



## SOUTH GATE CITY COUNCIL REGULAR MEETING AGENDA

Tuesday, May 11, 2021 at 6:30 p.m.

### **TELECONFERENCE**

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

**MEETING ID: 892 4837 0267**

**<https://us02web.zoom.us/j/89248370267>**

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

<b>CALL TO ORDER</b>	Al Rios, Mayor
<b>INVOCATION</b>	Reverend Sean Pica, Redeemer Lutheran Church
<b>PLEDGE OF ALLEGIANCE</b>	Chris Castillo, Water Division Manager
<b>ROLL CALL</b>	Carmen Avalos, City Clerk

### **II. City Officials**

<b>MAYOR</b> Al Rios	<b>CITY CLERK</b> Carmen Avalos
<b>VICE MAYOR</b> Maria del Pilar Avalos	<b>CITY TREASURER</b> Gregory Martinez
<b>COUNCIL MEMBERS</b> Maria Davila Denise Diaz Gil Hurtado	<b>INTERIM CITY MANAGER</b> Chris Jeffers
	<b>CITY ATTORNEY</b> 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 May 11, 2021 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: 892 4837 0267 and <https://us02web.zoom.us/j/89248370267>

### **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](mailto:cavalos@sogate.org). Submissions by email must be received ***45 minutes*** prior to the posted start time of the meeting if emailing subject/public comment. *All emails will be made part of the record, copies to City Council and filed.*

Subject line should read: **COMMENTS FOR ITEM \_\_\_\_\_, MEETING OF MAY 11, 2021.**

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. Proclamation Declaring May As Wellness And Mental Health Awareness Month**

The City Council will issue a Proclamation declaring May 2021 as Wellness and Mental Health Awareness Month. (CM)

Documents:

[ITEM 1 REPORT 051121.PDF](#)

## **2. Proclamation Declaring National Teacher Appreciation Day And Week**

The City Council will issue a Proclamation declaring May 4, 2021 as National Teacher Appreciation Day and May 2 -8, 2021 as National Teacher Appreciation Week. (CM)

Documents:

[ITEM 2 REPORT 051121.PDF](#)

## **V. 3. Proclamation Declaring May 16 - 22, 2021 As National Public Works Week**

The City Council will issue a Proclamation declaring May 16 through 22, 2021 as National Public Works Week. (PW)

Documents:

[ITEM 3 REPORT 051121.PDF](#)

## **VI. Public Hearings**

### **4. Resolution Approving Annual Action Plan For Fiscal Year 2021/22**

The City Council will conduct a Public Hearing to consider: (CD)

- a. Adopting a **Resolution** \_\_\_\_\_ approving the Fiscal Year 2021/22 Annual Action Plan; and authorizing the City Manager, or designee, to submit to the U.S. Department of Housing and Urban Development; and
- b. Authorizing the City Manager to enter into agreements, in a form acceptable to the City Attorney, with eligible subrecipients and purchase of supplies, programs, and equipment as noted in the Fiscal Year 2021/22 Annual Action Plan.

Documents:

[ITEM 4 REPORT 051121.PDF](#)

### **5. Substantial Amendment No. 5 To The Fiscal Year 2019/20 Annual Action Plan Reprograming \$195,000 Of CDBG-CV3 Funds**

The City Council will conduct a Public Hearing to consider: (CD)

A. Moving forward with the previously approved programs and allocations from the January 26, 2021 City Council meeting, which includes \$75,000 in CDBG- CV 3 funds towards the Small Business Job Retention and Creation Program with the Tweedy Mile Association, and \$120,354 in CDBG-CV3 funds towards a Rental and Utility Assistance Program with Helpline Youth Counseling, Inc.; **OR**

B. Retaining the \$75,000 for the Small Business Job Retention and Creation Program and \$120,354 for the Rental and Utility Assistance Program as previously approved and designate City staff/Consultant to operate the programs; **OR**

C. Reprograming the \$195,354 in CDBG-CV 3 funds to other programs to provide additional COVID-19 related programs and services by adopting a proposed **Resolution** \_\_\_\_\_ approving Substantial Amendment No. 5 to the Fiscal Year 2019/20 Annual Action Plan; and

D. Authorizing the City Manager to enter into agreements in a form acceptable to the City Attorney with eligible subrecipients as noted in the Substantial Amendment No. 5 to the Fiscal Year 2019/20 Annual Action Plan.

Documents:

[ITEM 5 REPORT 051121.PDF](#)

## **VII. 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.

## **VIII. 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.

## **IX. Consent Calendar Items**

Agenda Items **6, 7, 8, 9, 10, 11, and 12** 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. Resolution Approving Goals Soccer Centers, Inc., Rent Reduction Due To The Ongoing COVID-19 Pandemic**

The City Council will consider: (PARKS)

a. Declaring: (1) the lingering effect of the economic recovery from the ongoing COVID-19 pandemic still adversely affects and limits the Goals Soccer Center operations at the soccer center premises, and (2) the closure or limited operation of the soccer centers premises due to the ongoing COVID-19 pandemic continues to adversely impact the recreational programs offered by the City at South Gate Park to City residents; and

b. Adopting a **Resolution** \_\_\_\_\_ adopting the findings required in Amendment No. 1 to the Ground Lease and Management Letter for additional rent reduction for Goals Soccer Centers, Inc.

Documents:

[ITEM 6 REPORT 051121.PDF](#)

### **7. Resolution Extending The Local Emergency Due To The COVID-19 Pandemic**

The City Council will consider adopting a **Resolution** \_\_\_\_\_  
\_ extending the Local Emergency within the City as a result of the ongoing Coronavirus Disease 2019 pandemic. (CM)

Documents:

[ITEM 7 REPORT 051121.PDF](#)

### **8. Agreement With The Los Angeles County Metropolitan Transportation Authority For The West Santa Ana Branch Transit Oriented Development Grant Implementation Program**

The City Council will consider: (CD)

- a. Approving the **Agreement (Contract No. \_\_\_\_\_)** with the Los Angeles County Metropolitan Transportation Authority accepting a grant award in the amount of \$180,000 from the West Santa Ana Branch Transit Oriented Development Strategic Implementation Plan Program for the Equitable Development Strategy, Public Facilities Financing and Development Opportunity Reserve Plans to be implemented in the proposed Gateway Specific Plan area;
- b. Authorizing the Mayor to execute the Agreement in a form acceptable to the City Attorney; and
- c. Authorizing the Director of Community Development to act as agent for the City under this Agreement and to sign any subsequent documents on behalf of the City as required to properly execute the Grant Agreement.

Documents:

[ITEM 8 REPORT 051121.PDF](#)

**9. Amendment No. 2 To Contract No. 3398 With Viatron Systems, Inc., For Additional Document Scanning Services For The Police Department**

The City Council will consider: (PD)

- a. Approving **Amendment No. 2 to Contract No. 3398** with ViaTRON Systems Inc., retroactively extending the term from July 1, 2020, for additional document scanning services that were performed for the Police Department;
- b. Appropriating \$18,152 from the unassigned fund balance of the General Fund to Account Number 100-503-21-6101 (General Fund - Police Services - Professional Services) to cover the cost of this Amendment No. 2; and
- c. Authorizing the Mayor to execute the Agreement in a form acceptable to the City Attorney.

Documents:

[ITEM 9 REPORT 051121.PDF](#)

**10. Amendment No. 2 To Contract No. 2021-13-AC With KOA Corp., For Additional Construction Management Services For The Citywide Sidewalk Improvement Project**

The City Council will consider: (PW)

- a. Approving **Amendment No. 2 to Contract No. 2021-13-AC** with KOA Corporation, retroactively effective April 12, 2021, for an additional 15 days of construction inspection services of the Citywide Sidewalk Improvement Project, Phase VII, City Project No. 659-ST, in an amount not-to-exceed \$15,000; and
- b. Authorizing the Mayor to execute Amendment No. 2 in a form acceptable to the City Attorney.

Documents:

[ITEM 10 REPORT 051121.PDF](#)

## **11. Ratification Of Purchase Order With Best Roofing For The South Gate Park Maintenance Yard Roof Replacement Project**

The City Council will consider: (PARKS)

- a. Ratifying Purchase Order with Best Roofing through the Omni Partners-National Roofing Partners (NRP) contract to replace the corrugated roof portion of the South Gate Park Maintenance Yard with the same type of corrugated roofing materials that are currently on the building, in the amount of \$97,497.49, resulting in a net reduction from the originally approved price of \$23,502.51;
- b. Authorizing the City's Purchasing Division to issue a Purchase Order, in the amount of \$97,497.49 for this project in accordance with the City's purchasing ordinance and policies; and
- c. Authorizing the Interim Director of Parks & Recreation to execute any additional documents as may be required to properly implement and manage this purchase and installation.

Documents:

[ITEM 11 REPORT 051121.PDF](#)

## **12. Minutes**

The City Council will consider: (CLERK)

- a. Approving the Special Meeting minutes of April 20, 2021; and
- b. Approving the Regular Meeting minutes of April 27, 2021.

Documents:

[ITEM 12 REPORT 051121.PDF](#)

## **X. Reports, Recommendations And Requests**

### **13. Resolution Approving Administrative Regulation 109**

## **Establishing The City's Social Media Policy**

The City Council will consider adopting a **Resolution** \_\_\_\_\_ approving Administrative Regulation 109 establishing the City's Social Media Policy, effective immediately. (ADMIN)

Documents:

[ITEM 13 REPORT 051121.PDF](#)

## **14. Resolution Of Intent To Levy Assessments For Fiscal Year 2021/22 For The Parking And Business Improvement Area (Tweedy Mile Business District) Business License**

The City Council will consider: (CM)

- a. Approving the Tweedy Mile Advisory Board's Annual Report for Fiscal Years 2020/21 and 2021/22;
- b. Adopting a **Resolution** \_\_\_\_\_ declaring the City's intention to levy and collect assessments for Fiscal Year 2021/22 for the Parking and Business Improvement Area (known as the Tweedy Mile Business District) Business License, as permitted by the Parking and Business Improvement Area Law of 1989 (California Streets And Highways Code Section 36500 et seq.), and scheduling a Public Hearing for June 8, 2021;
- c. Reimbursing the Tweedy Mile Association in the amount of \$10,398.00 for Fiscal Year 2020/21 approved expenditures; and
- d. Carrying over the Fiscal Year 2020/21 ending fund balance in the amount of \$31,896.77 to Fiscal Year 2021/22.

Documents:

[ITEM 14 REPORT 051121.PDF](#)

## **15. Direction On How To Procure A New Exclusive Solid Waste Franchise Agreement**

The City Council will consider: (PW)

- a. Directing staff to issue a Request for Proposal (RFP) to procure a new exclusive solid waste franchise agreement through a competitive bid process;
- b. Authorizing the Mayor to execute an Agreement with HF&H Consultants, in a form acceptable to the City Attorney, in the amount of \$150,000, to assist with the development of a RFP for an Exclusive Solid Waste Franchise Agreement and with the management of the procurement process; and



c. Appropriating \$150,000 from the unrestricted fund balance of the City's Refuse Collection Fund to Account No. 413-733-51-6101 (Refuse Collection Fund - Professional Services) to fund the cost of the HF&H agreement. These funds would be reimbursed upon acceptance of the successor franchise agreement by the City Council by the successful waste hauler.

**OR**

d. Directing staff to negotiate a new exclusive solid waste franchise agreement with USA Waste of California, Inc., dba Waste Management (Waste Management);

e. Authorizing the Mayor to execute an Agreement with HF&H, in a form acceptable to the City Attorney, in the amount of \$89,000, to assist staff with the negotiation of a new exclusive solid waste franchise agreement with Waste Management; and

f. Appropriating \$89,000 from the unrestricted fund balance of the City's Refuse Collection Fund to Account No. 413-733-51-6101 (Refuse Collection Fund - Professional Services) to fund the cost of the HF&H agreement. These funds would be reimbursed upon acceptance of the successor franchise agreement by the City Council by the successful waste hauler.

Documents:

[ITEM 15 REPORT 051121.PDF](#)

## **16. American Rescue Plan Act Report**

The City Council will consider: (CM)

a. Receiving and filing the American Rescue Plan Act (ARPA) of 2021 report; and

b. Providing direction to staff on the proposed use of the City's estimated \$37 million allocation from the ARPA. Based on the City Council's direction, staff will prepare appropriate budgetary action for the City Council's consideration at a future meeting.

Documents:

[ITEM 16 REPORT 051121.PDF](#)

## **17. West Santa Ana Branch Report**

The City Council will consider: (CM)

a. Receiving and filing an update report of the West Santa Ana Branch Light Rail Project; and

b. Providing staff with direction as it relates to the draft Master Cooperative Agreement with the Los Angeles County Metropolitan Transportation Authority and future fiscal planning.

Documents:

[ITEM 17 REPORT 051121.PDF](#)

## **18. Warrant Register For May 11, 2021**

The City Council will consider approving the Warrants and Cancellations for May 11, 2021. (ADMIN SVCS)

Total of Checks: \$2,319,480.21  
Voids \$ (4,596.53)  
Total of Payroll Deductions: \$ (385,449.86)  
Grand Total: \$1,929,433.82  
Cancellations: 699, 91757, 92026, 92417

Documents:

[ITEM 18 REPORT 051121.PDF](#)

## **XI. Adjournment**

Adjournment in memory of Ms. Clotilde Valdebenito, Adolfo Varas, Parks & Recreation Commissioner's grandmother and retired Police Officer Ed Lane, Jr., retired in 1990 after 33 ½ years of dedicated service to the City of South Gate and the South Gate Police Department.

I, Carmen Avalos, City Clerk, certify that a true and correct copy of the foregoing Meeting Agenda was posted May 5, 2021 at 6:25 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](http://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.

# City of South Gate



From the Honorable  
**Mayor**

## PROCLAMATION

### Declaring May 2021 as Wellness and Mental Health Awareness Month

**WHEREAS**, the current Coronavirus Disease 2019 pandemic resulted in a negative impact by unbalancing the physical, occupational, social, emotional, intellectual, environmental and financial wellness of our community;

**WHEREAS**, talented and hardworking individuals in our community are the most indispensable for many businesses that support our economy, while others have been kept from working for their own safety and have been held back from the satisfaction of using their talents to earn a living;

**WHEREAS**, many of the same workers who are immigrants have braved COVID-19 risks to continue to provide services for consumers, patients and clients;

**WHEREAS**, the COVID-19 quarantine has isolated the single parent households, LGBTQX population, some of the poorest families, and our community at large; highlighting the need to be more inclusive of these populations and especially the households with our military veterans and elderly populations;

**WHEREAS**, the physical isolation, lack of earnings, increasing debt and the sense of uncertainty may cause anxiety, depression and other emotional hardships, stress, worry and maybe even result in questioning their own meaning and purpose in life;

**WHEREAS**, wellness requires self-care, planning and implementing activities to recover and improve the quality of our lives and longevity to live a balanced life and continue to pursue and achieve happiness; and

**WHEREAS**, the City Council encourages its residents to evaluate their areas of wellness in order to identify areas of need and their innate strengths, to access community resources, collaborate as volunteers, and support each other as neighbors, in order to regain balance in their lives.

**NOW, THEREFORE**, be it proclaimed on this 11<sup>th</sup> day of May 2021, that **I, Al Rios, Mayor of the City of South Gate**, on behalf of the City Council and citizens, do hereby proclaim May 2021, as Wellness and Mental Health Awareness Month, and call upon residents, government agencies, public and private institutions, businesses and schools to increase their awareness and understanding of the various types of issues impacting wellness and mental health.

/s/

Mayor Al Rios

# City of South Gate



From the Honorable  
**Mayor**

## PROCLAMATION

*Declaring May 4, 2021 as National Teacher Appreciation Day  
and May 2 – 8, 2021 as National Teacher Appreciation Week*

**WHEREAS,** in 1953, former First Lady Eleanor Roosevelt urged Congress to designate a day for teachers to be recognized; however, the first National Teacher Day occurred until March 7, 1980, and four years later, the National Education Association decided to honor teachers the first week in May instead of one day;

**WHEREAS,** National Teacher Appreciation Day, also known as National Teacher Day, recognizes and honors the dedication of educators across the country who lend their passion and skills to educating children;

**WHEREAS,** teachers play a critical role in educating and shaping children to be the leaders of tomorrow; they are kind, patient, hard-working, dedicated and understanding professionals that help mold children and guide them in positive directions;

**WHEREAS,** teachers influence and change the lives of millions of children every day, and especially this year when instruction has been virtual, in-person or a mix of both, their immense work and impact have provided much-needed support, a sense of community and connection;

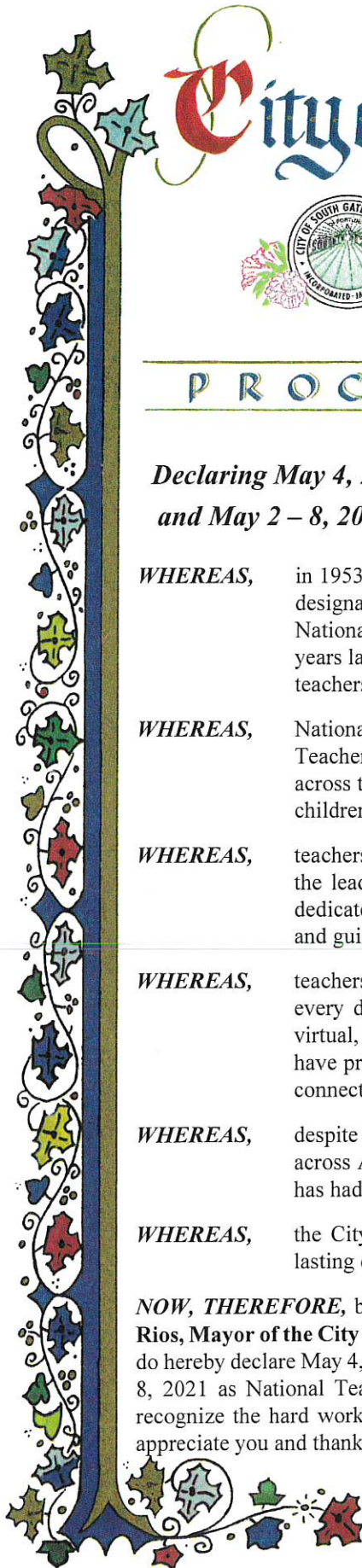
**WHEREAS,** despite the challenges of the COVID-19 pandemic, educators across America have been working hard to ensure every student has had the tools needed to reach their full potential; and

**WHEREAS,** the City Council wishes to honor teachers and recognize their lasting contributions they make to all our lives.

**NOW, THEREFORE,** be it proclaimed on this 11<sup>th</sup> day of May 2021, that **I, Al Rios, Mayor of the City of South Gate,** on behalf of the City Council and citizens, do hereby declare May 4, 2021 as National Teacher Appreciation Day and May 2 – 8, 2021 as National Teacher Appreciation Week, and call upon all citizens to recognize the hard work and dedication of the Teachers in our community. We appreciate you and thank you.

15/

Mayor Al Rios



# City of South Gate



From the Honorable  
**Mayor**

## PROCLAMATION

Declaring

**May 16 through 22, 2021 as National Public Works Week**

**WHEREAS,** public works services provided in our community such as the maintenance of roads, water and sewer systems, street lights and traffic signals, street sweeping, graffiti removal, and solid waste collection are an integral part of our citizen's everyday life;

**WHEREAS,** the quality and safety of these facilities, as well as their planning, design and construction, is virtually dependent upon the efforts and skills of public works officials;

**WHEREAS,** the City Council authorized the Public Works Department to initiate and complete a Capital Improvement Program (CIP), with millions in funded projects, to enhance safety, reduce congestion, improve transportation mobility, increase infrastructure reliability, create new recreational opportunities, encourage sustainability, improve water quality and system reliability, and address deferred maintenance issues;

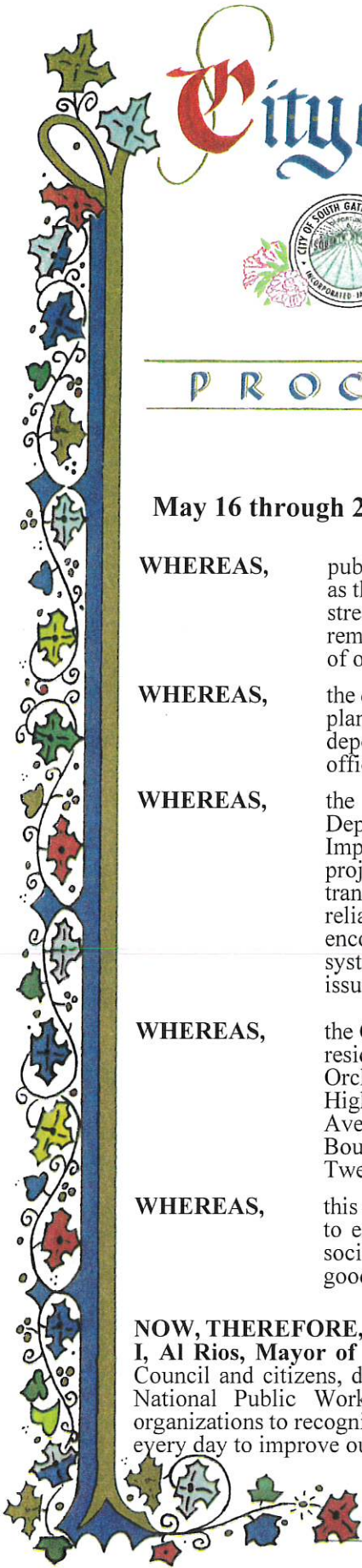
**WHEREAS,** the CIP includes key projects that will change the way residents experience South Gate, such as the Urban Orchard Project, the Garfield Avenue and Imperial Highway Street Rehabilitation Project, the Garfield Avenue Complete Streets Project, the Long Beach Boulevard Street Improvements Project, and the Tweedy Boulevard Complete Street Project; and

**WHEREAS,** this national recognition of Public Works Week serves to enhance the prestige of the unsung heroes of our society who are professionals who serve the public good every day with quiet dedication.

**NOW, THEREFORE,** be it proclaimed on this 11<sup>th</sup> day of May 2021, that **I, Al Rios, Mayor of the City of South Gate,** on behalf of the City Council and citizens, do hereby proclaim May 16 through 22, 2021, as National Public Works Week. I call upon all citizens and civic organizations to recognize the contributions that public works staff makes every day to improve our health, safety, comfort and quality of life.

/s/

Mayor Al Rios



RECEIVED

Item No. 4

MAY 5 2021

City of South Gate  
CITY COUNCIL

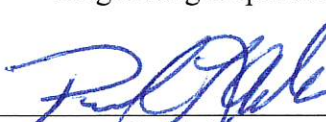
CITY OF SOUTH GATE  
OFFICE OF THE CITY MANAGER

5:00pm

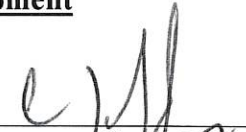
AGENDA BILL

For the Regular Meeting of: May 11, 2021  
Originating Department: Community Development

Interim Director:

  
Paul Adams

Interim City Manager:

  
Chris Jeffers

**SUBJECT: FISCAL YEAR 2021-2022 ANNUAL ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME INVESTMENT PARTERNSHIPS (HOME) FUNDS.**

**PURPOSE:** On September 22, 2020, the City Council approved a Five-Year Consolidated Plan to the U.S. Department of Housing and Urban Development (HUD) to receive funds from the Community Development Block Grant (CDBG) and the HOME Investment Partnerships (HOME) programs. For each subsequent year, HUD requires the City to submit an Action Plan with the proposed projects and funding for the upcoming year. This Action Plan represents the second submittal to HUD and constitutes an application for CDBG and HOME funds for Fiscal Year 2021/22.

**RECOMMENDED ACTIONS:** Following the conclusion of the Public Hearing, the City Council will consider:

- a. Adopting a Resolution approving the Fiscal Year 2021/22 Annual Action Plan; and authorizing the City Manager, or designee, to submit to the U.S. Department of Housing and Urban Development; and
- b. Authorizing the City Manager to enter into agreements, in a form acceptable to the City Attorney, with eligible subrecipients and purchase of supplies, programs, and equipment as noted in the Fiscal Year 2021/22 Annual Action Plan.

**FISCAL IMPACT:** In Fiscal Year (FY) 2021/22, the City will receive \$1,453,467 in CDBG funds and \$713,127 in HOME funds. There is no fiscal impact to the City's General Fund.

**NOTICING REQUIREMENT:** Advertising and notification of the Public Hearing was conducted in compliance with Municipal Code Section 11.50.020 (Public Hearing Notification) and was published in the Long Beach Press Telegram on April 14, 2021. The notice noted a 30-day comment period. Any comments received will be addresses.

**ALIGNMENT WITH COUNCIL GOALS:** The FY 2021/22 Annual Action Plan supports the City Council 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:** Each year, the City prepares an Annual Action Plan in connection with the five-year Consolidated Plan, which details how the City will spend its allocated CDBG and HOME funds. The FY 2021/22 Annual Action plan is the second year of its five-year Consolidated Plan cycle. The Annual Action Plan has two principal purposes:

- Identify the projects and programs to be undertaken during the upcoming fiscal year, and the proposed objective and outcomes to be achieved within the overall context of the five-year consolidated plan; and
- Act as the City’s application process for federal formula grants, comprised of the CDBG programs.

For FY 2021/22 the City anticipates \$1,453,467 in CDBG funds and \$713,127 in HOME funds.

During the month of October 2020, letters were sent to non-profit organizations and city departments and a legal notice of funding availability was published on October 8, 2020, to inform prospective applicants of the availability of CDBG funds for Fiscal Year 2021-22. Completed applications were accepted in the City Clerk’s office up until the deadline date of November 30, 2020. The CAC reviewed the applications and later heard presentations from the applicants at their meetings of January 13<sup>th</sup>, 27<sup>th</sup> and February 3<sup>rd</sup> of 2021. On February 3, 2021, the CAC discussed and recommended approval of projects and allocations. On April 27, 2021, the City Council reviewed the Citizens’ Advisory Committee’s (CAC) recommended projects and funding amounts to be appropriated from Community Development Block Grant (CDBG) funds for Fiscal Year 2021/2022.

At the time the CDBG funding allocations were presented to the CAC, we expected to receive a total of \$1,400,000 in CDBG funding, which is the total amount of funding the CAC discussed and provided their recommended projects and funding allocations for. The CDBG entitlement allocation for Fiscal Year 2021/22 ended up being \$1,453,467. The Fiscal Year 2021/22 HOME allocation is \$713,127. In addition, there is available approximately \$1,793,006 of unspent HOME funds remaining from previous fiscal years. Therefore, the total amount of funding available for Fiscal Year 2021/22 is listed below:

- CDBG Funds                 \$1,453,467
- HOME Funds                 \$2,506,133

The proposed CDBG funding allocations approved by the Citizens Advisory Committee for Fiscal Year 2021/22 are listed below:

**CDBG Allocation (\$1,400,000):**

Program Administration (Maximum 20% of allocation) (Program Admin Includes Fair Housing Foundation funding of \$24,000)	\$ 280,000
Program Delivery	\$ 100,000
Non-Public Service Projects	\$ 810,000
Public Service Allocation Cap at 15%:	<u>\$ 210,000</u>
<b>Total Allocation</b>	<b><u>\$1,400,000</u></b>

**Non-Public Service Projects (\$810,000):**

S.G. Park Improvement – Roof Repair	\$ 455,000
S.G. Park Improvement – Boy Scout Huts	\$ 355,000
<b>Total Non-Public Service Projects</b>	<b><u>\$ 810,000</u></b>

**Public Service Projects (\$210,000):**

Police Department - Family Violence Prevention & Education:	\$ 10,500
Police Department - Police Explorers:	\$ 7,000
Public Works Department - Graffiti Abatement:	\$ 140,000
The Salvation Army - Homeless Shelter:	\$ 22,500
Comptator – Mental Health:	\$ 10,000
Helpline Youth Counseling – Rental Assistance & Utilities:	\$ 10,000
Southern California Rehabilitation Services:	\$ 10,000
<b>Total Public Service Projects</b>	<b><u>\$ 210,000</u></b>

The revised proposed budget for Fiscal Year 2021/22 is as follows (this also includes the revised program administration amount):

<b>CDBG Funding Allocation for FY 2021/22</b>		<b>\$1,453,467</b>
<b>Total Available Funds for Programming in FY 2020/21</b>		<b>\$1,453,467</b>
<i>Revised Proposed Budget for FY 2021-22:</i>		
Administration (20%)*	\$290,693	
• Fair Housing (\$24,000)		
• Program Administration (\$266,693)		
Mental Health Program	\$10,000	
Salvation Army	\$22,500	
Southern CA Rehab	\$10,000	
Police Explorer	\$7,000	
Family Violence Prevention	\$10,500	
Food Insecurity Program	\$18,020	
S.G. Park Improvement – Roof Repair	\$455,000	
S.G. Park Improvement – Boy Scout Huts	\$389,754	
Graffiti Abatement	\$140,000	
Program Delivery - HOME program	\$100,000	
<i>Total Funds Proposed to be Programmed for FY 2021-22</i>		<b>\$1,453,467</b>
<b>CDBG Funds Available for New Projects</b>		<b>\$0</b>

\*The City is allowed to use 20 percent of the CDBG funding allocation towards the administration of the program. Since the City will be receiving a larger funding allocation than originally estimated for this Fiscal Year, the administration budget will increase by \$10,693, from \$280,000 (amount previously provided to the CAC) to \$290,693.

The proposed HOME funding allocations for FY 2021-22 are listed below on the next page:



<b>HOME Funding Allocation for FY 2021/22</b>		<b>\$713,127</b>
Unspent funds from Previous FYs		\$ 1,793,006
<b>Total Available Funds for Programming in FY 2021/22</b>		<b>\$2,506,133</b>
<i>Proposed Budget for FY 2021-22:</i>		
Administration (10%)	\$71,313	
HOME Program	\$2,058,900	
Community Housing Dev. Organization (CHDO) (15%)	\$375,920	
<i>Total Funds Proposed to be Programmed for FY 2021-22</i>		\$2,506,133
<b>HOME Funds Available for New Projects</b>		<b>\$0</b>

**BACKGROUND:** The City of South Gate has been a recipient of CDBG funds annually since the enactment of the Housing and Community Development Act of 1974, due to its status as an “entitlement” jurisdiction (having a population above 50,000 and meeting certain other demographic criteria). CDBG funding can be used for a variety of projects and programs primarily benefiting persons of low- and moderate-income.

The HUD regulations regarding Annual Action Plans mandate a citizen participation and public review process. This includes a public hearing prior to the submission of an Annual Action Plan. The draft Annual Action Plan issued for public review and comment (Attachment A) includes the recommended allocations adopted by the CAC.

**ATTACHMENTS:** A. Proposed Resolution (including Draft FY 2021/22 Annual Action Plan)  
B. Public Hearing Notice

**RESOLUTION NO. \_\_\_\_\_**

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

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE,  
CALIFORNIA, RECEIVING AND APPROVING THE FISCAL YEAR 2021/22 ANNUAL  
ACTION PLAN AND AUTHORIZING THE EXECUTION OF ALL NECESSARY  
DOCUMENTS FOR THE SUBMITTAL OF SAID PLAN TO THE U.S. DEPARTMENT  
OF HOUSING AND URBAN DEVELOPMENT**

**WHEREAS**, the U.S. Department of Housing and Urban Development (“HUD”) requires all jurisdictions that receive federal entitlement funds to prepare an Annual Action Plan that identifies the projects to be funded with Community Development Block Grant (“CDBG”) and HOME Investment Partnerships (“HOME”);

**WHEREAS**, the City of South Gate (“City”) prepared and submitted a Five-Year Consolidated Plan, which contained an Action Plan, to HUD for the City covering the period July 1, 2020 to June 30, 2025;

**WHEREAS**, the purpose of the Consolidated Plan and the Annual Action Plan is to identify housing and community development needs and to develop specific goals and objectives to address those needs over a five-year period and is a requirement of the U.S. Department of Housing and Urban Development that the City must meet in order for the City to continue to receive federal housing and community development funds;

**WHEREAS**, the City is required to submit an Action Plan, such that it is due to HUD within 60 days after the allocations are announced;

**WHEREAS**, the Action Plan Update constitutes an application to HUD for Fiscal Year 2021/22 federal funds from the CDBG and HOME programs;

**WHEREAS**, the City has prepared an Annual Action Plan for Fiscal Year 2021/22 with the participation of the Citizens Advisory Committee and made it available for public review and comments on April 12, 2021, which was posted on the City’s website for the required thirty-day public review period;

**WHEREAS**, the City published a Notice of Availability of the Annual Action Plan for Fiscal Year 2021/22 and a Notice of Public Hearing in the Long Beach Press Telegram on April 14, 2021, scheduling this matter for final public comment and City Council consideration for May 11, 2021; and

**WHEREAS**, on May 11, 2021, the City Council did conduct a duly noticed public hearing to hear public comment on the Annual Action Plan for Fiscal Year 2021/22 and received final public comment on this Annual Action Plan.

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

**SECTION 1.** The City Council does hereby declare that the above recitals are true and correct and are incorporated herein by reference.

**SECTION 2.** The City Council does hereby approve the Fiscal Year 2021/22 Annual Action Plan attached hereto as Exhibit "A."

**SECTION 3.** The City Manager and/or this designee, is authorized to take reasonable actions needed to implement this Resolution, including submittal of the Annual Action Plan to the appropriate HUD office on behalf of the City. The City Manager, and/or his designee, is further authorized to promulgate and implement administrative policies and procedures needed to effectuate the Annual Action Plan.

**SECTION 4.** The City Manager and/or his designee is hereby directed to file a copy of said Annual Action Plan to HUD.

**SECTION 5.** The City Manager is hereby authorized to enter into agreements with eligible sub-recipients, in a form acceptable to the City Attorney.

**SECTION 6.** The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

**PASSED, APPROVED, and ADOPTED on this 11<sup>th</sup> day of May 2021.**


**CITY OF SOUTH GATE:**

By: \_\_\_\_\_  
Al Rios, Mayor

**ATTESTED:**

By: \_\_\_\_\_  
Carmen Avalos, City Clerk  
(SEAL)

**APPROVED AS TO FORM:**

By:  \_\_\_\_\_  
Raul F. Salinas, City Attorney



City of  
**South  
Gate**™

**FISCAL YEAR 2021-2022 Annual Action Plan**

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# Annual Action Plan Executive Summary

## AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

### 1. Introduction

The City of South Gate's 2021-2022 Action Plan for funding and program activities is based on priorities established by the City's Five-Year Consolidated Plan. The 2021-2022 Action Plan is the second year of the five-year strategy for 2020 through 2025. The Five-Year Consolidated Plan combines two Federal Department of Housing and Urban Development (HUD) Programs: Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME).

The City's Community Development Department, Housing Division, coordinates, manages plans, submits and implements the process. The Division continues to be involved in activities which enhance the coordination among public and non-profit, private housing providers, and health and service agencies.

The 2021-2022 Action Plan serves as the City's blueprint for providing decent affordable housing to lower-income households, providing suitable living environments, expanding economic opportunities, and expanding the capacity of nonprofit housing providers to the citizens of South Gate. This strategic plan sets forth goals, objectives, and performance benchmarks for measuring and establishing a framework for progress. The City will receive \$1,453,467 in PY 2021-2022 CDBG funds; it does not anticipate having carryover funds from previous years. The City is receiving \$713,127 in HOME funds for PY 2021-2022 and is allocating \$1,793,006 in HOME carryover funds from prior years.

The proposed plan includes the following initiatives under CDBG funding: Community Service Programs (i.e. supporting Youths, homeless, etc.); General Administration, Program Delivery, Minor Home Improvement Program, Public Improvements, Commercial Façade Program, and Fair Housing. The funds serve extremely low to moderate-income residents.

HOME funded activities include: General Administration, affordable housing acquisition and development, and residential rehab programs. The populations served are low-to moderate-income.

### 2. Summarize the objectives and outcomes identified in the Plan

The CDBG and HOME funds will be used to meet the goals and objectives established in the 2020-2025 Consolidated Plan. The goals and objectives have been developed in consultation with citizens, service agencies, other funding partners, and businesses to provide decent housing, a suitable living environment, and economic opportunities for low-to moderate-income households.

The City will pursue these goals and objectives by working with the non-profit community, neighborhood groups, associated businesses, stakeholders, labor union representatives, other local government entities, residents, and partners. The City will also work closely with other City departments to jointly plan, implement, and evaluate the program's core activities.

The City of South Gate will strive to meet the following goals and objectives between 2020 and 2025. These goals are based on assumptions as to future funding levels for the Consolidated Plan programs. Because these funding sources are subject to annual Congressional appropriations as well as potential changes in funding distribution formulas or the number of communities eligible to receive entitlement grants, the accomplishment projections and planned activities are subject to change with availability of funding.

### **Summary of Goals**

The goals of the 2020-2025 Consolidated Plan include:

- Preservation and rehabilitation of the existing housing stock using CDBG and HOME funds.
- Expand and improve the quality and quantity of public service programs.
- Promote fair housing.
- Provide infrastructure and public facility funding.
- Target code enforcement activities to public health and safety issues.
- Provide financial assistance for the rehabilitation of commercial façade improvements.
- Economic Development activities that promote employment and preserve local businesses.
- Housing rehabilitation.
- Public Services.

### **3. Evaluation of past performance**

The City continually strives to improve the performance of its operations and those of its funded agencies. The City prepares the Consolidated Annual Performance Evaluation and Report (CAPER) annually, which documents progress toward meeting needs and achieving strategies established in the Consolidated Plan and the Annual Action Plans.

Over the past years, the City's CDBG funds were used for meeting the three goals of providing decent housing; creating a suitable living environment; and expanding economic opportunities to low-and moderate-income persons in South Gate.

City Table 1 describes past performance for the last completed fiscal year 2019-2020, as the current FY 2020-2021 has not concluded.

**City Table 1  
Accomplishments-ANNUAL ACTION PLAN- FY 2019-2020**

Goal	Program Indicator	Expected Program Year 19-20	Actual Program Year 19-20	Percent Completed
Code Enforcement	Housing Code Enforcement and Foreclosed Property Care	2,800 Housing Units	0 <sup>1</sup>	0%
Commercial Rehabilitation	Businesses Assisted	4 Businesses Assisted	12	300%
Fair Housing	Other	600 Other	250	41.67%
Housing	Homeowner Housing Rehabilitated	3 Household Housing Unit	1	33%
Infrastructure and Public Facility	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	2 Persons Assisted	9,933 <sup>2</sup>	4,966%
Public Services	Provide Public Services for Low Residents	102 Persons Assisted	265	259.8%

<sup>1</sup> Code Enforcement was no longer funded with CDBG funds for FY 2019/20.

<sup>2</sup> Original estimates were based upon sidewalk replacement program. Actuals reflect responses by graffiti abatement.

#### **4. Summary of Citizen Participation Process and consultation process**

The City is committed to maximizing community participation in the CDBG and HOME process. To ensure that its 2021-2022 Action Plan was based on resident needs, the City used the following approach to create participation of residents, service providers, and other interested persons and organizations:

##### **South Gate Citizens Advisory Committee**

The South Gate Citizens Advisory Committee (CAC) is an advisory board created by City Council to ensure constant dialog exists between City Hall and the community. The role of the CAC is twofold. First, to ensure that City Council is appraised of the needs, desires, and interests of City residents. Second, to review and make recommendations on CDBG funding to City Council. The CAC, meets six times a year, is comprised of members representing the demographic and social range of residents in the City. The CAC was actively involved in the current Annual Action Plan process. The CAC reviewed the 2021-2022 Public Services applications and made CDBG selection and funding recommendations to City Council for the Annual Action Plan. It is anticipated that the CAC will continue to serve in an advisory role to the CDBG process.



## **Annual Public Services Application Process**

The annual Public Services selection process established by the City requires applicants to apply describing their proposed project or program and detailing how the project meets local and national CDBG objectives and federal requirements. City staff and the CAC review the public services applications and make a recommendation for CDBG funding to City Council. The annual CAC recommendation and Council selection of public service grantees is based on the following criteria:

- Consistency of service activity with national objectives and federal requirements;
- Consistency of service activity with the goals, objectives, and strategies of the 5-year Consolidated Plan;
- Experience and competency of the applicant; and
- Demonstrated need and lack of other sources of funding.

### **5. Summary of public comments**

The Annual Action Plan was made available for a 30-day public review from April 12, 2021 through May 11, 2021. The City prepared a notice announcing the Draft Action Plan was available for public review on the City's website. The notice was published in the local newspaper. The notice also indicated the date, time, and location of the City Council public hearing, and the amount of HOME and CDBG assistance expected to be received during the plan duration. The City held a public hearing on May 11, 2021.

### **6. Summary of comments or views not accepted and the reasons for not accepting them**

TBD

### **7. Summary**

TBD

## PR-05 Lead & Responsible Agencies – 91.200(b)

### 1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	SOUTH GATE	Community Development Department, Housing Division
HOME Administrator	SOUTH GATE	Community Development Department, Housing Division

Table 1 – Responsible Agencies

### Narrative (optional)

The City of South Gate (City) is the Lead Agency for the CDBG and HOME entitlement programs. The City's Community Development Department is responsible for the administration and preparation of the Consolidated Plan, Annual Action Plans and Consolidated Annual Performance Evaluation Reports (CAPER).

### Contact Information

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[dguevara@sogate.org](mailto:dguevara@sogate.org)

## Expected Resources

### AP-15 Expected Resources – 91.220(c)(1,2)

#### Introduction

South Gate is faced with the challenging task of meeting increasing needs with fluctuating and/or decreasing federal and State resources.

For FY 2021-2022, the City will receive the following funding:

HOME Investment Partnerships (HOME): The City will receive a grant allocation of \$713,127 and will utilize \$1,793,127 in carryover funds; of which ten percent (10%) or \$71,313 will be used for Program Administration; Fifteen percent (15%) or \$375,920 will be allocated to a Community Housing Development Organization (CHDO) and the remaining seventy-five percent (75%) or \$2,058,900 will be spent on the affordable housing acquisition and development and residential rehab programs. The City does not have HOME Program Income (PI) to report at this time.

Community Development Block Grant (CDBG): The City will receive a grant allocation of \$1,453,467 of which twenty percent (20%) or \$290,693 will be used for Program Administration which includes an allocation of \$24,000 for Fair Housing Foundation; the remaining balance of \$1,453,467 will be programmed in Public Service projects and City Services projects. The City does not have CDBG Program Income to report at this time.

## Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$1,453,467	\$0	\$0	\$1,453,467	\$4,495,133	A HUD formula-based program that annually allocates funds for a wide range of eligible housing and community development activities.
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$713,127	\$0	\$1,793,006	\$2,506,133	\$1,946,545	A HUD formula-based program that annually allocates funds to support affordable housing programs.

Table 2 - Expected Resources – Priority Table

**Explain how federal funds will leverage those additional resources (private, state, and local funds), including a description of how matching requirements will be satisfied. |**

The City recognizes that the City's annual entitlement and formula allocations are not sufficient to meet all its needs, and that leveraging resources is critical to achieving the City's goals. The City continues to cultivate funding partners who can match the City's investment of CDBG and HOME funds.

**If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan.**

There is currently no publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan.

### **Discussion**

The City anticipates a 100% HOME Match reduction for FY 21-22 as in past years. HOME match reductions are due to areas of fiscal distress, severe fiscal distress, and Presidential disaster declarations as designated by HUD.

DRAFT

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Administration	2021	2022	Administration	Citywide	Planning and Administration	CDBG: \$266,693 HOME: \$71,313	Other: 0 Other
2	Fair Housing	2021	2022	Administration	Citywide	Ensure equal access to housing opportunities	CDBG: \$24,000	Other: 250 Other
3	Housing	2021	2022	Affordable Housing	Citywide	Preserve the supply of affordable housing	CDBG: \$100,000 HOME: \$2,506,133	Homeowner Housing Rehabilitated: 10 Households/ Housing Units;
4	Infrastructure and Public Facility	2021	2022	Non-Housing Community Development	Citywide	Infrastructure and Public Facilities	CDBG: \$844,754	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit:
5	Public Services	2021	2022	Non-Housing Community Development	Citywide	Provide public services for low-income residents	CDBG: \$218,020	Public service activities other than Low/Moderate Income Housing Benefit: 70 Persons Assisted

Table 3 – Goals Summary

Annual Action Plan  
2021

## Goal Descriptions

1	<b>Goal Name</b>	Administration
	<b>Goal Description</b>	Provide planning and administrative services.
2	<b>Goal Name</b>	Fair Housing
	<b>Goal Description</b>	Promote fair housing.
3	<b>Goal Name</b>	Housing
	<b>Goal Description</b>	Promote and maintain affordable housing options
4	<b>Goal Name</b>	Infrastructure and Public Facility
	<b>Goal Description</b>	Provide funding projects such as: Street Lighting, water, sewer, street, alley, and sidewalk improvements. Park Improvements. Retrofitting public facilities to meet the Americans with Disabilities Act (ADA) and comparable State law.
5	<b>Goal Name</b>	Public Services
	<b>Goal Description</b>	Expand and improve the quality and quantity of public service programs.

## Projects

### AP-35 Projects – 91.220(d)

#### Introduction

To address the priority needs identified in the 2020-2025 Consolidated Plan, the City of South Gate will invest CDBG and HOME funds in projects that preserve affordable housing, provide fair housing services, provide services to low-and moderate-income residents, provide services to residents with special needs, prevent homelessness, improve public facilities and infrastructure.

The 2021-2022 Annual Plan sets forth a description of activities for the use of funds that will become available during the coming federal fiscal year, determines goals for individuals and households to be served, and describes the implementation plan and geographic location of the activities to be undertaken.

#### Projects

#	Project Name
1	CDBG ADMINISTRATION
2	FAIR HOUSING FOUNDATION
3	REHABILITATION ADMINISTRATION (Activity Delivery Costs)
4	GRAFFITI ABATEMENT
5	SALVATION ARMY BELL-SHELTER
6	FAMILY VIOLENCE PREVENTION AND EDUCATION PROGRAM
7	POLICE EXPLORERS
8	SOUTHERN CALIFORNIA REHABILITATION SERVICES
9	MENTAL HEALTH SERVICES
10	FOOD INSECURITY
11	SG PARK IMPROVEMENTS-ROOF REPAIR
12	SG PARK IMPROVEMENTS-BOY SCOUT HUTS
13	HOME PROGRAM ADMINISTRATION
14	RESIDENTIAL REHABILITATION PROGRAM
15	HOME - CHDO

**Table 4 - Project Information**

**Describe the reasons for allocation priorities and any obstacles to addressing underserved needs.**

The primary obstacles to meeting the underserved needs of low-and moderate-income people include



lack of funding from federal, state, and other local sources, the high cost of housing that is not affordable to low-and moderate-income people, and the lack of availability of home improvement financing in the private lending industry. To address these obstacles, the City is investing CDBG and HOME funds through the 2021-2022 Action Plan in projects that provide deferred loans to low-and moderate-income homeowners for home improvements, projects that provide public and neighborhood services to low-and moderate-income people and those with special needs, and projects that prevent homelessness.

DRAFT

**AP-38 Project Summary**  
**Project Summary Information**

DRAFT

1	<b>Project Name</b>	CDBG ADMINISTRATION
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Administration
	<b>Needs Addressed</b>	Planning and Administration
	<b>Funding</b>	CDBG: \$266,693
	<b>Description</b>	The City of South Gate receives Community Development Block Grant funds to administer, design, implement and plan eligible CDBG activities.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The entire Community will benefit from the City's Administration of the CDBG Grant, though the direct beneficiaries of each funded activity will be primarily low- and moderate-income residents.
	<b>Location Description</b>	Citywide
	<b>Planned Activities</b>	The City of South Gate receives Community Development Block Grant funds to administer, design, implement and plan eligible CDBG activities.
2	<b>Project Name</b>	FAIR HOUSING FOUNDATION
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Fair Housing
	<b>Needs Addressed</b>	Ensure equal access to housing opportunities
	<b>Funding</b>	CDBG: \$24,000
	<b>Description</b>	The Fair Housing Foundation administers a comprehensive program that includes: 1) discrimination complaint intake and investigation; 2) outreach and education; 3) general housing (landlord/tenant counseling; and 4) enforcement and impact litigation.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	250 households
	<b>Location Description</b>	Citywide

	<b>Planned Activities</b>	The Fair Housing Foundation administers a comprehensive program that includes: 1) discrimination complaint intake and investigation; 2) outreach and education; 3) general housing (landlord/tenant counseling; and 4) enforcement and impact litigation.
<b>3</b>	<b>Project Name</b>	REHABILITATION ADMINISTRATION (Activity Delivery Costs)
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Housing
	<b>Needs Addressed</b>	Preserve the supply of affordable housing
	<b>Funding</b>	CDBG: \$100,000
	<b>Description</b>	CDBG funds will be used for delivery costs (including staff, other direct costs, and service costs) directly related to carrying out HOME housing rehabilitation activities. These CDBG funds will not be used for the costs of actual rehabilitation and will not be used for costs unrelated to running a rehabilitation program.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	The Residential Rehabilitation Program is administered by the Community Development Department located at 8650 California Avenue, South Gate, CA 90280.
	<b>Planned Activities</b>	CDBG funds will be used for delivery costs (including staff, other direct costs, and service costs) directly related to carrying out HOME housing rehabilitation activities. These CDBG funds will not be used for the costs of actual rehabilitation and will not be used for costs unrelated to running a rehabilitation program.
<b>4</b>	<b>Project Name</b>	GRAFFITI ABATEMENT
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Infrastructure and Public Facility
	<b>Needs Addressed</b>	Infrastructure and Public Facilities
	<b>Funding</b>	CDBG: \$140,000

	<b>Description</b>	The Graffiti Abatement Program operates in CDBG low- and moderate-income service areas throughout the city to remove graffiti from hardscape areas such as walls, sidewalks, street furniture, poles and signs. Funds pay for labor, supplies and material.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	19 census tracts
	<b>Location Description</b>	The Activity is administered by the Public Works Department located at 8650 California Avenue, South Gate, CA 90280.
	<b>Planned Activities</b>	The Graffiti Abatement Program operates in CDBG low- and moderate-income service areas throughout the city to remove graffiti from hardscape areas such as walls, sidewalks, street furniture, poles and signs. Funds pay for labor, supplies and material.
5	<b>Project Name</b>	SALVATION ARMY BELL SHELTER
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Public Services
	<b>Needs Addressed</b>	Provide public services for low-income residents
	<b>Funding</b>	CDBG: \$22,500
	<b>Description</b>	Provide emergency shelter for residents who are experiencing homelessness.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	10 people
	<b>Location Description</b>	This Program is administered by the Salvation Army located at 5600 Rickenbacker Road #2A, Bell, CA 90057.
	<b>Planned Activities</b>	Provide emergency shelter for residents who are experiencing homelessness.
6	<b>Project Name</b>	FAMILY VIOLENCE PREVENTION AND EDUCATION PROGRAM
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Public Services

	<b>Needs Addressed</b>	Provide public services for low-income residents
	<b>Funding</b>	CDBG: \$10,500
	<b>Description</b>	The Family Violence Prevention and Education Program will offer empowerment workshops and individual counseling sessions to battered spouses and family members. In addition, the program promotes awareness and education on sexual assault and family violence throughout the community.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	15 people
	<b>Location Description</b>	The Program is administered by the Police Department located at 8620 California Avenue, South Gate, CA 90280.
	<b>Planned Activities</b>	The Family Violence Prevention and Education Program will offer empowerment workshops and individual counseling sessions to battered spouses and family members. In addition, the program promotes awareness and education on sexual assault and family violence throughout the community.
7	<b>Project Name</b>	POLICE EXPLORERS
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Public Services
	<b>Needs Addressed</b>	Provide public services for low-income residents
	<b>Funding</b>	CDBG: \$7,000
	<b>Description</b>	The South Gate Police Explorers Program will provide training and orientation to young adults (ages 14-21), where 51% of whom are low- or moderate-income, who are interested in pursuing a career in law enforcement.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	10 youth
	<b>Location Description</b>	The Program is administered by the Police Department located at 8620 California Avenue, South Gate, CA 90280

	<b>Planned Activities</b>	The South Gate Police Explorers Program will provide training and orientation to young adults (ages 14-21), where 51% of whom are low- or moderate-income, who are interested in pursuing a career in law enforcement.
8	<b>Project Name</b>	SOUTHERN CALIFORNIA REHABILITATION SERVICES
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Public Services
	<b>Needs Addressed</b>	Provide public services for low-income residents
	<b>Funding</b>	CDBG: \$10,000
	<b>Description</b>	Will provide home modifications, durable medical equipment and technology devices to South Gate residents with disabilities.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	10 people
	<b>Location Description</b>	This Program is administered by the Southern California Rehabilitation Services, Inc. located at 7830 Quill Drive, Suite D, Downey, CA 90242.
	<b>Planned Activities</b>	Will provide home modifications, durable medical equipment and technology devices to South Gate residents with disabilities.
9	<b>Project Name</b>	MENTAL HEALTH SERVICES
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Public Services
	<b>Needs Addressed</b>	Provide public services for low-income residents
	<b>Funding</b>	CDBG: \$10,000
	<b>Description</b>	Services provided may include counseling, mentoring and substance use disorder educational services.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	15 people
	<b>Location Description</b>	The Program is administered by Compator Counseling Center located at 4363 Tweedy Blvd, South Gate, CA 90280

	<b>Planned Activities</b>	Services provided may include counseling, mentoring and substance use disorder educational services.
10	<b>Project Name</b>	FOOD INSECURITY PROGRAM
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Public Services
	<b>Needs Addressed</b>	Provide public services for low-income residents
	<b>Funding</b>	CDBG: \$18,020.00
	<b>Description</b>	This program supplements groceries for low-income households.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	40 households
	<b>Location Description</b>	This program will be made available to eligible households in the City of South Gate.
	<b>Planned Activities</b>	This program supplements groceries for low-income households.
11	<b>Project Name</b>	SG PARK IMPROVEMENTS-ROOF REPAIR
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Infrastructure and public facility improvements.
	<b>Needs Addressed</b>	Infrastructure and public facility improvements.
	<b>Funding</b>	CDBG: \$455,000
	<b>Description</b>	This project proposes to address major leaks in the auditorium roof to minimize damage to equipment, interior floors, etc.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	
	<b>Location Description</b>	City Wide
	<b>Planned Activities</b>	This project proposes to address major leaks in the auditorium roof to minimize damage to equipment, interior floors, etc.
12	<b>Project Name</b>	SG PARK IMPROVEMENTS-BOY SCOUT HUTS
	<b>Target Area</b>	Citywide



	<b>Goals Supported</b>	Infrastructure and public facility improvements.
	<b>Needs Addressed</b>	Infrastructure and public facility improvements.
	<b>Funding</b>	CDBG: \$389,754
	<b>Description</b>	This project proposes to address major leaks in 8 hut roofs and to address other structural issues.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	
	<b>Location Description</b>	City Wide
	<b>Planned Activities</b>	This project proposes to address major leaks in 8 hut roofs and to address other structural issues.
<b>13</b>	<b>Project Name</b>	HOME PROGRAM ADMINISTRATION
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Administration
	<b>Needs Addressed</b>	Planning and Administration
	<b>Funding</b>	HOME: \$71,313.00
	<b>Description</b>	The entire Community will benefit from the City's Administration of the HOME Grant, though the direct beneficiaries of each funded activity will be primarily low- and moderate-income residents.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	n/a
	<b>Location Description</b>	The HOME grant is administered by the Community Development Department located at 8650 California Avenue, South Gate, CA 90280
	<b>Planned Activities</b>	The entire Community will benefit from the City's Administration of the HOME Grant, though the direct beneficiaries of each funded activity will be primarily low- and moderate-income residents.
<b>14</b>	<b>Project Name</b>	RESIDENTIAL REHABILITATION PROGRAM
	<b>Target Area</b>	Citywide

	<b>Goals Supported</b>	Housing
	<b>Needs Addressed</b>	Preserve the supply of affordable housing
	<b>Funding</b>	HOME: \$2,058,900.00
	<b>Description</b>	This program provides deferred loans to qualified homeowners for rehab on their properties. The loan is due and payable when title is transferred, or property is refinanced or sold. The property must be brought up to certain housing standards as part of the rehab assistance. The property must be owner-occupied and may have up to four units. Qualified households must have an annual income at or less than 80% of the area median income.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	10 projects
	<b>Location Description</b>	The Rehabilitation Program is administered by the Community Development Department located at 8650 California Avenue, South Gate, CA 90280.
	<b>Planned Activities</b>	This program provides deferred loans to qualified homeowners for rehab on their properties. The loan is due and payable when title is transferred, or property is refinanced or sold. The property must be brought up to certain housing standards as part of the rehab assistance. The property must be owner-occupied and may have up to four units. Qualified households must have an annual income at or less than 80% of the area median income.
15	<b>Project Name</b>	HOME - CHDO
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Housing
	<b>Needs Addressed</b>	Preserve the supply of affordable housing
	<b>Funding</b>	HOME: \$375,920.00

<b>Description</b>	At least 15 percent of HOME Investment Partnerships Program (HOME) funds must be set aside for specific activities to be undertaken by a special type of nonprofit called a Community Housing Development Organization (CHDO). A CHDO is a private nonprofit, community-based organization that has staff with the capacity to develop affordable housing for the community it serves. In order to qualify for designation as a CHDO, the organization must meet certain requirements pertaining to their legal status, organizational structure, and capacity and experience.
<b>Target Date</b>	6/30/2022
<b>Estimate the number and type of families that will benefit from the proposed activities</b>	5 households
<b>Location Description</b>	City wide
<b>Planned Activities</b>	At least 15 percent of HOME Investment Partnerships Program (HOME) funds must be set aside for specific activities to be undertaken by a special type of nonprofit called a Community Housing Development Organization (CHDO). A CHDO is a private nonprofit, community-based organization that has staff with the capacity to develop affordable housing for the community it serves. In order to qualify for designation as a CHDO, the organization must meet certain requirements pertaining to their legal status, organizational structure, and capacity and experience.

## **AP-50 Geographic Distribution – 91.220(f)**

**Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed.**

HUD-funded activities are limited to the City's low-and moderate-income areas, which encompass most the City's residential areas. Areas of the City outside of the CDBG low-and moderate-income areas will benefit from activities that are limited-clientele in nature, i.e., a person/household can benefit from a federally assisted program provided they meet the program's eligibility criteria. Eligibility is typically established by household income and household size.

CDBG program funds will be expended based on program criteria. For example, public services are available on a citywide basis for qualified beneficiaries; fair housing and program administration activities will also be carried out on a citywide basis.

HOME funds will be utilized to support housing acquisition and rehabilitation activities for low-income tenants and homeowners. To qualify for these funds an evaluation of household income will be undertaken.

### **Geographic Distribution**

<b>Target Area</b>	<b>Percentage of Funds</b>
Citywide	100

**Table 5 - Geographic Distribution**

### **Rationale for the priorities for allocating investments geographically**

As most of the City's residential areas are made up of low- and moderate-income households, the City distributes their allocation citywide.

### **Discussion**

See narrative above.

# Affordable Housing

## AP-55 Affordable Housing – 91.220(g)

### Introduction

One of the greatest impediments to affordable housing is the lack of federal and state resources for affordable housing initiatives.

As there are limited opportunities and funding available to provide affordable housing opportunities, the City will attempt to seek new partnerships in the upcoming year. During PY 2021-2022 the City will address affordable housing needs through the following programs:

**Housing Choice Voucher Program:** The City will continue to provide rental assistance to extremely low- and low-income households through the South Gate Housing Authority's Housing Choice Voucher Program. Renter-households will be assisted, which will include elderly, single-parent, and disabled special needs households. However, these are not counted toward the affordable housing goals.

**Fair Housing Program:** In addition, the City's Fair Housing Program is administered by the Fair Housing Foundation, who will provide fair housing services and landlord/tenant information to all residents who request counseling, resource referral, complaint investigation, and public education on all forms of housing discrimination. Renter-households will be assisted, which will include elderly, single-parent, and disabled special needs households. However, these are not counted toward the affordable housing goals.

**Homeowner Rehabilitation Program:** This program provides deferred loans to qualified homeowners for rehabilitation on their properties. The property must be brought up to certain housing standards as part of the rehabilitation assistance. The program expects to assist 5 households this program year.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	0
Special-Needs	0
Total	0

Table 6 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	10
Acquisition of Existing Units	0
Total	10

Table 7 - One Year Goals for Affordable Housing by Support Type

## Discussion

The Consolidated Plan identifies a high priority need to expand the supply of affordable housing and a high priority need to preserve the supply of affordable housing. During the 2021-2022 program year, the City will invest CDBG and HOME funds in the preservation of affordable housing units. Specifically, CDBG and HOME funds will be used to support affordable housing preservation projects including the City of South Gate's Residential Rehabilitation Program and Minor Home Improvement Program.

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## **AP-60 Public Housing – 91.220(h)**

### **Introduction**

There is no public housing in the City of South Gate.

### **Actions planned during the next year to address the needs to public housing.**

Not Applicable - The City does not have public housing.

### **Actions to encourage public housing residents to become more involved in management and participate in homeownership.**

Not Applicable - The City does not have public housing.

### **If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance.**

Not Applicable

### **Discussion**

None.

## **AP-65 Homeless and Other Special Needs Activities – 91.220(i)**

### **Introduction**

The City is located within the Los Angeles Homeless Services Authority (LAHSA) Continuum. The continuum provides oversight of federal homeless assistance dollars and collaborates with local communities to provide the best service to residents who are homeless. The Los Angeles Continuum conducts quarterly community meetings, and when appropriate the City attends and participates in these meetings.

For FY 2021-2022, the City is allocating funds to support a local homeless shelter and a rental assistance program. South Gate residents who are of low-to-moderate income and at risk of experiencing homelessness will receive assistance to obtain and maintain housing stability. Services provided may include income payments for low-income eligible residents, case management, and Rapid Re-Housing Activities including emergency shelter for residents who are experiencing homelessness.

**Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs.**

The South Gate Police Department, in cooperation with The Salvation Army Bell Shelter, operates a homeless outreach program which consists of a mobile outreach team. The Police Department Liaison and personnel from the Bell Shelter coordinate street outreach efforts by vehicle and by foot. Street outreach, case management, and referrals are provided to homeless families and individuals through this program. Homeless clients are provided guidance in the identification of barriers to overcoming homelessness and the development of a plan to address these challenges. The team then assists clients at a highly supportive level to address those needs which may include accessing mainstream services, increasing income, developing self-determination, and accessing shelter and housing.

**Addressing the emergency shelter and transitional housing needs of homeless persons**

Locally, the Salvation Army Bell Shelter operates a comprehensive program that offers transitional care for up to 350 homeless men and women. The City will continue to allocate CDBG funds to the Salvation Army Bell Shelter. The goal of the Bell Shelter is to meet the needs of the homeless population by addressing the myriad of reasons why people become homeless and assisting them in developing a higher quality of life through independence. Services offered include emergency shelter, transitional housing, substance abuse rehabilitation, case management, counseling, on-site health care & medical referrals, HIV/AIDS education, ESL classes, computer training, vocational assistance, job referrals and life skills



classes.

The South Gate Domestic Violence Education and Prevention program administered by the South Gate Police Department provides shelter, court advocacy, counseling, 24-hour hotline, crisis intervention, support groups and case management to domestic and sexual abuse victims.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

The City of South Gate collaborates with different organizations to prevent the recurrence of homelessness. The City partners with local organizations and non-profits to offer various programs and resources for residents experiencing homelessness or who are at risk of homelessness. The partnership with the Salvation Army Bell Shelter addresses gaps in the City and the need for services to residents experiencing homelessness, unemployment, substance abuse, and other social and health resources. The program is granted CDBG funds to offer temporary shelter and support services for eligible participants for up to 90 days. Services vary from case management, transportation and employment services, health and mental health referrals, life skills, individual and group therapy, social and recreational activities, needs assessment, benefits advocacy, and permanent housing assistance. The Salvation Army Bell Shelter works directly with the South Gate Police Department, Community Development, Parks and Recreation, the Housing Authority, and other local organizations to promote services and reach target populations.

To help prevent the recurrence of homelessness the program helps participants search for permanent housing and seek employment to maintain their home. Their case management team conducts workshops to assist residents with building resumes and career prep. Participants are referred to job openings and job fairs and are encouraged to participate in extracurricular activities such as attending monthly meetings, events, and volunteering at the community garden.

