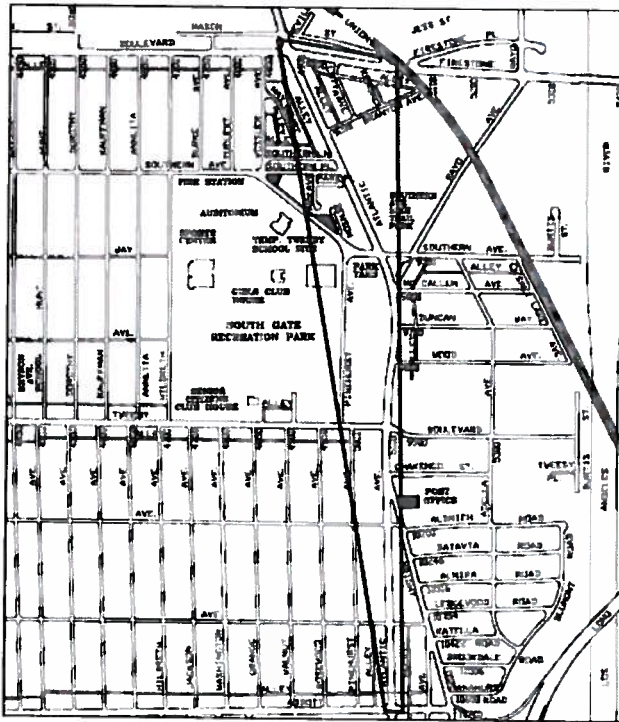
EXHIBIT A5 - FIRESTONE MEDIAN FROM KAUFFMAN AVE TO BRYSON AVE



1. Trim hedges, landscaping and ground cover on a biweekly basis
2. Remove debris and trash from median, sidewalk and paved areas daily
3. Perform all work required in the project specifications
4. Visit and inspect site daily and report conditions to the City Project Manager daily.

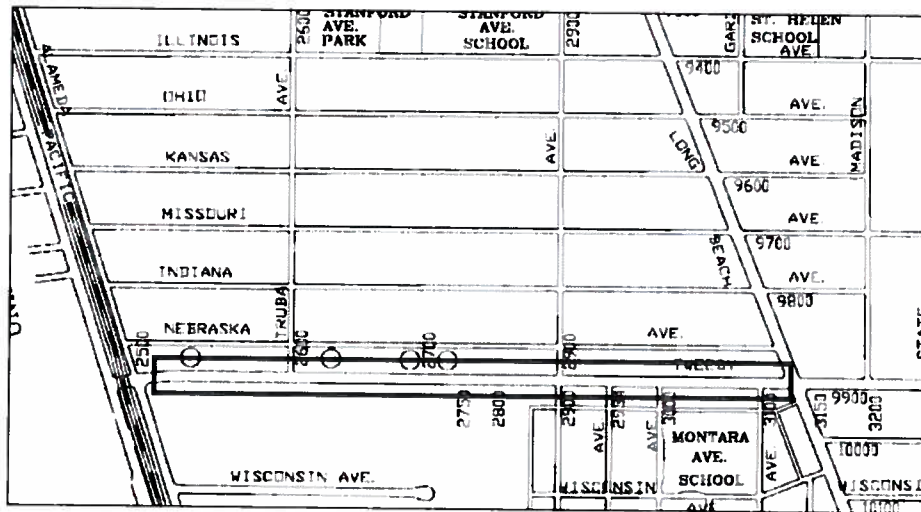
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EXHIBIT A6 - ATLANTIC AVE MEDIAN FROM FIRESTONE TO ABBOTT ROAD



1. Remove trash and debris from medians and public areas daily.
2. Remove weeds from median and public places on an as needed basis
3. Maintain ground cover, and flower beds on an as needed basis
4. Steam clean median hardscape areas and public areas once a month.
5. Perform all work required in the project specifications
6. Visit and inspect site daily and report conditions to City Project Manager daily.

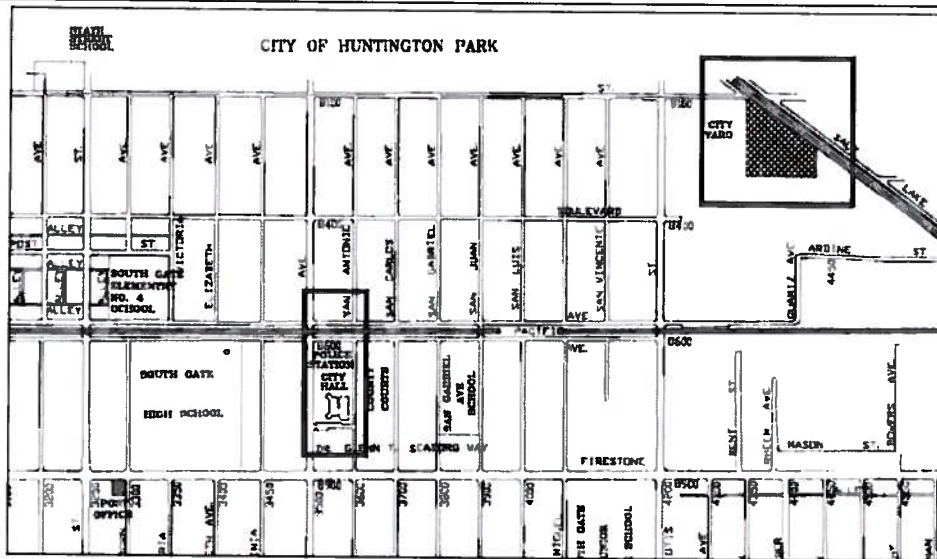
EXHIBIT A7 - TWEEDY MEDIAN BETWEEN LONG BEACH BLVD AND ALAMEDA ST



1. Pick up trash debris daily from medians, sidewalks, and paved areas
2. Pick up weeds on an as needed basis
3. Empty trash receptacles on Mondays, Tuesdays, Wednesdays, and Fridays on Twеды
3. Maintain landscaping and ground cover on an as needed basis
4. Steam clean hardscaped areas, sidewalks, and paved areas once a month
5. Perform all work required in the project specifications
6. Visit and inspect site daily and report conditions to the City Project Manager daily.

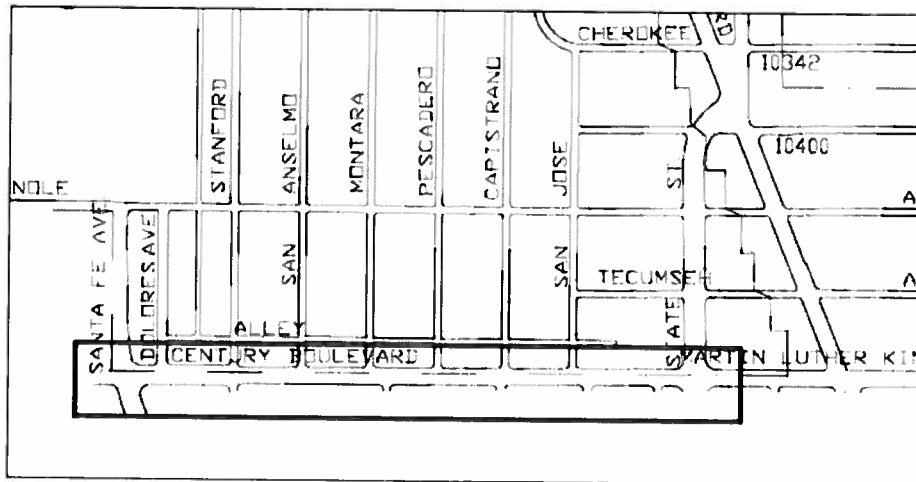
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EXHIBIT A8 - CIVIC CENTER AND MAINTENANCE FACILITY



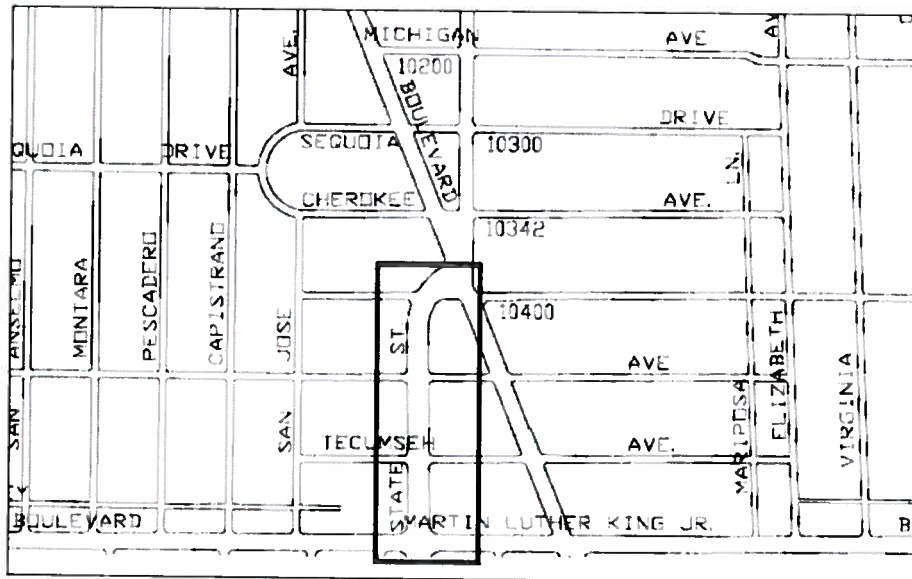
1. Remove all weeds on an as needed
2. Clean debris and trash from parking lots daily
3. Remove dead vegetation as needed
4. Ensure normal growth of plants; Replace dead plants
5. Weekly reports to be submitted to the City
6. Perform all work required in the project specifications
7. Visit and inspect site daily and report conditions to the City Project Manager.
8. Change color of flower beds 5 times a year

EXHIBIT A9 - CENTURY BLVD FROM STATE STREET TO SANTA FE AVE



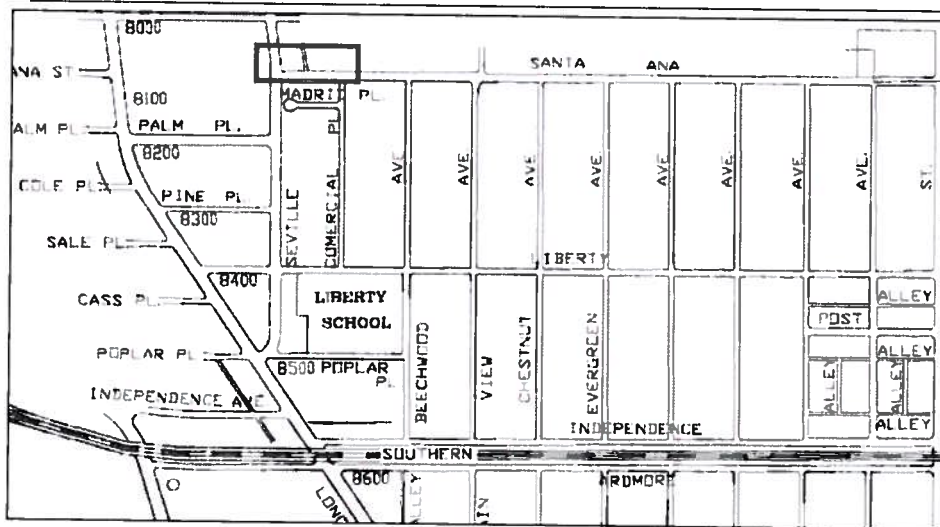
1. Remove trash bags and replace with new once a week
2. Clear debris and trash from public areas
3. Perform all work required in the project specifications
4. Visit and inspect site daily and report conditions to City Project Manager daily

EXHIBIT A10- STATE STREET BETWEEN LONG BEACH BLVD AND MARTIN LUTHER KING JR BLVD



1. Mow turf once a week on 20' wide median on State Street between Long Beach Blvd and Martin Luther King Blvd
2. Remove pine needles from median island, public areas and sidewalks
3. Insure sprinklers are functional and provide full coverage
4. Replace dead portions of turf
5. Apply required fertilizer and aeration as necessary to keep turf lush green and in a healthy condition
6. Remove weeds, gum, dirt, graffiti, and USA markings from median at Long Beach Blvd and State St

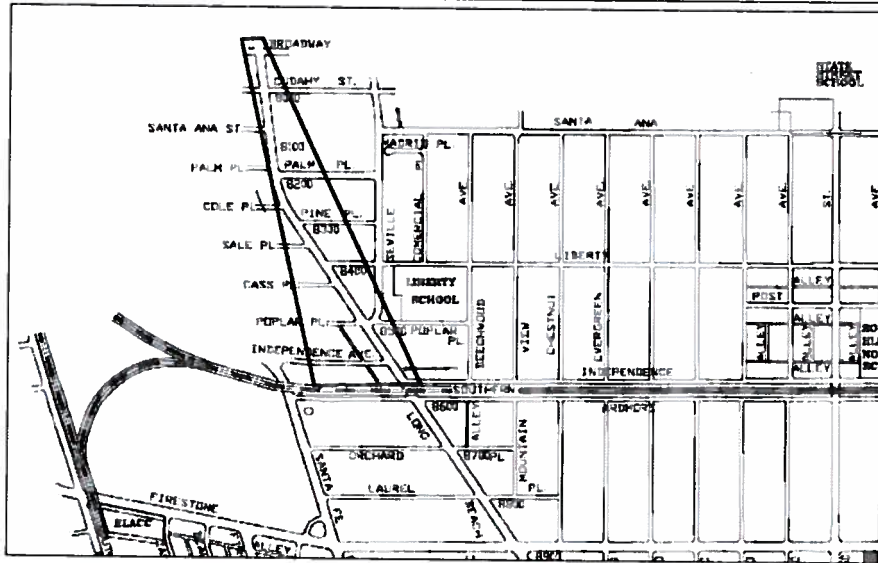
EXHIBIT A11 - SANTA ANA STREET AT SEVILLE AVE



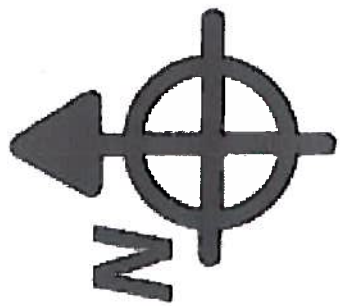
1. Keep wall on south side of Santa Ana clean of graffiti
2. Replace trash receptacles at southeast corner of Seville and Santa Ana
3. Remove debris, gum, and USA markings from intersection

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EXHIBIT A12 - LONG BEACH BLVD FROM PALM PLACE TO NORTH CITY LIMITS



1. Replace trash receptacles on Mondays, Tuesdays, Wednesdays and Fridays
2. Steam clean and remove gum, animal feces, USA markings and weeds from public streets, sidewalks and paved areas
3. Steam clean benches and bus stops once a month



 **Project Construction Location**

FIRESTONE BOULEVARD REGIONAL CORRIDOR CAPACITY ENHANCEMENTS PROJECT

AGREEMENT FOR MAINTENANCE SERVICES

THIS AGREEMENT FOR MAINTENANCE SERVICES (this "Agreement") is entered into as of January 23, 2018 by and between the City of South Gate, a Municipal corporation (the "City") and Parkwood Landscape Maintenance Inc., a California Corporation ("Contractor"), with reference to the following facts:

RECITALS

A. City is the owner of certain facilities more particularly identified in this Agreement below and in the Exhibits attached hereto.

B. Contractor has represented and does hereby represent to the City that Contractor has the requisite skills, knowledge, qualifications, manpower and expertise to maintain those facilities, and Contractor does hereby offer to perform maintenance services with respect thereto, as more particularly identified below in this Agreement and in the Exhibits attached hereto.

C. The City is willing to accept that offer, subject to the terms and conditions of this Agreement.

Now, therefore, the City and Contractor hereby agree as follows:

AGREEMENT

1. **Engagement and Scope of Work.** The City hereby engages the Contractor, and the Contractor accepts such engagement, to perform the maintenance services ("Work") identified on Exhibit "A" hereto. The locations at which such Work is to be performed ("City Facilities") are also identified on Exhibit "A" hereto. The Work shall include all the terms and conditions of Contractor's proposal dated December 4, 2017 ("Proposal"), which shall be attached as part of Exhibit "B" and which is incorporated herein by this reference; provided, however, that to the extent the Proposal conflicts with anything else in this Agreement, the terms of this Agreement shall control.

2. **Compensation Payable by City to Contractor.** The maximum amount of compensation to be paid to Contractor hereunder shall not exceed Eight Hundred Six and Eighty Two Dollars (\$806,082), which shall be full compensation for the Work. A more detailed description of the compensation payable to Contractor hereunder, including unit prices, monthly payments, and/or other information, conditions and limitations, is set forth on the Cost Proposal attached hereto as Exhibit "B". Except as may be specifically set forth in Exhibit "B", or approved by the City on a case-by-case basis, Contractor shall not be paid hereunder for any travel time in the performance of the Work. Except as otherwise provided in Exhibit "B", on or before the twentieth (20th) day of each calendar month following the commencement of the Work, Contractor shall file its request for payment, accompanied by evidence satisfactory to the City justifying the request for payment, including a report of Work accomplished and tasks completed in the previous month, and an itemization of eligible expenses with copies of receipts and invoices. If, after review by the City, the Work is found to be unacceptable, Contractor, at

its expense, shall expeditiously correct such unacceptable Work. If Contractor fails to correct unacceptable Work, the City may withhold from any payment due an amount that the City reasonably believes will equal the cost of correcting the Work. Subject to the City's right to reject all or any part of the charges set forth in such invoice as provided herein, the City shall pay Contractor the amount of such invoice within thirty (30) days of receipt and approval of such invoice.

3. **Term of Agreement.** The term of this Agreement ("Term") shall commence on February 1, 2018, and shall terminate on January 31, 2021, unless terminated sooner pursuant to the provisions of Sections 9, 10 or 13.2 below. This Agreement shall not be automatically renewed or extended; performance by Contractor of any Work following said termination date shall be prohibited, and Contractor shall not be entitled to compensation therefore, in the absence of a written agreement pertaining to such additional Work executed by the City and Contractor pursuant to Section 20.10.

4. **Commencement of the Work.** The execution and delivery of this Agreement by the City and Contractor does not constitute an authorization for Contractor to proceed with the Work. Contractor shall commence performance of the Work within seven (7) days after the City issues to Contractor a written notice, signed by the City's Director of Public Works ("Director"), instructing Contractor to proceed with the Work. Contractor represents and warrants to the City that Contractor will be able to commence the Work within that time in compliance with all requirements of this Agreement, including without limitation those set forth in Sections 6, 7 and 8 below.

5. **Inspection of Work.** The Director and his designees shall have the right to review and inspect the Work performed by Contractor hereunder at any and all times, with respect to the quality of the Work and Contractor's conformance to the terms of this Agreement, pursuant to the City's established review and approval procedures as the same may be amended from time to time. Without limiting the City's rights under Section 2 above, if the Director or his designee determines as a result of any such inspection that any aspect of the Work is unsatisfactory for any reason (including without limitation failure to meet the performance standards specified in Section 8 below), then Contractor shall promptly correct the Work at no additional cost to the City.

6. **South Gate Business License.** Without limiting the generality of Section 8 below, Contractor shall obtain a City of South Gate business license before performing any Work under this Agreement.

7. **Contractor Must Pay Prevailing Wages to its Employees.** This Agreement is a public works contract. As such, pursuant to regulations established by the California Department of Industrial Relations and codified at 8 CCR §§ 16000 and 16001(f), Contractor's performance hereunder is subject to Contractor's compliance with prevailing wage rate payment requirements under California Labor Code § 1771. Contractor must pay "prevailing wages" to all personnel employed by Contractor who perform any portion of the Work. Information regarding prevailing wage determinations can be found on the Department of Industrial Relations' web site at <http://www.dir.ca.gov/OPRL/DPreWageDetermination.htm>. It is Contractor's responsibility to interpret and implement any prevailing wage requirements. Contractor agrees to pay any penalty

or civil damages resulting from a violation of prevailing wage laws with respect to this Agreement. The City advises Contractor to familiarize itself with those laws, including without limitation those set forth at California Labor Code §§ 1720 through 1861, inclusive.

8. **Performance Standards and Requirements.** Contractor shall perform and complete the Work promptly, diligently, and in a manner satisfactory to the City. Contractor shall furnish all equipment, tools, materials, labor and other services necessary to fully and adequately perform the Work, and shall pay all applicable fees and expenses associated therewith. Contractor and its subcontractors shall perform all acts required to complete the Work under this Agreement (i) in a skillful and workmanlike manner, (ii) consistent with the standards generally recognized as being employed by other maintenance companies in the State of California, and (iii) in accordance with all federal state and local laws, regulations and ordinances applicable to the operation of Contractor's business and to its performance of the Work under this Agreement. Contractor warrants that (a) all of its employees and subcontractors shall have sufficient skills and experience to perform those portions of the Work assigned to them, (b) they shall have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Work, and (c) such licenses, permits, qualifications and approvals shall be maintained throughout the Term of this Agreement.

9. **Independent Contractor.** In performing its duties hereunder, Contractor shall at all times act as an independent contractor. Contractor shall complete the services required of it hereunder according to its own means and methods of work, which shall be in the exclusive charge and control of Contractor and not subject to the control or supervision of the City except as to the results of the work and except as otherwise specifically set forth in this Agreement. In no event shall Contractor have any authority or power under this Agreement to incur any debt, obligation or liability on behalf of the City. Neither Contractor nor its employees are employees of the City, and nothing in this Agreement shall render Contractor an employee, partner, agent of, or joint venturer with the City for any purpose. Neither Contractor nor its employees shall represent themselves as employees of the City. Personnel employed or subcontractors retained by Contractor shall not acquire any rights or status regarding the City. Neither Contractor nor its employees shall have any claim against the City hereunder or otherwise for salary, vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits, or employee benefits of any kind. Contractor is responsible for complying with all obligations of an employer imposed under federal or state law. The City shall not withhold Social Security and Medicare taxes from any payments made to Contractor hereunder, nor shall the City make any such payments on Contractor's behalf. The City shall not make state or federal unemployment contributions on Contractor's behalf or withhold state or federal income tax from Contractor's payments hereunder. Contractor shall pay all applicable taxes related to the performance of services under this Agreement including all federal, state or local income, Social Security, Medicare, and self-employment taxes. Contractor will also pay all unemployment contributions for its employees related to the performance of services under this Agreement. Neither Contractor nor its employees or contractors are eligible to participate in any employee, pension, health, vacation pay, sick pay or other fringe benefit plan of the City. Contractor shall complete and submit to the City an IRS Form W-9 and acknowledges that the City will issue to Contractor an IRS Form 1099 for non-employee compensation for all payments for the Work rendered hereunder. Contractor agrees to indemnify and hold the City harmless from and against any and all liability arising from any failure of

Contractor to pay any income or other tax when due on account of the compensation paid to Contractor by the City hereunder (and Contractor's obligation to indemnify the City under this Section 9 shall survive the expiration or sooner termination of this Agreement).

10. **Non-Discrimination and Equal Employment Opportunity.** In the performance of this Agreement, Contractor shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, sexual orientation, disability or other handicap, age, marital/familial status, or status with regard to public assistance. Contractor will take affirmative action to ensure that all employment practices, including those of any subcontractors retained by Contractor to perform services under this Agreement, are free from such discrimination. Such employment practices include but are not limited to hiring, upgrading, demotion, transfer, recruitment, recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Contractor shall include the foregoing non-discrimination provisions in all solicitations or advertisements placed by or on behalf of Contractor for personnel or subcontractors to perform any services under this Agreement. Upon written request, the City shall have right to inspect and have access to all of Contractor's (and its subcontractors') documents, data and books and records for purposes of determining compliance with the equal employment opportunity and non-discrimination provisions of this Section 10. Contractor agrees that all applicable provisions of Executive Order No. 11246 shall be incorporated into this Agreement by this reference. A copy of Executive Order No. 11246 is available to Contractor for inspection and on file with the City's Public Works Department.

11. **Contractor's Representations and Warranties.** In addition to the other representations and warranties set forth elsewhere in this Agreement, Contractor hereby represents and warrants to the City as follows:

11.1 **Familiarity with Work.** Contractor has thoroughly investigated and considered the scope of services to be performed hereunder, has carefully considered how that Work should be performed, and understands the circumstances which may restrict or otherwise impact Contractor's performance of the Work under this Agreement.

11.2 **Site Inspection.** Contractor has visited each of the City Facilities where the Work is to be performed and is fully acquainted with the conditions existing at such sites.

11.3 **No Solicitation.** Contractor has not employed or retained any person or entity, other than a bona fide employee working exclusively for Contractor, to solicit or obtain this Agreement.

11.4 **No Fees, Commissions, Gifts or Other Consideration.** Contractor has not paid or agreed to pay any person or entity, other than a bona fide employee working exclusively for Contractor, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the execution of this Agreement. Upon such breach or violation of this warranty, the City shall have the right, in its sole discretion, to terminate this Agreement without further liability, or, in the alternative, to deduct from any sums payable hereunder the full amount or value of any such fee, commission, percentage or gift.

11.5 **No Conflict of Interest by City.** Contractor has no knowledge that any officer or employee of the City has any interest, whether contractual, non-contractual, financial, proprietary, or otherwise, in this transaction or in the business of Contractor, and that if any such interest comes to the knowledge of Contractor at any time, a complete written disclosure of such interest will be made to the City, even if such interest would not be deemed a prohibited "conflict of interest" under applicable laws.

11.6 **No Conflict of Interest by Contractor.** Upon execution of this Agreement, Contractor has no interest, direct or indirect, in any transaction or business entity which would conflict with or in any manner hinder the performance of Work required by this Agreement, nor shall any such interest be acquired during the Term of this Agreement.

12. **Non-Exclusivity.** The City does not warrant to contract-exclusivity with a single contractor to perform the type of maintenance services which Contractor is performing under this Agreement. As such, Contractor may not be the only company providing maintenance services to the City. The City reserves the right to enter into similar contracts with third parties for maintenance services in areas of the City other than the City Facilities identified in Exhibit "A" which are the subject of this Agreement.

13. **No Assignment.** Contractor shall not assign, delegate, or subcontract or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of the Director, which may be granted, conditioned or withheld by the Director in his sole and absolute discretion. This prohibition shall not apply to subcontracts and subcontractors identified by Contractor to the City in connection with any formal bid documents submitted by Contractor to the City in connection with the City's award of this Agreement to Contractor. Any proposed delegation, assignment or subcontract shall provide a description of the services to be covered, identification of the proposed assignee, delegatee or subcontractor, and an explanation of why and how the same was selected, including the degree of competition involved. Any proposed agreement with an assignee, delegatee or subcontractor shall include both (a) the amount involved, together with Contractor's such cost or price; and (b) a provision requiring that any subsequent modification or amendment shall be subject to the City's prior written consent. Any assignment, delegation or subcontract shall be made in the name of Contractor and shall not bind or purport to bind the City and shall not release Contractor from any obligation under this Agreement including, but not limited to, the duty to properly supervise and coordinate the work of employees, assignees, delegates and subcontractors. No such assignment, delegation or subcontract shall result in any increase in the amount of total compensation payable to Contractor under this Agreement.

14. **Public Employees Retirement System.** Notwithstanding any other local, state or federal policy, rule, regulation, law or ordinance to the contrary, neither Contractor nor any of its employees, agents or subcontractors shall qualify for or become entitled to – and each hereby agrees to waive any claims to – any compensation, benefit or incident of employment by the City, including but not limited to eligibility to enroll in the California Public Employees Retirement System ("PERS") as an employee of the City and entitlement to any contribution to be paid by the City for employer contribution and/or employee contributions for PERS benefits. Without limiting the generality of Section 19 below, if Contractor or any employee, agent or subcontractor of Contractor claims (or is determined by a court of competent jurisdiction or by

PERS) to be eligible for enrollment in PERS as an employee of the City, then Contractor shall indemnify, defend (using counsel acceptable to the City) and hold harmless the City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents or subcontractors, as well as for the payment of any penalties and interest on such contributions which would otherwise be the responsibility of the City.

15. **Insurance.** During the Term of this Agreement, Contractor shall at its expense maintain in full force and effect policies of insurance as required by Sections 15.2, 15.3 and 15.4 below and also, if required by the City, policies of insurance as required by Section 15.1 below:

15.1 **Property Damage/Casualty Insurance.** Depending on the nature of the City Facilities which are the subject of this Agreement, the City may require a policy or policies of insurance covering loss or damage thereto, in amounts deemed necessary by the City to cover the full replacement cost of those City Facilities. Said insurance shall provide protection against all perils typically included within the classifications of "all-risk", "fire legal liability", and "personal injury" insurance.

15.2 **Liability Insurance.** Liability, bodily injury, personal injury and property damage insurance with a combined single limit of One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) in the annual aggregate, insuring against any and all liability of the insured with respect to the Contractor's performance of (or failure to perform) its obligations under this Agreement. Each such policy shall be in the form of an Insurance Services Office ("ISO") Commercial General Liability Insurance policy, an ISO Comprehensive General Liability Insurance policy with Broad Form General Liability endorsement, or in any similar, commercially reasonable form. Without limiting the scope of coverage to be provided thereby, all such insurance shall specifically insure Contractor's performance of the indemnity provisions contained in Section 19 below as to liability for injury to or death of persons and injury or damage to property.

15.3 **Worker's Compensation Insurance.** Workers' Compensation Insurance as required by California law. This insurance must include (in the policy itself or by endorsement) a Waiver of the Right of Subrogation for General Liability against the City.

15.4 **Automobile Liability Insurance.** Automobile Liability Insurance, including owned, non-owned and hired vehicles, with at least the following limits of liability: (a) Primary Bodily Injury with limits of at least \$1,000,000 per person, \$2,000,000 per occurrence, and (b) Primary Property Damage of at least \$1,000,000 per occurrence.

15.5 **Qualifications of Insurers.** Each policy shall be issued by an insurance company having a "Best's Rating" of at least A and having a "Financial Size Categories" rating of at least VIII in the most current edition of "Best's Insurance Reports" issued by A.M. Best Company. In addition, each policy shall be issued by an "admitted" insurance company (*i.e.*, one that is qualified and licensed to do business in the State of California).

15.6 **City to be Named as Additional Insured Party.** All policies (other than worker's compensation insurance policies) must include an Additional Insured Endorsement

(CG 20 10 11 85) naming the City and its agents as an additional insured on the applicable insurance coverage with respect to the City's and its agent's interests under this Agreement.

15.7 **Primary Insurance.** Insurance obtained pursuant to this Section 15 shall be primary insurance, and other insurance (if any) maintained by the City shall be excess of Contractor's insurance and shall not contribute with the insurance required hereunder.

15.8 **Blanket Policies.** Any or all policies to be obtained by Contractor hereunder may, at Contractor's option, be provided under a separate policy covering only the items and matters to be insured under this Agreement, or included in one or more blanket policies covering not only those items and matters but also additional property and matters owned or otherwise insured by Contractor. All such combined or blanket policies must, however, comply with each and every provision of this Section 15.

15.9 **Restrictions on Cancellation and Reduction.** Each insurance policy required hereunder shall specify that the insurance company issuing the policy will give the City at least thirty (30) days' written notice prior to the effective date of (a) any cancellation, interruption or lapse of coverage, and (b) any reduction in the amount, type or extent of coverage.

15.10 **Waivers of Subrogation.** The parties release each other from any claims for damage to any person or property, and to the fixtures, personal property, improvements, and alterations thereon, that are caused by or result from risks insured against under any insurance policies carried by Contractor and in force at the time of any such damage. Furthermore, each insurance policy obtained hereunder shall provide that the issuing insurance company waives all rights of recovery by way of subrogation.

15.11 **Verification of Coverage.** Prior to or concurrent with Contractor's execution and delivery of this Agreement, and not later than thirty (30) days prior to the expiration of any insurance policy carried hereunder (with respect to policies which will replace said expiring policies during the Term of this Agreement), Contractor shall deliver to the City original certificates of insurance and amendatory endorsements evidencing and effecting insurance coverage required hereunder. All such certificates and any endorsements pertaining to the insurance coverage required hereunder shall be signed by a person authorized by the insurer to bind coverage on the insurer's behalf, and shall be on forms provided or approved by the City. In no event shall Contractor commence any construction, demolition, grading or other work relative to the Improvements until all evidences of insurance coverage required under this paragraph have been delivered to the City as required hereby. The City shall have the right, at any and all times, to require Contractor to provide the City with complete copies of any and all policies of insurance that Contractor is required to maintain hereunder, and Contractor shall deliver such copies to the City not later than ten (10) days following such request.

15.12 **Form of Policies.** All insurance policies required hereunder shall be in a form acceptable to the City and its agents; and shall include those endorsements which are necessary to extend coverage which is appropriate to the nature of this Agreement.

15.13 **Policy Limits Do Not Limit Contractor's Liability.** The minimum limits of policies of insurance required of Contractor under this Agreement shall in no event limit Contractor's liability under this Agreement.

16. **Termination for Convenience.** The City may terminate this Agreement at any time, with or without cause, upon sending a written notice of termination to Contractor (the "Termination Notice") that specifies a termination date (the "Early Termination Date") at least thirty (30) days after the date of the Termination Notice. Upon receipt of the Termination Notice, Contractor shall acknowledge receipt to the City in writing and take all steps necessary to cease all Work in a reasonable and orderly manner by no later than the Early Termination Date; provided, however, that any Work performed after the Early Termination Date that is reasonably necessary to terminate the Work in an orderly manner must be specifically authorized in writing by the Director prior to its performance and prior to the Early Termination Date. Upon termination by the City, Contractor shall be paid or reimbursed for all Work performed by Contractor under the Agreement up to the Early Termination Date (less all payments previously made), plus ten percent (10%) of the balance that would otherwise be due to Contractor during the remaining Term of this Agreement as reimbursement for profits lost to Contractor by virtue of the City's early termination of this Agreement. In no event shall any amounts paid or reimbursed upon termination of this Agreement exceed the total maximum compensation Specified in Section 2 above.

17. **Notice of Default and Termination for Cause.** If the City delivers written notice to Contractor notifying Contractor that it is in default of one or more of its obligations under this Agreement, specifying the nature of the default, and stating what steps Contractor must take to cure the default ("Default Notice"), and if such default remains uncured within ten (10) days following the City's delivery of the Default Notice, then the City may at any time thereafter immediately terminate this Agreement upon written notice to Contractor. Upon such termination, the City shall pay Contractor an amount equal to the value of the Work satisfactorily performed hereunder as of the date of the Default Notice; provided, however, that the City retains all rights to recover damages incurred by the City as a result of Contractor's default, including without limitation the right of offset against amounts otherwise due to Contractor hereunder, and the rights specified in Section 18 below. Contractor shall have no right to any reimbursement for profit or lost profit. Following such termination, the City may procure, upon such terms and in such manner as the City deems appropriate, maintenance services similar to those terminated hereunder. If, after notice of termination of this Agreement under the provisions of this Section 17, the City determines, for any reason, that Contractor was not in default hereunder, or that such default had been cured, then the rights and obligations of the City and Contractor shall be the same as if the notice of termination had been a termination for convenience issued pursuant to Section 16 above.

18. **City's Remedies for Contractor's Failure to Perform.** Upon Contractor's default of any of its obligations hereunder, and at any time after any such default, the City may take any one or more of the following actions:

18.1 **Forfeiture of Bond/Negotiation of Security.** The City may cause to be forfeited to the City all or a portion of any security given for the faithful performance of Contractor's obligations, and may further cause to be negotiated any instrument of credit

deposited with and assigned to the City in such amount as may be required to complete the Improvement work.

18.2 Performance by City at Contractor's Expense. Upon Contractor's default, the City may make written demand upon Contractor, or Contractor's surety (if any), or both, to immediately remedy the default and complete the Work. If the required Work is not substantially commenced within ten (10) days after the City's delivery of that written demand, or if it is not thereafter diligently prosecuted to a completion acceptable to the City within the timeframe set forth in the City's written demand, then without limiting any other remedy available to the City, the City may complete (or arrange for the completion of) all remaining Work and/or conduct such other remedial activity as in its sole and absolute discretion it believes is necessary or advisable. All such Work or remedial activity shall be at the sole and absolute expense and obligation of Contractor (and its surety, if any) without the necessity of giving any further notice to Contractor or its surety. The City's right to take such actions shall in no way be limited by the fact that the Contractor or its surety may have commenced or completed any of the required Work at the time of the City's demand for performance. If the City elects to complete (or arrange for completion of) the remaining Work, then the City may require all Work by the Contractor and/or its surety to cease in order to permit adequate coordination and completion by the City or its designee of the remaining Work.

18.3 Issuance of Cease and Desist Order. The City may issue a cease and desist order by delivering written notice to Contractor demanding that Contractor immediately discontinue any actions specified in that written notice. Contractor agrees to immediately comply with any such cease and desist order.

18.4 Injunctive Relief. The City shall have the right to apply for and obtain temporary and/or permanent injunctive relief or other equitable relief from a court of competent jurisdiction to enforce its rights and Contractor's obligations created by this Agreement, including without limitation relief in the form of a temporary restraining order and/or permanent injunction restraining Contractor from committing or continuing to commit any breach or threatened breach of this Agreement. The City shall have the right to seek such relief without showing or proving any actual damage sustained by the City, and without posting bond or other security. In connection with the City's right to apply for the injunctive relief which is the subject of this Section 18.4, Contractor hereby acknowledges that Contractor's breach of its obligations hereunder will cause irreparable harm and injury to the City if such breach continues unabated following the City's request for injunctive relief.

18.5 Other Relief. The City may seek any other remedies or relief, and take any other actions, available to the City under this Agreement, at law, or in equity.

19. Indemnification and Defense. Contractor and its sureties (if any) shall indemnify, hold harmless and defend (using counsel acceptable to the City) the City and its officers, managers, directors, agents and employees from and against all losses, claims, costs, expenses, liabilities, damages, actions, causes of action and judgments, including without limitation reasonable attorney's fees, arising out of or attributable to Contractor's performance or failure to perform its obligations under this Agreement.

20. **Miscellaneous.**

20.1 **Notices.** All written notices required to be given pursuant to the terms hereof shall be either (a) personally delivered, (b) deposited in the United States express mail or first class mail, registered or certified, return receipt requested, postage prepaid, (c) delivered by overnight courier service, or (d) delivered by facsimile or e-mail transmission, provided that the original of such facsimile notice, or a copy of such e-mail notice, is sent by certified U.S. mail, postage prepaid, no later than one business day following such facsimile or e-mail transmission. All such notices shall be deemed delivered upon actual receipt (or upon the first attempt at delivery pursuant to the methods specified in clauses (a), (b) or (c) above if the intended recipient refuses to accept delivery). All such notices shall be delivered to the following addresses, or to such other address as the receiving party may from time to time specify by written notice to the other party:

To the City:
City of South Gate
8550 California Avenue
South Gate, California, 90280
Attention: Arturo Cervantes,
Director of Public Works
Telephone No.: (323) 563-9500
Fax No.: (323) 563-9572
E-mail: acervantes@sogate.org

With a copy (which shall not constitute notice)
to:
Craig D. Hardwick, Esq.
AlvaradoSmith
1 MacArthur Place, Suite 200
Santa Ana, California 92707
Telephone No.: (714) 852-6800
Fax No.: (714) 852-6899
E-mail: CHardwick@AlvaradoSmith.com

To Contractor:

Parkwood Landscape Maintenance Inc.
16443 Hart Street
Van Nuys
California 991406
Attn: David L. Melito, President
Telephone No.: (818) 988 9677
Fax No.: (818) 988 4934
E-mail: dmelito@parkwood landscape.com

20.2 **Time.** Time is of the essence of every provision contained in this Agreement.