To combat homelessness, the City funds for a comprehensive Fair Housing Program that offers education and outreach activities for tenants, landlords, and owners. Education consists of workshops, presentations, community meetings, and trainings. The purpose of this program is to guide all parties on their rights, laws, and responsibilities. The Fair Housing Program conducts rental counseling workshops to those who are concerned with evictions, rent increases and notices.

The City of South Gate also allocates funds to provide emergency income payments for three consecutive

months to eligible households who are experiencing financial challenges and unable to pay for rental fees, security deposits, utility payments, and other payments that are in arrears.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.**

The City of South Gate Police Department has different practice methods for individuals being discharged and who are seeking support services. The Police Department links individuals to available resources and agencies in the City including People Assisting the Homeless (PATH), which is an organization that helps individuals experiencing homelessness in their community. PATH distributes food, and clothing to residents, connects residents to permanent housing, and provides ongoing supportive services for residents in need. PATH has an outreach and prevention team that works in areas where homelessness is more prevalent and connects individuals with employment. The City of South Gate Police Department refers individuals who are being discharged from jail to PATH for interim housing, rapid rehousing, employment, and other permanent supportive services.

There are no hospitals in the City of South Gate, therefore the City does not often have individuals who are being discharged from hospitals. However, if individuals are seeking information the Police Department reaches out to PATH staff for resources, and supportive services. Additionally, if an individual is in custody and needs medical assistance, the City works with the Department of Mental Health and are returned safely to custody after treatment. The Department currently includes these practices as part of duty for patrol officers but will be establishing a team that will be dedicated to helping discharged individuals seeking programs and services.

## **Discussion**

There are a variety of agencies in the region that provide housing options and case management assistance including those returning from mental and physical health institutions. They provide the option of living independently in a group setting. They are:

- **Rio Hondo Temporary Home, Norwalk** – Provides emergency food and transitional shelter for families with children in the Cerritos, Downey, La Mirada, Montebello, Norwalk, Pico Rivera, Santa Fe Springs and Whittier areas. There are no geographical restrictions for residents.
- **Santa Fe Springs Transitional Living Center, Whittier** – Provides shelter for homeless families in transition, most of whom are single parents or victims of domestic violence and substance abuse,

in Los Angeles County.

- **Hospitality Housing, Whittier** – Provides homeless support services for single adults 18 years and older and families with children.
- **Birch Grove Homes, Norwalk** - Provides supportive services to persons in an existing permanent housing program for persons with mental health disabilities.
- **Community Housing Options, scattered sites** - Provides permanent supportive housing to homeless persons and families living with HIV/AIDS or dual diagnoses.
- **Denker House/Harvest House, scattered sites** - Provides supportive services in an existing permanent housing program for persons with disabilities.
- **Homes for Life Foundation, Norwalk** - Provides permanent housing to eight persons with mental health disabilities in eight one-bedroom apartment style units.
- **Su Casa Domestic Violence Network, Lakewood** - Provides crisis intervention service for domestic violence victims and their children, for a maximum of 30 consecutive days.
- **Salvation Army, Bell Shelter** – Provides emergency shelter services and transitional care for up to 350 homeless men and women.
- **The Southern California Rehabilitation Services** – An independent living resource center in Downey offers programs to eligible South Gate residents that provide people with the tools to learn how to live independently including cooking, budgeting, reading, and finding employment. They also offer disability assistance for improvements on homes for people with disabilities.

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## **AP-75 Barriers to affordable housing – 91.220(j)**

### **Introduction:**

The impact on housing affordability disproportionately affects those who are lower income. HUD considers a housing unit affordable if the occupant household expends no more than 30% of its income on housing cost. In the situation where the household expends greater than 30% of its income on housing cost, the household is considered cost burdened. Cost burdened households have fewer financial resources to meet other basic needs (food, clothing, transportation, medical, etc.), less resources to properly maintain the housing structure, and are at greater risk for foreclosure or eviction.

Recent sales data for South Gate shows that housing prices continue to increase, while household incomes have failed to keep pace with home prices. There are also other factors that create barriers to affordable housing growth. The barriers that typically affect housing costs are as follows:

- Lack of developable land and/or where development is due to zoning.
- Cost of developable land and construction.
- Credit worthiness of potential buyers for homeownership.
- Social opinions discouraging affordable development in particular neighborhoods (“Not in My Backyard NIMBY”).
- Lack of responsible landlords for maintaining safe and clean-living conditions.
- Credit worthiness of potential renters.

**Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment.**

The City adopted General Plan 2035 in 2009. As part of the General Plan update, a new concept in dealing with land use and development standards was introduced. Unlike traditional Euclidean land use and zoning system, the proposed South Gate General Plan uses a “form based” system to determine location and intensity of uses.

The new Zoning Ordinance update was adopted in March 2015. The City’s current estimated number of dwelling units is about 24,242 units. The Zoning Update has created density and development standards to accommodate an estimated growth of over 4,538 units over the next 25 years. This growth rate of

additional units will help alleviate the projected population and issues of affordability.

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## **AP-85 Other Actions – 91.220(k)**

### **Introduction:**

The City consulted the goals set up as part of the 2020-2025 Consolidated Plan and input from the community and Citizen Advisory Committee to determine the activities and goals outlined in the FY 2021-2022 Annual Action Plan. The goals of the 2020-2025 Consolidated plan included:

- Preservation and rehabilitation of the existing housing stock using CDBG and HOME funds.
- Expand and improve the quality and quantity of public service programs.
- Promote fair housing.
- Provide infrastructure and public facility funding.
- Target code enforcement activities to public health and safety issues.
- Provide financial assistance for the rehabilitation of commercial façade improvements.
- Economic Development activities that provide small business support and retention
- Housing rehabilitation.
- Public Services, including mental health support, domestic violence prevention, and substance abuse services.

### **Actions planned to address obstacles to meeting underserved needs.**

The primary obstacles to meeting the underserved needs of low-and moderate-income people include lack of funding from federal, state, and other local sources, the high cost of housing that is not affordable to low-and moderate-income people and the lack of availability of home improvement financing in the private lending industry. To address these obstacles, the City is investing CDBG and HOME funds through the 2021-2022 Action Plan in projects that provide deferred loans to low-and moderate-income homeowners for home improvements, projects that provide public and neighborhood services to low-and moderate-income people and those with special needs, and projects that prevent homelessness.

### **Actions planned to foster and maintain affordable housing.**

The City has been active in providing affordable housing through awarding HOME funds to Developers for senior citizen rental units, and acquisition and rehabilitation of deteriorated rental units for lower income households. The City also provides rental assistance through the Housing Choice Voucher Program to very low-income households through its Housing Authority. The City certifies Community Housing Development Organizations (CHDOs) to provide affordable housing using low HOME rents.

### **Actions planned to reduce lead-based paint hazards.**

All units in a project assisted with CDBG and HOME funds must comply with the regulations found at 24

CFR Part 35. The purpose of the regulation is to identify and address lead-based paint hazards before children are exposed to lead. This requirement has been in effect since September 15, 2000.

Lead-based paint hazards are found in homes built prior to 1978. All Grantees and Participating Jurisdictions must assess homes built prior to 1978 for lead hazards and conduct interim or abatement controls as warranted. Most of the homes in South Gate were built prior to 1978 and have lead-based paint somewhere on the structure. Lead based paint is found on windowsills, doorways or under the eaves. The hazards of lead-based paint are primarily to young children up to age 6, as they are more likely to eat peeling paint. Lead adversely affects the development of a child's brain and other organs.

The City's strategy in addressing lead-based paint hazards involves an educational component for the public, printed outreach information to those households in the "lead hot zones" as identified by the County, and printed information are given to participants in the City's rehabilitation loan programs.

The Residential Rehabilitation Program focuses on rehabilitating existing housing stock throughout the City covering interior and exterior home improvement and/or repairs. In combination with the Residential Rehabilitation Program, the City offers \$10,000 grants to be used for termite and lead abatement. Lead assessments are conducted on all housing projects, both single family and multi-family units. All HCV participant rental units are inspected annually.

### **Actions planned to reduce the number of poverty-level families.**

The implementation of CDBG and HOME activities meeting the goals established in the 2020-2025 Consolidated Plan and this Annual Action Plan will help to reduce the number of poverty level families by:

- Supporting activities that expand the supply of housing that is affordable to low-and moderate-income households;
- Supporting activities that preserve the supply of decent housing that is affordable to low-and moderate-income households;
- Supporting a continuum of housing and public service programs to prevent and eliminate homelessness;
- Supporting housing preservation programs that assure low income households have a safe, decent and sanitary place to live; and
- Supporting public services for low-and moderate-income residents including those with special needs and those at risk of homelessness offered by nonprofit organizations.

In addition to these local efforts, mainstream state and federal resources also contribute to reducing the number of individuals and families in poverty. In California, the primary programs that assist families in poverty are CalWORKs, CalFresh (formerly food stamps) and MediCal. Together, these programs provide individuals and families with employment assistance, subsidies for food, medical care, childcare, and cash

payments to meet basic needs such as housing, nutrition and transportation. Other services are available to assist persons suffering from substance abuse, domestic violence, and mental illness.

### **Actions planned to develop institutional structure.**

The City has tried to develop an institutional structure that will help identify and access resources to improve the community. The City will continue to work with nonprofit entities to deliver public services. As a member of the LAHSA, the City will provide critical information to the County of Los Angeles for preparation of the County's Continuum of Care Homeless Assistance grant applications. South Gate will provide critical information regarding mainstream funds the City will make available to serve the homeless and will also assist in identifying and prioritizing gaps and needs in the regional system of care.

Externally, the City is in direct contact with the Chamber of Commerce and the Tweedy Mile Business Association, both of which represent private industry. The City also partners with various nonprofit organizations to provide affordable housing opportunities. These nonprofits act as sub recipients to provide a variety of services to the community. The City continues to contract with the Salvation Army Bell Homeless Shelter which provides emergency shelter and support services.

### **Actions planned to enhance coordination between public and private housing and social service agencies.**

The City of South Gate is proactive in coordinating with assisted-housing providers, particularly the City's Housing Authority, homeless assistance centers and programs, youth and family oriented social service organizations and health organizations which provide outreach and counseling.

The Community Development department is comprised of Building & Safety, Planning, Housing and Code Enforcement Divisions, who work closely together to coordinate programs with local social service providers to either meet needs directly or to make referrals to outside services, as necessary. Currently, staff makes referrals based upon the available known assistance data.

### **Discussion:**

See discussion above.



## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

**Introduction:**

In the implementation of programs and activities under the 2021-2022 Annual Action Plan, the City of South Gate will follow all HUD regulations concerning the use of program income, forms of investment, overall low-and moderate-income benefit for the CDBG program and recapture requirements for the HOME program.

**Community Development Block Grant Program (CDBG)**

**Reference 24 CFR 91.220(I)(1)**

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

- |  |          |
|--|----------|
| 1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed  | 0        |
| 2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan. | 0        |
| 3. The amount of surplus funds from urban renewal settlements  | 0        |
| 4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan   | 0        |
| 5. The amount of income from float-funded activities   | 0        |
| <b>Total Program Income:</b>   | <b>0</b> |

**Other CDBG Requirements**

- |   |         |
|---|---------|
| 1. The amount of urgent need activities   | 0       |
| 2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. | 100.00% |

**HOME Investment Partnership Program (HOME)  
Reference 24 CFR 91.220(I)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The City will not use any other forms of investment beyond those identified in Section 92.205. The Homeowner Rehabilitation Program provides deferred loans to qualified homeowners for rehab on their properties. The loan is due and payable when title is transferred, or property is refinanced or sold. The property must be brought up to certain housing standards as part of the rehab assistance. The property must be owner-occupied and may have up to four units. Qualified households must have an annual income at or less than 80% of the area median income. The program expects to assist five households this program year.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

In PY 2021-2022, the City does not plan to use HOME funds for homebuyer down payment assistance. However, some homebuyers that were assisted in prior years may decide to sell their homes during the upcoming program year. In that event, the City will enforce the resale and recapture guidelines.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

Please refer to "HOME Investment Partnerships Program Policies and Procedures Manual"

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The City does not intend to use HOME funds under the 2021-2022 Annual Action Plan to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds.

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

**Attachment B**

**NOTICE OF PUBLIC HEARING**

The City Council of the City of South Gate will conduct a public hearing concerning the draft Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) 2021-2022 Annual Action Plan. As an entitlement jurisdiction, the City is required to prepare and submit to HUD an Annual Action Plan that describes how the City will utilize federal money during the next fiscal year to meet the goals and objectives approved by the City Council in the Five-Year Consolidated Plan.

**Hearing Date:** Tuesday, May 11, 2021

**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 May 11<sup>th</sup> City Council meeting please visit the **City's website at [www.cityofsouthgate.org/AgendaCenter](http://www.cityofsouthgate.org/AgendaCenter)**

Due to the ongoing coronavirus pandemic, 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 City will receive approximately \$1,453,467 in CDBG funds and approximately \$713,127 in HOME funds for FY 2021-2022. Additionally, \$1,793,006 of HOME funds will be carried over from previous fiscal years.

Total funding available for FY 2021-2022:

CDBG Funds	\$1,453,467
HOME Funds	\$2,506,133

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 Annual Action Plan covers the period of July 1, 2021 through June 30, 2022, otherwise known as the 2021 program year.

**Public Review and Comment Period:** The Draft Fiscal Year 2021-2022 Annual Action Plan will be available for a 30-day public review and comment period beginning on April 12, 2021 and ending on May 11, 2021. These documents will be available for public review 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 May 11, 2021, 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: Abel Torres, Housing and Grants Analyst  
Phone: 323-563-9535  
E-mail: atorres@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

**Published: April 12, 2021**

RECEIVED

Item No. 5

MAY 5 2021

# City of South Gate

CITY COUNCIL

CITY OF SOUTH GATE  
OFFICE OF THE CITY MANAGER

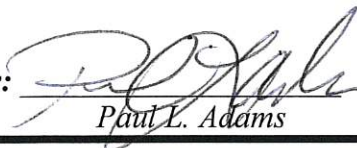
5:25pm

## AGENDA BILL

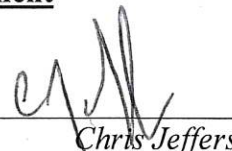
For the Regular Meeting of May 11, 2021

Originating Department: Community Development

Interim Director:

  
Paul L. Adams

Interim City Manager:

  
Chris Jeffers

**SUBJECT: COMMUNITY DEVELOPMENT BLOCK GRANT CORONAVIRUS ROUND 3 (CDBG-CV3) SUBRECIPIENT AGREEMENTS AND RESOLUTION APPROVING SUBSTANTIAL AMENDMENT NO. 5 TO THE FISCAL YEAR 2019-2020 ANNUAL ACTION PLAN IN ACCORDANCE WITH THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) REGULATIONS**

**PURPOSE:** To approve Agreements with Community Development Block Grant Coronavirus Round 3 (CDBG-CV3) subrecipients under the FY 2019/20 Annual Action Plan and to consider amending the Fiscal Year (FY) 2019-2020 Annual Action Plan by reallocating \$195,354 in Community Development Block Grant Coronavirus (CDBG-CV3) funds to provide additional COVID-19 related programs. This item was continued from the March 23, 2021, City Council meeting.

**RECOMMENDED ACTIONS:** Following the Public Hearing, the City Council will consider:

- A. Moving forward with the previously approved programs and allocations from the January 26, 2021 City Council meeting, which includes \$75,000 in CDBG- CV 3 funds towards the Small Business Job Retention and Creation Program with the Tweedy Mile Association, and \$120,354 in CDBG-CV3 funds towards a Rental and Utility Assistance Program with Helpline Youth Counseling, Inc.; **OR**
- B. Retaining the \$75,000 for the Small Business Job Retention and Creation Program and \$120,354 for the Rental and Utility Assistance Program as previously approved and designate City staff/Consultant to operate the programs; **OR**
- C. Reprogramming the \$195,354 in CDBG-CV 3 funds to other programs to provide additional COVID-19 related programs and services by adopting a proposed Resolution approving Substantial Amendment No. 5 to the Fiscal Year 2019/20 Annual Action Plan; and
- D. Authorizing the City Manager to enter into agreements in a form acceptable to the City Attorney with eligible subrecipients as noted in the Substantial Amendment No. 5 to the Fiscal Year 2019/20 Annual Action Plan.

**FISCAL IMPACT:** There is no fiscal impact to the General Fund. The City received funding in the amount of \$863,385 from the CDBG-CV3. These funds were allocated for these designated uses through an amendment of the FY 2019/20 Annual Action Plan for CDBG at the January 26,

2021 Regular City Council meeting. Funding is from the U.S. Department of Housing and Urban Development (HUD).

**NOTICING REQUIREMENTS:** Advertising and notification of the Public Hearing was conducted in compliance with the Municipal Code Section 11.50.020 (Public Hearing Notification) and was published in the South Gate Press newspaper on April 29, 2021. The CARES Act adds additional 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.

**ALIGNMENT WITH COUNCIL GOALS:** These 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:** The City Council conducted a public hearing on January 26, 2021 and adopted Resolution No. 2021-03-CC amending the City's FY 2019/20 Annual Action Plan for CDBG. The City Council appropriated \$863,385 in Community Development Block Grant- Coronavirus Round 3 (CDBG-CV3) funds to address major areas of need brought on by the Coronavirus pandemic in the Community. The CDBG-CV3 subrecipient Agreements reflect the approved allocations with the City Council's recommended subrecipients for the use of funds under the FY 2019/20 Annual Action Plan and the CDBG-CV3 Program. The following services will be provided to eligible low- and moderate- income residents under these proposed CDBG-CV3 Allocation:

<b>CDBG-CV3 Funds</b>		
CDBG-CARES (CV3) Allocation		\$863,385.00
Administrative Budget		\$172,677.00
<b>Proposed Programs</b>		
<b>Program</b>	<b>Organization</b>	<b>Amount</b>
Food Insecurity Program	City Program	\$200,354.00
Youth Employment Training Program	Conservation Corp of Long Beach	\$75,000.00
Youth Employment Training Program	California Latino Leadership Institute	\$25,000.00
Mental Health and Counseling Services	Compatior, Inc.	\$120,000.00
Rental and Utility Payment Assistance Program	Helpline Youth Counseling, Inc.	\$120,354.00
Small Business Grant Program	Chamber of Commerce and City Program	\$75,000.00
Small Business Grant Program	Tweedy Mile Association and City Program	\$75,000.00
	Total	\$690,708.00
	Balance	\$0

The City Council reviewed the CDBG-CV 3 subrecipient Agreements on the March 23, 2021 City Council meeting and approved all the Agreements except the Small Business Grant Program Agreement with the Tweedy Mile Association, for \$75,000 and the Rental and Utility Assistance Program Agreement with Helpline Youth Counseling, Inc. for \$120,354. Below is a summary of the two programs that were proposed:

❖ **Small Business Job Retention and Creation Grant Program:**

- The City Council approved \$75,000 in CDBG-CV3 funds towards a Small Business Job Retention and Creation Grant Program with the Tweedy Mile Association (TMA). This would allow at least twenty-five (25) one-time grants averaging \$3,000 to assist South Gate small businesses retain or bring back employees and continue to provide quality services to the community as we move into recovery. Similarly to the South Gate Chamber of Commerce program, this program will be considered a joint program between the Tweedy Mile Association and City of South Gate. The Tweedy Mile Association will serve as an intake hub for collecting all of the backup documentation required for this grant and the City will issue the direct payments to the South Gate Small Businesses. This program would not begin until June 2021 to allow the South Gate Chamber of Commerce's similar grant program to conclude.

❖ **Rental and Utility Payment Assistance Program:**

- The City Council approved \$120,354 in CDBG-CV3 funds to continue funding this program through Helpline Youth Counseling. Helpline would be able to assist a minimum of 40 households with the assistance at an average amount of \$3,000 per household. These funds would be used to pay for rent in arrears, current rent and utility bills for a maximum of 6 months.

Subrecipient Agreements as well as amendments to existing agreements as appropriate are attached. Each agreement includes the application provided by the subrecipients indicating their interest and outlining the services that they are interested providing. Project Details of all the programs and a specific agreed upon scope of work is also included in each Subrecipient Agreement.

Staff recommends for the City Council to approve the \$120,354 currently allocated to the Rental and Utility Payment Assistance Program with Helpline Youth Counseling or to consider programming these funds to the City to operate the program with assistance from consultants.

Staff also recommends for the City Council to consider reprogramming the \$75,000 currently allocated towards the Small Business Grant program with the Tweedy Mile Association towards one of the options outlined below:

- Reprogram the \$75,000 towards the South Gate Chamber of Commerce and City of South Gate Joint Small Business Job Retention and Creation Grant Program. This program is already in place and would help expedite the award process. Currently the South Gate Chamber of Commerce serves as an intake hub and City staff reviews the required documents and issues payment to the Small Business Owners. The Small business grant

program with the Chamber of Commerce has been awarded a total of \$532,000 in regular CDBG and CDBG-CV funds; **OR**

- Reprogram the \$75,000 towards the City of South Gate, Small Business Job Retention and Creation Grant Program as operated by City staff and consultants. Last year the City Council allocated \$200,000 in re-programmed regular FY 2019/20 CDBG funds towards this program and the City was able to issue 20 small business grants in the amount of \$10,000 per grant. This would allow City staff to work directly with the Small Business owners and help expedite the review/ award process.

**BACKGROUND:** The City of South Gate has been a recipient of CDBG funds annually since the enactment of the Housing and Community Development Act of 1974, due to its status as an "entitlement" jurisdiction (having a population above 50,000, and meeting certain other demographic criteria). CDBG funding can be used for a variety of projects and programs primarily benefiting persons of low- and moderate-income.

The CARES Act made available \$5 billion in CDBG-CV funds. Of this amount, \$3 billion shall be allocated based on needs using best available data, in the following steps: \$1 billion shall be allocated to States and insular areas within 45 days of enactment of the Cares Act, and \$2 billion shall be distributed to states and local governments at the discretion of the Secretary. These special CDBG-CV funds are to be used to prevent, prepare for, and respond to COVID-19. The funds will also support additional activities to mitigate the impacts of COVID-19. The South Gate City Council has already programmed several programs using both regular CDBG and CDBG-CV funds in the past several months in response to the COVID-19 pandemic.

An amendment to the City's FY 2019/20 Annual Action Plan was presented to the City Council at the November 24, 2020 City Council meeting for allocation of the third round of CDBG-CV3 funds. At that time, staff requested to continue the Public Hearing to the City Council meeting of January 26, 2021 and to take this item to the Citizen's Advisory Committee (CAC) for their review and recommendation. This procedure allowed for additional citizen input, which is required by HUD, and is in compliance with the policies listed in our Citizen Participation Plan. This procedure would normally happen with regular CDBG funding allocations.

On December 9, 2020, the CAC met to discuss the additional round of CDBG-CV3 funds and their recommendation is listed below:

<b>CDBG-CV-3 Funds</b>	
CDBG-CARES (CV-3) Allocation	\$863,385.00
Administrative Budget	\$172,677.00
<b>Proposed Programs</b>	
Food Insecurity Program	\$150,354.00
Illegal Dumping/ Youth Employment Program	\$100,000.00
Rental Assistance and Utility Program	\$240,354.00
Small Business Job Retention and Creation Program	\$200,000.00
Total	\$863,385.00
Balance	\$0



The CDBG-CV3 funds are supplemental CDBG funding that the City is eligible to receive from HUD for activities that prevent, prepare for, and respond to the economic effects of the ongoing Coronavirus Disease 2019 (“COVID-19”) pandemic. The funds are meant to be used in a timely manner to assist residents in need, but per HUD Guidelines, must be expended by June 30, 2022. There is a 20% cap on administrative funding, and HUD has waived the 15% cap on public service programs, thus allowing the City to program more funds towards public service programs as opposed previous CDBG funding years.

At the Regular City Council meeting on January 26, 2021, the City Council received the recommendations from the CAC. Staff had notified all existing subrecipients of the CAC recommendations to allow interested parties that have previously been vetted to submit applications and proposals. The City Council approved the Substantial Amendment with a few changes and also provided direction to staff as to the preferred service providers to include as subrecipients. Below is a summary of the City Council’s recommendation:

<b>CDBG-CV3 Funds</b>		
CDBG-CARES (CV3) Allocation		\$863,385.00
Administrative Budget		\$172,677.00
<b>Proposed Programs</b>		
<b>Program</b>	<b>Organization</b>	<b>Amount</b>
Food Insecurity Program	City Program	\$200,354.00
Youth Employment Training Program	Conservation Corp of Long Beach	\$75,000.00
Youth Employment Training Program	California Latino Leadership Institute	\$25,000.00
Mental Health and Counseling Services	Compatior, Inc.	\$120,000.00
Rental and Utility Payment Assistance Program	Helpline Youth Counseling, Inc.	\$120,354.00
Small Business Grant Program	Chamber of Commerce and City Program	\$75,000.00
Small Business Grant Program	Tweedy Mile Association and City Program	\$75,000.00
	<b>Total</b>	<b>\$690,708.00</b>
	<b>Balance</b>	<b>\$0</b>

The City Council reviewed the CDBG-CV 3 sub recipient Agreements on the March 23, 2021 City Council meeting and approved all of the Agreements except the Rental and Utility Assistance Program Agreement with Helpline Youth Counseling, Inc. for \$120,354 and the Small Business Grant Program Agreement with the Tweedy Mile Association, for \$75,000. The item here tonight is to approve the previously allocated CDBG-CV3 funds from the January 26, 2021 City Council meeting, or to reprogram the CDBG-CV 3 funding to additional programs or organizations.

- ATTACHMENTS:** A. Proposed Resolution  
 B. Public Hearing Notice

**RESOLUTION NO. \_\_\_\_\_**

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

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE,  
CALIFORNIA, APPROVING SUBSTANTIAL AMENDMENT NO. 5  
TO THE CITY OF SOUTH GATE FISCAL YEAR 2019-2020  
ANNUAL ACTION PLAN REALLOCATING CDBG-CV FUNDS IN ACCORDANCE  
WITH THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
REGULATIONS**

**WHEREAS**, the U.S. Department of Housing and Urban Development (“HUD”) requires all jurisdictions that receive federal entitlement funds to prepare an Annual Action Plan that identifies the projects to be funded with Community Development Block Grant (“CDBG”) and HOME Investment Partnerships (“HOME”); and

**WHEREAS**, the City of South Gate (“City”) prepared and adopted a Five-Year Consolidated Plan for the City covering the period July 1, 2015 to June 30, 2020; and

**WHEREAS**, the purpose of the Consolidated Plan and the Annual Action Plan is to identify housing and community development needs and to develop specific goals and objectives to address those needs over a five-year period and is a requirement of the U.S. Department of Housing and Urban Development that the City must meet in order for the City to continue to receive federal housing and community development funds; and

**WHEREAS**, on May 28, 2019, the City Council approved the 2019-2020 Annual Action Plan for expenditure of the entitlement grants from HUD, including the CDBG program. The approved Annual Action Plan was subsequently submitted to HUD in May, 2019 and approved on September 5, 2019; and

**WHEREAS**, HUD enabled additional CDBG economic support known as the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), allowing grantees to reprogram existing or future CDBG funds as part of long-term social welfare and economic development recovery efforts; and

**WHEREAS**, the objectives of the supplemental CDBG funding is to enable activities that prevent, prepare for, and respond to the economic effects of the Coronavirus Disease 2019 (“COVID-19”) pandemic (“CDBG-CV”); and

**WHEREAS**, the City is receiving \$863,385 in CDBG-CV funds; and

**WHEREAS**, the City Council has determined that the 2019-2020 Annual Action Plan needs to be amended in accordance with HUD regulations through a Substantial Amendment, to indicate the increase allocated to a category of funding, and to reflect the changing needs of the community; and

**WHEREAS**, the CARES Act adds additional flexibility to reduce the required public comment period from 30 days to not less than five (5) days. Grantees may use virtual public hearings when necessary for public health reasons and the public services cap is suspended during the emergency; and

**WHEREAS**, City staff published a public hearing notice announcing the proposed amendments to the Fiscal Year (FY) 2019/20 CDBG allocations in the April 29, 2021 edition of the South Gate Press telegram newspaper; and

**WHEREAS**, the adopted budget and proposed changes to the FY 2019/20 Annual Action Plan for the CDBG Program proposes to reallocate \$195,354 in CDBG-CV funds to the FY 2019/20.

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

**SECTION 1.** The City Council does hereby declare that the above recitals are true and correct and are incorporated herein by reference.

**SECTION 2.** The City Council does hereby adopt Substantial Amendment No. 5 to the 2019/2020 Annual Action Plan as follows: Reallocating \$195,354 in CDBG-CV funds to the FY 2019/20.

**SECTION 3.** The City Manager and/or his designee is hereby authorized to make all conforming modifications and edits, and to execute all implementing documents required by HUD to receive and reallocate funding identified under the approved Substantial Amendment No. 5 to the 2019/2020 Annual Action Plan.

[Remainder of page left blank intentionally.]

**SECTION 4.** The City Manager and/or his designee is hereby directed to file a copy of said Substantial Amendment to HUD.

**SECTION 5.** The City Manager is hereby authorized to enter into agreements with eligible sub-recipients, in a form acceptable to the City Attorney.

**SECTION 6.** The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

**PASSED, APPROVED, and ADOPTED** on this 11<sup>th</sup> day of **May 2021**.

**CITY OF SOUTH GATE:**

By: \_\_\_\_\_  
Al Rios, Mayor

**ATTEST:**

By: \_\_\_\_\_  
Carmen Avalos, City Clerk  
(SEAL)

**APPROVED AS TO FORM:**  
**DRAFT**  
By: \_\_\_\_\_  
Raul F. Salinas, City Attorney

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

**NOTICE OF PUBLIC HEARING**

**Hearing Date:** Tuesday, May 11, 2021  
**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 April 27th City Council meeting please visit the **City's website at [www.cityofsouthgate.org/AgendaCenter](http://www.cityofsouthgate.org/AgendaCenter)**

**Description:** Consider a substantial amendment to the 2019-2020 Annual Action Plan. The 2019-2020 Annual Action Plan, which sets forth specific activities and expenditures using funds received through the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME) programs administered by the United States Department of Housing and Urban Development (HUD), was adopted by the City Council on May 28, 2019. When a substantial change (i.e. adding an activity, canceling an activity or redirecting funds) is proposed to the City Action Plan, the City requires that the public be notified and a Public Hearing be held to allow the public an opportunity to comment on the proposed substantial changes.

**Proposed Amendment to the FY 19 Action Plan: CDBG and CDBG-CARES (CDBG-CV) Program:**

The City is proposing to program funds under the CARES (CDBG-CV) program. The City Council will conduct a public hearing to consider the modification in activity funding levels for programs. The following programs may be added, increased, reduced, or eliminated:

<b>CDBG-CV-3 Funds Available</b>	
CDBG-CARES (CV-3) Allocation	\$863,385.00
CDBG-CV3 Funds left to Program	\$195,354.00
Proposed Programs	
Rental Assistance and Utility Program	\$120,354.00
Small Business Grant Program	\$75,000.00
Total	\$195,354.00
Balance	\$0

**Reasonable Noticing:** The City will publish a legal notice in a newspaper of general circulation and on the City website at least ten (10) days prior to the public hearing.

**Public Review Comment:** A five-day public comment period will be provided commencing on April 20, 2021. Citizens can submit email comments in advance of the public hearing to the attention of the City Clerk.

**Public Hearing:** A telephonic public hearing will be considered adequate. Citizens can submit verbal comments to the City Council at the time of the telephonic public hearing.

**Availability of Document for Public Comment:** The City of South Gate encourages citizen participation in the planning process. A Public Hearing regarding this proposed Substantial Amendment to the 2019-20 One Year Action Plan will be held on May 11, 2021, 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, Attention Abel Torres, Housing and Grants 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: Abel Torres, Housing and Grants Analyst  
Phone: 323-563-9535  
E-mail: [atorres@sogate.org](mailto:atorres@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

**Published: April 29, 2021**

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APR 27 2021

City of South Gate  
CITY COUNCIL

CITY OF SOUTH GATE  
OFFICE OF THE CITY MANAGER

11:40am

AGENDA BILL

For the Regular Meeting of: May 11, 2021  
Originating Department: Parks & Recreation

Interim Director: Steve Costley / Interim City Manager: Chris Jeffers

**SUBJECT: RESOLUTION FINDING THAT LINGERING ADVERSE ECONOMIC CONDITIONS DUE TO THE COVID-19 PANDEMIC STILL AFFECT OPERATIONS OF GOALS SOCCER CENTER AND BATTING CAGES AT SOUTH GATE PARK AND THAT IT WOULD BE APPROPRIATE TO CONTINUE REDUCED LEASE PAYMENTS FOR GOALS SOCCER CENTER**

**PURPOSE:** To provide rent relief to Goals Soccer Centers, Inc., (Goals) as a means of supporting their business during the ongoing COVID-19 pandemic. It should be noted that Goals has not received any State or Federal COVID-19 financial relief.

**RECOMMENDED ACTIONS:** The City Council will consider:

- a. Declaring: (1) the lingering effect of the economic recovery from the ongoing COVID-19 pandemic still adversely affects and limits the Goals Soccer Center operations at the soccer center premises, and (2) the closure or limited operation of the soccer centers premises due to the ongoing COVID-19 pandemic continues to adversely impact the recreational programs offered by the City at South Gate Park to City residents; and
- b. Adopting a Resolution adopting the findings required in Amendment No. 1 to the Ground Lease and Management Letter for additional rent reduction for Goals Soccer Centers, Inc.

**FISCAL IMPACT:** If the City Council approves these findings, the reduction in revenue to the Park Enhancement Fund Revenue Account No. 271-4751 (Leased Facilities) will be \$8,876.69 per month for the period of April 1, 2021 through June 30, 2021, for a total of \$26,630.07. Because the County of Los Angeles has moved to the "Yellow Tier," the rent reduction will be effective for a minimum of 30 days past the start of the "Yellow Tier" ending on the last day of the next full month (June 30<sup>th</sup>). This time frame should allow Goals to go back to pre-COVID-19 capacity and see their revenue stream normalize. Any reduction by the City Council may be eligible for reimbursement by the funds allocated to the City through the American Rescue Plan Act (ARPA).

**ANALYSIS:** The world wide COVID-19 pandemic has caused the closure of many businesses throughout South Gate and all of California, and Goals Soccer Centers, Inc., (Goals) is no exception. Since 2010 Goals has operated the soccer center and batting cages located at South Gate Park that provided healthy outdoor activities for the City's residents. Due to the ongoing COVID-19 pandemic and in compliance with the Los Angeles County COVID-19 closure orders, Goals has been closed or in

limited operations since March 13, 2020, with the possibility of being fully operational at the start of 2022. Goals has requested a second year of assistance from the City in the form of a rent reduction that would allow them to reduce the yearly lease amount paid to the City. Goals is currently forecasting a Two Million Dollar (\$2,000,000) loss during this period due to both being non-operational and the reduced capacity of operations now that they have been allowed to partially re-open. At present they can allow game play in the "Orange Tier" but they are still restricted to 50% of capacity. This type of loss is not sustainable and without some relief, Goals would need to consider if keeping the center open is still viable.

The possible permanent closure of the soccer center would be a tremendous loss to the City of South Gate and its residents as Goals has provided much needed soccer programs including game play and youth instruction to the community that would not be available otherwise due to a lack of park space in the City. These community benefits also include up to 40 hours of free use for adult play and provided to the non-profit youth organizations for practice on a regular basis. Staff will be working with Goals to enhance these benefits as part of the overall rent reduction for the year.

It should be noted that staff did investigate how other governmental agencies were handling similar leases with Goals. We spoke to staff at the City of Rancho Cucamonga and Pomona Unified School District. Both have provided similar rent relief of a 50% reduction which is scheduled to continue until various points in the Fall of 2021. Those two organizations also felt these facilities were significant resource to their community and overall wellness goals.

In looking at the long term issues, a reduction in lease payments may be significant in the short term, but keeping a business that is a high priority for the residents and a source of both tax revenue and rental funds for the long term would seem to outweigh the loss of revenue.

**BACKGROUND:** Completed in 2010, the Goals Soccer Center in South Gate was the first of its kind, multi-field complex in the United States. The Soccer Center was built at a cost of approximately Six Million Dollars (\$6,000,000) that was funded completely by Goals and features eleven overall fields along with a full service snack bar, pro-shop, and locker rooms.

While attendance was slow during the first couple of years of operation, word spread regarding the soccer leagues and quality of play and soon most fields were booked on a nightly basis. Business was so successful in 2018 that in addition to their regular league play for adults and youth, open play and soccer camps/classes, Goals requested to add an additional field to the complex and the construction was completed in 2019. The Parks & Recreation Department has enjoyed a strong working relationship with the management team at Goals Soccer Center and believes that continued operation of the soccer center is in the best interest of the community and the City.

**ATTACHMENTS:** Proposed Resolution  
Amendment No. 1 to Contract Nos. 2546 and 2646 with Goals Soccer Center Inc.



RESOLUTION NO. \_\_\_\_\_

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

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE,  
CALIFORNIA, ADOPTING THE FINDINGS REQUIRED IN  
AMENDMENT NO. 1 TO THE GROUND LEASE AND MANAGEMENT  
LETTER FOR A SECOND YEAR OF RENT REDUCTION FOR  
GOALS SOCCER CENTERS, INC.**

**WHEREAS**, the City of South Gate (“City”) along with the State of California and the United States has been part of the worldwide Coronavirus Disease 2019 (“COVID-19”) pandemic;

**WHEREAS**, during this pandemic businesses large and small have suffered closures and loss of revenue;

**WHEREAS**, said closures and revenue loss have affected the Goals Soccer Centers, Inc., a tenant of the City; and

**WHEREAS**, tenant has requested a second year of rent reduction in the amount of \$8,876.69 per month for the period of April 1, 2021 through and including June 30, 2021 provided that the County of Los Angeles (“County”) does not move to the “Yellow Tier”. Should the County move to the “Yellow Tier”, the rent reduction will be effective for a minimum of 30 days past the start of the “Yellow Tier”, ending immediately on the last day of the next full month (June 30<sup>th</sup>) in accordance with Amendment No. 1 of the Ground Lease and Management Letter.

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

**SECTION 1.** The City Council does hereby declare that the above recitals are true and correct and are incorporated herein by reference.

**SECTION 2.** The Los Angeles County COVID-19 Closure Order or any successor order is in effect requiring the partial or full closure of higher-risk businesses and recreational sites such as the Soccer Center Premises.

**SECTION 3.** The lingering effects of the economic recovery from the COVID-19 pandemic still adversely affects and limits tenant’s operation and/or operating revenues at the Goals Soccer Centers Premises.

[Remainder of page left blank intentionally.]

**SECTION 4.** The closure or limited operation of the Goals Soccer Center Premises due to the COVID-19 pandemic continues to adversely impact the recreational programs offered by Landlord at South Gate Park to city residents.

**SECTION 5.** The City Council does hereby adopt the findings required in Amendment No. 1 to the Ground Lease and Management Letter for a second year of rent reduction in the amount of \$8,876.69 per month for the period of April 1, 2021 through and including June 30, 2021 provided that the County of Los Angeles (“County”) does not move to the “Yellow Tier”. Should the County move to the “Yellow Tier”, the rent reduction will be effective for a minimum of 30 days past the start of the “Yellow Tier”, ending immediately on the last day of the next full month (June 30<sup>th</sup>) in accordance with Amendment No. 1 of the Ground Lease and Management Letter.

**SECTION 6.** The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

**PASSED, APPROVED and ADOPTED** this 11<sup>th</sup> day of **May 2021**.

**CITY OF SOUTH GATE:**

By: \_\_\_\_\_  
Al Rios, Mayor

**ATTESTED:**

By: \_\_\_\_\_  
Carmen Avalos, City Clerk  
(SEAL)

**APPROVED AS TO FORM:**

By:  \_\_\_\_\_  
Raul F. Salinas, City Attorney

Contract No. 2546

**FIRST AMENDMENT TO GROUND LEASE AGREEMENT  
BETWEEN THE CITY OF SOUTH GATE AND GOALS SOCCER CENTERS, INC.**

**THIS FIRST AMENDMENT TO GROUND LEASE AGREEMENT** (this "Amendment") is made and entered into on November 10, 2020, by and between the **CITY OF SOUTH GATE**, a municipal corporation ("Landlord"), and **GOALS SOCCER CENTERS, INC.**, a Delaware corporation ("Tenant").

**RECITALS**

**WHEREAS**, Landlord and Tenant are parties to that certain Ground Lease Agreement dated June 1, 2009, as supplemented, Contract No. 2546 (collectively, the "Lease"), covering approximately 3.32 acres of land at the northeast corner of South Gate Park and improved with a building containing approximately 9,400 square feet, lockable storage areas, concession and snack bar facilities, a retail sales outlet, administrative support offices, and other improvements, including eleven "all weather" soccer courts, to augment and enhance the existing public outdoor recreational activities available at the park for city residents (collectively, the "Soccer Center Premises").

**WHEREAS**, for more than five months the COVID-19 pandemic has been rampant throughout our country as evidenced by the uncontrolled spread of the novel coronavirus infection in many counties and cities, including the County of Los Angeles which remains under the emergency revised order adopted by the County of Los Angeles Public Health Officer's Reopening Safer at Work and in the Community for Control of COVID-19 Order dated July 18, 2020 (the "L.A. County COVID-19 Closure Order"), requiring the closure of higher-risk businesses and recreational sites where more frequent and prolonged person-to-person contacts are likely to occur.

**WHEREAS**, from and after March 14, 2020, Tenant ceased operating the Soccer Center Premises in compliance with the L.A. County COVID-19 Closure Order or its predecessor orders and to date remains closed to the public, which closure has resulted in the substantial decrease in operating revenue of Tenant and will continue to result in such substantial decrease in such operating revenue so long as the L.A. County COVID-19 Closure Order or any successor order is in effect requiring the closure of higher-risk businesses and recreational sites.

**WHEREAS**, Landlord acknowledges that the closure of the Soccer Center Premises has adversely impacted the recreational programs offered by Landlord at South Gate Park to City residents.

**WHEREAS**, Tenant has requested relief from payment of the rent due under the Lease while the Soccer Center Premises remains closed to the public in compliance with the L.A. County COVID-19 Closure Order, and Landlord finds good cause to grant the requested rent relief on the terms and conditions set forth herein.

**AGREEMENT**

**NOW, THEREFORE**, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are

hereby acknowledged by the Parties hereto, Landlord and Tenant hereby amend the Lease as follows:

1. **RECITALS.** The foregoing Recitals are all true and correct and incorporated herein by this reference.

2. **PARTIAL ABATEMENT OF BASE RENT.**

A. Subject to subparagraph 2.C below, Landlord hereby agrees to abate an amount equal to fifty percent (50%) of the Base Rent due under the Lease for the Soccer Center Premises for the twelve (12) month period commencing as of April 1, 2020 and expiring on March 31, 2021 (the "Abatement Period"). During the Abatement Period, Tenant will still be responsible for the payment of an amount equal to fifty percent (50%) of the Base Rent in addition to all other monetary obligations as and when due under the Lease. Except as otherwise provided in subparagraph 2.B below, immediately following the expiration of the Abatement Period, Tenant shall pay one hundred percent (100%) of the Base Rent as and when due under the Lease. For avoidance of doubt, Tenant acknowledges and agrees that (i) effective as of July 1, 2020, the Base Rent for the Soccer Center Premises shall be increased by the scheduled 5-year adjustment in Base Rent as provided in Section 4.3 of the Lease, (ii) Tenant shall pay to Landlord fifty percent (50%) of the Base Rent due as of April 1, 2020 and the balance of the Base Rent then due will be abated as provided hereunder, and (iii) Tenant shall pay fifty percent (50%) of the Base Rent due as of July 1, 2020 and on the first day of each calendar quarter thereafter, as increased by the scheduled 5-year adjustment in accordance with Section 4.3 of the Lease, and the balance of such increased Base Rent then due will be abated as provided hereunder.

B. Subject to subparagraph 2.C below, upon Tenant's written request for extension delivered to Landlord not later than sixty (60) days before the expiration of the Abatement Period or any applicable Extended Abatement Period (as defined herein), Landlord, at its option, may (but is under no obligation to do so) agree to extend the Abatement Period for up to four (4) consecutive periods of twelve (12) months each (each an "Extended Abatement Period") during which the Base Rent for the Soccer Center Premises as and when due under the Lease shall be abated by an equitable percentage thereof, not to exceed fifty percent (50%). Such Extended Abatement Period shall be granted, if at all, at a duly called and noticed regular meeting of the City Council of the City of South Gate ("City Council") and, if granted, the equitable abatement of the Base Rent shall be determined by the City Council upon finding that (1) either (i) the L.A. County COVID-19 Closure Order or any successor order is then in effect requiring the partial or full closure of higher-risk businesses and recreational sites such as the Soccer Center Premises or (ii) the lingering effect of the economic recovery from the COVID-19 pandemic still adversely affects and limits Tenant's operations and/or operating revenues at the Soccer Center Premises and (2) the closure or limited operation of the Soccer Center Premises due to the COVID-19 pandemic continues to adversely impact the

recreational programs offered by Landlord at South Gate Park to city residents. During any Extended Abatement Period, Tenant will still be responsible for the payment of any non-abated Base Rent in addition to all other monetary obligations due under the Lease. Immediately following the expiration of any such Extended Abatement Period, Tenant shall pay one hundred percent (100%) of the Base Rent as and when due under the Lease.

- C. Tenant acknowledges and agrees that should Tenant fail to cure any Monetary Default or Non-Monetary Default under the Lease (beyond any applicable notice and cure period), (beyond any applicable notice and cure period) under the Lease, then the abatement of Base Rent set forth under either subparagraph 2.A or subparagraph 2.B above, as applicable, shall immediately terminate without further notice and thereafter Tenant shall pay one hundred percent (100%) of the Base Rent as and when due under the Lease; provided, however, Tenant further acknowledges and agrees that nothing in this subparagraph 2.C is intended to limit any other remedies available to Landlord at law or in equity under applicable law in the event Tenant defaults under the Lease beyond any applicable notice or cure period.

### 3. FINANCIAL STATEMENTS.

- A. Prior to the execution of this Amendment No. 1, Tenant shall have delivered to Landlord an unaudited financial statement as of the end of its most recent fiscal year and the related balance sheet and income statement for the fiscal year then ended, all in reasonable detail and as prepared by management. Tenant represents and warrants to Landlord that this financial statement and related statements are complete and correct in all material respects and fairly present the financial position of Tenant as of the end of its most recent fiscal year and the results of its operations for the fiscal year then ended in accordance with generally accepted accounting principles, consistently applied, subject to normal year-end adjustments.
- B. Not later than January 31, 2021 and not later than each January 31 thereafter during the Abatement Period or any Extended Abatement Period, Tenant shall deliver to Landlord an unaudited financial statement as of the end of its most recent fiscal year and the related balance sheet and income statement for the fiscal year then ended, all in reasonable detail and as prepared by management, together with a certificate of Tenant signed by Tenant's authorized representative stating that the financial statement and related statements are complete and correct in all material respects and fairly present the financial position of Tenant as at the end of its most recent fiscal year and the results of its operations for the fiscal year then ended, in accordance with generally accepted accounting principles, consistently applied, subject to normal year-end adjustments.

C. Landlord acknowledges and agrees that any financial statements of Tenant received by Landlord as provided in this Paragraph 3 of this Amendment No. 1 are confidential and proprietary to Tenant. Landlord shall use the financial statements only to confirm the impact of the L.A. County COVID-19 Closure Order or any successor order is then in effect requiring the partial or full closure of higher-risk businesses and recreational sites such as the Soccer Center Premises and/or the lingering effect of the economic recovery from the COVID-19 pandemic on Tenant's operations and/or operating revenues at the Soccer Center Premises, and for no other reason.

4. **REPRESENTATIONS AND WARRANTIES.** Except for the matters addressed in this Amendment No. 1, Tenant hereby represents and warrants to Landlord that: (A) to the best of Tenant's knowledge, there exists no breach, default, or event of default by Landlord under the Lease, or any event or condition which, with notice or passage of time or both, would constitute a breach, default, or event of default by Landlord under the Lease; (B) the Lease continues to be a legal, valid, and binding agreement and obligation of Tenant; and (C) Tenant has no current offset or defense to its performance or obligations under the Lease.

5. **MISCELLANEOUS.**

A. All capitalized terms used in this Amendment No. 1 which are not specifically defined shall have the meanings given such terms in the Lease.

B. Landlord and Tenant agree that except as otherwise specifically modified in this Amendment No. 1, the Lease has not been modified, supplemented, amended, or otherwise changed in any way and the Lease remains in full force and effect between the parties hereto as modified by this Amendment No. 1. To the extent of any inconsistency between the terms and conditions of the Lease and the terms and conditions of this Amendment No. 1, the terms and conditions of this Amendment No. 1 shall prevail.

C. In the event any term, covenant, condition, provision or agreement contained in this Amendment No. 1 is held to be invalid, void or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision or agreement contained herein.

D. This Amendment No. 1 constitutes the complete understanding and agreement of the parties with respect to the subject matters referred to herein, and supersedes all prior or contemporaneous negotiations, promises, covenants, agreements or representations of every nature with respect thereto, all of which have become merged and integrated into this Amendment No. 1.

- E. This Amendment No. 1 may be executed in counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same amendment and each counterpart shall be deemed an original. For purposes of this Amendment No. 1, the parties hereby acknowledge and agree that signatures transmitted by electronic mail in so-called ".pdf" format shall be legal and binding and shall have the same full force and effect as if an original of this Amendment No. 1 had been manually executed and delivered. Landlord and Tenant (i) intend to be bound by the signatures whether manually executed or ".pdf" format delivered by electronic mail, (ii) are aware that the other Party will rely on such signatures, and (iii) hereby waive any defenses to the enforcement of the terms of this Amendment No. 1 based on the foregoing forms of signature.
- F. From and after the execution and delivery hereof, the term "Lease" shall mean and refer to the Lease, as amended by this Amendment No. 1.

[signatures of the parties on following page; balance of this page intentionally left blank]

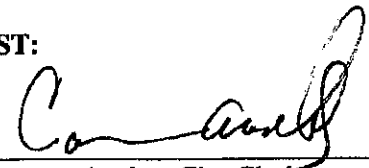
IN WITNESS WHEREOF, Landlord hereto has caused this Amendment No. 1 to be executed and attested by its respective officers thereunto duly authorized.

**CITY OF SOUTH GATE:**

By:   
Maria Davila, Mayor

Date: 11-19-2020

**ATTEST:**

By:   
Carmen Avalos, City Clerk  
(SEAL)

**APPROVED AS TO FORM:**

By:   
Raul F. Salinas, City Attorney

**Mailing Address:**

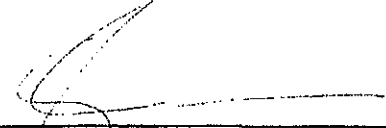
8650 California Avenue  
South Gate, CA 90280  
Attn: Parks and Recreation Director

[signature of Tenant on following page]



**IN WITNESS WHEREOF**, Tenant hereto has caused this Amendment No. 1 to be executed by its respective officer thereunto duly authorized.

**GOALS SOCCER CENTERS, INC.:**

By:   
Elizabeth A. Romero, Director of Operations

Date: 10.26.2020

Mailing Address:

9599 Pinehurst Avenue  
South Gate, CA 90280

RECEIVED

Item No. 7

MAY 5 2021

City of South Gate  
CITY COUNCIL

CITY OF SOUTH GATE  
OFFICE OF THE CITY MANAGER

11:30am

AGENDA BILL

For the Regular Meeting of: May 11, 2021

Originating Department: City Manager's Office

Interim City Manager:

  
Chris Jeffers

Interim City Manager:

  
Chris Jeffers

**SUBJECT: RESOLUTION EXTENDING THE LOCAL EMERGENCY AS A RESULT OF THE ONGOING CORONAVIRUS DISEASE 2019 PANDEMIC**

**PURPOSE:** To extend the Local Emergency due to the ongoing Coronavirus Disease 2019 (COVID-19) pandemic.

**RECOMMENDED ACTION:** The City Council will consider adopting a Resolution extending the Local Emergency within the City as a result of the ongoing Coronavirus Disease 2019 pandemic.

**FISCAL IMPACT:** None.

**ANALYSIS:** On March 23, 2021, the City Council adopted Resolution No. 2021-12-CC, extending the Local Emergency within the City as a result of the ongoing COVID-19 pandemic. It is time once again for the City Council to review the need to continue the state of emergency. Although Los Angeles County reached the Yellow Tier (moderate virus transmission) on May 5, 2021, Interim Director of Emergency Services recommends extending the Local Emergency until the Green Tier (orders lifted) is reached. While hospitalizations and deaths are trending downward, along with increased COVID-19 vaccinations, it is hoped that the State may lift its order in early summer. The City Council may terminate the Local Emergency at any time, however the City would continue to be subject to the State's declarations where applicable.

**BACKGROUND:** Although the COVID-19 vaccines have been more widely available to the general public, the estimate for COVID-19 is that roughly 70% to 85% of the population will need to be vaccinated to reach the herd immunity threshold. This will be a moving target depending on the different stages of the pandemic. Once a population reaches a point of collective immunity where the disease is no longer likely to spread, it reaches the herd immunity threshold.

As of May 5, 2021, there are 18,585 COVID-19 cases in the City with 225 deaths, 1,234,202 Million COVID-19 cases in Los Angeles County with 23,930 deaths, and 3.75 Million COVID-19 cases in California with 61,996 deaths.

Since the start of the COVID-19 pandemic, the City continues to be committed to stopping the spread within the community and continues to take a variety of precautionary steps to try to slow

the spread of COVID-19 at City facilities. As a precautionary measure to protect the community and City employees, City Hall is still operating between 10:00 a.m. and 2:00 p.m., Monday through Thursday, by appointment only, and all City services are continuously provided by phone and email.

City staff continues to be in contact with the CDC and the Los Angeles County Department of Public Health for updates on the spread of the COVID-19 and will continue to update the City's website providing essential COVID-19 information and hyperlinks to the Los Angeles County Department of Public Health, CDC, and Governor Newsom's Executive Orders. City updates and information regarding the Drive-Thru COVID-19 Testing Site at South Gate Park, as well as many other resources, are readily accessible on the homepage of the City's website, titled "COVID-19 Information" under "Featured Links."

City staff will continue to monitor Governor Gavin Newsom's Executive Orders, and any related orders issued by the County of Los Angeles Department of Public Health, and will modify our policies and procedures accordingly.

**ATTACHMENT:** Proposed Resolution

**RESOLUTION NO.**

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

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE,  
CALIFORNIA, EXTENDING THE LOCAL EMERGENCY WITHIN THE CITY  
AS A RESULT OF THE ONGOING CORONAVIRUS DISEASE 2019 PANDEMIC**

**WHEREAS**, on March 23, 2021, the City Council adopted Resolution No. 2021-12-CC, extending the Local Emergency within the City as a result of the ongoing Coronavirus Disease 2019 (“COVID-19”) pandemic;

**WHEREAS**, COVID-19 infections, hospitalizations and deaths remained at moderate levels considering the increase of COVID-19 vaccinations, the County of Los Angeles Department of Public Health Order of the Health Officer (“Order”) was revised on April 30, 2021, announcing the Orange Tier (moderate virus transmission) stage, advancing to Reopening Safer at Work and in the Community;

**WHEREAS**, on May 5, 2021, Los Angeles County entered into the Yellow Tier (minimal virus transmission) allowing for most businesses as much as 75% indoor capacity depending on the type of business;

**WHEREAS**, as of May 5, 2021, there are 18,585 COVID-19 cases in the City with 225 deaths, 1,234,202 Million COVID-19 cases in Los Angeles County with 23,930 deaths, and 3.75 Million COVID-19 cases in California with 61,996 deaths; and

**WHEREAS**, until the City reaches the Green Tier (i.e., when Order is lifted), it remains in the interest of public health and safety, to continue with the Local Emergency.

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

**SECTION 1.** The City Council does hereby declare that the above recitals are true and correct and incorporated herein by reference.

**SECTION 2.** After duly considering all the information presented by the Interim Director of Emergency Services/Interim City Manager, the City Council does hereby continue to find and resolve that there is still a need to extend the Local Emergency within the City as a result of the ongoing COVID-19 pandemic.

**SECTION 3.** The City Council does hereby declare and reaffirm:

1. A Local Emergency continues to exist throughout the City;

2. During the existence of said Local Emergency, the powers, functions and duties of the emergency organization of the City shall be those prescribed by state law, by ordinances and resolutions of the City, as approved by the City Council;
3. During the existence of said Local Emergency, the City shall follow and impose all directives, mandates, executive orders and any other emergency-related restrictions issued by the State of California and/or the County of Los Angeles, including any and all social distancing recommendations;
4. Should he deem it necessary, the Director of Emergency Services is authorized to direct the immediate closure of City facilities (including City Hall) during normal business hours;
5. The Director of Emergency Services' purchasing authority is hereby increased to meet the needs of addressing this emergency;
6. The normal City goods and service procurement requests and purchase practices, including bidding requirements, are stayed during this period of emergency;
7. Purchases of items that are not budgeted are authorized to be purchased in order to respond during this period of emergency;
8. Authorizes all City officers and employees to take steps requested by the Director of Emergency Services to qualify the City for reimbursement from the Federal Emergency Management Agency and for other state and federal relief as may be available to reimburse the City for the expenses it incurs in addressing this emergency;
9. Other actions deemed necessary by the Director of Emergency Services to reasonably respond to the emergency and to effectively serve the community within the City;
10. The local emergency shall be deemed to continue to exist until its termination is proclaimed by the City Council of the City of South Gate;

[Remainder of page left blank intentionally.]

11. City staff will continue to monitor Governor Gavin Newsom's Executive Orders, and any related orders issued by the County of Los Angeles Department of Public Health, and will modify the City's policies and procedures accordingly; and
12. As required by law, the City Council shall review the need to continue the state of emergency every sixty (60) days until this Resolution is terminated.

**SECTION 4.** The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

**PASSED, APPROVED and ADOPTED this 11<sup>th</sup> day of May 2021.**

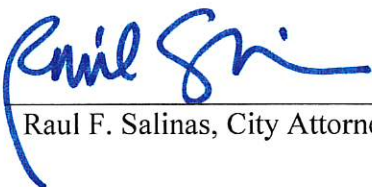
**CITY OF SOUTH GATE:**

By: \_\_\_\_\_  
Al Rios, Mayor

**ATTESTED:**

By: \_\_\_\_\_  
Carmen Avalos, City Clerk  
(SEAL)

**APPROVED AS TO FORM:**

By:  \_\_\_\_\_  
Raul F. Salinas, City Attorney

RECEIVED

MAY 5 2021

City of South Gate  
CITY COUNCIL

Item No. 8

CITY OF SOUTH GATE  
OFFICE OF THE CITY MANAGER

6:50am

AGENDA BILL

For the Regular Meeting of: May 11, 2021

Originating Department: Community Development

Interim Director:

*Paul L. Adams*  
Paul L. Adams

Interim City Manager:

*Chris Jeffers*  
Chris Jeffers

**SUBJECT: GRANT AGREEMENT FOR THE ACCEPTANCE OF GRANT FUNDS FROM THE LOS ANGELES COUNTY METROPOLITEAN TRANSPORTATION AUTHORITY (METRO)**

**PURPOSE:** To accept a grant award in the amount of \$180,000 from the West Santa Ana Branch Transit Oriented Development Strategic Implementation Plan (WSAB TOD SIP) Implementation Program, and to authorize the Mayor to execute the proposed grant agreement with the Los Angeles County Metropolitan Transportation Authority (Metro).

**RECOMMENDED ACTIONS:** The City Council will consider:

- a. Approving the Agreement with the Los Angeles County Metropolitan Transportation Authority accepting a grant award in the amount of \$180,000 from the West Santa Ana Branch Transit Oriented Development Strategic Implementation Plan Program for the Equitable Development Strategy, Public Facilities Financing and Development Opportunity Reserve Plans to be implemented in the proposed Gateway Specific Plan area;
- b. Authorizing the Mayor to execute the Agreement in a form acceptable to the City Attorney; and
- c. Authorizing the Director of Community Development to act as agent for the City under this Agreement and to sign any subsequent documents on behalf of the City as required to properly execute the Grant Agreement.

**FISCAL IMPACT:** The cost of the services rendered to fulfill the activities and tasks associated with the grant will be reimbursed through this grant award from the Los Angeles County Metro Transit Authority, not to exceed the grant award of \$180,000.

**ANALYSIS:** On August 31, 2020, the City's Planning Division submitted a grant proposal to the Metro WSAB TOD SIP Funding Program for the creation of an Equitable Development Strategy Plan and a Public Facilities Financing Plan including a Development Opportunity Reserve Plan to be implemented in the proposed Gateway Specific Plan area. On January 28, 2021, Metro notified the City, of the intent to fund the request and requested additional information pertaining to the scope of work. On March 30, 2021, the funding agreement was received by the City's Planning Division. Approving this grant agreement will allow the City to cover the costs of this necessary work through the proposed grant rather than through the General Fund.

**BACKGROUND:** Metro has facilitated the development of a TOD Strategic Implementation Plan (TOD SIP) for the West Santa Ana Branch (WSAB) transit corridor in order to maximize the transit investment that will be made in the WSAB corridor, and to ensure the communities along

the corridor equitably benefit from the investment. The TOD SIP provides an overarching vision and strategic guidance for local WSAB jurisdictions to use as a reference as they develop and implement plans, policies, and economic development and mobility strategies in the station areas on the alignment. The Metro Board has authorized staff to enter into funding agreements with WSAB Transit Corridor Cities/the County to support a three year Implementation Program (Program). Any activities funded within this Implementation Program must demonstrate a nexus with the six TOD SIP categories of activities. Eligibility was limited to those cities and LA County within boundaries that encompass some or all of the ½ mile area around any of the 12 identified West Santa Ana Branch Transit Corridor Project Stations.

The Equitable Development Strategy Plan will align the Citywide Economic Development Strategy and other ongoing City anti-gentrification efforts with the WSAB TOD SIP and build upon them to improve sustainability and resilience in the station area by conducting a series of one-on-one surveys, small working group meetings, and a larger community workshop, in addition to public meetings with the Planning Commission and City Council to develop and prioritize initiatives through the public input process.

A Public Facilities Financing Plan (PFFP) will be developed to ensure all transit oriented goals within the WSAB TOD SIP (Gateway Specific Plan) area have a road map to be realized. Strengthening the connections between transportation modes maximizes accessibility and grows a sustainable regional transportation system. The PFFP will address funding and financing sources and uses to address infrastructure needs identified by the station area Gateway District Specific Plan and other station area infrastructure needs. The PFFP will estimate costs and timing for critical infrastructure components, as well as funding and financing capacity and timing for relevant funding sources and financing mechanisms, such as special districts (e.g. EIFD, CFD), local, state, and federal grants, other public financing options, development impact fees, and public-private partnerships. This will ensure improvements are made to promote walking, biking and transit use while reducing vehicle miles traveled. The goal is to create a plan that will lead to an expansion of residential and non-residential opportunities, potential jobs to support economic and physical revitalization of the area.

A Development Opportunity Reserve (D.O.R.) incentive will be developed for inclusion into the proposed Gateway Specific Plan. This will allow developers to increase density within the area by providing improvements from a list of pre-approved community benefits. This goal is to create various ways to finance the multi-modal connectivity improvements, such as bicycle access and pedestrian walkway improvements and overall activating an inviting public realm through investments such as beautification, and streetscape.

**ATTACHMENT:** Proposed Grant Agreement



## WSAB TOD SIP Implementation Program Round 1

### AWARD AGREEMENT

This Agreement ("Agreement") is dated February 25, 2021 for reference purposes only, and is by and between the Los Angeles County Metropolitan Transportation Authority ("LACMTA") and City of South Gate ("Recipient") for WSAB TOD Equitable Development Strategy Plan & Public Facilities Financing Plan - LACMTA West Santa Ana Branch Transit Oriented Development Strategic Implementation Plan (WSAB TOD SIP) Implementation Program ID# 920000000WS01 as described in this Agreement and the attachments hereto ("Project").

WHEREAS, as part of Round 1 of the WSAB TOD SIP Program, the LACMTA Board of Directors, at its meeting on October 24, 2019, authorized funding implementation activities for WSAB Corridor cities and the County of Los Angeles (Program), as described in the WSAB TOD SIP and subject to the terms and conditions contained in this Agreement.

NOW, THEREFORE, the parties hereby agree as follows:

The terms and conditions of this Agreement consist of the following, and each is incorporated by reference as if fully set forth herein:

1. Part I - Specific Terms of the Agreement
2. Part II - General Terms of the Agreement
3. Attachment A - Project Schedule and Budget
4. Attachment B - Scope of Work
5. Attachment C - Reporting and Expenditure Guidelines
6. Attachment D - Quarterly Progress/Expense Report

In the event of a conflict, the Specific Terms of this Agreement and Attachments A, B, C and D shall have precedence in that order and shall prevail over the General Terms.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the dates indicated below:

LACMTA:

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Phillip A. Washington  
Chief Executive Officer

APPROVED AS TO FORM:

RODRIGO A. CASTRO-SILVA  
County Counsel

By:  \_\_\_\_\_ Date: 3/25/2021  
Deputy

RECIPIENT:

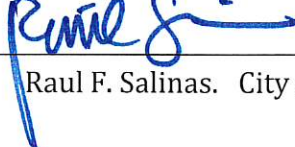
**CITY OF SOUTH GATE:**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Al Rios, Mayor

**ATTESTED:**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Carmen Avalos, City Clerk

**APPROVED AS TO FORM:**

By:  \_\_\_\_\_ Date: \_\_\_\_\_  
Raul F. Salinas. City Attorney

PART I  
SPECIFIC TERMS OF THE AGREEMENT

1. The Title of the Project is WSAB TOD Equitable Development Strategy Plan & Public Facilities Financing Plan- LACMTA WSAB TOD SIP Implementation Program ID# 920000000WS01.

2. To the extent the Funds are available, LACMTA shall provide to Recipient a one-time award of Measure R funds, based on Project eligibility and funds available, in the amount of \$180,000 (the "Funds") for the Project in accordance with the terms of this Agreement. LACMTA Board of Directors' action of October 24, 2019 approved WSAB TOD SIP implementation award of the Funds to Recipient for the Project.

3. This one-time award shall be on a reimbursement basis. Recipient must provide the appropriate supporting documents with the Quarterly Progress/Expense Report, (Attachment D).

4. Recipient may contribute the Award Funding Commitment (local match), to the Project in the amounts and toward the Scope of Work, all as specified in (Attachment A). In each Quarterly Progress/Expense Report (Attachment D), Recipient shall report on the use of the local match which should be consistent with Attachment A. If Recipient does not meet its local match commitment, it shall be considered a default under this Agreement and LACMTA will have the remedies available to it under Part II, Section 9 and 10. Any changes in the Recipient Award Funding Commitment must be made by mutual agreement of the parties and documented in an amendment to this Agreement.

5. Recipient shall complete the Project as described in the "Scope of Work," attached to this Agreement as **Attachment B**. The Scope of Work includes a description of the Project and a detailed description of the work and tasks to be completed, including project deliverables, by Recipient. Project work shall adhere to the Project Schedule and Budget attached to this Agreement as **Attachment A**, consistent with the Reporting and Expenditure Guidelines as referenced as "Guidelines" as Attachment C. If Recipient is consistently behind schedule in meeting milestones or in delivering the Project, in accordance with Attachments A and C then LACMTA shall have the option to terminate this Agreement for default as described in Part II, Sections 9 and 10 and deobligate funds as described in Part II Section 8.

6. Eligible Project expenses and reporting procedures are defined in the Reporting and Expenditure Guidelines attached to this Agreement as **Attachment C**. The form of the Quarterly Progress/Expense Report is attached as **Attachment D**. LACMTA shall withhold five percent (5%) of eligible expenditures per invoice as retention pending an audit of expenditures and completion of the Scope of Work (Attachment B).

7. The duration of the agreement, as evidenced in **Attachment A**, shall be thirty-six (36) months and all eligible costs shall be incurred during this period. The funds may be deobligated if the Project is not completed within thirty-six (36) months from the fully executed agreement date.

8. Recipient shall ensure that the award funded work is consistent with implementation of strategies contained in the WSAB TOD SIP. If upon review of the Quarterly Progress/Expense Report (Attachment D), LACMTA finds that the Project is not consistent with WSAB TOD SIP recommendations, LACMTA may find Recipient to be in default and shall have the remedies as described in Part II, Section 9 and 10. LACMTA may also deobligate funds as described in Part II, Section 8.

9. Notice shall be given to the parties at the address specified below unless otherwise notified in writing of change of address. Any notice required or permitted to be delivered hereunder shall be deemed to be delivered upon receipt at the correct address by United States mail, postage prepaid, certified or registered mail, return receipt requested, or by Federal Express or other reputable overnight delivery service addressed to the parties hereto as follows:

LACMTA's Address:

Los Angeles County Metropolitan Transportation Authority  
Attention: Elizabeth Carvajal, 22<sup>nd</sup> Floor, Mail Stop 99-22-2  
One Gateway Plaza  
Los Angeles, CA 90012

Recipient's Address:

City of South Gate  
Attention: Erika Ramirez, eramirez@sogate.org  
8659 California Avenue  
South Gate, CA 90280

PART II  
GENERAL TERMS OF THE AGREEMENT

1. TERM:

1.1 The term of this Agreement shall commence on the date this Agreement is fully executed and shall expire upon the occurrence of all of the following, unless terminated earlier as provided herein: (i) the agreed upon Scope of Work (Attachment B) has been completed; (ii) all LACMTA audit and reporting requirements have been satisfied; and (iii) the final disbursement of the Funds has been made to Recipient. The parties understand and agree there are certain covenants and agreements which specifically remain in effect after expiration or termination of this Agreement.

1.2 Should LACMTA determine there are insufficient Funds available for the Project, LACMTA may terminate this Agreement by giving written notice to Recipient at least thirty (30) days in advance of the effective date of such termination. If this Agreement is terminated pursuant to this section, LACMTA will not reimburse Recipient any costs incurred after the termination date.

2. INVOICE BY RECIPIENT:

2.1 Unless otherwise stated in this Agreement, the Quarterly Progress/Expense Report (Attachment D), with supporting documentation of expenses and project progress as described in Part II, Section 4.1 of this Agreement, and other documents as required pursuant to this Agreement, shall satisfy LACMTA invoicing requirements. Expenses that are not invoiced within sixty (60) days after the lapsing date as defined in the Lapsing Policy, Part II, Section 8.1 below are not eligible for reimbursement.

Send invoices with supporting documentation to:

Los Angeles County Metropolitan Transportation Authority

Accounts Payable@metro.net

P. O. Box 512296

Los Angeles, CA 90051-0296

Re: LACMTA Agreement# 9200000000WS01

Attention: Elizabeth Carvajal, 22<sup>nd</sup> Floor, Mail Stop 99-22-2

3. USE OF FUNDS:

3.1 Recipient shall utilize the Funds to complete the Project as described in the Scope of Work (Attachment B) and in accordance with the Reporting and Expenditure Guidelines (Attachment C). Recipient shall be eligible for the Funds up to the -award amount specified in Part I, Section 2 of this Agreement subject to the terms and conditions contained herein.

3.2 Recipient shall not use the Funds to substitute for any other funds or projects not specified in this Agreement. Further, Recipient shall not use the Funds for any expenses or activities above and beyond the approved Scope of Work (Attachment B).

3.3 Recipient must use the Funds in the most cost-effective manner. If Recipient intends to use a consultant or contractor to implement all or part of the Project, LACMTA requires that such activities be procured in accordance with Recipient's contracting procedures and consistent with State law. Recipient will also use the Funds in the most cost-effective manner when the Funds are used to pay "in-house" staff time. Recipient staff or consultant with project oversight roles cannot award work to companies in which they have a financial or personal interest. This effective use of funds provision will be verified by LACMTA through on-going Project monitoring and through any LACMTA interim and final audits.

3.4 Recipient may change budgetary amount per task within the Scope of Work (Attachment B), subject to LACMTA approval as set forth in Part I, Section 9 hereof.

3.5 Recipient's employees, officers, councilmembers, board members, agents, or consultants (a "Recipient Party") are prohibited from participating in the selection, award, or administration of a third-party contract or sub-agreement supported by the Funds if a real or apparent conflict of interest would be involved. A conflict of interest would include, without limitation, an organizational conflict of interest or when any of the following parties has a financial or other interest in any entity selected for award: (a) a Recipient Party (b) any member of a Recipient Party's immediate family, (c) a partner of a Recipient Party; (d) any organization that employs or intends to employ any of the above. This conflict of interest provision will be verified by LACMTA through on-going Project monitoring and through any LACMTA interim and final audits.

#### 4. DISBURSEMENT OF FUNDS:

4.1 Recipient shall submit the Quarterly Progress/Expense Report (Attachment D) within forty-five (45) days after the close of each quarter. Should Recipient fail to submit such reports within ten (10) days of the due date or if Recipient submits incomplete reports, LACMTA will not reimburse Recipient until the completed required reports are received, reviewed, and approved. The Quarterly Progress/Expense Report (Attachment D) shall include all appropriate supporting documentation (such as contractor invoices, timesheets, receipts, etc.) as set forth in the Guidelines (Attachment C). All supporting documents must include a clear justification and explanation of their relevance to the Project. If no activity has occurred during a particular quarter, Recipient will still be required to submit the Quarterly Progress/Expense Report (Attachment D), indicating that no dollars were expended that quarter. If a request for reimbursement exceeds \$500,000 in a month, then Recipient can submit such an invoice once per month with supporting documentation.

4.2 Disbursements shall be made on a reimbursement basis in accordance with the provisions of this Agreement.

4.3 LACMTA will make all disbursements electronically unless an exception is requested in writing. Disbursements via Automated Clearing House (ACH) will be made at no cost to Recipient. Recipient must complete the ACH form and submit such form to LACMTA before grant payments can be made. ACH Request Forms can be found at <http://www.metro.net/projects/tod/>.

4.4 Expenses that are not invoiced within sixty (60) days after the lapsing date specified in Part II, Section 8.1 below are not eligible for reimbursement.

4.5 Any Funds expended by Recipient prior to the execution of this Agreement by LACMTA shall not be reimbursed.

5. REPORTING AND AUDIT REQUIREMENTS/PAYMENT ADJUSTMENTS:

5.1\*<sup>1</sup> LACMTA and/or its designee shall have the right to conduct audits of the Project, as it deem appropriate, such as financial and compliance audits; interim audits; pre-award audits; performance audits; and final audits. LACMTA will commence a final audit within six months of receipt of an acceptable final invoice, provided the Project is ready for final audit (meaning all costs and charges have been paid by Recipient and invoiced to LACMTA and such costs, charges, and invoices are properly documented and summarized in the accounting records to enable an audit without further explanation or summarization, including actual indirect rates for the period covered by the Agreement period under review). Recipient agrees to establish and maintain proper accounting procedures and cash management records and documents in accordance with Generally Accepted Accounting Principles (GAAP). Recipient shall reimburse LACMTA for any expenditure not in compliance with this Agreement and the Guidelines. Recipient's eligible expenditures submitted to LACMTA for this Project shall be in compliance with the Reporting and Expense Guidelines (Attachment C) and Office of Management and Budget ("OMB") Circular A-87. The allowability of costs for Recipient's contractors, consultants and suppliers submitted to LACMTA through Recipient's Quarterly Progress Reports/Expense Report (Attachment D) shall be in compliance with OMB Circular A-87 or Federal Acquisition Regulations, Subpart 31 (FAR), whichever is applicable. Any use of the Funds which is expressly prohibited under this Agreement shall be an ineligible use of the Funds and may be disallowed by LACMTA audit. Findings of the LACMTA audit are final. When LACMTA audit findings require Recipient to return monies to LACMTA, Recipient shall return such monies within thirty (30) days after the final audit is sent to Recipient.

5.2\* Recipient's records shall include, without limitation, accounting records, written policies and procedures, contract files, original estimates, correspondence, change order files (including documentation covering negotiated settlements), invoices, and any other supporting evidence deemed necessary by LACMTA to substantiate charges

<sup>1</sup> See Part II Section 12.6 for asterisk  
Rev: 02.25.21

related to the Project (all collectively referred to as "records"). Recipient's records shall be open to inspection and subject to audit and reproduction by LACMTA auditors or authorized representatives to the extent deemed necessary by LACMTA to adequately permit evaluation of expended costs. Such records subject to audit shall also include, without limitation, those records deemed necessary by LACMTA to evaluate and verify direct and indirect costs (including overhead allocations) as they may apply to costs associated with the Project. These records must be retained by Recipient for 3 years following final payment under this Agreement. Payment of retention amounts shall not occur until after the LACMTA's final audit is completed.

5.3\* Recipient shall cause all contractors to comply with the requirements of this Part II, Sections 5.1 and 5.2 above. Recipient shall cause all contractors to cooperate fully in furnishing or in making available to LACMTA all records deemed necessary by LACMTA auditors or authorized representatives related to the Project.

5.4\* LACMTA or any of its duly authorized representatives, upon reasonable written notice, shall be afforded access to all of the records of Recipient and its contractors related to the Project and shall be allowed to interview any employee of Recipient and its contractors through final payment to the extent reasonably practicable.

5.5\* LACMTA or any of its duly authorized representatives, upon reasonable written notice, shall have access to the offices of Recipient and its contractors, shall have access to all necessary records, including reproduction at no charge to LACMTA, and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the terms and conditions of this Agreement.

5.6\* In addition to LACMTA's other remedies as provided in this Agreement, LACMTA shall withhold the Funds and/or recommend not to approve a future Award to Recipient if the LACMTA audit has determined that Recipient failed to comply with the Scope of Work (such as misusing Funds or failure to return Funds owed to LACMTA in accordance with LACMTA audit findings) and/or is materially out of compliance with other terms and conditions as defined by this Agreement, including the access to records provisions of this Part II, Section 5.

5.7\* Recipient shall certify monthly invoices by reviewing all contractor and subcontractor costs and maintaining internal control to ensure that all expenditures are allocable, allowable and reasonable and in accordance with OMB Circular A-87 or FAR Subpart 31 (whichever is applicable) and the terms and conditions of this Agreement.

5.8 Recipient shall also certify final costs of the Project to ensure all costs are in compliance with OMB Circular A-87 or FAR Subpart 31 (whichever is applicable) and the terms and conditions of this Agreement.

5.9 Whenever possible, in exercising its audit rights under this Agreement, LACMTA shall rely on Recipient's own records and audit work to minimize direct audit of contractors, consultants, and suppliers.



6. ONE-TIME AWARD:

6.1 This is a one-time only Award subject to the terms and conditions agreed to herein. This award does not imply nor obligate any future funding commitment on the part of LACMTA.

7. SOURCES AND DISPOSITION OF FUNDS:

7.1 The obligation for LACMTA to award the Funds for the Project is subject to sufficient Funds being made available for the Project by LACMTA. If such Funds are not made available for the Project, LACMTA shall have no obligation to provide the Funds for the Project, unless otherwise agreed to in writing by LACMTA.

7.2 Recipient shall be responsible for any and all cost overruns for the Project.

7.3 If the Funds are insufficient to complete the Project, Recipient may modify the Scope of Work (Attachment B) to allow project completion with other funds available to Recipient. LACMTA shall have the right to review and approve or reject any proposed changes to the Scope of Work (Attachment B).

7.4 If at any time, Recipient receives outside funding for the Project in addition to the Funds identified in the Scope of Work (Attachment B) at the time this agreement was executed, this Agreement shall be amended to reflect such additional funding. If, at the time of final invoice, funding for the Project (including the Funds and any additional funding) exceeds the actual Project costs, then the cost savings shall be applied in the same proportion as the sources of funds as specified in the Scope of Work (Attachment B), and the Funds required for the Project shall be reduced accordingly.

8. TIMELY USE / RECERTIFICATION / DEOBLIGATION OF FUNDS:

8.1 Recipient must demonstrate timely use of the Funds and effective implementation of project scope of work by:

- (i) Executing this Agreement within sixty (60) days of receiving formal transmittal of the Agreement from LACMTA.
- (ii) Meeting the Project milestone and deliverable due dates as stated in the Project Schedule and Budget (Attachment A) and Scope of Work (Attachment B).
- (iii) Timely submitting of the Quarterly Progress/Expense Reports (Attachment D) as defined in Part II, Section 2 of this Agreement and the Reporting and Expenditure Guidelines (Attachment C); and

- (iv) Expending funds granted within thirty-six (36) months from the date the Agreement is fully executed.
- (v) Procuring contract/consultant to complete grant Scope of Work (Attachment B) within six (6) months of agreement execution with LACMTA.
- (vi) Notifying LACMTA as soon as Recipient is aware of any changes and circumstances which alter the eligibility of the approved project.

If Recipient fails to meet any of the above conditions, the project shall be considered lapsed and will be submitted to LACMTA for deobligation.

8.2 In the event that the timely use of the Funds and effective implementation of the project scope of work is not demonstrated as described in Part II, Section 8.1 of this Agreement, the Project will be reevaluated by LACMTA as part of its annual budget recertification of funds and WSAB TODSIP Implementation Program deobligation process. The Funds may be deobligated and reprogrammed to another project by LACMTA. If Recipient does not complete one element of the Project, as described in the Scope of Work (Attachment B) due to all or a portion of the Funds lapsing, the entire Project may be subject to deobligation at LACMTA's sole discretion. In the event that all the Funds are reprogrammed, this Agreement shall automatically terminate.

## 9. EXTENSIONS TO LAPSE DATE

9.1 Time extensions may be granted under the following conditions:

- a. Project delay due to an unforeseen and extraordinary circumstance beyond the control of the project sponsor (legal challenge, act of God, etc).
- b. Project delay due to an action that results in a change in scope of work or project schedule that is mutually agreed upon by LACMTA and the project sponsor prior to the extension request.
- c. Project fails to meet completion milestone, however public action on the proposed regulatory change(s) has been scheduled and noticed to occur within 60 days of the scheduled completion milestone.
- d. Upon full execution of agreement, Recipient has committed to having the staffing necessary to fulfill the Scope of Work. Therefore, inadequate staffing shall not be considered a basis for administrative extensions to the lapse date or appeal of deobligation of funds.
- e. Time extensions longer than 6 months will require a formal written amendment of the agreement Pursuant to section 10.2 below.
- f. Time extensions 6 months or shorter may be granted by the Metro Senior Director consistent with section 10, below.

**10. AMENDMENTS**

10.1 Amendments to this Agreement shall be in writing executed by the parties. Formal written amendments are required for (i) changes to the award funding amount, (ii) changes to the Project Funding, (iii) changes to the Scope of Work (Attachment B), and/or (iv) time extensions longer than 6 months. Formal written amendments shall be approved and signed by the LACMTA Chief Executive Officer or his/her designee and Recipient.

10.2 Notwithstanding the forgoing, Recipient may transfer funds between line items within the Scope of Work and Budget or make non-material schedule changes, subject to LACMTA written approval without a formal amendment to this Agreement. Recipient may also seek a one-time 6-month extension pursuant to section 9, above. In order to transfer funds or make non-material schedule changes, Recipient shall submit a memo to LACMTA Senior Director describing (i) justifications for the time extension; (ii) the amount of proposed transfer of funds, and between which line items; (iii) how the proposed transfer will affect the Scope of Work; and (iv) how the Scope of Work and deliverables are still achievable if the proposed transfer is effectuated. LACMTA will have fifteen (15) working days to approve or disapprove the proposed change, and such approval or disapproval may be provided either by written memo or by email from the Metro Senior Director with concurrence from the Metro Senior Executive Officer.

**11. NOTICE**

Notice shall be given to the parties at the address specified below unless otherwise notified in writing of change of address. Any notice required or permitted to be delivered hereunder shall be deemed to be delivered upon receipt at the correct address by United States mail, postage prepaid, certified or registered mail, return receipt requested, or by Federal Express or other reputable overnight delivery service addressed to the parties hereto as follows:

LACMTA's Address:

Los Angeles County Los Angeles County Metropolitan Transportation  
 Authority  
 Attention: Elizabeth Carvajal, Senior Director, Mail Stop 99-22-2  
 One Gateway Plaza  
 Los Angeles, CA 90012  
 213.922.2854  
 CarvajalE@metro.net

Recipient's Address:

City of South Gate  
 Attention: Erika Ramirez, Senior Planner  
 8650 California Avenue  
 South Gate, CA 90280  
 323-563-9526  
 eramirez@sogate.org

11. DEFAULT:

11.1 A Default under this Agreement is defined as any one or more of the following: (i) Recipient fails to comply with the terms and conditions contained herein or in the Guidelines, (Attachment C); or (ii) Recipient is consistently behind schedule in meeting milestones or in delivering the Project; or (iii) Recipient fails to perform satisfactorily or makes a material change, as determined by LACMTA at its sole discretion, to the Scope of Work (Attachment B) or the Project Funding without LACMTA's prior written consent or approval as provided herein.

12. REMEDIES:

12.1 In the event of a Default by Recipient, LACMTA shall provide written notice of such Default to Recipient with a 30-day period to cure the Default. In the event Recipient fails to cure the Default or to commit to cure the Default and commence the cure within such 30-day period, and thereafter diligently continue such cure to completion to the satisfaction of LACMTA, LACMTA shall have the following remedies: (i) LACMTA may terminate this Agreement; (ii) LACMTA may make no further disbursements of Funds to Recipient; and/or (iii) LACMTA may recover from Recipient any Funds disbursed to Recipient as allowed by law or in equity.

12.2 Effective upon receipt of written notice of termination from LACMTA, pursuant to Section 10.1, Recipient shall not undertake any new work or obligation with respect to this Agreement unless so directed by LACMTA in writing. Any Funds expended after termination shall be the sole responsibility of Recipient.

12.3 The remedies described herein are non-exclusive. LACMTA shall have the right to enforce any and all rights and remedies herein or which may be now or hereafter available at law or in equity.

13. COMMUNICATIONS:

13.1 Recipient shall ensure that all Communication Materials contain recognition of LACMTA's contribution to the Project as more particularly set forth in "Funding Agreement Communications Materials Guidelines" available at <http://metro.net/partners-civic>. The Funding Agreement Communications Materials Guidelines may be changed from time to time during the course of this Agreement. Recipient shall be responsible for complying with the latest Funding Agreement Communications Materials Guidelines during the term of this Agreement, unless otherwise specifically authorized in writing by the LACMTA Chief Communications Officer.

13.2 For purposes of this Agreement, "Communications Materials" include, but are not limited to community outreach materials, press events, public and external

newsletters, printed materials, advertising, websites radio and public service announcements, electronic media, and construction site signage, as well as the plan or other primary deliverables funded by the Grant. A more detailed definition of "Communications Materials" is found in the Funding Agreement Communications Materials Guidelines.

13.3 The Metro logo is a trademarked item that shall be reproduced and displayed in accordance with specific graphic guidelines. The preferred logo lock-up for Award Recipients to use is included in the Recipient Funding Agreement Communications Guidelines.

13.4 Recipient shall ensure that any subcontractor, including, but not limited to, public relations, public affairs, and/or marketing firms hired to produce Project Communications Materials for public and external purposes will comply with the requirements contained in this Section.

13.5 The LACMTA WSAB TOD SIP staff shall be responsible for monitoring Recipient compliance with the terms and conditions of this Section. Recipient failure to comply with the terms of this Section shall be deemed a default hereunder and LACMTA shall have all rights and remedies set forth herein.

14. OTHER TERMS AND PROGRAM CONDITIONS:

14.1 This Agreement, along with its Attachments, constitutes the entire understanding between the parties with respect to the subject matter herein. The Agreement shall not be amended, nor any provisions or breach hereof waived, except in writing signed by the parties who agreed to the original Agreement or the same level of authority. Adoption of revisions or supplements to the Attachments shall cause such revisions or supplements to become incorporated automatically into this Agreement as though fully set forth herein.

14.2\* In the event that there is any court proceeding between the parties to enforce or interpret this Agreement to protect or establish any rights or remedies hereunder, the prevailing party shall be entitled to its costs and expenses, including reasonable attorney's fees.

14.3\* Neither LACMTA nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or committed to be done by Recipient under or in connection with any work performed by and or service provided by Recipient, its officers, agents, employees, contractors, and subcontractors under this Agreement. Recipient shall fully indemnify, defend with counsel approved by LACMTA, and hold LACMTA and its subsidiaries, and their respective directors, officers, agents, and employees harmless from and against any suits and causes of actions, claims, losses, liability, damages, costs and expenses, including without limitation, any costs or liability on account of bodily injury, death or personal injury of any person, or damage to or loss of property, any environmental obligation, and any legal fees, in any way arising out of the acts or omissions to

act related to Project or this Agreement, without requirement that LACMTA first pay such claims.

14.4 Neither party hereto shall be considered in default in the performance of its obligation hereunder to the extent that the performance of any such obligation is prevented or delayed by unforeseen causes including acts of God, acts of a public enemy, and government acts beyond the control and without fault or negligence of the affected party. Each party hereto shall give notice promptly to the other of the nature and extent of any such circumstances claimed to delay, hinder, or prevent performance of any obligations under this Agreement.

14.5\* Recipient shall comply with and ensure that work performed under this Agreement is done in compliance with Generally Accepted Accounting Principles (GAAP), all applicable provisions of federal, state, and local laws, statutes, ordinances, rules, regulations, and procedural requirements, and the applicable requirements and regulations of LACMTA. Recipient acknowledges responsibility for obtaining copies of and complying with the terms of the most recent federal, state, or local laws and regulations, and LACMTA requirements including any amendments thereto.

14.6 Recipient agrees that those sections of this Agreement marked with an **asterisk** be included in every contract entered into by Recipient or its contractors relating to work performed under this Agreement and LACMTA shall have the right to review and audit such contracts.

14.7 To ensure that future development is designed and constructed to allow for continuous safe operations of the transit network, the Recipient shall consult with Metro throughout the approval and permitting process for proposed development or construction within 100 feet of Metro's right-of-way and shall obtain Metro's written concurrence that such development or construction is compatible with Metro's transit planning and operations. Furthermore, the Recipient shall include the following language in all Documents funded by the Grant Agreement:

*"The Los Angeles County Metropolitan Transportation Authority (Metro) shall be notified of any planned development or construction activities on properties that are within 100 feet of Metro right-of-way (ROW) property line. Metro must be provided the opportunity early in the entitlement process to review plans and comment, if necessary, to ensure that the project does not impact the safe operation of Metro transit service and/or compromise Metro infrastructure. As the project design advances, Metro may review construction drawings and work plans for potential impacts to the Metro system and to ensure safe operation of cranes, overhead loads, excavation, drainage, worker safety, and other construction activities.*

*Projects adjacent to Metro ROW should include a setback from the Metro property line to accommodate construction and maintenance activities on the private property. Developers should not assume that Metro will grant a right-of-entry*

*permit for construction or maintenance activities on Metro property. For this reason, Metro recommends a minimum five (5) foot setback from the adjacent Metro property line."*

14.8 Recipient shall not assign this Agreement, or any part thereof, without prior approval of the LACMTA Chief Executive Officer or his/her designee, and any assignment without said consent shall be void and unenforceable at the option of LACMTA.

14.9\* This Agreement shall be governed by California law. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

14.10 The covenants and agreements of this Agreement shall inure to the benefit of, and shall be binding upon, each of the parties and their respective successors and assignees.

14.11 Recipient will advise LACMTA prior to any key Project staffing changes.

14.12 Recipient in the performance of the work described in this Agreement is not a contractor nor an agent or employee of LACMTA. Recipient attests to no organizational or personal conflicts of interest and agrees to notify LACMTA immediately in the event that a conflict, or the appearance thereof, arises. Recipient shall not represent itself as an agent or employee of LACMTA and shall have no powers to bind LACMTA in contract or otherwise.

14.13 Recipient is required to share their proposed draft RFP, draft consultant contract and draft regulatory documents to LACMTA project staff prior to City approval.

14.14 Quarterly briefings will be conducted with Metro staff throughout the project schedule at significant milestones, i.e., kick off meetings, draft documents, outreach events and committee approvals, etc.

14.15 Recipient shall demonstrate that it can meet project milestones and stay within the budget identified in this Agreement. If at the time Recipient has expended seventy-five percent (75%) of the Grant Funds and Recipient has not demonstrated that the work is sufficiently complete consistent with this Agreement. LACMTA's Senior Director will notify Recipient's Project Manager through written notice that payments will cease until a mutually agreed-to cost control plan is in place. In the case of insufficient funds to complete the Project, no further payments will be made and Recipient will identify and secure additional funds to complete the project identified in Attachment A.

14.16 Recipient will be required to participate in bi-annual surveys to help Metro identify areas of program improvement and collect information about the Project, including, but not limited to, how the Project is improving equitable outcomes and aligning with Metro's TOC Policy.



**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  
WEST SANTA ANA BRANCH TOD SIP  
IMPLEMENTATION PROGRAM**

**ATTACHMENT A - PROJECT BUDGET AND TIMELINE**

**Project Title: WSAB TOD Equitable Development Strategy Plan & Public Facilities Financing Plan**  
**Sponsor: City of South Gate**

List each principle tasks and subtasks, providing both the budget and timeline for each. Add or delete rows as needed.

Task #	Task Title	Fund Sources				Fiscal Years											
		Grant	Local Match		Other	Total Cost	2020-21		2021-22		2022-23		2023-24				
			Cash	In-Kind			Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2			
1	Consultant Procurement				\$0												
2	Kick-Off Meeting				\$0												
3	Project Management			\$18,000	\$18,000												
4	Public Facilities Financing Plan (PFFP)	\$68,000			\$68,000												
5	Development Opportunity Reserve (D.O.R)	\$45,000			\$45,000												
6	Equitable Development Strategy	\$67,000			\$67,000												
7					\$0												
8					\$0												
9					\$0												
10					\$0												
11					\$0												
12					\$0												
13					\$0												
14					\$0												
15					\$0												
<b>Totals</b>		<b>\$180,000</b>	<b>\$0</b>	<b>\$18,000</b>	<b>\$0</b>	<b>\$198,000</b>											

**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  
WEST SANTA ANA BRANCH TOD SIP IMPLEMENTATION PROGRAM**

**ATTACHMENT B - SCOPE DESCRIPTION, APPROACH AND DELIVERABLES**

**Project Title: WSAB TOD Equitable Development Strategy Plan & Public Facilities Financing Plan**  
**Sponsor: City of South Gate**

Describe each principle task identified in Attachment A, provide scope, approach, and list deliverable(s). Add or delete rows as needed.

<b>Task #</b>	<b>Task Title</b>	<b>Scope Description and Approach</b>	<b>Deliverable(s)</b>
1	Consultant Procurement	Contracts for each fo the consultants designated to develop each plan will be approved and executed.	Signed contracts for work to be performed.
2	Kick Off Meeting	Once the contracts are signed with the consultanting firms a meeting will be held with each that will be developing the plan to discuss specific task and activity timelines and project goals.	Timeline of task and activities for each of the plans.
3	Project Manager	The Senior Planner will be managing the process of the each of the three plans that will be developed during the term of the grant. Their time will be an in-kind contribution and will not result in reimbursement of activity.	Required reports to Metro

**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  
WEST SANTA ANA BRANCH TOD SIP IMPLEMENTATION PROGRAM**

**ATTACHMENT B - SCOPE DESCRIPTION, APPROACH AND DELIVERABLES**

**Project Title: WSAB TOD Equitable Development Strategy Plan & Public Facilities Financing Plan**  
**Sponsor: City of South Gate**

Describe each principle task identified in Attachment A, provide scope, approach, and list deliverable(s). Add or delete rows as needed.

Task #	Task Title	Scope Description and Approach	Deliverable(s)
4	Public Facilities Financing Plan (PFFP)	The City, in alignment with the WSAB TOD SIP , will develop a Public Facilities Financing Plan (PFFP) to ensure all transit oriented goals have a road map to be realized. Strengthening the connections between transportation modes maximizes accessibility and grows a sustainable regional transportaiotn system. The PFFP will address funding and financing sources and uses to address infrastructure needs identified by the station area Gateway District Specific Plan and other station area infrastructure needs. The PFFP will estimate costs and timing for critical infrastructure components, as well as funding and financing capacity and timing for relevant funding sources and financing mechanisms, such as special districts (e.g. EIFD, CFD), local, state, and federal grants, other public financing options, development impact fees, and public-private partnerships. This will ensure improvements are made to promote walking, biking and transit use while reducing vehicle miles traveled. All this will lead to an expansion of residential and non-residential opportunities, potential jobs to support economic and physical revitalization of the area.	PFFP Report
5	Development Opportunity Reserve Plan (D.O.R)	The Gateway District Specific Plan will be revised, in alignment with the WSAB TOD SIP, to include a Development Opportunity Reserve (D.O.R.) incentive component, in order to make available to developers a higher level of density without automatically increasing land price expectations. In order to access increased density, developers will have to provide improvements from a list of pre-approved community benefits, such as contributions towards the development of off-site parking, parks and open space, off-site infrastructure, or other forms of community amenities. This will contribute to financing the multi-modal connectivity improvements, such as bicycle access and pedestrian walkway improvements and overall activating an inviting public realm through investments such as beautification, and streetscape. This will facilitate investims in the station area.	Revised Specific Plan
6	Equitable Development Strategic Plan	Building upon the Citywide Economic Development Strategy and other ongoing anti-gentrification activities of the Community Development Department, the City, in alignment with the WSAB TOD SIP, plans on developing an Equitable Development Strategic Plan to improve sustainability and resilience in the station area by conducting a series of one-on-one (surveys), small working group meetings, and a larger community workshop, in addition to public meetings with the Planning Commission and City Council. This strategy plan will build upon ongoing anti-gentrification efforts, with a new additional planning, community development, and economic development initiatives that are prioritized by the public input process.	Equitable Development Strategic Plan and Implementing Code/Policy Updates

## WSAB TOD SIP Implementation Program

### ATTACHMENT C

### REPORTING & EXPENDITURE GUIDELINES

#### REPORTING PROCEDURES

- \* Attachment D (Quarterly Progress/Expense Report) is required for all projects. The Recipient shall be subject to and comply with all applicable requirements of the funding agency regarding project-reporting requirements. In addition, Recipient will submit a quarterly report to the LACMTA at [AccountsPayable@metro.net](mailto:AccountsPayable@metro.net) or **P.O. Box 512296, Los Angeles, CA 90051-0296**. Please note that letters or other forms of documentation may **not** be substituted for Attachment D. Detailed invoicing instruction may be obtained from LACMTA’s WSAB TOD SIP staff.
  
- \* The Quarterly Progress/Expense Report covers all activities related to the project and lists all costs incurred. It is essential that Recipient provide complete and adequate responses to all the questions. The expenses listed must be accompanied by supporting documentation with a clear explanation of the purpose and relevance of each expense to the project. Expenses must reflect the local match, including in-kind, charged to the project.
  
- \* In cases where there are no activities to report, problems causing delays, a clear explanation, including actions to remedy the situation, must be provided.
  
- \* Recipients are required to track and report on the project schedule. LACMTA will monitor the timely use of funds and delivery of projects. Project delay, if any, must be reported each quarter. Projects not delivered in a timely manner will be reevaluated by LACMTA as part of its annual budget recertification of funds and considered under the deobligation process.
  
- \* The Quarterly Progress/Expenditure Report is due to the LACMTA as soon as possible after the close of each quarter, but no later than the following dates for each fiscal year:

<i>Quarter</i>	<i>Report Due Date</i>
July – September	November 14
October – December	February 14
January – March	May 15
April – June	August 14

Upon completion of the Project a final invoice that includes project's final evaluation must be submitted.

## **CONTRACT MANAGEMENT**

Program and contract management shall be administered by the Recipient staff. Recipient staff must clearly define roles of staff administration and management and may budget through the project to hire contract staff to assist in managing the program. The contractor or consultant must be defined in the WSAB TOP SIP Program application and scope of work. Contractor or consultant staff shall not be associated with the hiring of consultants to perform the development of planning or regulatory documents.

## **EXPENDITURE GUIDELINES**

### **ELIGIBLE COSTS**

Applicants will develop and submit a budget as part of the application. Funds awarded will not exceed the budget submitted and may be less if the key objectives can be achieved at lower costs. Any cost overruns shall be the responsibility of the applicant. The WSAB TOD SIP Program can fund:

- a. Both third party consulting costs and internal staff costs for staff directly providing services with respect to the project will be eligible for funding. Such eligible costs shall not include overtime costs.
- b. Costs associated with community outreach may include food, and non-cash incentives. Such proposed expenditures must be approved by Metro in advance of incurring costs.
- c. Administrative costs associated with staff labor is limited up to 10% of the funds, specifically for Category B and C, respectively, Implementation Program funding and Grant Matching funds.

### **NON-ELIGIBLE COSTS**

- a. Third party consultants and contracted staff costs such as equipment, furniture, rental vehicles, mileage, food, office leases or space cost allocations.
- b. Applicant staff overtime costs, mileage reimbursements, travel, food and use of pool cars.

\* Any activity or expense charged above and beyond the approved Attachment B (Scope of Work) **is considered ineligible** and will not be reimbursed by the LACMTA unless **prior written authorization** has been granted by the LACMTA Chief Executive Officer or his designee. Any expense charged to the project or local match, including in-kind, must be clearly and directly related to the project.

- \* Any activity or expense charged as local match cannot be applied to any other LACMTA-funded or non-LACMTA-funded projects; activities or expenses related to a previously funded project cannot be used as local match for the current project.
- \* Administrative cost is the ongoing expense incurred by the Recipient for the duration of the project and for the direct benefit of the project as specified in Attachment B (Scope of Work). Examples of administrative costs are personnel, office supplies, and equipment. As a condition for eligibility, all costs must be necessary for maintaining, monitoring, coordinating, reporting, and budgeting of the project. Additionally, expenses must be reasonable and appropriate to the activities related to the project. Ineligible expenses include Recipient staff mileage, meals, travel, vouchers for meals, etc.
- \* LACMTA is not responsible for and will not reimburse any costs incurred by the Recipient prior to the execution of the Agreement, unless **written authorization** has been granted by the LACMTA Chief Executive Officer or his or her designee.
- \* The Agreement is considered executed when the LACMTA Chief Executive Officer or his or her designee signs the document.

## DEFINITIONS

- \* Local Match: If local jurisdiction chooses to provide local matching funds, and where local match consists of "in-kind" contributions rather than funds, the following contributions may be included:
  - \* Costs incurred by a local jurisdiction to complete the project successfully. Examples include planning, community outreach, internal CEQA document preparation, and related studies. In-kind contributions are limited to the personnel associated directly with the services provided (and exclusive of overtime costs) and exclude such items as office space allocations, equipment, vehicles, and similar costs.
  - \* Donations of volunteer services dedicated to the project.
- \* Allowable Cost: To be allowable, costs must be reasonable, recognized as ordinary and necessary, consistent with established practices of the organization, and consistent with industry standard of pay for work classification.
- \* Excessive Cost: Any expense deemed "excessive" by LACMTA staff would be adjusted to reflect a "reasonable and customary" level. For a detailed definition of "reasonable cost", please refer to the Federal Register *OMB Circulars A-87 Cost Principals for State and Local Governments; and A-122 Cost Principals for Nonprofit Organizations*.
- \* In-eligible Expenditures: Any activity or expense charged above and beyond the approved Scope of Work is considered in eligible.

**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  
West Santa Ana Branch TOD SIP Implementation Program  
ATTACHMENT D - QUARTERLY PROGRESS/EXPENSE REPORT**

Agency Name: **City of South Gate**

Project Title: **WSAB TOD Equitable Development Strategy Plan & Public Facilities Financing Plan**

Date	[Month, Day, Year]
Invoice #	[Invoice # 1,2,3 etc.]
Awardee's Invoice Tracking # (optional)	
Quarter	[Quarter & Fiscal Year]
Agreement #	920000000WS01
Agreement Execution Date	
Agreement Lapse Date	
Payment Term	Net 30

**AWARDEES MUST MAIL OR EMAIL THIS REPORT TO:**

**P.O. Box #512296, Los Angeles, CA 90051-0296 or AccountsPayable@metro.net**

Submit after the close of each quarter, **but no later than November 14, February 14, May 15, and August 14**. Please note that letters or other forms of documentation may not be substituted for this form. Refer to the Reporting and Expenditure Guidelines (Attachment C) for further information.

**SECTION 1: SUMMARY OF EXPENSES**

	<b>Metro Award (\$)</b>	<b>Local Match (\$)</b> (Including In-Kind)	<b>Total (\$)</b>
Project Quarter Expenditures			
<b>Total Quarterly Expenditures</b>			
<b>Retention Amount (5%)</b>	\$ -		
<b>Net Invoice Amount</b> (Less Retention)	\$ -		
Project-to-Date Expenditures			
<b>Expenditures to Date</b> (incl. this Quarter)	\$ -	\$ -	\$ -
<b>Total Project Budget</b>	\$ 180,000.00	\$ 18,000.00	\$ 198,000.00
<b>% of Project Budget Expended to Date</b>	0.00%	0.00%	0.00%
<b>Balance Remaining</b>	\$ 180,000.00	\$ 18,000.00	\$ 198,000.00

**SECTION 2: PAYMENT CERTIFICATION**

I certify that I am the responsible Project Manager or fiscal officer and representative of the City/County and that to the best of my knowledge and belief the information stated in this report is true and correct.

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Name*

\_\_\_\_\_  
*Title*

Awardee Contact/Project Manager	Name: Erika Ramirez Phone: 323-563-9526 Email: eramirez@sogate.org
---------------------------------	--

**METRO'S CONTACT INFORMATION**

Countywide Planning & Development Project Manager	Elizabeth Carvajal (213) 922-3038 <a href="mailto:carvajale@metro.net">carvajale@metro.net</a> 1 Gateway Plaza Los Angeles, CA 90012 Mail Stop 99-22-02
--	---

**SECTION 3: QUARTERLY DETAILED LISTING OF EXPENSES AND CHARGES**

All expenses and charges, including award and local match contribution, must be itemized and listed below. Each item (e.g. receipts, invoices, timesheets) listed must be included by an invoice and/or other supporting documentation. The total amounts shown here must be equal to this quarter's expenditures listed on page 1 of this report. Use additional pages if needed.

Invoice/Task Reference #	Consultant Firm/Agency	Total Expenses	Charged to Metro	Charged to Local Match
<b>Total</b>		0	0	0

**SECTION 4: ACCUMULATED EXPENSES TO DATE**

List all major tasks worked on or completed during this quarter and include expenditures being charged to the award and/or local match contribution per major tasks. Insert additional lines for tasks if necessary.

Task #	Task Title	Award				Local Match		
		Quarter Expenditures	Total to Date Expenditures	Total Budget	% Expended	Quarter Expenditures	Total to Date Expenditures	Total Budget
1	Consultant Procurement			\$ -	#DIV/0!			\$ -
2	Kick-Off Meeting			\$ -	#DIV/0!			\$ -
3	Project Management			\$ -	#DIV/0!			\$ 18,000.00
4	Public Facilities Financing Plan (PFFP)			\$ 68,000.00	0.00%			\$ -
5	Development Opportunity Reserve (DOR)			\$ 45,000.00	0.00%			\$ -
6	Equitable Development Strategy			\$ 67,000.00	0.00%			\$ -
<b>Total</b>				\$ 180,000.00	0.00%			\$ 18,000.00



## Section 5: Project Updates

### Section 5A:

Describe the project made for each task charged this quarter [add better description].

Quarterly Progress Report		
Task #	Task Title	Narrative
1	Consultant Procurement	
2	Kick-Off Meeting	
3	Project Management	
4	Public Facilities Financing Plan (PFFP)	
5	Development Opportunity Reserve (DOR)	
6	Equitable Development Strategy	

### Section 5B:

Please use the following section to report on any or all of the following that occurred this quarter if relevant:

- Components of the project that experienced delays and how delays will be addressed
- Budget changes made during this quarter
- Other notable items or occurrences to flag for Metro

RECEIVED

Item No. 9

May 5, 2021

City of South Gate

CITY COUNCIL

CITY OF SOUTH GATE  
OFFICE OF THE CITY MANAGER

10:30am

AGENDA BILL

For the Regular Meeting of: May 11, 2021  
Originating Department: Police Department

Department Director: *Randall Davis*  
Randall Davis

Interim City Manager: *Chris Jeffers*  
Chris Jeffers

**SUBJECT: AMENDMENT NO. 2 TO CONTRACT NO. 3398 WITH VIATRON SYSTEMS, INC., TO FUND ADDITIONAL DOCUMENT SCANNING SERVICES PROVIDED TO THE POLICE DEPARTMENT**

**PURPOSE:** To amend Contract No. 3398 with ViaTRON Systems, Inc., to fund additional document scanning of crime and arrest reports. The initial assessment indicated that the Police Department had over 2.6 million documents in storage; however, once the scanning was completed, it was determined that 735,456 additional pages were scanned. Proposed Amendment No. 2 funds the additional scanning services necessary to reduce space and unnecessary searches by hand, which is time consuming and inefficient.

**RECOMMENDED ACTIONS:** The City Council will consider:

- a. Approving Amendment No. 2 to Contract No. 3398 with ViaTRON Systems Inc., retroactively extending the term from July 1, 2020, for additional document scanning services that were performed for the Police Department;
- b. Appropriating \$18,152 from the unassigned fund balance of the General Fund to Account Number 100-503-21-6101 (General Fund – Police Services – Professional Services) to cover the cost of this Amendment No. 2; and
- c. Authorizing the Mayor to execute the Agreement in a form acceptable to the City Attorney.

*GA/ksr*

**FISCAL IMPACT:** Funds were not included in the Fiscal Year 2020/21 Municipal Budget for these services. Therefore, if the City Council approves this Amendment No. 2, funds in the amount of \$18,152 will need to be appropriated from the unassigned fund balance of the General Fund to Account Number 100-503-21-6101 (General Fund – Police Services – Professional Services).

**ANALYSIS:** The Scanning Project for the Police Department was completed in 2020. Real-time access to these documents has allowed for a reduction in staff time otherwise incurred in conducting time consuming hand searches. Additionally, these documents are now digitally preserved. The Police Department maintains a good working relationship with ViaTRON Systems Inc., (ViaTRON) which has agreed to provide a 50% discount on the additional files that were scanned. The additional services provided by ViaTRON included scanning all the additional files, indexing and digitized, which significantly reduced storage.

**BACKGROUND:** On December 12, 2017, the City Council approved Contract No. 3398 with ViaTRON for a one-year term, in the amount of \$127,027, to provide document scanning services to the Community Development Department. On October 8, 2019, the City Council approved Amendment No. 1, in the amount of \$144,810, extending the scope of services to the Police Department to provide for the scanning of crime reports and arrest reports, which expired on June 30, 2020.

Proposed Amendment No. 2 is needed to fund the additional document scanning services provided by ViaTRON in the amount of \$18,152.

- ATTACHMENTS:**
- A. Proposed Amendment No. 2 to Contract No. 3398
  - B. Amendment No. 1 to Contract No. 3398
  - C. Contract No. 3398
  - D. ViaTRON System Inc., Proposal

**AMENDMENT NO. 2 TO CONTRACT NO. 3398  
FOR ADDITIONAL DOCUMENT SCANNING SERVICES FOR  
THE POLICE DEPARTMENT BETWEEN THE CITY OF SOUTH GATE  
AND VIATRON SYSTEMS, INC.**

This Amendment No. 2 to Contract No. 3398 for additional document scanning services ("Amendment No. 2"), is made and entered into on May 11, 2021, and retroactively effective July 1, 2020, by and between the City of South Gate ("City"), and ViaTRON Systems, Inc., ("Contractor"). City and Contractor are sometimes hereinafter individually referred to as a "Party" and collectively referred to as "Parties."

**RECITALS:**

**WHEREAS**, on December 12, 2017, the City Council approved Contract No. 3398 for Professional Services with Contractor ("Agreement"), to provide document scanning services to the Community Development Department, for a one-year term, effective January 9, 2018, in the amount of One Hundred Twenty Seven Thousand Twenty Seven Dollars (\$127,027);

**WHEREAS**, on October 8, 2019, the City Council approved Amendment No. 1 retroactively extending the term from January 9, 2019 through and including June 30, 2020, to provide document scanning services to the Police Department, in the amount not to exceed One Hundred Forty Four Thousand Eight Hundred Ten Dollars (\$144,810). The aggregate total of the Agreement and Amendment No.1 shall not exceed the sum of Two Hundred Seventy One Thousand Eight Hundred Thirty Seven Dollars (\$271,837); and

**WHEREAS**, the City and Contractor desire to retroactively extend the term from July 1, 2020 through and including May 31, 2021, for additional document scanning services in the amount not to exceed Eighteen Thousand One Hundred Fifty Two Dollars (\$18,152), 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 Hundred Eighty Nine Thousand Nine Hundred Eighty Nine Dollars (\$289,989).

**NOW, THEREFORE, THE PARTIES AGREE HERETO AS FOLLOWS:**

- 1. MODIFICATION TO AGREEMENT.**
  - a. SCOPE OF SERVICES (SECTION 1.0).** The Contractor agrees to provide the services and perform the tasks as identified in Exhibit "A", attached hereto and made a part of the Agreement.
  - b. TERM OF AGREEMENT (2.0).** The term of the Agreement is hereby extended retroactively from July 1, 2020 through and including May 31, 2021.

c. **COMPENSATION (4.0).** The compensation paid by City to Contractor for this Amendment No. 2 shall not exceed **Eighteen Thousand One Hundred Fifty Two Dollars (\$18,152)**. The aggregate total of the Agreement, Amendment No. 1 and Amendment No. 2 shall not exceed the total sum of Two Hundred Eighty Nine Thousand Nine Hundred Eighty Nine Dollars (\$289,989).

2. **EFFECT OF AMENDMENT.** 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. 2 are incorporated into the Agreement as modified by this Amendment No. 2.

**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:**

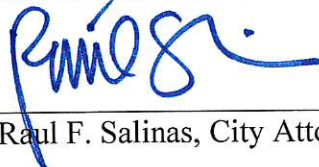
By: \_\_\_\_\_  
Al Rios, Mayor

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

**ATTESTED:**

By: \_\_\_\_\_  
Carmen Avalos, City Clerk  
(SEAL)

**APPROVED AS TO FORM:**

By:  \_\_\_\_\_  
Raul F. Salinas, City Attorney

**VIATRON SYSTEMS, INC.:**

By: \_\_\_\_\_  
Albert Fader, Vice President

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

Presented By:



**ViaTRON VTX Content  
Management Systems**

Prepared For:

**CITY OF SOUTH GATE POLICE DEPARTMENT**  
8620 CALIFORNIA AVENUE  
SOUTH GATE, CA 90280

Prepared By:

**ERNST GANGNES**  
ernstg@viatron.com  
T/310-756-0604  
Fax: 310.756.0609

**ViaTRON SYSTEMS, INC**  
18233 Hoover Street  
Los Angeles, CA 90248

**The Paperless Office Specialists**



THE PAPERLESS OFFICE SPECIALISTS

**PROJECT DETAILS**

**CITY OF SOUTH GATE POLICE DEPARTMENT**

**PROJECT NO : 8094**

**DATE : 04/23/2021**

Page 2 of 3

**PROFESSIONAL SERVICES**

**SCANNING SERVICES** 1 \$18,152.00

OVERAGE FOR PROJECT - PJ7006.

SCANNING OF BOOKING AND CRIME REPORTS

OVERAGE IS - 735,456 PAGES - \$21,328

**PROFESSIONAL SERVICES**

Labor/Docprep:

234 boxes x 4 hrs = 936 hrs x \$16.00 per hr = \$14,976.

Total Discount to the City of South Gate Police Department (Total Discount 50% - \$18,152)

**TOTAL FOR PROFESSIONAL SERVICES \$18,152.00**

**TERMS**

**Payments**

Product & Professional Services - Payments of 50% are due at start of project – TERMS DELAYED  
1 YEAR TO JULY 2021 - NEXT BUDGET CYCLE

**Late Payments**

Client will be charged 6% for late payment of invoice. DELAYED TO JULY 2021

**Shredding Services**

ViaTRON provides free certified box shredding services. These arrangement must be make prior  
to beginning the project.

**Sales Tax**

Applicable Sales Tax has not been included in this document.

**Proposal Expiration Date**

Due to constant changes in the technology industry the prices listed in this proposal are  
guaranteed for 1 YEAR from the date of this proposal.



THE PAPERLESS OFFICE SPECIALISTS

**PROJECT DETAILS**

**CITY OF SOUTH GATE POLICE DEPARTMENT**

**PROJECT NO : 8094**

**DATE : 04/23/2021**

Page 3 of 3

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**PROJECT PRICING**

**FINAL PRICE**

**\$18,152**

Project Approval:

*/s/*

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



**AMENDMENT NO. 1 TO CONTRACT NO. 3398  
FOR PROFESSIONAL SERVICES FOR ADDITIONAL  
DOCUMENT SCANNING SERVICES BETWEEN THE CITY OF SOUTH GATE  
AND VIATRON SYSTEMS, INC.**

This Amendment No. 1 to Contract No. 3398 for Professional Services for additional document scanning services with ViaTRON Systems, Inc., ("Amendment No. 1"), is made and entered into on October 8, 2019, and is retroactively effective as of January 9, 2019, by and between the City of South Gate ("City"), and ViaTRON Systems, Inc., ("Contractor"). City and Contractor are sometimes hereinafter individually referred to as a "Party" and collectively referred to as "Parties."

**RECITALS:**

**WHEREAS**, on December 12, 2017, the City Council approved Contract No. 3398 for Professional Services with ViaTRON Systems, Inc., ("Agreement"), to provide document scanning services to the Community Development Department, for a one year term, effective January 9, 2018, in the amount of One Hundred Twenty Seven Thousand Twenty Seven Dollars (\$127,027); and

**WHEREAS**, City and Contractor desire to execute Amendment No. 1 extending retroactively the term for providing document scanning services to the Community Development Department from January 9, 2019 through and including June 30, 2020; and

**WHEREAS**, City and Contractor desire to expand the scope of document scanning services to include the South Gate Police Department, through and including June 30, 2020, in an amount not to exceed One Hundred Forty Four Thousand Eight Hundred Ten Dollars (\$144,810), for such services, under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment No. 1 to the sum of Two Hundred Seventy One Thousand Eight Hundred Thirty Seven Dollars (\$271,837);

**NOW, THEREFORE, THE PARTIES AGREE HERETO AS FOLLOWS:**

**1. MODIFICATION TO AGREEMENT.**

- a. **SCOPE OF SERVICES (SECTION 1.0).** The Contractor agrees to provide the services and perform the tasks as identified in Exhibit "A", attached hereto and made a part of this Amendment No. 1. Said scope of work may be amended from time to time by way of a written directive by the City, provided that the amount stated herein is not increased without City Council approval.

- b. **TERM OF AGREEMENT SECTION (2.0).** The term of the Agreement is hereby extended retroactively from January 9, 2019 through and including June 30, 2020, inclusive.

The compensation for this Amendment No. 1 shall not exceed \$144,810. The aggregate total of the Agreement and Amendment No. 1 shall not exceed the sum of Two Hundred Seventy One Thousand Eight Hundred Thirty Seven Dollars (\$271,837).

- c. **COMPENSATION OF SERVICES (SECTION 4.0).** Without limiting the generality of the foregoing, the hourly compensation payable by the City to the Contractor under the Agreement shall remain unchanged during the term of the Agreement as extended by Section c. below.

2. **EFFECT OF AMENDMENT.**

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.

[Remainder of page left blank intentionally.]

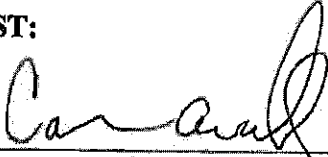
IN WITNESS WHEREOF, the Parties hereto have caused this Amendment No. 1 to be executed and attested by their respective officers hereunto duly authorized.

**CITY OF SOUTH GATE:**

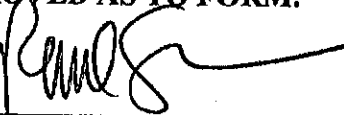
By:   
María Belén Bernal, Mayor

Dated: 10/8/19

**ATTEST:**

By:   
Carmen Avalos, City Clerk  
(SEAL)

**APPROVED AS TO FORM:**

By:   
Raul F. Salinas, City Attorney

**VIATRON SYSTEMS, INC.:**

By:   
Albert Fader, Vice President

Dated: 10-8-19

**AGREEMENT FOR PROFESSIONAL SERVICES**

This Agreement for professional services ("Agreement") is made and entered into by and between the City of South Gate (hereinafter referred to as "City"), and Viatron Systems, Inc. (hereinafter referred to as "Contractor").

The City and the Contractor agree as follows:

**RECITALS**

- A. The City does not have the personnel able and/or available to perform the services required under this Agreement.
- B. The City desires to contract for document scanning services.
- C. The Contractor warrants to the City that it has the qualifications, experience and facilities to properly complete the services in a timely manner under this Agreement.
- D. The City desires to contract with the Contractor to perform the services described in Exhibit A of this Agreement.

NOW, THEREFORE, the City and Contractor agree as follows:

**1.0 SCOPE OF THE CONTRACTOR'S SERVICES.** The Contractor agrees to provide the services and perform the tasks set forth in the attached 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 the City.

**2.0 TERM OF AGREEMENT.** This Agreement will become effective on **January 9, 2018** and will remain in effect for a period of one year from said date unless otherwise expressly extended and agreed to by both parties or terminated by either party as provided herein.

**3.0 CITY AGENT.** The Community Development Director, for the purposes of this Agreement, is the agent for the City. Whenever approval or authorization is required, Contractor understands that the Community Development Director has the authority to provide that approval or authorization.

**4.0 COMPENSATION FOR SERVICES.** The City shall pay the Contractor for its professional services rendered and costs incurred pursuant to this Agreement in accordance with the Contractor's fee and cost schedule included in Exhibit A. The cost of services shall not exceed \$127,027. No additional compensation shall be paid for any other expenses incurred unless first approved by the Community Development Director.

4.1 The Contractor shall submit to the City a bill for services according to the project schedule agreed upon by both parties. The City shall pay the Contractor upon thirty (30) days of receipt of the invoice.

4.2 No payment made hereunder by City to Contractor, other than the final payment, shall be construed as an acceptance by City of any work or materials, nor as evidence of satisfactory performance by Contractor of its obligations under this Agreement.

**5.0 CONFLICT OF INTEREST.** The Contractor represents that it presently has no interest and shall not acquire any interest, direct or indirect, in any real property located in the City which may be affected by the services to be performed by the Contractor under this Agreement. The Contractor further represents that in performance of this Agreement, no person having such interest shall be employed by it.

5.1 The Contractor represents that no City employee or official has a material financial interest in the Contractor's business. During the term of this Agreement and/or as a result of being rewarded this contract, Contractor shall not offer, encourage or accept any financial interest in the Contractor's business by any City employee or official.

## **6.0 GENERAL TERMS AND CONDITIONS.**

6.1 **Termination.** Either the City or Contractor may terminate this Agreement, without cause, by giving the other party ten (10) days written notice of such termination and the effective date thereof.

6.1.1 In the event of such termination, all finished or unfinished documents, reports, photographs, films, charts, data, studies, surveys, drawings, models, maps, or other documentation prepared by or in the possession of the Contractor under this Agreement shall be returned to the City. If the City terminates this Agreement without cause, the Contractor shall prepare and shall be entitled to receive compensation pursuant to a close-out bill for services rendered and fees incurred pursuant to this Agreement through the notice of termination. If the Contractor terminates this Agreement without cause, the Contractor shall be paid only for those services completed in a manner satisfactory to the City, which shall not be unreasonably determined.

6.1.2 If the Contractor or the City fail to fulfill in a timely and proper manner its obligations under this Agreement, or if the Contractor or the City violate any of the covenants, agreements, or stipulations of this Agreement, the Contractor or the City shall have the right to terminate this Agreement by giving written notice to the other party of such termination and specifying the effective date of such termination. The Contractor shall be entitled to receive compensation in accordance with the terms of this Agreement for any work satisfactorily completed hereunder. Notwithstanding the foregoing, the Contractor shall not be relieved of liability for damage sustained by virtue of any breach of this Agreement and any payments due under this Agreement may be withheld to off-set anticipated damages.

**6.2 Non-Assignability.** The Contractor shall not assign or transfer any interest in this Agreement without the express prior written consent of the City.

**6.3 Non-Discrimination.** The Contractor shall not discriminate as to race, creed, gender, color, national origin or sexual orientation in the performance of its services and duties pursuant to this Agreement and will comply with all applicable laws, ordinances and codes of the Federal, State, County and City governments.

**6.4 Insurance.** The Contractor shall submit to the City certificates indicating compliance with the following minimum insurance requirements no less than one (1) day prior to beginning of performance under this Agreement:

(a) Workers' Compensation Insurance as required by law. The Contractor shall require all subcontractors similarly to provide such compensation insurance for their respective employees.

(b) Comprehensive general and automotive liability insurance protecting the Contractor in amounts not less than \$1,000,000 for personal injury to any one person, \$2,000,000 for injuries arising out of one occurrence, and \$1,000,000 for property damages or a combined single limit of \$1,000,000. Each such policy of insurance shall:

1) Be issued by a financially responsible insurance company or companies admitted or authorized to do business in the State of California or which is approved in writing by the City.

2) Name and list as additional insured the City, its officers and employees.

3) Specify its acts as primary insurance.

4) Contain a clause substantially in the following words: "It is hereby understood and agreed that this policy shall not be canceled except upon thirty (30) days prior written notice to the City of such cancellation or material change."

5) Cover the operations of the Contractor pursuant to the terms of this Agreement.

**6.5 Indemnification.** Contractor agrees to indemnify, defend and hold harmless the City and/or any other City agency, for/from any and all claims or actions of any kind asserted against the City and/or any other City agency arising out of Contractor's (including Contractor's employees, representatives, products and subcontractors) negligent performance under this agreement, excepting only such claims or actions which may arise out of sole or active negligence of the City and/or any other City agency, or any third parties not acting on behalf of, at the direction of, or under the control of the Contractor.

**6.6 Compliance With Applicable Law.** The Contractor and the City shall

comply with all applicable laws, ordinances and codes of the Federal, State, County and City governments.

**6.7 Independent Contractor.** This Agreement is by and between the City and the Contractor and is not intended, nor shall it be construed, to create the relationship of agency, servant, employee, partnership, joint venture or association, as between the City and the Contractor.

6.7.1. The Contractor shall be an independent contractor and shall have no power to incur any debt or obligation for or on behalf of the City. Neither the City nor any of its officers or employees shall have any control over the conduct of the Contractor, or any of the Contractor's employees, except as herein set forth, and the Contractor expressly warrants not to, at any time or in any manner represent that it, or any of its agents, servants or employees are in any manner employees of the City, it being distinctly understood that the Contractor is and shall at all times remain to the City a wholly independent contractor and the Contractor's obligations to the City are solely such as are prescribed by this Agreement.

**6.8 Copyright.** No reports, maps or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of the Contractor.

**6.9 Legal Construction.**

a) This Agreement is made and entered into in the State of California and shall in all respects be interpreted, enforced and governed under the laws of the State of California.

b) This Agreement shall be construed without regard to the identity of the persons who drafted its various provisions. Each and every provision of this Agreement shall be construed as though each of the parties participated equally in the drafting of the same, and any rule of construction that a document is to be construed against the drafting party shall not be applicable to this Agreement.

c) The article and section, captions and headings herein have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

d) Whenever in this Agreement the context may so require, the masculine gender shall be deemed to refer to and include the feminine and neuter, and the singular shall refer to and include the plural.

**6.10 Counterparts.** This Agreement may be executed in counterparts and as so executed shall constitute an Agreement which shall be binding upon all parties herein.

**6.11 Final Payment Acceptance Constitutes Release.** The acceptance by the

Contractor of the final payment made under this Agreement shall operate as and be a release of the City from all claims and liabilities for compensation to the Contractor for anything done, furnished or relating to the Contractor's work or services. Acceptance of payment shall be any negotiation of the City's check or the failure to make a written extra compensation claim within ten (10) calendar days of the receipt of that check. However, approval or payment by the City shall not constitute, nor be deemed, a release of the responsibility and liability of the Contractor, its employees, sub-contractors and agents for the accuracy and competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or liability by the City for any defect or error in the work prepared by the Contractor, its employees, sub-consultants and agents.

**6.12 Corrections.** In addition to the above indemnification obligations, the Contractor shall correct, at its expense, all errors in the work which may be disclosed during the City's review of the Contractor's report or plans. Should the Contractor fail to make such correction in a reasonably timely manner, such correction shall be made by the City, and the cost thereof shall be charged to the Contractor.

**6.13 Files.** All files of the Contractor pertaining to the City shall be and remain the property of the City. The Contractor will control the physical location of such files during the term of this Agreement and shall be entitled to retain copies of such files upon termination of this Agreement.