20.3 **Incorporation of Recitals and Exhibits.** All of the recitals set forth in this Agreement, and all of the exhibits attached to this Agreement, are by this reference incorporated in and made a part of this Agreement as though fully set forth herein.

20.4 **Successors and Assigns.** Without limiting the generality of Section 13 above, this Agreement shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns.

20.5 **Force Majeure.** Neither party hereto 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 any cause which is beyond the reasonable control of such party, provided that (a) the party affected gives written notice to the other of the cause and anticipated duration of the delay within three (3) days after the delay commences, and (b) this paragraph shall not extend either party's time for performance by more than thirty (30) days, regardless of the cause of the delay.

20.6 **Construction.** The parties acknowledge that each party and its counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments hereto.

20.7 **Governing Law.** This Agreement shall be construed and interpreted in accordance with and shall be governed and enforced in all respects according to the laws of the State of California, without regard to conflicts of laws principles.

20.8 **Consent to Jurisdiction and Service of Process.** All judicial proceedings brought against any party hereto arising out of or relating to this Agreement may be brought in any state or federal court of competent jurisdiction in the County of Los Angeles, State of California, and by execution and delivery of this Agreement each party accepts for itself and in connection with its properties, generally and unconditionally, the exclusive jurisdiction of the aforesaid courts (both personal jurisdiction and subject matter jurisdiction), waives any defense of forum non conveniens and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement. Each party hereby agrees that service of all process in any such proceeding in any such court may be made by registered or certified mail, return receipt requested, to any other party at its address provided herein, such service being hereby acknowledged by each party to be sufficient for personal jurisdiction in any action against said party in any such court and to be otherwise effective and binding service in every respect. Nothing herein shall affect the right to serve process in any other manner permitted by law.

20.9 **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. In addition, this Agreement may contain more than one counterpart of the signature page and may be executed by the affixing of the signatures of each of the parties to any one of such counterpart signature pages; all of such counterpart signature pages shall read as though one and they shall have the same force and effect as though all of the signers had signed a single signature page.

20.10 **Entire Agreement.** This Agreement, the Plans and Specifications, and the municipal codes and other laws cited in this Agreement, together contain the entire understanding of the parties and supersede any and all other written or oral understanding. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

20.11 **Captions.** Any captions or headings to the Sections and subsections in this Agreement are solely for the convenience of the parties hereto, are not a part of this

Agreement, and shall not be used for the interpretation or determination of validity of this Agreement or any provision hereof.

20.12 **Severability**. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable term or provision had never been contained herein.

20.13 **Further Assurances**. Each party shall cooperate with the other and shall execute such other documents as may be reasonably necessary to carry out the provisions of this Agreement.

20.14 **No Waiver**. Any waiver, consent or approval by either party of any breach, default or event of default of any provision, condition or covenant of this Agreement must be in writing and shall be effective only to the extent set forth in writing. No waiver of any breach, default or event of default shall be deemed a waiver of any later breach, default or event of default of the same or any other provision of this Agreement. Any failure or delay on the part of either party in exercising any power, right or privilege under this Agreement shall not operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude any further exercise thereof.

20.15 **Rights and Remedies**. No right or remedy conferred by any of the specific provisions of this Agreement is intended to be exclusive of any other right or remedy given hereunder or hereafter existing at law or in equity. The exercise of any one or more rights or the election of any one or more remedies by any party shall not constitute a waiver of the right to exercise other available rights or pursue other available remedies.

20.16 **Joint and Several Liability**. If Contractor constitutes more than one person or entity, then the obligations of each such person or entity shall be joint and several.

20.17 **No Third-Party Beneficiaries**. The parties hereto acknowledge and agree that no provision in this Agreement may be enforced by any third party.

20.18 **Patriot Act Compliance**. Contractor represents, warrants and covenants that neither Contractor nor any of its shareholders, officers, directors, members, managers or partners (i) is listed on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Asset Control, Department of the Treasury ("OFAC") pursuant to Executive Order No. 13224, 66 Fed. Reg. 49079 (Sept. 25, 2001) ("Order") and all applicable provisions of Title III of the USA Patriot Act (Public Law No. 107-56 (October 26, 2001)); (ii) is listed on the Denied Persons List and Entity List maintained by the United States Department of Commerce; (iii) is listed on the List of Terrorists and List of Disbarred Parties maintained by the United States Department of State, (iv) is listed on any list or qualification of "Designated Nationals" as defined in the Cuban Assets Control Regulations 31 C.F.R. Part 515; (v) is listed on any other publicly available list of terrorists, terrorist organizations or narcotics traffickers maintained by the United States Department of State, the United States Department of Commerce or any other governmental authority or pursuant to the Order, the rules and

regulations of OFAC (including without limitation the Trading with the Enemy Act, 50 U.S.C. App. 1-44; the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-06; the unrepealed provision of the Iraq Sanctions Act, Publ.L. No. 101-513; the United Nations Participation Act, 22 U.S.C. § 2349 aa-9; The Cuban Democracy Act, 22 U.S.C. §§ 60-01-10; The Cuban Liberty and Democratic Solidarity Act, 18.U.S.C. §§ 2332d and 233; and The Foreign Narcotic Kingpin Designation Act, Publ. L. No. 106-120 and 107-108, all as may be amended from time to time); or any other applicable requirements contained in any enabling legislation or other Executive Orders in respect of the Order (the Order and such other rules, regulations, legislation or orders are collectively called the "Orders"); (vi) is engaged in activities prohibited in the Orders; or (vii) has been convicted, pleaded nolo contendere, indicted, arraigned or custodially detained on charges involving money laundering or predicate crimes to money laundering, drug trafficking, terrorist-related activities or other money laundering predicate crimes or in connection with the Bank Secrecy Act (31 U.S.C. §§ 5311 et. seq.).

Contract No. _____

20.19 City Council Approval Required for Effectiveness of Agreement.

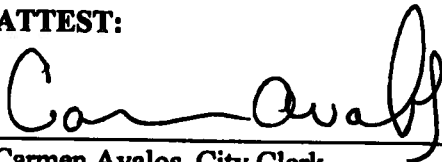
Notwithstanding any earlier execution of this Agreement by any officer, employee or representative of the City, this Agreement shall not be binding upon or enforceable against the City unless and until it has been approved or ratified by the City Council of the City at a public meeting noticed and conducted in accordance with applicable provisions of the California Government Code.

CITY:
The City of South Gate,
a California public body

By: 
Maria Davila, Mayor

Dated: 01/24/____, 2018

ATTEST:



Carmen Avalos, City Clerk
(SEAL)

Dated: 1/25____, 2018

APPROVED AS TO FORM:


Raul F. Salinas, City Attorney

CONTRACTOR:
Parkwood Landscape Maintenance, Inc.
a California Corporation

By: 
Name: David L. Melito
Title: President

Dated: 1-31____, 2018

Contract No. _____

Exhibit "A"

Scope of Work

The types and frequencies of the maintenance work to be performed by Contractor, and the locations of the City-owned facilities at which such work is to be performed, are set forth in detail on the pages which are attached following this Exhibit "A" cover page.

SCOPE OF WORK

A. TASK DESCRIPTION

Section 1 General

All applicable provisions of the City of South Gate Municipal Code and State Standards, are incorporated herein by reference and are intended to govern maintenance methods, except as modified herein or are inconsistent with the provisions hereof.

Section 2 Work Areas

The work areas to be maintained are within the public right-of-way, which is the back of sidewalk on one side of the street to the back of sidewalk at the other side of the street, and as described in the tables below. Within parking lots, the areas, also, include all planters within the lot on which the facility is situated, and all areas within the public parking lots and public areas and as described in the tables below.

The work areas for this contract include, but not limited to, the following:

i. Tweedy Maintenance District

Streets	From	To
Tweedy Blvd.	West City limits	East City limits
Long Beach Blvd.	Centerline of Tweedy Blvd.	160' North of the centerline of Tweedy Blvd.
Madison Ave.	Centerline of Tweedy Blvd.	160' North of the centerline of Tweedy Blvd.
State Street	Centerline of Tweedy Blvd.	160' North of the centerline of Tweedy Blvd.
Deeble Street	North Alley	Southerly R.O.W. on Tweedy Blvd
Dearborn Ave.	North Alley	Southerly R.O.W. on Tweedy Blvd
Victoria Ave.	North Alley	Southerly R.O.W. on Tweedy Blvd
Elizabeth Ave.	North Alley	South Alley
Virginia Ave.	North Alley	South Alley
California Ave.	North Alley	South Alley
San Antonio Ave.	North Alley	South Alley
San Carlos Ave.	North Alley	South Alley
San Gabriel Ave.	North Alley	South Alley
San Juan Ave.	North Alley	South Alley
San Luis Ave.	North Alley	South Alley
San Miguel Ave.	North Alley	South Alley
San Vincente Ave.	North Alley	South Alley

Mallison Ave.	North Alley	South Alley
Otis Street	North Alley	South Alley
McNerney Ave.	North Alley	South Alley
Bowman Ave.	North Alley	South Alley
Alexander Ave.	North Alley	South Alley
Bryson Ave.	North Alley	South Alley
Hunt Ave.	North Alley	South Alley

Parking Lots North of Tweedy Boulevard

N.E. corner California Avenue and alley
N.E. corner San Antonio Avenue and alley
N.W. corner San Carlos Avenue and alley
N.E. corner San Carlos Avenue and alley
N.W. corner San Juan Avenue and alley
N.E. corner San Juan Avenue and alley
N.W. corner San Luis Avenue and alley
N.W. corner San Miguel Avenue and alley
N.E. corner Otis Street and alley
N.E. corner McNerney Avenue and alley
N.W. corner McNerney Avenue and alley
N.W. corner Bowman Avenue and alley
N.E. corner Bowman Avenue and alley
N.E. corner Alexander Avenue and alley
N.E. corner Bryson Avenue and alley

Parking Lots South of Tweedy Boulevard

S.W. corner California Avenue and alley
S.E. corner San Antonio Avenue and alley
S.W. corner San Carlos Avenue and alley
S.W. corner San Luis Avenue and alley
S.E. corner San Vincente Avenue and alley
S.W. corner Mallison Avenue and alley
S.E. corner Mallison Avenue and alley
S.W. corner Bowman Avenue and alley
S.E. corner Bowman Avenue and alley
S.W. corner Alexander Avenue and alley
S.W. corner San Vincente Avenue and alley (along south wall only)

ii. Hollydale Maintenance District

Streets	From	To
Garfield Avenue	80' north of centerline of Roosevelt Ave.	North curb line of Century Blvd.
Main Street	Utah Avenue	Alley east of Garfield Ave.

Parking Lots

N.E. corner Utah Ave. and Main Street
S.E. corner Utah Ave. and Main Street
S.W. corner Garfield Ave. and Main Street

iii. Street Median Maintenance District

1. Intersection of Firestone Boulevard and Garfield Avenue: those raised planted medians at the intersection of Firestone Boulevard and Garfield Avenue extend: northerly to the north City boundary, easterly to the east City boundary, westerly to National Avenue and southerly one block.
2. Intersection of Garfield Avenue and Main Street extended northerly to Roosevelt Avenue and southerly to Century Boulevard.
3. Firestone Boulevard, east of Alameda Street.
4. Tweedy Blvd from Long Beach to Alameda
5. Atlantic Avenue.
6. State Street.

iv. Hawkins Reservoir Site

This location is on the Southwest quadrant of Firestone Boulevard and the Long Beach Freeway (I-710). Access is via Garfield Avenue, Miller Way and Frontage Road West.

v. City Water Well Site No. 26

This location is on the north side of Tweedy Boulevard and south side of Nebraska Avenue, west of Truba Avenue.

vi. City Water Well Site No. 27

This location is on the north side of Tweedy Boulevard and south side of Nebraska Avenue, east of Truba Avenue.

vii. City Water Well Site No. 28

This site is located at 3414 Ardmore Avenue, South Gate, CA 90280, west of California Avenue.

viii. City Water Well Site No. 29

This site is located at 2700 Ardmore Avenue, South Gate, CA 90280, at the intersection of Santa Fe Avenue and Ardmore Avenue in South Gate.

ix. South Gate Corporation Yard

Located at 4244 Santa Ana Street.

x. Civic Center Parking Lot and Planter at Tweedy Blvd./Deeble Street.

xi. Westside Reservoir Site

This location is on the north side of Tweedy Boulevard and south side of Nebraska Avenue.

xii. Alameda Soundwall Planter

This location is on the westside of Alameda Street, between Southern Avenue and Tweedy Boulevard.

xiii. Century Blvd. North

North side of Century Boulevard from State Street to Santa Fe Avenue.

Section 3 Task Description

The work to be performed, in the aforementioned areas, shall consist of, but not limited to, furnishing all labor, materials and equipment necessary to maintain all landscaped areas described, herein to include, but not limited to, turf, shrubs, groundcover, vines and irrigation systems.

The work shall also include emptying and maintenance of trash receptacles; maintenance and cleaning of benches, bus stop facilities, tree wells, and planters, and pickup debris, gum, animal feces, grease, paint, graffiti, glass and trash from all public places. Planting of annuals and mowing lawns in specified areas, manual and chemical weed abatement. Also, steam cleaning, and irrigation system maintenance.

Major repairs (exceeding \$1,000, single or aggregate per year) to the irrigation system are not included. City reserves the right to hire other parties to do the major irrigation repairs to the system.

The Contractor shall tour the sites and determine the quantity and type of landscaping and facilities to be maintained.

Actual work to be performed and required performance frequencies are defined in

the following divisions of these documents.

Section 4 **Safety**

The Contractor shall perform all the work required in such a manner as to meet all accepted standards for safe practices during all operations and to maintain safe condition of premises and right-of-ways at all times.

The Contractor shall so conduct his operations as to offer the least possible obstruction and inconvenience to the public to include disruption of the noise levels within the area.

All incidents out of the norm including but not limited to crimes, thefts, vandalism, hazards, etc., shall be reported immediately by phone to the Police Department at (323)563-9500

Section 5 **Cooperation/Collateral Work**

The Contractor shall recognize that during the course of the contract other activities and operations may be conducted by City forces and/or other contractors. These activities may include, but are not limited to: landscape refurbishment, irrigation system modification or repair, construction and storm related operations.

The Contractor may be required to modify or curtail certain operations and shall comply with any request by the Engineer to cooperate.

Section 6 **Contractor's Equipment**

All equipment and machinery utilized by the Contractor while performing work for the City shall be equipped and operated in such a manner so as to conform to all applicable laws and regulations including, but not exclusive to OSHA, concerning safety and operations. A complete listing of equipment must be submitted with the proposal on form provided.

Section 7 **Inspection**

The Contractor shall have a superintendent available at bi-weekly intervals for the purpose of conducting walk-through inspections of all maintained facilities.

Additionally, the Contractor's superintendent shall attend monthly status meetings at City Hall, field tours, and Tweedy Mile Association meetings unless directed otherwise.

In addition, the Director or his designated representative shall inspect the maintained facilities at random intervals while work is being performed and at the completion of required work to not discrepancies. Discrepancies will be noted

and the responsible party shall eliminate any problems immediately.

Section 8 **Schedule**

The Contractor shall note the specific days and/or periods have been established in these Special Provisions for the completion/performance of some items of work described herein.

Prior to commencement of work, the Contractor shall be required to submit to the Director or his assignee for approval, a schedule indicating the time/day/month proposed for performance of those items of work which are unspecified.

Failure to perform the work on the specified day and/or time shall result in the deduction and forfeit of five hundred dollars (\$500) from payments to the Contractor for every calendar day the schedule is not followed unless otherwise provided.

Requests to change the schedule shall be filed with the Director, or his assignee, at least 72-hours prior to the scheduled time for the work. Requests to change the schedule shall be made by telephone and directed to the Director, or his assignee, and followed in writing unless otherwise provided. All requests to change the schedule shall be subject to the approval of the Director, or his assignee. Therefore, the Contractor shall not implement any schedule changes until receipt of verbal or written notification from the Director, or his assignee that the requested change has been approved.

Failure to notify of a change and/or failure to perform an item of work on a scheduled day may result in deduction of payment for that date, or work, even though the work is performed on a subsequent day.

The Contractor shall adjust his schedule to compensate for all holidays in such a manner that all work required to be performed on that day shall be performed on either the day before the holiday or on the day after the holiday as determined in the Director, or his assignee.

Section 9 **Performance on Schedule**

Failure to complete the work as scheduled may result in the following actions:

- A) The sum of five hundred dollars (\$500) per calendar day will be deducted and forfeited from payments to the Contractor for each instance where an item of work is not completed in accordance with the schedule or specifications.
- B) An additional amount equal to the costs incurred by completion of the work by an alternate source, whether it is City forces or private Contractor, even if it exceeds the contract unit price will be deducted.

- C) These actions shall not be constructed as a penalty but as adjustment to payment for only the work actually performed or as cost to the City for inspection and other related costs from the failure of the Contractor to perform the work according to schedule.

Section 10 Notification

The Contractor shall inform the property owners and David Torres (323) 563-5784 at least 72-hours before performing work impacting businesses and property owners, such as, steam cleaning, sweeping. The notification to the City may be done by email to David Torres at dtorres@sogate.org or by fax to (323) 582-3106.

Notifications to business owners and property owners shall be done through the distribution of City pre-approved flyers to be distributed by the Contractor.

The Contractor shall take immediate action to resolve any complaints or requests due to unsatisfactory performance as soon as the Contractor is notified both verbally and/or in writing.

The Contractor shall complete corrective action within the following periods subsequent to verbal notification:

- A) All deficiencies, excluding minor irrigation repairs like replacing irrigation heads, within three (3) working days.
- B) Irrigation repairs will be subject to approval by the City upon submittal by the Contractor of a cost estimate and an itemization of repair items. Authorized repairs must be started within three (3) working days from approval.

The City reserves the right to hire outside parties to perform major irrigation repairs exceeding \$1,000

Section 11 Reports/Monthly Meeting

At the end of each month, the Contractor shall submit to the Director or designee, a detailed summary of all work accomplished which is other than that normally scheduled, along with the request for payment.

The Contractor shall attend a monthly Tweedy Business Mile Association meeting. In addition, the contractor shall meet with the City Staff at least once a month or as directed by the Director of Public Works. The exact schedule of the meeting will be provided to the Contractor after the award of the contract.

Once a month and with the submittal of the monthly invoice for services, the Contractor shall submit a monthly report to the City describing all the work completed during the past month.

Section 12 **Traffic Controls**

The Contractor shall provide and display all safety devices and traffic controls at all times when working in the public right-of-way. All Contractors' employees shall be attired in approved safety gear at all times and traffic control shall be as outlined in the "Work Area Traffic Control Handbook, and/or the MUTCD." Failure to do so will result in an immediate shutdown of activity by the City. Any work not accomplished as a result of the shutdown shall be performed at another time with proper safety devices at no additional expense to the City.

Contractor shall use electronic arrow and message boards whenever doing work on a major arterial, collector street, or thoroughfare.

Section 13 **Contractor's Personnel**

Each of the Contractor's working crews shall have a responsible leadman who may represent the Contractor to discuss the work in English with the Director, or his designate representative, at all times. All personnel must wear an ID tag, and shall wear a uniform where the company's name and logo is affixed. All Contractors' truck and equipment shall have a company logo and number affixed to it.

Section 14 **Irrigation System Operations**

Irrigation shall be maintained to ensure all landscaping is provided with sufficient irrigation water to promote and maintain a healthy appearance and condition at all times.

The entire irrigation system including all components from connection at meters shall be maintained in an operational state at all times. This coverage applies to all controllers and remote control valves, gate valves and backflow devices, main and lateral lines, sprinkler heads, moisture sensing devices and all drip irrigation system components.

The watering schedule will be established by the Contractor's Landscape Maintenance Supervisor. Application rates will be based on the amount of water the planted areas are capable of receiving without excessive runoff. The Contractor shall monitor the requirements of the plant material, soil conditions, seasonal temperature variations, wind conditions and rainfall and shall make appropriate changes in duration of watering cycles. The site(s) is equipped with an automatic system which provides for repeat cyclers to allow for water application over shorter periods of time that will allow for proper infiltration and thereby minimize runoff.

All irrigation shall be accomplished in accordance with the following periods:

- A) Automatic Systems Operation 10:00 p.m. – 6:00 a.m.

- B) Manual Irrigation 9:00 a.m. – 3:00 p.m.

Special watering required during daytime hours such as after fertilization, during periods of extreme dryness or heat, and during manual irrigation cycles shall be conducted in accordance with the following criteria:

- A) There shall be minimal drift onto private property caused from wind.
- B) There shall be irrigation personnel present at all times at each location until watering cycle is completed.

All damages resulting from under or over watering shall be repaired at the Contractor's expense.

Section 15 Irrigation System Maintenance/Repair

All irrigation systems shall be tested and inspected a minimum of twice a month. A status report is required to be submitted at the end of each month. A schedule shall be submitted at the start of the contract showing the location, day of week and time of day that each system will be tested. Any changes shall be submitted for approval prior to enactment.

The Contractor will adjust or clean all sprinkler heads, quick couplers, and valves to continue operation at maximum efficiency and performance.

All systems shall be adjusted in order to:

- A) Provide adequate coverage of all landscape areas
- B) Prevent excessive runoff and/or erosion
- C) Prevent watering roadways and facilities such as walkways, fences, private property and parking areas.

In addition to required testing, all irrigation systems shall be tested and inspected as necessary when damage is suspected, observed or reported.

All sprinkler heads shall be kept clear of over growth which may obstruct maximum operation. Contractor to replace all damaged and non-operational sprinkler heads.

All irrigation control valve strainers shall be inspected and cleaned a minimum of once per week.

All drip irrigation system emitters shall be cleaned and emitter flow checked a

minimum of once per week.

All irrigation system lateral lines shall be flushed a minimum of once every third month.

All backflow prevention devices shall be inspected for damage and leaks weekly. Any discrepancies shall be reported to the Director, or his assignee, immediately.

Section 16 **Shrub Pruning/Maintenance**

All shrubbery shall be pruned, shaped and thinned a minimum of three per year, once in late April, late August and early January, for safety, removal of broken or diseased branches, general containment and/or appearance.

All shrubs shall be trimmed to maintain vertical, horizontal clearance along walkways, parking areas and medians to prevent encroachment onto private property, to prevent obstruction of visibility of traffic signals and all signs and to prevent obstruction of sight distance for drivers entering/existing driveways from roadways, alleys or adjacent private property.

Prune shrubs to retain as much of the natural informal appearance as possible, consistent with intended use. Coordinate with the Director or his assignee.

Shrubs used as formal hedges or screens shall be pruned as required to present a neat appearance without a sheared appearance.

Remove any spent blossoms or dead flower stocks as required to present a neat clean appearance.

All leaves shall be raked from under the shrubs twice each month as needed.

All trimmings and debris shall be removed and disposed of offsite at the end of each day's work.

Section 17 **Pruning Procedures:**

All cuts shall be made sufficiently close, flush if possible, to the parent stem so that healing can readily start under normal conditions.

All limbs 1" or greater in diameter shall be under cut to prevent splitting.

All equipment utilized shall be clean, sharp and expressly designed for tree pruning.

Fertilization shall be scheduled every six (6) months to keep shrubs in a healthy and desirable condition. The Contractor shall use a well-balanced fertilizer.

Section 18 **Vines**

Vines and espalier plants shall be checked and retied as required. Secure vines with appropriate ties to promote directional growth on supports.

Do not use nails to secure vines on masonry walls.

Deep-water vines in pockets not provided with sprinklers as required to promote optimum growth.

The fertilization schedule of all vines shall be concurrent with fertilization of shrubs.

Vines shall be kept trimmed back from all signs, irrigation controllers and not allowed to grow up trees and into shrubs. Vines shall be trimmed to retain as much of the natural informal appearance as possible, consistent with the intended use which is to cover walls.

Section 19 **Groundcover**

Groundcover areas shall be maintained in a manner which will promote the healthy growth of the plant material in a somewhat natural state while removing weed infestations.

All groundcover shall be trimmed to restrict growth from sidewalks, trees, shrubs, behind curbs, around sprinkler heads, and from private property at all times.

A regular program of pre-emergent chemical application shall be used to control weed growth supplemented by hand removal of noxious weeds or grasses as required.

Weeds and grasses shall be removed from all planted areas upon emergence and not later than the next scheduled working day.

All bare soil areas shall be cultivated a minimum of once per month.

All paper or litter that accumulates in groundcover shall be picked as needed to be in compliance with the City's zero tolerance policy of maintaining the areas within District No 1 in an impeccable condition.

All groundcover areas shall be fertilized every ninety (90) days to promote a healthy appearance.

Section 20 **Turf**

Mow all turf areas weekly, if necessary, to maintain the specified height, with clippings mechanically collected and the borders neatly trimmed. Trim around

trees, rocks, valve boxes and other items located in the turf area keeping grass below weekly mowing height using a weed eater/line trimmer. The use of a line trimmer is not an acceptable substitute for an edger along paving, concrete walks and mow strips. The use of herbicides within the turf area as a means of trimming edges or around irrigation heads is not acceptable. Turf areas shall be mowed in accordance with acceptable horticultural standards. At no time shall more than 1/3 of the height of the grass be removed in any single mowing.

Irrigate as necessary to maintain proper growth rate and optimum appearance. The City shall approve all irrigation time cycles and shall be notified of any necessary changes 72-hours prior to any changes.

Maintain turf areas in a weed-free condition. For chemical control of broadleaf weeds, use of an approved selective herbicide shall be initiated on an as needed basis to maintain a weed-free condition. The Contractor shall supply the Engineer or assignee a written notice prior to any application of herbicide, pesticide or any other chemical within any work area containing potable water well or storage reservoir.

The Contractor shall NOT apply said chemicals prior to receiving a written approval for chemical work in these areas.

Contractor shall replace, at his own expense, all portions of dead turf, or turf showing signs of deterioration and change of color. Exceptions in this area are per written approval under drought condition and/or state mandates.

Section 21 **Fertilization:**

- A) Fertilize four (4) times annually with "Best" Turf Supreme 16-6-8 controlled release fertilizer or an approved equivalent, using two (2) pounds actual nitrogen per one thousand (1000) square feet, in March, June, October and December.
- B) Obtain written approval from Director prior to commencing with the application of fertilizer.

Control pests, including rodents, snails and diseases continuously to provide a healthy environment for plants and the public. This is to be done on a continuous basis with baits placed daily, if necessary.

Level, roll and reseed turf as needed to remediate any damage due to mechanical equipment. Maintain a level surface and fill in any bare areas.

All turf areas shall be mechanically aerated twice a year, or as needed. Aeration shall be done to a depth of not less than four (4) inches and shall be done immediately prior to the March and October fertilization. Prior to aeration, all irrigation heads and any other items, which could sustain damage during aeration, shall be flagged and any necessary precautions shall be taken to ensure that

irrigation, or similar equipment, is not damaged.

All landscape areas in close proximity to City potable water wells or storage reservoirs require special care by the Contractor to prevent the contamination by pesticides, herbicides or fertilizers. Any contamination of the above-mentioned water sources resulting from the negligence of the Contractor shall be cleaned to City and State Health Department standards at the Contractor's sole expense, and no additional compensation shall be allowed therefore.

Section 22 Tree, Shrub, Vine and Groundcover Replacement

The Contractor shall replace, at his expense, any shrubs or plants which die due to the Contractor's negligence or neglect. Size of replacement shrubs shall be equal to existing unless otherwise determined by the Director or his designated representative.

Section 23 Weed, Pest and Disease Control

The planters, beds, tree wells and areas of all landscaping shall be kept clear and free of all weeds, pests, insects and diseases at all times. Pests include, but are not limited to, gophers, snails, slugs, rabbits, squirrels and other rodents or pests which might cause harm or damage to the landscaping. Methods and materials used to accomplish this objective are subject to approval by the Director, or his designated representative prior to application. The Contractor is to possess all written recommendations, licenses, certificates and permits required by the State of California to handle and apply chemicals. A copy of said, written recommendation, licenses, certificates or permits shall be sent to the City of South Gate Director or his assignee.

Non-restricted chemicals shall be used wherever possible to perform weed and pest control. All methods employed to perform Rodent/Pest Control shall conform to all federal, state and county environmental regulations.

Section 24 General Facility Maintenance

Trash receptacles shall be emptied a minimum of four (4) times per week on Mondays, Wednesdays, Fridays and Sundays or as needed to ensure that receptacles are not overflowing, EXCEPT FOR TRASH RECEPTACLES ON TWEEDY BLVD, WHICH MUST BE SERVICED AND EMPTIED DAILY, early in the mornings. Concurrent with each trash pick-ups, the Contractor shall wash the exterior of trash receptacles and their lids. Interior buckets of trash receptacles shall be washed monthly during the first week of each month. The Contractor shall provide plastic liners for all City provided trash receptacles at the Contractor's expense. Contractor shall empty trash receptacles before, once during, and after special events which occur twice a year.

All trash and debris shall be removed from tree wells, rest areas, planters and medians on Mondays, Wednesdays, Fridays and Sundays.

The Contractor shall remove all trash and debris from planted areas of parking lots, planters and other hardscape areas, and clean all the areas from edge of planted area curb to a distance of twenty-four (24) inches from curbs to remove all trash and debris a minimum of four (4) times per week, on Mondays, Wednesdays, Fridays and Sundays between the hours of 5:00 a.m. and 8:00 a.m. only.

All clippings and any other debris generated by the Contractor's activities shall be removed and disposed of offsite at the end of each workday, or upon the completion of the Contractor's daily operations, whichever occurs first. The Contractor shall not sweep trash or debris into the streets and allow it to remain there for pickup by City street sweepers. Dust or nuisance conditions occasioned by Contractor's work will not be tolerated and shall be alleviated immediately.

In addition to the above, the Contractor shall be required to perform three (3) special cleanups per year or as instructed by the Director of Public Works or assignee. One special cleanup shall be required for the Street Fair. The other special cleanup shall be required for the Christmas Parade. The third shall special clean-up shall be as required due a special City Event. The Contractor shall be required to perform all items of work described in Section 9 on the day before each event, on the day of each event, and on the day after each event.

The Contractor shall not be allowed to alter the regular Monday, Wednesday, Friday, and Sunday schedule specified herein for each item of work, but shall be required to perform these items of work on consecutive days if necessary to comply with these contract requirements. The Director, or his assignee, shall notify the Contractor in writing a minimum of thirty (30) calendar days prior to the scheduled day of each event. Performance of the three required special cleanups shall not be paid as extra work, but shall be included in the Contractor's final sum quoted price for General Facilities Maintenance and no additional compensation shall be allowed therefore.

All green waste generated by the landscape maintenance of any City-owned property, by the Contractor, shall be reported to the City and disposed of at a recycling facility designated by the City that has composting capabilities and is approved by the Director of Public Works, or his assignee. The City shall receive credit of all recycled green waste.

Section 25 Steam Cleaning

Location: All public sidewalks, bus benches and hardscape areas within the Tweedy and Hollydale Business District areas, around the Azalea Shopping Center and on Atlantic Sidewalks

Frequency: Bus stops, shall require a minimum of twice per month
For sidewalks, shall require once per week

Task Description:

The Contractor shall thoroughly remove all gums and stain by steam clean and any other means from all sidewalks, walkways, and paved areas, ON A WEEKLY BASIS preferably on Mondays, to the satisfaction of the Director of Public Works or assignee. The Contractor shall use Best Management Practices (BMP's) as approved in the most current edition of the National Pollutant Elimination System (NPDES) Municipal Stormwater and Urban Runoff permit to reduce and amount of pollutant to be discharged to the storm drain system.

Sample BMP:

- Vacuuming the runoff before entering the catch basin by vacuum truck.
- Retention debris with a waddle or filter prior to entering the catch basin and debris shall be picked up and disposed of properly.

Section 26 Trash Pickup on Century Boulevard

Trash pickup shall occur once a week and application of provision in Section 25 shall apply.

Section 26A Special Events in Tweedy Boulevard

Refer to Exhibit A1B for details of maintenance work.

Section 27 ENFORCEMENT OF STANDARDS

Contractor shall strictly adhere to the standards set forth in this section and these specifications.

1. Contractor to assign a staff member to drive through the maintenance areas DAILY, to insure that all areas are kept clean and in an impeccable condition.

Failure by the Contractor to inspect areas daily will compel the City to perform that duty by hiring a third party. The cost to the City of providing this task will be deducted from any payments to Contractor.

2. All areas under this maintenance district shall be free from weeds, trash, deleterious materials, illegally dumped items, dying plants, unsightly plant material, chewing gum, spilled paint.

The City of South Gate has a zero tolerance policy for all items listed above in

this sub-section. Contractor must immediately notify the City of any items, except the ones listed above, abandoned in the maintenance district areas.

B. MAINTENANCE STANDARDS

1. Alameda Sound Wall

Alameda sound wall planter shall be maintained and trimmed in straight and neat horizontal and vertical planes, and shall not grow more or protrude than 30 inches from the soundwall. All "dead" areas shall be reported to the City and planted with similar plants. Failure by the Contractor to keep this site in excellent condition will compel the City to maintain it and charge the Contractor time and material (not less than \$500 per occurrence)

2. Medians and Parking Lots

All medians and parking lots must have an impeccable appearance at all times. Dead plants must be removed immediately and replaced within 48 hours. In the event the Contractor fails to replace the dead plants in the time prescribed above then the City will proceed with the replacement, and will charge the Contractor time and material for the replacement, and shall deduct the charges (minimum \$500 per occurrence) from future payments to the Contractor. All trash, weeds, and other materials must be removed from the medians and parking lots immediately. Failure to comply with this requirement will compel the City to complete the cleanup and charge the Contractor for time and material. (Not less than \$250 per occurrence). Such charges to be deducted from future payments owed the Contractor.

3. Well Site Landscape Maintenance

At all well sites included in this contract must have trees, hedges and ivy trimmed inside and outside. All trash picked up and all areas blown inside and out of perimeter fencing on a weekly basis. Weed abatement will be accomplished by trimming, no weed killing chemicals are to be used in area surrounding the potable water well sites. West Side Reservoir, Well 26, and Well 27 sites have exterior landscaping on Tweedy and Nebraska, in front and back. City pump operators will accompany the landscapers to open gates, disarm the video alarm systems and secure the sites.

4. Trash Receptacles

All trash receptacles under this contract shall be emptied per the schedule in these specifications, and whenever full, as reported by the Contractor's staff assigned to monitor the maintenance areas within District No 1. Contractor shall immediately empty trash receptacles when notified or as reported by the Contractor's staff assigned to monitor all sites. Failure to empty the trash receptacles when full will result in City crews completing the work. The cost of City time and material will be charged to the Contractor (not less than \$250 per occurrence)

5. City Staff Oversight

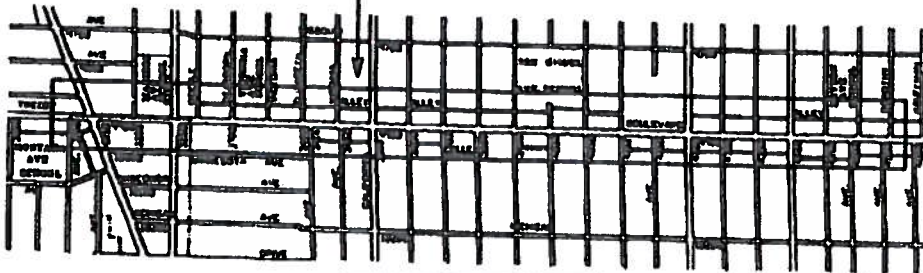
Public Works Maintenance Division personnel shall monitor all regularly scheduled maintenance duties like steam cleaning operations and approve or disapprove the final product, immediately upon completion of the operations. The Public Works Maintenance Superintendent may at his discretion require a written report from staff certifying that all duties were performed according to the contract specifications.