**6.14 Waiver; Remedies Cumulative.** Failure by a party to insist upon the performance of any of the provisions of this Agreement by the other party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such party's right to demand compliance by such other party in the future. No waiver by a party of a default or breach of the other party shall be effective or binding upon such a party unless made in writing by such party, and no such waiver shall be implied from any omissions by a party to take any action with respect to such default or breach. No express written waiver of a specified default or breach shall affect any other default or breach, or cover any other period of time, other than any default or breach and/or period of time specified. All of the remedies permitted or available to a party under this Agreement, or at law or in equity, shall be cumulative and alternative, and invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right of remedy.

**6.15 Mitigation of Damages.** In all such situations arising out of this Agreement, the parties shall attempt to avoid and minimize the damages resulting from the conduct of the other party.

**6.16 Partial Invalidity.** If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

**6.17 Attorney's Fees.** The parties hereto acknowledge and agree that each will bear his or its own costs, expenses and attorney's fees arising out of and/or connected with the



negotiation, drafting and execution of the Agreement, and all matters arising out of or connected therewith except that, in the event any action is brought by any party hereto to enforce this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees and costs in addition to all other relief to which that party or those parties may be entitled.

**6.18 Entire Agreement.** This Agreement constitutes the whole agreement between the City and the Contractor, and neither party has made any representations to the other except as expressly contained herein. Neither party, in executing or performing this Agreement, is relying upon any statement or information not contained in this Agreement. Any changes or modifications to this Agreement must be made in writing appropriately executed by both the City and the Contractor.

**6.19 Notices.** Any notice required to be given hereunder shall be deemed to have been given by depositing said notice in the United States mail, postage prepaid, and addressed as follows:

**TO CITY:**

\_\_\_\_\_  
\_\_\_\_\_  
City of South Gate  
8650 California Avenue  
South Gate, CA 90280  
(323) \_\_\_\_\_

**TO CONTRACTOR:**

\_\_\_\_\_  
\_\_\_\_\_  
ViaTRON Systems, Inc.  
18233 S. Hoover St.  
Gardena, CA 90248  
\_\_\_\_\_  
\_\_\_\_\_

**6.20 Warranty of Authorized Signatories.** Each of the signatories hereto warrants and represents that he or she is competent and authorized to enter into this Agreement on behalf of the party for whom he or she purports to sign.

**6.21 Consultation With Attorney.** CONTRACTOR warrants and represents that it has consulted with an attorney or knowingly and voluntarily decided to forgo such a consultation.

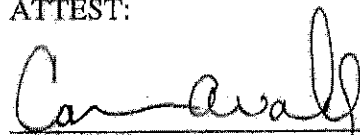
**6.22 Interpretation Against Drafting Party.** CITY and CONTRACTOR agree that they have cooperated in the review and drafting of this agreement. Accordingly, in the event of any ambiguity, neither side may claim that the interpretation of the agreement shall be construed against either party solely because that party drafted all or a portion of the agreement, or the clause at issue.

This Agreement is executed this 12<sup>th</sup> day of Dec., 2017 at South Gate, California.


CITY OF SOUTH GATE:

  
\_\_\_\_\_  
Maria Davila, Mayor

ATTEST:

  
\_\_\_\_\_  
Carmen Avalos, City Clerk

CONTRACTOR:

  
\_\_\_\_\_  
Albert Fader

APPROVE AS TO FORM:

  
\_\_\_\_\_  
Raul F. Salinas, City Attorney

**EXHIBIT A**  
**SCOPE OF WORK**

1. Contractor shall remove files from cabinets and other furniture at City Hall and box these files for transport.
2. Boxes shall be barcoded to ensure proper identification and ease of access and retrieval.
3. Contractor shall transport these files to its location at 18233 Hoover Street, Los Angeles CA 90248 for scanning.
4. Contractor shall maintain a chain of custody during transport of files.
5. Contractor shall remove all staples, clips, folded pages and any other binding elements to ensure all information is visible when scanning.
6. Document Scanning: Scan at a high resolution, large and small documents including, but not limited to building permits, plumbing permits, electrical permits, building plan sets and drawings, maps, structural calculations, compliance documentation and engineering notes.
7. Contractor shall ensure that all documents are scanned correctly so that pages are legible and in the correct orientation.
8. Contractor shall create an index file of all documents scanned. The index file data shall be manually entered or keyed punched by hand. Contractor shall perform all necessary quality control measures to ensure that the index file is accurate.
9. The index file shall contain the following, searchable fields:
  - (a) Address
  - (b) Plan Check Number
  - (c) Building Permit Number
  - (d) Parcel Map Number
  - (e) Document Type

10. The project will be completed in phases. During each phase, Contractor shall provide a method for the City to spot check accuracy of scanned documents.
11. During each phase, as documents are scanned, Contractor shall upload documents to Contractor's online storage service and provide City with access to these documents as soon as possible.
12. Contractor shall store all scanned documents for 180 days. The City will provide written approval to shred or destroy documents. Contractor shall provide certificate of destruction.
13. During project, Contractor shall store City documents in a secured location.
14. Contractor shall provide the services and perform the tasks set forth in the attached Proposal dated August 10, 2017.
15. Contractor shall provide document management service at an annual cost of \$12,600. The service includes the following: (1) Contractor shall upload all scanned documents to contractor's online storage. (2) As documents are uploaded by contractor, City shall have immediate access to the documents using a web interface provided by contractor. The documents shall be searchable on agreed upon fields designated in the proposal.

#### **Deliverables**

1. At the outset of the project, Contractor shall provide a schedule of each phase, pickup dates, when files will be scanned and uploaded, and other pertinent details.
2. Scanned documents uploaded to Contractor's online storage service.
3. Contractor shall provide two licenses to City for online search and access of scanned documents.

## Fee Schedule

Contractor shall be paid according to the following fee schedule.

	Quantity	Unit Price	Total
General Labor	1,360	\$16	\$21,760
Conversion Services (documents up to 11"x17")	1,023,000	\$0.029	\$29,667
Conversion Services (documents larger than 11"x17")	150,000	\$0.420	\$63,000
			\$114,427

One-Year Online Document Management Services \$12,600

**TOTAL** **\$127,027**

MAY 5 2021

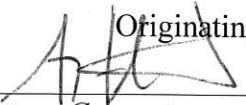
CITY OF SOUTH GATE  
 OFFICE OF THE CITY MANAGER


# AGENDA BILL

9:25am

For the Regular Meeting of: May 11, 2021

Originating Department: Public Works

Department Director:   
 Arturo Cervantes

Interim City Manager:   
 Chris Jeffers

**SUBJECT: AMENDMENT NO. 2 TO CONTRACT NO. 2021-13-AC WITH KOA CORPORATION FOR ADDITIONAL CONSTRUCTION INSPECTION SERVICES FOR THE CITYWIDE SIDEWALK IMPROVEMENT PROJECT PHASE VII, CITY PROJECT NO. 659-ST**

**PURPOSE:** KOA Corporation is under contract with the City to provide construction inspection services for the Citywide Sidewalk Improvement Project Phase VII, City Project No. 659-ST. Amendment No. 2 is needed to fund additional construction inspection services through the completion of construction.

- RECOMMENDED ACTIONS:** The City Council will consider:
- a. Approving Amendment No. 2 to Contract No. 2021-13-AC with KOA Corporation, retroactively effective April 12, 2021, for an additional 15 days of construction inspection services of the Citywide Sidewalk Improvement Project, Phase VII, City Project No. 659-ST, in an amount not-to-exceed \$15,000; and
  - b. Authorize the Mayor to execute Amendment No. 2 in a form acceptable to the City Attorney.

*gsk* **FISCAL IMPACT:** There is no fiscal impact to the General Fund. The project budget is \$500,000 and it is funded with SB 1 funds in Account No. 311-790-39-9479 (Capital Improvements – City Sidewalk Improvements, Phase VII). Amendment No. 2 is funded as shown below, revising the total amount of the construction inspection services contract to \$55,040.

Project Services	Budget
Design Phase	\$8,023
Construction Contract	\$419,747
Construction Contingency	\$11,190
Contract No. 2021-13-AC – KOA Corporation – Construction Inspection	\$30,000
Amendment No. 1 to Contract No. 2021-13-AC	\$10,040
Amendment No. 2 to Contract No. 2021-13-AC	\$15,000
Project Management (Staff time and Staff Augmentation Services)	\$6,000
<b>Total Budget</b>	<b>\$500,000</b>

**ANALYSIS:** The City entered into a contract with KOA Corporation, to provide construction inspection services on the Citywide Sidewalk Improvement Project Phase VII (Sidewalk Improvement Project). Under Contract No. 2021-13-AC, KOA Corporation (KOA) provided construction inspection services for a 30-working day construction schedule. Amendment No. 1 added five additional days to the contract to provide time to complete additional repairs. Proposed Amendment No. 2 adds 15 working days to the contract to provide time to complete the project. The 15-day schedule extension includes five days for additional construction improvements and 10 days for construction delays,

which are the responsibility of the construction contractor, Vido Samarzich, Inc. The Public Works Department is in the process of assessing \$5,000 in liquidated damages from Vido Samarzich, Inc., which, if recovered, will be utilized to partially fund Amendment No. 2.

**BACKGROUND:** The Sidewalk Improvement Project is a part of the Capital Improvement Program. It entails removal, reconstruction and the repair of damaged sidewalks, driveway approaches, cross gutters, curb and gutters and removing street trees on 26 streets citywide. Its purpose is to address issues of deferred maintenance to enhance pedestrian safety and ADA accessibility.

On February 10, 2021, Contract No. 2021-13-AC with KOA (KOA Contract) was administratively approved, to provide construction inspection services on the Sidewalk Improvement Project, in the amount of \$30,000. The scope of services of the contract included inspection of traffic control setup, inspection of construction to ensure it is in conformance with the project plans and specifications, photo-log of the project site, and field administration, for a 30-day construction schedule.

After construction began, the Public Works Department extended the construction schedule by five working days to add improvements to the Sidewalk Improvement Project, which included the construction of two new curb ramps on Garfield Avenue, at Garwick Place. Accordingly, on March 15, 2021, Amendment No. 1 to Contract No. 2021-13-AC was administratively approved in the amount of \$10,040. The amendment included \$5,000 for the inspection of the additional improvements and \$5,040 for arborist services. Arborist services were necessary to provide guidance to the construction contractor for proper root pruning and removal procedures.

The construction schedule has now been extended 15 additional working days. This includes an extension of five days to perform additional improvements at the request of the Public Works Department. The repairs include 1,881 square feet of sidewalk and two tree removals. It also includes 10 days of construction delays caused by Vido Samarzich, Inc., due to its limited crew working on site, for which the Public Works Department will assess \$5,000 in liquidated damaged.

Proposed Amendment No. 2 is in the amount of \$15,000. It is planned to be funded with City funds, however, the costs are planned to be offset by \$5,000 in liquidated damages.

On January 12, 2021, the City Council approved Contract No. 2021-02-CC with Vido Samarzich, Inc., in the amount of \$419,747, to complete construction of the project under a 30-day construction schedule. Construction began on February 16, 2021, and was scheduled to be completed March 29, 2021. Due to the schedule extensions, the construction was completed on April 30, 2021.

**ATTACHMENTS:** A. Proposed Amendment No. 2  
B. Amendment No. 1  
C. Contract No. 2021-13-AC

JR:lc

**AMENDMENT NO. 2 TO CONTRACT NO. 2021-13-AC**  
**FOR ADDITIONAL CONSTRUCTION INSPECTION SERVICES FOR THE**  
**CITYWIDE SIDEWALK IMPROVEMENT PROJECT, PHASE VII, CITY PROJECT**  
**659-ST, BETWEEN THE CITY OF SOUTH GATE AND KOA CORPORATION**

This Amendment No. 2 to Contract No. 2021-13-AC for additional Construction Inspection Services for the Citywide Sidewalk Improvement Project, Phase VII, City Project 659, ("Amendment No. 2"), is made and entered into on May 11, 2021, and retroactively effective April 12, 2021, by and between the City of South Gate ("City"), and KOA Corporation ("Consultant"). City and Consultant are sometimes hereinafter individually referred to as a "Party" and collectively referred to as "Parties."

**RECITALS:**

**WHEREAS**, on February 10, 2021, Contract No. 2021-13-AC with Consultant ("Agreement") was administratively approved for Construction Inspection Services for the Citywide Sidewalk Improvement Project, Phase VII, City Project 659-ST ("Sidewalk Improvement Project Phase VII"), for a 30-day term, in an amount not to exceed Thirty Thousand Dollars (\$30,000);

**WHEREAS**, on March 15, 2021, Amendment No. 1 to the Agreement was administratively approved for additional five working days of Construction Inspection Services on the Sidewalk Improvement Project Phase VII, for an additional five-days, in an amount not to exceed Ten Thousand Forty Dollars (\$10,040), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment No. 1 to a sum of Forty Thousand Forty Dollars (\$40,040); and

**WHEREAS**, City and Consultant desire to execute Amendment No. 2 retroactively extending the Agreement to April 12, 2021, for an additional 15 working days of Construction Inspection Services on the Sidewalk Improvement Project Phase VII, through and including May 31, 2021, in an amount not to exceed Fifteen Thousand Dollars (\$15,000), 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 Fifty Five Thousand Forty Dollars (\$55,040).

**NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:**

**1. MODIFICATION TO AGREEMENT.**

- a. SCOPE OF WORK.** Consultant shall expand its services to the City as identified in Exhibit "A" attached hereto and made a part to this Agreement. City reserves the right to augment or reduce the scope of work as the City deems necessary.
- b. COMPENSATION.** The amount of compensation paid by City to Consultant shall not exceed Fifteen Thousand Dollars (\$15,000). The sum of the Agreement, Amendment No. 1 and Amendment No. 2 shall not exceed the total



sum of Fifty Five Thousand Forty Dollars (\$55,040).

- c. **TERM OF AGREEMENT.** This Amendment No. 2 is retroactively effective April 12, 2021 through and including May 31, 2021.
2. **EFFECT OF AMENDMENTS.** Except as expressly amended herein, all other terms and conditions of the Agreement and its Amendments, Attachments, and Exhibits thereto, shall remain in full force. All of the recitals to this Amendment No. 2 are incorporated into the Agreement.

**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:**

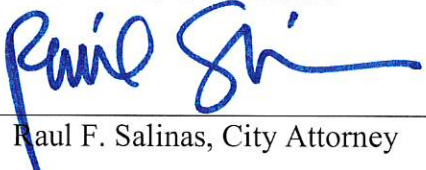
By: \_\_\_\_\_  
Al Rios, Mayor

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

**ATTESTED:**

By: \_\_\_\_\_  
Carmen Avalos, City Clerk  
(SEAL)

**APPROVED AS TO FORM:**

By:  \_\_\_\_\_  
Paul F. Salinas, City Attorney

**KOA CORPORATION:**

By: \_\_\_\_\_  
Chuck Stephan, Vice President

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

1100 Corporate Center Dr., Suite 201, Monterey Park, CA 91754

T: 323.260.4703 | F: 323.260.4705 | [www.koacorp.com](http://www.koacorp.com)

MONTEREY PARK ORANGE ONTARIO SAN DIEGO LA QUINTA CULVER CITY



**Exhibit "A"**

**TO**

John Rico  
Assistant Engineer  
City of South Gate  
Public Works Department  
8650 California Avenue  
South Gate CA 90280  
*by email: [jrico@sogate.org](mailto:jrico@sogate.org)*

**FROM**

Mr. Chuck Stephan, PE  
VP Director of CM Division  
2141 W. Oranewood Ave  
Orange CA 92868  
T: 323.260.4703  
F: 323.260.4705  
C: 310.525.0678

**RFP**

**Construction Inspection Services**

**DATE**

April 8, 2021

**KOA Corporation** ("KOA") appreciates the opportunity to submit to the City of South Gate for extended **Construction Inspection Services** for the **South Gate Sidewalk Project Phase 7**.

KOA understands that the estimated project schedule includes 15 days of work at 8 hours per day, daytime hours and no overtime expected. Work is expected to be at State Prevailing Wage Rates for public works projects. Our proposed fee is:  
15 days x 8 hours = 120 hours @ \$125.00 = \$15,000.00

Davina Buenavista is the Management Contact for this contract. The contract is managed through the Orange County Office at 2141 W. Oranewood Avenue, Suite A, Orange, CA, 92868; Phone: 714.573.0317; Fax: 714.573.9534; Email: [cstephan@koacorp.com](mailto:cstephan@koacorp.com). Thank you for this opportunity to again offer our services to the City of South Gate. Should you have questions, please contact me at 310.525.0678.

Sincerely,

**KOA Corporation**

A handwritten signature in black ink, appearing to be 'C Stephan'.

Chuck Stephan, P.E.  
Vice President, Director of CM Division  
JC06148



Arborist services will include visiting the job site around two days a week during construction, and as requested by City Inspector to: a) Identify tree risk before and after roots are cut by construction crews, and b) communicate recommendations with City Inspector during construction to reduce the risk of partial or total tree failure.

The goal is to preserve trees which have an acceptable level of risk after root pruning is performed. We will notify the inspector in a timely manner if a tree impacted by sidewalk repairs is at imminent risk of toppling or branch failure. In this case, we recommend the Inspector notify the appropriate City staff person that a City or Private tree is at imminent risk to pedestrians and drivers. For other trees at moderate risk of failure caused by sidewalk repairs, a final report will be submitted including recommendations for trimming or complete removal.

Note that certain tree species tolerate more root pruning than others. The Arborist will provide on-site guidance to the project inspector and communicate when extra caution is needed to avoid injury to a tree. The Arborist should be notified and be present when the contractor is to perform extensive root pruning. Also, caution by the contractor should be taken to avoid tearing or shredding tree roots. It is recommended that roots are cut with a sharp axe or power saw rather than tearing and damaging roots by use of skid-steer loaders and backhoes.

### **Limitations of Assessments**

As a Qualified Tree Risk Assessor, I often must perform assessments with limited information about the structural condition of the tree(s) and the environment that affects them. My opinions about what is likely to occur in the future is based upon my experience and what is observed. These assessments are provided to the Public Works Inspector to make decisions regarding tree management.

The RCA cannot detect every condition that could possibly lead to structural failure of a tree or anticipate extreme weather events that could contribute to failure. Trees are living organisms that fail in ways we do not fully understand. Conditions are often hidden within trees and below ground. The RCA cannot guarantee that a tree will be healthy or safe under all circumstances, or for a specified period of time. Likewise, remedial treatments, like any medicine, cannot be guaranteed.

Treatment, pruning and removal of trees may involve considerations beyond the scope of the RCAs services such as property boundaries, property ownership, site lines, disputes between neighbors, and other issues. RCAs cannot take such considerations into account unless complete and accurate information is disclosed to the arborist. An RCA should then be expected to reasonably rely upon the completeness and accuracy of the information provided. Trees are natural structures and can be managed, but they cannot be controlled. To live near trees is to accept some degree of risk. The only way to eliminate all risk associated with trees is to eliminate all trees.

### **What is an RCA?**

Registered Consulting Arborists are Certified Arborists who have a four-year degree in arboriculture, or other degree such as urban forestry, horticulture, plant pathology, entomology, forestry, or plant biology, and have received rigorous training in certain technical areas related to trees and tree care, providing objective, independent opinions, with training for higher communication, presentation, and/or report writing skills. Servicing a wide variety of clients, including property owners, municipalities, contractors, attorneys, insurance professionals, landscape architects, developers, engineers, other arborists, and more. *"Tree Expert" as defined in Los Angeles Municipal Code (LAMC) Section 18.02: A Registered Consulting Arborist (RCA) as provided by the American Society of Consulting Arborists.*

### **What is a Qualified Tree Risk Assessor?**

An International Society of Arboriculture qualification program that trains arborists how to use the methodologies outlined in the ISA Best Management Practices for Tree Risk Assessment. This qualification promotes the safety of people and property by providing a standardized and systematic process for assessing tree risk. The results of a tree risk assessment can provide municipalities with the information to make informed decisions to enhance tree benefits, health, and longevity.

**AMENDMENT NO. 1 TO CONTRACT NO. 2021-13-AC  
FOR ADDITIONAL CONSTRUCTION INSPECTION SERVICES FOR THE  
CITYWIDE SIDEWALK IMPROVEMENT PROJECT PHASE 7, CITY PROJECT  
659-ST, BETWEEN THE CITY OF SOUTH GATE AND KOA CORPORATION**

This Amendment No. 1 to Contract No. 2021-13-AC for Construction Inspection Services for the Citywide Sidewalk Improvement Project Phase 7, City Project 659-ST ("Amendment No. 1"), is made and entered into on March 15, 2021, by and between the City of South Gate, a municipal corporation ("City"), and KOA Corporation, a California limited liability corporation ("Consultant"). City and Consultant are sometimes hereinafter individually referred to as a "Party" and collectively referred to as "Parties."

**RECITALS:**

**WHEREAS**, on February 10, 2021, Contract No. 2021-13-AC with Consultant ("Agreement") was administratively approved for Construction Inspection Services for the Citywide Sidewalk Improvement Project, Phase 7, City Project 659-ST, in an amount not to exceed Thirty Thousand Dollars (\$30,000);

**WHEREAS**, City and Engineer desire to execute Amendment No. 1 to the Agreement for additional Construction Inspection Services as identified in the Scope of Work attached hereto as Exhibit "A" and made a part to this Amendment No.1, in an amount not to exceed Ten Thousand Forty Dollars (\$10,040), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment No. 1 to a total sum of Forty Thousand Forty Dollars (\$40,040); and

**WHEREAS**, Engineer submitted a cost breakdown and summary as part of its cost proposal for the additional Construction Inspection Services as identified in Exhibit "A."

**NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:**

**1. MODIFICATION TO AGREEMENT.**

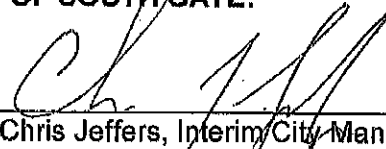
- a. **SCOPE OF WORK.** Engineer shall expand its services to the City as identified in Exhibit "A." City reserves the right to augment or reduce the scope of work as the City deems necessary.
- b. **COMPENSATION.** The amount of compensation for Amendment No. 1 shall not exceed **Ten Thousand Forty Dollars (\$10,040)**. The total sum of the Agreement and Amendment No. 1 shall not exceed **Forty Thousand Forty Dollars (\$40,040)**.
- c. **TERM OF AGREEMENT.** This Amendment No. 1 is effective as of March 15, 2021, through and including completion of the Scope of Work.

Amendment No. 1  
Contract No. 2021-13-AC

2. **EFFECT OF AMENDMENTS.** Except as expressly amended herein, all other terms and conditions of the Agreement and its Amendments, Attachments, and Exhibits thereto, shall remain in full force. All of the recitals to this Amendment No. 1 are incorporated into the Agreement as modified by this Amendment No. 1.


**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:**

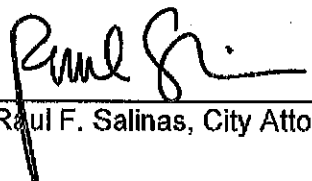
By:   
Chris Jeffers, Interim City Manager

Dated: 3/25/2021

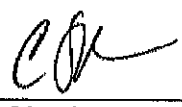
**ATTESTED:**

By:   
Carmen Avalos, City Clerk  
(SEAL)

**APPROVED AS TO FORM:**

By:   
Raul F. Salinas, City Attorney

**KOA CORPORATION:**

By:   
Chuck Stephan, Vice President

Dated: 3/15/2021



**TO**  
John Rico  
Assistant Engineer  
City of South Gate  
Public Works Department  
8650 California Avenue  
South Gate CA 90280  
*by email: jrigo@sogate.org*

**FROM**  
Mr. Chuck Stephan, PE  
VP Director of CM Division  
2141 W. Orangewood Ave  
Orange CA 92868  
T: 323.260.4703  
F: 323.260.4705  
C: 310.525.0678

**RFP**  
**Arborist Services**

**DATE**  
March 10, 2021

**KOA Corporation** ("KOA") appreciates the opportunity to submit to the City of South Gate for extended **Construction Inspection** and added **Arborist Services** for the **South Gate Sidewalk Project Phase 7**. We will provide subconsultant arborist services through Mr. Steve Rogers. We have worked with Steve on prior projects. Mr. Rogers is a Certified Arborist with decades of experience. He will perform Arborist inspections and guidance for root pruning of trees for the sidewalk project. He will perform "Level 1" inspections of trees during construction and submit tree reports as required.

Level 1 is the Limited Visual Assessment, which is performed most often by walking around a tree and looking for obvious defects, risk caused by root pruning or other problems.

Steve Rogers , Registered Consulting Arborist RCA #501  
Certified Arborist #WE-8881A  
Qualified Tree Risk Assessor by the International Society of Arboriculture #WE-8881A  
CA Licensed Tree Pest Control Operator: #01046 - B  
CA Licensed Agriculture Pest control Operator: #01046 - D

KOA understands that the estimated Arborist schedule includes for 48 hours of work, at 4 hours per assignment, twice per week on average for about 6 weeks. The Arborist rate will be \$105.00 per hour. Additional time will be needed if reports, meetings, or other work is requested. We propose a Not to Exceed allowance of \$5,040 for the Arborist services effort, and an additional 40 hours for extended Construction Inspection services at \$125.00 per hour.

Arborist Services, 48 hours x \$105.00 =	\$5,040.00
Construction Inspection, 40 hours x \$125.00 =	<u>\$5,000.00</u>
Total added services =	\$10,040.00

The contract would be managed through the Orange County Office at 2141 W. Orangewood Avenue, Suite A, Orange, CA, 92868; Phone: 714.573.0317; Fax: 714.573.9534; Email: [cstephan@koacorp.com](mailto:cstephan@koacorp.com). Thank you for this opportunity to again offer our services to the City of South Gate. Should you have questions during the selection process, please contact me at 310.525.0678.

Sincerely,  
**KOA Corporation**

Chuck Stephan, P.E.  
Vice President. Director of CM Division  
JC06148



Arborist services will include visiting the job site around two days a week during construction, and as requested by City Inspector to: a) Identify tree risk before and after roots are cut by construction crews, and b) communicate recommendations with City Inspector during construction to reduce the risk of partial or total tree failure.

The goal is to preserve trees which have an acceptable level of risk after root pruning is performed. We will notify the inspector in a timely manner if a tree impacted by sidewalk repairs is at imminent risk of toppling or branch failure. In this case, we recommend the Inspector notify the appropriate City staff person that a City or Private tree is at imminent risk to pedestrians and drivers. For other trees at moderate risk of failure caused by sidewalk repairs, a final report will be submitted including recommendations for trimming or complete removal.

Note that certain tree species tolerate more root pruning than others. The Arborist will provide on-site guidance to the project inspector and communicate when extra caution is needed to avoid injury to a tree. The Arborist should be notified and be present when the contractor is to perform extensive root pruning. Also, caution by the contractor should be taken to avoid tearing or shredding tree roots. It is recommended that roots are cut with a sharp axe or power saw rather than tearing and damaging roots by use of skid-steer loaders and backhoes.

### **Limitations of Assessments**

As a Qualified Tree Risk Assessor, I often must perform assessments with limited information about the structural condition of the tree(s) and the environment that affects them. My opinions about what is likely to occur in the future is based upon my experience and what is observed. These assessments are provided to the Public Works Inspector to make decisions regarding tree management.

The RCA cannot detect every condition that could possibly lead to structural failure of a tree or anticipate extreme weather events that could contribute to failure. Trees are living organisms that fail in ways we do not fully understand. Conditions are often hidden within trees and below ground. The RCA cannot guarantee that a tree will be healthy or safe under all circumstances, or for a specified period of time. Likewise, remedial treatments, like any medicine, cannot be guaranteed.

Treatment, pruning and removal of trees may involve considerations beyond the scope of the RCAs services such as property boundaries, property ownership, site lines, disputes between neighbors, and other issues. RCAs cannot take such considerations into account unless complete and accurate information is disclosed to the arborist. An RCA should then be expected to reasonably rely upon the completeness and accuracy of the information provided. Trees are natural structures and can be managed, but they cannot be controlled. To live near trees is to accept some degree of risk. The only way to eliminate all risk associated with trees is to eliminate all trees.

### **What is an RCA?**

Registered Consulting Arborists are Certified Arborists who have a four-year degree in arboriculture, or other degree such as urban forestry, horticulture, plant pathology, entomology, forestry, or plant biology, and have received rigorous training in certain technical areas related to trees and tree care, providing objective, independent opinions, with training for higher communication, presentation, and/or report writing skills. Servicing a wide variety of clients, including property owners, municipalities, contractors, attorneys, insurance professionals, landscape architects, developers, engineers, other arborists, and more. *"Tree Expert" as defined in Los Angeles Municipal Code (LAMC) Section 18.02: A Registered Consulting Arborist (RCA) as provided by the American Society of Consulting Arborists.*

### **What is a Qualified Tree Risk Assessor?**

An International Society of Arboriculture qualification program that trains arborists how to use the methodologies outlined in the ISA Best Management Practices for Tree Risk Assessment. This qualification promotes the safety of people and property by providing a standardized and systematic process for assessing tree risk. The results of a tree risk assessment can provide municipalities with the information to make informed decisions to enhance tree benefits, health, and longevity.

**AGREEMENT FOR PROFESSIONAL SERVICES  
FOR CONSTRUCTION INSPECTION SERVICES FOR THE CITYWIDE  
SIDEWALK IMPROVEMENT PROJECT PHASE 7,  
CITY PROJECT NO. 659-ST  
BETWEEN THE CITY OF SOUTH GATE AND KOA CORPORATION**

This Agreement for Professional Services for the Citywide Sidewalk Improvement Project Phase 7, City Project No. 659-ST ("Agreement") is made and entered into on February 8, 2021 by and between the City of South Gate, a municipal corporation ("City"), and KOA Corporation, a California limited liability corporation ("Consultant"). The City and Consultant are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

**RECITALS**

**WHEREAS**, City desires to retain professional services for Construction Inspection Services for the Citywide Sidewalk Improvement Project Phase 7, City Project No. 659-ST;

**WHEREAS**, Consultant warrants to City that it has the requisite skills, knowledge, qualifications, manpower and expertise to perform properly and timely the professional services under this Agreement; and

**WHEREAS**, based on such representation, City desires to contract with Consultant to perform professional services described in the Proposal attached hereto as Exhibit "A" and made a part to this Agreement.

**NOW, THEREFORE**, the Parties hereby agree as follows:

1. **SCOPE OF SERVICES.** City hereby engages Consultant, and Consultant accepts such engagement, to perform the services set forth in the Scope of Services as described in Exhibit "A". The Scope of Services may be mutually amended from time to time by both Parties in writing.
2. **COMPENSATION.** The total amount of compensation for this Agreement shall not exceed the sum of **Thirty Thousand Dollars (\$30,000)** as described in Exhibit "A." City shall pay Consultant for its professional services rendered and reasonable costs incurred pursuant to this Agreement. No additional compensation shall be paid for any other expenses incurred unless first approved in writing by the Director of Public Works.
  - 2.1 Consultant shall be required to attend meetings at City Hall as necessary in the delivery of the projects. Travel time between the Consultant's office and City Hall shall not be billable; however, mileage is an allowable charge reimbursable at the federal rate. Consultant may request an exemption on a case by case basis.
  - 2.2 Consultant shall submit to City a monthly invoice for services rendered included in Exhibit "A." City shall pay the Consultant within forty-five (45) days of receipt of the invoice.



2.3 No payment made hereunder by City to Consultant, other than the final payment, shall be construed as an acceptance by City of any work or materials, nor as evidence of satisfactory performance by Consultant of its obligations under this Agreement.

3. **TERM OF AGREEMENT.** This Agreement is effective as of February 8, 2021, and will remain in effect through and including completion of the Scope of Services attached hereto as Exhibit "A" unless otherwise expressly extended and agreed to by both Parties in writing, or terminated by either Party as provided herein.

4. **CITY AGENT.** The Director of Public Works, for the purposes of this Agreement, is the agent for the City. Whenever approval or authorization is required, Consultant understands that the Director of Public Works has the authority to provide that approval or authorization.

5. **CONFLICT OF INTEREST.** Consultant represents that it presently has no interest and shall not acquire any interest, direct or indirect, in any real property located within City which may be affected by the services to be performed by Consultant under this Agreement. Consultant further represents that in performance of this Agreement, no person having such interest shall be employed by it. Within ten (10) days, Consultant agrees that it will immediately notify City of any other conflict of interest that may exist or develop during the term of this Agreement.

5.1 Consultant represents that no City employee or official has a material financial interest in the Consultant's business. During the term of this Agreement and/or as a result of being awarded this Agreement, Consultant shall not offer, encourage or accept any financial interest in the Consultant's business or in this Agreement by any City employee or official.

6. **GENERAL TERMS AND CONDITIONS.**

6.1 **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 outstanding fees for services rendered as of the termination date. In no event shall the amount payable upon termination exceed the total maximum compensation provided for in this Agreement.

6.2 **Termination for Cause.**

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

- a. If Consultant fails to perform the services required by this Agreement within the time specified herein or any authorized extension thereof; or
  - b. 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.
- 6.2.2** In the event City terminates this Agreement in whole or in part as provided above in Subsection 6.2.1, City may procure, upon such terms and in such manner as it may deem appropriate, services similar to those terminated.
- 6.2.3** If this Agreement is terminated as provided above in Subsection 6.2.1, City may require Consultant to provide all finished or unfinished documents, data, studies, drawings, maps, photographs, reports, films, charts, sketches, computation, surveys, models, or other similar documentation 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.
- 6.2.4** If, after notice of termination of the Agreement under the provisions of Subsection 6.2.1 above, 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 Subsection 6.1 above.
- 6.3 Non-Assignability.** Consultant shall not assign or transfer any interest in this Agreement without the express prior written consent of City.
- 6.4 Non-Discrimination.**
- 6.4.1** Consultant shall not discriminate against any employee, subcontractor, 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, in the performance of its services and duties pursuant to this Agreement and will comply with all applicable laws, ordinances and codes of the Federal, State, and County and City governments. 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, disabled or age. Consultant will take affirmative action to ensure that all employment practices, including those of any subcontractors retained by Consultant 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.

6.4.2 The provisions of Subsection 6.4.1 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 (relating to federal restrictions against discriminatory practices) is available for review and on file with the City Clerk's Office.

6.5 **Insurance.** Consultant shall submit to City certificates indicating compliance with the following minimum insurance requirements no less than one (1) day prior to beginning of performance under this Agreement:

6.5.1 **Workers' Compensation Insurance** as required by law. Consultant shall require all subcontractors similarly to provide such compensation insurance for their respective employees.

6.5.2 **Comprehensive general and automotive liability insurance** protecting Consultant in amounts not less than \$1,000,000 for personal injury to any one person, \$1,000,000 for injuries arising out of one occurrence, and \$500,000 for property damages or a combined single limit of \$1,000,000, with an aggregate of \$2,000,000. Each such policy of insurance shall:

- a. Be issued by a financially responsible insurance company or companies admitted or authorized to do business in the State of California or which is approved in writing by City.
- b. Name and list as additional insured City, its officers and employees.
- c. Specify its acts as primary insurance.
- d. Contain a clause substantially in the following words: "It is hereby understood and agreed that this policy shall not be canceled except

upon thirty (30) days prior written notice to City of such cancellation or material change.”

- e. Cover the operations of Consultant pursuant to the terms of this Agreement.

**6.6 Indemnification.** Consultant agrees to indemnify, defend and hold harmless City and/or any other City agency, including other employees, officers and representatives, for/from any and all claims or actions of any kind asserted against City and/or any other City agency arising out of Consultant's (including Consultant's employees, representatives, products and subcontractors) negligent performance under this Agreement, excepting only such claims or actions which may arise out of sole or active negligence of City and/or any other City agency, or any third parties not acting on behalf of, at the direction of, or under the control of Consultant.

**6.7 Compliance With Applicable Law.** Consultant and City shall comply with all applicable laws, ordinances and codes of the federal, state, county and city governments, without regard to conflict of law principles.

**6.8 Independent Contractor.** This Agreement is by and between City and Consultant and is not intended, nor shall it be construed, to create the relationship of agency, servant, employee, partnership, joint venture or association, as between City and Consultant.

**6.8.1.** Consultant shall be an independent contractor and shall have no power to incur any debt or obligation for or on behalf of City. Neither City nor any of its officers or employees shall have any control over the conduct of Consultant, or any of Consultant's employees, except as herein set forth, and Consultant expressly warrants not to, at any time or in any manner represent that it, or any of its agents, servants or employees are in any manner employees of City, it being distinctly understood that Consultant is and shall at all times remain to City a wholly independent contractor and Consultant's obligations to City are solely such as are prescribed by this Agreement.

**6.8.2. Indemnification of CalPERS Determination.** In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any fees assessed and interest, which would otherwise be the responsibility of City.

**6.9 Consultant's Personnel.**

**6.9.1** 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.

**6.9.2** 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.

**6.9.3** 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.

**6.9.4** 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.

**6.10 Copyright.** No reports, maps or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of Consultant.

**6.11 Legal Construction.**

**6.11.1** This Agreement is made and entered into in the State of California and shall in all respects be interpreted, enforced and governed under the laws of the State of California, without regard to conflict of law principles.

**6.11.2** This Agreement shall be construed without regard to the identity of the persons who drafted its various provisions. Each and every provision of this Agreement shall be construed as though each of the parties participated equally in the drafting of the same, and any rule of construction that a document is to be construed against the drafting party shall not be applicable to this Agreement.

**6.11.3** The article and section, captions and headings herein have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

- 6.11.4 Whenever in this Agreement the context may so require, the masculine gender shall be deemed to refer to and include the feminine and neuter, and the singular shall refer to and include the plural.
- 6.12 **Final Payment Acceptance Constitutes Release.** The acceptance by Consultant of the final payment made under this Agreement shall operate as and be a release of City from all claims and liabilities for compensation to Consultant for anything done, furnished or relating to Consultant's work or services. Acceptance of payment shall be any negotiation of City's check or the failure to make a written extra compensation claim within ten (10) calendar days of the receipt of that check. However, approval or payment by City shall not constitute, nor be deemed, a release of the responsibility and liability of Consultant, its employees, subcontractors and agents for the accuracy and competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or liability by City for any defect or error in the work prepared by Consultant, its employees, subcontractors and agents.
- 6.13 **Corrections.** In addition to the above indemnification obligations, Consultant shall correct, at its expense, all errors in the work which may be disclosed during City's review of Consultant's report or plans. Should Consultant fail to make such correction in a reasonably timely manner, such correction shall be made by City, and the cost thereof shall be charged to the Consultant.
- 6.14 **Files.** All files of Consultant pertaining to City shall be and remain the property of City. Consultant will control the physical location of such files during the term of this Agreement and shall be entitled to retain copies of such files upon termination of this Agreement.
- 6.15 **Waiver; Remedies Cumulative.** Failure by a Party to insist upon the performance of any of the provisions of this Agreement by the other Party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such Party's right to demand compliance by such other Party in the future. No waiver by a Party of a default or breach of the other Party shall be effective or binding upon such a Party unless made in writing by such Party, and no such waiver shall be implied from any omissions by a Party to take any action with respect to such default or breach. No express written waiver of a specified default or breach shall affect any other default or breach, or cover any other period of time, other than any default or breach and/or period of time specified. All of the remedies permitted or available to a Party under this Agreement, or at law or in equity, shall be cumulative and alternative, and invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right of remedy.
- 6.16 **Mitigation of Damages.** In all such situations arising out of this Agreement, the Parties shall attempt to avoid and minimize the damages resulting from the conduct of the other Party.

- 6.17 Severability.** If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.
- 6.18 Attorney's Fees.** The Parties hereto acknowledge and agree that each will bear his or its own costs, expenses and attorney's fees arising out of and/or connected with the negotiation, drafting and execution of the Agreement, and all matters arising out of or connected therewith except that, in the event any action is brought by any Party hereto to enforce this Agreement, the prevailing Party in such action shall be entitled to reasonable attorney's fees and costs in addition to all other relief to which that Party or those Parties may be entitled.
- 6.19 Entire Agreement and Amendments.** This Agreement constitutes the whole agreement between City and Consultant, and neither Party has made any representations to the other except as expressly contained herein. Neither Party, in executing or performing this Agreement, is relying upon any statement or information not contained in this Agreement. Any amendments, changes or modifications to this Agreement must be made in writing and appropriately executed by both City and Consultant.
- 6.20 Notices.** Any notice required to be given hereunder shall be deemed to have been given by email transmission with confirmation of delivery, and depositing said notice in the United States mail, postage prepaid, and addressed as follows:

**TO CITY:**  
City of South Gate  
Arturo Cervantes  
Assistant City Manager/  
Director of Public Works  
8650 California Avenue  
South Gate, CA 90280  
E-mail: [acervantes@sogate.org](mailto:acervantes@sogate.org)

**WITH COURTESY COPY TO:**  
City of South Gate  
Carmen Avalos  
City Clerk  
8650 California Avenue  
South Gate, CA 90280  
E-mail: [cavalos@sogate.org](mailto:cavalos@sogate.org)

**TO CONSULTANT:**  
KOA Corporation  
Chuck Stephan  
Vice President  
2141 W. Orangewood Ave  
Orange, CA 92868  
E-mail: [cstephan@koacorp.com](mailto:cstephan@koacorp.com)

- 6.21 Warranty of Authorized Signatories.** Each of the signatories hereto warrants and represents that he or she is competent and authorized to enter into this Agreement on behalf of the Party for whom he or she purports to sign.

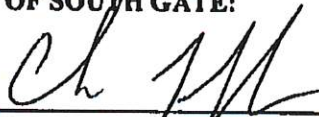
- 6.22 Consultation With Attorney.** Consultant warrants and represents that it has consulted with an attorney or knowingly and voluntarily decided to forgo such a consultation.
- 6.23 Interpretation Against Drafting Party.** City and Consultant agree that they have cooperated in the review and drafting of this Agreement. Accordingly, in the event of any ambiguity, neither Party may claim that the interpretation of this Agreement shall be construed against either Party solely because that Party drafted all or a portion of this Agreement, or the clause at issue.
- 6.24 Counterparts.** This Agreement may be executed in counterparts and as so executed shall constitute an agreement which shall be binding upon all Parties herein.

[Remainder of page left blank intentionally]



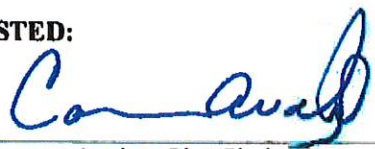
IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

CITY OF SOUTH GATE:

By:   
Chris Jeffers, Interim City Manager

Dated: 02/10/2021

ATTESTED:

By:   
Carmen Avalos, City Clerk  
(SEAL)

APPROVED AS TO FORM:

By:   
Raul F. Salinas, City Attorney

KOA CORPORATION:

By:   
Chuck Stephan, Vice President

Dated: February 8, 2021



1100 Corporate Center Dr., Suite 201, Monterey Park, CA 91754  
T: 323.260.4703 | F: 323.260.4705 | [www.koacorp.com](http://www.koacorp.com)  
MONTEREY PARK ORANGE ONTARIO SAN DIEGO LA QUINTA CULVER CITY

**Exhibit "A"**

**TO**

John Rico  
Assistant Engineer  
City of South Gate  
Public Works Department  
8650 California Avenue  
South Gate CA 90280  
*by email: [jrico@sogate.org](mailto:jrico@sogate.org)*

**FROM**

Mr. Chuck Stephan, PE  
VP Director of CM Division  
2141 W. Orangewood Ave  
Orange CA 92868  
T: 323.260.4703  
F: 323.260.4705  
C: 310.525.0678

**RFP**

**Construction Inspection  
Services  
Citywide Sidewalk  
Improvement Project Phase 7,  
City Project No. 659-ST**

**DATE**

November 23, 2020

KOA Corporation ("KOA") appreciates the opportunity to submit qualifications to the City of South Gate for **Construction Inspection Services for the Citywide Sidewalk Improvement Project Phase 7, City Project No. 659-ST**. KOA has the expertise and resources required to assist the City of South Gate in a timely and efficient manner. We are committed to working seamlessly with your staff and project team again to ensure the successful delivery of this project.

The KOA team, our project systems, and our entire management structure are geared to providing flexible services to agencies such as yours. We assure that our key personnel will be assigned to the project for its duration and will not be removed or replaced by us without concurrence from the City of South Gate. Every member of our proposed team is available to be committed to the projects assigned to us beginning the start date.

KOA has years of experience working on public works and street improvement projects for numerous agencies and clients and provides some of the industry's best construction managers and inspectors with recent experience on similar projects as the one requested in this Request for Proposals.

KOA understands that the estimated project schedule includes 30 days of work at 8 hours per day, daytime hours and no overtime expected. Work is expected to be at State Prevailing Wage Rates for public works projects. Our proposed fee is:  
30 days x 8 hours = 240 hours @ \$125.00 = \$30,000.00

Davina Buenavista will be the Management Contact for this contract. Dan Chapman, Gordon Roberts or Dave Hernandez will be our proposed inspector, each with decades of experience. We have additional inspectors available should they be unavailable. The contract would be managed through the Orange County Office at 2141 W. Orangewood Avenue, Suite A, Orange, CA, 92868; Phone: 714.573.0317; Fax: 714.573.9534; Email: [cstephan@koacorp.com](mailto:cstephan@koacorp.com). Thank you for this opportunity to again offer our services to the City of South Gate. Should you have questions during the selection process, please contact me at 310.525.0678.

Sincerely,  
KOA Corporation

Chuck Stephan, P.E.  
Vice President, Director of CM Division  
MC06132



**DANIEL H. CHAPMAN, JR.**  
SENIOR CONSTRUCTION INSPECTOR

Mr. Chapman has over 25 years of experience in the civil engineering field as a construction inspector, pavement engineer and construction materials manager. He has worked on a variety of projects that has included, Federal Highway Administration, Federal Aviation Administration, California Department of Transportation, Various Counties, City, and Special Districts. He has extensive knowledge of the State and Federal Highway procedures including site management, pay estimates, documentation and project specifications. His past inspection and office engineering projects includes various roadways, bridges, airport runways and taxiways, asphalt and concrete pavements, asphalt overlay, review of shop drawings, and observation. His experience includes construction management, contract administration, staff augmentation, plan checking, design constructability and bid ability review.

**City of Irvine – Annual Residential Street Rehabilitation:** Construction Inspector. Dan provided construction inspection services for the construction of various street maintenance improvements including AC repairs; PCC Curb, Gutter and Sidewalk; Curb Ramps; Slurry Seal; signing and striping.

**City of La Habra – Annual Residential Street Rehabilitation and Water Main Replacement, La Habra, CA:** Construction Inspector. Dan provided construction inspection services for the construction of pavement repairs and rehabilitation work on various streets across the City, and the repair and replacement of various water pipelines. Project Cost \$5.4M.

**Town of Apple Valley – Construction Inspection Yucca Loma Bridge, Apple Valley, CA:** Construction Inspector. Dan was responsible for periodic inspections and construction reports for asphalt, concrete and steel; coordination with materials testing and reports to the Project Manager and the Town.

**County of San Bernardino – Baseline Road at I-15 Interchange, Rancho Cucamonga, CA:** Construction Inspector/Office Engineer. Mr. Chapman set up project files, provided construction inspections and construction contract administration support, photo documentation and reports, prepared quantity sheets, updated project files, reviewed and submittals, weekly status reports, prepared monthly pay estimates, process change orders, jobsite safety reviews, coordinated for field testing, material testing, prepared project files for project closeouts and other related tasks as assigned. Project involved infrastructure improvements, curbs, gutters, sidewalks, ADA ramps, storm drain pipe, water line relocations, roadway excavation, observation of subgrade and making grade, slope paving, roadway signs, traffic stripes and markings.

**Caltrans District 5, State Route 46, Lost Hills, CA**

**Caltrans District 6, State Route 99, Bakersfield, Chowchilla, and Madera, CA**

**Caltrans District 7, State Route 5, Sun Valley, Sylmar, Burbank, Norwalk, Santa Fe Springs, La Mirada, and Gorman**

**Caltrans District 7, State Route 101, Camarillo, Thousand Oaks, and Ventura, CA**

**Caltrans District 7, State Route 118, Simi Valley and Sylmar, CA**

**Caltrans District 8, State Route 15 Ontario, Hesperia, and Victorville, CA**

**Caltrans District 8, State Route 40, Newberry Springs, CA**

**City of Bakersfield / TRIP – Westside Parkway Phases 2, 2B, 3 and 4, Truxtun Interchange, Bakersfield, CA**

**County of San Diego – County Overlay Projects – Various, San Diego County, CA**

**Federal Aviation Administration – Runway and Taxiway Rehabilitation Projects for Van Nuys Airport, Long Beach Airport, Burbank Airport, and John Wayne Santa Ana Airport, CA**

**EDUCATION**

BA, Pacific Coast Baptist Bible College, 1995

**REGISTRATIONS/  
CERTIFICATONS**

NICET Level III (Soil, Concrete, Asphalt)

Caltrans Certifications for Soil, Concrete, and Asphalt

ACI Strength Testing Technician Lab 1& 2

**YEAR STARTED WITH  
FIRM:**

2019

1100 Corporate Center Dr., Suite 201, Monterey Park, CA 91754  
T: 323.260.4703 | F: 323.260.4705 | [www.koacorp.com](http://www.koacorp.com)  
MONTEREY PARK ORANGE ONTARIO SAN DIEGO LA QUINTA CULVER CITY



**TO**  
John Rico  
Assistant Engineer  
City of South Gate  
Public Works Department  
8650 California Avenue  
South Gate CA 90280  
by email: [jrico@sogate.org](mailto:jrico@sogate.org)

**FROM**  
Mr. Chuck Stephan, PE  
VP Director of CM Division  
2141 W. Orangewood Ave  
Orange CA 92868  
T: 323.260.4703  
F: 323.260.4705  
C: 310.525.0678

**RFP**  
**Construction Inspection  
Services  
Citywide Sidewalk  
Improvement Project Phase 7,  
City Project No. 659-ST**

**DATE**  
November 23, 2020

KOA Corporation ("KOA") appreciates the opportunity to submit qualifications to the City of South Gate for **Construction Inspection Services for the Citywide Sidewalk Improvement Project Phase 7, City Project No. 659-ST**. KOA has the expertise and resources required to assist the City of South Gate in a timely and efficient manner. We are committed to working seamlessly with your staff and project team again to ensure the successful delivery of this project.

The KOA team, our project systems, and our entire management structure are geared to providing flexible services to agencies such as yours. We assure that our key personnel will be assigned to the project for its duration and will not be removed or replaced by us without concurrence from the City of South Gate. Every member of our proposed team is available to be committed to the projects assigned to us beginning the start date.

KOA has years of experience working on public works and street improvement projects for numerous agencies and clients and provides some of the industry's best construction managers and inspectors with recent experience on similar projects as the one requested in this Request for Proposals.

KOA understands that the estimated project schedule includes 30 days of work at 8 hours per day, daytime hours and no overtime expected. Work is expected to be at State Prevailing Wage Rates for public works projects. Our proposed fee is:  
 $30 \text{ days} \times 8 \text{ hours} = 240 \text{ hours} @ \$125.00 = \$30,000.00$

Davina Buenavista will be the Management Contact for this contract. Dan Chapman, Gordon Roberts or Dave Hernandez will be our proposed inspector, each with decades of experience. We have additional inspectors available should they be unavailable. The contract would be managed through the Orange County Office at 2141 W. Orangewood Avenue, Suite A, Orange, CA, 92868; Phone: 714.573.0317; Fax: 714.573.9534; Email: [cstephan@koacorp.com](mailto:cstephan@koacorp.com). Thank you for this opportunity to again offer our services to the City of South Gate. Should you have questions during the selection process, please contact me at 310.525.0678.

Sincerely,  
KOA Corporation

A handwritten signature in black ink, appearing to be 'C Stephan'.

Chuck Stephan, P.E.  
Vice President, Director of CM Division  
MC06132

RECEIVED

MAY 5 2021

City of South Gate  
CITY COUNCIL

CITY OF SOUTH GATE  
OFFICE OF THE CITY MANAGER

7:50am

AGENDA BILL

For the Regular Meeting of: May 11, 2021  
Originating Department: Parks & Recreation

Interim Director: Steve Costley/164  
Steve Costley

Interim City Manager: Chris Jeffers  
Chris Jeffers

**SUBJECT: RATIFICATION OF PURCHASE ORDER FOR THE PURCHASE AND INSTALLATION OF ROOFING FOR THE SOUTH GATE PARKS MAINTENANCE YARD**

**PURPOSE:** To ratify the Purchase Order for the replacement of roofing materials being used for the South Gate Park Maintenance Yard Roof Replacement Project (Project).

**RECOMMENDED ACTIONS:** The City Council will consider:

- a. Ratifying Purchase Order with Best Roofing through the Omni Partners – National Roofing Partners (NRP) contract to replace the corrugated roof portion of the South Gate Park Maintenance Yard with the same type of corrugated roofing materials that are currently on the building, in the amount of \$97,497.49, resulting in a net reduction from the originally approved price of \$23,502.51;
- b. Authorizing the City’s Purchasing Division to issue a Purchase Order, in the amount of \$97,497.49 for this project in accordance with the City’s purchasing ordinance and policies; and
- c. Authorizing the Interim Director of Parks & Recreation to execute any additional documents as may be required to properly implement and manage this purchase and installation.

**FISCAL IMPACT:** There is no fiscal impact to the General Fund. Grant funds, in the amount of \$196,000, from the California Natural Resource Agency (CNRA) are being used to complete the Project.

**ALIGNMENT WITH COUNCIL GOALS:** This Project meets the City Council’s goal for “Continuing Infrastructure Improvements.”

**ANALYSIS:** After review by the Public Works Department of the maintenance bay portion of the Project, it was determined that any change in materials that added weight to the structure would require structural calculations be completed before the Project could move forward. Thus, the Project team concluded that it would be best to replace the current corrugated roofing materials that are on the structure with the same type of materials as originally installed. The original Purchase Order for this Project was in the amount of \$121,000, and was approved by the City Council during its regularly scheduled City Council Meeting of January 26, 2021. Due to a re-evaluation of the Project, Public Works is reconsidering an alternative material approach to allow the City to save \$23,502.51 for a total price of \$97,497.49.

**BACKGROUND:** The South Gate Park Maintenance Yard located at 4933 Southern Avenue houses the majority of the personnel and equipment for the Department's Parks Maintenance Division. The

facility was originally built in the 1950's (est.) with the roof having been repaired several times but never fully replaced. The building consists of two distinct areas; a main building that houses office space, small equipment storage, a lunch room, and a mechanic's office; and a second area that includes a set of service bays that are used for large item storage and vehicle repair.

After repairs to the roof on several occasions by Public Works staff, it was determined that it would be in the best interest of the Parks & Recreation Department to do a full replacement. This includes replacement of the flat area over the main building and the corrugated roof over the service bays. Staff estimates that the overall process will only take a few days to complete and the Public Works staff and Parks staff will be working together to accommodate storage of vehicles/equipment during the installation.

**ATTACHMENT:** Updated Proposal from National Roofing Partners



April 22, 2021

Kevin Holmes, General Maintenance Foreman  
City of South Gate Public Works Field Operations  
4244 Santa Ana Street  
South Gate, CA 90280

Re: Pricing Options for South Gate Maintenance Yard, 4933 Southern Ave, South Gate, CA 90280  
NRP CPN#: 180901-CA-011

Mr. Holmes:

National Roofing Partners (NRP) and its local partner, Best Contracting, have developed the following pricing estimates for the South Gate Maintenance Yard project. These not-to-exceed estimates are developed in compliance with NRP's contract number 180901 with OMNIA Partners and includes the estimated cost to perform the scope(s) of work below.

**Exposed Metal Deck Alt. 2 Scope of Work:**

**NTE \$97,497<sup>49</sup>**

1. Demo existing metal roofing down to joists.
2. Furnish and install new 24 gauge multi-cor corrugated metal (standard color) at 3,500SF to match removed.
3. Over existing BUR cap sheet roof, mechanically install 115mil fleeceback TPO system.
4. Flash all penetrations and curbs per manufacturer's specs.
5. Furnish & Install Walkpads at all serviceable mechanical units.
6. Provide owner with a 2-year Installer roofing warranty at section with new TPO system.
7. Provide owner with Manufacturer's 20-year NDL warranty only at section with new TPO system.
8. No water-proof warranty available for corrugated metal roof.
9. 1-year installer warranty at corrugated metal section.

This pricing is compliant with the OMNIA Partners' unit pricing and contingent on OMNIA Partners line item estimates to be produced for accepted pricing option. All material is guaranteed to be as specified. All work will be completed in a workmanlike manner according to standard roofing practices and in accordance with manufacturer's specifications.

If you have any questions or need additional information, please contact our office.  
Best Regards,

Froilan Pablo  
Best Contracting  
19027 S Hamilton Ave  
Gardena, CA 90248  
310-505-1801



NATIONAL ROOFING PARTNERS

RECEIVED

MAY 5 2021

Item No. 12

City of South Gate  
CITY COUNCIL

CITY OF SOUTH GATE  
OFFICE OF THE CITY MANAGER

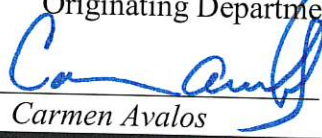
1:10pm

AGENDA BILL

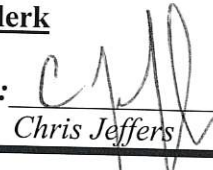
For the Regular Meeting of: May 11, 2021

Originating Department: Office of the City Clerk

Department Director:

  
Carmen Avalos

Interim City Manager:

  
Chris Jeffers

**SUBJECT:** APPROVAL OF CITY COUNCIL MEETING MINUTES

**PURPOSE:** To historically preserve the events of the City Council Meetings.

**RECOMMENDED ACTION:**

- A. Approve the Special Meeting minutes of April 20, 2021
- B. Approve the Regular Meeting minutes of April 27, 2021

**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, APRIL 20, 2021**

**CALL TO ORDER** Al Rios, Mayor called a Regular City Council meeting to order at 6:45 p.m.

**INVOCATION** Pilar Avalos, Vice Mayor

**PLEDGE OF ALLEGIANCE** Gil Hurtado, Council Member

**ROLL CALL** Carmen Avalos, City Clerk

**PRESENT** Mayor Al Rios, Vice Mayor Maria del Pilar Avalos, Council Member Maria Davila, Council Member Denise Diaz and Council Member Gil Hurtado; Interim City Manager Chris Jeffers, City Attorney Raul F. Salinas

**ABSENT** City Treasurer Gregory Martinez

**1**  
**PROCLAMATION** The City Council presented a Proclamation to Yadira Bonilla-Clayton in recognition of her 34 years of dedicated service to the City of South Gate.

**2**  
**PROCLAMATION** The City Council issued a Proclamation declaring April 2021 as DMV/Donate Life California Month.

**3**  
**PROCLAMATION** The City Council issued a Proclamation declaring April 2021 as Sexual Assault Awareness Month and April 28, 2021, as Denim Day.

**4**  
**STREETS/SIDEWALKS/  
LANDSCAPING** The City Council unanimously adopted A and B by motion of Vice Mayor Avalos and seconded by Council Member Hurtado.

**Roll Call:** Council Member Diaz, yes; Council Member Davila, yes; Council Member Hurtado, yes; Vice Mayor Avalos, yes; Mayor Rios, yes.

## SPECIAL CITY COUNCIL MEETING MINUTES OF APRIL 20, 2021

4

### STREETS/SIDEWALKS/ LANDSCAPING CONT'D

- a. Resolution No. 2021-14-CC entitled - A Resolution of the City Council of the City of South Gate, California, preliminarily approving the Engineer's Report required for the proceedings of the Fiscal Year 2021/22 Annual Levy and Collection of Assessments within the Street Lighting and Landscape Maintenance District No. 1; and
- b. Resolution No. 2021-15-CC entitled - A Resolution of the City Council of the City of South Gate, California, declaring the City's intention to levy and collect assessments under the Fiscal Year 2021/22 Annual Levy and Collection of Assessments within the Street Lighting and Landscape Maintenance District No. 1, and setting a Public Hearing for May 25, 2021.

5

### CITY HISTORY

The City Council unanimously adopted Resolution No. 2021-16-CC entitled - A Resolution of the City Council of the City of South Gate, California, establishing the "Centennial Celebration Planning Ad Hoc Committee" to begin making plans for the City's upcoming 100<sup>th</sup> Anniversary Celebration and appointing members to serve on this Ad Hoc Committee as amended by motion of Council Member Davila and seconded by Council Member Diaz

**Roll Call:** Council Member Diaz, yes; Council Member Davila, yes; Council Member Hurtado, yes; Vice Mayor Avalos, yes; Mayor Rios, yes.

**Amendment:** The City Council appointed two City Council Members (Vice Mayor Avalos and Council Member Davila) to the Ad Hoc Committee in addition to each City Council Member appointing two community members at a future City Council Meeting.

- a. Each City Council Member will appoint two community members to serve as Ad Hoc Committee Members, subject to a majority vote of the City Council; and
- b. Appointed the Director of Parks & Recreation and the Management Analyst from the City Manager's Office as the staff liaisons.

6

### PERSONNEL

The City Council unanimously approved A and B by motion of Vice Mayor Avalos and seconded by Council Member Hurtado.

**Roll Call:** Council Member Diaz, yes; Council Member Davila, yes; Council Member Hurtado, yes; Vice Mayor Avalos, yes; Mayor Rios, yes.

**SPECIAL CITY COUNCIL MEETING MINUTES OF APRIL 20, 2021**

6

**PERSONNEL CONT'D**

- a. Amendment No. 4 to Contract No. 3504 with Interwest Consulting Group, Inc., retroactively effective June 1, 2020, increasing the amount of the contract in an amount not to exceed \$20,230 for Interim Senior Planner consulting services provided; and
- b. Authorized the Mayor to execute Amendment No. 4 in a form acceptable to the City Attorney.

7

**STREETS/SIDEWALKS/  
LANDSCAPING**

The City Council unanimously approved A and B by motion of Council Member Avalos and seconded by Council Member Davila.

**Roll Call:** Council Member Diaz, yes; Council Member Davila, yes; Council Member Hurtado, yes; Vice Mayor Avalos, yes; Mayor Rios, yes.

- a. Agreement (Contract No. 2021-35-CC) with Kreuzer Consulting Group, Inc., for engineering design services for the East Alameda Street Sidewalk Improvements Project, City Project No. 660-ST, in an amount not-to-exceed \$75,465; and
- b. Authorized the Mayor to execute the Agreement in a form acceptable to the City Attorney.

8

**STREETS/SIDEWALKS/  
LANDSCAPING**

The City Council unanimously approved A, B, C and D by motion of Council Member Hurtado and seconded by Council Member Davila.

**Roll Call:** Council Member Diaz, yes; Council Member Davila, yes; Council Member Hurtado, yes; Vice Mayor Avalos, yes; Mayor Rios, yes.

- a. Contract Change Order No. 2 to Contract No. 2020-43-CC with Sequel Contractors, Inc., to add and remove improvements from the contract on the "Garfield Avenue, From South City Limit to Jefferson Avenue, and Imperial Highway, From West City Limit to East City Limit, City Project No. 413-ST, Federal Project No. STPL-5257(030), and Firestone Boulevard and Otis Street Improvements and Imperial Highway Center Median, City Project No. 496-ST, Federal Project No. HSIPL-5257(032)," in a net amount not-to-exceed \$228,830;

**SPECIAL CITY COUNCIL MEETING MINUTES OF APRIL 20, 2021**

8

**STREETS/SIDEWALKS/  
LANDSCAPING CONT'D**

- b. Appropriated \$110,000 in Water Funds from the unrestricted Water Fund balance to Account No. 311-790-31-9457 (Capital Projects Fund-Firestone Boulevard and Otis Street Improvements and Imperial Highway Center Median) to fund water system improvements proposed under Change Order No. 2 to Contract No. 2020-43-CC;
- c. Authorized the Assistant City Manager/Director of Public Works to execute Contract Change Order No. 2 to Contract No. 2020-43-CC; and
- d. Authorized the Director of Administrative Services to appropriate \$200,000 in Proposition C Funds to Account No. 311-790-31-9433 (Capital Projects Fund-Garfield/Imperial Street Improvements) to supplant \$200,000 in Metro Measure R funding currently programmed in Account No. 311-790-31-9433 in the event that Metro does not approve the use of said Measure R Funds which are currently programmed to partially fund CCO No. 1 to Contract No. 2020-43-CC.

9

**STREETS/SIDEWALKS/  
LANDSCAPING**

The City Council unanimously approved A and B by motion of Vice Mayor Avalos and seconded by Council Member Hurtado.