EXHIBITS A1 THROUGH A12

LOCATION MAPS AND TASK DESCRIPTIONS

EXHIBIT A1- TWEEDY AND HOLLYDALE DISTRICT

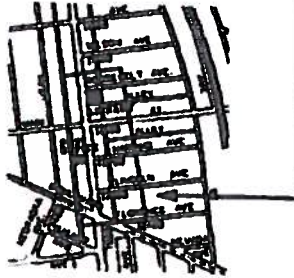
I. TWEEDY MAINTENANCE DISTRICT



Hollydale District

1. Maintain landscaped medians and public parking lots
2. Pick up trash from sidewalks and medians
3. Steam clean sidewalk and bus stop benches
4. Empty trash from receptacles and replace trash bags on Mondays, Wednesdays, Fridays, and Sundays
5. Perform all work required in the project specifications
6. Visit and inspect site daily and report conditions to the City Project Manager

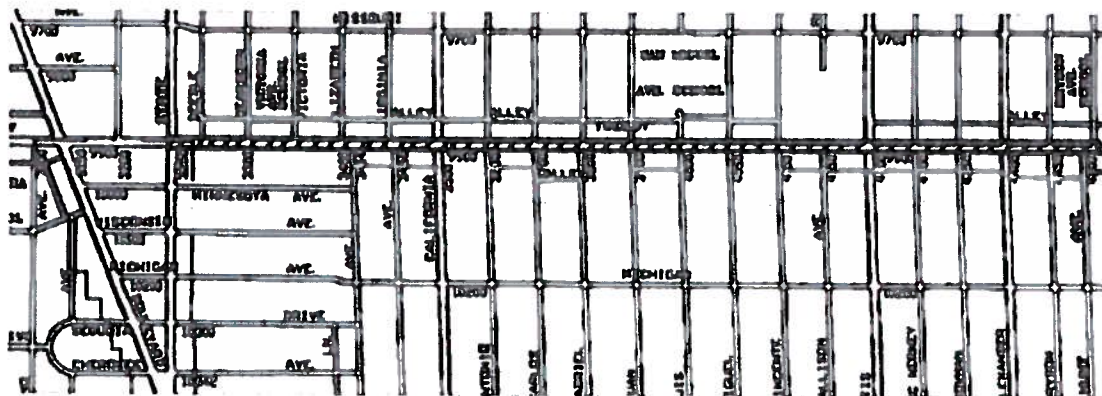
**II. HOLLYDALE DISTRICT
GARFIELD AVE FROM ROOSEVELT TO
FLORENCE AVE**



Tweedy District

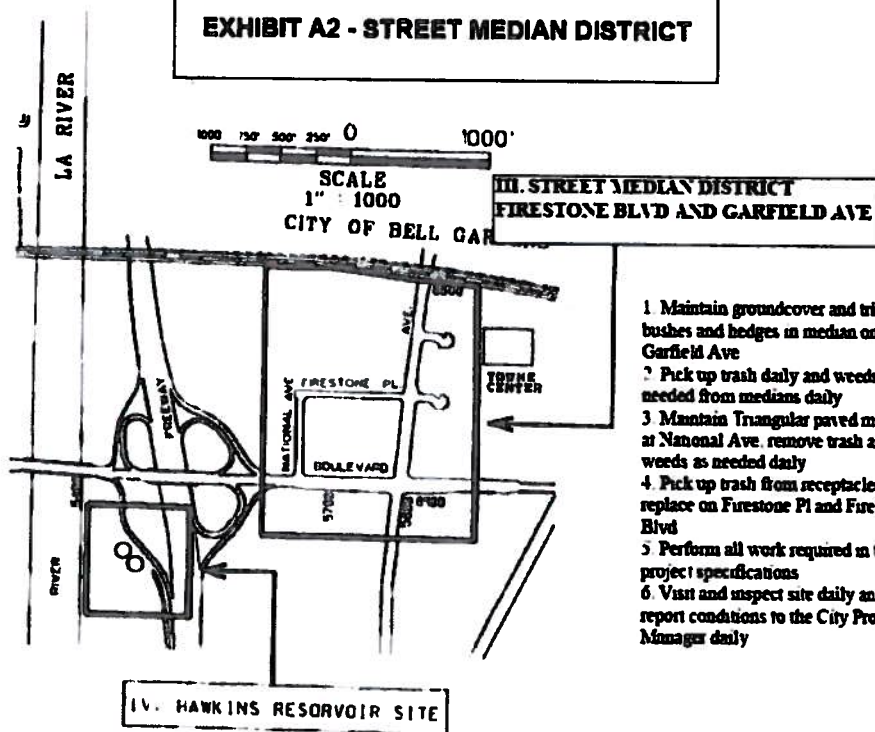
1. Empty trash receptacles, replace trash bags Mondays, Wednesdays, Fridays, and Sundays per exhibit
2. Steam cleaning of bus benches twice a month
3. Steam cleaning of sidewalks, walkways and paved areas once a week
4. Pick up trash and weeds from medians, public places and parking lots.
5. Perform all work required in the project specifications
6. Visit and inspect site daily and report conditions to the City Project Manager

EXHIBIT A1B - SPECIAL EVENTS IN TWEEDY BLVD



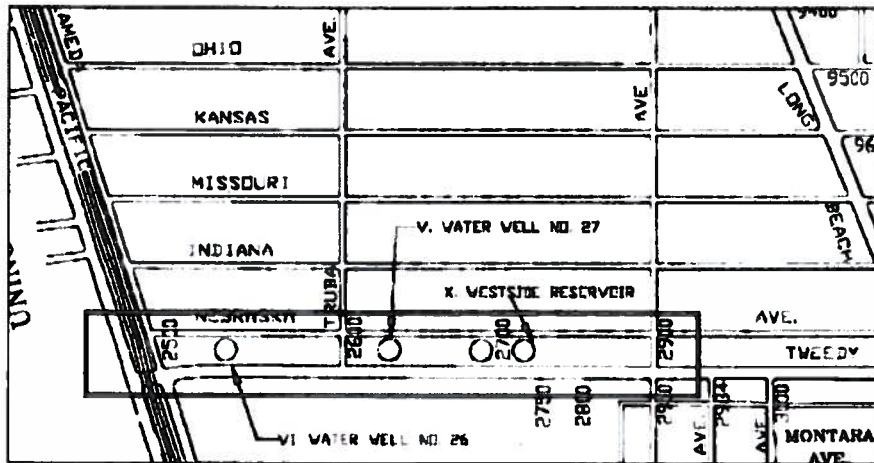
- 1) Two Special events occur in Tweedy Boulevard, from Hunt to Long Beach Blvd: 1) Street Fare (2 Days); and 2) Christmas Parade (2 Days). Contractor shall pickup trash in Tweedy Blvd. and two neighboring alleys on the north and south sides one time a day. Also, Sweep and pressure wash sidewalks, steam clean benches in Tweedy Blvd., on the day before and day after within the above limits.
- 2) One Special event occur on Tweedy Boulevard from State Street to California The events takes place during the evening from 3:00 pm in the late afternoon to 8:00PM IN the evening 1) Posada (1Day); Contractor shall pick up trash on Tweedy Boulevard. Also, Sweep and pressure wash sidewalks, steam clean benches on Tweedy Boulevard on the day before and day after the within the above limits.
- 3) Bid price(s) shall be per event.

EXHIBIT A2 - STREET MEDIAN DISTRICT



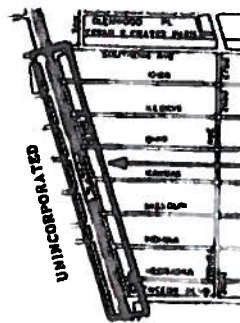
- 1 Maintain groundcover and trim bushes and hedges in median on Garfield Ave
- 2 Pick up trash daily and weeds as needed from medians daily
- 3 Maintain Triangular paved median at National Ave. remove trash and weeds as needed daily
- 4 Pick up trash from receptacles and replace on Firestone Pl and Firestone Blvd
- 5 Perform all work required in the project specifications
- 6 Visit and inspect site daily and report conditions to the City Project Manager daily

EXHIBIT A3 - WELL SITES 26, 27 AND WESTSIDE RESERVOIR

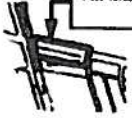


1. Remove all weeds biweekly
2. Weekly inspections and reports of condition of sites.
3. Remove all trash and debris from site daily

EXHIBIT A4 - ALAMEDA WALL AND FIRESTONE MEDIAN



XI. MEDIAN ON FIRESTONE EAST OF ALAMEDA

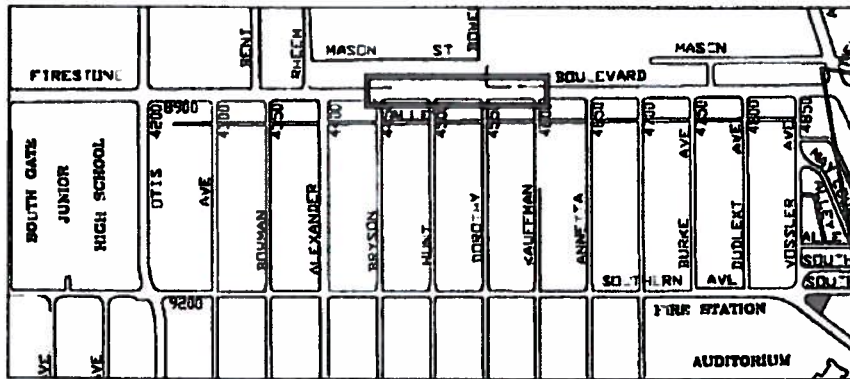


- 1 Maintain landscaped median
- 2 Remove dead vegetation as needed
- 3 Maintain hedges in good condition and trim to straight lines weekly
- 4 Remove debris and trash from median and adjacent area daily
- 5 Perform all work required in the project specifications
- 6 Visit and inspect site daily and report conditions to the City Project Manager daily

XI. ALAMEDA SOUND WALL TWEEDY BLVD TO SOUTHERN AVE.

1. Maintain and trim site along a straight line 30" from sound wall as needed
2. Trim hedges in planters along rectangular straight lines as needed
3. Remove dead vegetation as needed
- 4 Perform all work required in the project specifications
- 5 Visit and inspect site daily and report conditions to the City Project Manager

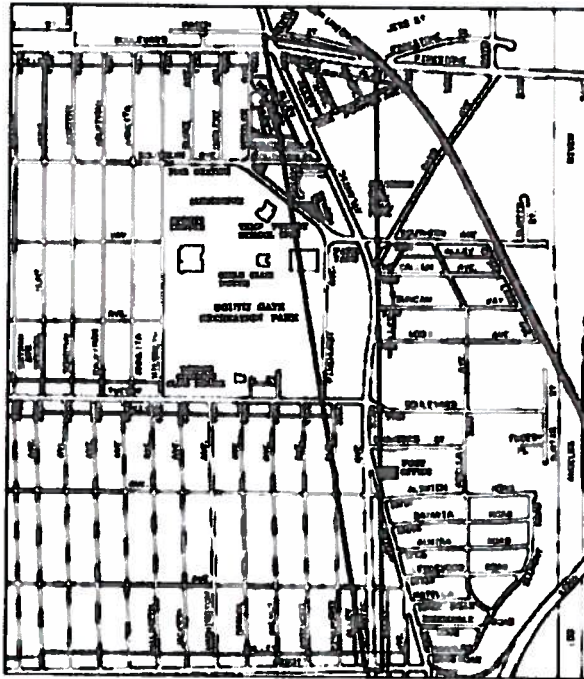
EXHIBIT A5 - FIRESTONE MEDIAN FROM KAUFFMAN AVE TO BRYSON AVE



1. Trim hedges, landscaping and ground cover on a biweekly basis
2. Remove debris and trash from median, sidewalk and paved areas daily
3. Perform all work required in the project specifications
4. Visit and inspect site daily and report conditions to the City Project Manager daily.

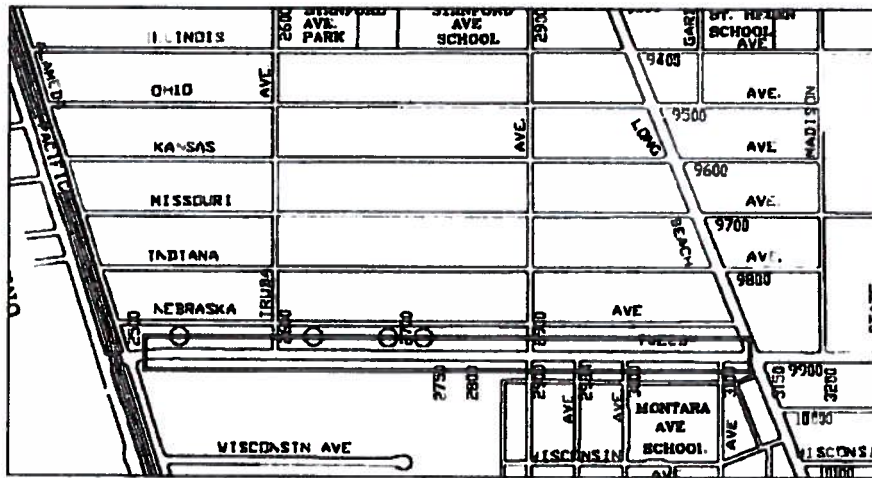
A-25

EXHIBIT A6 - ATLANTIC AVE MEDIAN FROM FIRESTONE TO ABBOTT ROAD



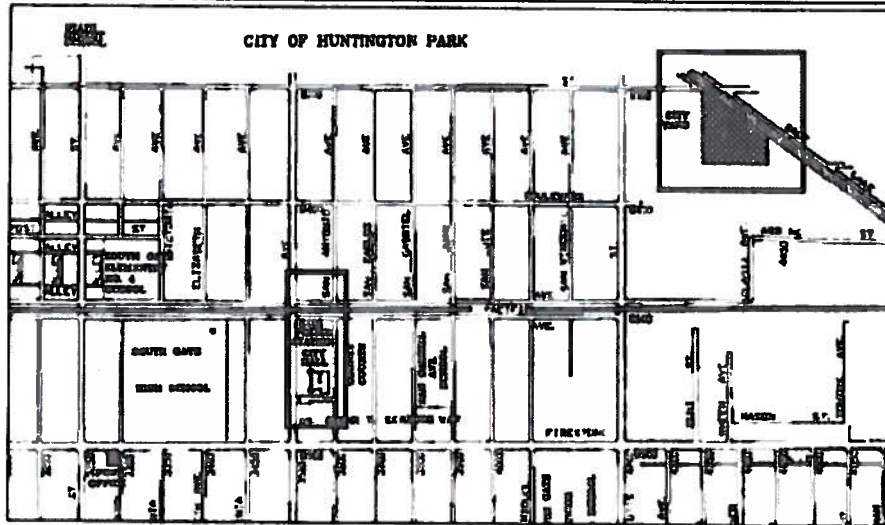
1. Remove trash and debris from medians and public areas daily.
2. Remove weeds from median and public places on an as needed basis
3. Maintain ground cover, and flower beds on an as needed basis
4. Steam clean median hardscape areas and public areas once a month.
5. Perform all work required in the project specifications
6. Visit and inspect site daily and report conditions to City Project Manager daily.

EXHIBIT A7 - TWEEDY MEDIAN BETWEEN LONG BEACH BLVD AND ALAMEDA ST



1. Pick up trash debris daily from medians, sidewalks, and paved areas
2. Pick up weeds on an as needed basis
3. Empty trash receptacles on Mondays, Tuesdays, Wednesdays, and Fridays on Tweedy
3. Maintain landscaping and ground cover on an as needed basis
4. Steam clean hardscaped areas, sidewalks, and paved areas once a month
5. Perform all work required in the project specifications
6. Visit and inspect site daily and report conditions to the City Project Manager daily

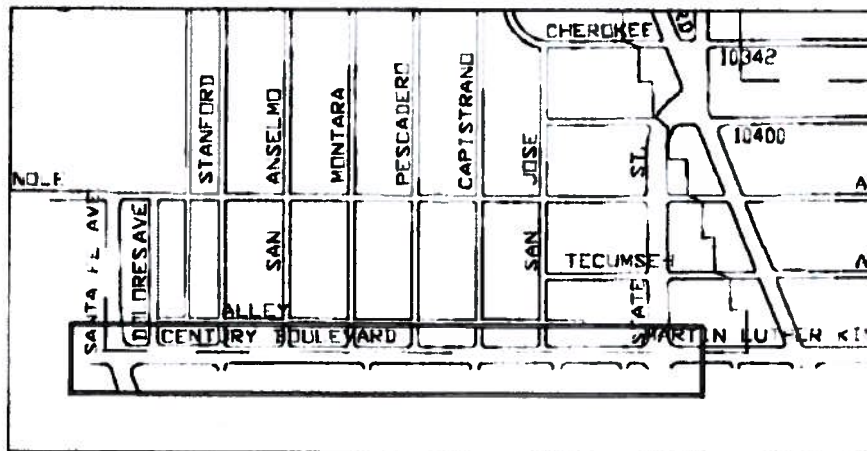
EXHIBIT A8 - CIVIC CENTER AND MAINTENANCE FACILITY



1. Remove all weeds on an as needed
2. Clean debris and trash from parking lots daily
3. Remove dead vegetation as needed
4. Ensure normal growth of plants; Replace dead plants
5. Weekly reports to be submitted to the City
6. Perform all work required in the project specifications
7. Visit and inspect site daily and report conditions to the City Project Manager.
8. Change color of flower beds 5 times a year

A-28

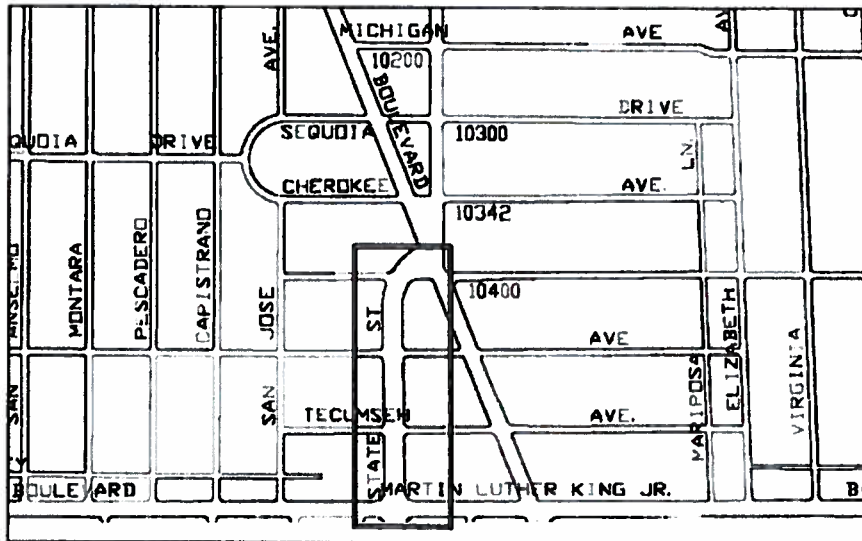
EXHIBIT A9 - CENTURY BLVD FROM STATE STREET TO SANTA FE AVE



- 1. Remove trash bags and replace with new once a week**
- 2. Clear debris and trash from public areas**
- 3. Perform all work required in the project specifications**
- 4. Visit and inspect site daily and report conditions to City Project Manager daily**

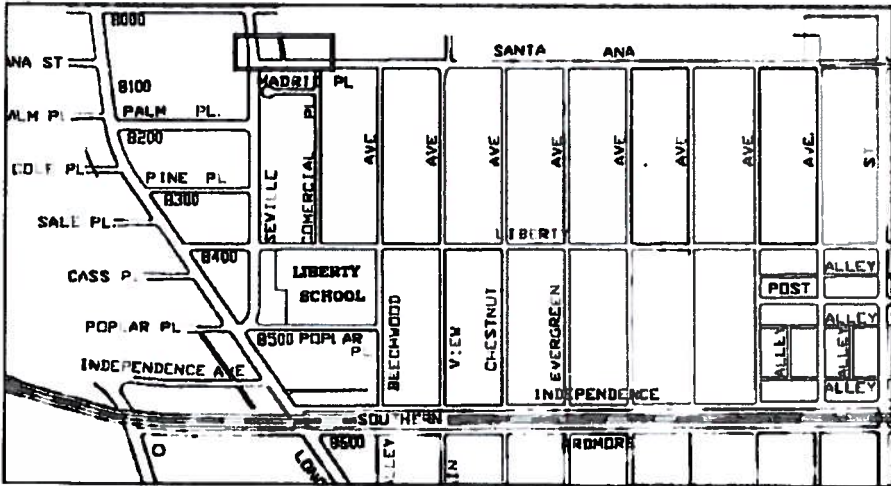
A-29

EXHIBIT A10- STATE STREET BETWEEN LONG BEACH BLVD AND MARTIN LUTHER KING JR BLVD



- 1 Mow turf once a week on 20' wide median on State Street between Long Beach Blvd and Martin Luther King Blvd
- 2 Remove pine needles from median island, public areas and sidewalks
- 3 Insure sprinklers are functional and provide full coverage
- 4 Replace dead portions of turf
- 5 Apply required fertilizer and aeration as necessary to keep turf lush green and in a healthy condition
- 6 Remove weeds, gum, dirt, graffiti, and USA markings from median at Long Beach Blvd and State St

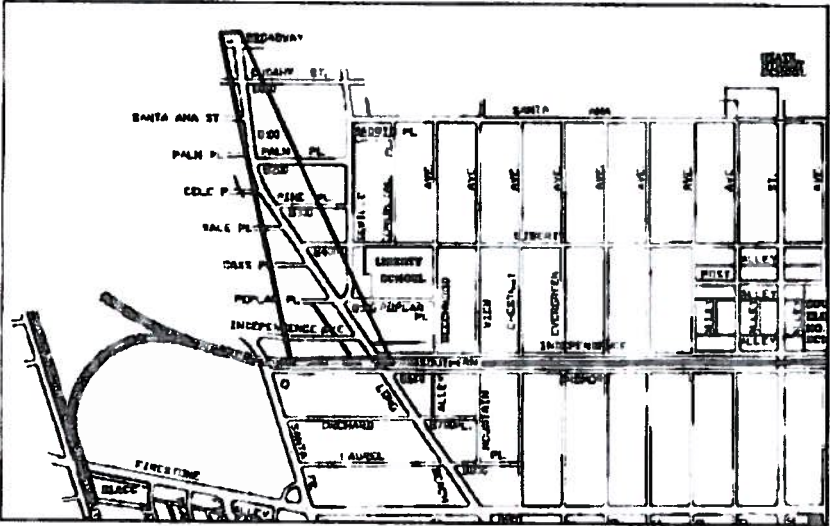
EXHIBIT A11 - SANTA ANA STREET AT SEVILLE AVE



1. Keep wall on south side of Santa Ana clean of graffiti
2. Replace trash receptacles at southeast corner of Seville and Santa Ana
3. Remove debris, gum, and USA markings from intersection

A-31

EXHIBIT A12 - LONG BEACH BLVD FROM PALM PLACE TO NORTH CITY LIMITS



1. Replace trash receptacles on Mondays, Tuesdays, Wednesdays and Fridays
2. Steam clean and remove gum, animal feces, USA markings and weeds from public streets, sidewalks and paved areas
3. Steam clean benches and bus stops once a month

A-32

Contract No. _____

Exhibit "B"
Cost Proposal

A detailed description of the compensation payable to Contractor hereunder, including unit prices, monthly payments, and/or other information, conditions and limitations, is set forth on the Cost Proposal which is attached following this Exhibit "B" cover page.

CITYWIDE ANNUAL LANDSCAPE MAINTENANCE PROGRAM

Name of Contractor: Parkwood Landscape Maintenance, Inc.

In accordance with the Request for Proposal (RFP) for the Citywide Annual Landscape Maintenance Contract, the undersigned declares that he/she has carefully examined and read the RFP requirements and is familiar with the requirements therein contained, and proposes to furnish all labor, material, and supplies necessary to accomplish the terms of the maintenance contract at the following prices:

Item No#	Description	Months/ Each	Price per month/ event	Annual amount
1	Maintenance of Tweedy Maintenance District per Exhibit A1 and specifications	12	\$2,310.00	\$27,720.00
2	Maintenance of Hollydale District per the attached Exhibit A1 and as described by the specifications	12	\$1,820.00	\$21,840.00
3	Maintenance of Street Median District per attached Exhibit A2 and specifications	12	\$645.00	\$7,740.00
4	Maintenance of Hawkins Reservoir site per the attached Exhibit A2 and as described by the specifications	12	\$369.00	\$4,428.00
5	Maintenance of Water Well No. 26, No. 27, No 28, No. 29 and Westside reservoir site per the attached Exhibit A3 and as described by the specifications	12	\$584.00	\$7,008.00
6	Maintenance of Public Works Corporate Yard per the attached Exhibit A8 and as described by the specifications	12	\$1,720.00	\$20,640.00
7	Maintenance of Civic Center parking lot per the attached Exhibit A8 and as described in the specifications	12	\$860.00	\$10,320.00
8	Maintenance of Alameda sound wall planter per the attached Exhibit A4 and as described in the specifications	12	\$741.00	\$8,892.00
9	Maintenance of trash receptacles on Century Blvd. per the attached Exhibit A9 and as described in the specifications	12	\$897.00	\$10,764.00
10	Maintenance of median on Firestone, East of Alameda per specifications	12	\$1,120.00	\$13,440.00
11	Maintenance on Firestone between Kauffman and Bryson per exhibit A4 and per specifications	12	\$540.00	\$6,480.00

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This Form Must be Submitted with the Proposal

Item No#	Description	Months/ Each	Price per month/ event	Annual amount
12	Maintenance of Atlantic median between Firestone Blvd and Abbott Road as per Exhibit A6 and per specifications	12	\$2,580.00	\$30,960.00
13	Maintenance of Tweedy median between Long Beach and Alameda as per Exhibit A7 and per specifications	12	\$590.00	\$7,080.00
14	Maintenance of State Street between Long Beach and Martin Luther King Blvd per Exhibit A10 and per specifications	12	\$395.00	\$4,740.00
15	Maintenance of trash receptacles and bus benches on Santa Ana and Seville per Exhibit A11 and per specifications	12	\$197.00	\$2,364.00
16	Maintenance of trash receptacles and bus benches on Long Beach between Palm and North City limits as per Exhibit A11 and per specifications	12	\$1,577.00	\$18,924.00
17	Maintenance of Miller Way	12	\$284.00	\$3,408.00
18	Maintenance of trash receptacle at State Street and Liberty Blvd	12	\$75.00	\$900.00
19	Maintenance of trash receptacles at Paramount Blvd and Main Street	12	\$75.00	\$900.00
20	Maintenance of trash receptacles at Firestone Pl and Garfield Blvd	12	\$75.00	\$900.00
21	Maintenance of trash receptacles at Santa Fe Ave.	12	\$75.00	\$900.00
22	Well 22-B Quarterly Maintenance per year	12	\$128.00	\$1,536.00
23	Maintenance of trash receptacles, tree wells and bus benches on Long Beach between Palm and Tweedy both sides of the street	12	\$270.00	\$3,240.00
24	Maintenance of trash receptacle at Imperial west of Garfield	12	\$75.00	\$900.00
25	Long Beach and Willow vacant lot (Quarterly Maintenance)	12	\$60.00	\$720.00
26	San Miguel vacant lot (Quarterly Maintenance)	12	\$60.00	\$720.00
27	10013 San Antonio Avenue - Parking Lot	12	\$60.00	\$720.00
28	Auto Accidents - Replanting and repairs	12	\$80.00	\$960.00
29	Firestone Blvd. North side-east of Alameda	12	\$350.00	\$4,200.00
30	Ardmore Ave @ west of Virginia Ave	12	\$125.00	\$1,500.00
31	Azalea - empty trash containers at bus shelter	12	\$75.00	\$900.00
32	Firestone - Hunt to Atlantic Atlantic- Patata to Firestone	12	\$490.00	\$5,880.00

PR - 15

This Form Must be Submitted with the Proposal

Item No#	Description	Months/ Each	Price per month/ event	Annual amount
33	Maintain path and decorative planter area on Southern	12	\$255.00	\$3,060.00
34	Atlantic Median - Patata at RR Tracks	12	\$295.00	\$3,540.00
35	Atlantic Landscape - Patata SWC	12	\$220.00	\$2,640.00
36	Southern Powerlines - California to Hildreth	12	\$160.00	\$1,920.00
37	Maintenance of daily trash receptacles on Tweedy Mile	12	\$225.00	\$2,700.00
38	Special events in Tweedy Boulevard (Per Event) Exhibit A1B	3	\$320.00	\$960.00
A. SUB-TOTAL - ANNUAL MAINTENANCE SERVICES			\$20,777.00	\$246,444.00

B. EMERGENCY SERVICES

	Service	Unit	Unit Price	Estimated Units	Extended Price
1	Crew - as needed (M-F, normal business hours) [1]	Man Hours	\$30.00	200	\$ 6,000.00
2	Crew - as needed (nights) [1]	Man Hours	\$30.00	250	\$ 7,500.00
3	Crew - as needed (weekends and/or holidays) [1]	Man Hours	\$35.00	250	8,750.00
B. SUB-TOTAL - EMERGENCY SERVICES					\$ 22,250.00

[1] Unit Price shall include mark-ups, overhead and profit.

[2] Payments will be made based on time and material.

C. ATTACH A LABOR AND EQUIPMENT RATE SCHEDULE

The rates shown on the firm's standard rate schedule shall include mark-ups, overhead, and profit. If in case the standard rate schedule does not include mark-ups, overhead, and profit, append an attachment showing the necessary allowances for mark-ups, overhead, and profit.

RECEIVED

AUG 4 2020

City of South Gate
CITY COUNCIL

Item No. 12

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

8:00pm

AGENDA BILL

For the Regular Meeting of: August 11, 2020
Originating Department: Administrative Services

Department Director:


Jackie Acosta

City Manager:


Michael Flad

SUBJECT: INVESTMENT REPORT FOR THE QUARTER ENDING DECEMBER 31, 2019

PURPOSE: California Government Code Section 53646 requires staff to submit a report to the City Council and City Manager, at least quarterly, which provides detailed information on all investments of the City.

RECOMMENDED ACTION: Receive and file the Quarterly Investment Report for the quarter ended December 31, 2019.

FISCAL IMPACT: Interest earnings totaled \$549,791.19 for the quarter.

ANALYSIS: None.

BACKGROUND: Attached is the Investment Report for the quarter ending December 31, 2019, for the City and Housing Authority (Attachment 1 – Quarterly Investment Report).

In keeping with the City's investment policy, all investments are short-to-medium term in duration, with maturities currently ranging from 1 day to 4.91 years. All investments are maintained in accordance with California Government Code Section 53646 and the City's investment policy, with respect to the type of investment vehicles in which the City's money is invested. As of December 31, 2019, 18.53% of the City's portfolio is invested in government agency securities and brokered, non-callable certificates of deposit that have maturities in excess of one year. In dollar amounts, that equates to \$18,237,410.57 of the City's total portfolio of \$98,433,213.26 invested in securities that mature between 13 months and 4.91 years from now. As Director of Administrative Services, I certify that the funds are invested to provide sufficient cash flow for a period of six months.

As of December 31, 2019, the City's General Fund had a **positive** cash balance of over \$27.5 million (Attachment 2 – Schedule of Cash Balances).

ATTACHMENTS: 1) Quarterly Investment Report – December 31, 2019
2) Schedule of Cash Balances – December 31, 2019

**CITY OF SOUTH GATE
 QUARTERLY INVESTMENT REPORT
 DECEMBER 31, 2019**

Attachment 1

TYPE OF INVESTMENT	AMOUNT	REFERENCE	INVESTMENT ACTIVITY	AMOUNT
U.S. GOVT & GOVT AGENCY ISSUES	\$19,793,146.77	(SCHEDULE A)	BEGINNING BALANCE AT 10/1/19	\$96,734,875.32
CORPORATE BONDS - MEDIUM TERM NOTES	\$0.00	(SCHEDULE A)	SALE/MATURITY - US GOVT & AGENCY ISSUES/CORP BONDS/TBs	(\$15,996,798.76)
U.S. TREASURY BILLS	\$0.00	(SCHEDULE A)	SALE/MATURITY - MONEY MKT ACCT & OVERNIGHT SWEEPS	(\$2,041,919.41)
TOTAL	\$19,793,146.77		MATURITY - CERTIFICATES OF DEPOSIT	\$0.00
MONEY MKT ACCT/PREF BANK & OVERNIGHT SWEEP/U.S. BANK	\$4,104,085.45	(SCHEDULE A)	SALE/MATURITY - LAIF	(\$3,000,000.00)
TOTAL	\$4,104,085.45		LOSS ON SALE OF SECURITIES	\$0.00
CERTIFICATES OF DEPOSIT - PREFERRED BANK	\$3,700,000.00	(SCHEDULE A)	PURCHASES - US GOVT & AGENCY ISSUES/CORP BONDS	\$2,998,600.58
CERTIFICATES OF DEPOSIT - BROKERED	\$7,448,000.00	(SCHEDULE A)	PURCHASES - MONEY MARKET ACCT & OVERNIGHT SWEEPS	\$6,013,587.73
TOTAL	\$11,148,000.00		PURCHASES - CERTIFICATES OF DEPOSIT	\$745,000.00
LAIF INVESTMENTS - CITY ACCOUNT	\$63,104,948.98	(SCHEDULE A)	PURCHASES - LAIF	\$12,500,000.00
LAIF INVESTMENTS - HOUSING AUTHORITY ACCOUNT	\$283,032.06	(SCHEDULE A)	INTEREST REINVESTED	\$479,867.80
TOTAL	\$63,387,981.04		ENDING BALANCE AT 12/31/19	\$98,433,213.26
			INTEREST EARNED THIS QUARTER:	AMOUNT
			U.S. GOVERNMENT & GOVT AGENCY ISSUES/CORP BONDS	\$192,199.87
			MONEY MARKET ACCOUNT & OVERNIGHT SWEEPS	\$0.69
			CERTIFICATES OF DEPOSIT	\$26,437.24
			LAIF	\$331,153.39
			TOTAL INTEREST EARNED THIS QUARTER	\$549,791.19
			INVESTMENT PORTFOLIO:	% OF PORTFOLIO
			U.S. GOVERNMENT & GOVERNMENT AGENCY ISSUES	20.11%
			CORPORATE BONDS	0.00%
			U.S. TREASURY BILLS	0.00%
			MONEY MARKET ACCOUNT & OVERNIGHT SWEEPS	4.17%
			CERTIFICATES OF DEPOSIT	11.32%
			LAIF	64.40%
			TOTAL PERCENTAGES	100.00%
			MATURITY DISTRIBUTIONS:	% OF PORTFOLIO
			0 - 90 DAYS / 0 - 3 MONTHS	77.71%
			91 - 180 DAYS / 3 - 6 MONTHS	1.73%
			181 - 270 DAYS / 6 - 9 MONTHS	2.03%
			271 - 365 DAYS / 9 MONTHS - 1 YEAR	0.00%
			366 - 730 DAYS / 1 - 2 YEARS	4.81%
			731 - 1095 DAYS / 2 - 3 YEARS	5.87%
			1096 - 1460 DAYS / 3 - 4 YEARS	0.76%
			1461 - 1825 DAYS / 4 - 5 YEARS	7.09%
			** CURRENT MAXIMUM YEARS TO MATURITY IS 4.91 YEARS **	100.00%
2012 SOUTH GATE UTILITY AUTHORITY BOND (RESERVE FUND)	\$2,903,850.00			
2001 WATER/SEWER SUB REVENUE BOND (RESERVE FUND)	\$1,385,000.00			
TOTAL INVESTMENTS (BOND RESERVES)	\$4,288,850.00			

**CITY OF SOUTH GATE
QUARTERLY INVESTMENT REPORT
DECEMBER 31, 2019**

12/31/2019

QUARTER ENDING DATE:

INVESTMENT AGENCY U.S. GOVT & GOVT AGENCY ISSUES:	BOND RATING	SETTLEMENT DATE	MATURITY DATE	DAYS TO MATURITY	PURCHASE COST	MARKET VALUE	UNREALIZED GAIN/(LOSS)	ACCRUED INTEREST	INTEREST RATE	CATEGORY OF RISK	DATE OF INT. PMT. RCVD.
FHLB - Bullet - CUSIP #3130A6R66	AAA	1/28/2019	1/22/2020	22	1,996,735.00	2,000,960.00	2,225.00	22,083.33	2.50%	Low	7/22/2019
FHLB - Bullet - CUSIP #3130ADN32	AAA	1/29/2019	2/11/2020	42	995,380.00	1,000,530.00	5,150.00	8,263.89	2.58%	Low	8/11/2019
FHLB - Callable 6 mos, 3 mos after - CUSIP #3130AC6W9	AAA	8/28/2017	2/28/2020	59	1,000,000.00	999,860.00	(140.00)	5,466.67	1.63%	Low	8/28/2019
FHLB - Callable 1 year, 1x - CUSIP #3130AAAH1	AAA	5/27/2016	3/19/2020	79	1,006,291.20	999,620.00	(6,671.20)	4,250.00	1.53%	Low	9/19/2019
FHLB - Callable 1 year, 1x - CUSIP #3130AAAH1	AAA	12/20/2016	3/20/2020	80	1,000,000.00	999,760.00	(240.00)	4,588.33	1.52%	Low	12/20/2019
FHLB - Callable 1 year, 1x - CUSIP #3130AAAH1	AAA	5/25/2016	6/12/2020	164	1,003,330.00	998,730.00	(4,600.00)	725.69	1.41%	Low	12/12/2020
Freddie Mac - Callable 1 year, 1x - CUSIP #3134GBB35	AAA	8/10/2017	8/10/2020	223	1,000,000.00	1,000,480.00	480.00	6,658.33	1.74%	Low	8/10/2019
FHLB - Callable 1 year, 1x - CUSIP #3130ABZE9	AAA	8/28/2017	8/28/2020	241	1,000,000.00	1,000,210.00	210.00	5,637.50	1.68%	Low	8/28/2019
FHLB - Callable 3 mos, Step up - CUSIP #3134G9L54	AAA	7/27/2016	7/27/2021	574	1,000,000.00	999,750.00	(250.00)	6,416.67	1% up to 6%	Low	7/27/2019
FHLB - Callable 1 year, 1x - CUSIP #3130ABXE1	AAA	8/11/2017	8/11/2021	589	1,000,000.00	1,003,750.00	3,750.00	7,155.56	1.90%	Low	8/11/2019
FHLB - Bullet - CUSIP #3130AAAB2	AAA	11/22/2016	11/22/2021	692	999,520.00	1,002,620.00	3,100.00	1,895.83	1.81%	Low	11/22/2019
FHLB - Bullet - CUSIP #3130AAAB2	AAA	12/6/2016	11/29/2021	699	993,392.39	1,005,370.00	11,977.61	1,666.67	1.93%	Low	11/29/2019
FNMA - Bullet - CUSIP #3135GOS38	AAA	2/2/2017	1/5/2022	736	998,087.60	1,007,710.00	9,612.40	9,777.78	2.06%	Low	7/5/2019
FARMER MAC - Callable 1 year, 1x - CUSIP #31422BCR9	AAA	2/19/2019	2/18/2022	780	999,800.00	1,001,030.00	1,230.00	10,048.89	2.72%	Low	8/18/2019
FNMA - Callable 1 year, 1x - CUSIP #3136G4ME0	AAA	2/28/2017	2/28/2022	790	800,000.00	808,792.00	8,792.00	5,808.33	2.18%	Low	8/28/2019
FAMC (AGM) - Bullet - CUSIP #3132XOUA7	AAA	6/29/2017	6/29/2022	911	1,000,000.00	1,006,820.00	6,820.00	104.44	1.95%	Low	12/29/2019
FFCB - Callable 1 year, any time after - CUSIP #3133ELCQ5	AAA	12/6/2019	6/3/2024	1616	1,000,000.00	1,000,040.00	40.00	1,423.33	2.16%	Low	12/3/2019
FFCB - Bullet - CUSIP #3133LEA8	AAA	12/17/2019	9/17/2024	1722	999,100.58	998,670.00	(430.58)	661.11	1.70%	Low	12/17/2019
FFCB - Callable 1 year, any time after - CUSIP #3133ELBF0	AAA	12/5/2019	11/27/2024	1793	999,500.00	1,000,380.00	880.00	1,785.00	1.89%	Low	12/6/2019
TOTALS					19,793,146.77	19,835,082.00	41,935.23	100,287.35			

CORPORATE BONDS - MEDIUM TERM NOTES:

None	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			
TOTALS					0.00	0.00	0.00	0.00			

U.S. TREASURY BILLS:

None	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			
TOTALS					0.00	0.00	0.00	0.00			

BROKED, NON-CALLABLE CERTIFICATES OF DEPOSIT:

Trans. Alliance Bank - CUSIP #89388CQB8 - FDIC #34781	430	9/6/2019	3/5/2021	249,000.00	249,087.15	87.15	301.53	1.70%	Low	11/5/2019
Reading Co-Op Bank - CUSIP #75532AC49 - FDIC #26620	441	9/16/2019	3/16/2021	247,000.00	247,081.51	81.51	1,230.94	1.70%	Low	9/16/2019
Community First Bank - CUSIP #20368TCN8 - FDIC #57511	622	9/12/2019	9/13/2021	249,000.00	248,808.27	(191.73)	225.12	1.65%	Low	11/12/2019
Carolina Trust Bank - CUSIP #144200BB7 - FDIC #57026	811	9/20/2019	3/21/2022	249,000.00	248,257.98	(742.02)	130.98	1.61%	Low	11/20/2019
BMW Bank North America - CUSIP #05580ASJ4 - FDIC #35141	811	9/17/2019	3/21/2022	247,000.00	247,607.62	607.62	1,289.46	1.85%	Low	9/20/2019
Steams County - Cusip #85794E54 - FDIC #10988	930	12/18/2019	7/18/2022	249,000.00	248,539.35	(460.65)	185.56	1.70%	Low	12/18/2019
Goldman Sachs - CUSIP #38149MFV0 - FDIC #33124	966	9/11/2019	9/12/2022	247,000.00	247,049.40	49.40	1,364.25	1.80%	Low	9/11/2019
Aly Bank - CUSIP #02007GLR2 - FDIC #57803	986	9/12/2019	9/12/2022	247,000.00	247,049.40	49.40	1,352.07	1.80%	Low	12/18/2019
Wells Fargo Bank - CUSIP #949763J64 - FDIC #3511	993	9/18/2019	9/19/2022	249,000.00	249,368.52	368.52	176.69	1.85%	Low	12/18/2019
Sallie Mae - CUSIP #7954504B8 - FDIC #58177	993	9/18/2019	9/19/2022	247,000.00	247,360.62	360.62	1,314.51	1.85%	Low	9/18/2019
Virginia Partners Bank - CUSIP #928066BA6 - FDIC #58824	1095	12/30/2019	12/30/2022	249,000.00	246,078.70	(921.30)	23.19	1.71%	Low	12/30/2019
CIT Bank - CUSIP #12556LBD7 - FDIC #58978	1182	9/27/2019	3/27/2023	247,000.00	246,767.82	(232.18)	1,169.36	1.74%	Low	9/27/2019
CUNA Savings Bank - CUSIP #549104JP3 - FDIC #253	1357	9/18/2019	9/18/2023	247,000.00	244,915.32	(2,084.68)	1,136.88	1.61%	Low	9/18/2019
Merrick Bank - CUSIP #59013KCZ7 - FDIC #34519	1368	9/11/2019	9/29/2023	249,000.00	247,623.03	(1,376.97)	22.51	1.66%	Low	12/30/2019
CF Bank - CUSIP #15721UDC0 - FDIC #28263	1472	9/11/2019	1/11/2024	249,000.00	247,324.23	(1,675.77)	243.54	1.71%	Low	12/11/2019
First Bank of Puerto Rico - CUSIP #33767GAG3 - FDIC #30387	1711	9/6/2019	9/6/2024	249,000.00	246,835.66	(164.34)	337.00	1.90%	Low	12/6/2019
Morgan Stanley PVT - CUSIP #61760AV60 - FDIC #34221	1717	9/12/2019	9/12/2024	247,000.00	246,812.28	(187.72)	239.79	1.90%	Low	12/13/2019
Enerbank - CUSIP #29278TLK4 - FDIC #57293	1718	9/13/2019	9/13/2024	249,000.00	248,250.51	(749.49)	162.36	1.86%	Low	12/13/2019
Bank of Old Monroe - CUSIP #064236B66 - FDIC #1655	1723	9/3/2019	9/18/2024	249,000.00	246,549.84	(2,450.16)	146.33	1.72%	Low	12/18/2019
Abacus Federal Savings - CUSIP #00257TBH8 - FDIC #32257	1724	9/18/2019	9/18/2024	249,000.00	245,982.12	(3,017.88)	146.33	1.67%	Low	12/19/2019
Spring Bank - CUSIP #849430BA0 - FDIC #58668	1728	9/19/2019	9/19/2024	249,000.00	248,213.16	(786.84)	113.58	1.86%	Low	12/23/2019
Medallion Bank - CUSIP #58404DFJ5 - FDIC #57449	1732	9/27/2019	9/27/2024	247,000.00	245,646.44	(1,353.56)	1,169.36	1.81%	Low	9/27/2019
Enterprise Bank - CUSIP #29367RLA2 - FDIC #34786	1732	9/27/2019	9/27/2024	249,000.00	247,632.99	(1,367.01)	61.40	1.81%	Low	12/27/2019
Lakeside Bank - CUSIP #51210SQV2 - FDIC #19573	1732	9/27/2019	9/27/2024	249,000.00	245,090.69	(1,909.31)	1,136.88	1.77%	Low	12/27/2019
Commercial Savings Bank - CUSIP #202291AF7 - FDIC #231	1732	9/27/2019	9/27/2024	249,000.00	246,505.02	(2,494.98)	57.99	1.72%	Low	12/27/2019
Bankwest - CUSIP #06652CHB0 - FDIC #4009	1735	9/30/2019	9/30/2024	249,000.00	246,492.57	(2,507.43)	23.19	1.72%	Low	12/30/2019
Celtic Bank - CUSIP #15118RSC2 - FDIC #57056										

**CITY OF SOUTH GATE
QUARTERLY INVESTMENT REPORT
DECEMBER 31, 2019**

12/31/2019

QUARTER ENDING DATE:

INVESTMENT AGENCY	BOND RATING	SETTLEMENT DATE	MATURITY DATE	DAYS TO MATURITY	PURCHASE COST	MARKET VALUE	UNREALIZED GAIN/(LOSS)	ACCRUED INTEREST	INTEREST RATE	CATEGORY OF RISK	DATE OF INT. PMT. RCVD.
BROKERED, NON-CALLABLE CERTIFICATES OF DEPOSIT (CONT.):											
Banker's Bank of the West - CUSIP #06610TEE1 - FDIC #23210		9/30/2019	9/30/2024	1735	249,000.00	247,620.54	(1,379.46)	24.56	1.81%	Low	12/30/2019
First Service Bank - CUSIP #33640VDA3 - FDIC #18519		9/30/2019	9/30/2024	1735	249,000.00	247,055.31	(1,944.69)	23.88	1.77%	Low	12/30/2019
Morgan Stanley - CUSIP #61690ULF5 - FDIC #32922		10/3/2019	10/3/2024	1738	247,000.00	247,298.87	298.87	1,187.63	1.77%	Low	10/3/2019
TOTALS					7,448,000.00	7,419,454.76	(28,545.24)	16,440.09			

TOTAL CITY INVESTMENTS (under U.S. Bank Safekeeping) 27,241,146.77 27,254,536.76 13,389.99 116,727.44

MONEY MARKET/OVERNIGHT SWEEP ACCOUNTS:

Preferred Bank - Money Market Account
U.S. Bank - First American Treasury Obligation

	1	12/31/2019	1/1/2020		3,025.19	3,025.19	0.00	0.00	0.10%	Low	12/31/2019
	1	12/31/2019	1/1/2020		4,101,060.26	4,101,060.26	0.00	0.00	1.08%	Low	12/31/2019
TOTALS					4,104,085.45	4,104,085.45	0.00	0.00			

CERTIFICATES OF DEPOSIT:

Acct #C0000300002006 - Preferred Bank
Acct #C0000306097 - Preferred Bank

	80	3/20/2019	3/20/2020		3,000,000.00	3,000,000.00	0.00	2,630.96	2.91%	Low	12/20/2019
	99	4/8/2019	4/8/2020		700,000.00	700,000.00	0.00	4,269.04	2.65%	Low	10/8/2019
TOTALS					3,700,000.00	3,700,000.00	0.00	6,900.00			

LAIF INVESTMENTS:

General Fund Pooled Accounts
Housing Authority

	1	12/31/2019	1/1/2020		63,104,948.98	63,216,663.53	111,714.55	409,954.29	2.57%	Low	10/1/2019
	1	12/31/2019	1/1/2020		283,032.06	283,533.11	501.05	1,813.50	2.57%	Low	10/1/2019
TOTALS					63,387,981.04	63,500,196.64	112,215.60	411,767.79			

TOTAL INVESTMENTS (COST & MARKET VALUE)

TOTAL UNREALIZED GAIN/(LOSS)

TOTAL ACCRUED INTEREST

125,605.59
535,395.23

Note (1) - The accrued interest is the City's estimate of interest based on the rate and ending balance. The actual amounts are different.

COST - LAIF POOLED @ 12/31/19	\$89,148,611,870.06
MARKET VALUE - LAIF POOLED @ 12/31/19	\$89,306,431,452.09
MARKET VALUE TO BOOK RATIO - LAIF	100.17703%
MARKET VALUE - CITY OF SOUTH GATE @ 12/31/19	63,500,196.64

ATTACHMENT 2

**SCHEDULE OF CASH BALANCES
DECEMBER 31, 2019**

Fund	Description	Unrestricted Balance	Restricted Balance	Total
100	General	\$ 27,805,723.62	\$ -	\$ 27,805,723.62
211	Traffic Safety	-	(1,138,816.37)	(1,138,816.37)
212	Gas Tax	-	(674,475.77)	(674,475.77)
213	TDA Bikeway	-	-	-
214	Street Sweeping	-	627,614.17	627,614.17
215	Road Repair and Accountability Act	-	2,090,023.24	2,090,023.24
216	CASp Certification and Training Fund	-	36,191.76	36,191.76
221	Prop A Transit	-	3,241,727.11	3,241,727.11
222	Prop C Transit	-	4,623,729.74	4,623,729.74
223	AQMD	-	406,869.91	406,869.91
224	Measure R Transit	-	6,123,215.26	6,123,215.26
225	Measure M	-	1,248,997.20	1,248,997.20
231	Law Enforcement Grants	-	517,908.66	517,908.66
235	Asset Seizure	-	4,212,624.26	4,212,624.26
241	Housing Authority	-	375,990.72	375,990.72
242	Home Program	-	99,534.73	99,534.73
243	CDBG	-	(472,351.37)	(472,351.37)
251	Street Lighting & Landscaping	-	(299,347.87)	(299,347.87)
261	Federal & State Grants	-	(3,180,991.77)	(3,180,991.77)
262	UDAG	449,712.18	-	449,712.18
263	Public Access Corp.	-	46,329.09	46,329.09
271	Park Enhancement Fund	521,447.70	-	521,447.70
311	Capital Improvements	-	2,916,611.82	2,916,611.82
322	Low/Mod Income Housing Fund	-	871,054.65	871,054.65
411	Water	-	35,057,179.25	35,057,179.25
412	Sewer	-	1,829,220.42	1,829,220.42
413	Refuse	-	690,760.04	690,760.04
511	Insurance	5,878,457.30	-	5,878,457.30
521	Fleet Management	(710,191.31)	-	(710,191.31)
522	Information Systems	213,023.30	-	213,023.30
523	Capital Asset & Equipment Replacement	3,816,818.41	-	3,816,818.41
524	Building & Infrastructure Maintenance	1,154,589.15	-	1,154,589.15
711	Trust Fund	-	630,437.18	630,437.18
901	Inventory Clearing Fund	(155,521.31)	-	(155,521.31)
903	Payroll Clearing Fund	382,692.97	-	382,692.97
	Total All Funds	\$ 39,356,752.01	\$ 59,880,036.06	\$ 99,236,788.07
			<i>Invested Amount</i>	\$98,433,213.26

RECEIVED

AUG 4 2020

City of South Gate

Item No. 13

CITY COUNCIL

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

8:00pm

AGENDA BILL

For the Regular Meeting of: August 11, 2020
Originating Department: Administrative Services

Department Director:


Jackie Acosta

City Manager:


Michael Flood

SUBJECT: INVESTMENT REPORT FOR THE QUARTER ENDING MARCH 31, 2020

PURPOSE: California Government Code Section 53646 requires staff to submit a report to the City Council and City Manager, at least quarterly, which provides detailed information on all investments of the City.

RECOMMENDED ACTION: Receive and file the Quarterly Investment Report for the quarter ended March 31, 2020.

FISCAL IMPACT: Interest earnings totaled \$515,363.50 for the quarter.

ANALYSIS: None.

BACKGROUND: Attached is the Investment Report for the quarter ending March 31, 2020, for the City and Housing Authority (Attachment 1 – Quarterly Investment Report).

In keeping with the City's investment policy, all investments are short-to-medium term in duration, with maturities currently ranging from 1 day to 5 years. All investments are maintained in accordance with California Government Code Section 53646 and the City's investment policy, with respect to the type of investment vehicles in which the City's money is invested. As of March 31, 2020, 35.21% of the City's portfolio is invested in government agency securities, certificates of deposit and brokered, non-callable certificates of deposit that have maturities in excess of one year. In dollar amounts, that equates to \$35,696,610.57 of the City's total portfolio of \$101,382,707.45 invested in securities that mature between 13 months and 5 years from now. As Director of Administrative Services, I certify that the funds are invested to provide sufficient cash flow for a period of six months.

As of March 31, 2020, the City's General Fund had a **positive** cash balance of over \$32.5 million (Attachment 2 – Schedule of Cash Balances).

ATTACHMENTS: 1) Quarterly Investment Report – March 31, 2020
2) Schedule of Cash Balances – March 31, 2020

CITY OF SOUTH GATE
 QUARTERLY INVESTMENT REPORT
 MARCH 31, 2020

Attachment 1

TYPE OF INVESTMENT	AMOUNT	REFERENCE	INVESTMENT ACTIVITY	AMOUNT
U.S. GOVT & GOVT AGENCY ISSUES	\$19,792,940.57	(SCHEDULE A)	BEGINNING BALANCE AT 1/1/20	\$98,433,213.26
CORPORATE BONDS - MEDIUM TERM NOTES	\$0.00	(SCHEDULE A)	SALE/MATURITY - US GOVT & AGENCY ISSUES/CORP BONDS/TB	(\$8,000,206.20)
U.S. TREASURY BILLS	\$0.00	(SCHEDULE A)	SALE/MATURITY - MONEY MKT ACCT & OVERNIGHT SWEEPS	(\$4,176,472.80)
			MATURITY - CERTIFICATES OF DEPOSIT	(\$3,000,000.00)
			SALE/MATURITY - LAIF	(\$14,000,000.00)
			LOSS ON SALE OF SECURITIES	\$0.00
MONEY MKT ACCT/PREF BANK & OVERNIGHT SWEEP/U.S. BANK	\$267,739.23	(SCHEDULE A)	PURCHASES - US GOVT & AGENCY ISSUES/CORP BONDS	\$8,000,000.00
			PURCHASES - MONEY MARKET ACCT & OVERNIGHT SWEEPS	\$221,887.06
			PURCHASES - CERTIFICATES OF DEPOSIT	\$11,955,000.00
			PURCHASES - LAIF	\$11,500,000.00
			INTEREST REINVESTED	\$449,286.13
			ENDING BALANCE AT 3/31/20	\$101,382,707.45
			INTEREST EARNED THIS QUARTER:	AMOUNT
LAIF INVESTMENTS - CITY ACCOUNT	\$60,934,369.65	(SCHEDULE A)	U.S. GOVERNMENT & GOVT AGENCY ISSUES/CORP BONDS	\$135,202.96
LAIF INVESTMENTS - HOUSING AUTHORITY ACCOUNT	\$284,658.00	(SCHEDULE A)	MONEY MARKET ACCOUNT & OVERNIGHT SWEEPS	\$4,093.88
			CERTIFICATES OF DEPOSIT	\$26,673.05
			LAIF	\$349,393.61
			TOTAL INTEREST EARNED THIS QUARTER	\$515,363.50
			INVESTMENT PORTFOLIO:	% OF PORTFOLIO
			U.S. GOVERNMENT & GOVERNMENT AGENCY ISSUES	19.52%
			CORPORATE BONDS	0.00%
			U.S. TREASURY BILLS	0.00%
			MONEY MARKET ACCOUNT & OVERNIGHT SWEEPS	0.26%
			CERTIFICATES OF DEPOSIT	19.83%
			LAIF	60.39%
			TOTAL PERCENTAGES	100.00%
			MATURITY DISTRIBUTIONS:	% OF PORTFOLIO
			0 - 90 DAYS / 0 - 3 MONTHS	62.33%
			91 - 180 DAYS / 3 - 6 MONTHS	1.97%
			181 - 270 DAYS / 6 - 9 MONTHS	0.00%
			271 - 365 DAYS / 9 MONTHS - 1 YEAR	0.49%
			366 - 730 DAYS / 1 - 2 YEARS	9.65%
			731 - 1095 DAYS / 2 - 3 YEARS	3.68%
			1096 - 1460 DAYS / 3 - 4 YEARS	1.71%
			1461 - 1825 DAYS / 4 - 5 YEARS	20.17%
			** CURRENT MAXIMUM YEARS TO MATURITY IS 5 YEARS **	100.00%
			TOTAL INVESTMENTS (BOND RESERVES)	\$0.00
			MARKET VALUE GAIN/(LOSS)	\$714,976.51
			TOTAL INVESTMENTS AT COST @ 3/31/20	\$101,382,707.45
			TOTAL MARKET VALUE OF INVESTMENTS @ 3/31/20	\$102,097,683.96

CITY OF SOUTH GATE
INVESTMENT REPORT
MARCH 31, 2020

3/31/2020

QUARTER ENDING DATE:

INVESTMENT AGENCY	BOND RATING	SETTLEMENT DATE	MATURITY DATE	DAYS TO MATURITY	PURCHASE COST	MARKET VALUE	UNREALIZED GAIN/LOSS	ACCRUED INTEREST	INTEREST RATE	CATEGORY OF RISK	DATE OF INT. PMT. RCVD.
U.S. GOVT & GOVT AGENCY ISSUES:											
FHLB - Bullet - CUSIP #3133634H1	AAA	5/25/2016	6/12/2020	73	1,003,330.00	1,002,060.00	(1,270.00)	4,163.19	1.41%	Low	12/12/2020
Freddie Mac - Callable 1 year, 1x - CUSIP #3134GBB35	AAA	8/10/2017	8/10/2020	132	1,000,000.00	1,004,590.00	4,590.00	2,408.33	1.74%	Low	2/10/2020
FHLB - Callable 1 year, 1x - CUSIP #3130ABZE9	AAA	8/28/2017	8/28/2020	150	1,000,000.00	1,005,700.00	5,700.00	1,512.50	1.68%	Low	2/28/2020
FHLB - Callable 1 year, 1x - CUSIP #3130ABXE1	AAA	8/11/2017	8/11/2021	498	1,000,000.00	1,020,060.00	20,060.00	2,555.56	1.90%	Low	2/11/2020
FHLB - Bullet - CUSIP #3130AA5C8	AAA	11/22/2016	11/22/2021	601	999,520.00	1,022,320.00	22,800.00	6,270.83	1.81%	Low	1/22/2020
FHLB - Bullet - CUSIP #3130AABG2	AAA	12/6/2016	11/29/2021	608	993,392.39	1,023,880.00	30,487.61	6,354.17	1.84%	Low	1/29/2020
FNMA - Bullet - CUSIP #3135GOS38	AAA	2/2/2017	1/5/2022	645	998,097.60	1,028,650.00	30,552.40	4,777.78	1.96%	Low	1/5/2020
FNMA - Callable 1 year, 1x - CUSIP #3136G4ME0	AAA	2/28/2017	2/28/2022	699	800,000.00	825,872.00	25,872.00	1,558.33	2.08%	Low	2/28/2020
FAMC (AGM) - Bullet - CUSIP #3132X0UA7	AAA	6/29/2017	6/29/2020	820	1,000,000.00	1,026,580.00	26,580.00	4,804.44	1.85%	Low	12/29/2019
FFCB - Callable 1 year, any time after - CUSIP #3133ELCO5	AAA	12/6/2019	6/3/2024	1525	1,000,000.00	1,008,890.00	8,890.00	5,998.33	1.82%	Low	12/3/2019
FHLMC MTN - Callable 6 mos quarterly after CUSIP #3134GVAS	AAA	2/20/2020	8/12/2024	1595	1,000,000.00	1,002,610.00	2,610.00	2,450.00	1.80%	Low	2/12/2020
FHLB - Callable 1 year 1x - CUSIP #3130AJ5A3	AAA	2/20/2020	8/19/2024	1602	2,000,000.00	2,017,320.00	17,320.00	4,060.00	1.73%	Low	2/19/2020
FFCB - Bullet - CUSIP #3133ELEA8	AAA	12/17/2019	9/17/2024	1631	999,100.58	1,047,290.00	48,189.42	661.11	1.70%	Low	3/17/2020
FFCB - Callable 1 year, any time after - CUSIP #3133ELBFO	AAA	12/5/2019	11/27/2024	1702	999,500.00	1,008,930.00	9,430.00	6,510.00	1.89%	Low	12/6/2019
FHLMC MTN - Callable every year - CUSIP #3134GUF21	AAA	1/6/2020	1/6/2025	1742	1,000,000.00	1,009,400.00	9,400.00	4,533.33	1.91%	Low	1/6/2020
FHLB - Callable 6 months 1x - CUSIP #3130AJ3K3	AAA	2/20/2020	2/10/2025	1777	1,000,000.00	1,002,680.00	2,680.00	2,806.67	1.84%	Low	2/10/2025
FHLMC MTN - Callable 1 year 1x - CUSIP #3134GVCC9	AAA	2/20/2020	2/18/2025	1785	1,000,000.00	1,008,210.00	8,210.00	2,030.56	1.69%	Low	2/18/2020
FHLMC MTN - Callable 1 year 1x - CUSIP #3134GVCC0	AAA	2/20/2020	2/18/2025	1785	1,000,000.00	1,007,830.00	7,830.00	2,090.28	1.74%	Low	2/18/2020
FNMA - Callable 1 year 3 mos after - CUSIP #3136G4UG6	AAA	2/20/2020	2/19/2025	1786	1,000,000.00	1,007,570.00	7,570.00	2,065.00	1.76%	Low	2/19/2019
TOTALS					19,792,940.57	20,080,442.00	287,501.43	67,410.41			

CORPORATE BONDS - MEDIUM TERM NOTES:

None

TOTALS

0.00

U.S. TREASURY BILLS:

None

TOTALS

0.00

BROKED, NON-CALLABLE CERTIFICATES OF DEPOSIT:

Trans. Alliance Bank - CUSIP #89386CDQ8 - FDIC #34781	339	9/6/2019	3/5/2021		249,000.00	250,125.48	1,125.48	301.53	1.70%	Low	3/5/2020
Reading Co-Op Bank - CUSIP #755324CK4 - FDIC #26620	350	9/16/2019	3/16/2021		247,000.00	248,123.85	1,123.85	184.07	1.70%	Low	3/16/2020
Community First Bank - CUSIP #20368TCN8 - FDIC #57511	531	9/12/2019	9/13/2021		249,000.00	250,269.90	1,269.90	225.12	1.65%	Low	3/13/2020
Carolina Trust Bank - CUSIP #144200BB7 - FDIC #57026	720	9/20/2019	3/21/2022		249,000.00	250,225.08	1,225.08	130.98	1.61%	Low	3/21/2020
Texas State Bank - CUSIP #856528DC5 - FDIC #56647	720	3/20/2020	3/21/2022		249,000.00	249,256.47	256.47	114.61	1.40%	Low	3/21/2020
BMW Bank North America - CUSIP #05580ASJ4 - FDIC #35141	724	9/17/2019	3/21/2022		247,000.00	249,420.60	2,420.60	150.23	1.85%	Low	3/21/2020
Avidbank Palo Alto CA - CUSIP #04368TBK6 - FDIC #57510	724	3/25/2020	3/25/2022		249,000.00	245,832.72	(3,167.28)	33.43	0.71%	Low	3/25/2020
Texas Exchange Bk Crowley - CUSIP #88241ITGX2 - FDIC #20099	724	3/27/2020	3/28/2022		249,000.00	247,306.80	(1,693.20)	34.11	1.01%	Low	3/25/2020
Insurons Bank - CUSIP #45776NDM5 - FDIC #35521	730	3/31/2020	3/31/2022		249,000.00	246,791.37	(2,208.63)	6.14	0.91%	Low	3/28/2020
Stearns County - CUSIP #85794E54 - FDIC #10988	839	12/18/2019	7/18/2022		249,000.00	250,802.76	1,802.76	185.56	1.69%	Low	3/18/2020
Goldman Sachs - CUSIP #38149MFV0 - FDIC #33124	895	9/11/2019	9/12/2022		247,000.00	249,408.25	2,408.25	255.80	1.80%	Low	3/12/2020
Aly Bank - CUSIP #02007GLR2 - FDIC #57803	895	9/12/2019	9/12/2022		247,000.00	249,408.25	2,408.25	243.62	1.80%	Low	3/12/2020
Wells Fargo Bank - CUSIP #949763J64 - FDIC #35111	902	9/18/2019	9/19/2022		249,000.00	251,736.51	2,736.51	176.69	1.85%	Low	3/19/2020
Sallie Mae - CUSIP #7954504B8 - FDIC #58177	983	3/9/2020	12/9/2022		247,000.00	248,180.66	1,180.66	249.03	1.59%	Low	12/9/2020
Synovus Bank, GA - CUSIP #87164DRB8 - FDIC #873	1004	249,000.00	252,222.06	3,222.06	38.88	1.89%	Low	3/30/2020			
Virginia Partners Bank - CUSIP #928066BA6 - FDIC #58824	1035	1/22/2020	1/30/2023		249,000.00	252,222.06	3,222.06	38.88	1.89%	Low	3/30/2020
Wells Fargo National - CUSIP #949495AT2 - FDIC #27389	1087	3/23/2020	3/23/2023		249,000.00	245,387.01	(3,612.99)	58.33	0.96%	Low	3/23/2020
Cumie State Bank - CUSIP #23130SDU4 - FDIC #8833	1091	9/27/2019	3/27/2023		247,000.00	249,536.69	2,536.69	60.90	1.74%	Low	3/27/2020
CIT Bank - CUSIP #12556LBD7 - FDIC #58978	1091	3/25/2020	3/27/2023		249,000.00	244,271.49	(4,728.51)	38.20	0.81%	Low	3/27/2020
Northpointe Bank - CUSIP #666613HH0 - FDIC #34953	1266	9/18/2019	9/18/2023		247,000.00	248,054.69	1,054.69	151.58	1.61%	Low	3/18/2020
Luna Savings Bank - CUSIP #549104JP3 - FDIC #253	1275	9/30/2019	9/29/2023		249,000.00	244,557.84	(4,442.16)	32.40	0.97%	Low	3/18/2020
Nicolet National Bank - CUSIP #654062JH2 - FDIC #57038	1277	9/30/2019	9/29/2023		249,000.00	250,484.04	1,484.04	22.51	1.66%	Low	3/29/2020
Merrick Bank - CUSIP #59013KCG7 - FDIC #34519	1361	9/11/2019	1/11/2024		249,000.00	250,929.75	1,929.75	243.54	1.71%	Low	3/11/2020
CF Bank - CUSIP #15721UDC0 - FDIC #28263	1413	3/13/2020	2/12/2024		248,000.00	248,059.52	59.52	214.03	1.50%	Low	2/12/2024
First Source Bank - CUSIP #33646CLV4 - FDIC #9087	1429	2/28/2020	2/28/2024		249,000.00	249,512.94	512.94	42.30	1.55%	Low	2/28/2020
First National Bank of America - CUSIP #32110YNV3 - FDIC #17438											

CITY OF SOUTH GATE
INVESTMENT REPORT
MARCH 31, 2020

3/31/2020

QUARTER ENDING DATE:

INVESTMENT AGENCY	BOND RATING	SETTLEMENT DATE	MATURITY DATE	DAYS TO MATURITY	PURCHASE COST	MARKET VALUE	UNREALIZED GAIN/LOSS	ACCRUED INTEREST	INTEREST RATE	CATEGORY OF RISK	DATE OF INT. PMT. RCVD.
Community First Bank - CUSIP #20370AAE7 - FDIC #5197	A	3/27/2020	3/27/2024	1457	249,000.00	242,737.65	(6,262.35)	28.99	0.87%	Low	3/27/2020
Centerstate Bank - CUSIP #15201QCN5 - FDIC #33555	A	3/30/2020	4/1/2024	1462	248,000.00	242,707.68	(5,292.32)	12.91	0.97%	Low	3/30/2020
First Bank of Puerto Rico - CUSIP #33767GAG3 - FDIC #30387	A	9/6/2019	9/6/2024	1620	249,000.00	253,036.29	4,036.29	337.00	1.90%	Low	3/3/2020
People's Bank - CUSIP #710665F7 - FDIC #16265	A	3/10/2020	9/10/2024	1624	249,000.00	248,760.96	(2,239.04)	225.12	1.50%	Low	3/10/2020
Morgan Stanley PVT - CUSIP #61760AY60 - FDIC #34221	A	9/12/2019	9/12/2024	1626	247,000.00	251,003.87	4,003.87	257.15	1.90%	Low	3/12/2020
Energbank - CUSIP #29278TLK4 - FDIC #57293	A	9/13/2020	9/13/2024	1627	249,000.00	252,505.92	3,505.92	239.79	1.86%	Low	3/13/2020
McHenry State Bank - CUSIP #58117WAHO - FDIC #30864	A	3/13/2020	9/13/2024	1627	249,000.00	248,220.63	(779.37)	187.94	1.45%	Low	3/13/2020
Bank of Old Monroe - CUSIP #064236B66 - FDIC #1655	A	9/3/2019	9/18/2024	1632	249,000.00	250,897.38	1,897.38	162.36	1.69%	Low	3/18/2020
Abacus Federal Savings - CUSIP #00257TBH8 - FDIC #32257	A	9/18/2019	9/18/2024	1632	249,000.00	249,000.00	1,897.38	162.36	1.69%	Low	3/18/2020
Spring Bank - CUSIP #849430BA0 - FDIC #56668	A	9/19/2019	9/19/2024	1633	249,000.00	250,359.54	1,359.54	146.33	1.67%	Low	3/19/2020
Medallion Bank - CUSIP #56404DFJ5 - FDIC #57449	A	9/23/2019	9/23/2024	1637	249,000.00	252,513.39	3,513.39	113.58	1.86%	Low	3/23/2020
Lakeside Bank - CUSIP #51210SQV2 - FDIC #19573	A	9/27/2019	9/27/2024	1641	249,000.00	249,946.71	2,946.71	60.90	1.81%	Low	3/27/2020
Commercial Savings Bank - CUSIP #20291AF7 - FDIC #231	A	9/27/2019	9/27/2024	1641	249,000.00	251,975.55	2,975.55	61.40	1.81%	Low	3/27/2020
Bankwest - CUSIP #06652CH80 - FDIC #4009	A	9/27/2019	9/27/2024	1641	247,000.00	249,413.19	2,413.19	59.21	1.77%	Low	3/27/2020
Banker's Bank of the West - CUSIP #06610TEE1 - FDIC #23210	A	9/30/2019	9/30/2024	1644	249,000.00	251,975.55	2,975.55	24.56	1.81%	Low	3/29/2020
Celtic Bank - CUSIP #15118RSC2 - FDIC #57056	A	9/30/2019	9/30/2024	1644	249,000.00	250,894.89	1,894.89	23.19	1.72%	Low	3/29/2020
Continental Bank - CUSIP #211163JY7 - FDIC #57571	A	9/30/2019	9/30/2024	1644	249,000.00	242,237.16	(6,762.84)	23.19	1.81%	Low	3/29/2020
First Service Bank - CUSIP #33640VDA3 - FDIC #18519	A	9/30/2019	9/30/2024	1644	249,000.00	251,435.22	2,435.22	23.88	1.77%	Low	3/29/2020
Morgan Stanley - CUSIP #61690ULF5 - FDIC #32922	A	10/3/2019	10/3/2024	1647	247,000.00	251,552.21	4,552.21	2,388.46	1.77%	Low	10/3/2019
Baycoast BK Swansea Mass - CUSIP #072727AZ3 - FDIC #90196	A	1/16/2020	1/24/2025	1760	247,000.00	248,817.92	1,817.92	782.28	1.77%	Low	1/16/2020
Bell Bank Corp. - CUSIP #07815AAZ0 - FDIC #19581	A	2/27/2020	2/27/2025	1794	249,000.00	249,642.42	642.42	54.58	1.60%	Low	3/27/2020
Chambers Bank - CUSIP #15776AB0 - FDIC #5615	A	2/28/2020	2/28/2025	1795	249,000.00	249,052.29	52.29	42.30	1.56%	Low	3/28/2020
FNB of Albany - CUSIP #32117WAN2 - FDIC #3067	A	2/28/2020	2/28/2025	1795	249,000.00	249,639.93	639.93	43.66	1.56%	Low	3/28/2020
Garrett State Bank - CUSIP #366526AX9 - FDIC #8074	A	2/28/2020	2/28/2025	1795	249,000.00	249,052.29	52.29	42.30	1.56%	Low	3/28/2020
Horizon Bank - CUSIP #44042TBX1 - FDIC #14327	A	2/28/2020	2/28/2025	1795	249,000.00	249,052.29	52.29	42.30	1.56%	Low	3/28/2020
Live Oak Banking Co. - CUSIP #538036J7 - FDIC #58665	A	2/28/2020	2/28/2025	1795	249,000.00	250,817.70	1,817.70	382.71	1.70%	Low	2/28/2020
Prime Alliance Bank - CUSIP #74160NHC7 - FDIC #57920	A	2/28/2020	2/28/2025	1795	249,000.00	248,462.16	(537.84)	40.93	1.51%	Low	3/28/2020
Iowa State Bank - CUSIP #46256YBF5 - FDIC #15947	A	3/5/2020	3/5/2025	1800	248,000.00	247,454.40	(545.60)	275.18	1.50%	Low	3/5/2020
American Expr Nat Bank - CUSIP #02589AA51 - FDIC #27471	A	3/17/2020	3/17/2025	1812	248,000.00	240,336.80	(7,663.20)	91.73	0.93%	Low	3/17/2020
Evergreen Bank Group - CUSIP #300185JF3 - FDIC #35230	A	3/26/2020	3/26/2025	1821	249,000.00	242,436.36	(6,563.64)	40.93	1.03%	Low	3/26/2020
American Commerce Bank - CUSIP #02519TAZ9 - FDIC #57686	A	3/27/2020	3/27/2025	1822	249,000.00	242,431.38	(6,568.62)	34.11	1.03%	Low	3/27/2020
Central Bank Little Rock AK - CUSIP #15257TAZ5 - FDIC #1756	A	3/27/2020	3/27/2025	1822	249,000.00	243,826.58	(5,173.42)	34.11	1.02%	Low	3/27/2020
Fortune Bank - CUSIP #34969RCT3 - FDIC #58107	A	3/27/2020	3/27/2025	1822	249,000.00	241,236.18	(7,763.82)	30.70	0.93%	Low	3/27/2020
Savoy Bank Resource - CUSIP #80534VADD - FDIC #58641	A	3/27/2020	3/27/2025	1822	249,000.00	242,426.40	(6,573.60)	13.64	1.03%	Low	3/27/2020
Home Loan Inv Bank - CUSIP #43719LAC9 - FDIC #27417	A	3/28/2020	3/28/2025	1823	249,000.00	240,618.66	(8,381.34)	5.80	0.88%	Low	3/31/2020
Providence Bank, Rocky Mt. - CUSIP #743738CG9 - FDIC #58239	A	3/31/2020	3/30/2025	1825	249,000.00	242,416.44	(6,583.56)	6.82	1.03%	Low	3/31/2020
Banker's Bank Oklahoma City - CUSIP #06610QEE7 - FDIC #26677	A	3/31/2020	3/31/2025	1826	249,000.00	242,416.44	(6,583.56)	6.82	1.03%	Low	3/31/2020
Pine Island Bank - CUSIP #722616AR0 - FDIC #12193	A	3/31/2020	3/31/2025	1826	249,000.00	242,416.44	(6,583.56)	6.82	1.03%	Low	3/28/2020
TOTALS					16,403,000.00	16,372,494.59	(30,505.41)	10,002.83			
TOTAL CITY INVESTMENTS (under U.S. Bank Safekeeping)											
					36,195,940.57	36,452,936.59	256,996.02	77,413.24			
MONEY MARKET/OVERNIGHT SWEEP ACCOUNTS:											
Preferred Bank - Money Market Account		3/31/2020	4/1/2020	1	3,026.08	3,026.08	0.00	0.25	0.10%	Low	3/1/2020
U.S. Bank - First American Treasury Obligation		3/31/2020	4/1/2020	1	264,713.15	264,713.15	0.00	21.76	0.10%	Low	3/1/2020
TOTALS					267,739.23	267,739.23	0.00	22.01			
CERTIFICATES OF DEPOSIT:											
Acct #C0000306097 - Preferred Bank		4/8/2019	4/8/2020	8	700,000.00	700,000.00	0.00	4,218.22	2.65%	Low	1/8/2020
Acct #C00003000002006 - Preferred Bank		3/20/2020	3/20/2022	719	3,000,000.00	3,000,000.00	0.00	2,630.96	2.91%	Low	3/20/2020
TOTALS					3,700,000.00	3,700,000.00	0.00	6,849.18			

CITY OF SOUTH GATE
INVESTMENT REPORT
MARCH 31, 2020

3/31/2020

QUARTER ENDING DATE:

INVESTMENT AGENCY LAIF INVESTMENTS:	BOND RATING	SETTLEMENT DATE	MATURITY DATE	DAYS TO MATURITY	PURCHASE COST	MARKET VALUE	UNREALIZED GAIN/(LOSS)	ACCRUED INTEREST	INTEREST RATE	CATEGORY OF RISK	DATE OF INT. PMT. RCVD.
General Fund Pooled Accounts		3/31/2020	4/1/2020	1	60,934,369.65	61,390,220.61	455,850.96	271,157.94	1.78%	Low	1/1/2020
Housing Authority		3/31/2020	4/1/2020	1	284,658.00	286,787.53	2,129.53	1,249.38	1.78%	Low	1/1/2020
TOTALS					61,219,027.65	61,677,008.14	457,980.49	272,407.32			
TOTAL INVESTMENTS					101,382,707.45	102,097,683.96					
TOTAL UNREALIZED GAIN/(LOSS)							714,976.51				
TOTAL ACCRUED INTEREST								356,691.74			

Note (1) - The accrued interest is the City's estimate of interest based on the rate and ending balance. The actual amounts are different.

COST - LAIF POOLED @ 3/31/20	\$98,299,616,912.71
MARKET VALUE - LAIF POOLED @ 3/31/20	\$99,034,697,668.95
MARKET VALUE TO BOOK RATIO - LAIF	100.74810%
MARKET VALUE - CITY OF SOUTH GATE @ 3/31/20	61,677,008.14

ATTACHMENT 2

**SCHEDULE OF CASH BALANCES
MARCH 31, 2020**

Fund	Description	Unrestricted Balance	Restricted Balance	Total
100	General	\$ 32,616,668.86	\$ -	\$ 32,616,668.86
211	Traffic Safety	-	(1,205,917.21)	(1,205,917.21)
212	Gas Tax	-	(737,825.49)	(737,825.49)
213	TDA Bikeway	-	-	-
214	Street Sweeping	-	540,448.30	540,448.30
215	Road Repair and Accountability Act	-	2,494,729.84	2,494,729.84
216	CASp Certification and Training Fund	-	36,191.76	36,191.76
221	Prop A Transit	-	3,252,032.49	3,252,032.49
222	Prop C Transit	-	4,933,487.83	4,933,487.83
223	AQMD	-	436,222.89	436,222.89
224	Measure R Transit	-	6,259,795.68	6,259,795.68
225	Measure M	-	1,434,704.50	1,434,704.50
231	Law Enforcement Grants	-	509,164.36	509,164.36
235	Asset Seizure	-	4,547,384.72	4,547,384.72
241	Housing Authority	-	830,242.96	830,242.96
242	Home Program	-	(23,142.36)	(23,142.36)
243	CDBG	-	(688,379.68)	(688,379.68)
251	Street Lighting & Landscaping	-	(571,392.43)	(571,392.43)
261	Federal & State Grants	-	(2,599,260.44)	(2,599,260.44)
262	UDAG	430,782.18	-	430,782.18
263	Public Access Corp.	-	41,056.94	41,056.94
271	Park Enhancement Fund	583,123.31	-	583,123.31
311	Capital Improvements	-	2,808,142.12	2,808,142.12
322	Low/Mod Income Housing Fund	-	882,419.63	882,419.63
411	Water	-	36,995,076.65	36,995,076.65
412	Sewer	-	1,887,984.50	1,887,984.50
413	Refuse	-	878,434.18	878,434.18
511	Insurance	5,568,518.31	-	5,568,518.31
521	Fleet Management	(1,026,814.03)	-	(1,026,814.03)
522	Information Systems	98,504.44	-	98,504.44
523	Capital Asset & Equipment Replacement	3,805,549.76	-	3,805,549.76
524	Building & Infrastructure Maintenance	1,060,491.02	-	1,060,491.02
711	Trust Fund	-	618,586.06	618,586.06
901	Inventory Clearing Fund	(121,174.42)	-	(121,174.42)
903	Payroll Clearing Fund	370,901.15	-	370,901.15
Total All Funds		\$ 43,386,550.58	\$ 63,560,187.80	\$ 106,946,738.38

Invested Amount **\$101,382,707.45**

RECEIVED

AUG 3 2020

City of South Gate
CITY COUNCIL

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

5:30pm

AGENDA BILL

For the Regular Meeting of: August 11, 2020
Originating Department: Parks & Recreation

Interim Director: Steve Costley City Manager: Michael Flad
Steve Costley Michael Flad

SUBJECT: PURCHASE ORDER FOR A LARGE AREA MOWER FOR THE PARKS & RECREATION DEPARTMENT

PURPOSE: To approve the purchase of a large area rotary mower to replace a 2009 Jacobsen large area mower model HR-900 currently in the fleet.

RECOMMENDED ACTION: Authorize the issuance of a Purchase Order with Turf Star Western for the purchase of a Toro Groundsmaster model 5910, large area rotary mower for the Parks & Recreation Department in the total amount of \$128,882.47.

FISCAL IMPACT: Funds, in the amount of \$135,000.00, were included in the Fiscal Year 2020/21 Municipal Budget for this purchase in Account Number 523-460-61-9003 (Capital Asset & Equipment Replacement (CAER) Fund – P&R Grounds Maintenance - Auto/Rolling Stock).

ANALYSIS: The existing large area mower was manufactured in 2009. The Fleet Manager has recommended that the mower be replaced due to ongoing mechanical failure, discontinued replacement parts, and no longer meeting EPA pollution standards. The current mower has logged over 62,900 hours of service.

BACKGROUND: The large area mower is an essential piece of equipment used for parks maintenance. It is used to mow 97 acres of park land weekly at South Gate Park. Purchase of the new large area rotary mower will be through the National IPA pricing contract #2017025. South Gate Municipal Code Section 1.54.510 D, permits the use of piggybacking onto a cooperative contract. Both the NJPA and the State of California have bid for this commodity, and any subsequent service, in a fair and competitive manner complying with the bid requirements, as stated in the City’s Municipal Code, therefore no further bidding or quotes need to be obtained for this purchase. Toro is the sole source of this style of mower.

ATTACHMENT: Turf Star Western Quote



Date: July 8, 2020

Quotation for City of South Gate

Quote No:3302790-00

Prepared For: Daniel Rodriguez
City of South Gate
8650 California Ave
South Gate, CA 90280

Quote No: 3302790-00
iQuote No: 50339
Sales Person: Rick Danielson
rick.danielson@turfstar.com
(714) 475-8967

National IPA Pricing: Contract 2017025, IPA Membership required.

Summary

Configuration Name	Qty	Unit Price	Sub Total	Sales Tax	Total
010-GM5910 T4 Final w/All Season Safety Cab	1	\$116,900.19	\$116,900.19	\$11,982.28	\$128,882.47
Totals:			\$116,900.19	\$11,982.28	\$128,882.47



Date: July 8, 2020

Quotation for City of South Gate

Quote No:3302790-00

Configuration Product Details 010-GM5910 T4 Final w/All Season Safety Cab

Model	Product Description	Qty	Unit Price	Extended	Sales Tax	Total
31699	GM5910 T4 Final w/All Season Safety Cab	1	\$112,951.30	\$112,951.30	\$11,577.50	\$124,528.80
31604	Leaf Mulching Kit	1	\$2,037.89	\$2,037.89	\$208.88	\$2,246.77
131-6691	SEAT COVER, LARGE	1	\$35.85	\$35.85	\$3.68	\$39.53
132-1391	BLADE SERVICE PACK, ATOM IC 20.00 IN	1	\$233.15	\$233.15	\$23.90	\$257.05
93-5973	10IN FOAM FILLED WHEEL A SM	10	\$164.20	\$1,642.00	\$168.32	\$1,810.32
Totals:						\$128,882.47



Date: July 8, 2020

Quotation for City of South Gate

Quote No:3302790-00

Standard Terms and Conditions

Prices, including all finance options, are valid for 30 days from date of quotation. Open Account Terms are N30, subject to credit approval. Used and demo equipment is in high demand and availability is subject to change. Delivery is FOB Destination, unless otherwise stated

Office Locations

Northern California:

5646 W Barstow Ave Ste 104
Fresno, CA 93722
Fax: (559) 277-7123

2438 Radley Court
Hayward, CA 94545
Fax: (510) 785-3576

11373 Sunrise Gold Circle
Rancho Cordova, CA 95742
Fax: (800) 241-1997

Southern California:

79-253 Country Club Drive
Bermuda Dunes, CA 92203
Fax: (760) 345-4297

955 Beacon Street
Brea, CA 92821
Fax: (800) 775-8873

2110 La Mirada Ste 100
Vista, CA 92083
Fax: (760) 734-4285

Pacific Northwest:

11175 SW Elligsen Way
Sherwood, OR 97140
Ph: (503) 691-0250

5869 South 194th
Kent, WA 98032
Fax: (253) 872-6942

2824 East Garland
Spokane, WA 99207
Fax: (509) 483-7563



WARNING:

Cancer and Reproductive Harm-<http://www.P65Warnings.ca.gov>
For more information, please visit <http://www.tcoCAProp65.com>

CALIFORNIA SPARK ARRESTER WARNING

Operation of this equipment in the State of California may create sparks that can start fires around dry vegetation. A spark arrester may be required. The operator should contact local fire agencies for laws or regulations relating to fire prevention requirements.

TORO

Groundsmaster[®] 5900/5910

LARGE AREA ROTARY MOWER

FEATURES

- 192 in. (488 cm) width of cut, mows 100+ acres per day
- 3.3 L Yanmar EPA Tier 4 Final and EU Stage IV emissions compliant turbo-diesel engine
- Full-time, bi-directional 4WD
- SmartPower[™] -optimized mowing in all conditions
- CrossTrax[™] all-wheel drive system offers increased cross wheel traction control
- 0° arc cut circles in turns
- Onboard InfoCenter[™] with advisories and diagnostics for maximum uptime
- SmartCool[™] auto-reversing cooling fans
- 24-volt electrical system powers cooling system
- HybridDrive[™] cutting deck system delivers unmatched reliability
- 4-way adjustable seat and Air Ride Suspension
- Integrated ControlArm[™] with fingertip electronic controls
- All-season safety cab with air conditioning and heater (5910)

More Parks & More Rec.

Tasked with maintaining more parks and sports fields with no additional workers or budget? Is it possible to do more with less? The Groundsmaster[®] 5900 Series mowers can mow over 17 acres/hour (6.87 hectares/hour) using only one operator! And to match the 16' (4.88 m) wide mowing brawn and a more fuel-efficient EPA Tier 4 Final and EU Stage IV emissions compliant Yanmar[®] 3.3 L engine, the Groundsmaster 5900 series is loaded with intelligence. SmartPower[™] allows the operator to effortlessly maintain the correct speed for optimal cutting, while the SmartCool[™] system prevents overheating with auto-reversing the cooling fans. An onboard InfoCenter[™] gives the operator a quick read on all systems and even provides assistance at the right moment. When the comfort and safety of an all season cab, the incredibly nimble handling, and tough Toro durability are added in, the new Groundsmaster 5900 series proves beyond doubt that increased efficiency and ease of operation lead to higher productivity.

toro.com/5900Groundsmaster[®] 5900Groundsmaster[®] 5910**4
TIER****SMART-POWER****Call your Toro distributor at 800-803-8676**

GROUNDMASTER 5900, MODEL 31698 / GROUNDMASTER 5910, MODEL 31699	
ENGINE	Yanmar 3.3L, EPA Tier 4 Final and EU Stage IV emissions compliant, turbocharged diesel with direct injection and electronic high-pressure common rail. 72 HP (53.7 kW) @ 2500 rpm, Torque: 206 lb.-ft. (279 N•m) @ 1625 rpm Displacement: 202 cu. in. (3.3 L).
COOLING SYSTEM	24V dual electric fan banks for separate engine radiator and hydraulic oil cooling; fan banks are variable speed, with auto-reverse feature (SmartCool®, based on coolant and oil temps), radiator is cross flow, 3 rows, 9 fins per in. (FPI). Hydraulic oil cooler is crossflow, 6 FPI. Cooling fan banks tilts away for fast, easy cleaning.
FUEL SYSTEM	Uses ultra-low sulfur diesel fuel only. Biodiesel compatible up to B20.
CAPACITIES	Fuel: 35 gal.(132L) Hydraulic: 19 gal (71.9 L). Engine Oil w/filter: 11 qt. (10.4 L). Coolant: 13.5 qt. (12.7 L) (Model 31698), 18 qt. (17 L) (Model 31699)
HYDRAULIC SYSTEM	Capacity: 19 gal (71.9 L) reservoir, Remote spin-on charge filter, Oil: Toro premium all season hydraulic fluid
TIRES/WHEELS	Front: 29x12.00-15, 6 ply rating, 32 psi; Rear: 23x10.50-12, 6 ply rating, 30 psi;
INSTRUMENTATION	Onboard LCD (InfoCenter™) display shows customizable gauges, service reminders, advisories/fauls and troubleshooting assistance. Indicates fuel level, coolant temp, hydraulic oil temp, engine glow plug, low oil pressure, air cleaner restriction, 12 and 24 volt alternator voltage output, engine hours and rpm, and engine DPF regeneration.
POWERTRAIN	Full time automatic forward and reverse 4WD in low (mow) range. Front wheel drive in transport. Parallel hydrostatic, closed loop with cross wheel traction (CrossTrax™) design; traction drive pump: variable displacement piston, servo control. Front drive: 2-speed, fixed displacement high torque, low speed radial piston motors. Rear drive: single speed, fixed displacement, high torque, low speed radial piston motors. SmartPower™ feature controls traction speed to maintain optimal cutting blade speed.
ELECTRICAL SYSTEM	Main: 12 volt system; Alternator: 12V, 80 amp, supplied w/ engine Battery: 1380 CCA (2x 690 CCA), Cooling Fans, Engine/Hydraulic cooling: 24 volt system; Alternator: 24V, 105 amp w/ remote sense; Battery: 350 CCA; Disconnect ON/OFF switch for 12 & 24 volt service safety. Service: Dynamic, hydrostatic 4WD in low range. Front wheel drive braking in high range. Parking: Electro-hydraulic controlled via double-motion rocker switch. Spring applied, hydraulic released. Internal to front wheel motors. Automatically applies with engine OFF or key OFF Manual override from operator platform for servicing
PRODUCTIVITY	Infinitely variable speed. Forward speeds: mow: 0-10.8 mph (17.4 km/h) Transport: 0-20 mph (0-32.2 km/h). Reverse speeds: mow 0-5.7 mph (0-9.2 km/h), transport: 0-10.5 mph (0-16.9 km/h) transport. Speed control: Electronic, limits max speed. Maximum productivity: 20.8 acres/hr. (8.4 ha/hr). Typical productivity: 13.1 acres/hr (5.3 ha/hr)**; NOTE: For EU countries complying to ISO 5395, all speeds and mow rates should be reduced by 12%.
CONTROLS	Control arm, right armrest, travels with seat and suspension. Deck lift/lower, electrohydraulic switches. Throttle: electronic, variable. Traction pedal, electronic. Park brakes: double-motion switch. Steering; hydrostatic load sensing. Other: High/low range, PTO, cruise control, lights (31698 only), horn, key switch, wing deck transport latches (manual).
OPERATOR STATION	Operator platform: isolated rubber mounted. Seat: 4 way adjustable with vinyl (31698) or cloth (31699) cushions standard. Suspension: air-ride with 3 in. (7.6 cm) of adjustability. Steering: power and adjustable tilt. Traction Pedal: adjustable angle uses position sensor. Storage box, cup holder, and 12 volt power outlet, double USB port, standard.
STEERING	Uncut circle - 0" diameter. Turning radius - 86" (218 cm)
CAB (5910)	ROPS certified cab with heat, AC and the following standard features: climate system pressurized cab, heavy-duty pantograph front windshield wiper and washer, front windshield has 38" of visibility, interior mirror, fold away exterior side mirrors, molded front fenders, right and left doors and rear window have tinted (50%) glass, front and rear windows open, quick release window latches act as emergency exit, rubber sound isolator cab mounts and upholstered interior panels and headliner, textured neoprene floor mat, interior dome light. Power provided for optional aftermarket audio accessories. Optional road lights, rotating beacon and work lights available.
SAFETY AND LIGHTING	Standard (31698 & 31699): SMV sign rear mounted; LED brake, tail lights and flashers mounted in rear bumper; horn. ROPS Unit (31698) headlights, red and amber flashers, turn signals. Cab Unit (31699): Optional light kits, North American Road Light Kit (30706), Rotating Beacon Kit (31509), Work Light Kit (114-5610). Disconnect ON/OFF switch for 12 & 24-volt service safety.
CERTIFICATION	Meets or exceeds EU Machinery Directive (2006/42/EC); ISO 5395-2013 and ANSI B71.4-2012; ISO 21299 and SAE J1194; OSHA 29CFR1910.95 (SAEJ1175, European Directive 2000/14/EC, ISO 5395-2013); EN 55012:2007 and CISPR12. Model 31698 meets or exceeds ANSI/ASAE S279.12 (Lighting and Marking of Agricultural Equipment on Highways). Model 31699 air conditioning system meets SAE J1503, Section 8.
WARRANTY	Two year limited warranty.
VEHICLE WEIGHT (W/ FULL FLUIDS)	6,710 lbs. (3043 kg) (31698), 7,304 lbs. (3313 kg) (31699)
GROUND CLEARANCE	10.3 in. (26.1 cm)
DIMENSIONS	WIDTH: Transport: 99 in. (251 cm), Mow: 199 in. (505 cm) LENGTH: 174 in. (442 cm) HEIGHT: 85 in. (216 cm) (31698), 95 in. (241 cm) (31699) WHEELBASE: 77 in. (196 cm)

CUTTING DECKS	
TYPE	Three rear discharge rotary decks
CUTTING WIDTH	192 in. (488 cm), 57 in. (145 cm), 92 in. (234 cm), 144 in. (366 cm).
HEIGHT OF CUT	1-6 " in (2.5 - 15 cm) in 0.5 in. (1.3 cm) increments.
CONSTRUCTION	11-gauge high-strength steel. 7-gauge, reinforcements, bullnose bumpers.
PROTECTION	Wing decks: 2 way shock absorption.
DECK DRIVE	HybridDrive™ - Hydraulic motor to spindle, remaining spindle(s), driven by "B" section v-belts.
TENSIONING	Automatic, spring loaded idlers.
SPINDLES	Shaft: 1.25" (3.2 cm) hardened steel. Housing: 9" (22.9 cm) ductile iron. Bearings: Greaseable tapered roller.
STANDARD BLADES	20" (50.8 cm), heat-treated steel blades.
OPTIONAL BLADES	Atomic™ mulching blades, flat blades.
SKIDS	4 reversible polymeric, 2 reversible steel

*Specifications and design subject to change without notice. Products depicted in this literature are for demonstration purposes only.

Actual products offered for sale may vary in use, design, required attachments and safety features. See distributor for details on all warranties.

**Maximum productivity @ 10.8 mph (17.4 km/h) & 100% efficiency.

Typical productivity @ 8 mph (12.9 km/h) & 85% efficiency



TORO ACCESSORIES AND PARTS	
MODEL/PART NUMBER	Description
30349	Universal Mount Sunshade - White
30552	Universal Mount Sunshade - Red
31324	Thermoplastic Windscreen Kit (GM5900). Abrasion-resistant polycarbonate windscreen (mounts to 2-post ROPS extension)
31325	Tempered Glass Windshield (mounts to 2-post ROPS extension)
31311	Wiper Kit for Tempered Glass Windshield
119-7719	Backrest Extension Kit - Fabric (GM5910)
119-7718	Backrest Extension Kit - Vinyl (GM5900)
114-5610	Work Light Kit (GM5910)
31353	2-Post ROPS Extension (GM5900) (includes sunshade)



SNOWTHROWER ERSKINE MODEL 2000**	
STAGE	2
WIDTH OF CUT	85" (216 cm)
CUTTING HEIGHT	29" (74 cm)
CUTTING EDGE	3/8" x 3" (9.5 mm x 7.62 cm) bolt-on
SKID SHOES	Adjustable
AUGER DIAMETER	16" (41 cm) open flight
FAN DIAMETER	20" (51 cm) 4-blade
CHUTE ROTATION	Hydraulic, 270°
SHEAR PROTECTION	Pressure relief
CASTING DISTANCE	Up to 30' (9.4 m)
APPROXIMATE SHIPPING WEIGHT	850 lbs. (386 kg)
HOSES	Included

TORO ACCESSORIES AND PARTS	
Model/Part #	Description
31604	Leaf Mulching Kit
93-5973	10" Foam Filled Caster Tire Assembly
31609	MVP Maintenance Kit (oil/fuel)
31512	Back-up Alarm Kit
30706	North American Road Light Kit for GM5910
30509	Rotating Beacon Kit for GM5910



ROTARY BROOM M-B MODEL SHL***	
TYPE	Windrow type, front mounted hydraulic broom with dual motors. Electric/hydraulic angling, 30° left and right.
BROOM SIZE	32" (81 cm) diameter x 60" (153 cm) wide.
BRUSH	Sectional brush with combination polypropylene/wire radial segments.
OPTIONS	Dirt Deflector, Storage Stands

*Specifications and design subject to change without notice. Products depicted in this literature are for demonstration purposes only. Actual products offered for sale may vary in design, required attachments and safety features. Consult your local Toro Distributor. Information regarding non-Toro (Allied Vendor) products is included in the Toro Golf and Grounds Equipment Guide as a convenience to Toro customers. Toro does not warrant, endorse or support any products purchased from Allied vendors. Additionally, Toro shall not be responsible for any personal injury or property damage, whether direct or consequential, caused by such Allied products. Toro does not certify fit up, compatibility or functionality of Allied products.

**Manufactured by Erskine.

***Manufactured by M-B Companies, Inc. The Toro Company does not manufacture or sell the snow thrower, rotary broom, nor does Toro guarantee these accessories in any manner whatsoever.





	TWO-POST ROPS EXTENSION SYSTEM
GM5900	Fits Model 31698
TWO-POST ROPS EXTENSION KIT	Base steel frame attached to existing ROPS and includes a white sunshade. Model 31353
EXTERIOR MIRROR	Quantity (1) Part Number 130-5448
INTERIOR MIRROR	Quantity (1) Part Number 130-5449
ABRASION-RESISTANT POLYCARBONATE WIND SCREEN	Improved resistance to golf ball impacts or vandalism. Model 31324
TEMPERED GLASS WINDSHIELD	Similar safety glass used in Toro all-season safety cabs. Model 31325
WINDSHIELD WIPER KIT FOR TEMPERED GLASS WINDSHIELD	For use with the tempered glass windshield only. Not for use with the polycarbonate wind screen. Model 31311
OPERATOR FAN & INTERIOR HEADLINER KIT	Overhead fan with adjustable speeds – mounts directly over operator. Part Number 132-3435
LED WORK LIGHT KIT	Includes 4 lights: 2 for front and 2 for rear; can also mount to Toro cabs. Model 31596
ROTATING BEACON	Breakaway mounting system. Also mounts on Toro cabs. Model 31509
SAFETY AND SECURITY CAGE	Steel mesh side cage doors that lock. Includes the abrasion-resistant polycarbonate wind screen. Part Number 132-3695
WIRE HARNESS KIT	Required for all electrical accessories such as wipers, lights and fan. Part Number 122-0729



RECEIVED

Item No. 15

AUG 4 2020

City of South Gate

CITY COUNCIL

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

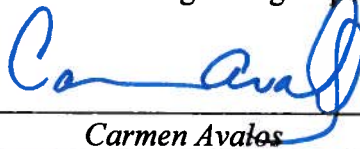
9:50am

AGENDA BILL

For the Regular Meeting of: August 11, 2020

Originating Department: Office of the City Clerk

City Clerk:



Carmen Avalos

City Manager:



Michael Flad

SUBJECT: APPROVAL OF CITY COUNCIL MEETING MINUTES.

PURPOSE: To historically preserve the events of the City Council Meetings.

RECOMMENDED ACTION:

- A. Approve the Special City Council Meeting minutes of July 21, 2020.

FISCAL IMPACT: None.

ANALYSIS: The minutes are provided to the City Council on the Wednesday prior to their regular business meeting. Amendments should be provided to the City Clerk's Office within 24 hours of a City Council Meeting so that verification of the record and corrections are made accordingly. A revised document will be provided to the City Council prior to the Meeting.

BACKGROUND: The minutes typically describe the events of the meeting and may include a list of attendees, a statement of the issues considered by the participants, and related responses or decisions for the issues.

ATTACHMENTS: City Council Minutes

**CITY OF SOUTH GATE
SPECIAL CITY COUNCIL MEETING
MINUTES
TUESDAY, JULY 21, 2020**

CALL TO ORDER Maria Davila, Mayor called a Special City Council meeting to order at 5:32 p.m.

ROLL CALL Carmen Avalos, City Clerk

PRESENT Mayor Maria Davila, Vice Mayor Al Rios, Council Member Maria del Pilar Avalos, Council Member Denise Diaz and Council Member Gil Hurtado; City Manager Mike Flad, City Attorney Raul F. Salinas

ABSENT City Treasurer Gregory Martinez

CLOSED SESSION City Attorney Salinas stated that he will not participated on item 1.

The Council Members recessed into Closed Session at 5:32 p.m. and reconvened at 6:23 p.m. with all Members of Council present. City Attorney Salinas reported the following:

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Pursuant to Government Code Section 54956.9(c)

One (1) - Potential Case

On item 1, the City Council received a presentation by outside counsel and there was no reportable action taken.

2. CONFERENCE WITH LABOR NEGOTIATOR

Pursuant to Government Code Section 54957.6

Agency Representation: Michael Flad, City Manager
Unrepresented Employees: Top Management/Department Directors
Hourly Employees
Employee Organizations: SGMEA, SGPMMA, SGPMA, SGPOA

On item 2, the City Council received a presentation by the City's labor negotiator. Guidance was given but there was no reportable action taken.

ADJOURNMENT Mayor Davila unanimously adjourned the meeting at 6:24 p.m. and seconded by Council Member Hurtado.

PASSED and **APPROVED** this 28th day of July 2020.

ATTEST:

Maria Davila, Mayor

Carmen Avalos, City Clerk

**CITY OF SOUTH GATE
SPECIAL CITY COUNCIL MEETING
MINUTES
TUESDAY, JULY 21, 2020**

CALL TO ORDER Maria Davila, Mayor called a Special City Council meeting to order at 6:25 p.m.

ROLL CALL Carmen Avalos, City Clerk

PRESENT Mayor Maria Davila, Vice Mayor Al Rios, Council Member Maria del Pilar Avalos, Council Member Denise Diaz and Council Member Gil Hurtado; City Treasurer Gregory Martinez, City Manager Mike Flad, City Attorney Raul F. Salinas

1
BUDGET The City Council will:

- a. Review and discuss the adopted Fiscal Year 2020/21 Municipal Budget; and
- b. Provide direction on an amended Fiscal Year 2020/21 budget adoption process.

Mike Flad, City Manager thanked the public for participating in the Special meeting and gave a brief presentation of the budget.

Jackie Acosta, Director of Administrative Services gave a Post-Budget Adoption presentation to provide information on the City's budget process.

Randy Davis, Chief of Police gave a budget presentation on the 2020-2021 Fiscal Year Police Department Budget.

Steve Costley, Acting Parks and Recreation Director gave a budget presentation on the 2020-2021 Fiscal Year Parks and Recreation Department Budget.

Council Member Hurtado asked that the City Manager explain about the City's credit card usage as he has seen several comments on social media.

Mike Flad, City Manager stated that since the start of COVID in the beginning of March city services have continued to be provided. We are the definition of essential workers and first responders.

SPECIAL CITY COUNCIL MEETING MINUTES OF JULY 21, 2020

1

BUDGET CONT'D

One of the first actions that the City Manager took was to declare a state of emergency that was ratified by the City Council. One of the expenditures that has increased is that of food. Food is a reimbursable expense on the behalf of FEMA. The City Manager believes that the higher amounts spent went to departments that had dramatic changes in shifts and changes in their work place behavior, primarily the Police Department. They are on duty 24-hours a day, seven days a week. The City has compartmentalized employees and isolated them so that if one employee does come down with COVID there would not be a work-place spread of the disease. In the early days of COVID without easy access to food and staff being isolated the City Manager authorized limited food purchases for employees that were continuing to provide essential services during the early stages of the pandemic. Then we had the additional need for employees to work longer hours with the civil unrest. The food was provided to cut down on individuals having to go out and then come back increasing the risk of COVID being brought into the work place.

Randy Davis, Chief of Police stated that during this state of emergency the Police Department arranged for different restaurants or fast food locations within the City to provide box lunches and water so that officers could come to the station, grab a meal, and go back out in the field. We did not want to risk additional exposure to the virus so we couldn't provide public service. The fact that this expense is reimbursable through FEMA made it palatable from a financial perspective and would not impact the General Fund. We also used the reimbursable funds from FEMA to purchase masks and hand sanitizer so we can provide protection for our first responders in the field.

Council Member Diaz requested that Mr. Costly speak on the Youth Employment Program that the Parks Department offers.

Mr. Costly provided an overview on the Youth Employment Program.

Council Member Avalos asked if we have a guarantee that FEMA will definitely reimburse us for any emergency purchases that were made with the credit card and she wanted to clarify that all department heads had a credit card and until recently the City Clerk did not.

Mr. Flad responded that he has been through several disasters and this is a reimbursable expense. He fully expects that the City will be reimbursed but he has never been through one that has lasted this long. The FEMA money will be reimbursed at a percentage of the total cost. The City will be getting other funds from the State government to cover COVID related expenses.

SPECIAL CITY COUNCIL MEETING MINUTES OF JULY 21, 2020

1

BUDGET CONT'D

Virginia Johnson spoke in support of the purchase of the encrypted scanner for the Police Department and is against defunding the Police Department.

Gaby, South Gate resident spoke in support of change in the City.

Sofi spoke in support of the South Gate Police Department.

Ms. Salinas, 10308 San Anselmo Avenue, asked why are contractually obligated increases still moving forward when the County of Los Angeles has a MOU with the Union and has stated that County employees will not be getting their step increases. If the County of Los Angeles can do this why is the City of South Gate not doing the same. If we do not have enough officers on the street or City staff to assist the public how do we have enough staff to send to pick up food.

Silvia Leon, South Gate teacher spoke in support of the Police Department.

Jose, 8611 Mountain View Avenue spoke in favor of change for the City budget.

Abi Soto spoke in favor of change for the City budget.

Edward Singleton spoke in favor of defunding the Police Department and supports changing the budget.

Brigette Ramirez spoke in favor of defunding the Police Department and feels that it is ridiculous that City funds are being spent on food for employees instead of programs for the residents such as a food bank.

Edgar spoke in favor of change for the City budget and is against salary increases. We need to look at rental assistance for our residents.

Mayra, Taft Avenue, spoke in support of the Police Department.

Adolfo Varas, stated that the City Council has no control over how the virus spreads. It is up to us as residents to make sure we are taking the precautions necessary to stop the spread. We need to educate the residents that City Council just approved funding to a local mental health agency to provide services to South Gate residents and extra funding was just given for rental assistance. He believes that Council Member Avalos should recuse herself on budget approval since her sister City Clerk Carmen Avalos will be getting an increase in salary with the approval of the budget.

Brenda spoke in favor of defunding the Police Department.

SPECIAL CITY COUNCIL MEETING MINUTES OF JULY 21, 2020

1

BUDGET CONT'D

Susan, 10108 San Gabriel Avenue, spoke in favor of programs for the youth and feels that the Mayor needs to have more a presence on social media to get information out to the residents on the programs available to help the residents get through these times.

John Montalvo, 9815 Virginia Avenue, feels that raising taxes should not be an option especially during the current state of the City with the COVID-19 virus. He spoke in support of Chief Davis and the South Gate Police Department. He also stated that the JAA has received many subsidies from the City including office space, storage space and baseball fields and he would like to know what is the monetary value of these subsidies. He believes that there is also a conflict of interest with the fact that Council Member Hurtado is also the President of JAA. Since JAA is part of the Parks budget he should not be allowed to vote on its adoption. Also, the fact that the JAA is currently under an investigation and that Council Member Hurtado may have a financial gain that he is not reporting.

Irma would like to see the programs offered at the Parks be offered to residents at a lower price and that the halls be rented at a lower rate for residents. She would like to see more programs for youth and seniors.

Paul spoke in support of programs for seniors and programs that support the community. He feels the Police Department isn't responsible to provide these services.

Thomas Buckley, believes the City needs to upgrade their service with Zoom which currently only allows 100 participants.

Candice spoke in support of the South Gate Police Department. She thinks that if anything should be defunded it is the City Clerk's salary. The City Clerk will be getting a 7.12% raise from the last fiscal year. She felt that the recent post on social media regarding the City's credit card statement is misleading to the general public.

Bobbie Thompson spoke in favor of the South Gate Police Department.

Alberto Avalos Cervantes spoke in favor of defunding the Police Department.

Kimberly spoke in favor of defunding the Police Department.

Cynthia Esquivel spoke in support of the Police Department.

Rigo spoke in support of the Police Department.

SPECIAL CITY COUNCIL MEETING MINUTES OF JULY 21, 2020

1

BUDGET CONT'D

Suzanne Cardenas spoke in favor of defunding the Police Department and put the money into youth programs.

Ashley spoke in favor of defunding the Police Department.

Jesse spoke in favor of defunding the Police Department and amend the City Budget.

Elizabeth spoke in support of the Police Department.

Carmen Avalos, City Clerk read into the record the comments received by email prior to the City Council Meeting in support of defunding the Police Department and amending the FY 2020/2021 Budget to provide more resources for the community sent by the following:

Leonel Urizar	Nancy Mascorro	Perla Gomez
Edin Enamorado	Gabriela Silva	Tania Campos
Edward Singleton	Angela Sanchez	Karla Alonso
Christian Machuca	Kimberly Esquivel- Urizar	Daisy Campos
Darlene Gomez	Evelyne Guadalupe Limon	Jacqueline Gomez
Ruben Ramos	Saul Argueta	Daniela Hernandez
Fredy Salguero	Sandra Benavides	Nathan Nunez
Marlene Salazar	Gustavo Garay-Ramirez	Christian Alvarado
Ruby Sandoval	Israel Esquivel	Amanda Tapia

Carmen Avalos, City Clerk read into the record the comments received by email prior to the City Council Meeting in support of the Police Department and against defunding sent by the following:

Georgina Contreras	Dianna Hampton	Lizzet Urita
Maria Urita	Jesus A. Reyes Aceves	Danny Lopez
Paul Allen	me4fern@aol.com	Tisha L. Forrest
Martha Curiel	Miny Morales	Elizabeth Rodriguez
Nicole Cervantes	Samuel Rodriguez	April Villanueva
Suzie Darias	Mariapia Gonzalez	Zully Gonzalez
Candice Esquivel	C. Cypert	Renee Acero

Carmen Avalos, City Clerk read into the record the comments received by email prior to the City Council Meeting from M. Solis regarding the misuse of City Funds and the purchases made with the City credit card by the Police Department and the Parks Department.

Carmen Avalos, City Clerk read into the record the comments received by email prior to the City Council Meeting from Laura Recio regarding the lack of enforcement for masks and social distancing in the City.

SPECIAL CITY COUNCIL MEETING MINUTES OF JULY 21, 2020

1

BUDGET CONT'D

Mike Flad, City Manager stated that Council is not being asked to adopt a revised budget. This meeting was an opportunity for the community to voice their comments and provide input. Mr. Flad began with addressing the comments that the City Council has done nothing about COVID. He encouraged everyone to go to the City's website where residents can find many programs for mental health, rental assistance, legal services and business assistance. This Monday at South Gate Park a testing facility will open which will be the largest in the area. Information for this site is on the Los Angeles County Department of Public Health website and is by appointment only.

Supervisor Solis and Council Member Diaz have made it a priority to get a testing center here in Southeast Los Angeles. Prior to this the City Council had allocated funding in the amount of \$60,000 that was a match with a donation from Koo's Manufacturing of \$62,500 to provide free testing in the earliest stages of the virus.

Mr. Flad continued to provide a breakdown of the funding for the various programs that are provided to South Gate residents and again encouraged everyone to visit the South Gate website for more information.

Mr. Flad stated that there were many questions about why the City is continuing with step increases for personnel. He explained that the salary ranges are frozen by this Maintenance of Effort Budget but you can move within the salary range as part of our labor agreements. The Council has negotiated with each employee bargaining unit and it is part of each contract. The City cannot just change a contract as we would have to go back to the bargaining table. As we go back to the negotiations it is important to go have the community's feedback.

Mr. Flad addressed the comment that the budget presentation lacked detail by explaining that it was somewhat intentional as the details are going to be presented as part of the Budget Subcommittee process. Those meetings will all be agendaized and open to the public. Staff will look into increasing the capacity of our Zoom meetings. He again encouraged residents to go to the City's website and look at our information on the budget. There was a comment made claiming that Ms. Acosta was being disingenuous and deceptive. Mr. Flad took offense to this, stating that she is one of the most ethical people he has ever met and is an absolute open book when it comes to the finances of the City. As part of the Budget Subcommittee process staff will get into what revenues constitute the General Fund and where those revenues come from.

SPECIAL CITY COUNCIL MEETING MINUTES OF JULY 21, 2020

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BUDGET CONT'D

We heard the comment tonight that General Fund revenues come strictly from the residents and this is inaccurate. Staff needs to do a better job of getting out the information of where do the individual revenue streams come from. For example, the largest part of the General Fund comes from sales tax and not all sales tax comes from residents. We also know that many of our residents are renters and many of the owners do not live in South Gate. The point he is trying to make is that all revenue streams are not created by a resident and Staff will do a better job of explaining the actual source of those revenues.

Mayor Davila asked if Council would have another meeting to discuss the budgets from the other Departments.

Mr. Flad responded that the intent of these presentations was that the vast majority of public input we were receiving was directly related to the Police Department and the comments received about lack of programming for the youth. This was the purpose of having the Police Department and the Parks Department present tonight. Moving forward each department will now give a more detailed presentation to the Budget Subcommittee and when Staff comes back with the amended budget recommendations each department will again present with the proposed cuts.

Raul F. Salinas, City Attorney responded to the public comments regarding conflict of interest. He explained that the conflict of interest standards is at times complicated. The State of California has a Conflict of Interest statute which precludes a government official from having a financial interest in any contract that is made in their official capacity. Tonight's comments fall under the Fair Political Practices Act, which is a part of the government code. To address the comment that Council Member Avalos should recuse herself from the Budget Subcommittee because her sister is the City Clerk and the City Clerk's Department Budget is a part of the overall City Budget. The rules with the Fair Political Practice Act are clear. A Council Member will have a disqualifying interest if there is a personal benefit. In addition to that it states that you can not vote if there is a personal benefit to you or immediate family. The State defines an immediate family member as a partner/spouse or dependent child. Since Council Member Avalos and City Clerk Avalos are siblings under law this does not qualify as a conflict of interest.

Council Member Diaz stated that we don't know the impact on the City because we do not know the duration of the pandemic. She agrees with the fact that South Gate has a lack of resources for the community. She spoke about the possible usage and funding options for the vacant court house building.

SPECIAL CITY COUNCIL MEETING MINUTES OF JULY 21, 2020

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BUDGET CONT'D

Council Member Diaz stated that she is against any tax increases. The community is already overburdened trying to figure out how to pay their bills but she does support the increase in the Business License tax. Lastly, she mentioned that the City Council has directed staff last year to look at providing local parks and the City's downtown area with Wi-Fi.

Vice Mayor Rios stated that he believes in reimagining the way we improve the City and being strategic in our funding practices. He is glad that testing is coming to the City and they are working on being able to test up to 600 people a day. The City has an education collaborative consisting of the South Gate principals and Mayor that meets monthly. Staff has also been looking at ways to increase the non-profit capacity in Hollydale and the west side. There are many possibilities looking forward. He stated that there is a lot of work ahead and many tough choices moving forward with this year's budget. He looks forward working with the Chief to continue to keep the City safe.

Vice Mayor Rios is a board member of the SELA Collaborative and they have leveraged a million dollars of funds. Over \$100,000 went to South Gate residents.

Raul F. Salinas, City Attorney addressed one other comment that was made regarding a perceived conflict of interest involving Council Member Hurtado that also holds a position with a local nonprofit, the South Gate JAA. The position of the FPPC on this matter is that volunteer representatives of a non-profit entity will not have a conflict of interest with respect to decisions that effect the non-profit, however, if the representative receives income from the non-profit entity the non-profit entity will be a source of income and the member may not participate in any decisions that will have a reasonably foreseeable material financial effect on the non-profit. Plus, the member cannot vote to award a contract to the non-profit or participate in any decision which would have a material and direct effect on the non-profit entity. So long as Council Member Hurtado receives no financial income from any contract that he votes on involving the JAA, the FPPC would not deem that as a conflict of interest.

Council Member Hurtado stated that over the last couple of years due to the lack of volunteers or officials for JAA he did officiate some games and received compensation for some of the games but it was during the time he was not on the City Council. He was not on the City Council for three years. Saying this he feels comfortable voting on the City's budget.

SPECIAL CITY COUNCIL MEETING MINUTES OF JULY 21, 2020

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BUDGET CONT'D

Council Member Hurtado stated that speaking to people on both sides it comes down to communication. Some of the programs that the City already has are programs that the residents are asking for but the people are not aware of them. He believes that when people have a better understanding of taxes, they can understand that most cities in the Southeast area have a Utility User tax and South Gate doesn't so they have additional resources to pick from. Looking at the programs we have in the City of South Gate there are still a lot of people who don't realize we have these activities. The community is asking for more so we need to try to find ways to fund additional programs. We need to look not only at youth programs but programs for seniors, Veterans, mental health, substance abuse and homeless. He wants to challenge our staff to find more funding options and do what we can to bring more programs to the City of South Gate.

Council Member Avalos appreciated the number of people that participated in tonight's meeting and agreed that we need to increase capacity of our Zoom meetings. She also wants to see the City's Wi-Fi capabilities expand citywide.

Council Member Avalos supports training our officers on how to deal with mental health issues so if we need an officer on scene, they are better prepared. She thanked Ms. Acosta for her work on the budget and Mr. Costley on his presentation. Hopefully Council can provide staff with direction moving forward.

Mayor Davila asked if the some of the FEMA or County funds coming in can be allocated to assist with mental health issues. She wants to see about expanding assistance to the small business and renters as there is the continued possibility of another shut down due to COVID-19. The Mayor requested staff contact LAUSD to discuss Wi-Fi and hotspots for South Gate students. She also suggested talking to the azalea Shopping Center to see if they can provide Wi-Fi.

Council Member Diaz requested staff reach out to the board she sits on because they are offering deals on hotspots and internet specials.

Council Member Avalos requested a report from staff on the impact of a hiring freeze and the cost that it would take to begin work on the Court House.

Mr. Flad responded that staff will get back to Council with all the requested information very soon.

SPECIAL CITY COUNCIL MEETING MINUTES OF JULY 21, 2020

ADJOURNMENT Mayor Davila unanimously adjourned the meeting at 11:54 p.m. and seconded by Council Member Avalos.

PASSED and **APPROVED** this 11th day of August 2020.

ATTEST:

Maria Davila, Mayor

Carmen Avalos, City Clerk

RECEIVED

Item No. 16

AUG 4 2020

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

9:50am

City of South Gate
CITY COUNCIL

AGENDA BILL

For the Regular Meeting of: August 11, 2020

Originating Department: Community Development

Department Director:

Joe Perez
Joe Perez

City Manager:

Michael Flad
Michael Flad

SUBJECT: RECOMMENDED INCLUSIONARY HOUSING ORDINANCE POLICY

PURPOSE: This item was continued from the July 28, 2020 City Council meeting per the request of the City Council. The purpose of this item is to receive an update on the status of the inclusionary housing ordinance including the recommended framework for the policy.