**Roll Call:** Council Member Diaz, yes; Council Member Davila, yes; Council Member Hurtado, yes; Vice Mayor Avalos, yes; Mayor Rios, yes.

- a. Appropriated \$4,042 from the unassigned Measure R balance to Account No. 224-780-31-6101 (Measure R Fund - Professional Services) to fund the Imperial Highway Complete Street Study (Study); and
- b. Appointed Arturo Cervantes, Assistant City Manager/Director of Public Works, as the primary representative, and Kenneth Tang, Senior Civil Engineer, as the alternate representative to the Study Technical Advisory Committee.

Council Member Hurtado requested staff prepare a presentation of the status of the existing construction projects within the City.

SPECIAL CITY COUNCIL MEETING MINUTES OF APRIL 20, 2021

10

WASTEWATER MGMT

The City Council unanimously approved A, B, C, and D by motion of Council Member Hurtado and seconded by Council Member Davila.

**Roll Call:** Council Member Diaz, yes; Council Member Davila, yes; Council Member Hurtado, yes; Vice Mayor Avalos, yes; Mayor Rios, yes.

- a. Appropriated \$23,650 and \$23,650 in Used Oil Recycling Grant funds awarded to the City in Fiscal Years 2018/19 and 2019/20, respectively, to Account No. 413-733-51-6608 (Used Oil Recycling Professional Services) to fund prior expenditures for as-needed consulting services utilized by the City to continue the City's Used Oil Recycling Program in Fiscal Years 2018/19 and 2019/20;
- b. Appropriated \$24,025 in Used Oil Recycling Grant funds awarded to the City in Fiscal Year 2020/21 to Account No. 218-720-54-6101 (Used Oil Recycling Professional Services) to fund ongoing activities for as-needed consulting services utilized by the City to continue the City's Used Oil Recycling Program in Fiscal Years 2020/21;
- c. Appropriated \$23,650 and \$23,650 in Beverage Container Recycling Grant funds awarded to the City in Fiscal Years 2018/19 and 2019/20, respectively, to Account No. 413-733-51-6607 (Beverage Container Recycling Professional Services) to fund prior expenditures for as-needed consulting services utilized by the City to continue the City's Beverage Container Recycling Program in Fiscal Years 2018/19 and 2019/20; and
- d. Appropriating \$23,895 in Beverage Container Recycling Grant funds awarded to the City in Fiscal Year 2020/21 to Account No. 219-722-56-6101 (Beverage Container Recycling Professional Services) to fund ongoing activities for as-needed consulting services utilized by the City to continue the City's Beverage Container Recycling Program in Fiscal Year 2020/21.

**SPECIAL CITY COUNCIL MEETING MINUTES OF APRIL 20, 2021**

**ADJOURNMENT** Mayor Rios unanimously adjourned the meeting at 8:28 p.m. by motion of Vice Mayor Avalos and seconded by Council Member Hurtado.

**PASSED** and **APPROVED** this 11<sup>th</sup> day of May 2021.

ATTEST:

\_\_\_\_\_  
Al Rios, Mayor

\_\_\_\_\_  
Carmen Avalos, City Clerk

**CITY OF SOUTH GATE  
REGULAR CITY COUNCIL MEETING  
MINUTES  
TUESDAY, APRIL 27, 2021**

**CALL TO ORDER** Al Rios, Mayor called a Regular City Council meeting to order at 6:30 p.m.

**INVOCATION** Pastor Anthony Kidd, Community of Faith Bible Church

**PLEDGE OF ALLEGIANCE** Carmen Avalos, City Clerk

**ROLL CALL** Carmen Avalos, City Clerk

**PRESENT** Mayor Al Rios, Vice Mayor Maria del Pilar Avalos, Council Member Maria Davila, Council Member Denise Diaz and Council Member Gil Hurtado; City Treasurer Gregory Martinez; Interim City Manager Chris Jeffers, City Attorney/Special Legal Counsel Raul F. Salinas

**1**  
**PROCLAMATION** The City Council issued a Proclamation declaring May 2021 as Older Americans Month and Recognizing Sonia Miranda as this year's honoree.

**2**  
**PROCLAMATION** The City Council issued a Proclamation declaring May 2021 as CalFresh Program Awareness Month.

**3**  
**PROCLAMATION** The City Council issued a Proclamation declaring May 2021 as Lupus Awareness Month and May 10, 2021, as Lupus Awareness Day.

**4**  
**PERSONNEL** The City Council allowed staff to introduce the new and promotional full-time employees hired or promoted during March 2021.

**5**  
**MUNICIPAL CODE** The City Council conducted a Public Hearing, waived the reading in full and unanimously adopted Interim Urgency Ordinance No. 2021-05-CC entitled - Resolution of the City Council of the City of South Gate, California, extending Interim Urgency Ordinance No. 2021-04-CC continuing the temporary limit on the charges imposed by third-party food delivery services on local restaurants during the ongoing COVID-19 pandemic by motion of Council Member Diaz and seconded by Council Member Davila.

REGULAR CITY COUNCIL MEETING MINUTES OF APRIL 27, 2021

5  
MUNICIPAL  
CODE CONT'D

**Roll Call:** Council Member Davila, yes; Council Member Diaz, yes; Council Member Hurtado; yes, Vice Mayor Avalos, yes; Mayor Rios, yes.

Giselle Mires, Administrative Analyst, provided a presentation on this item.

Mayor Rios opened the public hearing.

Adolfo Varas spoke in support of the adoption of the Ordinance and asked when the state lifts their restrictions will the City also lift restrictions such as this Ordinance.

Chris Jeffers, City Manager stated that the ordinance states that it will be in effect for 10 months and 15 days or until the Governor lifts the Declaration of Emergency for the State of California. Mr. Jeffers explained that the City is only allowed to enact this type of legislature due to the fact that we are under a State of Emergency.

Seeing no one come forward Mayor Rios closed the Public Hearing.

6  
COMMUNITY DEV/  
HOUSING

The City Council opened the Public Hearing and unanimously approved A, B and C as amended by motion of Vice Mayor Diaz and seconded by Council Member Hurtado.

- a. Approved the list of proposed projects and allocations recommended by the Citizen Advisory Committee for Community Development Block Grant funds for fiscal year 2021/22;
- b. Approved Staff's recommendation on the appropriation of \$53,467 of un-programmed CDBG funds;
- c. Directed staff to return to Council with a 2021-22 Action Plan and Subrecipient agreements which reflect these allocations.

**Roll Call:** Council Member Davila, yes; Council Member Diaz, yes; Council Member Hurtado; yes, Vice Mayor Avalos, yes; Mayor Rios, yes.

**Amendment:** \$18,000 in public service funds to be transferred to food insecurity programs and \$34,754 being allocated to the Boy Scout Hut program.

Paul Adams, Interim Director of Community Development provided a report on this item.



REGULAR CITY COUNCIL MEETING MINUTES OF APRIL 27, 2021

6  
COMMUNITY DEV/  
HOUSING CONT'D

Mayor Rios opened the public hearing.

Robert Montalvo is concerned that Vice Mayor Avalos is friends with Paula from Compator. Mr. Montalvo stated that staff have told him that Vice Mayor Avalos forces staff to do things for Compator. He believes this is not appropriate and tarnishes the process. Mr. Montalvo would like to see Vice Mayor Avalos abstain from voting on this item.

Adolfo Varas, disagrees with Mr. Montalvo's comments and supports funding for Compator. We need more resources to support mental health in the City.

Thomas Buckley, stated that after listening to Mr. Varas comments he wants to state that there is definite conflict of interest since Mr. Varas is a commissioner for Vice Mayor Avalos and the concerns of conflict of interest regarding Vice Mayor Avalos relationship with Compator. Mr. Buckley stated that it should be noted that Mr. Varas serves as a board member for Compator.

Seeing no one come forward Mayor Rios closed the Public Hearing.

Raul F. Salinas, City Attorney stated there was a reference made during public comment to Government Code 82028 (Conflict of Interests) and the process for vetting a contract is staff driven. The documents then go through a process of review by the City Manager, City Attorney, City Council and public comment. The fact that a vendor has received a significant sum of money during this past year is more indicative of the times and providing relief to the residents of the City. The City Council Member have all been trained about the reporting requirements (Form 700) and recusing themselves from items. If a resident does believe that a Council Member does have a conflict of interest the City Attorney encourages the person to report the situation to Administration or the City Attorney's Office for review.

Council Member Diaz thanked the Citizen's Advisory Committee for their service. She then asked for clarification on reallocating funds since Youth Helpline has withdrawn their business from the City.

Mr. Adams stated that staff's recommendation was to put the funding towards the food insecurity program but the funding can be allocated to any of the program. If there is an interest in providing additional funding to youth programs, staff would need to confirm with the Long Beach Conservation Corp that they can provide the services required.

**REGULAR CITY COUNCIL MEETING MINUTES OF APRIL 27, 2021**

6  
COMMUNITY DEV/  
HOUSING CONT'D

Council Member Hurtado spoke on the negative impact of graffiti in the community and added that we need more stringent preventative penalties to help stop graffiti. He agrees that there are opportunities available to invest in our youth but we need to more preventative measures instead of just putting money into removing graffiti.

Vice Mayor Avalos stated that she is saddened that Helpline has withdrawn their application. Vice Mayor Avalos supports transferring these funds to the food insecurity program.

Vice Mayor Avalos motioned to approve staff's modified recommendation for \$18,000 in public service funds to be transferred to food insecurity programs and \$34,754 being allocated to the Boy Scout Hut program. Council Member Hurtado seconded the motion. Council Member Hurtado continued that he would like to enhance areas at Hollydale Park to support youth sport organizations.

Mr. Jeffers stated that action is needed tonight to meet HUD requirements for funding. He suggested that further discussion for funding opportunities be looked at again during the budget discussions.

COMMENTS FROM  
THE AUDIENCE

Carmen Avalos read the following emails into record:

Amy Luis and Julie Chan from the Leland Weaver and Hollydale Libraries welcomed the community back to the library for limited services.

Edwardo Nunez is frustrated with people parking in the street and not in their driveway. He is recommended parking permits on his street.

Robert Montalvo recommended the City Council consider waiving or reduce the costs of permits to the small businesses. He would also like the City to organize a weekly clean-up event at the park to help with litter from the weekend activities.

Adolfo Varas spoke on the behavior of Council Member Diaz as an elected official.

Thomas Buckley spoke on lack of consistency from the City Attorney and City Council in who they allow to speak and who they deny.

## REGULAR CITY COUNCIL MEETING MINUTES OF APRIL 27, 2021

### COMMENTS FROM

#### THE AUDIENCE CONT'D

Liz Ruiz, Kauffman Avenue spoke on the parking problems in the City and asked if there are any updates on the Firestone Boulevard Bridge Widening Project.

Candice stated the City Attorney and City Council have been fair with allowing the residents to speak during City meetings. She also supports the idea of a City-wide cleanup.

Mayra Castaneda spoke on the parking problems within the City including the way vehicles park on the front lawns of the property. Also many people are leaving the trash cans out all week and Christmas lights have not been removed from the property. Ms. Castaneda agrees that the City Attorney and City Council have been fair with allowing the residents to speak during City meetings.

Bobbie Thompson, Firestone Plaza, is unhappy about how people are behaving at the City Council meetings and the parking situation on Firestone Plaza.

Eddie N. also spoke on parking problems with the City including people double parking on the streets.

Cindy Esquivel spoke on the parking studies and suggested changing the parking limit from 72 hours to 48 hours.

Art Cervantes, Director of Public Works provided an update on the parking study and the Firestone Boulevard bridge expansion.

Chief Randy Davis provided an update on cars parking on the front lawns of property.

Raul F. Salinas, City Attorney addressed the concerns of the residents regarding public comment. Mr. Salinas stated that our limitation as a government is to limit the public comment based on the content. There is a little bit of a judgement call involved but he prefers to make that judgement on the side of allowing the public to speak.

Mr. Salinas also updated the public on parking enforcement and how recently the state has put the matter of housing above parking. This is making it very difficult for local cities to enforce parking regulations.

### REPORTS AND COMMENTS

#### FROM CITY OFFICIALS

Chris Jeffers, Interim City Manager reported that 46% of South Gate residents have received at least their first vaccine against COVID 19. 82% of residents that are 65 years and older have received their first dose. He reminded everyone to remember the second dose and encourages testing to those that have not been vaccinated.

## REGULAR CITY COUNCIL MEETING MINUTES OF APRIL 27, 2021

REPORTS AND COMMENTS  
FROM CITY OFFICIALS  
0 CONT'D

Council Member Diaz wished all our mothers a Happy Mother's Day. Council Member Diaz sits on the Los Angeles library committee and stated that the libraries are opening up May 3<sup>rd</sup>.

Council Member Diaz attended the Latino Caucus and they are collaborating with the Northern part of California to get more vaccination sites open. She also attended a two day committee meeting for the Los Angeles Rivers and Conservancy. She was part of the review committee to decide on who will be building our cultural center.

Council Member Hurtado stated that as the parks are getting ready to open we are going to need added signage with safety regulations clearly stated. The youth organizations using the park are working hard to meet requirements, however, people that are walking by do not understand why they can not be sitting in certain areas.

Council Member Hurtado stated that he is still working with City staff and Waste Management to organize a City clean-up day. The City needs to enforce the policies to get people to understand that COVID is not an excuse for not maintaining their property. He also wished a Happy Mother's Day to the community.

Council Member Davila invited the community to a Food Drive this Saturday, May 1<sup>st</sup> from 9:00 am to 12:00 noon. Every year we celebrate our mothers and because of COVID last year a lot of people were not able to visit. Let's take advantage of being vaccinated and visit our moms this year.

Vice Mayor Avalos stated that on Saturday, May 1<sup>st</sup> Altamed is hosting a vaccination clinic in South Gate. She also wished a Happy Mother's Day to the community.

Mayor Rios reported that Plaza Community the Cultura de Artes has \$100,000.00 to give to local artists and the information will be on the City's webpage. Applicants have until the end of May to apply. She also wished a Happy Mother's Day to the community.

Mayor Rios stated that HUB Cities is currently employing 700 youth from the Southeast area and the majority of the youth's is from South Gate. He is also the Chair for the Metro Service Council and they are looking at making Metro free for college students, disabled individuals, seniors and other targeted populations. He also wished a Happy Mother's Day to the community.

## REGULAR CITY COUNCIL MEETING MINUTES OF APRIL 27, 2021

**CONSENT CALENDAR** Agenda Items 8, 9, 10, 11, and 12 were unanimously approved by motion of Mayor Davila and seconded by Council Member Avalos. Items 7 was pulled for separate discussion.

**Roll Call:** Council Member Davila, yes; Council Member Diaz, yes; Council Member Hurtado; yes, Vice Mayor Avalos, yes; Mayor Rios, yes.

7

**TRANSPORTATION**

The City Council adopted Resolution No. 2021-17-CC entitled - Resolution of the City Council of the City of South Gate, California, consenting to an additional proposed use of the easement area adjacent to the Thunderbird Villa Mobile Home Park located at 10001 W. Frontage Road under the 2020 Soundwall Easement Agreement by motion of Council Member Davila and seconded by Vice Mayor Avalos.

**Roll Call:** Council Member Davila, yes; Council Member Diaz, yes; Council Member Hurtado; abstain, Vice Mayor Avalos, yes; Mayor Rios, yes.

8

**WASTEWATER MGMT**

The City Council unanimously approved A and B during consent calendar.

- a. Agreement (Contract No. 2021-37-CC) with John L. Hunter and Associates, Inc., for the management of the Used Oil Recycling Grant and Beverage Container Recycling Grant Programs, for a two-year term, retroactively effective July 1, 2020, through June 30, 2022, in the amount of \$47,920 for Fiscal Year 2020/21 and \$34,905 for Fiscal Year 2021/22, for a total amount not-to-exceed \$82,825; and
- b. Authorized the Mayor to execute the Agreement in a form acceptable to the City Attorney.

9

**LEGAL OPERATIONS**

The City Council unanimously approved A and B during consent calendar.

- a. Attorney Retainer Agreement (Contract No. 2021-38-CC) with the Law Offices of Gutierrez, Preciado & House, LLP to provide legal services to the City and its Civil Service Commission ("COMMISSION") related to those appeals to be adjudicated by the COMMISSION.; and
- b. Authorized the Mayor to execute the Agreement in a form acceptable to the City Attorney.

## REGULAR CITY COUNCIL MEETING MINUTES OF APRIL 27, 2021

10

### LEGAL OPERATIONS

The City Council unanimously approved A and B during consent calendar.

- a. Attorney-Client Retainer Agreement (Contract No. 2021-39-CC) with the Collins Firm to provide legal services in defending the City with regard to the Arguello Litigation lawsuit; and
- b. Authorized the Mayor to execute the Agreement in a form acceptable to current special legal counsel handling the matter for the City, including any related agreements pertaining to conflict waivers and joint representation matters.

11

### DATA PROCESSING SERVICES

The City Council unanimously approved A and B during consent calendar.

- a. Agreement (Contract No. 2021-40-CC) with ClientFirst Technology Consulting, LLC, for assistance with the Request for Proposal (RFP) and Competitive Vendor Selection process for a replacement Enterprise Resource Planning (ERP) System, in an amount not-to-exceed \$82,935; and
- b. Authorized the Mayor to execute the Agreement in a form acceptable to the City Attorney.

12

### MINUTES

The City Council unanimously approved A, B, and C during consent calendar.

- a. Approved the Regular Meeting and Special Meeting minutes of March 23, 2021;
- b. Approved the Special Meeting minutes of March 30, 2021; and
- c. Approved the Regular Meeting and Special Meeting minutes of April 13, 2021.

13

### ELECTION ADMIN

The City Council approved A and B Option 2 by motion of Vice Mayor Avalos and seconded by Council Member Diaz.

- A. Received and filed a summary report pertaining to Senate Bill 970; and
- B. Provided staff with direction on how to move forward with planning for the 2022 City of South Gate Municipal Election with one of the two (2) options:

**REGULAR CITY COUNCIL MEETING MINUTES OF APRIL 27, 2021**

13

ELECTION ADMIN CONT'D

1. The First Option is to move forward with implementing SB970, thereby having automatically staggered primary election dates that will align our General Municipal Elections with the State Primaries of March 2020, June 2022, March 2024, June 2026, March 2028, June 2030 respectively; OR
2. The Second Option is to move our current election cycle from the State Primary to the State General Election date of November of even number years.

**Roll Call:** Council Member Hurtado, no; Council Member Diaz, yes; Council Member Davila; yes, Vice Mayor Avalos, yes; Mayor Rios, yes.

14

SOLID WASTE  
MANAGEMENT

The City Council considered:

- a. Directing staff to issue a Request for Proposal to procure a new exclusive solid waste franchise agreement through a competitive bid process;
- b. Authorizing the City Manager to approve an agreement with HF&H Consultants (HF&H), in the amount of \$150,000, to assist with the development of a Request for Proposal for an Exclusive Solid Waste Franchise Agreement and with the management of the procurement process; and
- c. Appropriating \$150,000 from the unrestricted fund balance of the City's Refuse Collection Fund to Account No. 413-733-51-6101 (Refuse Collection Fund - Professional Services) to fund the cost of the HF&H agreement. These funds would be reimbursed upon acceptance of the successor franchise agreement by the City Council by the successful waste hauler.

**OR**

- d. Directing staff to negotiate a new exclusive solid waste franchise agreement with USA Waste of California Inc., dba Waste Management;
- e. Authorizing the City Manager to approve an agreement with HF&H in the amount of \$89,000, to assist staff with the negotiation of a new exclusive solid waste franchise agreement with USA Waste of California Inc, dba Waste Management; and

REGULAR CITY COUNCIL MEETING MINUTES OF APRIL 27, 2021

14  
SOLID WASTE  
MANAGEMENT CONT'D

- f. Appropriating \$89,000 from the unrestricted fund balance of the City's Refuse Collection Fund to Account No. 413-733-51-6101 (Refuse Collection Fund - Professional Services) to fund the cost of the HF&H agreement. These funds would be reimbursed upon acceptance of the successor franchise agreement by the City Council by the successful waste hauler.

Council Member Davila requested that staff prepare a report with more information breaking down the pros and cons of the recommendations before City Council.

Vice Mayor Avalos motioned and Council Member Diaz seconded to approve A, B and C.

Vice Mayor Avalos amended her motion to move this item to the City Council Meeting of May 11, 2021 which was seconded by Council Member Diaz.

**Roll Call:** Council Member Hurtado, yes; Council Member Davila, yes; Council Member Daiz; yes, Vice Mayor Avalos, yes; Mayor Rios, yes.

15  
WARRANTS

The City Council unanimously approved the Warrant Register of April 27, 2021 by motion of Vice Mayor Avalos and seconded by Council Member Davila.

Total of Checks:	\$1,787,334.79
VOIDS:	\$ (18,485.81)
Total of Payroll Deductions	<u>\$ (335,151.99)</u>
Grand Total:	\$1,433,696.99

Cancellations: 91996, 90222

**Roll Call:** Council Member Davila, yes; Council Member Diaz, yes; Council Member Hurtado; abstain, Vice Mayor Avalos, yes; Mayor Rios, yes.

ADJOURNMENT

Mayor Rios unanimously adjourned the meeting at 10:34 p.m. by motion of Vice Mayor Avalos and seconded by Council Member Davila.

**PASSED and APPROVED** this 25<sup>th</sup> day of May 2021.

ATTEST:

\_\_\_\_\_  
Al Rios, Mayor

\_\_\_\_\_  
Carmen Avalos, City Clerk



RECEIVED

Item No. 13

MAY 3 2021

# City of South Gate

CITY COUNCIL

CITY OF SOUTH GATE  
OFFICE OF THE CITY MANAGER

11:05am

# AGENDA BILL

For the Regular Meeting of: May 11, 2021

Originating Department: Administration

Management Assistant:

  
Giselle Marès

Interim City Manager:

  
Chris Jeffers

**SUBJECT:** RESOLUTION APPROVING ADMINISTRATIVE REGULATION 109 ESTABLISHING THE CITY'S SOCIAL MEDIA POLICY TO PROMOTE THE GOAL OF THE CITY AND EXPAND TRADITIONAL COMMUNICATION METHODS.

**PURPOSE:** To adopt a Resolution establishing the City's Social Media Policy to promote the goals of the City and expand traditional communication methods.

**RECOMMENDED ACTION:** The City Council will consider adopting the Resolution approving Administrative Regulation 109 establishing the City's Social Media Policy, effective immediately.

**FISCAL IMPACT:** None.

**ANALYSIS:** The proposed Social Media Policy establishes guidelines for the use of Social Media by the City as means of conveying information, while enhancing transparency through the dissemination of information, about the City, its events, activities, projects and general information to its residents and the public. It is intended to enhance transparency through the dissemination of information about the City and its events, activities, projects and general information to the public. Nothing in this proposed Social Media Policy shall be applied to prohibit or infringe upon any communication, speech or expression that is protected or privileged under law. This includes speech and expression protected under state or federal constitutions as well as labor laws or other applicable laws.

**BACKGROUND:** On January 1 2021, Assembly Bill 992 (AB 992) became effective, clarifying how public officials may communicate on internet-based social media platforms. Before AB 992 was signed into law, the Brown Act was silent regarding communications on social media. AB 992 prohibits a member of a legislative body from responding directly to any communication on an internet-based social media platform regarding an agency matter if the communication is made, posted, or shared by any other member of the legislative body.

To address the fast-changing landscape of the Internet and the way residents communicate and obtain information online, City departments may consider using social media tools to reach a broader audience. The City encourages the use of social media to further the goals of the City and the missions of its departments, where appropriate. The City has an overriding interest and

expectation in protecting the information posted on its social media sites and the content that is attributed to the City and its officials. City staff reviewed policies adopted by other local government agencies and discussed their relevance to the City and input from team members was taken into consideration in drafting this policy.

An effective policy will allow the City to share what we do and how we do it, and provide the public the opportunity to know, trust and engage with us.

This policy was drafted with the assistance of the City Attorney and adheres to all City policies and procedures. It will be a priority of the City to ensure staff who have access to the City's social media accounts are trained on best practices and compliance with the social media policy or standards and procedures to ensure that the risk or liability to the City with the adoption of this program is minimized.

**ATTACHMENT:** Proposed Resolution (including Administrative Regulation 109)

**RESOLUTION NO.**

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

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE,  
CALIFORNIA, APPROVING ADMINISTRATIVE REGULATION 109  
ESTABLISHING THE CITY'S SOCIAL MEDIA POLICY,  
EFFECTIVE IMMEDIATELY**

**WHEREAS**, the City Council ("City Council") of the City of South Gate ("City") desires to have a presence on social media websites and platforms to provide an additional method for the City to engage with citizens;

**WHEREAS**, the City Council recognizes that social media is a valuable tool, and an efficient method to deliver information to the public;

**WHEREAS**, the Mayor and City Council desire to establish a policy for communications within and by the City;

**WHEREAS**, the City Council desires to encourage the use of social media to further the goals of the City and the missions of its departments and affiliated boards, commissions and employees;

**WHEREAS**, social media is a proven way to engage the community by distributing information about city services and events, recreational opportunities, and has become the number one way to communicate alerts in the event of an emergency;

**WHEREAS**, social media reaches a wide range of audiences in our community including residents, visitors and businesses, much more so than traditional media;

**WHEREAS**, the City Council also recognizes that there are risks involved in the use of social media;

**WHEREAS**, to ensure that elected officials, appointed officials and employees of the City are fully informed of all relevant City activity, and to enable them to be as effective as possible in their role;

**WHEREAS**, social media is a useful tool to use as an informational channel to increase the City's ability to broadcast the City's messages to the widest possible audience while the City's website will remain the City's primary and predominant internet presence;

**WHEREAS**, due to the constant changing availability and popularity of the different social media platforms, the City Manager retains the authority to authorize the use and termination of any social media platform;

**WHEREAS**, a mechanism must be in place to safeguard First Amendment Constitutional considerations, to ensure that published content is in line with the defined goals and expectations for the City's social media presence;

**WHEREAS**, the City has an overriding interest and expectation in protecting the integrity of the information posted on its social media sites and the content that is attributed to the City, its officials and employees;

**WHEREAS**, policy is intended to help the members of City Council, Commissions and/or City-affiliated Boards comply with legal requirements and limitations that may arise from their use of their private individual social media sites;

**WHEREAS**, the purposed social media policy is intended to help guide such individuals to comply with California laws that regulate the communications of elected and appointed officials;

**WHEREAS**, City staff may not represent themselves as formally speaking for the City unless identified previously by the City Manager as official spokespeople;

**WHEREAS**, proposed Administrative Regulation 109, attached hereto as Exhibit "A" and made a part hereof, will approve the Social Media Policy for the City and is intended to enhance transparency through the dissemination of information about the City and its events, activities, projects and general information to the public;

**WHEREAS**, identified City spokespeople shall conduct themselves on social media only within the scope defined in proposed Administrative Regulation 109 and in compliance with all City policies, practices, and user agreements and guidelines.

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

**SECTION 1.** The City Council does hereby declare that the above recitals are true and correct and incorporated herein by reference.

[Remainder of page left blank intentionally.]

**SECTION 2.** The City Council does hereby approve Administrative Regulation 109 establishing the City's Social Media Policy, effective immediately.

**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 11<sup>th</sup> day of May 2021.**

**CITY OF SOUTH GATE:**

By: \_\_\_\_\_  
Al Rios, Mayor

**ATTESTED:**

By: \_\_\_\_\_  
Carmen Avalos, City Clerk  
(SEAL)

**APPROVED AS TO FORM:**

By:  \_\_\_\_\_  
Raul F. Salinas, City Attorney

Effective: May 11, 2021

Administrative Regulation 109  
Resolution No. 2021- -CC

### ADMINISTRATIVE REGULATION

### SOCIAL MEDIA POLICY

---

#### I. INTRODUCTION.

The City of South Gate ("City") endorses the appropriate use of social media to promote the goals of the City and expand traditional communication methods.

Social media allows individuals and/or organizations to create, share and exchange information and ideas with the public. The use of social media, when used in local government, presents opportunities and limitations. Guidelines are needed to direct the appropriate use of social media. A mechanism must be in place to safeguard First Amendment Constitutional considerations, to ensure that published content is in line with the defined goals and expectations for the City's social media presence.

Establishment of a social media policy creates a positive social media presence and will assist the City in:

- Developing and observing privacy guidelines;
- Developing clearly defined usage terms and conditions;
- Maintaining brand consistency; and,
- Complying with all applicable laws including, but not limited to, the Public Records Acts and City retention policies.

#### II. PURPOSE.

The purpose of this Social Media Policy ("Policy") is intended to enhance transparency through the dissemination of information about the City and its events, activities, projects and general information to the public.

The City has an overriding interest and expectation in protecting the integrity of the information posted on its social media sites and the content that is attributed to the City, its officials and employees.

*This policy is not intended to govern employees' general use of social media sites and does not replace the Employee Use of City Computers and Computer Network Policy (Administrative Regulation 319, Revised October 2007).*

### **III. BACKGROUND.**

On January 1 2021, Assembly Bill 992 (AB 992) became effective, clarifying how public officials may communicate on internet-based social media platforms. Before AB 992 was signed into law, the Brown Act was silent regarding communications on social media. AB 992 prohibits a member of a legislative body from responding directly to any communication on an internet-based social media platform regarding an agency matter if the communication is made, posted, or shared by any other member of the legislative body.

### **IV. DEFINITIONS.**

“Social media” - any platform used to create publicly viewable content, using accessible, expandable, and upgradable publishing technologies, through and on the Internet. Examples of social media include, but are not limited to, Facebook, Twitter, Instagram, YouTube and LinkedIn.

“City social media sites” - any social media sites officially designated and managed by the City to disseminate information about the City and its events, activities, projects and general information to the public. City social media sites may supplement, but shall not replace, the City’s required notices and standard methods of communication (i.e., agenda posting requirements).

“Posts/postings” - any information, articles, pictures, videos, or any other form of communication posted on a City social media site.

“Stories”- Social media stories are mobile, full-screen, vertical videos and images that appear outside of your regular feed and only last for 24 hours before they disappear. They are temporary, with a small caveat: they can be organized into collections on some applications like Instagram for later viewing.

“Live streaming”- a live transmission over the internet

“Official Social Media Account”- Any social media account owned by any Elected Official or Appointed Official that is used to promote, discuss, carry out, or reference City related business and / or activities. Any such Official Social Media Account is considered to be a public forum, subject to First Amendment requirements. Further, content posted on Official Social Media Accounts are considered to be a public record subject to the provisions of the California Public Records Act

### **V. SCOPE.**

This Policy applies to City Elected/Appointed officials, employees, volunteers, or contractors of the City or any of its departments and divisions to cover social media use. The Content Guidelines in Section VII apply both to internal users (e.g., City employees and any individuals subject to the Brown Act and/or Public Records Act), as well as to

external users (e.g., the general public not subject to the Brown Act and/or Public Records Act) of the City's website and social media.

## **VI. AUTHORIZED CITY USERS.**

The City Manager shall designate employees as persons authorized to establish, monitor and publish information to social media sites. Authorized users will be trained to use social media both appropriately and effectively, in accordance with this policy, to achieve the City's goals and improve communication to the community.

## **VII. GENERAL POLICY FOR AUTHORIZED CITY USERS.**

1. The City's official website ([www.cityofsouthgate.org](http://www.cityofsouthgate.org)) will remain the primary means of internet communications. Public safety information will be provided on the City website and [cityprotect.com](http://cityprotect.com). Official City communications on social media sites are considered an extension of the City's information networks.
2. Facebook, Twitter, Instagram, YouTube, and TikTok are the only authorized social media outlets for use by the City. Other social media platforms may be added subject to City Manager approval.
3. The City Manager will approve department requests to create new social media sites, using a City-owned email address only. The City Manager and/or his/her designee shall have access to and ultimate control over all City social media sites.
4. City social media sites may be created by each department consistent with its focus and programming (e.g., Economic Development, Park & Recreation Services, Police Department, etc.). Department-level City social media sites are to be managed by a department designee approved by the City Manager. Said sites shall be managed and moderated in accordance with this City Social Media Policy.
5. City employees in charge of managing City social media shall be trained regarding the terms of this Policy.
6. The City reserves the right to restrict or remove any content that is deemed to violate the social media policy, City policies or any applicable law.
7. Any and all information posted, or pages created, on behalf of the City must:
  - a. Pertain to City business.
  - b. Contain information that is made generally available to the public and not restricted by law.
  - c. Wherever practicable, link back to the City's official website for more information, forms, documents, online services and other information necessary to conduct business with the City.
  - d. Have appropriate departmental review and approval before publishing.
  - e. Follow general social media guidelines outlined in this Policy.
8. Prior to posting any publicly held event, the City shall first obtain written permission or rights to any content including photographs and videos, or place a disclosure notice that the event is being videotaped and may be placed on social media.
9. Violation of these standards will result in the removal of any posting from social media sites.



10. When in doubt, City employees should consult their immediate supervisor before posting content to any City social media site, and or the City Manager and/or his/her designee.

## **VIII. CONTENT GUIDELINES FOR ALL USERS.**

This section pertains to acceptable and non-acceptable content on city managed social media sites, across all users, including external users.

1. The content of the City social media sites shall only pertain to City sponsored or City endorsed programs, services and events or other content as approved by the City Manager or designee. Content includes, but is not limited to, information, photographs, videos and hyperlinks.
2. The City reserves the right to restrict or remove any content that is deemed to be inappropriate or inconsistent with this policy. The City's social media site shall not contain:
  - a. Personal information.
  - b. Comments not topically related to City business.
  - c. Content that promotes, fosters, disparages or perpetuates discrimination on the basis of race, creed, color, age, religion, sexual orientation, gender, marital status, status with regard to public assistance, disability status, national origin, physical or mental disability or veteran status.
  - d. Content which threatens physical violence or property damage, or slanders or defames any person or organization.
  - e. Content that is hateful or incites violence.
  - f. Non-City approved solicitation of commerce including, but not limited, to advertising of any business or product for sale.
  - g. Information that may compromise the safety or security of the public or public systems.
3. Unaffiliated Advertising, Banners, and Static Content: City of South Gate social media sites may contain content including, but not limited to, advertisements or hyperlinks over which the City has no control. The City does not endorse any hyperlink or advertisement placed on City social media sites by the social media sites owners, vendors, or partners (i.e., Facebook, Twitter, etc.)
4. These guidelines shall be posted on the City's website.

## **IX. ELECTED OFFICIALS, COMMISSIONS AND/OR BOARDS' SOCIAL MEDIA USE.**

The purpose of this section of the Policy is intended to help the members of City Council, Commissions and/or City-affiliated Boards comply with legal requirements and limitations that may arise from their use of their private individual social media sites. By adopting this Section, it is not the City's intention to unnecessarily restrict the ability of a member to have a personal online presence or mandate what they shall or shall not say. At the same time, this Section is intended to help guide such individuals to comply with California laws that regulate the communications of elected and appointed officials.

1. Elected/Appointed officials are encouraged to maintain separate social media sites that distinguish content which relates to City business from content of a purely personal nature.
2. As it relates to social media sites, Elected/Appointed officials are strongly discouraged from discussing or responding to posts on social media sites relating to a topic within the subject matter jurisdiction of the City Council, Commissions and/or Boards. Based on current Brown Act regulations and legal opinions forming as regulations meeting in connection with this evolving technology platform, Elected/Appointed officials shall follow these guidelines:
  - a. A member of the legislative body shall not respond directly to any communication on an internet-based social media platform regarding a matter that is within the subject matter jurisdiction of the legislative body that is made, posted, or shared by any other member of the legislative body.
  - b. Given the uncertainty relating to the use of social media sites by Elected/Appointed officials, not more than one elected or appointed official of the same body, and preferably none, shall post, comment or respond to a post on the same subject within the jurisdiction of that body, or respond with a digital icon (e.g., "like").
  - c. When matters are pending before the City Council, council members shall refrain from sharing viewpoints or facts on social media, and particularly prior to a decision to be made by the City Council.
  - d. If an Elected/Appointed official uses a personal social media account to discuss or disseminate information regarding a matter that is within the subject matter jurisdiction of the legislative body, the Elected/Appointed official may be asked by City staff to provide copies of the social media posts that relate to matters of City business.
  - e. All posts or comments by an Elected/Appointed official that relate to matters of City business shall, to the extent the official has the ability to control the retention of their posts or comments, be retained for thirty (30) days unless otherwise provided in the City's Records Retention Policy. Copies of the City's Records Retention Policy (Resolution No. 7783) may be obtained from the City Clerk's Office.
  - f. Elected/Appointed officials shall not express viewpoints on social media sites relating to quasi-judicial matters (e.g., public hearings) that are pending before the City Council.
  - g. City social media sites shall not be used by Elected/Appointed officials for campaigning for office, to advocate for or against ballot measures, or for personal purpose
  - h. Elected/Appointed Officials are prohibited from blocking anyone attempting to access the Official Social Media Account because of an individual's viewpoints or perspectives.
  - i. Elected and Appointed Officials are prohibited from deleting any comments on the Official Social Media Account because of an individual's viewpoints or perspectives.

**X. CITY STAFF SOCIAL MEDIA USE.**

City staff may not represent themselves as formally speaking for the City unless identified previously by the City Manager as official spokesperson. Identified City spokesperson shall conduct themselves on social media only within the scope defined herein and in compliance with all City policies, practices, and user agreements and guidelines.

While an employee’s personal use and comments made at social media sites are subject to First Amendment protections, as well as permissible restrictions, any personal use made of social media sites outside of work must not be attributable to the City or the employee’s job function at the City. For example: (a) do not use your work email address to register for social media and other sites unless the purpose is directly related to your job; (b) do not provide the City’s or another's confidential or other proprietary information; or (c) do not state or imply that you speak for the City, for a City department, or for City officials. Employees are personally responsible for the content they publish on social media sites. The City is not responsible for the personal content of your social media sites.

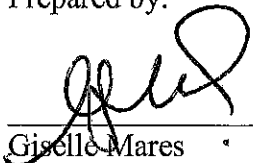
**XI. RECORDS MANAGEMENT.**

City social media technologies are subject to the California Public Records Act. The City Clerk’s Office shall have primary record management responsibility over public records. All public records requests must be filed with the City Clerk’s Office.

**XII. ADOPTION.**

On May 11, 2021, the City Council adopted Resolution No. 2021- -CC approving this Social Media Policy.

Prepared by:



Giselle Mares  
Management Assistant

Approved by:

Chris Jeffers  
Interim City Manager

Dated: 5/4/21

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

RECEIVED

MAY 5 2021

Item No. 14

City of South Gate  
CITY COUNCIL

CITY OF SOUTH GATE  
OFFICE OF THE CITY MANAGER

4:45pm

AGENDA BILL

For the Regular Meeting of May 11, 2021  
Originating Department: City Manager's Office

Management Analyst: Marina Urias / Interim City Manager: Chris Jeffers  
Marina Urias Chris Jeffers

**SUBJECT: RESOLUTION DECLARING THE CITY'S INTENTION TO LEVY AND COLLECT ASSESSMENTS FOR FISCAL YEAR 2021/22 FOR THE PARKING AND BUSINESS IMPROVEMENT AREA (KNOWN AS THE TWEEDY MILE BUSINESS DISTRICT) BUSINESS LICENSE**

**PURPOSE:** To approve the Tweedy Mile Advisory Board's Annual Report for Fiscal Years 2020/21 and 2021/22 and declare the City's intention to levy and collect assessments for Fiscal Year 2021/22 for the Parking and Business Improvement Area Business License.

**RECOMMENDED ACTIONS:** The City Council will consider:

- a. Approving the Tweedy Mile Advisory Board's Annual Report for Fiscal Years 2020/21 and 2021/22;
- b. Adopting a Resolution declaring the City's intention to levy and collect assessments for Fiscal Year 2021/22 for the Parking and Business Improvement Area (known as the Tweedy Mile Business District) Business License, as permitted by the Parking and Business Improvement Area Law of 1989 (California Streets And Highways Code Section 36500 et seq.), and scheduling a Public Hearing for June 8, 2021;
- c. Reimbursing the Tweedy Mile Association in the amount of \$10,398.00 for Fiscal Year 2020/21 approved expenditures; and
- d. Carrying over the Fiscal Year 2020/21 ending fund balance in the amount of \$31,896.77 to Fiscal Year 2021/22.

**FISCAL IMPACT:** The amount of Parking and Business Improvement Area Business License funds approved by the TMAB for Fiscal Year 2020/21 is \$10,398.00, leaving estimated funding available for use in Fiscal Year 2021/22 of \$53,896.77.

**ALIGNMENT WITH COUNCIL GOALS:** The Parking and Business Improvement Area Business License meets the City Council's goal to improve the business environment of the Tweedy Mile Business District.

**ANALYSIS:** On November 2, 1970, the City Council adopted Ordinance No. 1129 adding Chapter 2.64 (Parking and Business Improvement Area Business License), to Title 2 (Licenses – Business Regulations), of the South Gate Municipal Code establishing a Parking and Business Improvement Area (Area), pursuant to the Parking and Business Improvement Act Law of 1965, Part 5 of Division 18 of

the California Streets and Highway Code Section 36000 through 36081. The way the Area works is that the City levies an additional business license tax on businesses located within the designated Area and then annually remits those funds back to the Tweedy Mile Association (TMA). Section 2.64.040 (Uses and Purpose), states that the funds collected by the City and remitted to the TMA can only be used for the following purposes:

- a. Decoration of any public place in the area;
- b. Promotion of public events which are to take place on or in public places in the area; and
- c. The general promotion of retail trade activities in the area.

The City's Municipal Code also requires that the Tweedy Mile Advisory Board (Board) submit an Annual Report to the City Council no later than June 1 each year. The Annual Report shall specify the expenses, services, activities, and programs to be funded by the assessment for the upcoming fiscal year(s), in accordance of the requirements of Sections 36530 and 36533 of the California Streets and Highways Code. Said Code also requires the City Council to approve the Annual Report, and after, it shall adopt a Resolution declaring the City's intention to levy an annual assessment for the fiscal year(s), and schedule a Public Hearing to allow public testimony regarding the proposed assessment(s). The Board approved the attached Annual Report (Attachment A). Staff recommends that the City Council approve the Annual Report which includes recommendations for reimbursement to the TMA for certain Fiscal Year 2020/21 expenditures and a program budget for Fiscal Year 2021/22. In addition to the Annual Report, staff also recommends that the City Council adopt the proposed Resolution declaring the City's intention to levy and collect assessments for Fiscal Year 2021/22 (Attachment B), and scheduling a Public Hearing for June 8, 2021. Together, the Resolution of Intent and Annual Report are the initial steps to levy the proposed assessments and approve the reimbursement for certain Fiscal Year 2020/21 expenditures and the program budget for Fiscal Year 2021/22.

**BACKGROUND:** On April 26, 2021, the Board approved its Annual Report which included reimbursements for Fiscal Year 2020/21 and a proposed budget for Fiscal Year 2021/22. No tax increase or changes to the assessment methodology are proposed for assessments already collected in Fiscal Year 2020/21 or to be collected in Fiscal Year 2021/22.

**BOARD'S BUDGET RECOMMENDATIONS FOR FISCAL YEAR 2020/21:**

- a) Reimbursement to the Tweedy Mile Association for a total of \$10,398.00; and
- b) Carry over Fiscal Year 2020/21 ending fund balance of \$31,896.77 to Fiscal Year 2021/22.

The Tweedy Mile Association (TMA) also requested Parking and Business Improvement Area Business License funding to cover their insurance, audit, tax preparer, federal and state taxes expenditures in the amount of \$5,662.79. However, per the California Streets and Highway Code Section 36000, funds may not be used for these aforementioned items. Funds may only be used for the following purposes, of which only b, c and e have been authorized in South Gate Municipal Code Section 2.64.040 as approved uses:

- a) The acquisition, construction or maintenance of parking facilities for the benefit of the area;
- b) Decoration of any public place in the area;
- c) Promotion of public events which are to take place on or in public places in the area;
- d) Furnishing of music in any public place in the area; and
- e) The general promotion of retail trade activities in the area.

As a result, TMA's additional requested items are not eligible for reimbursement.

**BOARD'S BUDGET RECOMMENDATIONS FOR FISCAL YEAR 2021/22:**

- a) \$13,474.19 for the promotion of public events which are to take place on Tweedy Mile;
- b) \$13,474.19 for the general promotion of retail trade activities; and
- c) \$26,948.39 for decoration of any public place in the area.

A listing of items to be reimbursed to the TMA for Fiscal Year 2020/21, as well as the proposed budget for Fiscal Year 2021/22, are included in the Annual Report (Attachment A).

**ANNUAL REPORT:**

To implement the Board's Parking and Business Improvement Area Business License recommendations, the City Council must approve the Annual Report and adopt a Resolution of Intent to Levy Assessments for the Fiscal Year 2021/22. The Annual Report includes information regarding the assessment methodology, boundaries, and a planned budget with activities for the upcoming fiscal years. Upon adoption of the proposed Resolution of Intent, Parking and Business Improvement Area members will be notified by mail of the proposed assessments and the Resolution will be published in the *Los Angeles Wave* newspaper. The City Council will conduct a Public Hearing on June 8, 2021, for public testimony on the proposed assessment levy and budget. At the Public Hearing, the City Council will hear and consider protests against the assessments. If written protests are received, no later than 6:30 p.m. on June 8, 2021, from the owners of businesses in the Area which will pay 50% or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protest to less than that 50%, no further proceedings to levy the proposed assessments, as contained in the Resolution of Intent, shall be taken for a period of one year from the date of the finding of a majority protest by the City Council.

**ASSESSMENT/BUDGET ADOPTION SCHEDULE:**

Staff proposes the following schedule to continue the collection of annual assessments as required by State law and the City's Municipal Code:

<b>Dates</b>	<b>Action</b>
April 12, 2021	Board discusses and provides guidance for the BID budget(s).
April 26, 2021	Board reviews and approves the Annual Report.
May 11, 2021	City Council adopts Resolution of Intent to Levy Assessments for Fiscal Year 2021/22.
May 13, 2021	Letter and Resolution of Intent (indicating Public Hearing information and how to submit protests verbally or in writing) will be mailed to all affected businesses.
June 8, 2021	City Council conducts Public Hearing to receive public testimony on the proposed assessment levy.

- ATTACHMENTS:**
- A. TMAB's proposed Annual Report
  - B. Proposed Resolution
  - C. Municipal Code Chapter 2.64 (Parking and Business Improvement Area Business License)

**TWEEDY MILE ADVISORY BOARD**  
**ANNUAL REPORT FOR FISCAL YEARS 2020/21 AND 2021/22**  
**PARKING AND BUSINESS IMPROVEMENT AREA BUSINESS LICENSE**

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This Annual Report of the Tweedy Mile Advisory Board includes the proposed assessment levy and program budgets for the Fiscal Years 2020/21 and 2021/22 for the Parking and Business Improvement Area (known as the Tweedy Mile Business District) Business License.

**Tweedy Mile Advisory Board:**

Pursuant to Chapter 2.64 (Parking and Business Improvement Area Business License), of Title 2 (License – Business Regulations), of the South Gate Municipal Code, the City Council shall appoint a Tweedy Mile Advisory Board in order to make recommendations to the City Council on the expenditure of revenues derived from the levy assessments on proposed improvements and activities and on the method and basis of levying assessments.

**Purpose of Annual Report:**

The Tweedy Mile Advisory Board shall prepare an annual report for each fiscal year for which assessments are to be levied and collected to pay the costs of the improvements and activities described in the report. The report may propose changes, including, but not limited to, the boundaries of the parking and business improvement area, the basis and method of levying the assessments.

**Boundaries and Assessments:**

There are no proposed changes to the Parking and Business Improvement Area (Area) boundaries nor the assessment methodology/Schedule of Business Improvement Area Fees. The Area Map is attached hereto as Exhibit A and assessment methodology/Schedule of Business Improvement Area Fees is attached thereto as Exhibit B.

**Method and Basis of Levying the Assessment:**

All businesses within the Area are subject to the same assessments as in previous years. The levy of the business license tax imposed upon the businesses within the Area, is hereby fixed, levied, determined and established per the City's assessment methodology included with this report as Exhibit B.

**Payment of Tax:**

The additional rate or levy of the license tax levied is due and payable at the same time and in the same manner that the business license tax is imposed by the City's Municipal Code Chapter 2.08 (Business License Tax).

**Budget:**

A line-item budget for Fiscal Years 2020/21 and 2021/22 is included in the Parking and Business Improvement Area Budget attached hereto as Exhibit C.

Exhibit A – Parking and Business Improvement Area Map

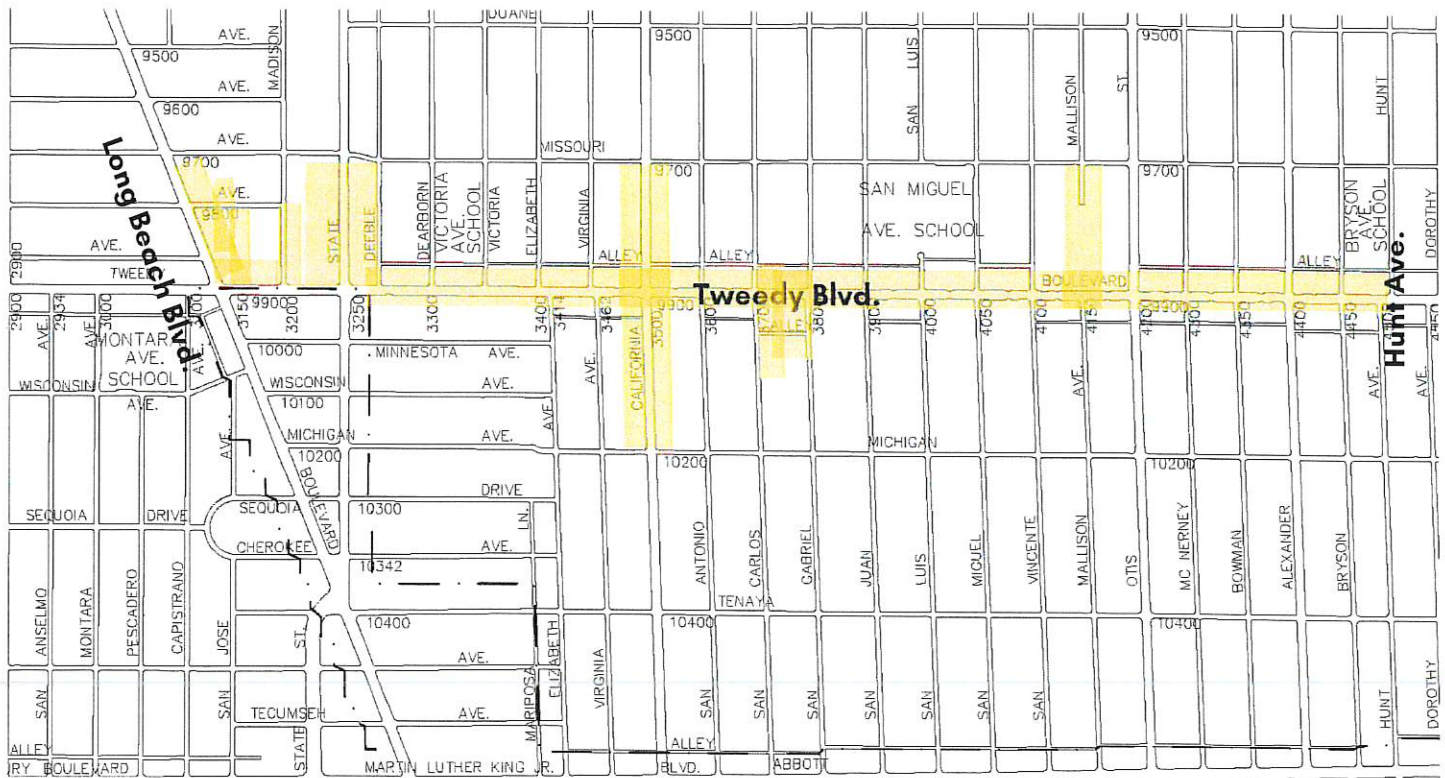
Exhibit B – Parking and Business Improvement Area Business License Fees

Exhibit C – Parking and Business Improvement Area Budgets for FY 2020/21 and 2021/22



# PARKING AND BUSINESS IMPROVEMENT AREA MAP

Below is a map delineating the boundaries of the Business Improvement Area in the City of South Gate.



## Addresses located in the Business Improvement Area:

- California Ave. 9700 - 10100
- Long Beach Blvd. 9700 - 9900
- Otis St. 9700 - 10100
- San Gabriel Ave. 9900 - 10100
- San Juan Ave. 9900 - 10100
- State St. 9700 - 9900
- Tweedy Blvd. 3150 - 4499



**CITY OF SOUTH GATE  
PARKING AND BUSINESS IMPROVEMENT AREA BUSINESS LICENSE FEES  
FISCAL YEARS 2020/21 & 2021/22**

Street Name	Address Range
Tweedy Blvd.	3150 - 4499
California Ave.	9700 - 10100
Long Beach Blvd.	9700 - 9900
Otis St.	9700 - 10100
San Gabriel Ave.	9900 - 10100
San Juan Ave.	9900 - 10100
State St.	9700 - 9900

Businesses located in the Parking and Business Improvement Area are subject to the provisions of Chapter 2.64 of the South Gate Municipal Code, "Parking and Business Improvement Area" which established a Business Improvement Area Fee based on the businesses' annual gross receipts.

The Business Improvement Area Fees are collected by the City and are deposited into the "Parking and Business Improvement Account" and can be used for the following purposes only:

1. Decoration of any public place in the area.
2. Promotion of public events which are to take place on or in public places in the area.
3. The general promotion of retail trade activities in the area.

The Business Improvement Area Fee is an additional fee to the regular City license tax shown on the enclosed renewal. The business owner shall calculate the Business Improvement Area Fee according to the schedule below and add it to total tax calculated on the Business License Renewal Form.

**Schedule of Business Improvement Area Fees**

**Annual Gross Receipts Total:**

- If less than \$10,000
- If \$10,000 or more, but less than \$25,000
- If \$25,000 or more, but less than \$50,000
- If \$50,000 or more, but less than \$75,000
- If \$75,000 or more, but less than \$100,000
- If \$100,000 or more, but less than \$200,000
- If \$200,000 or more, but less than \$300,000
- If \$300,000 or more, but less than \$400,000
- If \$400,000 or more, but less than \$500,000
- If \$500,000 or more, but less than \$600,000
- If \$600,000 or more, but less than \$700,000
- If \$700,000 or more, but less than \$800,000
- If \$800,000 or more, but less than \$900,000
- If \$900,000 or more, but less than \$1,000,000
- If \$1,000,000 or more, but less than \$1,100,000
- If \$1,100,000 or more, but less than \$1,200,000
- If \$1,200,000 or more, but less than \$1,300,000
- If \$1,300,000 or more, but less than \$1,400,000
- If \$1,400,000 or more, but less than \$1,500,000

**The Fee Shall Be:**

- \$15
- \$20
- \$25
- \$36
- \$48
- \$60
- \$72
- \$84
- \$96
- \$110
- \$124
- \$138
- \$152
- \$166
- \$180
- \$194
- \$208
- \$222
- \$236

If such gross receipts exceed the sum of \$1,500,000, the Fee shall be the sum of \$236.00 as specified above, plus the sum of 25 cents for each \$1,000 or major fraction thereof in excess of said \$1,500,000.

Total Not to Exceed \$400

**Parking and Business Improvement Area Budget  
FY 2020/21 and FY 2021/22**

**Exhibit C**

<b>Beginning BID Fund Balance - July 1, 2020</b>	<b>\$20,794.77</b>
FY 2020/21 Estimated Assessment Revenue	\$21,500.00
<b>Total Estimated BID Funds Available for Use in FY 2020/21</b>	<b>\$42,294.77</b>
<b>Actual Expenditures Proposed for Reimbursement to TMA</b>	<b>Amounts</b>
<b>Decoration of Any Public Place in the Area</b>	
Installation of Street Christmas Lights	\$7,871.00
<b>Promotion of Public Events which are to take place in the Area</b>	
None	\$0.00
<b>General Promotion of Retail Trade Activities in the Area</b>	
Rene Graphics & Printing: 50 COVID posters & 200 letters	\$160.00
Rene Graphics & Printing: 200 notices & 100 hand sanitizers	\$140.00
Damian's Printing: 200 masks embossed with TMA logo	\$1,100.00
Ignacio Alonso Multi-Services: 200 masks, hand sanitizers & notices	\$120.00
Ignacio Alonso Multi- Services: distribution of COVID Flyers	\$120.00
Freddy's Market: 100 hand sanitizer spray bottles	\$555.00
City of South Gate: Sidewalk Sale annual permit (\$61.00 + \$46.00)	\$107.00
Rene Graphics & Printing: Printing of promotional flyers for Sidewalk Sale	\$225.00
<b>Total Proposed Reimbursement to the Tweedy Mile Association</b>	<b>\$10,398.00</b>
<b>Ending BID Fund Balance - June 30, 2021</b>	<b>\$31,896.77</b>

<b>Beginning BID Fund Balance - July 1, 2021</b>	<b>\$31,896.77</b>
FY 2021/22 Estimated Assessment Revenue	\$22,000.00
<b>Total Estimated BID Funds Available for Use in FY 2021/22</b>	<b>\$53,896.77</b>
<b>Proposed Budget Items</b>	<b>Amounts</b>
Decoration of Any Public Place in the Area	\$26,948.39
Promotion of Public Events which are to take place in the Area	\$13,474.19
General Promotion of Retail Trade Activities in the Area	\$13,474.19
<b>Estimated Ending BID Fund Balance - June 30, 2022</b>	<b>\$0.00</b>

**RESOLUTION NO. \_\_\_\_\_**

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

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE,  
CALIFORNIA, DECLARING THE CITY'S INTENTION TO LEVY AND  
COLLECT ASSESSMENTS FOR FISCAL YEAR 2021/22 FOR THE PARKING  
AND BUSINESS IMPROVEMENT AREA (KNOWN AS THE TWEEDY MILE  
BUSINESS DISTRICT) BUSINESS LICENSE, AS PERMITTED BY THE  
PARKING AND BUSINESS IMPROVEMENT AREA LAW OF 1989  
(CALIFORNIA STREETS AND HIGHWAY CODE SECTION 36500 ET SEQ.),  
AND SCHEDULING A PUBLIC HEARING FOR JUNE 8, 2021**

**WHEREAS**, pursuant to the Parking and Business Improvement Act Law of 1965, Part 5 of Division 18 of the California Streets and Highway Code Section 36000 through 36081, on November 2, 1970, the City Council ("City Council") of the City of South Gate ("City") adopted Ordinance No. 1129 adding Chapter 2.64 (Parking and Business Improvement Area Business License), to Title 2 (Licenses – Business Regulations), of the South Gate Municipal Code establishing a Parking and Business Improvement Area ("Area"), specifying the initial or additional rate or levy of the license tax to be imposed on businesses, and specifying the uses to which the revenue shall be expended;

**WHEREAS**, the Parking and Business Improvement Area Business License levies an additional business license tax on businesses located within the designated Area and the City annually remits those funds back to the Tweedy Mile Association to be used for certain purposes in the Area;

**WHEREAS**, pursuant to Section 36530 of the California Streets and Highways Code, on September 27, 2011, the City Council adopted Ordinance No. 2286 adding Sections 2.64.100 through 2.64.140 establishing the Tweedy Mile Advisory Board ("TMAB") to make recommendations to the City Council on the expenditure of revenues derived from the levy assessments on proposed improvements and activities and on the method and basis of levying assessments;

**WHEREAS**, on September 11, 2018 and September 25, 2018, the City Council made appointments to the TMAB, which held its first meeting on February 4, 2019, and have met from time to time since;

**WHEREAS**, the TMAB prepares an annual report specifying the expenses, services, activities, and programs to be funded by the assessment, in accordance with the requirements of Sections 36530 and 36533 of the California Streets and Highways Code, and upon TMAB's approval of the annual report, presents it to the City Council for the conduct of a public hearing on the assessments for the fiscal year referred to in the annual report;

**WHEREAS**, the Area is known as the Tweedy Mile Business District which boundaries include Tweedy Boulevard between the beginning of the northeasterly line of Long Beach Boulevard and easterly along said prolongation and southerly line to the intersection with the westerly line of Hunt Avenue;

**WHEREAS**, the City Council and the TMAB have determined that the Area benefits the businesses located and operating within the Area by generating revenue for businesses to improve the physical and financial health, social and cultural center of the City, and thereby enhances the City's community at large;

**WHEREAS**, the TMAB has conducted significant outreach to member businesses to formulate the Annual Report for Fiscal Years 2020/21 and 2021/22, including the work plan, budget and fee assessment schedule that would be fair, reasonable and in compliance with the California Streets and Highway Code Section 36500 et. seq.;

**WHEREAS**, at its Special Meeting of April 26, 2021, the TMAB approved the Annual Report for Fiscal Years 2020/21 and 2021/22, specifying the expenses, services, activities, and programs to be funded by the assessments for Fiscal Years 2020/21 and 2021/22;

**WHEREAS**, the continuation of the Area and the related levy of assessments will promote the economic revitalization of the downtown area of the City, create jobs, and attract new businesses; in addition, the Area enhances and promotes the City, culturally and commercially; and

**WHEREAS**, the City Council desires to conduct a formal Public Hearing on the Area's proposed levy assessments for Fiscal Year 2021/22.

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

**SECTION 1.** The City Council does hereby declare that the above recitals are true and correct and are incorporated herein by reference.

**SECTION 2.** The City Council does hereby declare that the Area has not changed. The territorial boundaries in the Area are identified in the Area Map attached hereto as Exhibit "A" and made a part hereof.

**SECTION 3.** Pursuant to the Parking and Business Improvement Area Law of 1989 (California Streets and Highway Code Section 36500 et seq.), the City Council does hereby declare its intention to continue the levy and collect assessments within the Area for the purpose of marketing and promoting activities which will benefit the businesses located and operating within the Area for Fiscal Year 2021/22.

**SECTION 4.** The City Council does hereby declare that the type or types of improvements and activities proposed to be funded by the levy of assessments on businesses in the Area are in line with the "Improvements" and "Activities" permitted under Sections 36510 & 36513 of Streets and Highway Code, specifically: (a) "Improvement" means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to parking facilities, benches, trash receptacles, street lighting, decorations, parks, and fountains; and (b) "Activities" means, but is not limited to, promotion of public events which benefit businesses in the area and which take place on or in public places within the area, furnishing of music in any public place in the area, promotion of tourism within the area and activities which benefit businesses located and operating in the area. Except where funds are otherwise available, an assessment will be levied annually to pay for all improvements and activities within the Area.

**SECTION 5.** Except where funds are otherwise available, an assessment will be levied annually to pay for all improvements and activities within the Area.

**SECTION 6.** The TMAB's Annual Report for Fiscal Years 2020/21 and 2021/22 is on file in the City Clerk's Office and contains a description of the improvements and activities to be provided, the boundaries of the Area, and the proposed assessments to be levied upon the businesses within the Area for the Fiscal Year 2021/22.

**SECTION 7.** The City Council does hereby give notice that a public hearing is hereby scheduled for the regularly scheduled City Council Meeting of June 8, 2021, at 6:30 p.m., via Call-in Conference, to consider said assessments to be levied. At least 72 hours beforehand, the Dial-In Number and Conference Code will be posted on the City's website at [www.cityofsouthgate.org/AgendaCenter](http://www.cityofsouthgate.org/AgendaCenter). During the public hearing, the City Council shall allow public testimony regarding the proposed assessments of businesses within the Area for the proposed work plan for Fiscal Year 2021/22.

**SECTION 8.** At this public hearing, the City Council shall hear and consider all protests against the establishment of the assessment or the furnishing of specified types of improvements or activities within the Area. A protest against the assessments may be made orally or in writing by any interested person. Any protest pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularity or defect to which the objection is made. **Every written protest shall be filed with the City Clerk no later than 6:30 p.m., on June 8, 2021.** The City Council may waive any irregularity in the form or content of any written protest and at the public hearing may correct minor defects in the proceedings.

A written protest may be withdrawn from record at any time before the conclusion of the public hearing. Each written protest shall contain a written description of the business in which the person signing the protest is interested, sufficient to identify the business, and its address. If the person signing the protest is not shown on the official records of the City as the owner of the business, then the protest shall contain or be accompanied by written evidence that the person is the owner of the business. Any written protest as to the regularity or sufficiency of the proceeding shall be in writing and clearly state the irregularity or defect to which objection is made.