RECOMMENDED ACTION: The City Council will:

- a. Receive and file report of the recommended inclusionary housing ordinance policy; and
- b. Provide direction to staff.

FISCAL IMPACT: None associated with this action. If adopted by the City Council, the proposed Ordinance would permit the City to require and enforce the inclusion of affordable housing on future developments within the City limits. As an alternative to the production of such required housing on-site, applicants would be permitted various alternatives including the donation of land to the South Gate Housing Authority or payment of a proposed housing in-lieu fee to the City to be deposited into an affordable housing trust fund of the City. Both dedicated land and the affordable housing trust fund would provide the Housing Authority and City additional assets to further the production of affordable housing needed in South Gate.

Additionally, the proposed Ordinance could permit the Community Development Department to charge administrative fees for purposes of carrying out the ordinance, including the review and preparation of inclusionary housing plans and affordable housing agreements for eligible projects.

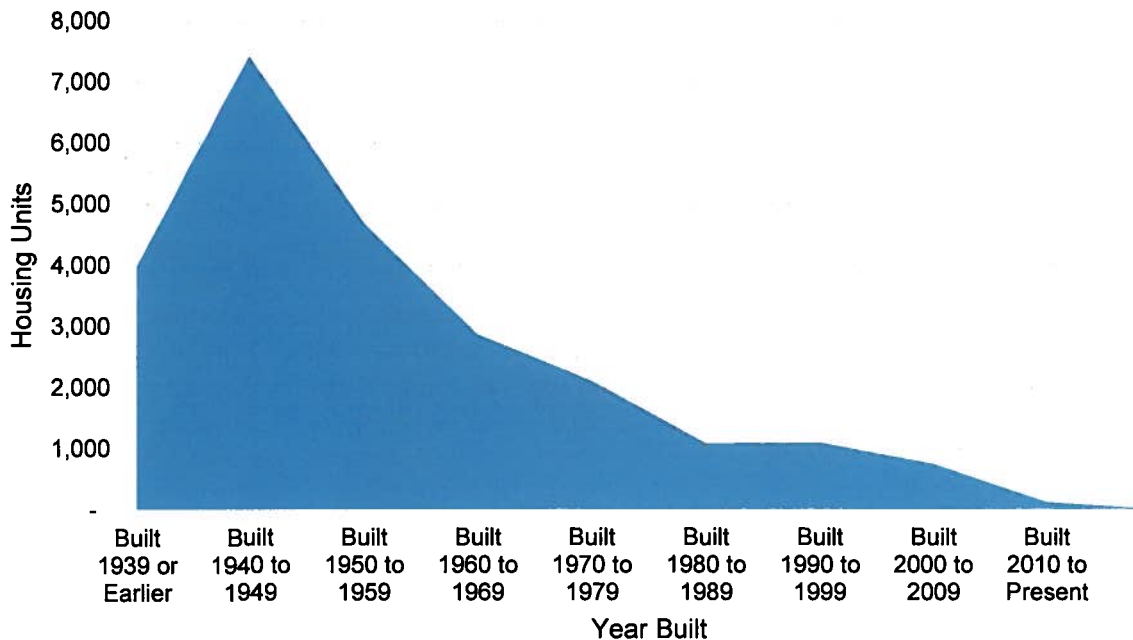
ALIGNMENT WITH COUNCIL GOALS: The proposed Inclusionary Housing Ordinance supports the goal of protecting strong and sustainable neighborhoods by increasing the ability of the City to affect the production of affordable housing in partnership with developers for future residential projects throughout the City.

ANALYSIS: The proposed Inclusionary Housing Ordinance provides the City an additional tool to address the significant affordable housing crisis facing South Gate residents, where nearly two out of every three renters are paying more than 30 percent of their income on housing and most residents cannot afford to purchase a home in South Gate despite the relatively lower cost of housing.

Why an Inclusionary Housing Ordinance?

Inclusionary housing is a new concept in South Gate, as the City does not currently require any development to contain as a condition of approval affordable units. In Los Angeles County, for cities with limited amount of new development, inclusionary housing may not seem like a necessary tool; indeed in recent decades development in South Gate has slowed considerably compared to the Post-War era as shown in the chart below.

Figure 1: Historical Housing Development in the City of South Gate (Source: ESRI Business Analyst)



However, these historical trends are changing, both in the region and in South Gate in particular. Recent trends in infill markets have increased the demand for housing in close proximity to job centers as opposed to outlying areas. Both market trends and state housing policy are affecting this shift towards seeing more housing near transit and job centers.

The City is recognizing the need to adapt its land use policy to achieve these goals and remain in compliance with state law. This includes the creation of three specific plans, each of which would allow for additional infill residential and mixed used development to occur.

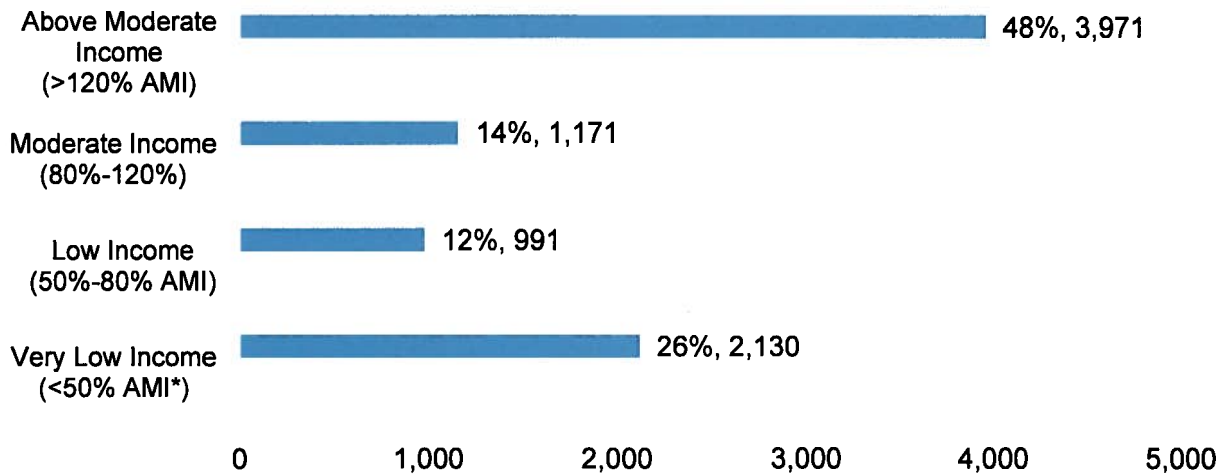
Figure 2: Anticipated New Residential Construction in Specific Plan Areas

Specific Plan Area	Anticipated Residential Units
Gateway District Specific Plan (Proposed) ¹	500
Hollydale Specific Plan ²	618
Tweedy Boulevard Specific Plan ³	1,060
TOTAL	2,178

While the California Department of Housing and Community Development (HCD) is still in the process of determining what the City of South Gate’s next (“6th Round”) fair share allocation from the Regional Housing Needs Assessment for the 8 year period beginning in 2021, the preliminary figures suggest South Gate may expect to see the need to produce 8,263 housing units, of which 2,130 (26 percent) would need to be affordable to very low income households (earning less than 50 percent of the County median income) with an almost equal amount of additional affordable units for low and moderate income households.

See the table below for a breakdown of the preliminary 6th Round RHNA requirements for South Gate.

Figure 3: 6th Round RHNA Requirements for South Gate (October 2021-September 2029) – Preliminary Subject to Change



¹ Public Review draft, Gateway District Specific Plan dated February 2019. Page 74

² Hollydale Specific Plan, adopted June 2017. Page 131

³ Tweedy Boulevard Specific Plan, Adopted March 2019. Page 157

How Other Los Angeles County Cities are Implementing Inclusionary Housing

Generally, inclusionary housing can be done in three different ways:

1. Through an inclusionary housing ordinance that applies citywide, such as what is proposed in South Gate
2. Through an overlay zone where a specific area or specific type of affordable housing is designated
3. On a case-by-case basis through the discretionary approval process.

For the most part, staff believes that an inclusionary housing ordinance that applies citywide is the most comprehensive and effective approach toward achieving the production of more infill affordable housing. South Gate's housing challenges go well beyond one specific type of housing needed, as the typical resident would qualify as a very low income household in Los Angeles County.

Twelve (12) of the 88 cities in Los Angeles County have an inclusionary housing ordinance, although only 10 of these 12 ordinances are effective at this time. Many of these predated changes to state law in 2017 (Assembly Bill 1505) which effectively reinstated the ability of a city to enact such policies on rental housing. Prior to AB 1505, courts ruled that cities could not require inclusionary housing on rental projects, specifically under the 2009 decision of *Palmer/Sixth Street Properties, L.P., et al. v. City of Los Angeles* (2009) 175 Cal.App.4th 1396 ("Palmer Case"). Two cities, Duarte and Whittier, have each suspended their ordinances previously due to the Palmer Case and have not yet taken action to reinstate their ordinances since AB 1505.

Among Gateway cities, no other city currently has an inclusionary housing ordinance, although the City of Long Beach is currently preparing to present an ordinance to its city council later this summer and the County of Los Angeles has been pursuing this effort recently as well.

An inclusionary housing ordinance generally requires applicants of market rate, non-income restricted housing to restrict a percentage the new units for affordable households, who earn less than 120 percent of the County median income, adjusted for household size. The percentage varies based on many factors, but generally anything over 15 percent would trigger state HCD review.

Figure 4: Inclusionary Housing Requirements in Los Angeles County

Existing Ordinances	Minimum Project Size		Inclusionary Requirement	
	<i>Rental</i>	<i>Ownership</i>	<i>Rental</i>	<i>Ownership</i>
1. Agoura Hills	1 unit	1 unit	15%	15%
2. Avalon	5 units	5 units	20%	20%
3. Burbank	1 unit	1 unit	15%	15%
4. Calabasas	5 units	5 units	50%	50%
5. Claremont	7 units	7 units	15%	15%
6. Duarte (suspended)	10 units	10 units	15%	15%
7. Glendale	8 units	N/A	15%	N/A
8. Pasadena	10 units	10 units	20%	20%
9. Rancho Palos Verdes	5 units	5 units	5% - 10%	5% - 10%
10. Santa Monica	2 units	2 units	25%	25%
11. West Hollywood	1 unit	1 unit	7.5% - 12%	15%
12. Whittier (suspended)	7 units	7 units	7.5% - 12%	15%
Proposed Ordinances				
1. Long Beach	10 units	10 units	12%	10%
2. Los Angeles County	10 units	10 units	10% - 20%	5% - 20%

Unlike these other jurisdictions, South Gate must balance an acute need for affordable housing given these facts:

- Favoring an inclusionary requirement:
 - South Gate has much lower household incomes than these other cities with inclusionary ordinances;
 - Housing costs in South Gate remain relatively low and yet very much out of reach for most South Gate residents;

- South Gate has a relatively high amount of future production required by the upcoming 6th round Regional Housing Needs Assessment (RHNA); and
- South Gate has experienced demand due to the planned extension of light rail through the City.
- Constraining the effectiveness of an inclusionary requirement in the City:
 - No adjacent city is currently pursuing an inclusionary housing ordinance;
 - South Gate does not want to discourage development by requiring such a high threshold for compliance that it effectively stalls any reinvestment in the City, which may only exacerbate the affordable housing crisis; and
 - Since inclusionary housing is underwritten by an applicant's profitability of market rate units, lower cost housing markets can be more difficult to finance such housing.

Weighing all of these factors, it is recommended that an inclusionary housing policy be considered that would generally require a lower percentage of affordable units citywide, with the exception of the Gateway District where there may be enough new housing that a higher percentage of inclusionary is warranted. And while the percentage of inclusionary housing may be lower than other Los Angeles County cities, it is recommended that all future housing, with a few exceptions, be subject to this requirement, even if it means requiring developers to pay an in-lieu fee.

Figure 5: Housing Market Conditions Relative to Inclusionary Requirement, Ranked by Housing Cost

City	Median Home Price Cost	Poverty Rate	Inclusionary Requirement
South Gate (Recommended)	\$495,000	18.8%	8% - 12%
Avalon	\$535,000	16.2%	20%
Duarte (suspended)	\$620,000	11.2%	15%
Agoura Hills	\$650,000	5.0%	15%
Claremont	\$680,000	8.3%	15%
Whittier (suspended)	\$477,000 - \$703,000	10.8%	7.5% - 12%
Glendale ⁴	\$475,000 - \$1,185,000	14.9%	15%
Burbank	\$823,000 - \$1,000,000	10.8%	15%
Pasadena	\$713,000 - \$1,598,000	15.7%	20%
Rancho Palos Verdes	\$1,368,000	4.2%	5% - 10%
West Hollywood	\$1,446,000 - \$4,125,000	13%	7.5% - 12%
Santa Monica	\$1,813,000 - \$4,685,000	10.4%	25%
Calabasas	\$2,380,000	7.3%	50%

By law, cities imposing an inclusionary housing requirement must offer at least one alternative to building the units on-site. Among the 12 cities with such ordinances on the books already, most cities offer the option of paying an in-lieu fee (which the city then retains in an affordable housing trust fund for investment in future affordable housing projects, off-site construction, and acquisition and conversion of existing market rate units). In-lieu fees are a common alternative, with the exception being Avalon, which does not offer builders the alternative to pay a fee for fulfilling their ordinance.

The table below summarizes what alternatives to on-site production are available to applicants among the 12 cities in Los Angeles County.

⁴ No inclusionary requirement for ownership housing.

Figure 6: Inclusionary Housing Compliance Alternatives to Onsite Production among Los Angeles County Cities

City	In-Lieu Fees	Off-Site Construction	Acquisition and Rehabilitation of Existing Units
Agoura Hills	✓	✓	✓
Avalon	No	✓	✓
Burbank	✓	✓	✓
Calabasas	✓	✓	✓
Claremont	✓	✓	No
Duarte (suspended)	✓	No	No
Glendale	✓	✓	✓
Pasadena	✓	✓	✓
Rancho Palos Verdes	✓	✓	No
Santa Monica	✓	✓	No
West Hollywood	✓	✓	No
Whittier (suspended)	✓	✓	No

Since identifying housing sites in South Gate may be very challenging, it is recommended that the ordinance provide maximum flexibility with these and other means for compliance.

Elements of the Proposed Ordinance

The proposed inclusionary housing ordinance sets forth two standards of inclusionary requirements depending on where in the City the project is located and offers alternatives to fulfillment on-site. This is due to the fact that a significant amount of new residential units may be developed in the soon-to-be adopted Gateway District Specific Plan area relative to the fact no residential uses exist in the area presently and its close proximity to transit (the proposed West Santa Ana Branch transit stop).

- On-Site Inclusionary Requirements: The table below summarize the proposed requirements of the ordinance, which would generally apply to all residential and mixed use projects in the City:

Figure 7: Inclusionary Production Requirements Proposed

Location	Rental Projects	Ownership Projects
Gateway District Specific Plan Area	12% including 6% affordable to Very Low Income Households	12% affordable to Moderate Income Households
Elsewhere in the City	8% including 4% affordable to Very Low Income Households	10% affordable to Moderate Income Households
Projects Less than 6 Units	Fee Only	Fee Only

These recommended inclusionary requirements are based on the three following factors:

- 1) A review of other LA County cities with an inclusionary requirement.
- 2) A desire to avoid HCD review by requiring more than 15 percent inclusionary production.
- 3) The need to not deter housing production in light of the fact that a developer of housing in South Gate must generally be able to build units for the same cost of construction elsewhere in LA County.

On this last point, the construction cost for housing in LA County is generally the same for similar product types, but for additional impact fees that some cities may charge. At the same time, housing prices and rents are definitely not the same, which is one important reason why developers find it feasible to build in built out areas closer to the coast where they can charge more for housing, than built out areas in the Gateway Cities.

This is not a situation unique to South Gate, but by adding a new requirement onto developers that may already find it relatively difficult to build non-subsidized, market rate and affordable housing, South Gate's land use polices should reasonably adapt by proposing relatively low inclusionary housing requirements, at least initially while other cities around South Gate have avoided this entirely.

Thus, staff is recommending an 8 percent inclusionary requirement on rental housing, with at least 4 percent affordable to very low income households (households earning 60 percent of County median income) and 10 percent for ownership housing, all of which would be for moderate income households (who are generally able to purchase affordable housing without subsidies).

Staff is recommending that the City establish a slightly higher percentage (10 percent) of inclusionary housing on ownership projects so that more South Gate residents have access to purchasing homes, as the vast majority of residents cannot currently afford to purchase a median priced home in the City today. All inclusionary ownership units would be affordable to moderate income households (households earning

less than 120 percent of the County median income, adjusted for household size), which is a higher level of affordability than what is proposed for rental projects and therefore more units can be made affordable in these projects. Further, the 10 percent requirement would allow the city to collect a reasonable amount of in-lieu fees comparable to other projects in the LA area. Generally, in lieu fees among LA County cities average around \$20,000 per unit.

In the Gateway District, the construction of a West Santa Ana Branch (WSAB) transit stop and the amount of anticipated redevelopment of this area from industrial to residential are expected to allow for a higher level of affordability. This is because state law affords developers incentives for building more housing, including affordable housing, near transit areas and the area generally lacks any affordable housing unlike the rest of the City. Therefore, a higher 12 percent requirement for rental and ownership housing in the Gateway District area is proposed.

- Alternatives to On-Site Production: The Government Code requires that cities must provide at least one alternative to on-site production to comply with an inclusionary ordinance.

Recognizing that on-site production in a dense city may be challenging, the proposed inclusionary housing ordinance allows applicants to produce the units off-site (elsewhere in the City), donate land, pay in-lieu fees, convert market rate units to affordable housing, and extend covenants of at-risk affordable housing in the City. In all of these alternatives, the Community Development Director could have the discretion to review the applicant's affordable housing plan to ensure not only that the alternative provides an acceptable amount of affordable housing, but do so in such a way so as to not concentrate this in any single part of the City.

Also, as noted in the table above, projects less than 6 units would not be required to produce inclusionary housing on-site and instead would be charged the in-lieu fee that would be collected by the Community Development Department and deposited into an affordable housing trust fund.

- Exemptions: The inclusionary housing ordinance provides three types of applications that would not be subject to the inclusionary housing requirement. These include most projects where an existing single unit is being replaced due to demolition or destruction, many types of 100 percent affordable housing projects, and accessory dwelling units.
- Standards: Inclusionary units should be constructed to the same standard and spread throughout a project. Units should remain affordable for a period of 45 to 55 years depending whether it is an ownership or rental project, and this affordability requirement should be secured by a recorded affordable housing agreement that is recorded on the property and would be binding on successive owners of the property.
- Procedures: Applicants should be required to prepare and submit an inclusionary housing plan that establishes the plan for fulfilling the inclusionary housing ordinance. No discretionary approvals, as well as the any building permits, would be issued until the applicant has submitted an inclusionary housing plan. The form and content of the inclusionary housing plan would be established if the ordinance is approved and becomes effective.

An affordable housing agreement would be prepared and recorded against the property where the allocated units would be constructed prior of the issuance of a certificate of occupancy.

Implementation of the Ordinance

Implementation of the ordinance would be contingent upon its approval by the Planning Commission and City Council, and would entail subsequent actions by the Community Development Department, including:

1. Preparation of a Resolution setting Housing In-Lieu Fees: As mentioned earlier, it is recommended that an in-lieu fee option for conformance be included within the inclusionary housing ordinance. As proposed, the housing in-lieu fee would be charged to applicants of projects less than six units, as well as to applicants of larger projects that seek this alternative to on-site construction. The fee schedule would be established by resolution of the City Council, similar to other fees charged by the City. An in-lieu fee schedule would be presented to the City Council after the ordinance is effective.
2. Preparation of implementing policies and standard agreements. In order to make processing applications for inclusionary housing as straightforward as possible, we would prepare an inclusionary housing plan and agreement for applicants to use in submittal of their projects to the City.

BACKGROUND:

The process leading up to the preparation of the proposed Inclusionary Housing Ordinance began initially with the City Council’s adoption of the City’s Economic Development Strategy (“Strategy”) in June 2018. At the time, the Strategy highlighted that approximately 66 percent of South Gate renters were spending more than 30 percent of their income on housing, and most residents could not afford to purchase a home in the City, despite relatively affordable home prices relative to other Los Angeles County communities. The Strategy established two goals to maintain a supply of affordable housing and partner with developers to ensure the production of such housing would become a reality.

As the City Council is aware, while South Gate and other Gateway cities are considered built out, the demand for housing and particularly housing that is affordable to a community with a median household income of approximately \$54,000, is a key priority. Redevelopment opportunities stemming from the implementation of the Tweedy Boulevard, Hollydale, and (soon) Gateway District Specific Plans would allow for additional housing to be developed in the City, but the City does not have requirements that future housing in these and other areas of the City be restricted to households earning less than 120 percent of the County median income, which for a family of four is \$92,750 a year in 2020, as well as those households at very low income levels, which for a family of four is \$56,300 a year in 2020.

Figure 8: South Gate Median Household Income Relative to LA County Affordable Income Limits

South Gate (4 Person Household)	LA County Affordable Housing Income Limits (4 Person Household, 2020)
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Median Household Income	Very Low Income	Low Income	Moderate Income
\$50,931 (2019)	\$56,300	\$90,100	\$92,750

While it is not possible to make existing housing stock affordable to most South Gate residents, what the City can do is shape its housing policies to ensure that future housing supply includes more affordable housing units and that such units would remain affordable with long term recorded covenants.

This information became the policy foundation for discussions with the City Council beginning in the Fall of 2019 when staff began the preparation of an inclusionary housing ordinance. Specific actions involving the creation of this policy included the following:

- November 11, 2019: City Council Study Session on the need for an inclusionary housing policy
- February 4, 2020: Planning Commission briefing
- March 11, 2020: Public workshop at City Hall

In each of these discussions, inclusionary housing was presented as one, but not the only, affordable housing initiative of the City. South Gate has 321 existing income restricted housing units for seniors and families. In addition to these units, approximately 400 eligible households receive Section 8 Housing Choice Voucher program administered by the City’s Housing Authority to keep otherwise market rate units affordable at 30 percent of their adjusted gross income. The Housing Authority also manages a HOME improvement loan program to provide financing to homeowners to make repairs to homes they own. Three affordable housing projects are planned in the City as well: the 60 unit PATH Villas project, a proposed 14 unit mixed income Habitat for Humanity townhome project on the 9000 block of Long Beach Boulevard, and a future affordable housing project on the recently acquired property at 13050 Paramount Boulevard.

While no small measures for a city without a source of ongoing funding for subsidizing housing, more paths for increasing affordable supply are necessary. With the opportunity presented by the three Specific Plans and increasing interest from developers attracted to the City’s location and proximity to job centers and future transit, the proposed inclusionary housing ordinance establishes an important milestone in securing a more equitable future for South Gate residents to purchase homes and remain in the City while accommodating the growth anticipated.

Next Steps

Adoption of the inclusionary housing ordinance requires actions by both the Planning Commission and City Council. The tentative dates for these activities are noted in the schedule below.

Figure 9: Inclusionary Housing Ordinance Schedule

Task	Action
August 11	Report on Feasibility Study Findings

September 1	Planning Commission Reviews Ordinance (Noticed Public Hearing) and makes recommendation to City Council
September 22	City Council Reviews Ordinance- Intro (Noticed Public Hearing)
October 13	City Council Adopts Ordinance
October 13	City Council Adopts In-Lieu Fee Schedule by Resolution
November 13	Ordinance Effective

Once the ordinance is adopted, we will work on the necessary implementation policies to enact the ordinance, including preparation of a resolution setting the initial housing in-lieu fee and the creation of templates for the inclusionary housing plan and inclusionary housing agreements to assist applicants evaluate and process inclusionary housing applications in the Community Development Department.

ATTACHMENT: Draft Inclusionary Housing Ordinance

ORDINANCE NO. _____

CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE,
CALIFORNIA IMPLEMENTING INCLUSIONARY HOUSING

THE CITY COUNCIL OF THE CITY OF SOUTH GATE, CALIFORNIA, DOES HEREBY
ORDAIN AS FOLLOWS:

SECTION 1. Amend the City of South Gate Municipal Code by implementing the provision of this Title 11, Division II in its entirety with the following new provisions to read and provide as follows:

“11.29 INCLUSIONARY HOUSING

Section:

- 11.29.010 Determinations.
- 11.29.020 Purpose.
- 11.29.030 Definitions.
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11.29.010 Determinations.

The City of South Gate declares that the provision of housing in a suitable living environment for all residents is a priority of the highest order and is consistent with State, regional and national policies. The goal of the City is to achieve a balanced community with housing available for persons of all income levels. There exists within the City a shortage of housing that is affordable to households of

lower and moderate incomes. Federal and State housing finance subsidy programs are not sufficient by themselves to satisfy these income housing needs. The City finds that the housing shortage for households of lower and moderate income is detrimental to the public health, safety and welfare and, further, that it is a public purpose of the City to seek assistance and cooperation from the private sector in making available an adequate supply of housing for persons of all economic segments of the community.

11.29.020 Purpose.

The purpose of this chapter is to enhance the public welfare and assure the compatibility between future housing development and the housing element of the City of South Gate general plan through increasing the production of housing units affordable to households of lower and moderate incomes. It is the purpose of this chapter to meet the City's general plan goals to expand the supply of housing available to lower and moderate-income households.

11.29.030 Definitions.

- A. "Affordability agreement" means a legally binding agreement between an applicant and the Housing Authority to ensure continued affordability of allocated units is maintained in accordance with this chapter.
- B. "Affordable rent" means the maximum monthly rent an owner may charge for an allocated unit in accordance with subdivision (b) of Section 50053 of the California Health and Safety Code, less the appropriate allowance for utilities.
- C. "Allocated (inclusionary) unit" means a newly constructed "for-rent" or "for-sale" dwelling unit which is: (1) provided (or caused to be provided) by an applicant under the provisions of this chapter; (2) to be made available and occupied by a household of lower or moderate income, as required under the provisions of this chapter; (3) subject to occupancy and affordable rent or sales price controls for a period of not less than 55 years; (4) compatible with the design of other units in the residential housing development of which it is part in terms of exterior appearance, materials and quality finish; and (5) a similar unit type and bedroom mix to the overall residential development.
- D. "Community care facility" means a facility, place or building which is maintained and operated, subject to licensing by the California Department of Social Services, to provide nonmedical residential care, which may include home finding and other services, for children and/or adults, including: the physically handicapped; mentally impaired, mentally disordered, or incompetent; developmentally disabled; court wards and dependents; neglected or emotionally disturbed children; the addicted; the aged. Community care facility includes a continuing care and retirement community.
- E. "Development standard" means a site or construction condition, including, but not limited to, height limits, required setbacks, maximum floor area ratio, onsite open-space requirement, or

required parking that applies to a residential development pursuant to any ordinance, General Plan, Specific Plan, charter, or other local condition, law, policy, resolution, or regulation.

- F. "Gateway District" means the area encompassed by the Gateway District Specific Plan as identified by the South Gate General Plan.
- G. "Health care facility" means a facility, place or building other than a hospital which is maintained and operated as a residence for patients and to provide long-term medical care. Includes nursing homes, intermediate care facilities, extended care facilities, hospice homes, and similar facilities which are licensed by the California State Department of Health Services, and defined in Health and Safety Code, Section 1200, et seq. May include a lab, radiology, pharmacy, rehabilitation, and other similar services as accessory uses.
- H. "Housing Authority of the City of South Gate" or "Housing Authority" means the not-for-profit public entity, responsible for ensuring adequate, decent, safe and sanitary housing for qualified people with limited income within South Gate consistent with federal, state and local laws and which is involved in administering programs designed to develop affordable housing, provide federal rental subsidy, and various other programs to benefit South Gate residents with limited income.
- I. "Housing in-lieu fee" means a fee paid by an applicant as an alternative to providing an allocated unit or a fraction of an allocated unit.
- J. "Income (household), low" means a household whose gross income does not exceed 80 percent of the area median income for the County of Los Angeles, adjusted for family size, as published and periodically updated by the State Department of Housing and Community Development pursuant to Section 50079.5 of the California Health and Safety Code.
- K. "Income (household), very low" means a household whose gross income does not exceed 50 percent of the area median income for the County of Los Angeles, adjusted for family size, as published and periodically updated by the State Department of Housing and Community Development pursuant to Section 50105 of the California Health and Safety Code.
- L. "Lower income household" is a general term which refers to households whose gross income falls under the categories of very low or low income as those terms are defined in this Section.
- M. "Moderate income household" means a household whose gross income does not exceed 120 percent of the area median income for the County of Los Angeles, adjusted for family size, as published and periodically updated by the State Department of Housing and Community Development pursuant to Sections 50079.5 and 50052.5 of the California Health and Safety Code.
- N. "Residential development" means a project containing at least one residential unit, including mixed use developments. For the purposes of this chapter, "residential development" also includes projects defined in California Government Code Section 65915(i), including a

subdivision or Common Interest Development, as defined in Section 4100 of the California Civil Code, approved by a City and consists of residential units or unimproved residential lots and either a project to substantially rehabilitate and convert an existing commercial building to residential use or the substantial rehabilitation of an existing multifamily dwelling, as defined in subdivision (d) of California Government Code Section 65863.4, where the result of the rehabilitation would be a net increase in available residential units.

- O. "Review authority" means the individual or official City body which has the responsibility and authority to review, and approve or disapprove, applications for land use entitlements.
- P. "Single room occupancy facility" is a residential building including units with living space with a minimum floor area of 150 square feet and a maximum of 400 square feet restricted to occupancy by no more than two persons. Kitchen and bathroom facilities may be wholly or partially included in each living space or may be fully shared.

11.29.040 Applicability.

The inclusionary requirements of this chapter apply to all residential developments within the City, including the residential component of mixed-use developments.

11.29.050 Inclusionary Requirements.

- A. Except those development projects complying with this chapter in an alternative manner consistent with Section 11.29.100 below, all residential or mixed use development projects shall be subject to the following inclusionary requirements:
 - 1. For-rent residential development projects shall provide at least 8% of the total number of new dwelling units as affordable to low income households or at least 4% of the total number of new dwelling units as affordable to very low income households.
 - 2. For-sale residential development projects shall provide at least 10% of the total number of new dwelling units as affordable to moderate income households.
- B. Notwithstanding the inclusionary requirements of subsection A above, all residential or mixed use development projects located in the Gateway District shall be subject to the following inclusionary requirements:
 - 1. For-rent residential development projects shall provide at least 12% of the total number of new dwelling units as affordable to low income households or at least 6% of the total number of new dwelling units as affordable to very low income households.
 - 2. For-sale residential development projects shall provide at least 12% of the total number of new dwelling units as affordable to moderate income households.
- C. Fractional units that may result from the application of these requirements will be addressed as follows:

1. For a fractional unit requirement of less than 0.5, the applicant will pay a fractional housing in-lieu fee.
 2. For a fractional unit requirement of 0.5 and above, the fraction will be rounded up to the next larger integer and treated as a whole unit.
- D. Residential or mixed-use development projects with six or fewer units shall pay a housing in-lieu fee as noted in Section 11.29.100.
- E. If a proposed residential development project would result in the elimination of existing deed restricted affordable housing units, the affordable units must be replaced on a one-for-one basis with equally affordable deed restricted units with a new affordable housing agreement recorded that results in resetting and making consistent the duration of affordability consistent with the requirements of this Section.
- F. An applicant proposing to provide on-site allocated units consistent with the inclusionary requirements of this section, is entitled to receive one incentive or concession, as outlined in Section 11.31.050 of the City's Density Bonus ordinance, or other benefits as negotiated with the City.

11.29.060 Relationship to Density Bonus Provisions.

An applicant proposing allocated units consistent with this Chapter 11.29 which also applies for a density bonus consistent with Chapter 11.31 of this code, may count units affordable to lower or moderate-income households toward both requirements. Additional units allowed by the density bonus shall not be included in the total project units when determining the proportion of required allocated units in a residential development.

11.29.070 Alternative Compliance.

Alternatives to provision of on-site allocated units or payment of the housing in-lieu fee in accordance with Section 11.29.100 include provision of allocated units off-site, directly by applicant or through an agreement with a third party, dedication or conveyance of land, conversion of market rate units to affordable, preservation of at-risk housing, use of inclusionary credits, or other innovative approaches. All alternative compliance measures must produce at least the same number and affordability of units that would have been provided on-site, and are subject to review and approval by the Director of Community Development.

- A. **Allocated Units Provided Off-Site.** An applicant may provide (or may cause a third party to provide) allocated units off-site ("off-site units").
1. Allocated units provided off-site must be located in the same general area of the City as the unallocated units of the development as determined by the Director of Community Development, unless the Director of Community Development makes a determination that

locating the off-site units in a different area of the City would better serve the General Plan housing goals of the City.

2. As part of the application submittal materials, if the applicant itself will provide the allocated units off-site, the applicant shall submit evidence that the applicant owns, leases (pursuant to an executed a ground lease of at least the 55 years from the date offsite units would be produced), or has an irrevocable option to purchase, the site where the off-site allocated units are proposed to be located; alternatively, if applicant enters into an agreement with a third party to provide the allocated units off-site, then the applicant shall cause such third party to submit evidence that the third party owns, or has an irrevocable option to purchase, the site where the off-site allocated units are proposed to be located.
- B. Land Dedication or Conveyance Alternative. An applicant may offer to dedicate or convey land to the Housing Authority, situated on-site or off-site.
1. Land offered under this section must be within the City's boundaries and must be designated for a general plan land use which allows multifamily units.
 2. The applicant shall provide an analysis which demonstrates that the land offered is suitable for affordable housing development in terms of size; location; general plan land use designation; availability of sewer, water and transit services; absence of toxics; absence of environmental constraints; site characteristics and surroundings. Staff will recommend to the review authority whether the dedication should be accepted.
 3. The applicant shall also submit evidence that the applicant owns, or has an irrevocable option to purchase, the site proposed for dedication or conveyance.
 4. Land conveyed under this section shall be used for the development of affordable housing for households of lower income.
 5. Land shall be identified and offered for dedication or conveyance at the time of development application submittal. If the offer is accepted by the review authority, the land must be donated to the Housing Authority no later than the date of approval of the final subdivision map, parcel map or housing development application, and must have all the permits and approvals, other than building permits, necessary for development with the required number of affordable units.
- C. Impaction Determination. Each site proposed to be dedicated or conveyed to the City for construction of affordable units or proposed for one or more off-site allocated units shall be evaluated as to whether the placement of such units will overly impact an area with lower income units. If the site is within 1,000 feet of one or more existing or approved developments in which more than 50 percent of the units are, or will be, restricted to occupancy by households of lower incomes, impaction shall be found. The review authority may override a determination of impaction by making findings that local schools, services and adjacent uses will not be negatively impacted by the construction of allocated or affordable units at the proposed site.

- D. Conversion of Market Rate Units to Affordable. An applicant may propose to convert existing market rate units to affordable units in an amount equal to or greater than the required on-site inclusionary housing requirement, including any needed rehabilitation to ensure compliance with building, health and safety standards.
- E. Preservation of At-Risk Housing. An applicant may offer to purchase long term affordability covenants on an existing deed restricted affordable housing project at imminent risk of contract termination and conversion to market rate housing.
- F. Credit for Additional Affordable Units. If an applicant completes construction on a site of a greater number of affordable units than required by this chapter, the additional units may be credited towards meeting the requirements of this chapter for a future project. The applicant may use credits in a future project or transfer the credits in writing to another developer. Credits will only be counted toward required affordable units with the same bedroom count, the same tenure (rental or ownership), and required affordability targets. The credits must be used within 10 years of issuance. Projects which have received a density bonus or which receive a government subsidy in any form, financial or other, shall not be eligible for credits.
- G. Innovation Encouraged. Innovative alternatives to providing affordable housing not outlined in this chapter shall be evaluated by staff and considered on a case-by-case basis. Substitute programs shall be permitted providing, at the recommendation of staff and determination of the review authority that the objectives of the inclusionary housing ordinance are being met with the alternate proposal.

11.29.080 Exemptions.

The following residential developments are exempt from the inclusionary requirements (Section 11.29.050) of this chapter:

- A. The construction of a dwelling unit to replace a previously existing dwelling unit situated on the same lot if the previous dwelling was demolished or destroyed within five years of the date the building permit application for the replacement unit is submitted to the Community Development Department.
- B. The construction of homeless shelters, community care facilities, health care facilities, single room occupancy units and units which, under agreement with the City or a City agency, are only available for occupancy by lower or moderate income households at affordable rents or affordable sales prices for a period of not less than 55 years.
- C. The construction of accessory dwelling units.

11.29.090 Takings Determination.

- A. Determination of a taking of property without just compensation. In accordance with the procedures provided by this section, an applicant may request a determination as to whether the requirements of this chapter, taken together with density bonuses and any concessions or other

incentives available under Chapter 11.31, would constitute a taking of property without just compensation under the California or Federal Constitutions.

1. If an inclusionary housing plan is subject to the approval of the Director of Community Development, the applicant may request the director to make a takings determination within fifteen days of the decision by the director to approve or disapprove the inclusionary housing agreement. The developer may appeal the director's takings determination to the City Council within fifteen calendar days after the date of the decision in compliance with Chapter 11.50.
 2. If an inclusionary housing plan is subject to the approval of the City Council, the developer may request the City Council to make a takings determination at the time it acts to approve or disapprove the inclusionary housing agreement.
- B. **Presumption of Facts.** In making the taking recommendation or determination, the director or City Council, as appropriate, shall presume each of the following facts:
1. Application of the inclusionary housing plan to the project; and
 2. Application and utilization of all density bonuses and incentives available under state and local law; and
 3. Utilization of the most cost-efficient product type for the inclusionary units that would meet the standards of this chapter; and
 4. The reasonable availability of external funding.
- C. **Modifications to Reduce Obligations.** If it is determined that the application of the provisions of this chapter would be a taking, the inclusionary housing plan shall be modified to reduce the obligations in the inclusionary housing component to the extent, and only to the extent necessary, to avoid a taking. If it is determined that no taking would occur though application of this chapter to the residential project, the requirements of this chapter shall remain applicable.

11.29.100 Establishment, Payment, and Use of the Housing In-Lieu Fees.

- A. Residential development projects shall be assessed a housing in-lieu fee as an alternative to provision of on-site allocated units in accordance with Section 11.29.050.
- B. The City Council, by resolution, shall establish the amounts and calculation of the housing in-lieu fee. The fee for a for-rent unit shall be paid no later than prior to the final inspection for each unit in a residential project; payment for a for-sale unit shall be no later than the close of escrow or one-year following the final inspection, whichever is sooner. The fee for rental and for-sale units shall be adjusted annually in July based on the annual percentage change in corresponding month in the Bureau of Labor Statistics Long Angeles/Long Beach/Anaheim Consumer Price Index – All Urban Consumers (CPI-U).

- C. Except as otherwise provided in this Chapter 11.29, all housing in-lieu fees paid under this chapter shall be paid to the City and shall be used by the City's Housing Authority only for the development of housing situated within the City limits that is affordable to households of lower and moderate incomes, including, but not limited to, the acquisition of property, costs of construction, including costs associated with planning, administration and design, as well as actual building or installation costs, and program administration. Housing assisted with housing in-lieu fees shall be subject to a minimum 55-year affordability agreement with the Housing Authority encumbering the site where the assisted housing is situated.