If written protests are received from business owners in the proposed area which will pay 50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than that 50 percent of business owners, no further proceedings to levy the proposed assessment, as contained in the resolution of intention, shall be taken for a period of one year from the date of the finding of a majority protest by the city council. If the majority protest is only against the furnishing of a specified type or types of improvement or activity within the area, those types of improvements or activities shall be eliminated.

At the conclusion of the public hearing to establish the assessment for the Fiscal Year 2021/22, the City Council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements and activities to be funded with the revenues from the assessments. However, proposed assessments may only be revised by reducing any or all of them.

**SECTION 9.** Should the proposed annual assessment for Fiscal Year 2021/22 be approved by the City Council on June 8, 2021, the City Council does hereby declare its intention that all businesses pay their annual assessment when they obtain, renew or change their businesses license with the City.

**SECTION 10.** The City Council does hereby direct the City Clerk to mail a certified copy of this Resolution of Intention and a cover letter, advising that the City Council has been requested to set the Fiscal Year 2021/22 annual assessment as permitted under the California Streets and Highways Code, by first-class mail to each business owner in the Area within seven days of the City Council's adoption of this Resolution of Intention. The cover letter shall further advise of the public hearing scheduled for the regularly scheduled City Council Meeting of June 8, 2021, at 6:30 p.m., where the City Council shall allow oral and written public testimony from interested parties regarding the proposed assessments of businesses within the Area. At the end of that public hearing, the City Council shall determine if there is sufficient protests equaling 50 percent or more of the assessments proposed to be levied.

**SECTION 11.** The City Council does hereby direct the City Clerk to give notice of said public hearing by causing this Resolution of Intention to be published once in a newspaper of general circulation in the City of South Gate not less than seven days before the public hearing.

**SECTION 12.** The City Council does hereby welcome interested persons to contact Marina R. Urias, Management Analyst, in the City Manager's Office, at (323) 563-9508 or at [murias@sogate.org](mailto:murias@sogate.org), to receive additional information about the proposed assessments. Protests in writing against the proposed assessments shall be mailed or delivered to: Carmen Avalos, City Clerk, 8650 California Avenue, South Gate, California, 90280 or to [cavalos@sogate.org](mailto:cavalos@sogate.org), **no later than 6:30 p.m., on June 8, 2021.**

**SECTION 13.** The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

**PASSED, APPROVED and ADOPTED this 11<sup>th</sup> day of May 2021.**

**CITY OF SOUTH GATE:**

BY: \_\_\_\_\_  
Al Rios, Mayor

**ATTESTED:**

BY: \_\_\_\_\_  
Carmen Avalos, City Clerk  
(SEAL)

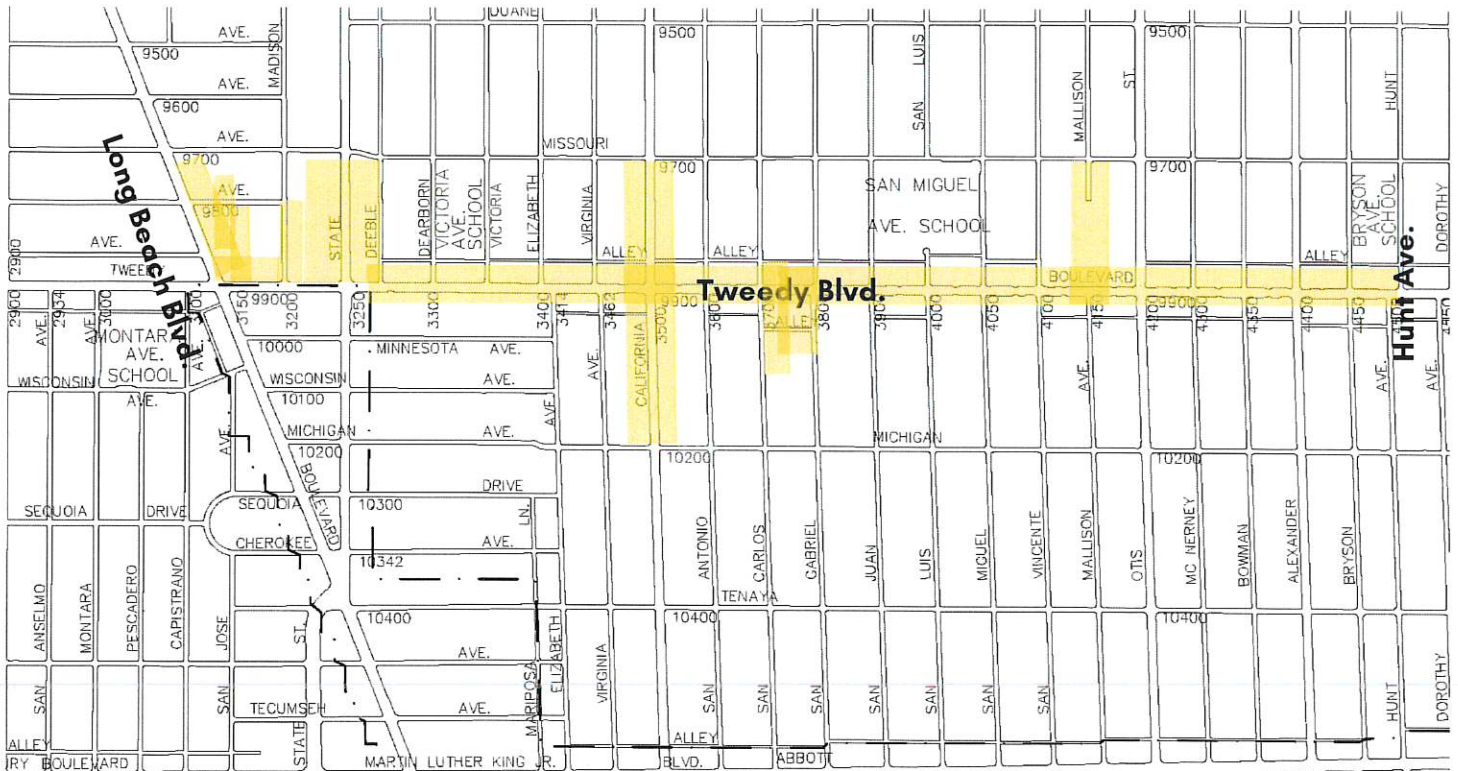
**APPROVED AS TO FORM:**

BY:  \_\_\_\_\_  
Raul F. Salinas, City Attorney



# PARKING AND BUSINESS IMPROVEMENT AREA MAP

Below is a map delineating the boundaries of the Business Improvement Area in the City of South Gate.



## Addresses located in the Business Improvement Area:

- California Ave. 9700 - 10100
- Long Beach Blvd. 9700 - 9900
- Otis St. 9700 - 10100
- San Gabriel Ave. 9900 - 10100
- San Juan Ave. 9900 - 10100
- State St. 9700 - 9900
- Tweedy Blvd. 3150 - 4499

## Chapter 2.64 PARKING AND BUSINESS IMPROVEMENT AREA BUSINESS LICENSE

Sections:

- 2.64.010 Creation.
- 2.64.020 Boundaries.
- 2.64.030 Delineation.
- 2.64.040 Uses and purpose.
- 2.64.050 Fund creation-Source of funds-Purpose.
- 2.64.060 Rate of levy of businesses.
- 2.64.070 Payment of tax.
- 2.64.080 Applicability of general business license provisions.
- 2.64.090 Payment prerequisite to license.
- 2.64.100 Tweedy Mile advisory board.
- 2.64.110 Membership.
- 2.64.120 Meetings.
- 2.64.130 Duties.
- 2.64.140 Staff representation.

### 2.64.010 Creation.

Pursuant to the Parking and Business Improvement Act Law of 1965, being Part 5 of Division 18 of the Streets and Highways Code of the State of California, Sections 36000 through 36081, there is established a parking and business improvement area business license area, which is hereinafter in this chapter referred to simply as "said area."

(Ord. 1129 § 2 (part), 1970)



**2.64.020 Boundaries.**

The boundaries of said area are specifically described as follows:

All that property in the city of South Gate, bounded and described as follows:

Beginning at the intersection of the northeasterly line of Long Beach Boulevard as it existed on July 16, 1970 and the northerly line of Lot 86, Tract No. 4753, as shown on map recorded in Book 50, page 51 of Maps, in the office of the recorder of the county of Los Angeles; thence easterly along said northerly line to the northeasterly corner of said Lot 86; thence southerly in a direct line to the southeasterly corner of Lot 88, said Tract No. 4753; thence easterly in a direct line to the northwesterly corner of Lot 92, said tract; thence southerly in a direct line to the southwesterly corner of said Lot 92; thence southeasterly in a direct line to the northwesterly corner of Lot 94, said Tract No. 4753; thence southerly and easterly along the westerly and southerly lines of said Lot 94, to the southeasterly corner of said lot, which is also in the westerly line of Lot 8, Tract No. 12959, as shown on map recorded in Book 246, page 9, of Maps in the office of said recorder; thence southerly along said westerly line and its southerly prolongation to the centerline of the 20 foot vacated alley lying adjacent to and southerly of said Lot 8; thence easterly along said centerline and its easterly prolongation to an intersection with the easterly line of Madison Avenue (50 feet wide) shown on map filed in Book 12, page 14, of Record of Surveys, in the office of said recorder, being "Part of Lot 2, Subdivision of the Estate of Robert Tweedy Deceased"; thence northerly along said easterly line to the southwest corner of Parcel No. 26; thence easterly along the southerly line of said parcel to its southeast corner; thence northerly along the easterly line of said parcel and its northerly prolongation to an intersection with the southerly line of Missouri Avenue as it existed on July 16, 1970; thence easterly along said southerly line to an intersection with the westerly line of Deeble Street, as shown on map of Tract No. 5487, recorded in Book 59, page 5, of Maps in the office of said recorder; thence southerly along said westerly line to an intersection with the westerly prolongation of the southerly line of the first alley north of Tweedy Boulevard, as shown on map of said tract; thence easterly along said prolongation and southerly line to an intersection with the southerly prolongation of the easterly line of Lot 465, Tract No. 5248 as shown on map recorded in Book 56, page 41 of Maps, in the office of said recorder; thence northerly in a direct line to the northeast corner of Lot 484, said Tract No. 5248, which is also in the southerly line of said Missouri Avenue; thence easterly along said southerly line to the northeast corner of Lot 331, Tract No. 4707, as shown on map recorded in Book 52, page 14, of Maps in the office of said recorder; thence southerly in a direct line to an intersection with southerly prolongation of the easterly line of Lot 312, said Tract No. 4707, and the southerly line of the first alley north of Tweedy Boulevard; thence easterly along said southerly line to an intersection with the easterly line of Mallison Avenue as shown on map of Tract No. 6000, recorded in Book 65, pages 29 to 32 inclusive, of Maps in the office of said recorder; thence northerly along said easterly line to an intersection with the southerly line of said Missouri Avenue; thence easterly along said southerly line

to an intersection with the westerly line of Otis Street as it existed on July 16, 1970; thence southerly along said westerly line to an intersection with the westerly prolongation of the southerly line of the first alley north of Tweedy Boulevard as shown on map of said Tract No. 6000; thence easterly along said prolongation and southerly line to an intersection with the westerly line of Hunt Avenue (50 feet wide), being also the northeast corner of Lot 921, said Tract No. 6000; thence southerly along said westerly line and its southerly prolongation to the southerly line of Tweedy Boulevard (80 feet wide); thence westerly along said southerly line and its westerly prolongation to an intersection with the northerly prolongation of the westerly line of said Hunt Avenue; thence southerly along said prolongation and said westerly line to an intersection with the northerly line of the first alley south of said Tweedy Boulevard, being also a point in said westerly line that is 35 feet southerly of the southeast corner of Lot 1, Tract No. 3739 as shown on map recorded in Book 12, page 45 of Maps, in the office of said recorder; thence westerly along the said northerly alley line and its westerly prolongation to the southeast corner of Lot 2665, Tract No. 5772 as shown on map recorded in Book 65, page 49 of Maps, in the office of said recorder; which is also in the westerly line of San Gabriel Avenue as shown on map of said Tract No. 5772; thence southerly along said westerly line to the southeasterly corner of Lot 2672, said Tract No. 5772; thence westerly along the southerly line of said lot to its southwest corner; thence southerly in a direct line to the southeast corner of Lot 2648, said Tract No. 5772; thence westerly along the southerly line of said lot to its southwest corner, which is also in the easterly line of San Carlos Avenue as shown on map of said tract; thence northerly along said easterly line to an intersection with the easterly prolongation of the northerly line of the said first alley south of Tweedy Boulevard; thence westerly along said prolongation and northerly line to an intersection with the northerly prolongation of the easterly line of Lot 2284, said Tract No. 5772; thence southerly along said prolongation and easterly to the southeast corner of Lot 2259, said Tract No. 5772, said corner being also in the northerly line of Michigan Avenue, as shown on map of said Tract No. 5772; thence westerly along said northerly line to the southwest corner of Lot 2133, said Tract No. 5772; thence northerly in a direct line to an intersection with the said northerly line of the first alley south of Tweedy Boulevard, and the northerly prolongation of the westerly line of Lot 2108, said Tract No. 5772; thence westerly along said northerly line to the southwest corner of Lot 1916, said Tract No. 5772; thence southwesterly to the southeasterly corner of Lot 1783, said Tract No. 5772; thence westerly along the southerly lines of Lots 1783, 1782, 1781 and 1780, to the southwest corner of said Lot 1780, which is also the southeast corner of Lot 1, Tract No. 4936, as shown on map recorded in Book 53, page 100 of Maps in the office of said recorder; thence westerly along the southerly lines of Lots 1 to 8 inclusive to the southwest corner of said Lot 8, which is also in the westerly boundary line of the city of South Gate; thence northerly and westerly along the said city boundary line to an intersection with the southeasterly prolongation of the northeasterly line of said Long Beach Boulevard thence northwesterly along said prolongation and northeasterly line to the place of beginning.

(Ord. 1129 § 2 (part), 1970)

### **2.64.030 Delineation.**

For purposes of graphic illustration, the boundaries of said area as described in Section 2.64.020 are delineated on the map of said area entitled "Map Delineating Boundaries of Parking and Business Improvement Area" which is on file in the office of the city clerk.

(Ord. 1129 § 2 (part), 1970)

### **2.64.040 Uses and purpose.**

The uses and purpose to which the revenue emanating from said area pursuant to and as a result of this chapter shall be put are any one or more of the following:

- a. Decoration of any public place in the area;
- b. Promotion of public events which are to take place on or in public places in the area;
- c. The general promotion of retail trade activities in the area.

(Ord. 1129 § 2 (part), 1970)

### **2.64.050 Fund creation—Source of funds—Purpose.**

There is hereby created and established a special fund designated as the "parking and business improvement area fund." All funds derived from the additional levy of the general business license tax made pursuant to this chapter, and any other moneys the city council may from time to time transfer thereto, shall be deposited in said parking and business improvement area fund. The parking and business improvement area fund shall be used exclusively for one or more of the purposes specified in Section 2.64.040.

(Ord. 1129 § 2 (part), 1970)

### **2.64.060 Rate of levy of businesses.**

The initial or additional rate or levy of the business license tax imposed upon the businesses within said area, is hereby fixed, levied, determined and established as follows:

That the amount of levy upon each such business shall be in an amount equal to the general business license tax applicable to each such business as specified and provided in the ordinances and resolutions of the city of South Gate as of the first day of January, 1971, but in no event shall said levy exceed the sum of four hundred dollars for any one licensee.

(Ord. 1148 § 1, 1971; Ord. 1129 § 2 (part), 1970)

### **2.64.070 Payment of tax.**

The additional rate or levy of the license tax hereby levied shall be due and payable and shall be paid at the same time and in the same manner that the business license tax imposed by Chapter 2.08 of this title is due and payable in accordance with the terms of this chapter.

(Ord. 1129 § 2 (part), 1970)

#### **2.64.080 Applicability of general business license provisions.**

The provisions of Sections 2.08.060, 2.08.085, 2.08.135, 2.08.195, 2.08.270, 2.08.295, 2.08.300, 2.08.335, 2.08.340, 2.08.350, 2.08.355, 2.08.375, 2.08.430, 2.08.440, 2.08.455, 2.08.460, and 2.08.470 shall be applicable to all businesses in the area described in Section 2.64.020 and subject to the additional levy of the general business license tax imposed by Section 2.64.050.

(Ord. 1129 § 2 (part), 1970)

#### **2.64.090 Payment prerequisite to license.**

No business license shall be issued pursuant to this title unless the additional business license tax imposed by this chapter is paid together with the business license payable pursuant to and imposed by Section 2.64.050.

(Ord. 1129 § 2 (part), 1970)

#### **2.64.100 Tweedy Mile advisory board.**

The city council shall appoint a Tweedy Mile advisory board pursuant to Section 36530 of the California Streets and Highways Code in order to make recommendations to the city council on the expenditure of revenues derived from the levy assessments on proposed improvements and activities and on the method and basis of levying assessments.

(Ord. 2286 § 1 (part), 9-27-2011)

#### **2.64.110 Membership.**

The Tweedy Mile advisory board shall consist of five members each of which shall be appointed by a city council member. The members of the Tweedy Mile advisory board shall be appointed for staggered, three-year terms.

(Ord. 2286 § 1 (part), 9-27-2011)

#### **2.64.120 Meetings.**

1. The regular meetings of the Tweedy Mile advisory board shall be held not less frequently than once each calendar year, and otherwise as determined by the Tweedy Mile advisory board. The Tweedy Mile advisory board shall meet in the South Gate city council chambers.

2. The Tweedy Mile advisory board shall annually elect a chairperson and vice chairperson from among its members.
3. Three members of the Tweedy Mile advisory board constitute a minimum quorum for the transaction of business.
4. The affirmative vote of at least a majority of the then present members of the Tweedy Mile advisory board shall be necessary to take action.

(Ord. 2286 § 1 (part), 9-27-2011)

#### **2.64.130 Duties.**

The duties of the Tweedy Mile advisory board are as follows:

1. The Tweedy Mile advisory board shall prepare an annual report specifying the expenses, services, activities, and programs to be funded by the assessment, in accordance of the requirements of Sections 36530 and 36533 of the California Streets and Highways Code. Upon approval of the annual report, the city council shall follow the procedures set forth in Section 36534 of the California Streets and Highways Code for the conduct of a public hearing on the assessments for the fiscal year referred to in the annual report.
2. The Tweedy Mile advisory board will work together with city staff to consider new business, to evaluate whether or not proposed solutions are viable and cost-effective, and to submit from time to time recommendations to the city council for review and approval.
3. To perform such duties and responsibilities as may be assigned by the city council from time to time.

(Ord. 2286 § 1 (part), 9-27-2011)

#### **2.64.140 Staff representation.**

The city manager shall assign staff to ensure the effective functioning of the Tweedy Mile advisory board, including designating the secretary to the Tweedy Mile advisory board who shall be a city employee responsible for the preparation of all minutes of all meetings of the board, and the filing of the approved minutes with the city clerk. The minutes shall include a record of board member attendance, a brief summary of presentations made if any, actions taken by the Tweedy Mile advisory board, and the vote of each member on any item upon which action is taken. Minutes need not be verbatim transcripts of the conduct of the meetings, but should be sufficient to adequately characterize the discussions, deliberations and actions taken.

(Ord. 2286 § 1 (part), 9-27-2011)

The South Gate Municipal Code is current through Ordinance 2021-02-CC, passed February 9, 2021.

Disclaimer: The City Clerk's office has the official version of the South Gate Municipal Code. Users should contact the City Clerk's office for ordinances passed subsequent to the ordinance cited above.

City Website: <http://www.cityofsouthgate.org/>

City Telephone: (323) 563-9500

Code Publishing Company.

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MAY 5 2021

City of South Gate

Item No. 15

CITY COUNCIL

CITY OF SOUTH GATE  
OFFICE OF THE CITY MANAGER

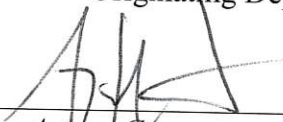
AGENDA BILL

9:10am

For the Regular Meeting of: May 11, 2021

Originating Department: Public Works

Department Director:

  
Arturo Cervantes

Interim City Manager:

  
Chris Jeffers

**SUBJECT: OPTIONS FOR SECURING AN EXCLUSIVE SOLID WASTE FRANCHISE AGREEMENT**

**PURPOSE:** This item was continued from the regularly scheduled City Council Meeting of April 27, 2021. The City's Exclusive Solid Waste Franchise Agreement with USA Waste Management of California Inc., dba Waste Management (Contract No. 2222) expires on December 31, 2022. The Ad Hoc Waste Management Subcommittee and staff are recommending the City Council to procure a new solid waste franchise agreement through a competitive bid process. In the alternative to that recommendation, the City Council could decide to procure a new waste franchise agreement through negotiations with USA Waste Management of California Inc., dba Waste Management.

**RECOMMENDED ACTIONS:** The City Council will consider:

- a. Directing staff to issue a Request for Proposal (RFP) to procure a new exclusive solid waste franchise agreement through a competitive bid process;
- b. Authorizing the Mayor to execute an Agreement with HF&H Consultants, in a form acceptable to the City Attorney, in the amount of \$150,000, to assist with the development of a RFP for an Exclusive Solid Waste Franchise Agreement and with the management of the procurement process; and
- c. Appropriating \$150,000 from the unrestricted fund balance of the City's Refuse Collection Fund to Account No. 413-733-51-6101 (Refuse Collection Fund – Professional Services) to fund the cost of the HF&H agreement. These funds would be reimbursed upon acceptance of the successor franchise agreement by the City Council by the successful waste hauler.

**OR**

- d. Directing staff to negotiate a new exclusive solid waste franchise agreement with USA Waste of California, Inc., dba Waste Management (Waste Management);
- e. Authorizing the Mayor to execute an Agreement with HF&H, in a form acceptable to the City Attorney, in the amount of \$89,000, to assist staff with the negotiation of a new exclusive solid waste franchise agreement with Waste Management; and
- f. Appropriating \$89,000 from the unrestricted fund balance of the City's Refuse Collection Fund to Account No. 413-733-51-6101 (Refuse Collection Fund – Professional Services) to fund the cost of the HF&H agreement. These funds would be reimbursed upon acceptance of the successor franchise agreement by the City Council by the successful waste hauler.

**FISCAL IMPACT:** There is no fiscal impact to the General Fund. The procurement of a new franchise agreement, in either approach selected, will likely result in impacting the current service rate structure. The impact will be based on the scope of the services procured which have not been determined. The amount of the proposed appropriation is \$150,000 or \$89,000 in Refuse Collection Funds, depending on the approach selected. It is noted that the City would require in either approach selected that the selected

*Handwritten initials/signature*

waste hauler would be required to reimburse the City for consultant services rendered by HF&F on the City's behalf. It is necessary to fund HF&H's service fees in advance of any reimbursement being sought.

**ANALYSIS:** The City's solid waste franchise agreement with Waste Management will expire on December 31, 2022. During the regularly scheduled City Council Meeting of April 27, 2021, the City Council discussed two options for procuring a new contract: Negotiating a new contract with Waste Management or issuing a Request for Proposal to procure a new contract competitively. Council Member Maria Davila requested that the City Council be provided the PROS and CONS of each option before finalizing their decision, which the table below provides:

<b>COMPARISON OF RENEGOTIATION VERSUS COMPETITIVE PROPOSAL PROCESS</b>	
<b>*PROS FOR RENEGOTIATION OF CURRENT FRANCHISE AGREEMENT</b>	<b>**PROS OF REQUEST FOR PROPOSAL (RFP) PROCESS</b>
<ul style="list-style-type: none"> <li>• Ensures continued service from a "known entity"</li> </ul>	<ul style="list-style-type: none"> <li>• Public appearance of fairness in awarding large contracts</li> </ul>
<ul style="list-style-type: none"> <li>• Existing contractor understands jurisdiction's unique requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Allows all interested companies to propose on the jurisdiction's contract</li> </ul>
<ul style="list-style-type: none"> <li>• Avoids potentially contentious RFP process</li> </ul>	<ul style="list-style-type: none"> <li>• Other companies may offer unique services and alternative approaches to programs</li> </ul>
<ul style="list-style-type: none"> <li>• Avoids potential transition issues that may be associated with a change of service provider</li> </ul>	<ul style="list-style-type: none"> <li>• Rates are determined in the competitive marketplace</li> </ul>
<ul style="list-style-type: none"> <li>• Fewer adjustments for customers</li> </ul>	<ul style="list-style-type: none"> <li>• Maximizes the likelihood of obtaining a contract with favorable terms at lowest reasonable rates</li> </ul>

\* If the City Council opts to issue a Request for Proposal, this column represents the CONS as the listed advantages would not be attained.

\*\* If the City Council opts to Renegotiate with WM, this column represents the CONS as the listed advantages would not be attained.

The Ad Hoc Waste Management Subcommittee (Subcommittee), which includes Council Member Maria Davila and Council Member Denise Diaz, met with staff on May 3, 2021, to review the listed PROS and CONS. The Subcommittee's recommendation to the City Council after reviewing this matrix, remains to procure a new exclusive solid waste franchise agreement through a competitive bid process.

Staff is recommending that the City Council award a sole-source contract to HF&H, to support staff in procuring a contract, be it through negotiations or through the RFP process. HF&H provides the needed expertise and support to stay on schedule.

**BACKGROUND:** On May 10, 2005, the City Council approved Contract No. 2222 with Waste Management for Commercial/Industrial and Residential Refuse Collection and Recycling Services, with a contract expiration date in 2017. On January 25, 2011, the contract was replaced in its entirety and its term extended to December 31, 2022. Amendment No. 1 and Amendment No. 2, effective August 14, 2012 and March 14, 2017, respectively, authorized Waste Management the right to collect, transport, recycle and dispose of commercial/industrial recyclable materials, Green Waste, Food Waste (Organic Waste) and Construction and Demolition Waste.

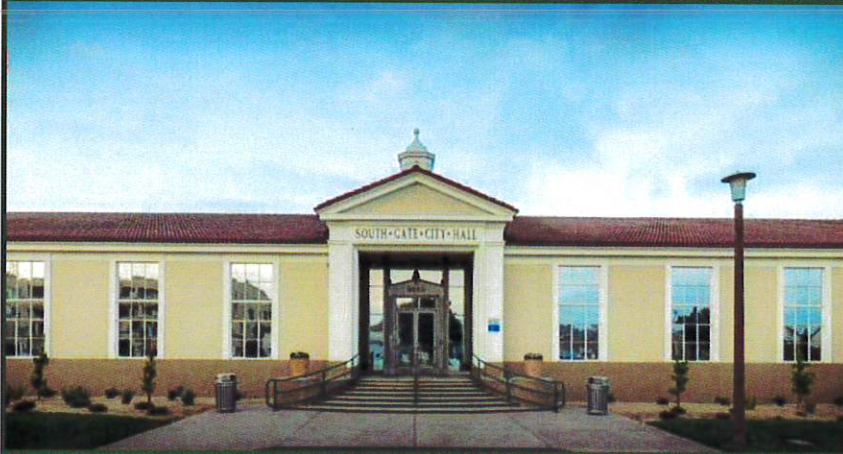
- ATTACHMENTS:**
- A. HF&H Fee Proposal
  - B. April 27, 2021 Agenda Bill

AC:lc





# City of South Gate Proposal for Solid Waste Consulting Services



February 25, 2019



HF&H Consultants, LLC

19200 Von Karman Ave., Suite 360  
Irvine, California 92612  
Telephone: (949) 251-8628  
[www.hfh-consultants.com](http://www.hfh-consultants.com)

Robert D. Hilton, CMC, Emeritus  
John W. Farnkopf, PE  
Laith B. Ezzet, CMC  
Richard J. Simonson, CMC  
Marva M. Sheehan, CPA  
Rob Hilton, CMC

February 25, 2019

Mr. Arturo Cervantes, P.E.  
Assistant City Manager/Director of Public Works  
City of South Gate  
8650 California Avenue  
South Gate, California 90280

**Re: Proposal to Provide Solid Waste Consulting Services**

Dear Mr. Cervantes:

HF&H Consultants, LLC (HF&H) is pleased to submit this proposal to provide solid waste consulting services to the City of South Gate (City).

**WHY HIRE HF&H?**

- 1. HF&H's expertise is unrivaled in the solid waste industry.** We have provided leadership, expertise, independence, and support to hundreds of municipal agencies through more than 2,000 engagements. Our reputation for excellent client service is well established. In fact, approximately 70% of our work is performed for repeat clients, some of whom HF&H has worked with for nearly 30 years. Our track record, measured in terms of the number and type of engagements and the number of repeat clients, demonstrates our ability to consistently deliver a high level of client satisfaction.

*"For me as a Director of Public Works, I take comfort knowing that HF&H is available to respond to issues as they arise."*  
Chau Vu, City of Bell Gardens

- 2. We are local.** This project will be managed from our Southern California office, making our staff readily available to participate in project meetings in a cost-effective manner. I will act as the Engagement Director overseeing all work products and attending meetings. Our Southern California office is located in Irvine just 35 miles from the City.

**3. We have served many of the Gateway City members:**

- City of Bellflower
- City of Bell Gardens
- City of Cerritos
- City of Compton
- City of Cudahy
- City of Downey
- City of Huntington Park
- City of Long Beach
- City of Lynwood
- City of Whittier

Mr. Arturo Cervantes  
 February 25, 2019  
 Page 2

4. ***We have been assisting cities with solid waste agreement compliance reviews and audits for over 30 years.*** HF&H tailors each review and audit to the specific needs of our clients. Our reviews and audits range from a checklist of agreement terms to customer billing, franchise fee and tonnage audits, and we typically include biennial or triennial audits which are paid for by the hauler in negotiated solid waste agreements.
5. ***We are well acquainted with the solid waste rates, services, and programs implemented throughout Southern California*** as a result of our previous projects and on-going surveys of 200 cities in the counties of Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura. We understand current trends in the local solid waste industry and we are familiar with the capabilities of the potential proposers. ***We are currently performing a survey of city fees, solid waste rates and services of the cities within Los Angeles County.***
6. ***We have been assisting jurisdictions with regulatory compliance since the inception of AB 939.*** HF&H has been at the forefront of all significant regulations affecting jurisdictions' diversion and required programs. HF&H has hosted numerous workshops on AB 341, AB 1826, and most recently SB 1383. Information on our SB 1383 summit, and other useful information on SB 1383, can be found on our website at <http://hfh-consultants.com/resources/blog/>, and our most recent legislative update can be found at <http://hfh-consultants.com/resources/legislative-updates/>.
7. ***We provide the technical expertise to analyze proposed services and rate impacts to verify that program costs and customer rates are competitive while also providing measurable benefits to the community they serve.*** HF&H has pioneered the development of a rate benchmarking method to compare the complete schedule of solid waste rates on a consistent basis among jurisdictions that have similar services. We also have a multitude of databases and financial models that allow us to assess cost impacts and diversion potential of significant individual programs to assist our clients in selecting which programs provide the most benefit to their communities.
8. ***HF&H guides structured processes with high integrity that can withstand scrutiny from the public, elected officials, and proposers.*** The key to a successful contracting experience is a smooth, well managed and transparent process. As described in some of our client testimonial letters, city staff and elected officials have appreciated our guidance and successful results.
9. ***HF&H does not provide solid waste consulting services to waste haulers*** in order to avoid conflicts of interest that may arise in firms that attempt to serve public agencies and haulers. We believe this independence is extremely important for objective contract compliance reviews and negotiations. Additionally, our municipal focus ensures that we are aware of the unique requirements of public officials.

*"HF&H provides the highest quality data analysis which allows for tough but fair contract negotiations; thus, insuring the highest level of service to the community at competitive rates."*  
 David Doyle, City Manager  
 City of Aliso Viejo

Mr. Arturo Cervantes  
February 25, 2019  
Page 3

I have the authority to negotiate and bind the firm contractually.

Thank you for the opportunity to provide you with this information. **The contents of this proposal shall remain effective for a period of 90 days.** We look forward to the opportunity to meet with you and the appropriate City staff and learn how we might best assist the City. If you have any questions, please contact me directly at (949) 251-8902 or [lezzet@hfh-consultants.com](mailto:lezzet@hfh-consultants.com).

Very truly yours,  
HF&H CONSULTANTS, LLC



Laith Ezzet, CMC  
Senior Vice President

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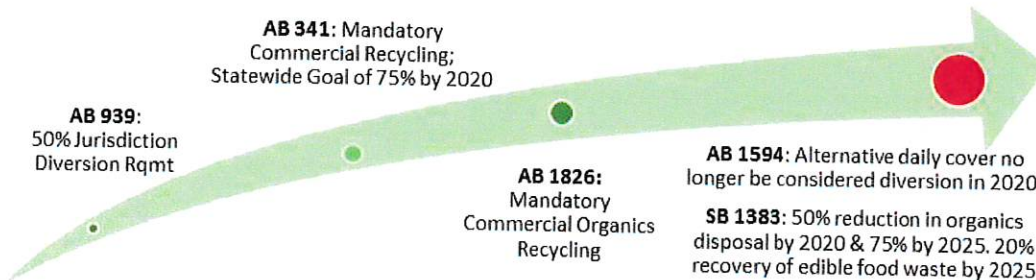
## SECTION 1: SCOPE OF SERVICES

### Background

The City entered into the current Commercial/Industrial and Residential Refuse Collection and Recycling Services Agreement (Agreement) with USA Waste of California (WM) in January of 2011, and the Agreement ends December 31, 2022. The Agreement was subsequently amended in 2012 to address Assembly Bill 341 (Mandatory Commercial Recycling), expand the bulky item dropoff program, and provide for payment by WM of a portion of City cleanup roll-off box costs. The Agreement was again amended in 2017 to address Assembly Bill 1826 (Mandatory Commercial Organics Recycling).

### Current Regulations

The following regulations must be addressed in the City’s updated solid waste agreement. While the amendments to Agreement address AB 341 and AB 1826, HF&H will compare the City’s current programs, participation, and rates for recycling and organics recycling to industry standards and upcoming regulatory requirements.



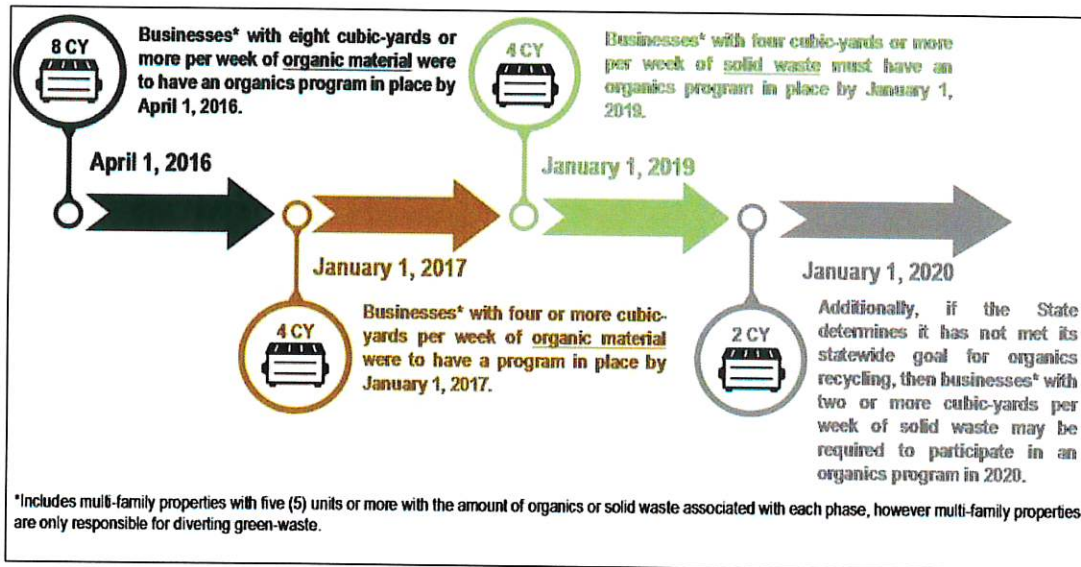
- **AB 341:** Assembly Bill 341, was signed by Governor Brown in 2012, and requires that all businesses generating four cubic yards of solid waste per week, and all multi-family properties that consist of five units or more have a recycling program.
- **AB 1594:** Assembly Bill 1594, was signed by Governor Brown in 2014, and includes the following provisions:
  - As of January 1, 2020, the use of green material as Alternative Daily Cover (ADC) does not constitute diversion through recycling and will be considered disposal for purposes of measuring a jurisdiction’s 50 percent per capita disposal rate.

*The existing Agreement with WM required that a green waste collection pilot program was to be initiated within six months of the effective date of the agreement. It is unclear whether WM collects green waste from residential customers, and the City’s website only includes descriptions of the refuse and recycling service. Because the City is represented by the Los Angeles Regional Agency, HF&H could not determine if WM is utilizing ADC to divert a portion of the City’s waste stream. In the event WM is diverting the City’s green waste as ADC, an AB 1594 compliant program, including facilities to be used and the cost per ton, will need to be negotiated through the City’s upcoming contracting process.*



- AB 1826:** Assembly Bill 1826 was signed by Governor Brown in 2014, and requires diversion of organic material (food waste, food soiled paper, yard waste, and compostable utensils) from businesses and multi-family properties that meet the thresholds included in the bill. Currently, businesses that generate four or more cubic yards of solid waste per week, and multi-family complexes of five or more units and that generate four or more cubic yards of solid waste per week, must have an organics recycling program (multi-family properties are only required to divert landscaping waste).

**AB 1826 Timeline**



*The City's amended or new agreement(s) will need to address the expanded threshold of AB 1826, as well as the public education and outreach requirements included in the legislation.*

- SB 1383:** In September 2016, Governor Brown signed Senate Bill 1383 establishing methane emissions reduction targets in a statewide effort to reduce emissions of short-lived climate pollutants in various sectors of California's economy. As it pertains to jurisdictions, SB 1383 establishes targets to achieve a 50 percent reduction in the level of the statewide disposal of organic waste from the 2014 level by 2020, a 75 percent reduction by 2025, and establishes an additional target that not less than 20 percent of currently disposed edible food is recovered for human consumption by 2025. The definition of organic waste in SB 1383 is expanded to include:
  - o Food waste
  - o Green waste
  - o Landscape and pruning waste
  - o Applicable textiles and carpets
  - o Wood and lumber
  - o Fiber
  - o Manure
  - o Biosolids
  - o Digestate and sludges

**SB 1383 Timeline**

# SB 1383 TIMELINE



*The City’s amended or new agreement(s) will need to address the requirements of SB 1383, including residential, multi-family and commercial organics programs, and container color requirements. HF&H has been instrumental in assisting cities to plan and prepare for SB 1383 requirements and will use this experience to assist the City.*

## Scope of Work – Phase I

### Task I.1: Perform a Contract Compliance Review

HF&H will review the terms and services of the current solid waste agreement and develop a “Checklist” of performance measures to be reviewed. We will meet with City staff to review the Checklist and determine if there are other areas of interest or concern that the City would like to include in our review. We will prepare a request for information for data to be provided by WM. We will compare this data and data received from the City to the contract terms included in the Checklist.

The Checklist may include:

- Confirmation that required services are being provided in a manner consistent with the Agreement.

- Timely payment of City fees as addressed in Section 3 of the Agreement.
- Review of, and adherence to, the public education and outreach plan included in Section 9 of the Agreement, and the public education requirements included in amendments 1 and 2.
- Vehicle requirements addressed in Section 10.3 of the Agreement.
- Quarterly and annual reporting requirements included in Section 11 of the Agreement, and included in amendments 1 and 2.
- Insurance coverage requirements included in Section 12 of the Agreement.
- Other key contractual requirements based on our review.

Workproduct: HF&H will prepare a report of our findings for City staff review which will include references to performance measures and/or liquidated damages included in the Agreement, where appropriate.

While this task is not included in the City's Summary of Work, it is included as one of the City's Study Goals.

### **Task I.2: Analyze Exclusive Franchise Agreement**

HF&H will review the current solid waste agreement and amendments, the current solid waste rate schedule, and other relevant documents, and prepare for a meeting to be held with City staff. During the meeting, we will discuss key issues and pricing pressures relating to the franchise agreement.

To guide our meeting, we will prepare a meeting document (Contract Profile) including existing services compared and contrasted to enhanced options that the City may wish to consider. We will include our preliminary recommendations for discussion in the Contract Profile.

Our meeting document will facilitate an informed discussion of solid waste and recycling practices and services, including the latest trends in the industry, existing and upcoming relevant regulatory requirements, and other important developments, and, most importantly, how these items may impact the City and its solid waste contracting needs. It is important that the City have a realistic understanding of not only what is changing in the industry in general, but what is specifically available now and in the relevant future to the City of South Gate.

HF&H will work closely with the City to identify and adapt the service specifications to industry trends and developments that have occurred since the current agreement was developed. HF&H has an extensive library of franchise agreements throughout California to draw upon for examples of performance standards, service options, diversion requirements, and rate adjustment methodologies for the City's consideration.

Workproduct: HF&H will prepare a Contract Profile of the City's current agreement comparing the current services and terms to state-of-the-industry agreements developed by HF&H, and providing recommendations for enhanced services, reporting, contract terms, and performance measures to ensure regulatory and hauler compliance.

This workproduct will meet the City's objectives in numbers 1, 2, 3, 5, 6, and 7 included in the Summary of Work, and guide the City in updating their solid waste agreement.

**Task I.3: Evaluate City Fees**

We will perform a comparison of municipal agency fees in the City of South Gate to a sample of other cities within Los Angeles County. We will identify the median franchise fee for the surveyed cities and identify other types of fees commonly implemented.

Workproduct: An exhibit comparing the City's fees to the median and range in other cities.

This workproduct will meet the City's objective 4 included in the Summary of Work.

**Task I.4: Recommendations for Recycling Assistance, Outreach and Education for General Public**

HF&H will review with the City and WM the current level of recycling assistance and public education and outreach, and what future education and outreach the City desires or is required by current and pending legislation. Based on this meeting and the current participation of businesses and multi-family complexes in the AB 341 and AB 1826 programs, and upcoming requirements in SB 1383, we will make recommendations for enhanced public education and outreach requirements to be included in the amended or new agreement.

HF&H develops public education and outreach materials, participates in city events, presents to city councils and community groups, and provides recycling technical assistance for our clients. While these services are not included in our cost estimate to the City, we will submit a cost estimate, at the City's request, for these services after determining the City's needs.

Workproduct: Recommendations for new and/or enhanced recycling technical assistance, outreach and education.

This workproduct will meet the City's objective 8 included in the Summary of Work.

**Task I.5: Research Pending/Future Regulations**

HF&H staff meets regularly with CalRecycle staff to discuss current and future regulations. HF&H held two workshops on SB 1383, and publishes an annual legislative update. Debbie Morris presented at the November 2018 Southern California Waste Management Forum (the Forum) on the requirements of SB 1383 and how jurisdictions need to prepare for the upcoming regulatory requirements. Ms. Morris is presenting at March 2019 Forum conference on the public education and outreach, and reporting requirements included in AB 1826, and on February 25, 2019, Debbie Morris is presenting to the City of Bell Gardens City Council on SB 1383.

The cities of Bell Gardens, El Monte, Garden Grove, Inglewood, Irvine, and Lawndale retain HF&H on an ongoing annual basis to, among other tasks, assist in compliance with current legislation and annual reporting, as well as preparing for pending and future regulations.

Workproduct: HF&H will provide a summary report on the requirements of SB 1383 which will include, but not be limited to, programs to be implemented, public education and outreach requirements, ordinances required to be implemented by the City, and reporting and enforcement requirements.

Program recommendations will also be addressed in Task I.2.

This workproduct will meet the City's objective 9 included in the Summary of Work.

**Phase I tasks will assist in developing the updated solid waste agreement.**

### **Scopes of Work – Contract Negotiations and Competitive Procurement**

Although not requested in the City's request for proposal for solid waste consulting services, HF&H has provided example scopes of work for contract negotiations and a competitive procurement processes. HF&H will provide fee estimates and detailed schedules for Phase II and Phase III at the request of the City.

#### **Scope of Work – Phase II: Contract Negotiations**

The City's Agreement with WM ends December 31, 2022. Should the City choose to negotiate with WM, this process should be initiated by July 2019 in order to provide sufficient time to perform a competitive procurement process if negotiations with WM are not successful.

##### **Task II.1: Develop New Contract Provisions and Prepare Updated Agreement**

There have been many changes to solid waste regulations and technologies since the previous solid waste agreement was negotiated, as a result there are many areas of the existing Agreement that will need to be updated.

HF&H has been instrumental in defining the "state of the industry" throughout California, and we will assist the City in development of a new franchise agreement that reflects modern best practices. HF&H will work closely with the City to identify and adapt the service specifications to industry trends and developments that have occurred since the current agreement was developed. HF&H has an extensive library of franchise agreements throughout California to draw upon for examples of performance standards, service options, diversion requirements, and rate adjustment methodologies for the City's consideration.

Based on our meetings with City staff, and the Contract Profile developed in Task I.2, we will a prepare draft franchise agreement for the desired services and contract terms. City staff, including the City Attorney, will subsequently review the draft agreement. City staff is requested to make any changes directly to the documents in a strike-and-replace format, which we will then use to prepare an updated draft agreement.

Workproduct: Draft Agreement

##### **Task II.2: Negotiate Rates, Terms and Conditions of Desired Services**

We recommend that the draft agreement be provided to WM documenting the City's desired services and contract terms. WM can then propose rates that are consistent with the City's desired terms and conditions contained in the draft agreement developed in Task II.1. The result of WM's review of the agreement will likely be a series of points that they wish to address and proposed rates that may or may not be satisfactory. HF&H will then assist in negotiating reasonable rates. We will also work with City staff to guide the City through its determination of which service provider concerns are minor and which are valuable enough not to negotiate away without a substantial offsetting gain for the City.

Workproduct: Analysis of proposed rates, and documentation of negotiated deal points.

**Task II.3: Gather and Review Hauler Operating Data to Evaluate the Reasonableness of Proposed Rates**

Service statistics, such as the number of customers, container size and frequency of collection, can be used to determine the overall value of the contract at proposed rates. Typically, we determine and compare the overall compensation to the service provider currently, and using newly renegotiated rates in order to demonstrate the true overall financial impact to the rate payer. For example, a decrease in the rate for a common service level is more valuable than a decrease in a rate for a service that is seldom used. With the proper data, we can compare the overall proposed company compensation on a similar basis with other jurisdictions.

Workproduct: Data collection forms, and comparison of proposed contractor compensation to other jurisdictions.

**Task II.4: Prepare Negotiated Agreement**

HF&H will provide an updated draft of the negotiated Agreement to City staff and the City Attorney for review, and will make one-set of revisions to the Agreement based comments/revisions received.

Workproduct: Updated draft Agreement.

**Task II.5: Attend City Council Meeting**

Workproduct: Council presentation.

**Scope of Work – Phase III: Competitive Procurement**

**Subtask III.1: Gather and Review Operating Data**

We will collect any data available regarding the current services provided. We will prepare data collection forms to assist the City and/or hauler in providing additional information in a user-friendly format. It has been our experience that when proposers are confident about the accuracy of operating data contained in the RFP, they propose lower rates and include fewer contingency costs. Collecting data in this manner may also uncover additional issues, such as poor reporting or service issues that we would address in the new agreement.

Workproduct: Data collection forms, and excel worksheets documenting the submitted operating data.

**Task III.2: Prepare and Issue Request for Proposals**

**Subtask III.2A: Prepare Draft RFP and Agreement**

We will prepare the draft RFP, a redline version of the agreement, and criteria to be used in evaluating the proposals received. If the City desires, HF&H will use our exclusive BRAVO approach.

<b>B</b>	<b>ase Proposal</b>	The BRAVO approach divides services into three categories, base services, required alternatives, and optional proposals. Base services are services that will be required to be provided by the winning bidder should they be awarded the contract. Required alternatives are additional programs that proposers are required to propose on, but the service may not be incorporated by the City if the City determines the costs outweigh the benefits. Finally, the optional proposals allows the proposers to incorporate programs that they believe add value to the City that were not initially included in the RFP scope.
<b>R</b>	<b>equired</b>	
<b>A</b>	<b>lternatives</b>	
<b>V</b>	<b>s.</b>	
<b>O</b>	<b>ptional Proposals</b>	

Workproduct: Draft RFP and Agreement

Subtask III.2B: Upon Review by the City Attorney and City Staff, Revise RFP and Agreement

We will submit the draft RFP and agreement to City staff, including the City Attorney, for review. City staff is requested to make any changes directly to the documents in a strike-and-replace format. The City Attorney will be responsible for confirming that any proposed city fees comply with applicable legal statutes such as Prop 218 and Prop 26. After City staff reviews the documents and provides us with their written comments, we will make appropriate revisions once to these documents.

Key items to be included in the RFP package are:

- Draft Agreement – We will attach the draft of the agreement the successful proposer will be expected to sign, including insurance requirements, performance standards with liquidated damages and default provisions for specific performance failures, and indemnifications. Including the agreement in the RFP limits negotiation efforts. The RFP will require proposers to identify any exceptions they plan to take to the agreement in their proposal.
- Contract Summary – We will draft a summary of service and contract requirements included in the attached draft agreement.
- Data – We will collect, review, and provide detailed operational and service data to assist proposers in developing their proformas.
- Proposer Worksheets - Proposer worksheets designed for proposers to enter proposed rates and supporting cost data, including proposed diversion plan specifications. Proposers likely to propose on the City's RFP are accustomed to HF&H forms and have provided favorable feedback on their design and ease of use.
- RFP Submittal Requirements – HF&H will include a description of RFP requirements and an outline for proposers to follow in assembling their proposals in order to ensure that the proposers do not miss requirements and that the City can easily locate key information in the proposal. Requirements include items such as diversion program descriptions, transition and implementation plans, firm information and experience citations.

Workproduct: RFP package

Subtask III.2C: Attend Council Meeting to Approve RFP Package

HF&H will attend one City Council meeting at which the City Council will approve the RFP and draft agreement, and will make a presentation and answer questions. We recommend that contact between proposers and the City be controlled and will suggest methods to do so, based on City staff and City Council's desired level of interaction with proposers.

Once the RFP and draft agreement have been approved by the City Council, they can be distributed to potential proposers. We can provide the City with a recommended list of potential proposers to whom the City may send the RFP. Alternatively, to avoid the time, expense and environmental impact of production and mailing of multiple copies of a large document, we recommend that HF&H or the City e-mail the RFP document to all potential proposers and the local waste haulers' association, and other interested parties. We can provide the City with a list of recipients for City records. By e-mailing the document, proposers are immediately notified of its availability, can immediately review the document to determine their level of interest without having to print it out, and can forward it to the appropriate parties within the firm immediately without having to print extra copies. As we regularly distribute our RFPs this way, we may have all or most of these key individuals already on our e-mail distribution list.

Workproduct: Council presentation

Subtask III.2D: Prepare for and Attend Proposers' Conference

With City staff coordination, we will schedule a proposers' conference to be conducted shortly after the release of the RFP. Potential proposers will have an opportunity to receive clarification of any issues and ask questions at this conference. We will also accept written requests for clarification about the desired services requested or other substantive questions until the date specified in the RFP.

Workproduct: Submit RFP package to haulers and hauler associations, prepare pre-proposal meeting material, attend meeting.

Subtask III.2E: Prepare Addenda

We will prepare written responses to questions posed at the proposers' conference, or submitted in writing, and prepare any necessary addenda arising from issues posed at the proposers' conference. All questions and responses shall be made available to all proposers in attendance at the conference a minimum of one week prior to the proposal due date.

We find that proposers will often have last-minute questions while finalizing their proposals a day or two before they are due. We arrange our personal schedules to ensure that we always have project staff available to answer these last-minute procedural or non-substantive questions.

Workproduct: Prepare addenda, send updated RFP to haulers and hauler associations.

**Task III.3: Review and Evaluate Proposals and Present Findings to City Council**Subtask III.3A: Review Proposals for Completeness

We will perform an initial review of each proposal submitted for compliance with the City's RFP requirements and will disregard incomplete proposals.

Workproduct: Proposal review.



Subtask III.3B: Evaluate Complete Proposals

The specific criteria for which we evaluate the complete proposals will be developed by HF&H and refined using input received from City staff and the City Council and may include the following criteria:

- Quality and responsiveness of the proposal submitted, and demonstrated understanding of the scope of services requested;
- Exceptions taken to the terms and conditions of the draft agreement;
- Proposed total compensation (rate revenue) over the term of the agreement, based on the rates included in the financial section of the proposal;
- Experience of the proposers in providing the requested services in other jurisdictions, based on information contained in their proposals;
- Financial resources of the proposers, based on information in their proposals;
- Proposal features that exceed the RFP's minimum performance requirements.

Workproduct: Draft proposal evaluation report.

Subtask III.3C: Prepare Follow-Up Questions for Proposers

After performing our initial review and evaluation, we will provide each proposer with our summary evaluation of its individual proposal, and any follow up questions, in order to confirm our understanding of the information presented.

Workproduct: Follow-up questions to proposers.

Subtask III.3D: Review Responses and Clarify Unresolved Issues

We will review responses received from proposers and resolve any open issues to help ensure that proposers are satisfied with the representation of their proposals.

Subtask III.3E: Discuss Preliminary Evaluation with City Staff

We will discuss our preliminary evaluation with City staff and determine the next steps in the evaluation process, such as selecting the proposers to be interviewed.

Workproduct: Meeting with City staff.

Subtask III.3F: Interview Proposers

At this stage in the process, usually one or more proposals are clearly more likely to be selected. Along with City staff, we interview up to four proposers, scheduling all interviews on one day.

Workproduct: Prepare for and attend proposer interviews.

Subtask III.3G: Contact References for Recommended Proposer(s)

We contact references provided by the proposer(s) that are to be recommended to the City Council for award of the agreement. We summarize the results of the reference checks within the evaluation report.

Workproduct: Reference checks.

Subtask III.3H: Prepare Evaluation Report and Present to City Council

After our evaluation is complete, we will prepare a report describing the evaluation results and attend one City Council meeting to present the findings of that report. HF&H will seek direction from City Council regarding which hauler(s) to begin negotiations with.

Workproduct: Final evaluation report and presentation to City Council.

**Task III.4: Negotiate With Top Ranked Contractor(s), and Prepare a New Agreement for City Council Approval**

Subtask III.4A: Participate in Negotiating Session

HF&H will participate in a negotiation session with the hauler(s) selected by City Council for final negotiations. Based on our prior experience, final negotiations can usually be completed during one session per proposer.

Workproduct: Prepare for and participate in negotiation session.

Subtask III.4B: Prepare Revised Portions of Agreement

Based upon the negotiations, we will make one set of revisions to the final agreement negotiated with the selected proposer(s) and ask the proposer to sign the agreement. The City can then make a decision based on clearly defined contract terms. Also, at award, neither the successful nor unsuccessful proposers can debate what was or was not the final offer to the City.

Workproduct: Finalize negotiated agreement.

Subtask III.4C: Attend One City Council Meeting for Approval of Final Agreement

We will attend the City Council meeting and present a summary of the terms included in the final negotiated agreement.

Workproduct: Presentation to City Council.

## SECTION 2: STATEMENT OF QUALIFICATIONS

### The HF&H Team Difference

In 1989, HF&H was established as a Limited Liability Company. We are a California based company with two offices located in Walnut Creek and Irvine. Our approach to any engagement is to assure our clients that we have assigned the staff to best meet the requirements of the engagement.

The three founding partners had the desire to provide specialized consulting solutions to local governments in two practice areas – recycling and solid waste services, and water, wastewater, and stormwater services. As consultants, we provide environmentally-responsible economic, financial, strategic planning, and management consulting services. For nearly 30 years, HF&H has remained committed to its core value to serve clients exceptionally and with integrity. Through these on-going commitments, HF&H has become California’s first choice and recognized leader among municipal agencies for high-quality consulting services.

Our focus has primarily been on serving municipal agencies in California, although we have provided consulting services in other states and are actively looking beyond California to assist agencies nationwide. Firm leadership is provided by six partners, including two founding partners – Robert Hilton and John Farnkopf – and four additional partners – Laith Ezzet, Rick Simonson, Marva Sheehan, and Rob Hilton.

HF&H is more than the sum of its individual members, their technical training, and our proprietary analytical tools. Each time a team of consultants comes together on a project, they are using work processes that provide a consistent level of quality. Principals, managers, and staff members each play a role in preparing, reviewing, supervising, and carrying out detailed work plans and schedules, monitoring status, creating reports and analyses, drafting work products, and presenting results in a timely and cost-effective manner.

### Quality Assurance

#### Systematic Approach to Engagement Management

HF&H utilizes a highly client-interactive consulting methodology that logically results in successful engagements, and that can be tailored for each client’s specific engagement and task. This methodology is intended to ensure alignment of the project objectives to the organizations goals, agreement on existing conditions and consensus around the chosen solution, and clear communication of the recommendations. It is based on interaction of client and HF&H team staff, assignment of qualified staff, direction of staff by managers using clear work plans, and systems and procedures to support the team and the project.

This methodology is comprised of the following seven steps:

#### **1. Definition and Quantification of the Client’s Goals and Objectives**

We meet with City staff to define the City’s broad overall goals (a commitment to cost-effective public services, commitment to environmental goals, etc.) and specific objectives for the engagement (lower customer rates, higher diversion rates, as well as schedule and budget).

**2. Specification of Approach, Assignment of Responsibilities, and Schedule**

We meet with City staff to develop the best strategy for assigning responsibilities between the client and HF&H staff, and discuss reasonable deadlines for the completion of those responsibilities.

**3. Detailed Work Plans, Work Products, Budgets, and Work Paper Organization**

Having defined responsibilities, HF&H prepares detailed work plans by task and subtask assigning specific staff, budgeting specific time, laying out the organization of the work papers that document the performance of the work and the basis for the findings. The work plan includes, by subtask, the data and document requirements, as well as analytical techniques to be used. The staff assignments and scheduled performance dates are determined at this time.

**4. Information Gathering and Fact Finding**

Based on our detailed work plans, we prepare requests for information and documents, submit them to the appropriate City or third party staff, review them with the responsible parties, and agree upon timing for the submission of the information and documents. At the completion of each subtask, we review our findings with knowledgeable City and third party staff to ensure we do not misinterpret the information obtained.

**5. Analysis, Findings, Evaluation, and Recommendations**

Based on the results of our information gathering and fact finding, the HF&H consulting team will first benchmark the results against appropriate standards (e.g., financial ratios, performance productivity, etc.) and then we will develop working outlines of the background, findings, and preliminary recommendations for each task. At this point, the HF&H consulting team will engage in a dialogue with knowledgeable client staff for fact verification and validations and discussion of alternative approaches to the solution of problems or to capitalize upon opportunities. If relevant information has been overlooked or misinterpreted in earlier steps, it will emerge through this process. Once a consensus has been developed with client staff, HF&H will present them to client management for review, verification, validation and discussion of other approaches. Once consensus has been reached with client management, the HF&H team will move to the reporting phase.

**6. Reporting**

This step in the consulting process is comprised of preliminary report preparation, presentation of preliminary findings and recommendations for discussion and modification, preparation of the final report (including presentation materials), and presentation of the final report to the appropriate internal (e.g., departmental staff, City executive management, briefings of individual elected officials) as well as external (public workshops and public hearing before the City Council) audiences.

**7. Monitoring, Quality Assurance, Management, and Progress Reporting**

The engagement manager monitors progress on a daily basis. Similarly, work papers are reviewed on a basis that is timely for the specific engagement (not waiting until the preparation of the final report or, worse yet, after completion of the engagement). The engagement manager can identify and address delays or analytical problems on a real time basis.

A quality work product is a team effort involving three parties throughout our data gathering, analysis and reporting phases: HF&H consultants; HF&H engagement directors and managers; and client staff and management. Consultants must be qualified to perform the work, have a clear work plan that meets

professional standards, and execute their assignments effectively. The engagement manager is responsible for the day-to-day monitoring of work; review of work products; and, anticipation of problems or concerns. In addition to reviewing the processes and progress of consultants, client staff reviews the work products prepared by the project team, helping the HF&H team ensure the accuracy and relevance of findings and the appropriateness of recommendations and the clarity of work products.

The engagement manager is responsible for adjusting our work plan as the engagement progresses and ensuring that the consultants are adequately supported, assuring consistency among approaches and methods and scheduling work to ensure the efficiency of efforts. The engagement director reviews work in progress, attends meetings, reviews the results of the analysis, evaluates the conclusions and checks the clarity of written materials.

The engagement manager is responsible for reporting progress to client management as frequently as appropriate. In doing so, they are supported by our project reporting system that reports hours and progress against plan by subtask and consultant. As part of this progress reporting, they will identify any areas of concern and recommend alternative approaches to addressing the concern.

### **Project Team**

Below we present the key members of the project team selected to assist the City with this project. The project team was selected based on their areas of expertise to assist the City in achieving its vision.

HF&H team members Laith Ezzet and Debbie Morris have worked together at HF&H for over 26 years, a consistency that we believe no local competitor can match. As a firm, we offer even more support. Our HF&H team is organized into two practices: solid waste management services and water/wastewater/stormwater management services.

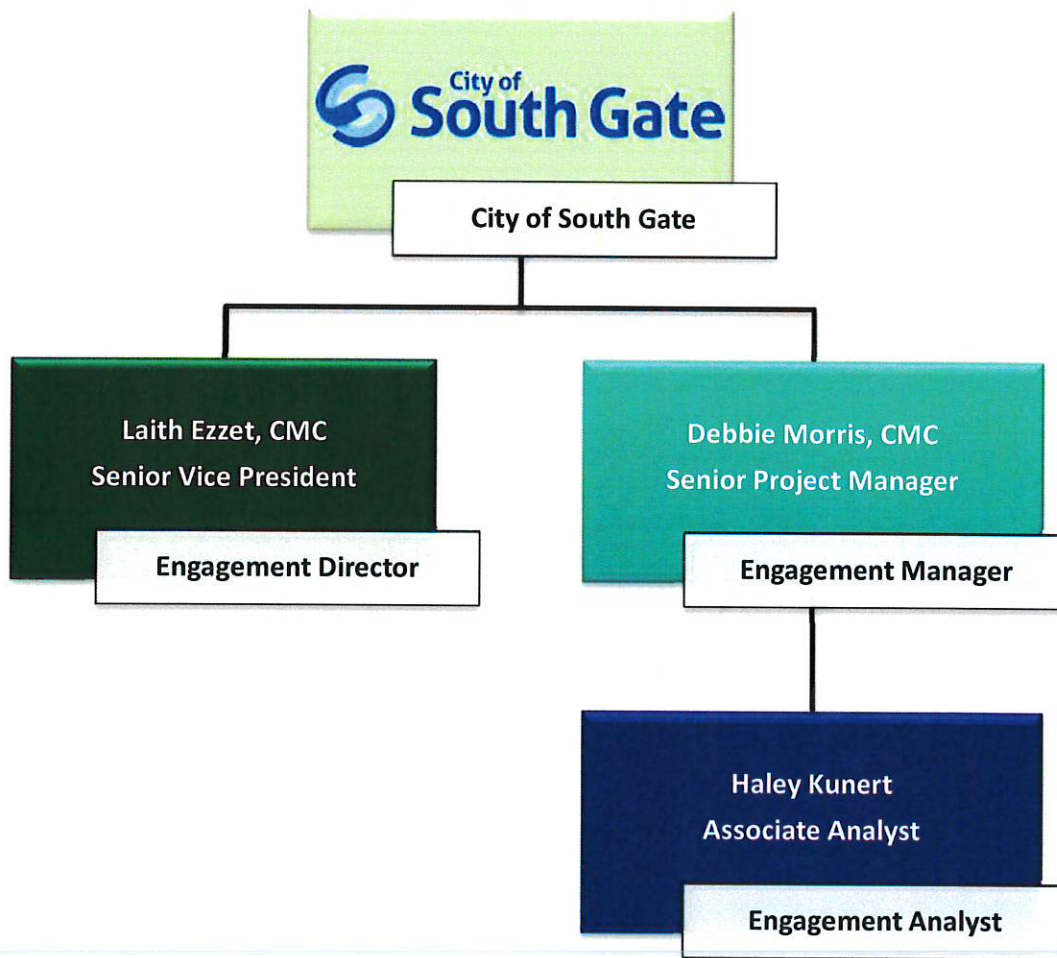
Our project staff has unparalleled expertise in the following areas:

- Solid waste contract performance reviews;
- Regulatory compliance;
- Rate analysis, cost of service studies, and negotiation of solid waste rates;
- Competitive procurement and renegotiation of solid waste services contracts, including RFP preparation, proposal evaluation, and negotiation support; and,
- Planning, implementing, and monitoring solid waste and diversion programs.

### **Project Team Organizational Chart**

Laith Ezzet will act as the Engagement Director and is responsible for the review of all workproducts developed for this engagement, and will attend all meetings. Debbie Morris will act as Engagement Manager and will be the City's contact for this engagement, will be responsible for the development and review of workproducts, and will attend all meetings. Haley Kunert will assist Ms. Morris with the development of workproducts.

**Engagement Team Organizational Chart**



**Laith Ezzet, CMC**

**Engagement Director**



A Certified Management Consultant, Laith Ezzet has over 30 years of experience as an economist and solid waste consultant. As Senior Vice President of HF&H, he has assisted over 100 public agencies to plan, implement, and monitor their solid waste collection, recycling, and disposal programs. During the course of these engagements, he has presented to or participated in more than 200 public workshops and public meetings for City Councils, Boards of Supervisors, and citizens’ advisory groups. Mr. Ezzet is a past member of the Board of Directors of the California Resource Recovery Association, and for over 20 years has served as a Director of the Southern California Founding Chapter of the Solid Waste Association of North America.

**Solid Waste Rate Studies and Audits**

Mr. Ezzet has provided expert solid waste advice over 70 cities and counties in the areas of rate analysis, cost of service studies, program planning and funding, and negotiation of solid waste rates. Examples of clients whom he has assisted with fee audits, performance audits, contract compliance audits, and solid waste rate analysis of both existing and proposed services, include the cities of Anaheim, Arcadia, Bellflower, Beverly Hills, Burbank, Chandler, Covina, Dana Point, Downey, El Monte, Fullerton, Glendale, Hermosa Beach, Hesperia, Indian Wells, Indio, Inglewood, La Palma, Laguna Beach, Laguna Niguel, Lawndale, Long Beach, Monterey Park, Orange, Palm Springs, Pasadena, Pomona, Redondo Beach, San Bernardino, San Clemente, San Juan Capistrano, Santa Clarita, Santa Monica, Torrance, and others. During the course of these and other engagements, Mr. Ezzet has directed the auditing of financial and operating records at approximately 100 solid waste companies throughout Southern California.

**Diversion Programs and Contract Management**

Mr. Ezzet has helped more than 50 public agencies to monitor and evaluate their recycling and waste diversion program requirements in order to comply with the State's waste diversion goals, and negotiated revised franchise agreement terms to enhance recycling and waste diversion programs offered in those communities. He has assisted cities develop waste and recycling tonnage reporting formats and related auditing requirements for both exclusive franchise agreements and non-exclusive service arrangements. He assisted the City of Los Angeles in evaluating the feasibility of achieving its 70% diversion plan. He has assisted agencies to manage their solid waste collection and recycling contracts, including the cities of Bell Gardens, El Monte, Garden Grove, Huntington Park, Inglewood, Irvine, Lawndale, La Quinta, Newport Beach, and others. He has assisted numerous agencies to plan, negotiate and/or evaluate organics recycling programs to comply with AB 1826, including the cities of Anaheim, Aliso Viejo, Brea, Fullerton, Garden Grove, Inglewood, Lawndale, Norwalk, Palmdale, Yorba Linda, and the counties of Santa Barbara and San Bernardino.

**Procurement and Contract Negotiations**

Mr. Ezzet has managed numerous procurement engagements for solid waste services contracts, including RFP preparation, proposal evaluation, and negotiation support. Examples of clients for whom he has helped to obtain new solid waste services contracts include the cities of Anaheim, Beverly Hills, Bellflower, Cerritos, Dana Point, Diamond Bar, Hermosa Beach, Huntington Park, Imperial Beach, Indian Wells, Inglewood, Lake Forest, Lawndale, Long Beach, Manhattan Beach, Mission Viejo, Newport Beach, Norwalk, Orange, Palm Desert, Palmdale, Pico Rivera, Rancho Palos Verdes, Rancho Cucamonga, Rancho Santa Margarita, Redondo Beach, Riverside, Santa Clarita, Tustin, West Hollywood, and others. He managed the procurement of a new solid waste system operator for San Bernardino County's landfills and transfer stations. He has negotiated solid waste agreements with a total value in excess of \$2 billion. The competitive solid waste collection procurements managed by Mr. Ezzet have a total value in excess of \$1 billion, and he has saved public agencies more than \$200 million, with some agencies saving up to 40%. He assisted the Orange County City Managers' Solid Waste Working Group negotiate 10-year waste disposal agreements with the County of Orange. He authored a paper entitled "How Much Can You Save Through Competitive Proposals?" that was presented at SWANA's Western Regional Symposium.

**Landfill Rate Modeling & Solid Waste Facilities Planning**

Mr. Ezzet has performed rate and cost of service studies, and served as a financial advisor for publicly-owned solid waste systems, for the landfill and/or transfer station systems in Orange County, Riverside County, and San Bernardino County, and for individual landfills in the cities of Glendale, California,

Glendale, Arizona, San Diego, and Whittier. He has prepared valuation models to value individual landfills and landfill systems. He has prepared life-cycle funding models for landfills that incorporate current and future costs, including the funding of closure and postclosure maintenance costs, corrective actions costs, and capacity replacement reserves. He has prepared financial feasibility studies and economic analyses for solid waste facilities including transfer stations, MRFs and organics processing facilities for cities such as Beverly Hills, Glendale, Indio, Santa Monica, San Bernardino, and Torrance, and Riverside County. As a result of his work, clients have received recognition and awards from industry groups, including SWANA's Planning and Financial Management Excellence Award. Another client was featured in the U.S. EPA's guide on "Full Cost Accounting in Action: Case Studies of Six Solid Waste Management Agencies."

### Surveys

Mr. Ezzet is intimately familiar with solid waste rates and service arrangements in Southern California, having surveyed over 200 jurisdictions in the region. He directed a survey of solid waste rates and services in the 100 largest U.S. cities, the results of which were published in several industry journals. He completed a study, sponsored by the Solid Waste Association of North America, of solid waste services provided by the 100 largest municipal service providers of collection and disposal services in North America.

### Education

Mr. Ezzet has an A.B. in Economics from Occidental College and an M.B.A. from Dartmouth College.

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### Debbie Morris, CMC

### Engagement Manager

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Ms. Morris is a Certified Management Consultant and Senior Project Manager in our Southern California solid waste consulting practice. Ms. Morris has specialized in consulting to government clients on solid waste issues for more than 26 years. Ms. Morris' experience includes assistance with diversion studies, zero waste planning, AB 939, AB 341, AB 1826, SB 1383 and other legislative compliance, solid waste and diversion program implementation and monitoring, solid waste and recycling contract development and management, grant management and administration, greenhouse gas inventories, audit services, rate reviews, illegal dumping/bulky item abatement program development, and construction and demolition debris ordinance preparation and monitoring.

### Solid Waste Rate Reviews, Fee and Tonnage Audits and Contract Compliance Reviews

Ms. Morris assists jurisdictions, including the cities of Bell Gardens, Covina, El Monte, Irvine, La Quinta, Lawndale and Ridgecrest, in controlling increases to their solid waste rates by evaluating waste haulers' rate adjustment requests for accuracy and validity.

Ms. Morris' audit experience has included performing fee payment and tonnage reviews to determine the accuracy and reasonableness of reporting by permitted waste companies for the cities of Bellflower, Bell Gardens, Beverly Hills, Burbank, El Monte, Irvine, Lawndale, La Quinta, Pomona and Torrance.

Ms. Morris has performed hauler compliance audits for Southern California cities such as the cities of Lawndale and El Monte to determine and correct the cities' solid waste hauler's compliance with key contract terms.



### **Solid Waste Legislative Compliance**

Ms. Morris' legislative compliance experience includes AB 939, AB 341, AB 1826, AB 1594, and SB 1383 compliance strategic planning, annual report preparation, base-year adjustments, requests to use alternate adjustment factors, and disposal reconciliations. Jurisdictions assisted by Ms. Morris were able to document a significantly improved diversion rate (from three to 20 percentage points) and none of these jurisdictions have received a compliance order from CalRecycle.

Ms. Morris has successfully developed and monitored AB 341 and AB 1826 implementation plans for our clients. Ms. Morris prepares for and attends meetings with CalRecycle staff on behalf of our clients, and ensures ongoing compliance. Ms. Morris developed a technical assistance program for the City of Garden Grove in order to gain compliance with AB 341.

Ms. Morris has given numerous presentations to industry associations, joint powers authorities, and city councils on AB 939, AB 341, AB 1826, and SB 1383.

### **Procurement and Contract Negotiation**

Ms. Morris has assisted in numerous procurement engagements for solid waste services contracts, including RFP preparation, proposal evaluation, and negotiation support. Examples of clients for whom she has helped to obtain new or renegotiated solid waste services contracts include the cities of Aliso Viejo, Diamond Bar, El Monte, Huntington Park, Lawndale, Palm Desert, Whittier and others. Ms. Morris is currently assisting the cities of Lawndale and Santa Ana in procuring new solid waste recycling services agreements.

### **Ongoing Contract Management/Solid Waste Consulting Services**

Ms. Morris provides on-going contract management and solid waste consulting services to several cities in Southern California including the cities of Bell Gardens, El Monte, Garden Grove, Irvine and Lawndale. The scope of work for these engagements includes profiling the City's solid waste franchise agreement/s and municipal code in order to ensure hauler compliance with all service, reporting, fee payment, rate structure, performance, and public education and outreach requirements. Additionally, the engagements include a review of the haulers' annual rate adjustments, and tonnage and fee payment audits.

### **Education**

B.A., Business Administration and Leadership, Concordia University, Irvine

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### **Haley Kunert**

### **Engagement Analyst**



Hailey Kunert, Associate Analyst, assists in managing solid waste franchise agreements, legislative compliance and diversion monitoring, audit services, solid waste rate reviews, and contract negotiation services. While earning an Environmental Systems degree at the University of California San Diego, Ms. Kunert, was involved in a number of sustainability initiatives including solid waste and recycling receptacle audits; research and development of a sustainability action plan; and, public education and outreach.

**Ongoing Contract Management/Solid Waste Consulting Services**

Ms. Kunert assists with ongoing contract management and solid waste consulting services to cities in Southern California. The scope of work for these engagements includes monitoring contractor compliance with franchise agreement requirements regarding reporting, fee payments, and public education and outreach. Ms. Kunert meets with City staff and haulers on a regular basis to review ongoing contractor compliance and monitor program diversion performance. She is currently assisting the cities of Anaheim, Bell Gardens, El Monte, Garden Grove, Inglewood, and Lawndale. Additionally, the engagements include a review of the haulers' annual rate adjustment requests and monitoring of reported tonnage and hauler fee payments.

**Solid Waste Legislative Compliance**

Ms. Kunert has assisted clients in preparing for the mandatory recycling regulations included in Assembly Bills 939, 341, and 1826. This assistance has included gathering current commercial refuse and recycling service level data from the cities' haulers, documenting the number of accounts covered under the regulations, calculating the current level of compliance and appropriate recycling service fees, and developing public education and outreach materials. She is currently assisting the cities of Bell Gardens, El Monte, Inglewood, Garden Grove, and Lawndale with tracking and implementation of recycling and organics recycling programs for businesses and multi-family complexes. Also, she annually assists the cities of Bell Gardens, Inglewood, Lawndale, and El Monte in the completion or review of their CalRecycle Electronic Annual Report.

**Solid Waste Rate Studies**

Ms. Kunert conducted a survey of residential and commercial solid waste collection services and rates in various cities throughout the San Bernardino and Riverside Counties for the city of Rancho Cucamonga. She assisted with another survey of solid waste collection services in the County of Orange and supported the completion of a survey on the County of San Bernardino. Ms. Kunert has also gathered rate and program data related to organics collection for the cities of Anaheim, Brea, El Monte, Fullerton, Garden Grove, Placentia, and Yorba Linda to determine the reasonableness of organics rates.

**Education**

B.S., Environmental Systems, University of California San Diego, La Jolla  
Certificate in Sustainability and Behavior Change with University of California San Diego Extension Program

## Representative Projects and References

### City of Bell Gardens

**Contract & Diversion Programs (2011-Present)**  
**Current Project Cost: \$50,000**

#### Project Description

The City of Bell Gardens residential sector is served under an exclusive franchise agreement. The City's commercial and multi-family sector is served by several haulers under non-exclusive competitive franchise agreements. The City of Bell Gardens retained HF&H monitor hauler contract compliance, assist with AB 939 and AB 341 compliance, and provide ongoing solid waste consulting assistance.

#### Client Contact

Chau Vu  
Director of Public Works  
7100 South Garfield Avenue  
Bell Gardens, CA 90201  
(562) 806-7770

#### HF&H Solution

HF&H provides ongoing consulting services that address all areas of Bell Garden's solid waste services. These services have included the following:

- Reviewing the haulers' operational and financial data to ensure proper payment of city fees and reporting of tonnage.
- Reviewing rate increase requests submitted by the exclusive franchised hauler on an annual basis.
- Developing measures to ensure compliance with the State's mandatory recycling programs and providing updates to City Council.
- Preparing AB 939 Annual Reports.
- Developing construction and demolition diversion procedures and documents to ensure compliance with the CalGreen building code.

#### Project Results

- Recovered unpaid city fees.
- Worked with each hauler on an individual basis to ensure compliance with the mandatory commercial recycling regulation.
- Ensured hauler compliance – meetings between HF&H, the haulers, and the City ensured compliance with all of the requirements of the solid waste and recycling collection contract.

#### Key HF&H Staff

Laith Ezzet-Engagement Director, Debbie Morris-Engagement Manager, Haley Kunert-Engagement Analyst

**City of Cerritos****Contract Compliance Audit (2010)**  
**Project Cost: \$65,000****Project Description**

The City of Cerritos ("the City") has a 10-year franchise agreement with CalMet Services, which commenced on January 1, 2008. The City requested that HF&H Consultants conduct a contract compliance audit and franchise fee audit for calendar years 2008 and 2009. An audit conducted during the first two years of the franchise agreement term helps the City and the hauler avoid costly accumulation of errors, identifies and clears misunderstandings, and sets the stage for a successful partnership between the City and the hauler for the remainder of the agreement term.

**Client Contact**

Mike O'Grady  
Environmental Services Manager  
18125 Bloomfield Avenue  
Cerritos, CA 90703  
(562) 916-1226

**HF&H Solution**

In order to achieve the audit objectives, HF&H:

- Selected a sample of customers to validate that CalMet accurately billed customers in accordance with the City-approved rate schedule;
- Ensured that gross receipts were reported to the City fully and accurately, and that franchise fees were paid in full and timely;
- Performed testing to ensure that CalMet complied with specific diversion requirements of the franchise agreement; and,
- Evaluated the disposal component weightings used in the rate adjustment formula.

**Project Results**

Our review found that franchise fees were overpaid by \$14K in the two years under review.

We found that the base customer rates charged for services were consistent with the rate schedule as approved by the City; however, we identified several finance and service fees that were charged outside the City-approved rate schedule. Over \$62K in non-approved charges was identified for calendar year 2009; we recommended that all finance and service-related fees be incorporated into the City-approved fee schedule going forward.

Overall diversion and disposal tonnage reporting was found to be accurate.

Our review of the disposal component weighting indicated that actual disposal expense as a percentage of rate revenues was lower than the disposal cost component used to calculate the rate adjustment. We recommended that the next rate adjustment be calculated using the lower updated disposal components.

**Key HF&H Staff**

Laith Ezzet-Engagement Director

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**City of Bellflower**

**Contracting Services (2005 and 2011) and  
Compliance Audit (2007, 2010, 2012, 2014)  
2014 Contract Compliance Audit Cost: \$76,000**

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**Project Description**

In 2005, HF&H Consultants, LLC assisted the City of Bellflower in competitively procuring an exclusive franchise agreement, and in 2011 assisted the City in negotiating an extension. In 2007, the City requested that HF&H perform the first biennial audit of the contractor’s compliance with selected provisions of the agreement, and continued to retain HF&H for each subsequent audit.



**HF&H Solution**

The 2005 agreement reduced rates and increased recycling programs. The negotiated 2011 agreement evaluated cost savings from continued use of existing carts and vehicles, and added new services including street sweeping with no increase in rates.

In order to achieve the City’s goals, HF&H:

- Confirmed that the hauler billed customers in accordance with the City-approved rate schedule.
- Observed a sample of commercial bin service levels (size and quantity of bins) in the field.
- Verified the accuracy of tonnage reported to the City; including,
  - Ensuring tonnages reported agreed to regulatory agency records for transformation and landfill disposal volumes.
  - Verifying the diversion percentage achieved or exceeded the minimum requirement.
  - Confirming all rolloff hauls were processed at a recycling facility.
  - Verifying the minimum number of solid waste tons were delivered to a waste-to-energy facility.
- Confirmed that the hauler accurately paid franchise fees to the City.
- Verified hauler compliance with selected provisions of the agreement.
- Verified whether vehicle age and fuel requirements were being met.

**Project Results**

Hauler performance was modified to address the audit findings.

**Key HF&H Staff**

Laith Ezzet-Engagement Director

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**City of Lawndale**

**Contract Management and Audit Services (1997-Present)**

**Audit Services Project Cost: \$40,000**

**Current Project Cost: \$86,000**

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**Ongoing Contract Management Assistance**

HF&H has been retained by the City on an annual basis to manage the City’s solid waste contract with Republic Services. HF&H’s work for the City includes: reviewing the hauler’s annual rate adjustment requests, performing hauler fee and tonnage audits; providing AB 939, AB 341, AB 1826, and other regulatory compliance assistance, including preparation of annual report and preparing for and attending the CalRecycle site visits; construction and demolition ordinance development and monitoring; and, providing ongoing procurement and negotiation services to the City. HF&H meets with the hauler on a monthly basis to review diversion trends, City fees, and service issues.

Client Contact  
Grace Huizar  
Administrative Analyst  
4722 Manhattan Beach Blvd  
Lawndale, CA 90260  
(310) 973-3273

**Solid Waste Hauler Contract Compliance and Fee Audits**

HF&H has performed the biennial contract compliance audits in order to verify the accuracy of customer billing, fee payments made to the City, and tonnage reported to the City. Additionally, we verified that the hauler achieved various compliance requirements, such as minimum diversion of solid waste from landfill requirements, minimum commercial solid waste processing requirements, minimum requirements to direct solid waste tonnage to a waste-to-energy facility, and other various contract requirements.

**HF&H Team Members**

Laith Ezzet-Engagement Director, Debbie Morris-Engagement Manager, Haley Kunert-Engagement Analyst

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**City of Inglewood**

**Contract Compliance Audit (2014-Present)**

**Project Cost: \$60,000**

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**Project Description**

In May 2012, the City of Inglewood entered into an exclusive franchise agreement for solid waste collection services that HF&H assisted the City in negotiating. In 2014 and 2016, the City retained HF&H to verify that the hauler was complying with selected requirements of the agreement. Additionally, we have recently been selected to conduct the contract compliance audit for calendar year 2017 solid waste collection services.

Client Contact  
Angela Williams  
Environmental Services Manager  
1 Manchester Boulevard  
Inglewood, CA 90301  
(310) 412-5333

**HF&H Solution**

HF&H performed a contract compliance audit to verify the hauler’s compliance with the terms of the agreement:

- Reviewed the accuracy of the hauler’s roll-off billing

- Verified the accuracy of tonnage reported as mixed waste processed, sent for transformation, or otherwise diverted and disposed
- Confirmed whether the required mixed waste processing and transformation levels were met as required by contract
- Verified that insurance and performance bond requirements were met as required
- Verified vehicle age and fuel requirements were met as specified in the agreement.

**Results**

HF&H found inaccuracies in roll-off billing that the hauler was able to correct going forward.

**Key HF&H Staff**

Laith Ezzet-Engagement Director, Haley Kunert-Engagement Analyst

**City of Garden Grove**

**AB 341 Technical Assistance (2018 to Present)**

**Current Project Cost: \$50,000**

**Project Description**

In 2018, HF&H was assisting the City of Garden Grove to negotiate an organics program with Republic Services. During this work, the City received a letter from CalRecycle stating that their City was facing a compliance order for not implementing their AB 341 plan. The City retained HF&H under a separate contract to assist with AB 341 technical assistance to increase compliance with AB 341.

Client Contact

A. J. Holmon III, MBA  
Environmental Service Manager  
13802 Newhope Street  
Garden Grove, CA 92843  
(714) 741-5956

**Work Performed by HF&H:**

- Developed AB 341 public education and outreach including surveys, non-compliance letters, informational letters from the City, etc.;
- Contacting survey responders via telephone and email to document and verify third party diversion tonnage and educate commercial and multi-family customers on AB 341;
- Ongoing development of a third party diversion tracking and monitoring database for CalRecycle reporting;
- Providing ongoing status updates of calls and contacts to City staff;
- Negotiated a recycling cart rate with the City’s franchised hauler to provide recycling service for space constrained customers.

**Project Highlights**

- CalRecycle reported to City in February 2019 that they would be receiving a good faith effort and avoided a compliance order.

**HF&H Team Members**

Laith Ezzet-Engagement Director, Debbie Morris-Engagement Manager, Haley Kunert-Engagement Analyst

**City of Lawndale**

**Competitive Procurement (1997, 2002, 2005, 2010, 2018)  
Current Project Cost: \$110,000**

**Project Description**

For over twenty years, the City of Lawndale has turned to HF&H to manage its solid waste contract procurement processes. As we worked with the City on each subsequent procurement, we continued to focus our efforts on the City’s commitment to augmenting its recycling programs while providing competitive rates to its residents.

<u>Client Contact</u>	
	Grace Huizar
	Administrative Analyst
	4722 Manhattan Beach Blvd
	Lawndale, CA 90260
	(310) 973-3273

**HF&H Solution**

Our procurement services included preparing the RFP and franchise agreement, evaluating the proposals, and negotiating the final agreement.

We have continued to assist the City by developing a commercial hauler permit system, preparing municipal code text revisions and contract compliance, and auditing reported tonnage and remitted fees.

**Project Results**

In 1997, HF&H assisted the City with a competitive procurement process for residential collection services. Through this process the City transitioned from manual collection to a 3-cart automated system, and residential rates were reduced by 11%, saving ratepayers \$651,000 over the 5 year term.

In 2002, prior to the expiration of the residential solid waste collection agreement, the City again retained HF&H to lead the procurement and negotiation process. The results of this negotiated agreement included: the contractor reimbursing the City for the procurement costs; a residential rate reduction of 16%, saving ratepayers \$1.2 million over the 7 year term; an increase in City compensation of \$30,000; and design and implementation of new diversion programs

In 2005, HF&H assisted the City by drafting and negotiating an exclusive franchise agreement to provide multi-family and commercial recycling services in the City at no additional charge to the customers. The program is fully funded by AB 939 fees paid by the permitted waste haulers.

In 2010, HF&H assisted the City with the development and negotiation of a City-wide exclusive franchise agreement. Through this process the City transitioned from a commercial permit system with nine haulers to an exclusive system incorporating residential, commercial and roll-off collection services. The new agreement included additional diversion services and further rate reductions.

We are currently assisting the City with their current competitive procurement process.

**Key Staff**

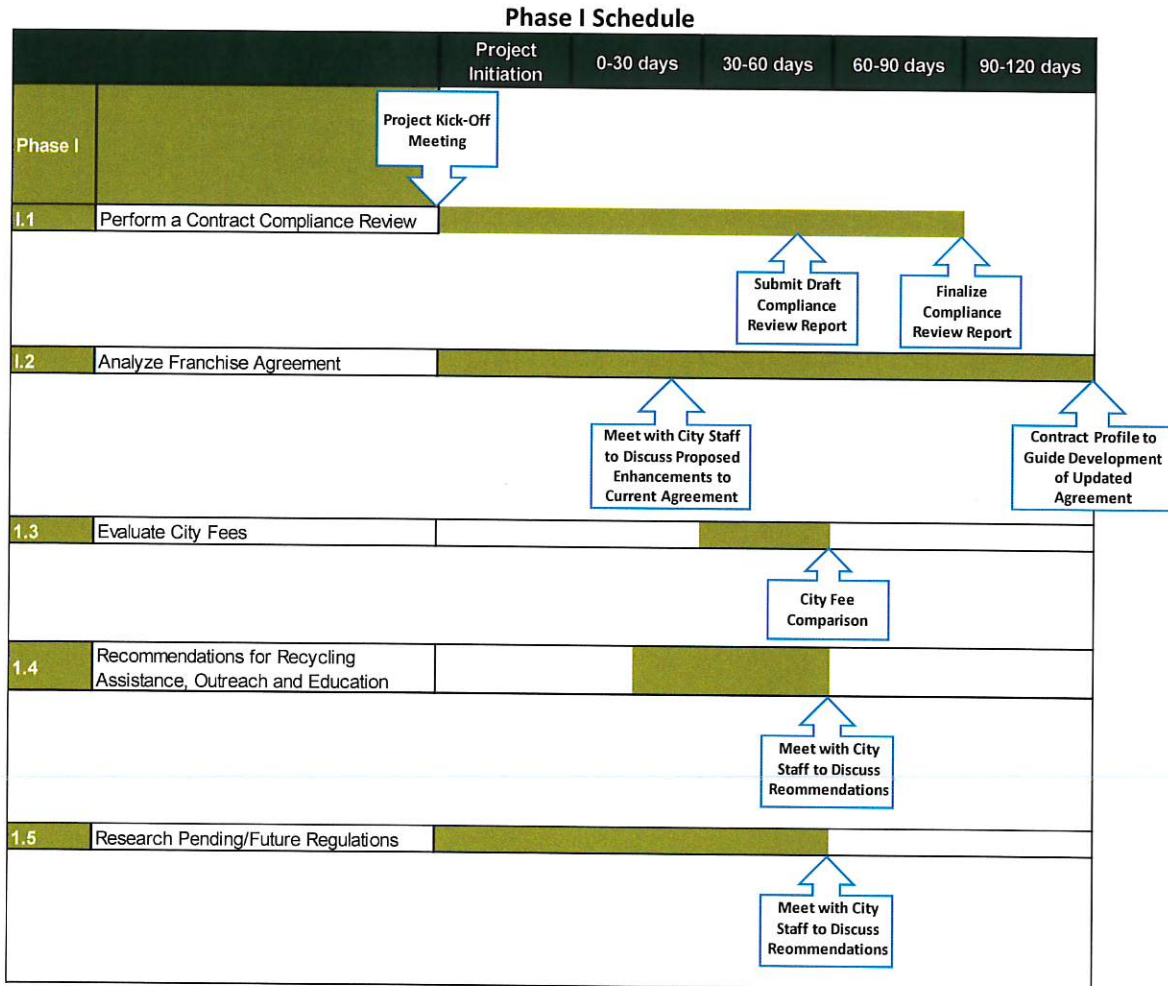
Laith Ezzet-Engagement Director, Debbie Morris-Engagement Manager



## SECTION 3: PROJECT SCHEDULE

### Project Schedule – Phase I

The following is our proposed schedule to provide the requested services. HF&H will finalize the schedule at the project kick-off meeting with City staff.



## EXHIBIT 1: CLIENT TESTIMONIALS



January 21, 2014

Mr. Laith Ezzet, CMC  
Senior Vice President  
HF&H Consultants, LLC  
19200 Von Karman Avenue, Suite 360  
Irvine, California 92612

**Re: Letter of Recommendation**

I am pleased to recommend HF&H Consultants. HF&H has been providing solid waste consulting services to the City of Bell Gardens since 2011. The City has benefited from their breadth of solid waste industry experience and we have always found their work to be comprehensive, and their staff to be responsive to all of our requests.

On an ongoing basis, HF&H:

- Reviews the haulers' operational and financial data to ensure proper payment of city fees and reporting of tonnage.
- Reviews rate increase requests submitted by the exclusive franchised hauler on an annual basis.
- Develops measures to ensure compliance with the State's mandatory commercial recycling program.
- Prepares AB 939 Annual Reports.

As a result of this ongoing work, HF&H has assisted the City in:

- Recovering unpaid city fees.
- Working with each hauler on an individual basis to ensure compliance with the mandatory commercial recycling regulation.
- Ensuring hauler compliance – meetings between HF&H, the haulers, and the City ensured compliance with all of the requirements of the solid waste and recycling collection contract.

For me as a Director of Public Works, I take comfort knowing Debbie Morris and your team is available to respond to issues as they arise. HF&H's consistently delivers a high level of client satisfaction.

Sincerely,

A handwritten signature in black ink, appearing to read 'Chau L. Vu', is written over a light blue background.

Chau L. Vu  
Public Works Director

The City of Bellflower

*Families. Businesses. Futures.*

16600 Civic Center Drive, Bellflower, CA 90706

Tel 562.804.1424 Fax 562.925.8660 www.bellflower.org



June 9, 2011

Laith Ezzett  
HF&H Consultants, LLC  
3990 Westerly Place, Suite 195  
Newport Beach, CA 92660

Dear Mr. Ezzett:

I am writing to acknowledge HF&H's important contribution to the City of Bellflower's recent negotiations with our solid waste franchisee CR&R.

CR&R has been serving the City of Bellflower since 2005 pursuant to a franchise agreement originally bid and negotiated with HF&H's assistance. In June, 2010, the City found itself facing a dramatic increase in contract street sweeping costs. CR&R became aware of this situation and expressed interest in adding street sweeping to the suite of solid waste services provided to the City in consideration of a franchise agreement extension.

This was the basis of the City's recent negotiation. Over a period of several months, HF&H assisted the City in bringing the concept to fruition. As always, you and your staff contributed your knowledge of solid waste industry trends and practices as well as your knowledge of the regulatory environment. As a smaller city, we do not have a staff person dedicated to solid waste and could not provide such a depth of knowledge without your assistance.

In addition, on a very practical level, HF&H staff prepared agendas, tracked issues, tracked and reconciled multiple versions of our 100+ page agreement, and calculated the financial consequences of various city and company proposals over time. This saved countless hours in what would otherwise have been staff and attorney time.

This agreement was of critical importance to the City at a very challenging financial juncture and I want to acknowledge HF&H's professional assistance.

Over the past number of years, not only City staff but also our franchisee and City Council have come to have confidence in HF&H's analysis as an honest broker. Your policy of only working for municipal clients reinforces our confidence in the integrity of your practice and our experience reinforces our confidence in the competency of your practice.

We look forward to continuing to work with you.

Sincerely,

Deborah R. Chankin  
Director of Public Works

> Scott A. Larsen  
*Mayor*

Dan Koops  
*Mayor Pro Tem*

Randy Bomgaars  
*Council Member*

Raymond Dinton  
*Council Member*

Sonny Santa Ines  
*Council Member*



## CITY OF LONG BEACH

DEPARTMENT OF PUBLIC WORKS

333 WEST OCEAN BOULEVARD • LONG BEACH, CA 90802 • (562) 570-6383 • FAX (562) 570-6012

August 29, 2016

Mr. Laith Ezzet, CMC  
Senior Vice President  
HF&H Consultants, LLC  
19200 Von Karman Avenue, Suite 360  
Irvine, CA 92612

Dear Mr. Ezzet:

On behalf of the City of Long Beach Public Works Department, I would like to thank you for the professional guidance and technical expertise you and your team provided during the City's recycling procurement project.

Your team was retained by the City to assist with the development of the Recycling Collection Request for Proposal (RFP); specifically these services included:

- Providing input into the terms and conditions of the RFP for the collection and processing of single family, multi-family and commercial recyclables;
- Reviewing and evaluating the received proposals;
- Assisting with background investigations, interviews, evaluation reports and final contract negotiations with the selected vendor; and
- Assisting city staff in finalizing contract language.

Throughout the procurement project you provided excellent guidance and recommendations in a professional and timely manner. The expertise provided by you and your firm greatly assisted city staff with finalizing the contact with the selected provider.

Thank you again for your assistance and guidance. We look forward to working with HF&H Consultants, LLC in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "Dikran A. Melkonian".

Dikran A. Melkonian  
Environmental Services Bureau Manager



**City of Manhattan Beach**  
**Department of Public Works**

3621 Bell Avenue, Manhattan Beach, CA 90266  
Phone: (310) 802-5313 Fax: (310) 802-5301 TDD: (310) 546-3501

February 6, 2019

HF&H Consultants, LLC  
Attn: Laith Ezzet, CMC, SVP and April Hamud, Project Manager  
19200 Von Karman Avenue, Suite 360  
Irvine, CA 92612

Dear Laith and April,

It is difficult to put into words how thankful we are for the professional guidance and support you both have provided the City of Manhattan Beach throughout our recent solid waste RFP process. Although there are still some to-do's remaining to finalize the awarded contract, we didn't want to delay our thanks. Along with City Council, we appreciate and respect your analysis, industry-knowledge, keen understanding of complex solid-waste-specific contract issues, and your helpful can-do attitude. You both made this process so unbelievably smooth, transparent and most importantly, ethical. Given the burden that selecting a hauler can place on city staff, HF&H was instrumental in significantly lessening that burden. And the guidance and expertise you provided to us and to our city council was immeasurable. We know that HF&H has an abundance of clients all over the State of California; however, please consider us one of the most grateful for all you have done to help us.

You are both worth your weight in gold!!!

All our best,

A handwritten signature in blue ink, appearing to read "Stephanie Katsouleas".

Stephanie Katsouleas, Public Works Director

A handwritten signature in blue ink, appearing to read "Anna Luke-Jones".

Anna Luke-Jones, Senior Management Analyst

Visit the City of Manhattan Beach website at [www.citymb.info](http://www.citymb.info)



**GARDEN GROVE SANITARY DISTRICT**  
11222 ACACIA PARKWAY, P.O. BOX 339, GARDEN GROVE, CALIFORNIA 92842

October 25, 2018

To Whom it May Concern

Local jurisdictions are required to have a Commercial Organics Recycling Program in place effective January 2017 as part of Assembly Bill (AB) 1826 (Chapter 727, Statutes of 2014). Some entities of which the Garden Grove Sanitary District is one may require a rate adjustment per its solid waste service provider to account for new state program implementation. In order to determine an equitable rate is achieved to fund the program; HF&H Consultants (Hilton, Farnkopf & Hobson, LLC) was chosen in 2017 to perform a formal (cost-based) rate review process on the new proposed organic rates, and to negotiate on behalf of the City/District with our solid wastes service provider to develop an amendment to our Franchise Agreement.

HF&H Consultants is a management consulting firm established in 1989 with a focus on municipalities. HF&H has more than 25 years of solid waste operations and consulting experience, and during that time has conducted hundreds of solid waste management consulting projects for clients throughout California. HF&H has provided our City/District staff with excellent advisement on all aspects of the Commercial Organics Recycling Program as well as formidably representing our City/District in negotiating a reasonable service rate adjustment with our solid wastes service provider. HF&H services provided consists of reviewing background information, preparing for negotiations, briefing City Staff on negotiation status, preparing draft amendment to franchise agreement, reporting results and making recommendations.

I highly recommend HF&H Consultants' services to government entities that need such highly marked solid waste management industry skills as that of which HF&H possesses. Please feel free to contact me at (714) 741-5956 if additional information is needed.

Sincerely,

A. J. Holmon III  
Environmental Services  
Division Manager

**Mayor**  
 CHAD P. WANKE

**Mayor Pro Tem**  
 RHONDA SHADER

**Councilmembers:**  
 CRAIG S. GREEN  
 WARD L. SMITH  
 JEREMY B. YAMAGUCHI

The People are the City



401 East Chapman Avenue – Placentia, California 92870

**City Clerk:**  
 PATRICK J. MELIA

**City Treasurer**  
 KEVIN A. LARSON

**City Administrator**  
 DAMIEN R. ARRULA

May 10, 2018

Laith Ezzet, CMG  
 Senior Vice President  
 HF&H Consultants, LLC  
 19200 Von Karman Avenue, Suite 360  
 Irvine, CA 92612

Dear Mr. Ezzet:

On behalf of the City of Placentia, I would like to convey my sincere appreciation to you and the HF&H Team for providing professional and technical expertise during the successful contract negotiations with Republic Services. The negotiations were completed on time, within budget, and ultimately approved by the City Council well in advance of the City's target date to execute the agreement amendment.

As you know, this was the City's first time utilizing the services of HF&H. The City is pleased with the successful negotiations HF&H executed. HF&H provided quality data analysis which allowed for tough but fair contract negotiations; thus, insuring the highest level of service to the community at competitive rates. Our recent negotiations concluded with a agreement amendment with the following enhancements:

- A sector-wide competitive rate for commercial organics services.
- New organics program that complies with AB 1826 requirements.
- Focus on accountability, including reporting to meet CalRecycle requirements and a rate rebalancing mechanism to ensure the organic waste collection rate is accurate and fair for customers.

This letter serves not only as a reference for your professionalism and high quality of work, but as confirmation that the HF&H Team provides results that ultimately benefit the City, its residents and businesses we serve.

Thank you again for the opportunity to work with you and the HF&H Team. I am available to discuss specifics by phone at (714) 993-8120 or by email at [lestevez@placentia.org](mailto:lestevez@placentia.org)

Sincerely,

Luis Estevez,  
 Director of Public Works



## CITY OF YORBA LINDA

P.O. BOX 87014

CALIFORNIA 92885-8714

May 9, 2018

Laith Ezzet, CMC  
Senior Vice President  
HF&H Consultants, LLC  
19200 Von Karman Avenue, Suite 360  
Irvine, CA 92612

Dear Laith,

On behalf of the City of Yorba Linda, I would like to express my appreciation to your and your team for assisting us with our recent contract amendment negotiations with Republic Services. We truly valued your expertise and guidance through this very complex subject matter, which we could not have navigated alone. We believe the negotiations were successfully completed on time, within budget and resulted in a substantial savings to the businesses of Yorba Linda.

Thank you for all your hard work, effort, professionalism and dedication. It was a pleasure working with you and your team and we look forward to other opportunities to engage HF&H in the future.

Sincerely,

A handwritten signature in black ink that reads "David Christian".

David Christian  
Assistant City Manager

BIRTHPLACE OF RICHARD NIXON • 37<sup>TH</sup> PRESIDENT OF THE UNITED STATES





**CITY OF EL MONTE**  
PUBLIC WORKS DEPARTMENT

**Elaine Jeng, P.E.**  
*Public Works & Utilities Director*

**Jonathan Wu, P.E.**  
*Interim City Engineer*

September 14, 2017

Mr. Laith Ezzet, CMC  
Senior Vice President  
HF&H Consultants, LLC  
19200 Von Karman Avenue, Suite 360  
Irvine, California 92612

**Re: Letter of Recommendation**

On behalf of the City of El Monte, I would like to take this opportunity to express my appreciation for the outstanding services provided by HF&H Consultants.

The City of El Monte retained HF&H Consultants in 2015 to provide diversion program implementation and monitoring, regulatory compliance planning and assistance, solid waste contract monitoring, auditing services, grant management, and representing the City at community events on an ongoing basis.

HF&H's "hands-on" approach to solid waste consulting has assisted the City in:

- Developing and implementing a plan to gain compliance with assembly bills 341 and 1826;
- Ensuring that the franchised haulers are complying with the terms and conditions contained in the solid waste agreements, and paying City fees accurately;
- Streamlining the City's construction and demolition process to ensure the capture of the all projects within the City to maximize diversion, and updating the City's construction and demolition debris ordinance to align with CalGreen requirements; and,
- Developing an effective plan to decrease illegal dumping.

HF&H's professional and well-qualified staff has been a benefit to the City, and I am pleased to have the opportunity to recommended HF&H Consultants to other jurisdictions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Elaine Jeng".

Elaine Jeng, P.E.  
Director of Public Works and Utilities

11333 VALLEY BOULEVARD, EL MONTE, CALIFORNIA 91731-3293 / (626) 580-2058  
WEBSITE: [www.elmonteca.gov](http://www.elmonteca.gov)



## City of Whittier

13230 Penn Street, Whittier, California 90602-1772  
(562) 567-9500

October 2, 2017

Laith Ezzet, CMC  
Senior Vice President  
HF&H Consultants, LLC  
19200 Von Karman Avenue, Suite 360  
Irvine, CA 92612

Dear Laith:

I would like to thank you and your team for providing the technical expertise to finalize solid waste collection franchise agreements with Republic and Athens Services. As you know, the City had previously gone through a RFP process with another consulting firm in order to award a franchise agreement for the entire City. Going from a three-zone system with two private haulers and City crews to one private hauler for the entire City proved to be controversial. The RFP process ended in a referendum halting the award of the franchise agreement.

You and your team were tasked with negotiating long-term agreements with two haulers to service two separate City zones. Council's requirement to have the rate schedules in both franchise agreements match added complexity to the negotiation process. You were able to accomplish this while also negotiating valuable improvements from previous agreements including:

- An increased franchise fee
- A fair price for the purchase of City-owned equipment by one of the haulers
- A 50-hour per week porter to maintain the Uptown commercial district
- Free roll-out service for residents with disabilities
- 48 special clean ups per year from each hauler to include homeless encampment clean ups.

Thank you again for your support and professional expertise during the negotiation process. Public Works Manager, Vicki Smith, and I are available to discuss the process by phone at 562.567.9500 or by email at dschickling@cityofwhittier.org or vsmith@cityofwhittier.org.

Sincerely,

David Schickling  
Director of Public Works

0:\Staff\Vicki Smith\Correspondence\HF&H Reference Letter.docx



# PALMDALE

*a place to call home*

June 21, 2017

JAMES C. LEDFORD  
*Mayor*

STEVEN D. HOFBAUER  
*Mayor Pro Tem*

LAURA BETTENCOURT  
*Councilmember*

AUSTIN BISHOP  
*Councilmember*

JUAN CARRILLO  
*Councilmember*

38300 Sierra Highway  
Palmdale, CA 93550-4798  
Tel: 661/267-5100  
Fax: 661/267-5122  
TDD: 661/267-5167

*Auxiliary aids provided for  
communication accessibility  
upon 72 hours notice and request*

Mr. Laith Ezzet  
Senior Vice President  
HF&H Consultants, LLC  
19200 Von Karmen Avenue, Suite 360  
Irvine, CA 92612

Dear Laith,

On behalf of the City of Palmdale, I would like to thank you for all of the assistance you have provided us with our Request for Proposals for Integrated Solid Waste Management (RFP). Your team provided us with the technical and professional expertise needed to have a successful RFP process that yielded great results.

Thanks to HF&H, we were able to present the City Council with two excellent agreements for consideration. Each proposed agreement would help save residents money while also addressing very difficult problems that are being encountered in the waste industry today, helping us future plan to protect against extraordinary rate increase requests thanks to ever changing waste diversion requirements. With your help, we were able to bring forward great options, with the difficulty being based on which option was best, versus how the public would react to the changes that needed to be made. Additionally, we will now have a greater waste diversion infrastructure, one that will provide our City with waste diversion security for years to come.

Thank you again for all of the assistance you have provided to the City with our RFP. We look forward to potentially working with you with our future waste division needs. If anyone would like to learn more about our RFP process, please don't hesitate to have them contact Benjamin Lucha, Senior Management Analyst, at [blucha@cityofpalmdale.org](mailto:blucha@cityofpalmdale.org) or 661/267-5308.

Sincerely,

  
James Purtee  
City Manager

[www.cityofpalmdale.org](http://www.cityofpalmdale.org)



October 24, 2017

Laith Ezzet, CMC  
Senior Vice President  
HF&H Consultants, LLC  
19200 Von Karman Avenue, Suite 360  
Irvine, CA 92612

Dear Mr. Ezzet:

On behalf of the City of Aliso Viejo, I would like to convey my sincere appreciation to you and the HF&H Team for your assistance with our successful contract negotiations with CR&R Waste Management Services. The negotiations were completed on time, within budget, and ultimately approved by the City Council well in advance of the agreement expiration.

As you know, I have utilized HF&H on more than one occasion, while working for different agencies and negotiating waste hauler contracts with various providers. In my experience, HF&H provides the highest quality data analysis which allows for tough but fair contract negotiations; thus, insuring the highest level of service to the community at competitive rates. Our recent negotiations concluded with a contract with the following enhancements:

- ◆ No customer rate increases for the first two years
- ◆ Increased franchise fee revenue by \$185,000 per year
- ◆ Rate decrease for organics recycling
- ◆ Free wheel out service for disabled residents
- ◆ 10% rate discount for seniors
- ◆ Free bulky item collection for multi-family premises

Thank you again for providing the City with your expertise, professionalism and dedication. If there is anything I can do for you in the future, please contact me by email or by phone at (949) 425-2510.

Sincerely,

David A. Doyle  
City Manager  
[ddoyle@cityofaliso Viejo.com](mailto:ddoyle@cityofaliso Viejo.com)

MAYOR  
Dave Harrington

MAYOR PRO TEM  
Philip B. Bunoda

COUNCIL MEMBER  
Ross Chinn

COUNCIL MEMBER  
Mike Munzing

COUNCIL MEMBER  
William A. Phillips

CITY MANAGER  
David A. Doyle

CITY ATTORNEY  
Scott C. Smith

CITY CLERK  
Mitzo Ortiz, MMC



Mayor L. Dennis Michael | Mayor Pro Tem Sam Spagnolo  
Council Members William J. Alexander, Lynne Kennedy, Diane Williams  
City Manager John R. Gillison

CITY OF RANCHO CUCAMONGA

10500 Civic Center Drive | P.O. Box 807 | Rancho Cucamonga, CA 91729-0807 | 909.477.2700 | www.CityofRC.us

July 14, 2016

Mr. Laith Ezzet, CMC  
Senior Vice President  
HF&H Consultants, LLC  
19200 Von Karman Ave. Suite 360  
Irvine, CA 92612

Dear Laith,

On behalf of the City of Rancho Cucamonga, I would like to thank both you and your team for the professional guidance and technical expertise you provided during our contract negotiations with Burrtec Waste Industries. The staff at HF&H provided a comprehensive evaluation of current and enhanced services, identifying a number of key elements that were missing from the current agreement. In addition to the analysis, HF&H prepared a new agreement and rate adjustment formula in a short amount of time, and advised city staff who led the negotiations. The City Council unanimously approved a new updated franchise agreement with numerous enhancements that was developed through the combined efforts of City staff and the HF&H Team.

The updated franchise agreement has the following key enhancements:

- For the first time, there will be a 5% cap on future rate adjustments.
- Rate adjustment methodology and formula included in agreement.
- Liquidated damages section with penalties for failure to meet performance standards as outlined in the agreement.
- Street sweeping services to be provided at no cost to the City or customers.
- Minimum overall diversion requirement with a 2% franchise fee increase if hauler fails to meet diversion standard.
- Free collection of trash and recyclables at City facilities, special events and community clean ups.

Please feel free to use the City of Rancho Cucamonga as reference. Thank you again for your expertise and professional guidance through the process.

Sincerely,

Linda Ceballos  
City of Rancho Cucamonga  
Environmental Programs Manager



# Inglewood California

Public Works Department  
ONE MANCHESTER BOULEVARD / INGLEWOOD, CA. 90301 / P.O. BOX 6500 / INGLEWOOD, CA. 90312  
Telephone (310) 412-5333 / Fax (310) 412-5552  
[www.cityofinglewood.org](http://www.cityofinglewood.org)

LOUIS A. ATWELL, P.E.  
PUBLIC WORKS DIRECTOR

December 15, 2016

Mr. Laith Ezzet, CMC  
Senior Vice President  
HF&H Consultants, LLC  
19200 Von Karman Avenue, Suite 360  
Irvine, CA 92612

**Re: Letter of Recommendation**

Dear Mr. Ezzet:

This letter is provided as recommendation of HF&H Consultants, LLC. HF&H has assisted the City of Inglewood in the area of solid waste consulting and recycling projects since 2006.

HF&H Consultants are a great business partner to the City. Their leadership and extensive knowledge of solid waste practices, contract procurement, negotiations and sustainability principles has proven to be invaluable for Inglewood. Inglewood's current franchise agreement is far and above industry standards due in part to the fact that HF&H understands the City's mission to provide the best trash disposal and recycle services to our residential and commercial customers.

HF&H's ability to serve Inglewood with prompt responsiveness, accountability and professional commitment goes a long way to solidify our trust in them. HF&H is nationally known as "Leaders in Managing Tomorrow's Resources Today"; here in Inglewood, we have found that to be true. HF&H takes pride in the services they provide to their clients in California. They painstakingly ensure that all reports, data requests and rate calculations are provided accurately. Their breadth of experience is depended upon to assist the City to maintain its compliance with state, local and federal agencies.

I wholeheartedly recommend HF&H Consultants, LLC to any entity that is looking for a high quality, state of the art and professional operation.

Respectfully,

  
Angela Williams  
Environmental Services Manager

**EXHIBIT 2: CLIENT LIST**

Aerojet General Corporation	City of Campbell
Alameda County Clean Water Program	City of Canyon Lake
Alameda County Waste Management Authority	City of Carlsbad
Alameda County Water District	City of Carmel-by-the-Sea
Amador Water Agency	City of Carpentaria
Bay Area Water Supply & Conservation Agency	City of Carson
Bear Creek Valley Sanitary	City of Carson City, Nevada
CSU, Monterey Bay	City of Cerritos
California Water Service Company	City of Chandler
CalRecycle	City of Chino
Carmichael Water District	City of Chula Vista
Castro Valley Sanitary District	City of Clovis
Central Contra Costa Sanitary District	City of Compton
Central Contra Costa Solid Waste Authority (RecycleSmart)	City of Concord
Chittenden Solid Waste District	County of Contra Costa
City of Adelanto	City of Corte Madera
City of Alameda	City of Cotati
County of Alameda	City of Covina
City of Albany	City of Cudahy
City of Aliso Viejo	City of Cupertino
City of Anaheim	City of Daly City
City of Antioch	City of Dana Point
City of Arcadia	City of Davis
City of Ashland	City of Del Mar
City of Atherton	City of Diamond Bar
City of Atwater	City of Downey
City of Azusa	City of Dublin
City of Bakersfield	City of East Palo Alto
City of Barstow	City of El Centro
City of Bell Gardens	City of El Cerrito
City of Bellflower	County of El Dorado
City of Belmont	City of El Monte
City of Belvedere	City of Elk Grove
City of Benicia	City of Emeryville
City of Berkeley	City of Encinitas
City of Beverly Hills	City of Eugene
City of Brea	City of Fair Oaks
City of Brentwood	Town of Fairfax
City of Burbank	City of Fairfield
City of Burlingame	City of Fillmore
City of Calabasas	City of Florence
City of California City	City of Folsom
City of Camarillo	City of Fort Bragg
	City of Fort Collins, CO
	City of Fortuna
	City of Foster City

## Proposal to Provide Solid Waste Consulting Services

City of Fremont	City of Long Beach
City of Fresno	City of Los Alamitos
County of Fresno	City of Los Altos
City of Fullerton	Town of Los Altos Hills
City of Galt	City of Los Angeles
City of Garden Grove	County of Los Angeles
City of Gilroy	City of Los Banos
City of Glendale, Arizona	Town of Los Gatos
City of Glendale, California	City of Lynwood
City of Glendora	City of Manhattan Beach
City of Goodyear	City of Manteca
City of Granada	County of Marin
City of Gridley	City of Marina
City of Guadalupe	City of Martinez
City of Hawthorne	County of Mariposa
City of Hayward	City of Menlo Park
City of Healdsburg	County of Mendocino
City of Hercules	County of Merced
City of Hermosa Beach	City of Mesa
City of Hesperia	City of Mill Valley
Town of Hillsborough	City of Millbrae
City of Hollywood	City of Milpitas
County of Humboldt	City of Mission Viejo
City of Huntington Park	City of Modesto
City of Imperial Beach	County of Mono
City of Indian Wells	City of Monrovia
City of Indio	City of Montclair
City of Inglewood	City of Monte Sereno
City of Irvine	City of Monterey Park
City of Kensington	City of Morgan Hill
County of Kern	City of Mountain View
City of La Canada-Flintridge	City of Murrieta
City of La Habra	City of Napa
City of La Palma	County of Napa
City of La Puente	County of Nevada, CA
City of La Quinta	City of Newark
City of La Verne	City of Newport Beach
City of Laguna Beach	City of Newport, OR
City of Laguna Niguel	County of North San Diego
City of Lake Forest	City of Northridge
City of Lancaster	City of Norwalk
City of Larkspur	City of Oakland
City of Lathrop	Oakwood Lake Water District
City of Lawndale	City of Oceanside
City of Lincoln	City of Ogden, UT
City of Litchfield Park, AZ	City of Ojai
City of Livermore	Town of Old Sacramento
City of Lodi	City of Ontario
City of Lompoc	City of Orange



## Proposal to Provide Solid Waste Consulting Services

County of Orange	City of San Clemente
City of Oroville	City of San Diego
City of Oxnard	County of San Diego
City of Pacific Grove	City of San Fernando
City of Pacifica	City of San Francisco
City of Palm Desert	County of San Joaquin
City of Palm Springs	City of San Jose
City of Palmdale	City of San Juan Capistrano
City of Palo Alto	City of San Leandro
City of Palos Verdes Estates	City of San Luis Obispo
Town of Paradise	County of San Luis Obispo
City of Paramount	City of San Mateo
City of Pasadena	County of San Mateo
City of Paso Robles	City of San Pablo
City of Peoria, AZ	City of San Rafael
City of Petaluma	City of San Ramon
City of Pico Rivera	City of Sand City
City of Piedmont	City of Sandy
City of Pinole	City of Sanger
City of Pittsburg	City of Santa Ana
City of Placentia	City of Santa Barbara
City of Pleasanton	County of Santa Barbara
City of Pomona	City of Santa Clarita
City of Port Hueneme	City of Santa Cruz
City of Portland	County of Santa Cruz
City of Portola Valley	City of Santa Monica
City of Poway	City of Santa Paula
City of Rancho Cordova	City of Santa Rosa
City of Rancho Cucamonga	City of Santa Ynez
City of Rancho Palos Verdes	City of Santee
City of Rancho Santa Margarita	City of Saratoga
City of Redondo Beach	City of Sausalito
City of Redwood City	City of Seal Beach
City of Reedley	City of Seaside
City of Ridgecrest	City of Seattle
City of Rio Vista	City of Sebastopol
City of Riverside	City of Sedona, AZ
County of Riverside	City of Selma
City of Rohnert Park	County of Sonoma
City of Roseville	City of South Gate
City of Sacramento	City of South San Francisco
County of Sacramento	City of Stockton
City of Saginaw	City of Sunnyvale
Town of San Anselmo	County of Sutter
City of San Bernardino	Town of Tiburon
County of San Bernardino	City of Temecula
City of San Bruno	City of Thousand Oaks
City of San Buenaventura	City of Torrance
City of San Carlos	City of Tracy

## Proposal to Provide Solid Waste Consulting Services

Town of Truckee	Greater Vancouver Water District
County of Tulare	Groveland Community Services District
City of Tustin	Hayward Area Recreation District
City of Ukiah	Humboldt Waste Management Authority
City of Union City	Irish Beach Water District
City of Upland	Josephine County/Grants Pass SWA
City of Vacaville	Kensington Police Protection
City of Vallejo	Lake County / City Area Planning Council
City of Vancouver, WA	Lane County Waste Management
County of Ventura	Las Gallinas Valley Sanitary District
City of Vernon	Los Angeles County Sanitation District
City of Victorville	Los Angeles Department of Water & Power
City of Visalia	Los Trancos County Water District
City of Walnut Creek	Lukins Brothers Water Company
City of Watsonville	Malaga County Water District
City of West Hollywood	Marin County Community Development Agency
City of West Linn, OR	Marin Municipal Water District
City of Whittier	Mendocino Solid Waste Management Authority
City of Willits	Metropolitan Water District
Town of Windsor	Monterey Regional Waste Management District
City of Winters	Mountain View Sanitary District
City of West Sacramento	Municipality of Anchorage
City of Woodland	National Association of Theatre Owners
County of Yolo	Natural Resources Defense Council
City of Yorba Linda	North American Development Bank
City of Yountville	North Coast County Water District
County of Yuba	Novato Sanitary District
Town of Yucca Valley	Olivenhain Municipal Water District
Clackamas County Sunnybrook Service Ctr.	Oro Loma Sanitary District
Coachella Valley Association of Gov.	Pebble Beach Community Services District
Coastside County Water District	Placer County Water Agency
Contra Costa Water District	Riverside County Waste Resource Management District
Costa Mesa Sanitary District	Ross Valley Sanitary District
Delta Diablo Sanitation District	Sacramento Regional Solid Waste Authority
DERWA (DSRSD-EBMUD Recycled Water Authority)	San Francisquito Creek JPA
Disneyland Resort	San Gabriel Valley Council of Governments
Dublin San Ramon Services District	San Juan Water District
East Bay Municipal Utilities District	Sanitary District No. 5 of Marin County
East Palo Alto Sanitation District	Santa Anita Associates, LLC
Fairfield-Suisun Sewer District	
Fred Hutchinson Cancer Research Center	
Fremont Unified School District	
G.L. Mezzetta	
Glenn County Public Works	
Golden Hills Community Services District	

Santa Clara Valley Water District  
Santa Margarita Water District  
Sausalito-Marín City Sanitary District  
Scotts Valley Water District  
Sharon Heights Golf & Country Club  
Silicon Valley Animal Control Authority  
Solano Irrigation District  
Sonoma County Water Agency  
South Bayside Waste Mgmt. Authority  
South Coast Water District  
South County Fire  
South El Monte Joint Defense Group  
Southeast Water Coalition JPA  
Stanford University  
Stanislaus County  
Superior Court Orange County  
SWANA  
Tamalpais Community Services District  
The Presidio Trust  
The Santaluz Club  
The State Bar of California  
Union Sanitary District  
United Water Conservation District  
University Enterprises (CSU System)  
University of California Berkeley  
Veterans Home Administration  
Waterworks Technologies, Inc.  
West Bay Sanitary District  
West Contra Costa Integrated Waste  
Management Authority  
West Contra Costa Unified School  
District  
West Valley Solid Waste Management  
Authority  
Westborough Water District  
Western Hills Water District  
Western Municipal Water District  
Western Riverside Council of  
Government

RECEIVED

City of South Gate  
CITY COUNCIL

Item No. 14

APR 21 2021

CITY OF SOUTH GATE  
OFFICE OF THE CITY MANAGER

AGENDA BILL

For the Regular Meeting of: April 27, 2021

Originating Department: Public Works

Department Director:

  
Arturo Cervantes

Interim City Manager:

  
Chris Jeffers

**SUBJECT: PROCESS FOR SECURING AN EXCLUSIVE SOLID WASTE FRANCHISE AGREEMENT**

**PURPOSE:** The City's Exclusive Solid Waste Franchise Agreement with USA Waste Management of California Inc., dba Waste Management (Contract No. 2222) expires on December 31, 2022. The Waste Management Subcommittee and Staff are recommending the City Council to procure a new solid waste franchise agreement through a competitive bid process. In the alternative to that recommendation, the City Council could decide to procure a new waste franchise agreement through negotiations with USA Waste Management of California Inc., dba Waste Management.

**RECOMMENDED ACTION:** The City Council will consider:

- a. Directing staff to issue a Request for Proposal to procure a new exclusive solid waste franchise agreement through a competitive bid process;
- b. Authorizing the City Manager to approve an agreement with HF&H Consultants (HF&H), in the amount of \$150,000, to assist with the development of a Request for Proposal for an Exclusive Solid Waste Franchise Agreement and with the management of the procurement process; and
- c. Appropriating \$150,000 from the unrestricted fund balance of the City's Refuse Collection Fund to Account No. 413-733-51-6101 (Refuse Collection Fund – Professional Services) to fund the cost of the HF&H agreement. These funds would be reimbursed upon acceptance of the successor franchise agreement by the City Council by the successful waste hauler.

**OR**

- d. Directing staff to negotiate a new exclusive solid waste franchise agreement with USA Waste of California Inc., dba Waste Management;
- e. Authorizing the City Manager to approve an agreement with HF&H in the amount of \$89,000, to assist staff with the negotiation of a new exclusive solid waste franchise agreement with USA Waste of California Inc, dba Waste Management; and
- f. Appropriating \$89,000 from the unrestricted fund balance of the City's Refuse Collection Fund to Account No. 413-733-51-6101 (Refuse Collection Fund – Professional Services) to fund the cost of the HF&H agreement. These funds would be reimbursed upon acceptance of the successor franchise agreement by the City Council by the successful waste hauler.

**FISCAL IMPACT:** There is no fiscal impact to the General Fund. The procurement of a new franchise agreement, in either approach selected, will likely result in impacting the current service rate structure. The impact will be based on the scope of the services procured which have not been determined. The amount of the proposed appropriation is \$150,000 or \$89,000 in Refuse Collection Funds, depending on the approach selected. It is noted that the City would require in either approach selected that the selected waste hauler would be required to reimburse the City for consultant services rendered by HF&F on the City's behalf. It is necessary to fund HF&H's service fees in advance of any reimbursement being

sought.

**ANALYSIS:** The City has an exclusive solid waste franchise agreement (Franchise Agreement) with USA Waste of California Inc., dba Waste Management (Waste Management) for Commercial/Industrial and Residential Refuse Collection and Recycling Services. It was originally approved in 2005, renewed in 2011 and amended in 2012 and 2017. Since the approval of the Franchise Agreement, the State legislature has passed several laws that significantly affected the processing of solid waste, organic waste and construction and demolition debris. The laws have led to increased costs associated with the handling and processing of solid waste, which have been reflected in additional cost increases in the Franchise Agreement. Additional legislation, known as Senate Bill (SB) 1383, is going into effect January 1, 2022, and will also significantly impact the structure of any new Franchise Agreement regardless of whether Waste Management provides or another qualified hauler(s) provides the service.

The Franchise Agreement is set to expire on December 31, 2022. Staff is seeking direction from the City Council on whether to negotiate a new exclusive solid waste franchise agreement with Waste Management or to issue a Request for Proposals (RFP) to procure a new exclusive solid waste franchise agreement through a competitive bid process.

The City Council formed a Solid Waste Subcommittee (Subcommittee) which Council Member Maria Davila and Council Member Denise Diaz are a part of. The Subcommittee met on March 8, 2021 and April 19, 2021, to discuss the two alternatives for procuring a new exclusive solid waste franchise agreement. The recommendation of the Subcommittee to the City Council is to procure a new exclusive solid waste franchise agreement through a competitive bid process, to explore opportunities to enhance services to customers at the most competitive service rates, in a manner that meets requirements of new legislation. There are advantages to proceeding with either option, as tabulated below.

<b>COMPARISON OF RENEGOTIATION VERSUS COMPETITIVE PROPOSAL PROCESS</b>	
<b>ADVANTAGES OF RENEGOTIATION OF CURRENT FRANCHISE AGREEMENT</b>	<b>ADVANTAGES OF REQUEST FOR PROPOSAL (RFP) PROCESS</b>
<ul style="list-style-type: none"><li>• Ensures continued service from a "known entity"</li></ul>	<ul style="list-style-type: none"><li>• Public appearance of fairness in awarding large contracts</li></ul>
<ul style="list-style-type: none"><li>• Existing contractor understands jurisdiction's unique requirements</li></ul>	<ul style="list-style-type: none"><li>• Allows all interested companies to propose on the jurisdiction's contract</li></ul>
<ul style="list-style-type: none"><li>• Avoids potentially contentious RFP process</li></ul>	<ul style="list-style-type: none"><li>• Other companies may offer unique services and alternative approaches to programs</li></ul>
<ul style="list-style-type: none"><li>• Avoids potential transition issues that may be associated with a change of service provider</li></ul>	<ul style="list-style-type: none"><li>• Rates are determined in the competitive marketplace</li></ul>
<ul style="list-style-type: none"><li>• Fewer adjustments for customers</li></ul>	<ul style="list-style-type: none"><li>• Maximizes the likelihood of obtaining a contract with favorable terms at lowest reasonable rates</li></ul>

The Subcommittee wants to emphasize the decision to seek competitive proposals should not be viewed as a lack of confidence in Waste Management, but more the recognition that the next Franchise Agreement will require significant alterations in the waste hauling service in order for the City to be compliant with State mandated changes. These mandated changes along with a desire to ensure the services provided meets the best industry practices for municipal government agreements in this critical service will help demonstrate to the public that rates are competitive and a fair process was used.

While the expiration of the current Franchise Agreement is nearly 19 months, the time needed for a competitive process to be undertaken and, if needed, for a new waste hauler to staff up and acquire the necessary equipment to service accounts, usually requires about 22 to 24 months. This compressed time

period will require significant efforts to stay on schedule. The expertise associated with developing a comprehensive Request For Proposals (RFP); assist in evaluation of complex proposals; assist in evaluating the strength of the vendor themselves to deliver the service and help provide guidance to both staff and City Council with such a technically complex service requires the City to rely on a consultant service. HF&H is well known for the knowledge of the Waste Hauling Service and assisting county, special districts and cities in this area. In fact, HF&H only represent public sector clients in order to avoid any appearance of conflict in their delivery of service to public agencies.