11.29.110 Inclusionary Unit Development Standards.

A. All inclusionary units shall be:

1. Reasonably dispersed throughout the residential project;
2. Proportional, in number of bedrooms, and location, to the market rate units;
3. Comparable to the market rate units included in the residential project in terms of size, design, materials, finished quality, and appearance; and
4. Permitted the same access to project amenities and recreational facilities, as are market rate units.

B. Timing of Construction. All inclusionary units in a project shall be constructed concurrent with, or before the construction of the market rate units. If the city approves a phased project, a proportional share of the required inclusionary units shall be provided within each phase of the residential project.

C. Accessory dwelling units shall not be counted towards meeting a project's inclusionary requirements.

D. Units for Sale.

1. Time Limit for Inclusionary Restrictions. A unit for sale shall be restricted to the target income level group at the applicable affordable housing cost for a minimum of fifty-five (55) years.
2. Certification of Purchasers. The applicant and all subsequent owners of an inclusionary unit offered for sale shall certify, in form and content acceptable to the City, the income of the purchaser.
3. Resale Price Control. In order to maintain the availability of inclusionary units required by this chapter, the resale price of an owner occupied inclusionary unit shall be limited to the lesser of the fair market value of the unit as established by a licensed real estate agent based upon three comparable properties or the restricted resale price. For these purposes, the restricted resale price shall be the greater of either the applicable affordable housing cost or

an amount equal to the sum of: a) the purchase price, b) an amount equal to ten percent of any increase in the applicable affordable housing cost since the previous sale of the unit, c) The adjusted amount of any capital improvements for which a building permit has been issued by the City and a certification of occupancy or similar final certification has been filed, or other improvements which adds assessed value to the unit, d) any applicable transaction fee charged by a real estate professional, and e) if the occupant has allowed the unit to deteriorate due to deferred maintenance, the restricted retail price shall be discounted in an amount equal to the costs necessary to bring the unit into conformity with the City Municipal Code.

4. **Inheritance of Inclusionary Units.** Upon the death of an owner of an owner-occupied inclusionary unit, title in the property may transfer to the surviving joint tenant without respect to the income-eligibility of the household. Upon the death of a sole owner or of all owners of an inclusionary unit and the inheritance of the property by one or more nonincome eligible children or stepchildren of the deceased, the property shall be sold to an income eligible household within one year of the time when the deceased's estate is settled. Inheritance of an inclusionary unit by any other nonincome eligible person or persons shall require the sale of the property to an income eligible person as soon as is feasible, but not more than one hundred eighty days after the deceased's estate is settled.
5. **Forfeiture.** If an inclusionary unit for sale is sold for an amount in excess of the resale price controls required by this section, the buyer and the seller shall be jointly and severally liable to the city for the entire purchase price of the unit. Recovered funds shall be deposited into the affordable housing trust funds. Notwithstanding the foregoing, it shall be within the discretion of the city manager to allow the buyer and seller one hundred eighty days to cure any violation of the resale price controls.

D. Rental Units.

1. **Time Limit for Inclusionary Restrictions.** A rental unit shall remain restricted to the target income level group at the applicable affordable housing cost for fifty-five years.
2. **Certification of Renters.** The owner of any rental inclusionary units shall certify to the director, on a form provided by the city, the income of the tenant at the time of the initial rental and annually thereafter.
3. **Forfeiture.** Any lessor who leases an inclusionary unit in violation of this chapter shall be required to forfeit to the city all money so obtained. Recovered funds shall be deposited into the affordable housing trust fund.
4. The director may require the execution and recording of whatever documents are necessary or helpful to ensure enforcement of this section; including but not limited to: promissory notes, deeds of trust, resale restrictions, rights of first refusal, options to purchase, and/or other documents, which shall be recorded against all inclusionary units.

E. General Prohibitions.

1. No person shall sell or rent an inclusionary unit at a price or rent in excess of the applicable affordable housing cost placed on the unit in accordance with this chapter.
2. No person shall sell or rent an inclusionary unit to a person or persons that do not meet the income restrictions placed on the unit in accordance with this chapter.
3. No person shall provide false or materially incomplete information to the city or to a seller or lessor of an inclusionary unit to obtain occupancy of housing for which that person is not eligible.

F. Principal Residency Requirement.

1. The owner or lessee of an inclusionary unit shall reside in the unit for at least ten out of every twelve months unless actively serving in the United States military. Notwithstanding this requirement, an owner or lessee may live elsewhere for a period up to six months every five years on account of hardships; including, but not limited to, medical reasons, the need to assist family member in crisis or medical need, and relocation for employment purposes.
2. No owner or lessee of an inclusionary unit shall lease or sublease, as applicable, an inclusionary unit without the prior permission of the director.

11.29.120 Affordable Housing Incentives.

An applicant may request the City provide regulatory, procedural or financial incentives, including but not limited to a density bonus or modified development standards, in exchange for providing on-site inclusionary units as required by this chapter. The request for incentives shall be included as part of the project application materials, and shall be subject to review and approval by the Director of Community Development.

11.29.130 Inclusionary Housing Plan and Housing Agreement.

- A. The applicant shall comply with the following requirements at the times and in compliance with the standards and procedures in the city's regulations for the implementation of this chapter.
 1. **Inclusionary Housing Plan.** An applicant shall submit an inclusionary housing plan, in a form specified by the Director of Community Development, detailing how the provisions of this chapter will be implemented for the proposed project. If the inclusionary housing plan includes alternatives to on-site units, then the inclusionary housing plan shall be subject to the review and approval of the City Council. All other inclusionary housing plans shall be subject to the approval of the Director of Community Development, subject to appeal to the City Council. Any such appeal shall be filed within fifteen days of the Director's decision.
 2. **Inclusionary Housing Agreement.** An applicant shall execute and cause to be recorded an inclusionary housing agreement. The inclusionary housing agreement shall be a legally

binding agreement between the applicant and the city, in a form and substance satisfactory to the director and the city attorney, and containing those provisions necessary to ensure that the requirements of this chapter are satisfied, whether through the provision of inclusionary units or through an approved alternative method. Once the residential development including allocated units has received its final discretionary approval, the applicant shall file an application, including payment of any processing and monitoring fees, with the Community Development Department for approval and finalization of the affordability agreement.

- B. A project providing allocated units consistent with this chapter and affordable units consistent with the provisions of the density bonus and other developer incentives chapter of this code may enter into a single affordability agreement.
- C. Discretionary Approvals. No discretionary approval shall be issued for a project subject to this chapter until the applicant has submitted an inclusionary housing plan.
- D. Issuance of Building Permit. No building permit shall be issued for a project subject to this chapter unless the Director of Community Development has approved the inclusionary housing plan, and any required inclusionary housing agreement has been recorded encumbering the project site.
- E. Issuance of Certificate of Occupancy. A certificate of occupancy shall not be issued for a project subject to this chapter unless the approved inclusionary housing plan has been fully implemented.

11.29.140 Administration.

- A. The City Council, by resolution, may from time to time adopt procedures, policies, rules and requirements, including the adoption of processing and administrative fees, to implement, administer, and/or enforce the provisions of this chapter.
- B. The Director of the Community Development or designee is authorized to determine the number of dwelling units contained within a particular residential development, if a determination is needed to resolve a disagreement. When a question arises regarding the meaning, or requires an interpretation of any provision of this chapter to any specific circumstances or situation, the Director of Community Development is authorized to render a decision thereon in writing.
- C. The Housing Authority shall keep on file and available for public review a copy of the current income schedules and utility allowances.

11.29.160 Affordable Housing Trust Funds.

Housing in-lieu fees collected by the City pursuant to this ordinance shall be deposited into an affordable housing trust fund maintained by the City for use in the site acquisition, development,

rehabilitation, or preservation of affordable housing, either directly by the City or in partnership with the Housing Authority or third party affordable housing developers.

11.29.170 Administrative Fees.

The council may by resolution establish reasonable fees and deposits for the administration of this chapter.”

SECTION 2. The Council finds that the proposed Inclusionary Housing Ordinance is exempt from the provisions of the California Environmental Quality Act (CEQA) under section 15061(b)(3) and 15378 in that there is no possibility that the implementation of this ordinance may have significant effects on the environment, and that no further environmental review is required.

SECTION 3. If any section, subsection, sentence, clause, phrase or word of this ordinance is for any reason held to be invalid and/or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance.

SECTION 4. This ordinance shall take effect on the 31st day following its adoption.

APPROVED AND ADOPTED this ___th day of November 2020.

CITY OF SOUTH GATE:

Maria Davila, Mayor

ATTEST:

Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

Raul F. Salinas, City Attorney

PARTIAL WARRANT REGISTER FROM COUNCIL MEETING 7/28/2020 (FY 2019/20)
 CHECKS NOT APPROVED ON 7/28/2020 **RECEIVED**

PART I

apChkLst
 08/05/2020 5:54:55PM

Final Check List
 CITY OF SOUTH GATE

AUG 5 2020
 6:50pm

Page: 1

Bank : botw BANK OF THE WEST

CITY OF SOUTH GATE
 OFFICE OF THE CITY MANAGER

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89415	7/28/2020	00001414	OFFICE DEPOT				
			Voucher:				
			101662871001	6/25/2020	OFFICE SUPPLIES	100.49	
			100217397001		CREDIT FOR RETURNED PART, INVOICE #50965544	144.77	
			511956123001	6/16/2020	OFFICE SUPPLIES	38.21	
			512014344001	6/16/2020	OFFICE SUPPLIES	180.25	
			511803311001	6/17/2020	OFFICE SUPPLIES	99.65	
			511581569001		CREDIT FOR RETURNED PART, INVOICE #4924778	52.69	
			101085180001	6/26/2020	OFFICE SUPPLIES	216.86	
			502568217002	6/3/2020	OFFICE SUPPLIES	84.98	
			512489875001	6/17/2020	OFFICE SUPPLIES	188.86	
			512506008001	6/17/2020	OFFICE SUPPLIES, COVID-19	93.46	
			512201201001	6/17/2020	OFFICE SUPPLIES	81.68	
			504307457001	6/2/2020	OFFICE SUPPLIES	46.53	
			504382332001	6/2/2020	OFFICE SUPPLIES	86.85	
			502570066001	6/2/2020	OFFICE SUPPLIES	85.25	
			505660271001	6/4/2020	OFFICE SUPPLIES	112.44	
			513688994001	6/23/2020	OFFICE SUPPLIES	865.24	
			512014521001	6/18/2020	OFFICE SUPPLIES, COVID-19	305.97	
			513032424001	6/18/2020	OFFICE SUPPLIES, COVID-19	321.86	
			511590154001	6/17/2020	OFFICE SUPPLIES	37.20	
			511589759001	6/16/2020	OFFICE SUPPLIES	416.48	
			501871890001	5/28/2020	OFFICE SUPPLIES	338.22	
			508615615001	6/10/2020	OFFICE SUPPLIES	312.56	
			509509222001	6/11/2020	OFFICE SUPPLIES	475.03	
			509554549001	6/11/2020	OFFICE SUPPLIES, COVID-19	418.59	
			509598812001	6/16/2020	OFFICE SUPPLIES	573.95	
			510985295001	6/16/2020	OFFICE SUPPLIES	13.26	
			511551531001	6/16/2020	OFFICE SUPPLIES	8.84	
			511569229001	6/16/2020	OFFICE SUPPLIES	14.21	
			511569230001	6/16/2020	OFFICE SUPPLIES	663.65	
			511954251001	6/16/2020	OFFICE SUPPLIES	97.14	
			500519422001	5/28/2020	OFFICE SUPPLIES	222.51	
			513719715001	6/23/2020	OFFICE SUPPLIES, COVID-19	33.00	
			101306034001	6/25/2020	OFFICE SUPPLIES	6.88	
			2405961830	5/20/2020	OFFICE SUPPLIES - PRINTING		
			2413445931	5/20/2020	OFFICE SUPPLIES - PRINTING		

Page: 1

Item No. 17a

Bank : botw BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
			2405961831	5/20/2020	OFFICE SUPPLIES - PRINTING	13.20	
			513150594001	6/23/2020	OFFICE SUPPLIES	43.50	
			513458322001	6/23/2020	OFFICE SUPPLIES	623.38	
			513151148001	6/24/2020	OFFICE SUPPLIES	14.53	
			505658784001	6/4/2020	OFFICE SUPPLIES	66.14	
			505660269001	6/4/2020	OFFICE SUPPLIES	181.80	
			505853269001	6/4/2020	OFFICE SUPPLIES	104.38	
			501871893001	6/7/2020	OFFICE SUPPLIES	40.78	
			511956124001	6/17/2020	OFFICE SUPPLIES	49.60	
			500300780801	6/2/2020	OFFICE SUPPLIES	159.65	
			502568217001	6/2/2020	OFFICE SUPPLIES	62.20	
			100882165001	6/25/2020	OFFICE SUPPLIES	88.74	
			504198439001	6/2/2020	OFFICE SUPPLIES	117.10	
			512007766001	6/16/2020	OFFICE SUPPLIES	58.40	
			513151149001	6/23/2020	OFFICE SUPPLIES	44.08	8,365.82
89420	7/28/2020	00004713	PETTY CASH- PARKS & REC.DEP06/02/20-06/16/20	6/17/2020	PETTY CASH RECEIPTS: 06/02/20-06/16/20	258.12	258.12
89428	7/28/2020	00000322	SAM'S CLUB	6/16/2020	SNACKS FOR STAFF DURING COVID19	367.48	
				6/24/2020	SNACKS FOR STAFF DURING COVID19	127.54	
				7/8/2020	SNACKS FOR STAFF DURING COVID-19	313.61	
				000777-06/30/2020	GOLF COURSE SPECIAL ITEMS/SUPPLIES	110.67	
				6/24/2020	SNACKS FOR STAFF DURING COVID19	40.29	959.59
89450	7/28/2020	00001848	VERIZON WIRELESS	6/21/2202	BILLING PRD- 05/22/20-06/21/20- ADMIN	3,274.26	
				5/23/2020	BILLING PRD- 04/24/20-05/23/20- PD NARCO	76.02	
				5/23/2020	BILLING PRD- 04/24/20-05/23/20	9,973.03	
				6/23/2020	BILLING PRD- 05/24/20-06/23/20 - ADMIN	8,367.96	21,691.27
Sub total for BANK OF THE WEST:						31,274.80	

4 checks in this report.

Grand Total All Checks: 31,274.80

**PARTIAL WARRANT REGISTER SUMMARY
FROM CITY COUNCIL MEETING 7/28/2020
CHECKS NOT APPROVED ON 7/28/2020**

TOTAL PART I - ACCOUNTS PAYABLE CHECKS (FY 2019/20)	31,274.80
GRAND TOTAL	31,274.80

**SOUTH GATE CITY COUNCIL
WARRANT RATIFICATION AND CANCELLATION**

Warrant Numbers **89415, 89420, 89428,** and **89450,** totaling **\$31,274.80,** as listed on the accompanying Accounts Payable Partial Warrant Register from **July 28, 2020** are approved as presented.

<i>Check</i>	<i>Vendor</i>	<i>Check Date</i>	<i>Amout</i>	<i>Reason for Void</i>
	GRAND TOTAL OF VOIDED & REPLACEMENT CHECKS		0.00	

CITY AUDITOR

CITY MANAGER



DIRECTOR OF ADMINISTRATIVE SERVICES

Pursuant to action of the City Council on **July 28, 2020** at a regular or adjourned meeting, the City Treasurer was ordered to pay and/or cancel the above warrants, as approved on July 28, 2020, and ratified on August 11, 2020.

WARRANT REGISTER FOR COUNCIL MEETING 8/11/2020 (FY 2020/21)

PART I

apChkLst
07/22/2020 8:01:29AM

Final Check List
CITY OF SOUTH GATE

RECEIVED

Page: 1

AUG 5 2020
6:50pm

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

Bank : botw BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89498	7/23/2020	0012107	CALIFORNIA STATE DISBURSEMENT Ben273560	7/23/2020	CA STATE DISB. UNIT: PAYMENT	578.76	578.76
89499	7/23/2020	0009920	OCSE CLEARINGHOUSE SDU Ben273562	7/23/2020	GARNISHMENT - AR CHILD SUPP	324.00	324.00
Sub total for BANK OF THE WEST:						902.76	902.76

2 checks in this report.

Grand Total All Checks: 902.76

Item No. 17b

WARRANT REGISTER FOR COUNCIL MEETING 8/11/2020 (FY 2019/20)

PART IIIa

apChkLst
08/05/2020 10:33:11AM

Final Check List
CITY OF SOUTH GATE

Page: 1

Bank : botw BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
136	7/16/2020	00004266			U.S. BANK CORPORATE PAYMEI		
		0009675	929998	6/18/2020	SKETCHUP ANNUAL RENEWAL,	120.00	
		0012596	INV26830666	6/20/2020	STANDARD PRO MONTHLY QTY;	89.94	
		0008452	7041620	6/24/2020	CISWCI CATALYST 3750G REPLA	638.37	
		0009420	16963364 052820	8/2/2020	DS SERVICES STANDARD COFF	4.26	
		00004897	243015922519324	6/15/2020	ARMANDO MUNOZ FIRST AID	988.00	
		0010689	6/8/2020	6/8/2020	LICENSE FOR ADDITIONAL ACCE	69.99	
		00002026	FEDERAL EXPRESS CORPORATI	5/26/2020	BUDGET EDIT LIST #1 SENT TO	37.24	
		0005368	82827	5/22/2020	CUSTOMER INFO UPDATE FORM	677.85	
		0007198	074220	6/4/2020	DEPARTMENT SNACKS DURING	194.99	
		0007411	4145	6/4/2020	EMPLOYEES LUNCH DAY & NIG	952.74	
		0008993	E30139	6/5/2020	EMPLOYEES LUNCH DAY & NIG	1,275.73	
		0011933	01-001662-01-000	6/3/2020	EMPLOYEES LUNCH DAY & NIG	1,150.00	
		0011982	3	5/21/2020	FOOD/SENIOR DIRE NEEDS-CO1	40.00	
		0005426	057316	5/22/2020	FOOD/SENIOR DIRE NEEDS-CO1	130.00	
		0011982	30	5/27/2020	FOOD/SENIOR DIRE NEEDS-CO1	20.00	
		00005104	82827	5/27/2020	PRYOR+FULL ACCESS ELEARNI	9,450.00	
		00002026	FEDERAL EXPRESS CORPORATI	6/9/2020	BUDGET EDIT LIST #2 SENT TO	35.69	
		00000503	300004974	6/10/2020	MEMBERSHIP RENEWAL THROL	110.00	
		0010470	501028	6/1/2020	EMPLOYEES LUNCH DAYSHIFT-	504.50	
		0010470	501019	6/1/2020	EMPLOYEES LUNCH NIGHTSHIF	667.85	
		0005730	002599	6/2/2020	EMPLOYEES LUNCH DAYSHIFT-	486.20	
		0005730	049832	6/2/2020	EMPLOYEES LUNCH NIGHTSHIF	325.24	
		0009026	002568	6/3/2020	EMPLOYEES LUNCH DAY & NIG	1,224.71	
		0012671	AM0A2E1788CF	6/10/2020	AFTA MEMBERSHIP-CULTURAL/	75.00	
		0012671	3145614	6/10/2020	AFTA CONFERENCE-CULTURAL	100.00	
		0012665	RS SCREEN PRINTING & EMBRO	6/5/2020	POLO SHIRTS FOR NEW PARKS	101.72	
		00004244	IAEI SOUTHWESTERN SECTION	6/10/2020	INTERNATIONAL ASSOCIATION C	35.00	
		00002063	CACEO	6/11/2020	CALIFORNIA ASSOCIATION OF C	22.00	
		00002063	CACEO	6/11/2020	CALIFORNIA ASSOCIATION OF C	19.00	
		00002063	CACEO	6/11/2020	CALIFORNIA ASSOCIATION OF C	41.00	
		00002063	CACEO	11/1/2019	CALIFORNIA ASSOCIATION OF C	95.00	
		00002063	CACEO	11/1/2019	CALIFORNIA ASSOCIATION OF C	95.00	
		00002063	CACEO	6/11/2020	CALIFORNIA ASSOCIATION OF C	41.00	

Bank : botw BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
00002063		CACEO	200013252	6/16/2020	CALIFORNIA ASSOCIATION OF C	22.00	
00002871		ICC-INTERNATIONAL CODE COU	1001191189	5/7/2020	INTERNATIONAL CODE COUNCIL	682.33	
00002871		ICC-INTERNATIONAL CODE COU	1001191189-2	6/17/2020	INTERNATIONAL CODE COUNCIL	682.33	
00002871		ICC-INTERNATIONAL CODE COU	100899490	6/17/2020	INTERNATIONAL CODE COUNCIL	90.00	
00004530		NATIONAL NOTARY ASSOCIATIO	5870555	6/16/2020	NATIONAL NOTARY ASSOCIATIO	581.34	
00003816		BAVCO BACKFLOW APPARATUS	6651	6/3/2020	WIPES FOR PD AND CITY DEPT	550.01	
0012698		CENTRIC INTERNATIONAL, INC.	6501	6/5/2020	15-BERRCOM NON-CONTACT IR	987.64	
0012606		AMAZON CAPITAL SERVICES,INC	113-9882440-6306	6/10/2020	WIPES FOR PD AND CITY DEPT.	843.60	
0012698		CENTRIC INTERNATIONAL, INC.	6520	6/19/2020	20 BERRCOM NON-CONTACT IR	1,316.85	
0005454		RALPHS	038550	6/3/2020	FAMILY VIOLENCE PREVENTION	505.95	
0005454		RALPHS	001308	6/3/2020	FAMILY VIOLENCE -CDBG VICTIM	400.00	
0012680		CALIFORNIA PACIFIC, LABORAT	C30055	5/27/2020	DISINFECTING TOWLETTES-CO	74.43	
0007138		WILLIAMS, SHERMAN	8878-8	5/26/2020	N95 RESPIRATOR MASK-COVID-	526.87	
0012680		CALIFORNIA PACIFIC, LABORAT	C6/4/2020	6/4/2020	DISINFECTING WIPES COVID-19	74.43	
0005347		AMAZON.COM	112-2529622-8201	6/10/2020	CAMERA CASE FOR PATROL WA	26.40	
0012599		INSTACART	5/21/2020	5/21/2020	WEEKLY FOOD FOR STAFF-COV	163.21	
0009935		SUPER FUN FACTORY/AVG	11735	5/27/2020	FACE MASK FOR STAFF-COVID-	89.10	
0011982		EATGUD CAFE	4	5/27/2020	FOOD/SENIOR DIRE NEED-COVI	30.00	
0011982		EATGUD CAFE	29 05/26/2020	5/26/2020	FOOD/SENIOR DIRE NEEDS-CO	20.00	
00003115		BARCODES INC	W90280173	5/27/2020	CREDIT CARD SWIPER FOR GIR	122.62	
0012599		INSTACART	6/1/2020	6/1/2020	WEEKLY FOOD FOR STAFF-COV	439.04	
0011982		EATGUD CAFE	1	6/3/2020	FOOD/SENIOR DIRE NEEDS CO	10.00	
00003816		BAVCO BACKFLOW APPARATUS	935788	1/9/2020	BALL VALVE LOCK GUARD: WATI	201.08	
0011982		EATGUD CAFE	22	6/1/2020	FOOD/SENIOR DIRE FOOD NEEI	10.00	
0011982		EATGUD CAFE	23	6/3/2020	FOOD/SENIOR DIRE NEEDS CO	20.00	
0011982		EATGUD CAFE	33	6/3/2020	FOOD/SENIOR DIRE NEEDS CO	10.00	
0012599		INSTACART	6/8/2020	6/8/2020	WEEKLY FOOD FOR STAFF COV	380.55	
0009935		SUPER FUN FACTORY/AVG	6/9/2020	6/9/2020	FACE MASKS FOR STAFF-COVID	163.35	
0005347		AMAZON.COM	111-1323268-6757	5/27/2020	SMALL TOOLS AND EQUIPMENT-	213.87	
0012696		LA PASTA	5/26/2020 DELIVE	5/26/2020	DELIVERY FEE/NO RECEIPT	1.51	
0005368		PRINTCO DIRECT	82826	5/25/2020	GOLF BANNERS	848.93	
0011134		TOM'S JR	6/3/2020	6/3/2020	STAFF LUNCHEON - COVID 19	101.88	
00000322		SAM'S CLUB	035367	6/8/2020	GOLF COURSE SPECIAL SUPPLI	83.87	
0005454		RALPHS	0186-07MAY20	6/17/2020	CREDIT FOR ITEMS NOT DELIVE	-9.10	
0012695		GOLF WORKS	PS0226	6/18/2020	GOLF COURSE SPECIAL SUPPLI	340.10	

Bank : botw BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
0011221		REVIATION INDUSTRIES	5/19/2020	5/19/2020	STAFF COVID SUPPLIES	47.96	
0005295		WALMART	2110	5/27/2020	STAFF PERSONAL TRAINING CE	792.00	
0005347		AMAZON.COM	114-0038291-9653	6/9/2020	AQUATIC SUPPLIES	15.63	
0007583		USPS	094157	6/10/2020	POSTAGE-RECREATION DEPART	8.70	
0008456		NSCA	1002020071	6/17/2020	STAFF PROFESSIONAL MEMBEF	135.00	
0008456		NSCA	06/17/2020	6/17/2020	PERSONAL TRAINING CERTIFCA	144.00	
00004276		CPRS DISTRICT 10	6/17/2020	6/17/2020	STAFF PROFESSIONAL MEMBEF	165.00	
0009649		AT&T	6/2020	5/29/2020	INTERNET SERVICES AT AZALEA	124.08	
00000692		ICE MACHINE SALES & SVC CO	391	6/3/2020	AUDITORIUM & SENIOR CENTEF	934.13	
0008222		JCL TRAFFIC SERVICES	104508	5/27/2020	TYPE I - A FRAME BARRICADES	1,481.68	
0008513		EBAY	21-05114-77197	5/27/2020	REPLACEMENT RADIO ANTENNA	15.38	
0006423		LOWE'S	05638	6/8/2020	SLOW MOVING VEHICLE SIGNS	101.32	
0012696		LA PASTA	5/26/2020	5/26/2020	STAFF LUNCHEON - COVID 19	177.11	
0008456		NSCA	1002020087	6/17/2020	STAFF PROFESSIONAL MEMBEF	135.00	
0007856		POWER SYSTEMS	3179251	6/2/2020	FITNESS CENTER EQUIPMENT	1,528.28	
0005347		AMAZON.COM	112-2323294-8291	6/8/2020	OFFICE SUPPLIES-USB	20.94	
0005347		AMAZON.COM	112-6873980-7036	6/8/2020	4-STEP LADDER	55.12	
0005347		AMAZON.COM	111-0463761-5100	6/11/2020	BAMBOO WOOD DESK PEN HOL	54.09	
0005347		AMAZON.COM	112-4800712-0491	6/17/2020	USB C TO HDMI	19.26	
0005347		AMAZON.COM	111-1942145-1157	8/3/2020	USB C TO HDMI	132.06	
00000322		SAM'S CLUB	052117	5/27/2020	SNACKS FOR STAFF DURING CC	276.90	
0006991		DIRECT EDGE, INC	0086110	5/21/2020	PARTS FOR UNIT ST205- STREE	1,575.90	
0011931		SAFETY IN DESIGN, LLC	00008	5/28/2020	ATMOSPHERIC MONITORING EC	1,528.49	
0005450		C & J LIFT TRUCKING INC	NO. R-35352	5/28/2020	FORKLIFT RENTAL FOR PARK FC	164.27	
0012697		MARKLAND FLEET SERVICES	0245	6/8/2020	REPLACEMENT CATALYTIC CON	2,500.00	
0012444		INTERNATIONAL ASSOCIATION	OL177985	5/27/2020	TRAINING - TUITION FOR INTERI	345.00	
0012680		CALIFORNIA PACIFIC, LABORAT	79195WK52-	5/27/2020	SPECIAL DEPARTMENT SUPPLIE	66.99	
0006537		EXPEDIA	7533298599299	6/2/2020	LODGING - DEPARTMENT EQUIF	144.57	
0005347		AMAZON.COM	112-9790807-4448	6/10/2020	MEMORY CARD FOR PATROL WA	34.67	
0012697		MARKLAND FLEET SERVICES	0246	6/8/2020	REPLACEMENT CATALYTIC CON	2,500.00	
0005347		AMAZON.COM	6/11/2020	6/11/2020	PURCHASE MADE INCORRECTL	131.20	
0005347		AMAZON.COM	114-6298999-4236	6/11/2020	CART FOR COVID-19 EMPLOYEE	76.46	
00000415		NATIONAL CONSTRUCTION REN	5751713	5/15/2020	TEMPORARY FENCE FOR 13050	1,505.52	
0005291		PARTY CITY	2300300	6/16/2020	SUPPLIES FOR CENSUS 2020 C/	62.74	
0012728		SERVERSUPPLY.COM	3608710	6/4/2020	DELL SEAGATE 1 TB HARD DRIV	603.05	

Bank : botw BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
0012729		SWIVELSTANDS.COM	3011695	6/11/2020	CREDIT CARD READER STAND F	153.21	
0010689		MICROSOFT CORPORATION	2490250117	6/3/2020	TYPING MAGIC VIA MICROSOFT	9.89	
0005347		AMAZON.COM	243-607-43-6622	6/9/2020	HP LASERJET MFP M182NW	671.40	
00000322		SAM'S CLUB	025109	6/3/2020	SNACKS AND REFRESHMENTS I	131.30	
00001346		PD: CSULB RESEARCH FOUNDA	6957438	6/2/2020	TUITION - MENTAL HEALTH DECI	146.00	
0009941		CASHNET SERVICE FEE	6957438	6/2/2020	TUITION SERVICE FEE - MENTAL	4.02	
00000322		SAM'S CLUB	094284	6/3/2020	COFFEE FOR POLICE DEPARTM	29.68	
00001346		PD: CSULB RESEARCH FOUNDA	REFUND	6/4/2020	CREDIT FOR OVERPAYMENT OF	-130.00	
0006537		EXPEDIA	753298599299-R	6/2/2020	CANCELLATION DEPARTMENT E	-144.57	
0006537		EXPEDIA	753299084987-R	6/6/2020	CANCELLATION DEPARTMENT E	-144.57	
00000322		SAM'S CLUB	086840	6/5/2020	REFRESHMENTS FOR POLICE D	203.38	
0006537		EXPEDIA	753299084987	6/2/2020	LODGING - DEPARTMENT EQUIP	144.57	
0005347		AMAZON.COM	111-6894837-1862	6/1/2020	SPECIAL DEPARTMENT SUPPLIE	150.90	
0005371		MARRIOTT HOTELS	6/2/2020	6/2/2020	LODGING FOR OFFICERS AMID I	455.40	
0005371		MARRIOTT HOTELS	5/13/2020	5/19/2020	LODGING FOR OFFICERS AMID I	910.80	
00001414		OFFICE DEPOT	5/27/2020	6/30/2020	PRINTING - MENTAL HEALTH EV	33.00	
00001346		PD: CSULB RESEARCH FOUNDA	6955035	5/28/2020	TRAINING - TUITION FOR FIELD	762.00	
0008153		TIME WARNER CABLE-	0586017051820	5/18/2020	5/18/20-6/17/20 FOR FIBER LINE	590.06	
0008153		TIME WARNER CABLE-	0426271051420	5/14/2020	5/14/20-6/13/20: ACCT# 8448 30 1	15.76	
0005347		AMAZON.COM	112-6966777-920E	6/6/2020	SPECIAL DEPARTMENT SUPPLIE	471.86	
0011042		RELIAS LEARNING	114569896	6/6/2020	TRAINING - JAIL TRAINING - ESC	112.50	
0005347		AMAZON.COM	113-4811208-8117	8/3/2020	SPECIAL DEPARTMENT SUPPLIE	11.01	
0005347		AMAZON.COM	113-7229974-2133	6/10/2020	SPECIAL DEPARTMENT SUPPLIE	52.90	
0005347		AMAZON.COM	113-3892371-3472	6/10/2020	SPECIAL DEPARTMENT SUPPLIE	63.93	
0005347		AMAZON.COM	113-7209732-1288	6/10/2020	SPECIAL DEPARTMENT SUPPLIE	100.84	
00004530		NATIONAL NOTARY ASSOCIATION	6754780	6/11/2020	SPECIAL DEPARTMENT SUPPLIE	101.33	
0005371		MARRIOTT HOTELS	6/16/2020	6/11/2020	(06/01/20-06/10/20) LODGING FOI	1,000.00	
0005371		MARRIOTT HOTELS	6/16/2020 2ND	6/16/2020	(06/01/20 - 06/10/20) LODGING FC	1,000.00	
0005371		MARRIOTT HOTELS	6/16/2020 3RD	6/16/2020	(06/01/20-06/10/20) LODGING FOI	49.30	
0006537		EXPEDIA	7535992342818	6/16/2020	DEPARTMENT EQUIPMENT DELI	155.78	
0006537		EXPEDIA	753599311002	6/16/2020	DEPARTMENT EQUIPMENT DELI	155.78	
00001414		OFFICE DEPOT	003640	6/16/2020	PRINTING - RECORD FRONT CO	8.03	
0009941		CASHNET SERVICE FEE	6955035-20	5/28/2020	TRAINING - SERVICE FEE FOR T	20.96	
00000322		SAM'S CLUB	012896	6/1/2020	REFRESHMENTS DURING TACTI	107.12	
0012734		BLUEBEAM	2300300	6/16/2020	SUBSCRIPTION TO BLUEBEAM T	1,047.00	

Bank : botw BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
0005347		AMAZON.COM	112-6721096-2924	6/16/2020	SPECIAL DEPARTMENT SUPPLIE	104.70	
0012697		MARKLAND FLEET SERVICES	0244	6/8/2020	CATALYTIC CONVERTORS FOR (2,500.00	
0008153		TIME WARNER CABLE-	0435603051420	5/14/2020	5/14/20-6/13/20: ACCT# 8448 30 0	130.49	
0008153		TIME WARNER CABLE-	0426602052520	5/25/2020	5/25/20-6/24/20: ACCT# 8448 30 1	230.57	
0008153		TIME WARNER CABLE-	0495151050720	5/7/2020	5/7/20-6/6/20: ACCT#8448 30 017	129.99	
0008153		TIME WARNER CABLE-	0600966052220	5/22/2020	5/22/20-6/21/20 FOR SG PARK AL	119.99	
0012658		THE SAUCE CREATIVE SERVICE	4272	6/3/2020	ADDITIONAL POLO (WITH EMBR)	678.86	
0008684		CAPIO	10031	6/16/2020	RENEWAL OF YEARLY MEMBER:	275.00	60,644.88
00004266	136 7/16/2020	U.S. BANK CORPORATE PAYMEI					
0008153		TIME WARNER CABLE-	0426263051420	5/14/2020	5/14/20-6/13/20: ACCT# 8448 30 0	5.25	
0008153		TIME WARNER CABLE-	0586090052620	5/26/2020	5/26/20-6/25/20 FOR CITY HALL /	239.00	
0005347		AMAZON.COM	114-9850062-1298	6/9/2020	PURCHASE MADE INCORRECTL	30.65	
0011437		YOBITECH LLC	125566	6/8/2020	DELL REPLACEMENT 73GB SAS	92.60	
0008153		TIME WARNER CABLE-	0426628050120	5/29/2020	04/30/20 - 05/29/20 SPECTRUM S	126.90	
0007198		SUPER A FOODS	070843	5/21/2020	SNACKS FOR PW YARD STAFF C	42.61	
00000268		HOME DEPOT CREDIT SERVICES	H6627-182676	5/20/2020	2800 -WATT GASOLINE POWERE	1,208.90	
00002063		CACEO	2000013176	6/11/2020	CALIFORNIA ASSOCIATION OF C	41.00	1,786.91
89500 7/29/2020		SO CALIF EDISON	7/8/2020		BILLING PRD - JUNE 2020	150,812.89	150,812.89
Voucher: 89500							
89501 8/11/2020		ACTION CLEANUP ENVIRONMEN	ACES-1212-1031	6/25/2020	REMOVAL OF 3 HOME	2,500.00	2,500.00
Voucher: 89501							
89502 8/11/2020		ADAMSON POLICE PRODUCTS	INV328763	6/16/2020	RESPIRATOR FIT TEST SYSTEM	10,670.04	10,670.04
Voucher: 89502							
89503 8/11/2020		ADMINISTRATIVE SERV. CO-OP	20615	6/30/2020	JUN 2020: SERVICES FOR DIAL-/	37,364.84	37,364.84
Voucher: 89503							
89504 8/11/2020		ALL PHASE ELECTRIC SUPPLY C	0946-486684	6/25/2020	ELECTRICAL SUPPLIES - PW YAI	1,215.73	
Voucher: 89504			0946-486805	6/26/2020	LED FIXTURES - PW YARD	328.43	
			0946-486871	6/30/2020	ELECTRICAL EQUIPMENT, MATE	32.91	
			0946-486647	6/25/2020	LED FIXTURES - PW YARD	1,063.09	2,640.16
89505 8/11/2020		AMERICAN RENTAL INC.	460455	6/24/2020	TRAILER CONCRETE RENTAL (D	260.52	
Voucher: 89505			456623	4/23/2020	STAIR CLIMBER RENTAL	150.62	411.14
89506 8/11/2020		AMERINAT	20-00420	6/1/2020	MAY 2020: LOANS BOARDED-A:	114.80	114.80
Voucher: 89506							
89507 8/11/2020		AMESQUA, STANLEY	Ref000270875	6/10/2020	-UB REFUND CST #00032882-282	230.32	
Voucher: 89507			Ref000272044	6/29/2020	UB REFUND CST #00032882-282:	160.69	391.01

Gray highlights indicate prepaid checks

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89508	8/11/2020	0012470 ARMCO WASH INC	162	7/8/2020	JUNE 2020 CAR WASH SRVS (13	665.00	665.00
	Voucher:	89508					
89509	8/11/2020	00003529 AT&T	960-449-6558-7/2	7/7/2020	BILLING PRD- 07/01/20 - 07/31/20	233.60	272.16
	Voucher:	89509	248-134-3274-07/	7/7/2020	BILLING PRD- 07/07/20 - 08/06/20	38.56	
89510	8/11/2020	00004313 AT&T	7759555500	7/5/2020	BILLING PRD 06/05/20-07/04/20 IT	3,758.62	3,758.62
	Voucher:	89510					
89511	8/11/2020	00003692 AT&T MOBILITY	287288333867X07	7/2/2020	BILLING PRD- JUNE 2020 - MDC	1,561.92	1,561.92
	Voucher:	89511					
89512	8/11/2020	00004126 A-THRONE CO INC.	0000644563	6/25/2020	PORTAPOTTY RENTAL @ YARD-	380.74	380.74
	Voucher:	89512					
89513	8/11/2020	0012692 BAIZA, NOEMI & JUAN	Ref000272041	6/29/2020	UB REFUND CST #00051779 105:	52.32	52.32
	Voucher:	89513					
89514	8/11/2020	0011669 BDO USA LLP	001360344	6/29/2020	MAY 2020: SECTION 8 FINANCIAL	1,410.00	1,410.00
	Voucher:	89514					
89515	8/11/2020	0010615 BEARCOM	5033526	6/1/2020	JUN 2020: BEARCOM-ANNUAL SI	175.52	
	Voucher:	89515	5033521	6/1/2020	JUN 2020: BEARCOM-ANNUAL SI	2,270.06	
	Voucher:	89515	5033512	6/1/2020	RENEWAL- PD BEARCOM ANNU,	1,969.67	4,415.25
	Voucher:	89515	UT1000537635	6/30/2020	JAIL SUPPLIES-TOOTHPASTE	165.73	165.73
89516	8/11/2020	00002469 BOB BARKER COMPANY	338460	4/28/2020	SUPPLIES FOR PROPERTY ROO	309.36	
	Voucher:	89516	338458	4/28/2020	SUPPLIES FOR JAIL- 8 X15 PLAS	70.99	380.35
89517	8/11/2020	00000418 BRADLEYS PLASTIC BAG CO	Ref000272042	6/29/2020	UB REFUND CST #00061609 105:	100.03	100.03
	Voucher:	89517					
89518	8/11/2020	0012693 BROUKHIM, POUYAN	40342	6/10/2020	COVID-19 SAFETY BARRIERS-C	2,830.12	2,830.12
	Voucher:	89518					
89519	8/11/2020	0000604 CAL PARTITIONS INC					
	Voucher:	89519					
89520	8/11/2020	0011469 CALIFORNIA DENTAL NETWORK, MAY 2020	JUNE 2020	4/20/2020	MAY 2020 PAYMENT FOR ACTIVE	228.84	
	Voucher:	89520	APRIL 2020	5/20/2020	JUNE 2020 ADJ FOR MISC & SW	218.46	
	Voucher:	89520	3474071633	3/20/2020	APRIL 2020 ADJ FOR MISC & SW	-237.53	209.77
89521	8/11/2020	0012714 CHEROKEE PRODUCTION, INC	234417	6/19/2020	TRAINING: PUBLIC SAFETY MED	885.00	885.00
	Voucher:	89521					
89522	8/11/2020	00005073 CITY OF DOWNEY	4979	6/24/2020	10/1/19/-3/31/20 - SHRD TRAFFIC	662.50	662.50
	Voucher:	89522					
89523	8/11/2020	00005244 CITY OF LAKEWOOD		6/9/2020	MAY 2020: CONTRIBUTION TOW	1,052.05	1,052.05
	Voucher:	89523					

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89524	8/11/2020	0012713 CMR: DE LA PAZ, JOSE Voucher: 89524	JUNE 2020	7/16/2020	06/16/2020 - PLANNING COMMIS:	125.00	125.00
89525	8/11/2020	0008971 CMR: DELGADO, JOSE G. Voucher: 89525	JUNE 2020	7/16/2020	06/16/2020 - PLANNING COMMIS:	125.00	125.00
89526	8/11/2020	0010997 CMR: INZUNZA, FABIOLA Voucher: 89526	JUNE 2020	7/16/2020	06/16/2020 - PLANNING COMMIS:	125.00	125.00
89527	8/11/2020	0010131 CMR: PEREZ, JENNY Voucher: 89527	JUNE 2020	7/16/2020	06/16/2020 - PLANNING COMMIS:	125.00	125.00
89528	8/11/2020	0012710 CMR: SEPULVEDA SOTO, DIEGO Voucher: 89528	JUNE 2020	7/16/2020	06/16/2020 - PLANNING COMMIS:	125.00	125.00
89529	8/11/2020	00000311 COASTLINE EQUIPMENT Voucher: 89529	703032	6/18/2020	CHARGE NEW BRAKE ACCUMUL	225.00	225.00
89530	8/11/2020	0011922 CONCENTRA MEDICAL CENTERS Voucher: 89530	68331787	6/22/2020	06/22/20 - DOT PHYSICALS RECE	108.00	108.00
89531	8/11/2020	00005110 COUNTY OF L.A. DEPT OF PW Voucher: 89531	RE-PW-20060806	6/8/2020	20060806477 - THRU MAY 2020 T	988.35	988.35
89532	8/11/2020	0010352 COUNTY OF LOS ANGELES Voucher: 89532	IN0837829	6/26/2020	HEALTH DEPARTMENT PERMIT F	1,020.00	1,020.00
89533	8/11/2020	0012706 CSU FULLERTON AUXILIARY SEF7522 Voucher: 89533		6/30/2020	CDBG ENVIRONMENTAL FOR PA	225.00	225.00
89534	8/11/2020	00004746 ELECSYS CORPORATION Voucher: 89534	SIP-E118584	6/28/2020	JUN 2020: UMS SOFTWARE SUP	350.00	350.00
89535	8/11/2020	0011691 EMP: GODINEZ, CESAR Voucher: 89535	6/30/20-CWEA RE	5/15/2020	REIMB: CWEA COLLECTION SYS	104.00	104.00
89536	8/11/2020	0011837 EMP: RODRIGUEZ-CRUM, EDDIE Voucher: 89536	1213-3571	12/11/2019	REIMB: SIGNS & MARKING LEVE	370.00	370.00
89537	8/11/2020	0012531 EMP: ROMO, ADRIAN Voucher: 89537	MWNF9ZRN5SB	6/23/2020	REIMB: LEVEL I TCOC-BOC CREI	75.00	75.00
89538	8/11/2020	00001988 FAIR HOUSING FOUNDATION Voucher: 89538	JUNE 2020 #12	7/7/2020	JUNE 2020 - #12: PERSONNEL RI	1,980.03	1,980.03
89539	8/11/2020	00002026 FEDERAL EXPRESS CORPORATI Voucher: 89539	7-061-87474	7/30/2020	FEDEX STANDARD OVERNIGHT	81.41	81.41
89540	8/11/2020	00003955 GALLS/QUARTERMASTER Voucher: 89540	BC1143795	6/30/2020	RIOT HELMETS WITH FACE SHIE	5,359.74	5,359.74

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89541	8/11/2020	00004934 GAS COMPANY	130 500 9400 5 07	7/13/2020	BILLING PRD- 06/09/20 -07/09/20	71.62	
	Voucher:	89541	134 700 9400 7 7/	7/13/2020	BILLING PRD- 06/09/20 -07/09/20	44.34	
			094 300 7500 3-07	7/16/2020	BILLING PRD- 06/12/20 -07/14/20	1,006.19	
			102 000 8100 7 7/	7/13/2020	BILLING PRD- 06/09/20 -07/09/20	67.06	
			189 300 9500 7 7/	7/17/2020	BILLING PRD- 06/15/20 -07/15/20	1,151.98	
			083 407 6536 4-07	7/22/2020	BILLING PRD- 06/18/20 -07/20/20	20.31	
			126 300 9600 1 7/	7/14/2020	BILLING PRD- 06/10/20 -7/10/20	18.20	
			049 200 7902 8 7/	7/15/2020	BILLING PRD- 06/11/20 -07/13/20	22.59	
			115 800 9600 3 7/	7/14/2020	BILLING PRD- 06/10/20 -07/10/20	1,847.88	
			132 600 9400 1 7/	7/13/2020	BILLING PRD- 06/09/20 -07/09/20	31.84	
			013-900-7300-3-07	7/14/2020	BILLING PRD- 06/10/20 -07/10/20	693.53	
			045 400 7300 6 07	7/14/2020	BILLING PRD- 06/10/20 -07/10/20	31.84	
			186 100 7200 3 07	6/14/2020	BILLING PRD- 06/10/20 -07/10/20	407.26	5,414.64
89542	8/11/2020	0010016 GLOBAL PARATRANSIT INC.	111920-12	7/10/2020	JUN 2020: FIXED ROUTE (GATE)	39,920.79	39,920.79
	Voucher:	89542					
89543	8/11/2020	00004113 GOLDEN BELL PRODUCTS INC	17165	6/22/2020	ANNUAL ROACH ABATEMENT	11,985.00	11,985.00
	Voucher:	89543					
89544	8/11/2020	0012521 GOLDEN MATTRESS CO	Ref000264951	3/12/2020	UB REFUND CST #00061782- 423	129.16	129.16
	Voucher:	89544					
89545	8/11/2020	00004869 GOLDEN STATE WATER COMPAN	33744100008-07/2	7/27/2020	BILLING PRD- 06/04/20 - 07/02/20	246.36	
	Voucher:	89545	53744100008-07/2	7/8/2020	BILLING PRD- 06/04/20 - 07/08/20	220.47	
			32809400008-07/2	7/27/2020	BILLING PRD- 06/04/20 - 07/02/20	44.50	
			29007447310 7/20	7/28/2020	BILLING PRD- 05/06/20 - 06/07/20	87.97	
			63744100007-07/2	7/27/2020	BILLING PRD- 06/04/20 - 07/02/20	1,370.97	2,109.07
			73744100006-07/2	7/27/2020	BILLING PRD- 06/04/20 - 07/02/20	138.80	
89546	8/11/2020	00000534 GRANDE VISTA STEEL	165447	7/9/2020	STEEL ANGEL EQUAL 20' 1/4 1.5	154.35	154.35
	Voucher:	89546					
89547	8/11/2020	00002524 GREEN'S CLEANERS	531426	6/30/2020	JUN 2020 JAIL CLEANING OF BL/	521.40	521.40
	Voucher:	89547					
89548	8/11/2020	0009528 GRIFFITH COMPANY	05-REISSUE	5/20/2020	RI CK# 89390 - 12/7/19-5/15/20: P/	30,020.00	30,020.00
	Voucher:	89548					

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89549	8/11/2020	00000268 HOME DEPOT CREDIT SERVICES	2201733		CREDIT ON RETURNED ITEM	-54.96	
	Voucher:	89549	9190052		CREDIT ON RETURNED ITEM	-394.90	
			9190051		CREDIT ON RETURNED ITEM	-328.80	
			7350908	6/9/2020	GENERAL MAINTENANCE - MISC	32.91	
			1360972	6/15/2020	BLINDS FOR WATER PAYMENT V	47.28	
			8971375	6/18/2020	GRAFFITI REMOVAL - SUPPLIES	909.37	
			7340522	6/19/2020	BLDG MAINT - AUD MAIN HALL, F	347.20	
			4361001	6/22/2020	SUPPLIES FOR ST DIV	52.33	
			4350963	6/22/2020	BLDG MAINT - PLUMBING REPAI	81.60	
			2372014	6/24/2020	HARDWARE FOR SEWER DIV	16.28	
			9350942	6/17/2020	CIRCLE PARK RESTROOM BLDG	63.79	
			7350949	6/19/2020	REPLACE WAX RING IN WOMEN	60.34	
			3372003	6/23/2020	HARDWARE FOR ST DIV	164.98	
			2340527	6/24/2020	REPLENISH STORAGE SUPPLIE:	274.37	
			9372039	6/27/2020	BLDG MAINT - PLUMBING REPAI	68.18	
			7040654	6/29/2020	STREET - MISC SUPPLIES	263.79	
			7361019	6/29/2020	SUPPLIES FOR FOUNTAIN MAIN	179.48	
			6361024	6/30/2020	GENERAL MAINTENANCE - MISC	43.93	
			7371917	6/9/2020	NEW CIRCUIT FOR HVAC CONTF	222.01	
			8350945	6/18/2020	BLDG MAINT - NEVILLE YARD, FI	7.54	2,056.72
89550	8/11/2020	0006153 HUMAN SERVICES ASSOCIATION	JUN 2020	7/10/2020	JUN 2020: CONGREGATE & HOM	1,250.00	
	Voucher:	89550	MAY 2020	6/10/2020	MAY 2020: CONGREGATE & HOM	1,250.00	
			APR 2020	5/10/2020	APR 2020: CONGREGATE & HOM	1,250.00	
89551	8/11/2020	00004578 INTERWEST CONSULTING GROU	60360	6/10/2020	MAY 2020: CONSULTANT SERVIC	20,435.00	3,750.00
	Voucher:	89551	60749	6/22/2020	MAY 2020: CONSTRUCTION MON	250.00	
			59678	5/12/2020	APR 2020: CONSTRUCTION MON	11,125.00	31,810.00
89552	8/11/2020	0008222 JCL TRAFFIC SERVICES	104758	6/26/2020	SIGN FOR ST DIV	52.18	52.18
	Voucher:	89552		3/17/2020	JAN 2020: PROFESSIONAL SERV	4,546.25	
89553	8/11/2020	00000430 JOHN L. HUNTER AND ASSOCIAT	SGNP0120	10/17/2019	AUG 2019: PROFESSIONAL SERV	5,027.50	
	Voucher:	89553	SGNP0819	6/16/2020	APR 2020: PROFESSIONAL SERV	3,743.50	13,317.25
			SGNP0420				

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89554	8/11/2020	0011585 JOHNSON CONTROLS FIRE	86845369	6/22/2020	S.G. AUD OFFICE SYSTEM MODI	1,088.05	
	Voucher:	89554	21679351	6/3/2020	4/1/20-6/30/20: JOHNSON CONF	307.00	
			21679350	6/3/2020	4/1/20-6/30/20: JOHNSON CONF	211.75	
			21679282	6/3/2020	4/1/20-6/30/20: JOHNSON CONF	307.00	
			21640008	5/31/2020	4/1/20-6/30/20: JOHNSON CONF	211.75	
			21640093	5/31/2020	4/1/20-6/30/20: JOHNSON CONF	296.75	2,422.30
89555	8/11/2020	0005443 JTB SUPPLY COMPANY	107558	6/22/2020	TRAFFIC SIGNAL MAINTENANCE	2,679.08	2,679.08
	Voucher:	89555					
89556	8/11/2020	0008686 KENNEDY EQUIPMENT, INC.	215412	6/24/2020	REPLACEMENT CONCRETE SAV	11,206.91	11,206.91
	Voucher:	89556					
89557	8/11/2020	0012510 KILEY & ASSOCIATES, LLC	SG200701	7/1/2020	JUN 2020: FEDERAL LEGISLATIV	3,333.33	3,333.33
	Voucher:	89557					
89558	8/11/2020	00003387 KNORR SYSTEMS, INC.	SI222254	6/9/2020	POOL SUPPLIES	23.26	23.26
	Voucher:	89558					
89559	8/11/2020	0007294 KOA CORPORATION	JC01086-1	5/5/2020	4/21/20-4/26/20: SOUTH ATP CYC	548.91	
	Voucher:	89559	JC01086-2	7/7/2020	4/27/20-6/28/20: SOUTH ATP CYC	7,456.72	8,005.63
89560	8/11/2020	00001835 KUSTOM SIGNALS, INC	573855	4/22/2020	PRO-LASER 4 BUNDLE W/ FOLL	2,749.05	2,749.05
	Voucher:	89560					
89561	8/11/2020	00005175 LA COUNTY METROPOLITAN	105763	6/1/2020	MAY 2020: TAP BUS PASSES	40.00	40.00
	Voucher:	89561					
89562	8/11/2020	00001151 LA COUNTY REGISTRAR-RECOR 20-2070		7/23/2020	MARCH 3, 2020 PRESIDENTIAL F	180,987.21	180,987.21
	Voucher:	89562					
89563	8/11/2020	0006905 LA COUNTY SHERIFF'S DEPARTM203949BL		7/9/2020	JUNE 2020 FOOD FOR THE JAIL	278.28	278.28
	Voucher:	89563					
89564	8/11/2020	00004292 LEVERAGE INFORMATION SYSTEM2031146		5/20/2020	5/1/2020: SERVICE OF CAMERA :	1,687.13	1,687.13
	Voucher:	89564					
89565	8/11/2020	00004384 LIEN ON ME, INC.	062120FR	7/14/2020	OUT PATIENT HOSPITAL/RICHAF	61.09	61.09
	Voucher:	89565					
89566	8/11/2020	0012711 LINE DRIVEN STRATEGIES LLC 283		7/16/2020	TRAINING: AB392 UPDATE USE C	600.00	600.00
	Voucher:	89566					
89567	8/11/2020	00004060 MCMMASTER-CARR SUPPLY CO	41663167	6/29/2020	ADAPTER	19.74	
	Voucher:	89567	41742495	6/30/2020	DRILL PRESS SAFETY SHILED	59.70	
			41748376	6/30/2020	25' LONG HOSE	56.64	136.08
89568	8/11/2020	0007720 MRI SOFTWARE, LLC.	US-INV1012051	6/22/2020	5/22/20-6/19/20 - IVR PHONE CH/	6.22	6.22
	Voucher:	89568					

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89569	8/11/2020	00000902 Voucher: 89569	NAN MCKAY & ASSOCIATES INC. INV249516	6/22/2020	PIH ALERT SUBSCRIPTION	419.00	419.00
89570	8/11/2020	0012202 Voucher: 89570	NUMA NETWORKS	7/1/2020	24TB BACKUP/ DISASTER RECO	2,000.00	2,000.00
89571	8/11/2020	0012516 Voucher: 89571	ORTIZ ENTERPRISES, INC	7/17/2020	6/21/20-7/20/20: CONSTRUCTION	203,142.72	
89572	8/11/2020	0012699 Voucher: 89572	PD: ACEVEDO, HENRY	6/15/2020	5/21/20-6/20/20: CONSTRUCTION	654,836.86	857,979.58
89573	8/11/2020	0012700 Voucher: 89573	PD: BELLO, JOCELYN	7/15/2020	TRAINING:832 PC LAWS OF ARR	120.74	120.74
89574	8/11/2020	0012701 Voucher: 89574	PD: CASTANEDA, LUIS	7/1/2020	TRAINING:832 PC LAWS OF ARR	66.12	66.12
89575	8/11/2020	00003789 Voucher: 89575	PD: MONTERROZA, JOHANNA	7/15/2020	TRAINING: 832 PC LAWS OF ARF	121.68	121.68
89576	8/11/2020	0012664 Voucher: 89576	Perez, Alex	6/29/2020	REIMB: EDUCATION: FY 19-20 (5)	3,000.00	3,000.00
89577	8/11/2020	0007072 Voucher: 89577	PIRTEK COMMERCE SOUTH	6/1/2020	UB REFUND CST #00061736 100	155.75	155.75
89578	8/11/2020	00002335 Voucher: 89578	PITNEY BOWES	6/24/2020	NEW HOSES FOR UNIT 299	381.55	381.55
89579	8/11/2020	0005405 Voucher: 89579	POLLARDWATER.COM	6/29/2020	4/30/20-7/29/2020: POSTAGE MA	1,341.92	1,341.92
89580	8/11/2020	00000488 Voucher: 89580	PRAXAIR DISTRIBUTION, INC.	5/18/2020	PULSE DAMPNER FOR CLORINE	323.31	323.31
89581	8/11/2020	0005368 Voucher: 89581	PRINTCO DIRECT	6/22/2020	CYLINDER RENTAL	141.39	
89582	8/11/2020	00000168 Voucher: 89582	QUETEL CORP.	6/30/2020	CUT-OFF WHEEL AND FLAP DISC	199.26	
89583	8/11/2020	0011545 Voucher: 89583	RELX, INC.	5/16/2020	REPAIR PART FOR WEED EATER	131.59	472.24
89584	8/11/2020	0007637 Voucher: 89584	RSG, INC	6/26/2020	DIGITAL BROCHURES, FLYERS, I	832.43	832.43
				7/6/2020	SATO CG408 3"X2" READY TO G	255.50	255.50
				6/30/2020	JUNE 2020: MONTHLY SUBSCRIF	732.45	732.45
				6/30/2020	JUNE 2020 GENERAL-ON CALL S	9,479.37	
				6/30/2020	2019-20 SUCCESSOR AGENCY-C	160.00	
				3/31/2020	MAR 2020: NONPROFIT STRAGE	352.50	
				4/30/2020	APR 2020: NONPROFIT STRAGE	3,438.75	13,430.62

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89585	8/11/2020	0007637 RSG, INC Voucher: 89585	1006264	6/30/2020	2019-20 HOUSING AUTHORITY -	2,381.25	2,381.25
89586	8/11/2020	00004821 S & J SUPPLY COMPANY, INC. Voucher: 89586	S100155466.001	6/10/2020	WATER SUPPLIES	428.62	428.62
89587	8/11/2020	0008369 SAFETY-KLEEN SYSTEM, INC Voucher: 89587	C014773516		CREDIT	-297.68	
			83345425	6/23/2020	PARTS WASHER SERVICE	238.93	
			83547511	6/23/2020	2 DRUMS. HYDRAULIC FLUID	878.95	820.20
			10197	7/7/2020	JUN 2020: PROJECT MGMT SER	14,968.00	14,968.00
89588	8/11/2020	0010999 SAFNA ENGINEERING Voucher: 89588	Ref000264950	3/12/2020	UB REFUND CST #00058656-102:	74.33	74.33
89589	8/11/2020	0012520 SAMANO, SOCORRO Voucher: 89589	999999	7/27/2020	2020: MEMBERSHIP FEES	380.00	380.00
89590	8/11/2020	00000322 SAM'S CLUB Voucher: 89590	GQMQUF				
89591	8/11/2020	00004834 SECURITY SIGNAL DEVICES SYSS-01026437 Voucher: 89591	S-01025483	6/29/2020	SG AUDITORIUM FIRE PANEL SY	314.55	592.55
			8180034881	6/13/2020	SYSTEM PROGRAMMING - PASS	278.00	80.24
89592	8/11/2020	00002616 SHRED-IT US JV LLC Voucher: 89592	8180034881	6/30/2020	JUNE 2020 SHREDDING OF DOC	80.24	80.24
89593	8/11/2020	0012694 SOLDIER RE INVESTMENTS LLC Voucher: 89593	Ref000272043	6/29/2020	UB REFUND CST #00063628 105:	131.42	131.42
89594	8/11/2020	00005096 SOUTH COAST A.Q.M.D. Voucher: 89594	3670333	6/16/2020	ICE (50-500 HP) EM ELEC GEN-D	669.94	669.94
89595	8/11/2020	00004897 ST FRANCIS MED CT Voucher: 89595	10330265	4/28/2020	CLAIM # 062160FR	187.30	187.30
89596	8/11/2020	0010822 STURGEON ELECTRIC CALIFORNIA Voucher: 89596	1616405	7/8/2020	REMOVE AND REPLACE EXISTIN	14,126.33	14,126.33
89597	8/11/2020	00004921 TARGET SPECIALTY PRODUCTS Voucher: 89597	INVP500057375	3/18/2020	INSECTICIDE FOR SEWER DIV.	1,774.82	1,774.82
89598	8/11/2020	0008958 THE ARROYO GROUP Voucher: 89598	9862	3/31/2020	3/9/20: PREPARE FOR AND GIVE	522.30	522.30
89599	8/11/2020	0010699 TRANSYSTEMS CORPORATION Voucher: 89599	INV-0003604696	7/6/2020	JUN 2020: CONSTRUCTION OF F	9,359.64	9,359.64
89600	8/11/2020	0012020 TRIPEI, SMITH AND ASSOCIATE Voucher: 89600	4891	3/15/2020	3/15/20-4/14/20: MONTHLY RETAI	3,500.00	6,246.25
			5223	6/30/2020	JUN 2020: PROGRAM FOR CABL	2,746.25	25.38
89601	8/11/2020	0012519 UVALLE, JOE & EMERSON Voucher: 89601	Ref000264949	3/12/2020	UB REFUND CST #00063312 810'	25.38	25.38

Bank : botw BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89602	8/11/2020	00000379 VERIZON BUSINESS	05945623	7/10/2020	BILLING -06/15/2020 - 07/14/2020	40.00	
	Voucher:	89602	67581512	7/10/2020	BILLING -05/10 /2020 - 05/31/2020	82.64	122.64
89603	8/11/2020	00004423 WALTERS WHOLESALE ELECTRI	S115461360.002	4/23/2020	FRANCISCO R.: ELECTRICAL CIF	500.26	
	Voucher:	89603	S115461360.004	4/23/2020	ELECTRICAL SUPPLIES, PARKS	108.30	
			S115461360.003	4/23/2020	FRANCISCO R.: ELECTRICAL CIF	38.11	646.67
89604	8/11/2020	0011902 WATER ENVIRONMENT FEDERATRE	90BE	7/9/2020	OMAR AVILES #17611847 - CWEA	332.00	332.00
	Voucher:	89604	79164471	5/13/2020	SANITIZING & DISINFECTING SU	81.81	81.81
89605	8/11/2020	00002593 WAXIE'S SANITARY SUPPLY					
	Voucher:	89605	Ref000264952	3/12/2020	UB REFUND CST #00063143 455	165.98	165.98
89606	8/11/2020	0012522 WEST COAST NATURALS, LLC					
	Voucher:	89606	Ref000264953	3/12/2020	UB REFUND CST #00063144 455	165.98	165.98
89607	8/11/2020	0012523 WEST COAST NATURALS, LLC					
	Voucher:	89607					
89608	8/11/2020	00000561 WESTERN EXTERMINATOR COM	8126595	5/14/2020	WESTERN EXTERMINATOR-ANN	56.00	
	Voucher:	89608	8126593	5/14/2020	MAY 2020: WESTERN EXTERMIN	46.50	
			8058237	4/17/2020	APR 2020: WESTERN EXTERMIN	42.00	
			8132688	5/15/2020	MAY 2020: WESTERN EXTERMIN	42.00	
			8126591	5/14/2020	MAY 2020: WESTERN EXTERMIN	121.00	
			8132691	5/15/2020	MAY 2020: WESTERN EXTERMIN	211.00	
			8132689	5/15/2020	MAY 2020: WESTERN EXTERMIN	151.50	
			8208407	6/11/2020	WESTERN EXTERMINATOR-ANN	56.00	
			8058242	4/17/2020	WESTERN EXTERMINATOR-ANN	56.00	
			8212356	6/12/2020	JUN 2020: WESTERN EXTERMIN	295.50	
			8212355	6/12/2020	JUN 2020: WESTERN EXTERMIN	149.00	
			8208406	6/11/2020	JUN 2020: WESTERN EXTERMIN	46.50	
			8212357	6/12/2020	JUN 2012: WESTERN EXTERMIN	42.00	
			8212358	6/12/2020	JUN 2020: WESTERN EXTERMIN	151.50	
			8164690	5/28/2020	MAY 2020: WESTERN EXTERMIN	132.00	
			8171610	5/29/2020	MAY 2020: WESTERN EXTERMIN	295.50	
			8208405	6/11/2020	JUN 2020: WESTERN EXTERMIN	121.00	2,015.00

(Continued)

Bank : botw BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89609	8/11/2020	00000058 XEROX CORP	10479680	6/10/2020	MAY-2020 COPIER LEASE AGRM	283.01	
		Voucher: 89609	10479677	6/10/2020	MAY-2020 COPIER LEASE AGRM	399.17	
			10479683	6/10/2020	MAY-2020 COPIER LEASE AGRM	225.15	
			10479678	6/10/2020	MAY-2020 COPIER LEASE AGRM	222.97	
			10479686	6/10/2020	MAY-2020 COPIER LEASE AGRM	311.31	
			10479681	6/10/2020	MAY-2020 COPIER LEASE AGRM	376.59	
			10479671	6/10/2020	MAY-2020 COPIER LEASE AGRM	223.04	
			10479684	6/10/2020	MAY-2020 COPIER LEASE AGRM	154.07	
			10479669	6/10/2020	MAY-2020 COPIER LEASE AGRM	547.61	
			10479687	6/10/2020	MAY-2020 COPIER LEASE AGRM	263.69	
			10479670	6/10/2020	MAY-2020 COPIER LEASE AGRM	212.45	
			10479675	6/10/2020	MAY-2020 COPIER LEASE AGRM	223.04	
			10479676	6/10/2020	MAY-2020 COPIER LEASE AGRM	212.39	
			10479685	6/10/2020	MAY-2020 COPIER LEASE AGRM	212.45	
			10479674	6/10/2020	MAY-2020 COPIER LEASE AGRM	263.69	
			10479672	6/10/2020	MAY-2020 COPIER LEASE AGRM	223.11	
			10479673	6/10/2020	MAY-2020 COPIER LEASE AGRM	283.01	
			10479679	6/10/2020	MAY-2020 COPIER LEASE AGRM	263.54	4,900.29

Sub total for BANK OF THE WEST: 1,595,937.72

110 checks and 2 wire transfers in this report.

Grand Total All Checks and Wire Transfers: 1,595,937.72

WARRANT REGISTER FOR COUNCIL MEETING 8/11/2020 (FY 2020/21)

PART IIb

apChkLst
08/05/2020 11:38:36AM

Final Check List
CITY OF SOUTH GATE

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Bank : botw BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
140	8/12/2020	00002399 ICRMA Voucher:	4204D	7/13/2020	FY 20/21 LIABILITY INSURANCE I	2,267,492.00	2,267,492.00
141	8/12/2020	00002399 ICRMA Voucher:	4227	7/13/2020	LIABILITY PROGRAM ASSESME	288,528.77	288,528.77
89610	8/11/2020	00004372 AIRGAS USA, LLC Voucher:	9102766659	7/2/2020	INVENTORY PO/ NITRILE GLOVE	450.21	
			9102716253	7/1/2020	INVENTORY PO/ NITRILE GLOVE	419.28	
			9102766658	7/2/2020	INVENTORY PO/ NITRILE GLOVE	64.04	933.53
89611	8/11/2020	00004309 AMERIFLEX Voucher:	INV343780	7/4/2020	JUL 2020: FSA ADMIN FEE FOR 3	189.00	189.00
89612	8/11/2020	0012082 CBT NUGGETS, LLC Voucher:	2168411	6/17/2020	CBTNUGGETS ONLINE IT TRAINI	1,797.00	1,797.00
89613	8/11/2020	00004195 CCCA Voucher:	3090	6/30/2020	FY 2020/21: ANNUAL MEMBERSH	5,300.00	5,300.00
89614	8/11/2020	00001102 CENTRAL BASIN WATER ASSOC. FY 20/21 Voucher:		7/1/2020	FY 2020/2021: PRODUCER MEME	5,865.16	5,865.16
89615	8/11/2020	0012713 CMR: DE LA PAZ, JOSE Voucher:	JULY 2020	7/16/2020	07/07/2020 - PLANNING COMMIS	125.00	125.00
89616	8/11/2020	0008971 CMR: DELGADO, JOSE G. Voucher:	JULY 2020	7/16/2020	07/07/2020 - PLANNING COMMIS	125.00	125.00
89617	8/11/2020	0010997 CMR: INZUNZA, FABIOLA Voucher:	JULY 2020	7/16/2020	07/07/2020 - PLANNING COMMIS	125.00	125.00
89618	8/11/2020	0010131 CMR: PEREZ, JENNY Voucher:	JULY 2020	7/16/2020	06/16/2020 - PLANNING COMMIS	125.00	125.00
89619	8/11/2020	0012710 CMR: SEPULVEDA SOTO, DIEGO Voucher:	JULY	7/16/2020	06/16/2020 - PLANNING COMMIS	125.00	125.00
89620	8/11/2020	00001303 CPRS Voucher:	HOLMES, KEVIN	6/12/2020	2021: KEVIN HOLMES MEMBERS	170.00	170.00
89621	8/11/2020	0009748 DEPARTMENT OF WATER & POWGA428343 Voucher:		6/9/2020	7/1/20-6/30/21: LEASE PAYMENT	9,083.00	9,083.00
89622	8/11/2020	0010018 ETRAK-PLUS Voucher:	111	6/26/2020	7/1/20-9/30/20: MAINTENANCE FC	2,500.00	2,500.00
89623	8/11/2020	0010354 FRITTS FORD Voucher:	F21177	7/13/2020	2020 STX RANGER VIN# 1FTER1	27,870.76	27,870.76

Bank : botw BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89624	8/11/2020	0010237	FRONTIER COMMUNICATIONS	209-057-1084-07/	7/1/2020	BILLING - 07/01/20-07/31/20	36.26
	Voucher:			562-923-9514-07/	7/10/2020	BILLING - 07/10/20-08/09/20	15.24
89625	8/11/2020	0006934	INSIGHT PUBLIC SECTOR,INC	1100741870	6/19/2020	AUTOCAD LT ANNUAL RENEWAL	2,249.95
	Voucher:			1100747448	7/9/2020	INSIGHT MICROSOFT SURFACE	1,381.32
89626	8/11/2020	00003540	LA COUNTY DEPT. OF PUBLIC WA	957896	7/23/2020	APPLICATION FEE: (A957896) SC	2,865.00
	Voucher:			INV3324	7/31/2020	RENEWAL- 8/1/2020-7/31/2021: A	4,346.00
89628	8/11/2020	0012286	NATIONWIDE ENVIRONMENTAL,	30973	7/15/2020	JUL 2020: CITYWIDE STREET SV	56,580.00
	Voucher:						
89629	8/11/2020	00004717	PETTY CASH- GENERAL FUND -	4/15/2020-6/26/20:	7/28/2020	4/15/2020-6/26/20: PETTY CASI	249.90
	Voucher:						
89630	8/11/2020	00002335	PITNEY BOWES	AUG 2020	8/1/2020	RESERVE ACCOUNT NO. 347190	3,000.00
	Voucher:						
89631	8/11/2020	00003738	PITNEY BOWES-SUPPLIES	1016052005	7/16/2020	CONNECT+ RED FL INK CTG, E	1,030.78
	Voucher:						
89632	8/11/2020	00005096	SOUTH COAST A.Q.M.D.	3666748	6/16/2020	FLAT FEE FOR LAST FISCAL YEA	136.40
	Voucher:						
89633	8/11/2020	00004864	SOUTHERN CALIFORNIA EDISON	7701017481	7/1/2020	7/1/20-6/30/21- CONT #90000000C	4,636.03
	Voucher:						
89634	8/11/2020	00001135	TRAINING INNOVATIONS, INC.	20-140	5/1/2020	RENEWAL - 7/1/2020-6/30/21: TM:	750.00
	Voucher:						
89635	8/11/2020	0008005	U.S. BANK-PARS ACCT#67460225	SEP 2020	9/1/2020	PARS SUPPLMNTL RETIREMNT I	5,671.35
	Voucher:						
89636	8/11/2020	0008005	U.S. BANK-PARS ACCT#67460225	SEP 2020 - MOST	9/1/2020	M.MOSTAKHAMI: PARS - EXCES:	680.00
	Voucher:			SEP 2020 - LOUIE	9/1/2020	KEN LOUIE: PARS - EXCESS BEN	550.00
	Voucher:			SEP 2020 - R.BAT	9/1/2020	RON BATES: PARS - EXCESS BE	160.00
	Voucher:			788757000-AUG 2	8/1/2020	AUG 2020: COSG 2005 PENSION	57,493.33
89637	8/11/2020	00003928	US BANK TRUST N.A.				
	Voucher:						
89638	8/11/2020	00002593	WAXIE'S SANITARY SUPPLY	79265205	6/24/2020	INVENTORY PO/ PURELL HAND :	2,611.60
	Voucher:						
89639	8/11/2020	0007584	WINZER CORPORATION	6663021	7/14/2020	INVENTORY PO/ SPRAY PAINT	1,547.83
	Voucher:						
01611379	7/5/2020	00000343	PUBLIC EMPLOYEES RETIREME	170120-2	7/5/2020	UNFUNDED LIABILITY- SAFETY I	3,702,256.00
	Voucher:						

Bank : botw BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
01611380	7/5/2020	00000343	PUBLIC EMPLOYEES RETIREMEI70120-3	7/5/2020	UNFUNDED LIABILITY- SAFETY	13,993.00	13,993.00
Voucher:							
01611392	7/5/2020	00000343	PUBLIC EMPLOYEES RETIREMEI70120	7/5/2020	UNFUNDED LIABILITY- MISC. CL	2,894,989.00	2,894,989.00
Voucher:							
Sub total for BANK OF THE WEST:						9,367,583.21	

30 checks and 5 wire transfers in this report.

Grand Total All Checks and Wire Transfers: 9,367,583.21

WARRANT REGISTER FOR COUNCIL MEETING 8/11/2020 (FY 2020/21)

PART III

apChkLst
07/30/2020 8:46:12AM

Final Check List
CITY OF SOUTH GATE

Page: 1

Bank : botw BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
1919	7/23/2020	00000004. NATIONWIDE RETIREMENT SOLL	Ben273564	7/23/2020	DEF COMP NATIONWIDE: PAYME	78,684.87	78,684.87
	Voucher:	1919					
1920	7/23/2020	00004836 SEIU LOCAL 721 CTW CLC-23900	Ben273566	7/23/2020	SEIU DUES: PAYMENT	3,239.77	3,239.77
	Voucher:	1920					
1921	7/23/2020	00002370 INTERNAL REVENUE SERVICE	Ben273568	7/23/2020	MEDICARE: PAYMENT	156,872.23	156,872.23
	Voucher:	1921					
1922	7/23/2020	00000343 PUBLIC EMPLOYEES RETIREME	Ben273570	7/23/2020	PERS RETIREMENT: PAYMENT	241,586.19	241,586.19
	Voucher:	1922					
1923	7/23/2020	00001186 EMPLOYMENT DEVELOPMENT D	Ben273572	7/23/2020	SDI: PAYMENT	51,172.95	51,172.95
	Voucher:	1923					
1924	7/23/2020	00004996 SEIU-COPE LOCAL 721, LAVOC	CI Ben273574	7/23/2020	SEIU- COPE LOCAL 721 DEDUCT	39.00	39.00
	Voucher:	1924					
1925	7/23/2020	00004988 CHILD SUPPORT ON-LINE, STATE	Ben273576	7/23/2020	CHILD SUPPORT-ONLINE: PAYMI	2,195.54	2,195.54
	Voucher:	1925					
Sub total for BANK OF THE WEST:						533,790.55	

7 wire transfers in this report.

Grand Total All Wire Transfers: 533,790.55

**WARRANT REGISTER SUMMARY
CITY COUNCIL MEETING 8/11/2020**

TOTAL PART I - PAYROLL-RELATED CHECKS (FY 2020/21)	902.76
TOTAL PART IIa - ACCOUNTS PAYABLE CHECKS (FY 2019/20)	1,595,937.72
TOTAL PART IIb - ACCOUNTS PAYABLE CHECKS (FY 2020/21)	9,367,583.21
TOTAL PART III - PAYROLL-RELATED WIRE TRANSFERS (FY 2020/21)	533,790.55
	<hr/>
SUB - TOTAL	11,498,214.24
LESS: VOIDS	(420,662.14)
LESS: EMPLOYEE PAYROLL DEDUCTIONS (FY 2020/21)	(355,059.20)
	<hr/>
GRAND TOTAL	10,722,492.90

**SOUTH GATE CITY COUNCIL
WARRANT APPROVAL AND CANCELLATION**

Warrant Number **89498** to Warrant Number **89639** inclusive, plus Wire Transfers & EFTs, totaling **\$10,722,492.90** as listed on the accompanying Accounts Payable Warrant Register of **August 11, 2020** are approved as presented, with the exception of the following voided and replacement warrants:

<i>Check</i>	<i>Vendor</i>	<i>Check Date</i>	<i>Amount</i>	<i>Reason for Void</i>
88922	SOUTHERN CALIFORNIA EDISON	6/11/2020	\$ 86,444.62	POSITIVE PAY NOT SUBMITTED BEFORE CHECK PRESENTED TO BANK. REISSUED
89390	GRIFFITH COMPANY	7/28/2020	\$ 334,217.52	ERROR IN BILLING. WILL BE REISSUED
GRAND TOTAL OF VOIDED & REPLACEMENT CHECKS			420,662.14	

CITY AUDITOR

CITY MANAGER



DIRECTOR OF ADMINISTRATIVE SERVICES

Pursuant to action of the City Council on **August 11, 2020** at a regular or adjourned meeting, the City Treasurer was ordered to pay and/or cancel the above warrants, as approved.