In many such processes, the cost of their service on behalf to public sector client is a requirement to be reimbursed by the successful waste hauler. It would be the intent, that such a stipulation will be incorporated into any direction given by the City Council related to recommendation items C or D.

**BACKGROUND:** On May 10, 2005, the City entered into a contract with Waste Management for Commercial/Industrial and Residential Refuse Collection and Recycling Services, with a contract expiration date in 2017. On January 25, 2011, the contract was replaced in its entirety and its term extended to December 31, 2022. Amendment No. 1 and Amendment No. 2, effective August 14, 2012 and March 14, 2017, respectively, authorized Waste Management the right to collect, transport, recycle and dispose of commercial/industrial recyclable materials, Green Waste, Food Waste (Organic Waste) and Construction and Demolition Waste.

The State legislature has passed several laws that have impacted the solid waste franchise agreement. In 2011, the State adopted Assembly Bill (AB) 341, requiring all businesses to recycle and municipalities to implement a commercial solid waste recycling program. AB 341 also established a goal of a 75 percent recycling rate ("diversion") by 2020. In 2014, the State adopted AB 1826 requiring municipalities to implement an organic waste recycling program to divert from the landfill organic waste from businesses and multi-family dwellings. Businesses and multi-family dwellings meeting specific solid waste generation thresholds are required to arrange for organic waste recycling services. In 2016, the State adopted SB 1383 which is designed to divert organic material out of landfills. This regulation requires 50 percent reduction in organic waste disposal by 2020 and 75 percent by 2025. Also, beginning on January 1, 2022, municipalities will be required to provide organics services to all residents and businesses, to establish an edible food recovery program, to procure recyclable and recovered organic products, secure access to recycling capacity, to monitor compliance, and, in 2024, conduct enforcement.

Given the changes in State legislation, and expiration of Contract No. 2222 on December 31, 2022, the City Council must make a decision on whether to procure a new exclusive solid waste franchise agreement through a competitive bid process or through negotiations with Waste Management. Regardless of which process the City Council decides to pursue, staff recommends securing HF&H to support the City through the process.

**ATTACHMENTS:**

- A. HF&H Fee Proposal
- B. Contract Agreement No. 2222
- C. Amendment 1 to Contract Agreement No. 2222
- D. Amendment 2 to Contract Agreement No. 2222

GD:lc



# City of South Gate Proposal for Solid Waste Consulting Services



February 25, 2019



HF&H Consultants, LLC

19200 Von Karman Ave., Suite 360  
Irvine, California 92612  
Telephone: (949) 251-8628  
www.hfh-consultants.com

Robert D. Hilton, CMC, Emeritus  
John W. Farnkopf, PE  
Laith B. Ezzet, CMC  
Richard J. Simonson, CMC  
Marva M. Sheehan, CPA  
Rob Hilton, CMC

February 25, 2019

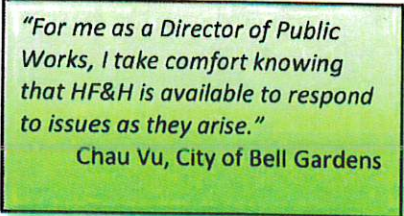
Mr. Arturo Cervantes, P.E.  
Assistant City Manager/Director of Public Works  
City of South Gate  
8650 California Avenue  
South Gate, California 90280

**Re: Proposal to Provide Solid Waste Consulting Services**

Dear Mr. Cervantes:

HF&H Consultants, LLC (HF&H) is pleased to submit this proposal to provide solid waste consulting services to the City of South Gate (City).

**WHY HIRE HF&H?**

- 1. HF&H's expertise is unrivaled in the solid waste industry.** We have provided leadership, expertise, independence, and support to hundreds of municipal agencies through more than 2,000 engagements. Our reputation for excellent client service is well established. In fact, approximately 70% of our work is performed for repeat clients, some of whom HF&H has worked with for nearly 30 years. Our track record, measured in terms of the number and type of engagements and the number of repeat clients, demonstrates our ability to consistently deliver a high level of client satisfaction.  

- 2. We are local.** This project will be managed from our Southern California office, making our staff readily available to participate in project meetings in a cost-effective manner. I will act as the Engagement Director overseeing all work products and attending meetings. Our Southern California office is located in Irvine just 35 miles from the City.
- 3. We have served many of the Gateway City members:**
  - City of Bellflower
  - City of Bell Gardens
  - City of Cerritos
  - City of Compton
  - City of Cudahy
  - City of Downey
  - City of Huntington Park
  - City of Long Beach
  - City of Lynwood
  - City of Whittier



Mr. Arturo Cervantes  
 February 25, 2019  
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4. ***We have been assisting cities with solid waste agreement compliance reviews and audits for over 30 years.*** HF&H tailors each review and audit to the specific needs of our clients. Our reviews and audits range from a checklist of agreement terms to customer billing, franchise fee and tonnage audits, and we typically include biennial or triennial audits which are paid for by the hauler in negotiated solid waste agreements.
5. ***We are well acquainted with the solid waste rates, services, and programs implemented throughout Southern California*** as a result of our previous projects and on-going surveys of 200 cities in the counties of Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura. We understand current trends in the local solid waste industry and we are familiar with the capabilities of the potential proposers. ***We are currently performing a survey of city fees, solid waste rates and services of the cities within Los Angeles County.***
6. ***We have been assisting jurisdictions with regulatory compliance since the inception of AB 939.*** HF&H has been at the forefront of all significant regulations affecting jurisdictions' diversion and required programs. HF&H has hosted numerous workshops on AB 341, AB 1826, and most recently SB 1383. Information on our SB 1383 summit, and other useful information on SB 1383, can be found on our website at <http://hfh-consultants.com/resources/blog/>, and our most recent legislative update can be found at <http://hfh-consultants.com/resources/legislative-updates/>.
7. ***We provide the technical expertise to analyze proposed services and rate impacts to verify that program costs and customer rates are competitive while also providing measurable benefits to the community they serve.*** HF&H has pioneered the development of a rate benchmarking method to compare the complete schedule of solid waste rates on a consistent basis among jurisdictions that have similar services. We also have a multitude of databases and financial models that allow us to assess cost impacts and diversion potential of significant individual programs to assist our clients in selecting which programs provide the most benefit to their communities.
8. ***HF&H guides structured processes with high integrity that can withstand scrutiny from the public, elected officials, and proposers.*** The key to a successful contracting experience is a smooth, well managed and transparent process. As described in some of our client testimonial letters, city staff and elected officials have appreciated our guidance and successful results.
9. ***HF&H does not provide solid waste consulting services to waste haulers*** in order to avoid conflicts of interest that may arise in firms that attempt to serve public agencies and haulers. We believe this independence is extremely important for objective contract compliance reviews and negotiations. Additionally, our municipal focus ensures that we are aware of the unique requirements of public officials.

*"HF&H provides the highest quality data analysis which allows for tough but fair contract negotiations; thus, insuring the highest level of service to the community at competitive rates."*

David Doyle, City Manager  
 City of Aliso Viejo

Mr. Arturo Cervantes  
February 25, 2019  
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I have the authority to negotiate and bind the firm contractually.

Thank you for the opportunity to provide you with this information. **The contents of this proposal shall remain effective for a period of 90 days.** We look forward to the opportunity to meet with you and the appropriate City staff and learn how we might best assist the City. If you have any questions, please contact me directly at (949) 251-8902 or [lezzet@hfh-consultants.com](mailto:lezzet@hfh-consultants.com).

Very truly yours,  
HF&H CONSULTANTS, LLC



Laith Ezzet, CMC  
Senior Vice President

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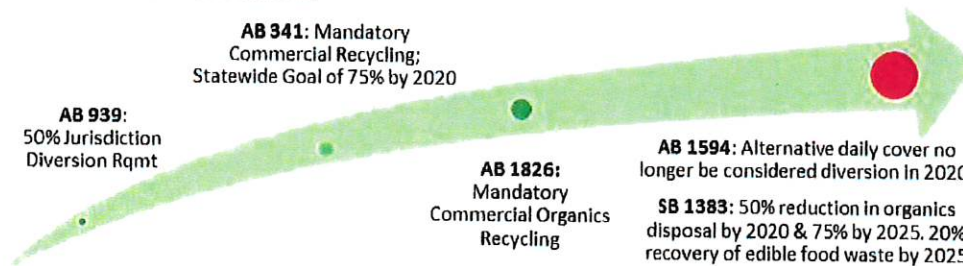
## SECTION 1: SCOPE OF SERVICES

### Background

The City entered into the current Commercial/Industrial and Residential Refuse Collection and Recycling Services Agreement (Agreement) with USA Waste of California (WM) in January of 2011, and the Agreement ends December 31, 2022. The Agreement was subsequently amended in 2012 to address Assembly Bill 341 (Mandatory Commercial Recycling), expand the bulky item dropoff program, and provide for payment by WM of a portion of City cleanup roll-off box costs. The Agreement was again amended in 2017 to address Assembly Bill 1826 (Mandatory Commercial Organics Recycling).

### Current Regulations

The following regulations must be addressed in the City’s updated solid waste agreement. While the amendments to Agreement address AB 341 and AB 1826, HF&H will compare the City’s current programs, participation, and rates for recycling and organics recycling to industry standards and upcoming regulatory requirements.

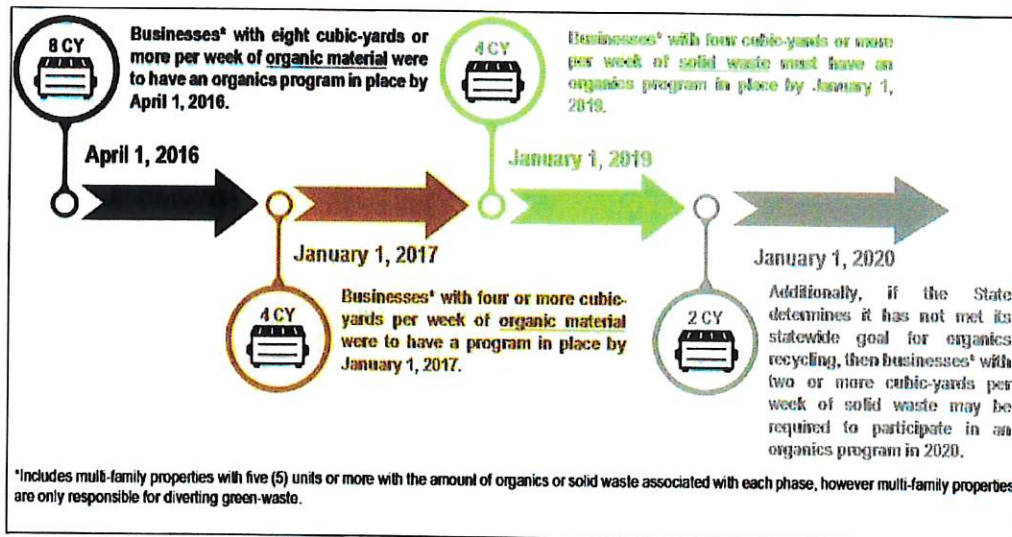


- **AB 341:** Assembly Bill 341, was signed by Governor Brown in 2012, and requires that all businesses generating four cubic yards of solid waste per week, and all multi-family properties that consist of five units or more have a recycling program.
- **AB 1594:** Assembly Bill 1594, was signed by Governor Brown in 2014, and includes the following provisions:
  - As of January 1, 2020, the use of green material as Alternative Daily Cover (ADC) does not constitute diversion through recycling and will be considered disposal for purposes of measuring a jurisdiction’s 50 percent per capita disposal rate.

*The existing Agreement with WM required that a green waste collection pilot program was to be initiated within six months of the effective date of the agreement. It is unclear whether WM collects green waste from residential customers, and the City’s website only includes descriptions of the refuse and recycling service. Because the City is represented by the Los Angeles Regional Agency, HF&H could not determine if WM is utilizing ADC to divert a portion of the City’s waste stream. In the event WM is diverting the City’s green waste as ADC, an AB 1594 compliant program, including facilities to be used and the cost per ton, will need to be negotiated through the City’s upcoming contracting process.*

- AB 1826:** Assembly Bill 1826 was signed by Governor Brown in 2014, and requires diversion of organic material (food waste, food soiled paper, yard waste, and compostable utensils) from businesses and multi-family properties that meet the thresholds included in the bill. Currently, businesses that generate four or more cubic yards of solid waste per week, and multi-family complexes of five or more units and that generate four or more cubic yards of solid waste per week, must have an organics recycling program (multi-family properties are only required to divert landscaping waste).

**AB 1826 Timeline**



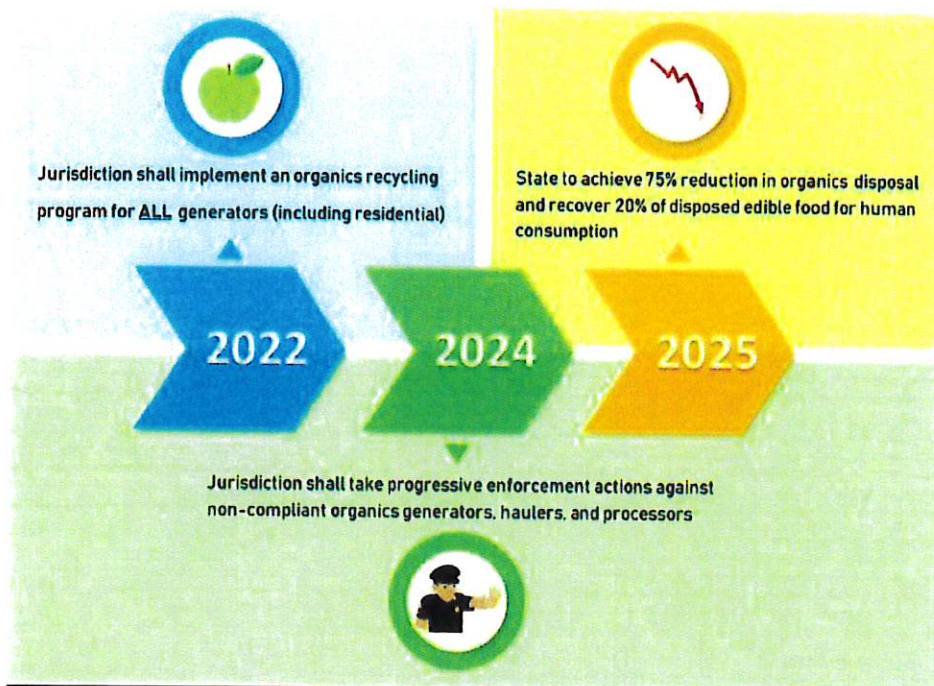
*The City's amended or new agreement(s) will need to address the expanded threshold of AB 1826, as well as the public education and outreach requirements included in the legislation.*

- SB 1383:** In September 2016, Governor Brown signed Senate Bill 1383 establishing methane emissions reduction targets in a statewide effort to reduce emissions of short-lived climate pollutants in various sectors of California's economy. As it pertains to jurisdictions, SB 1383 establishes targets to achieve a 50 percent reduction in the level of the statewide disposal of organic waste from the 2014 level by 2020, a 75 percent reduction by 2025, and establishes an additional target that not less than 20 percent of currently disposed edible food is recovered for human consumption by 2025. The definition of organic waste in SB 1383 is expanded to include:

  - o Food waste
  - o Green waste
  - o Landscape and pruning waste
  - o Applicable textiles and carpets
  - o Wood and lumber
  - o Fiber
  - o Manure
  - o Biosolids
  - o Digestate and sludges

**SB 1383 Timeline**

# SB 1383 TIMELINE



*The City's amended or new agreement(s) will need to address the requirements of SB 1383, including residential, multi-family and commercial organics programs, and container color requirements. HF&H has been instrumental in assisting cities to plan and prepare for SB 1383 requirements and will use this experience to assist the City.*

**Scope of Work – Phase I**

**Task I.1: Perform a Contract Compliance Review**

HF&H will review the terms and services of the current solid waste agreement and develop a “Checklist” of performance measures to be reviewed. We will meet with City staff to review the Checklist and determine if there are other areas of interest or concern that the City would like to include in our review. We will prepare a request for information for data to be provided by WM. We will compare this data and data received from the City to the contract terms included in the Checklist.

The Checklist may include:

- Confirmation that required services are being provided in a manner consistent with the Agreement.



- Timely payment of City fees as addressed in Section 3 of the Agreement.
- Review of, and adherence to, the public education and outreach plan included in Section 9 of the Agreement, and the public education requirements included in amendments 1 and 2.
- Vehicle requirements addressed in Section 10.3 of the Agreement.
- Quarterly and annual reporting requirements included in Section 11 of the Agreement, and included in amendments 1 and 2.
- Insurance coverage requirements included in Section 12 of the Agreement.
- Other key contractual requirements based on our review.

Workproduct: HF&H will prepare a report of our findings for City staff review which will include references to performance measures and/or liquidated damages included in the Agreement, where appropriate.

While this task is not included in the City's Summary of Work, it is included as one of the City's Study Goals.

### **Task I.2: Analyze Exclusive Franchise Agreement**

HF&H will review the current solid waste agreement and amendments, the current solid waste rate schedule, and other relevant documents, and prepare for a meeting to be held with City staff. During the meeting, we will discuss key issues and pricing pressures relating to the franchise agreement.

To guide our meeting, we will prepare a meeting document (Contract Profile) including existing services compared and contrasted to enhanced options that the City may wish to consider. We will include our preliminary recommendations for discussion in the Contract Profile.

Our meeting document will facilitate an informed discussion of solid waste and recycling practices and services, including the latest trends in the industry, existing and upcoming relevant regulatory requirements, and other important developments, and, most importantly, how these items may impact the City and its solid waste contracting needs. It is important that the City have a realistic understanding of not only what is changing in the industry in general, but what is specifically available now and in the relevant future to the City of South Gate.

HF&H will work closely with the City to identify and adapt the service specifications to industry trends and developments that have occurred since the current agreement was developed. HF&H has an extensive library of franchise agreements throughout California to draw upon for examples of performance standards, service options, diversion requirements, and rate adjustment methodologies for the City's consideration.

Workproduct: HF&H will prepare a Contract Profile of the City's current agreement comparing the current services and terms to state-of-the-industry agreements developed by HF&H, and providing recommendations for enhanced services, reporting, contract terms, and performance measures to ensure regulatory and hauler compliance.

This workproduct will meet the City's objectives in numbers 1, 2, 3, 5, 6, and 7 included in the Summary of Work, and guide the City in updating their solid waste agreement.

**Task I.3: Evaluate City Fees**

We will perform a comparison of municipal agency fees in the City of South Gate to a sample of other cities within Los Angeles County. We will identify the median franchise fee for the surveyed cities and identify other types of fees commonly implemented.

Workproduct: An exhibit comparing the City’s fees to the median and range in other cities.

This workproduct will meet the City’s objective 4 included in the Summary of Work.

**Task I.4: Recommendations for Recycling Assistance, Outreach and Education for General Public**

HF&H will review with the City and WM the current level of recycling assistance and public education and outreach, and what future education and outreach the City desires or is required by current and pending legislation. Based on this meeting and the current participation of businesses and multi-family complexes in the AB 341 and AB 1826 programs, and upcoming requirements in SB 1383, we will make recommendations for enhanced public education and outreach requirements to be included in the amended or new agreement.

HF&H develops public education and outreach materials, participates in city events, presents to city councils and community groups, and provides recycling technical assistance for our clients. While these services are not included in our cost estimate to the City, we will submit a cost estimate, at the City’s request, for these services after determining the City’s needs.

Workproduct: Recommendations for new and/or enhanced recycling technical assistance, outreach and education.

This workproduct will meet the City’s objective 8 included in the Summary of Work.

**Task I.5: Research Pending/Future Regulations**

HF&H staff meets regularly with CalRecycle staff to discuss current and future regulations. HF&H held two workshops on SB 1383, and publishes an annual legislative update. Debbie Morris presented at the November 2018 Southern California Waste Management Forum (the Forum) on the requirements of SB 1383 and how jurisdictions need to prepare for the upcoming regulatory requirements. Ms. Morris is presenting at March 2019 Forum conference on the public education and outreach, and reporting requirements included in AB 1826, and on February 25, 2019, Debbie Morris is presenting to the City of Bell Gardens City Council on SB 1383.

The cities of Bell Gardens, El Monte, Garden Grove, Inglewood, Irvine, and Lawndale retain HF&H on an ongoing annual basis to, among other tasks, assist in compliance with current legislation and annual reporting, as well as preparing for pending and future regulations.

Workproduct: HF&H will provide a summary report on the requirements of SB 1383 which will include, but not be limited to, programs to be implemented, public education and outreach requirements, ordinances required to be implemented by the City, and reporting and enforcement requirements.

Program recommendations will also be addressed in Task I.2.

This workproduct will meet the City's objective 9 included in the Summary of Work.

**Phase I tasks will assist in developing the updated solid waste agreement.**

### **Scopes of Work – Contract Negotiations and Competitive Procurement**

Although not requested in the City's request for proposal for solid waste consulting services, HF&H has provided example scopes of work for contract negotiations and a competitive procurement processes. HF&H will provide fee estimates and detailed schedules for Phase II and Phase III at the request of the City.

### **Scope of Work – Phase II: Contract Negotiations**

The City's Agreement with WM ends December 31, 2022. Should the City choose to negotiate with WM, this process should be initiated by July 2019 in order to provide sufficient time to perform a competitive procurement process if negotiations with WM are not successful.

#### **Task II.1: Develop New Contract Provisions and Prepare Updated Agreement**

There have been many changes to solid waste regulations and technologies since the previous solid waste agreement was negotiated, as a result there are many areas of the existing Agreement that will need to be updated.

HF&H has been instrumental in defining the "state of the industry" throughout California, and we will assist the City in development of a new franchise agreement that reflects modern best practices. HF&H will work closely with the City to identify and adapt the service specifications to industry trends and developments that have occurred since the current agreement was developed. HF&H has an extensive library of franchise agreements throughout California to draw upon for examples of performance standards, service options, diversion requirements, and rate adjustment methodologies for the City's consideration.

Based on our meetings with City staff, and the Contract Profile developed in Task I.2, we will prepare a draft franchise agreement for the desired services and contract terms. City staff, including the City Attorney, will subsequently review the draft agreement. City staff is requested to make any changes directly to the documents in a strike-and-replace format, which we will then use to prepare an updated draft agreement.

Workproduct: Draft Agreement

#### **Task II.2: Negotiate Rates, Terms and Conditions of Desired Services**

We recommend that the draft agreement be provided to WM documenting the City's desired services and contract terms. WM can then propose rates that are consistent with the City's desired terms and conditions contained in the draft agreement developed in Task II.1. The result of WM's review of the agreement will likely be a series of points that they wish to address and proposed rates that may or may not be satisfactory. HF&H will then assist in negotiating reasonable rates. We will also work with City staff to guide the City through its determination of which service provider concerns are minor and which are valuable enough not to negotiate away without a substantial offsetting gain for the City.

Workproduct: Analysis of proposed rates, and documentation of negotiated deal points.

**Task II.3: Gather and Review Hauler Operating Data to Evaluate the Reasonableness of Proposed Rates**

Service statistics, such as the number of customers, container size and frequency of collection, can be used to determine the overall value of the contract at proposed rates. Typically, we determine and compare the overall compensation to the service provider currently, and using newly renegotiated rates in order to demonstrate the true overall financial impact to the rate payer. For example, a decrease in the rate for a common service level is more valuable than a decrease in a rate for a service that is seldom used. With the proper data, we can compare the overall proposed company compensation on a similar basis with other jurisdictions.

Workproduct: Data collection forms, and comparison of proposed contractor compensation to other jurisdictions.

**Task II.4: Prepare Negotiated Agreement**

HF&H will provide an updated draft of the negotiated Agreement to City staff and the City Attorney for review, and will make one-set of revisions to the Agreement based comments/revisions received.

Workproduct: Updated draft Agreement.

**Task II.5: Attend City Council Meeting**

Workproduct: Council presentation.

**Scope of Work – Phase III: Competitive Procurement**

**Subtask III.1: Gather and Review Operating Data**

We will collect any data available regarding the current services provided. We will prepare data collection forms to assist the City and/or hauler in providing additional information in a user-friendly format. It has been our experience that when proposers are confident about the accuracy of operating data contained in the RFP, they propose lower rates and include fewer contingency costs. Collecting data in this manner may also uncover additional issues, such as poor reporting or service issues that we would address in the new agreement.

Workproduct: Data collection forms, and excel worksheets documenting the submitted operating data.

**Task III.2: Prepare and Issue Request for Proposals**

**Subtask III.2A: Prepare Draft RFP and Agreement**

We will prepare the draft RFP, a redline version of the agreement, and criteria to be used in evaluating the proposals received. If the City desires, HF&H will use our exclusive BRAVO approach.

<b>B</b>	<b>ase Proposal</b>	The BRAVO approach divides services into three categories, base services, required alternatives, and optional proposals. Base services are services that will be required to be provided by the winning bidder should they be awarded the contract. Required alternatives are additional programs that proposers are required to propose on, but the service may not be incorporated by the City if the City determines the costs outweigh the benefits. Finally, the optional proposals allows the proposers to incorporate programs that they believe add value to the City that were not initially included in the RFP scope.
<b>R</b>	<b>quired</b>	
<b>A</b>	<b>lternatives</b>	
<b>V</b>	<b>s.</b>	
<b>O</b>	<b>ptional Proposals</b>	

Workproduct: Draft RFP and Agreement

Subtask III.2B: Upon Review by the City Attorney and City Staff, Revise RFP and Agreement

We will submit the draft RFP and agreement to City staff, including the City Attorney, for review. City staff is requested to make any changes directly to the documents in a strike-and-replace format. The City Attorney will be responsible for confirming that any proposed city fees comply with applicable legal statutes such as Prop 218 and Prop 26. After City staff reviews the documents and provides us with their written comments, we will make appropriate revisions once to these documents.

Key items to be included in the RFP package are:

- Draft Agreement – We will attach the draft of the agreement the successful proposer will be expected to sign, including insurance requirements, performance standards with liquidated damages and default provisions for specific performance failures, and indemnifications. Including the agreement in the RFP limits negotiation efforts. The RFP will require proposers to identify any exceptions they plan to take to the agreement in their proposal.
- Contract Summary – We will draft a summary of service and contract requirements included in the attached draft agreement.
- Data – We will collect, review, and provide detailed operational and service data to assist proposers in developing their proformas.
- Proposer Worksheets - Proposer worksheets designed for proposers to enter proposed rates and supporting cost data, including proposed diversion plan specifications. Proposers likely to propose on the City's RFP are accustomed to HF&H forms and have provided favorable feedback on their design and ease of use.
- RFP Submittal Requirements – HF&H will include a description of RFP requirements and an outline for proposers to follow in assembling their proposals in order to ensure that the proposers do not miss requirements and that the City can easily locate key information in the proposal. Requirements include items such as diversion program descriptions, transition and implementation plans, firm information and experience citations.

Workproduct: RFP package

Subtask III.2C: Attend Council Meeting to Approve RFP Package

HF&H will attend one City Council meeting at which the City Council will approve the RFP and draft agreement, and will make a presentation and answer questions. We recommend that contact between proposers and the City be controlled and will suggest methods to do so, based on City staff and City Council's desired level of interaction with proposers.

Once the RFP and draft agreement have been approved by the City Council, they can be distributed to potential proposers. We can provide the City with a recommended list of potential proposers to whom the City may send the RFP. Alternatively, to avoid the time, expense and environmental impact of production and mailing of multiple copies of a large document, we recommend that HF&H or the City e-mail the RFP document to all potential proposers and the local waste haulers' association, and other interested parties. We can provide the City with a list of recipients for City records. By e-mailing the document, proposers are immediately notified of its availability, can immediately review the document to determine their level of interest without having to print it out, and can forward it to the appropriate parties within the firm immediately without having to print extra copies. As we regularly distribute our RFPs this way, we may have all or most of these key individuals already on our e-mail distribution list.

Workproduct: Council presentation

Subtask III.2D: Prepare for and Attend Proposers' Conference

With City staff coordination, we will schedule a proposers' conference to be conducted shortly after the release of the RFP. Potential proposers will have an opportunity to receive clarification of any issues and ask questions at this conference. We will also accept written requests for clarification about the desired services requested or other substantive questions until the date specified in the RFP.

Workproduct: Submit RFP package to haulers and hauler associations, prepare pre-proposal meeting material, attend meeting.

Subtask III.2E: Prepare Addenda

We will prepare written responses to questions posed at the proposers' conference, or submitted in writing, and prepare any necessary addenda arising from issues posed at the proposers' conference. All questions and responses shall be made available to all proposers in attendance at the conference a minimum of one week prior to the proposal due date.

We find that proposers will often have last-minute questions while finalizing their proposals a day or two before they are due. We arrange our personal schedules to ensure that we always have project staff available to answer these last-minute procedural or non-substantive questions.

Workproduct: Prepare addenda, send updated RFP to haulers and hauler associations.

**Task III.3: Review and Evaluate Proposals and Present Findings to City Council**Subtask III.3A: Review Proposals for Completeness

We will perform an initial review of each proposal submitted for compliance with the City's RFP requirements and will disregard incomplete proposals.

Workproduct: Proposal review.

Subtask III.3B: Evaluate Complete Proposals

The specific criteria for which we evaluate the complete proposals will be developed by HF&H and refined using input received from City staff and the City Council and may include the following criteria:

- Quality and responsiveness of the proposal submitted, and demonstrated understanding of the scope of services requested;
- Exceptions taken to the terms and conditions of the draft agreement;
- Proposed total compensation (rate revenue) over the term of the agreement, based on the rates included in the financial section of the proposal;
- Experience of the proposers in providing the requested services in other jurisdictions, based on information contained in their proposals;
- Financial resources of the proposers, based on information in their proposals;
- Proposal features that exceed the RFP's minimum performance requirements.

Workproduct: Draft proposal evaluation report.

Subtask III.3C: Prepare Follow-Up Questions for Proposers

After performing our initial review and evaluation, we will provide each proposer with our summary evaluation of its individual proposal, and any follow up questions, in order to confirm our understanding of the information presented.

Workproduct: Follow-up questions to proposers.

Subtask III.3D: Review Responses and Clarify Unresolved Issues

We will review responses received from proposers and resolve any open issues to help ensure that proposers are satisfied with the representation of their proposals.

Subtask III.3E: Discuss Preliminary Evaluation with City Staff

We will discuss our preliminary evaluation with City staff and determine the next steps in the evaluation process, such as selecting the proposers to be interviewed.

Workproduct: Meeting with City staff.

Subtask III.3F: Interview Proposers

At this stage in the process, usually one or more proposals are clearly more likely to be selected. Along with City staff, we interview up to four proposers, scheduling all interviews on one day.

Workproduct: Prepare for and attend proposer interviews.

Subtask III.3G: Contact References for Recommended Proposer(s)

We contact references provided by the proposer(s) that are to be recommended to the City Council for award of the agreement. We summarize the results of the reference checks within the evaluation report.

Workproduct: Reference checks.

Subtask III.3H: Prepare Evaluation Report and Present to City Council

After our evaluation is complete, we will prepare a report describing the evaluation results and attend one City Council meeting to present the findings of that report. HF&H will seek direction from City Council regarding which hauler(s) to begin negotiations with.

Workproduct: Final evaluation report and presentation to City Council.

**Task III.4: Negotiate With Top Ranked Contractor(s), and Prepare a New Agreement for City Council Approval**

Subtask III.4A: Participate in Negotiating Session

HF&H will participate in a negotiation session with the hauler(s) selected by City Council for final negotiations. Based on our prior experience, final negotiations can usually be completed during one session per proposer.

Workproduct: Prepare for and participate in negotiation session.

Subtask III.4B: Prepare Revised Portions of Agreement

Based upon the negotiations, we will make one set of revisions to the final agreement negotiated with the selected proposer(s) and ask the proposer to sign the agreement. The City can then make a decision based on clearly defined contract terms. Also, at award, neither the successful nor unsuccessful proposers can debate what was or was not the final offer to the City.

Workproduct: Finalize negotiated agreement.

Subtask III.4C: Attend One City Council Meeting for Approval of Final Agreement

We will attend the City Council meeting and present a summary of the terms included in the final negotiated agreement.

Workproduct: Presentation to City Council.



## SECTION 2: STATEMENT OF QUALIFICATIONS

### The HF&H Team Difference

In 1989, HF&H was established as a Limited Liability Company. We are a California based company with two offices located in Walnut Creek and Irvine. Our approach to any engagement is to assure our clients that we have assigned the staff to best meet the requirements of the engagement.

The three founding partners had the desire to provide specialized consulting solutions to local governments in two practice areas – recycling and solid waste services, and water, wastewater, and stormwater services. As consultants, we provide environmentally-responsible economic, financial, strategic planning, and management consulting services. For nearly 30 years, HF&H has remained committed to its core value to serve clients exceptionally and with integrity. Through these on-going commitments, HF&H has become California's first choice and recognized leader among municipal agencies for high-quality consulting services.

Our focus has primarily been on serving municipal agencies in California, although we have provided consulting services in other states and are actively looking beyond California to assist agencies nationwide. Firm leadership is provided by six partners, including two founding partners – Robert Hilton and John Farnkopf – and four additional partners – Laith Ezzet, Rick Simonson, Marva Sheehan, and Rob Hilton.

HF&H is more than the sum of its individual members, their technical training, and our proprietary analytical tools. Each time a team of consultants comes together on a project, they are using work processes that provide a consistent level of quality. Principals, managers, and staff members each play a role in preparing, reviewing, supervising, and carrying out detailed work plans and schedules, monitoring status, creating reports and analyses, drafting work products, and presenting results in a timely and cost-effective manner.

### Quality Assurance

#### Systematic Approach to Engagement Management

HF&H utilizes a highly client-interactive consulting methodology that logically results in successful engagements, and that can be tailored for each client's specific engagement and task. This methodology is intended to ensure alignment of the project objectives to the organizations goals, agreement on existing conditions and consensus around the chosen solution, and clear communication of the recommendations. It is based on interaction of client and HF&H team staff, assignment of qualified staff, direction of staff by managers using clear work plans, and systems and procedures to support the team and the project.

This methodology is comprised of the following seven steps:

#### **1. Definition and Quantification of the Client's Goals and Objectives**

We meet with City staff to define the City's broad overall goals (a commitment to cost-effective public services, commitment to environmental goals, etc.) and specific objectives for the engagement (lower customer rates, higher diversion rates, as well as schedule and budget).

**2. Specification of Approach, Assignment of Responsibilities, and Schedule**

We meet with City staff to develop the best strategy for assigning responsibilities between the client and HF&H staff, and discuss reasonable deadlines for the completion of those responsibilities.

**3. Detailed Work Plans, Work Products, Budgets, and Work Paper Organization**

Having defined responsibilities, HF&H prepares detailed work plans by task and subtask assigning specific staff, budgeting specific time, laying out the organization of the work papers that document the performance of the work and the basis for the findings. The work plan includes, by subtask, the data and document requirements, as well as analytical techniques to be used. The staff assignments and scheduled performance dates are determined at this time.

**4. Information Gathering and Fact Finding**

Based on our detailed work plans, we prepare requests for information and documents, submit them to the appropriate City or third party staff, review them with the responsible parties, and agree upon timing for the submission of the information and documents. At the completion of each subtask, we review our findings with knowledgeable City and third party staff to ensure we do not misinterpret the information obtained.

**5. Analysis, Findings, Evaluation, and Recommendations**

Based on the results of our information gathering and fact finding, the HF&H consulting team will first benchmark the results against appropriate standards (e.g., financial ratios, performance productivity, etc.) and then we will develop working outlines of the background, findings, and preliminary recommendations for each task. At this point, the HF&H consulting team will engage in a dialogue with knowledgeable client staff for fact verification and validations and discussion of alternative approaches to the solution of problems or to capitalize upon opportunities. If relevant information has been overlooked or misinterpreted in earlier steps, it will emerge through this process. Once a consensus has been developed with client staff, HF&H will present them to client management for review, verification, validation and discussion of other approaches. Once consensus has been reached with client management, the HF&H team will move to the reporting phase.

**6. Reporting**

This step in the consulting process is comprised of preliminary report preparation, presentation of preliminary findings and recommendations for discussion and modification, preparation of the final report (including presentation materials), and presentation of the final report to the appropriate internal (e.g., departmental staff, City executive management, briefings of individual elected officials) as well as external (public workshops and public hearing before the City Council) audiences.

**7. Monitoring, Quality Assurance, Management, and Progress Reporting**

The engagement manager monitors progress on a daily basis. Similarly, work papers are reviewed on a basis that is timely for the specific engagement (not waiting until the preparation of the final report or, worse yet, after completion of the engagement). The engagement manager can identify and address delays or analytical problems on a real time basis.

A quality work product is a team effort involving three parties throughout our data gathering, analysis and reporting phases: HF&H consultants; HF&H engagement directors and managers; and client staff and management. Consultants must be qualified to perform the work, have a clear work plan that meets

professional standards, and execute their assignments effectively. The engagement manager is responsible for the day-to-day monitoring of work; review of work products; and, anticipation of problems or concerns. In addition to reviewing the processes and progress of consultants, client staff reviews the work products prepared by the project team, helping the HF&H team ensure the accuracy and relevance of findings and the appropriateness of recommendations and the clarity of work products.

The engagement manager is responsible for adjusting our work plan as the engagement progresses and ensuring that the consultants are adequately supported, assuring consistency among approaches and methods and scheduling work to ensure the efficiency of efforts. The engagement director reviews work in progress, attends meetings, reviews the results of the analysis, evaluates the conclusions and checks the clarity of written materials.

The engagement manager is responsible for reporting progress to client management as frequently as appropriate. In doing so, they are supported by our project reporting system that reports hours and progress against plan by subtask and consultant. As part of this progress reporting, they will identify any areas of concern and recommend alternative approaches to addressing the concern.

### **Project Team**

Below we present the key members of the project team selected to assist the City with this project. The project team was selected based on their areas of expertise to assist the City in achieving its vision.

HF&H team members Laith Ezzet and Debbie Morris have worked together at HF&H for over 26 years, a consistency that we believe no local competitor can match. As a firm, we offer even more support. Our HF&H team is organized into two practices: solid waste management services and water/wastewater/stormwater management services.

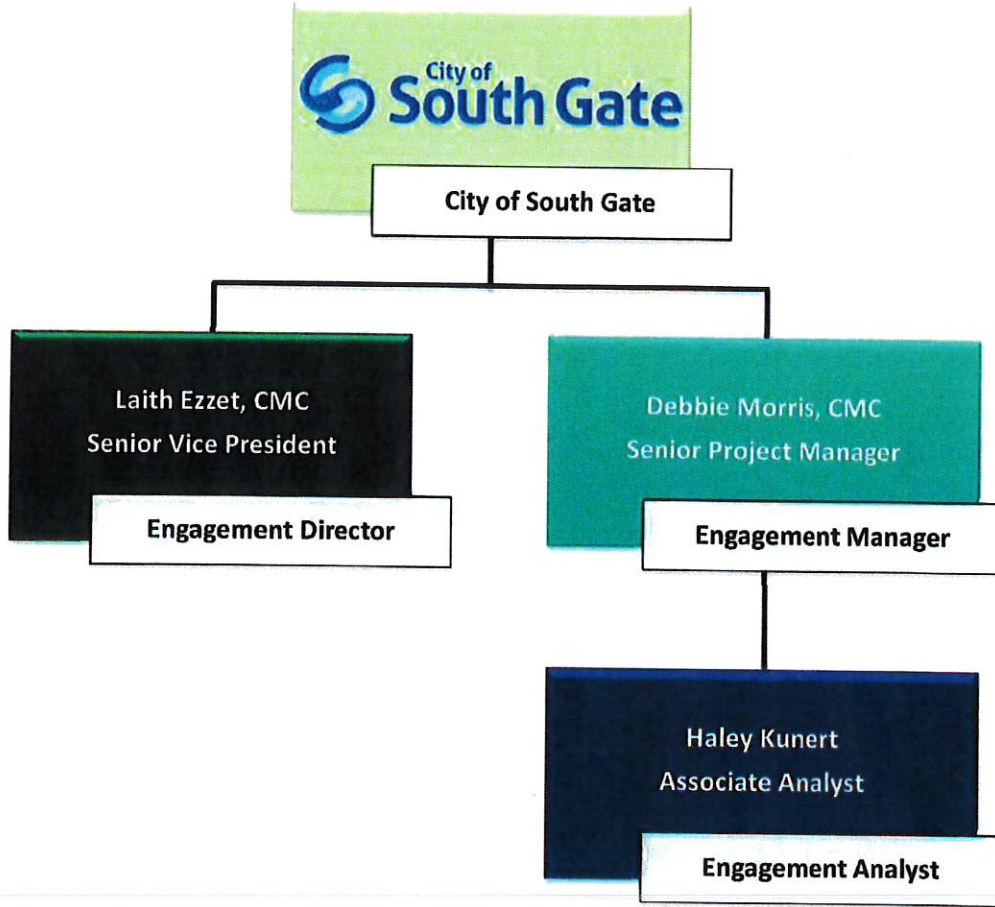
Our project staff has unparalleled expertise in the following areas:

- Solid waste contract performance reviews;
- Regulatory compliance;
- Rate analysis, cost of service studies, and negotiation of solid waste rates;
- Competitive procurement and renegotiation of solid waste services contracts, including RFP preparation, proposal evaluation, and negotiation support; and,
- Planning, implementing, and monitoring solid waste and diversion programs.

### **Project Team Organizational Chart**

Laith Ezzet will act as the Engagement Director and is responsible for the review of all workproducts developed for this engagement, and will attend all meetings. Debbie Morris will act as Engagement Manager and will be the City's contact for this engagement, will be responsible for the development and review of workproducts, and will attend all meetings. Haley Kunert will assist Ms. Morris with the development of workproducts.

**Engagement Team Organizational Chart**



**Laith Ezzet, CMC**

**Engagement Director**



A Certified Management Consultant, Laith Ezzet has over 30 years of experience as an economist and solid waste consultant. As Senior Vice President of HF&H, he has assisted over 100 public agencies to plan, implement, and monitor their solid waste collection, recycling, and disposal programs. During the course of these engagements, he has presented to or participated in more than 200 public workshops and public meetings for City Councils, Boards of Supervisors, and citizens' advisory groups. Mr. Ezzet is a past member of the Board of Directors of the California Resource Recovery Association, and for over 20 years has served as a Director of the Southern California Founding Chapter of the Solid Waste Association of North America.

**Solid Waste Rate Studies and Audits**

Mr. Ezzet has provided expert solid waste advice over 70 cities and counties in the areas of rate analysis, cost of service studies, program planning and funding, and negotiation of solid waste rates. Examples of clients whom he has assisted with fee audits, performance audits, contract compliance audits, and solid waste rate analysis of both existing and proposed services, include the cities of Anaheim, Arcadia, Bellflower, Beverly Hills, Burbank, Chandler, Covina, Dana Point, Downey, El Monte, Fullerton, Glendale, Hermosa Beach, Hesperia, Indian Wells, Indio, Inglewood, La Palma, Laguna Beach, Laguna Niguel, Lawndale, Long Beach, Monterey Park, Orange, Palm Springs, Pasadena, Pomona, Redondo Beach, San Bernardino, San Clemente, San Juan Capistrano, Santa Clarita, Santa Monica, Torrance, and others. During the course of these and other engagements, Mr. Ezzet has directed the auditing of financial and operating records at approximately 100 solid waste companies throughout Southern California'

**Diversions Programs and Contract Management**

Mr. Ezzet has helped more than 50 public agencies to monitor and evaluate their recycling and waste diversion program requirements in order to comply with the State's waste diversion goals, and negotiated revised franchise agreement terms to enhance recycling and waste diversion programs offered in those communities. He has assisted cities develop waste and recycling tonnage reporting formats and related auditing requirements for both exclusive franchise agreements and non-exclusive service arrangements. He assisted the City of Los Angeles in evaluating the feasibility of achieving its 70% diversion plan. He has assisted agencies to manage their solid waste collection and recycling contracts, including the cities of Bell Gardens, El Monte, Garden Grove, Huntington Park, Inglewood, Irvine, Lawndale, La Quinta, Newport Beach, and others. He has assisted numerous agencies to plan, negotiate and/or evaluate organics recycling programs to comply with AB 1826, including the cities of Anaheim, Aliso Viejo, Brea, Fullerton, Garden Grove, Inglewood, Lawndale, Norwalk, Palmdale, Yorba Linda, and the counties of Santa Barbara and San Bernardino.

**Procurement and Contract Negotiations**

Mr. Ezzet has managed numerous procurement engagements for solid waste services contracts, including RFP preparation, proposal evaluation, and negotiation support. Examples of clients for whom he has helped to obtain new solid waste services contracts include the cities of Anaheim, Beverly Hills, Bellflower, Cerritos, Dana Point, Diamond Bar, Hermosa Beach, Huntington Park, Imperial Beach, Indian Wells, Inglewood, Lake Forest, Lawndale, Long Beach, Manhattan Beach, Mission Viejo, Newport Beach, Norwalk, Orange, Palm Desert, Palmdale, Pico Rivera, Rancho Palos Verdes, Rancho Cucamonga, Rancho Santa Margarita, Redondo Beach, Riverside, Santa Clarita, Tustin, West Hollywood, and others. He managed the procurement of a new solid waste system operator for San Bernardino County's landfills and transfer stations. He has negotiated solid waste agreements with a total value in excess of \$2 billion. The competitive solid waste collection procurements managed by Mr. Ezzet have a total value in excess of \$1 billion, and he has saved public agencies more than \$200 million, with some agencies saving up to 40%. He assisted the Orange County City Managers' Solid Waste Working Group negotiate 10-year waste disposal agreements with the County of Orange. He authored a paper entitled "How Much Can You Save Through Competitive Proposals?" that was presented at SWANA's Western Regional Symposium.

**Landfill Rate Modeling & Solid Waste Facilities Planning**

Mr. Ezzet has performed rate and cost of service studies, and served as a financial advisor for publicly-owned solid waste systems, for the landfill and/or transfer station systems in Orange County, Riverside County, and San Bernardino County, and for individual landfills in the cities of Glendale, California,

Glendale, Arizona, San Diego, and Whittier. He has prepared valuation models to value individual landfills and landfill systems. He has prepared life-cycle funding models for landfills that incorporate current and future costs, including the funding of closure and postclosure maintenance costs, corrective actions costs, and capacity replacement reserves. He has prepared financial feasibility studies and economic analyses for solid waste facilities including transfer stations, MRFs and organics processing facilities for cities such as Beverly Hills, Glendale, Indio, Santa Monica, San Bernardino, and Torrance, and Riverside County. As a result of his work, clients have received recognition and awards from industry groups, including SWANA's Planning and Financial Management Excellence Award. Another client was featured in the U.S. EPA's guide on "Full Cost Accounting in Action: Case Studies of Six Solid Waste Management Agencies."

### Surveys

Mr. Ezzet is intimately familiar with solid waste rates and service arrangements in Southern California, having surveyed over 200 jurisdictions in the region. He directed a survey of solid waste rates and services in the 100 largest U.S. cities, the results of which were published in several industry journals. He completed a study, sponsored by the Solid Waste Association of North America, of solid waste services provided by the 100 largest municipal service providers of collection and disposal services in North America.

### Education

Mr. Ezzet has an A.B. in Economics from Occidental College and an M.B.A. from Dartmouth College.

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### Debbie Morris, CMC

### Engagement Manager



Ms. Morris is a Certified Management Consultant and Senior Project Manager in our Southern California solid waste consulting practice. Ms. Morris has specialized in consulting to government clients on solid waste issues for more than 26 years. Ms. Morris' experience includes assistance with diversion studies, zero waste planning, AB 939, AB 341, AB 1826, SB 1383 and other legislative compliance, solid waste and diversion program implementation and monitoring, solid waste and recycling contract development and management, grant management and administration, greenhouse gas inventories, audit services, rate reviews, illegal dumping/bulky item abatement program development, and construction and demolition debris ordinance preparation and monitoring.

### Solid Waste Rate Reviews, Fee and Tonnage Audits and Contract Compliance Reviews

Ms. Morris assists jurisdictions, including the cities of Bell Gardens, Covina, El Monte, Irvine, La Quinta, Lawndale and Ridgecrest, in controlling increases to their solid waste rates by evaluating waste haulers' rate adjustment requests for accuracy and validity.

Ms. Morris' audit experience has included performing fee payment and tonnage reviews to determine the accuracy and reasonableness of reporting by permitted waste companies for the cities of Bellflower, Bell Gardens, Beverly Hills, Burbank, El Monte, Irvine, Lawndale, La Quinta, Pomona and Torrance.

Ms. Morris has performed hauler compliance audits for Southern California cities such as the cities of Lawndale and El Monte to determine and correct the cities' solid waste hauler's compliance with key contract terms.

**Solid Waste Legislative Compliance**

Ms. Morris' legislative compliance experience includes AB 939, AB 341, AB 1826, AB 1594, and SB 1383 compliance strategic planning, annual report preparation, base-year adjustments, requests to use alternate adjustment factors, and disposal reconciliations. Jurisdictions assisted by Ms. Morris were able to document a significantly improved diversion rate (from three to 20 percentage points) and none of these jurisdictions have received a compliance order from CalRecycle.

Ms. Morris has successfully developed and monitored AB 341 and AB 1826 implementation plans for our clients. Ms. Morris prepares for and attends meetings with CalRecycle staff on behalf of our clients, and ensures ongoing compliance. Ms. Morris developed a technical assistance program for the City of Garden Grove in order to gain compliance with AB 341.

Ms. Morris has given numerous presentations to industry associations, joint powers authorities, and city councils on AB 939, AB 341, AB 1826, and SB 1383.

**Procurement and Contact Negotiation**

Ms. Morris has assisted in numerous procurement engagements for solid waste services contracts, including RFP preparation, proposal evaluation, and negotiation support. Examples of clients for whom she has helped to obtain new or renegotiated solid waste services contracts include the cities of Aliso Viejo, Diamond Bar, El Monte, Huntington Park, Lawndale, Palm Desert, Whittier and others. Ms. Morris is currently assisting the cities of Lawndale and Santa Ana in procuring new solid waste recycling services agreements.

**Ongoing Contract Management/Solid Waste Consulting Services**

Ms. Morris provides on-going contract management and solid waste consulting services to several cities in Southern California including the cities of Bell Gardens, El Monte, Garden Grove, Irvine and Lawndale. The scope of work for these engagements includes profiling the City's solid waste franchise agreement/s and municipal code in order to ensure hauler compliance with all service, reporting, fee payment, rate structure, performance, and public education and outreach requirements. Additionally, the engagements include a review of the haulers' annual rate adjustments, and tonnage and fee payment audits.

**Education**

B.A., Business Administration and Leadership, Concordia University, Irvine

**Haley Kunert****Engagement Analyst**

Hailey Kunert, Associate Analyst, assists in managing solid waste franchise agreements, legislative compliance and diversion monitoring, audit services, solid waste rate reviews, and contract negotiation services. While earning an Environmental Systems degree at the University of California San Diego, Ms. Kunert, was involved in a number of sustainability initiatives including solid waste and recycling receptacle audits; research and development of a sustainability action plan; and, public education and outreach.

**Ongoing Contract Management/Solid Waste Consulting Services**

Ms. Kunert assists with ongoing contract management and solid waste consulting services to cities in Southern California. The scope of work for these engagements includes monitoring contractor compliance with franchise agreement requirements regarding reporting, fee payments, and public education and outreach. Ms. Kunert meets with City staff and haulers on a regular basis to review ongoing contractor compliance and monitor program diversion performance. She is currently assisting the cities of Anaheim, Bell Gardens, El Monte, Garden Grove, Inglewood, and Lawndale. Additionally, the engagements include a review of the haulers' annual rate adjustment requests and monitoring of reported tonnage and hauler fee payments.

**Solid Waste Legislative Compliance**

Ms. Kunert has assisted clients in preparing for the mandatory recycling regulations included in Assembly Bills 939, 341, and 1826. This assistance has included gathering current commercial refuse and recycling service level data from the cities' haulers, documenting the number of accounts covered under the regulations, calculating the current level of compliance and appropriate recycling service fees, and developing public education and outreach materials. She is currently assisting the cities of Bell Gardens, El Monte, Inglewood, Garden Grove, and Lawndale with tracking and implementation of recycling and organics recycling programs for businesses and multi-family complexes. Also, she annually assists the cities of Bell Gardens, Inglewood, Lawndale, and El Monte in the completion or review of their CalRecycle Electronic Annual Report.

**Solid Waste Rate Studies**

Ms. Kunert conducted a survey of residential and commercial solid waste collection services and rates in various cities throughout the San Bernardino and Riverside Counties for the city of Rancho Cucamonga. She assisted with another survey of solid waste collection services in the County of Orange and supported the completion of a survey on the County of San Bernardino. Ms. Kunert has also gathered rate and program data related to organics collection for the cities of Anaheim, Brea, El Monte, Fullerton, Garden Grove, Placentia, and Yorba Linda to determine the reasonableness of organics rates.

**Education**

B.S., Environmental Systems, University of California San Diego, La Jolla  
Certificate in Sustainability and Behavior Change with University of California San Diego Extension Program



**Representative Projects and References**

**City of Bell Gardens**

**Contract & Diversion Programs (2011-Present)**  
**Current Project Cost: \$50,000**

**Project Description**

The City of Bell Gardens residential sector is served under an exclusive franchise agreement. The City’s commercial and multi-family sector is served by several haulers under non-exclusive competitive franchise agreements. The City of Bell Gardens retained HF&H monitor hauler contract compliance, assist with AB 939 and AB 341 compliance, and provide ongoing solid waste consulting assistance.

<p><u>Client Contact</u></p> <p>Chau Vu          Director of Public Works          7100 South Garfield Avenue          Bell Gardens, CA 90201          (562) 806-7770</p>
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**HF&H Solution**

HF&H provides ongoing consulting services that address all areas of Bell Garden’s solid waste services. These services have included the following:

- Reviewing the haulers’ operational and financial data to ensure proper payment of city fees and reporting of tonnage.
- Reviewing rate increase requests submitted by the exclusive franchised hauler on an annual basis.
- Developing measures to ensure compliance with the State’s mandatory recycling programs and providing updates to City Council.
- Preparing AB 939 Annual Reports.
- Developing construction and demolition diversion procedures and documents to ensure compliance with the CalGreen building code.

**Project Results**

- Recovered unpaid city fees.
- Worked with each hauler on an individual basis to ensure compliance with the mandatory commercial recycling regulation.
- Ensured hauler compliance – meetings between HF&H, the haulers, and the City ensured compliance with all of the requirements of the solid waste and recycling collection contract.

**Key HF&H Staff**

Laith Ezzet-Engagement Director, Debbie Morris-Engagement Manager, Haley Kunert-Engagement Analyst

**City of Cerritos**

**Contract Compliance Audit (2010)  
Project Cost: \$65,000**

**Project Description**

The City of Cerritos ("the City") has a 10-year franchise agreement with CalMet Services, which commenced on January 1, 2008. The City requested that HF&H Consultants conduct a contract compliance audit and franchise fee audit for calendar years 2008 and 2009. An audit conducted during the first two years of the franchise agreement term helps the City and the hauler avoid costly accumulation of errors, identifies and clears misunderstandings, and sets the stage for a successful partnership between the City and the hauler for the remainder of the agreement term.

Client Contact  
Mike O'Grady  
Environmental Services Manager  
18125 Bloomfield Avenue  
Cerritos, CA 90703  
(562) 916-1226

**HF&H Solution**

In order to achieve the audit objectives, HF&H:

- Selected a sample of customers to validate that CalMet accurately billed customers in accordance with the City-approved rate schedule;
- Ensured that gross receipts were reported to the City fully and accurately, and that franchise fees were paid in full and timely;
- Performed testing to ensure that CalMet complied with specific diversion requirements of the franchise agreement; and,
- Evaluated the disposal component weightings used in the rate adjustment formula.

**Project Results**

Our review found that franchise fees were overpaid by \$14K in the two years under review.

We found that the base customer rates charged for services were consistent with the rate schedule as approved by the City; however, we identified several finance and service fees that were charged outside the City-approved rate schedule. Over \$62K in non-approved charges was identified for calendar year 2009; we recommended that all finance and service-related fees be incorporated into the City-approved fee schedule going forward.

Overall diversion and disposal tonnage reporting was found to be accurate.

Our review of the disposal component weighting indicated that actual disposal expense as a percentage of rate revenues was lower than the disposal cost component used to calculate the rate adjustment. We recommended that the next rate adjustment be calculated using the lower updated disposal components.

**Key HF&H Staff**

Laith Ezzet-Engagement Director

**City of Bellflower****Contracting Services (2005 and 2011) and  
Compliance Audit (2007, 2010, 2012, 2014)  
2014 Contract Compliance Audit Cost: \$76,000****Project Description**

In 2005, HF&H Consultants, LLC assisted the City of Bellflower in competitively procuring an exclusive franchise agreement, and in 2011 assisted the City in negotiating an extension. In 2007, the City requested that HF&H perform the first biennial audit of the contractor's compliance with selected provisions of the agreement, and continued to retain HF&H for each subsequent audit.

[Client Contact](#)

Retired

**HF&H Solution**

The 2005 agreement reduced rates and increased recycling programs. The negotiated 2011 agreement evaluated cost savings from continued use of existing carts and vehicles, and added new services including street sweeping with no increase in rates.

In order to achieve the City's goals, HF&H:

- Confirmed that the hauler billed customers in accordance with the City-approved rate schedule.
- Observed a sample of commercial bin service levels (size and quantity of bins) in the field.
- Verified the accuracy of tonnage reported to the City; including,
  - Ensuring tonnages reported agreed to regulatory agency records for transformation and landfill disposal volumes.
  - Verifying the diversion percentage achieved or exceeded the minimum requirement.
  - Confirming all rolloff hauls were processed at a recycling facility.
  - Verifying the minimum number of solid waste tons were delivered to a waste-to-energy facility.
- Confirmed that the hauler accurately paid franchise fees to the City.
- Verified hauler compliance with selected provisions of the agreement.
- Verified whether vehicle age and fuel requirements were being met.

**Project Results**

Hauler performance was modified to address the audit findings.

**Key HF&H Staff**

Laith Ezzet-Engagement Director

**City of Lawndale**

**Contract Management and Audit Services (1997-Present)**

**Audit Services Project Cost: \$40,000**

**Current Project Cost: \$86,000**

**Ongoing Contract Management Assistance**

HF&H has been retained by the City on an annual basis to manage the City's solid waste contract with Republic Services. HF&H's work for the City includes: reviewing the hauler's annual rate adjustment requests, performing hauler fee and tonnage audits; providing AB 939, AB 341, AB 1826, and other regulatory compliance assistance, including preparation of annual report and preparing for and attending the CalRecycle site visits; construction and demolition ordinance development and monitoring; and, providing ongoing procurement and negotiation services to the City. HF&H meets with the hauler on a monthly basis to review diversion trends, City fees, and service issues.

<u>Client Contact</u>
Grace Huizar
Administrative Analyst
4722 Manhattan Beach Blvd
Lawndale, CA 90260
(310) 973-3273

**Solid Waste Hauler Contract Compliance and Fee Audits**

HF&H has performed the biennial contract compliance audits in order to verify the accuracy of customer billing, fee payments made to the City, and tonnage reported to the City. Additionally, we verified that the hauler achieved various compliance requirements, such as minimum diversion of solid waste from landfill requirements, minimum commercial solid waste processing requirements, minimum requirements to direct solid waste tonnage to a waste-to-energy facility, and other various contract requirements.

**HF&H Team Members**

Laith Ezzet-Engagement Director, Debbie Morris-Engagement Manager, Haley Kunert-Engagement Analyst

**City of Inglewood**

**Contract Compliance Audit (2014-Present)**

**Project Cost: \$60,000**

**Project Description**

In May 2012, the City of Inglewood entered into an exclusive franchise agreement for solid waste collection services that HF&H assisted the City in negotiating. In 2014 and 2016, the City retained HF&H to verify that the hauler was complying with selected requirements of the agreement. Additionally, we have recently been selected to conduct the contract compliance audit for calendar year 2017 solid waste collection services.

<u>Client Contact</u>
Angela Williams
Environmental Services Manager
1 Manchester Boulevard
Inglewood, CA 90301
(310) 412-5333

**HF&H Solution**

HF&H performed a contract compliance audit to verify the hauler's compliance with the terms of the agreement:

- Reviewed the accuracy of the hauler's roll-off billing

- Verified the accuracy of tonnage reported as mixed waste processed, sent for transformation, or otherwise diverted and disposed
- Confirmed whether the required mixed waste processing and transformation levels were met as required by contract
- Verified that insurance and performance bond requirements were met as required
- Verified vehicle age and fuel requirements were met as specified in the agreement.

**Results**

HF&H found inaccuracies in roll-off billing that the hauler was able to correct going forward.

**Key HF&H Staff**

Laith Ezzet-Engagement Director, Haley Kunert-Engagement Analyst

**City of Garden Grove**

**AB 341 Technical Assistance (2018 to Present)**

**Current Project Cost: \$50,000**

**Project Description**

In 2018, HF&H was assisting the City of Garden Grove to negotiate an organics program with Republic Services. During this work, the City received a letter from CalRecycle stating that their City was facing a compliance order for not implementing their AB 341 plan. The City retained HF&H under a separate contract to assist with AB 341 technical assistance to increase compliance with AB 341.

Client Contact

A. J. Holmon III, MBA  
Environmental Service Manager  
13802 Newhope Street  
Garden Grove, CA 92843  
(714) 741-5956

**Work Performed by HF&H:**

- Developed AB 341 public education and outreach including surveys, non-compliance letters, informational letters from the City, etc.;
- Contacting survey responders via telephone and email to document and verify third party diversion tonnage and educate commercial and multi-family customers on AB 341;
- Ongoing development of a third party diversion tracking and monitoring database for CalRecycle reporting;
- Providing ongoing status updates of calls and contacts to City staff;
- Negotiated a recycling cart rate with the City’s franchised hauler to provide recycling service for space constrained customers.

**Project Highlights**

- CalRecycle reported to City in February 2019 that they would be receiving a good faith effort and avoided a compliance order.

**HF&H Team Members**

Laith Ezzet-Engagement Director, Debbie Morris-Engagement Manager, Haley Kunert-Engagement Analyst

**City of Lawndale**

**Competitive Procurement (1997, 2002, 2005, 2010, 2018)  
Current Project Cost: \$110,000**

**Project Description**

For over twenty years, the City of Lawndale has turned to HF&H to manage its solid waste contract procurement processes. As we worked with the City on each subsequent procurement, we continued to focus our efforts on the City’s commitment to augmenting its recycling programs while providing competitive rates to its residents.

<u>Client Contact</u>	
	Grace Huizar
	Administrative Analyst
	4722 Manhattan Beach Blvd
	Lawndale, CA 90260
	(310) 973-3273

**HF&H Solution**

Our procurement services included preparing the RFP and franchise agreement, evaluating the proposals, and negotiating the final agreement.

We have continued to assist the City by developing a commercial hauler permit system, preparing municipal code text revisions and contract compliance, and auditing reported tonnage and remitted fees.

**Project Results**

In 1997, HF&H assisted the City with a competitive procurement process for residential collection services. Through this process the City transitioned from manual collection to a 3-cart automated system, and residential rates were reduced by 11%, saving ratepayers \$651,000 over the 5 year term.

In 2002, prior to the expiration of the residential solid waste collection agreement, the City again retained HF&H to lead the procurement and negotiation process. The results of this negotiated agreement included: the contractor reimbursing the City for the procurement costs; a residential rate reduction of 16%, saving ratepayers \$1.2 million over the 7 year term; an increase in City compensation of \$30,000; and design and implementation of new diversion programs

In 2005, HF&H assisted the City by drafting and negotiating an exclusive franchise agreement to provide multi-family and commercial recycling services in the City at no additional charge to the customers. The program is fully funded by AB 939 fees paid by the permitted waste haulers.

In 2010, HF&H assisted the City with the development and negotiation of a City-wide exclusive franchise agreement. Through this process the City transitioned from a commercial permit system with nine haulers to an exclusive system incorporating residential, commercial and roll-off collection services. The new agreement included additional diversion services and further rate reductions.

We are currently assisting the City with their current competitive procurement process.

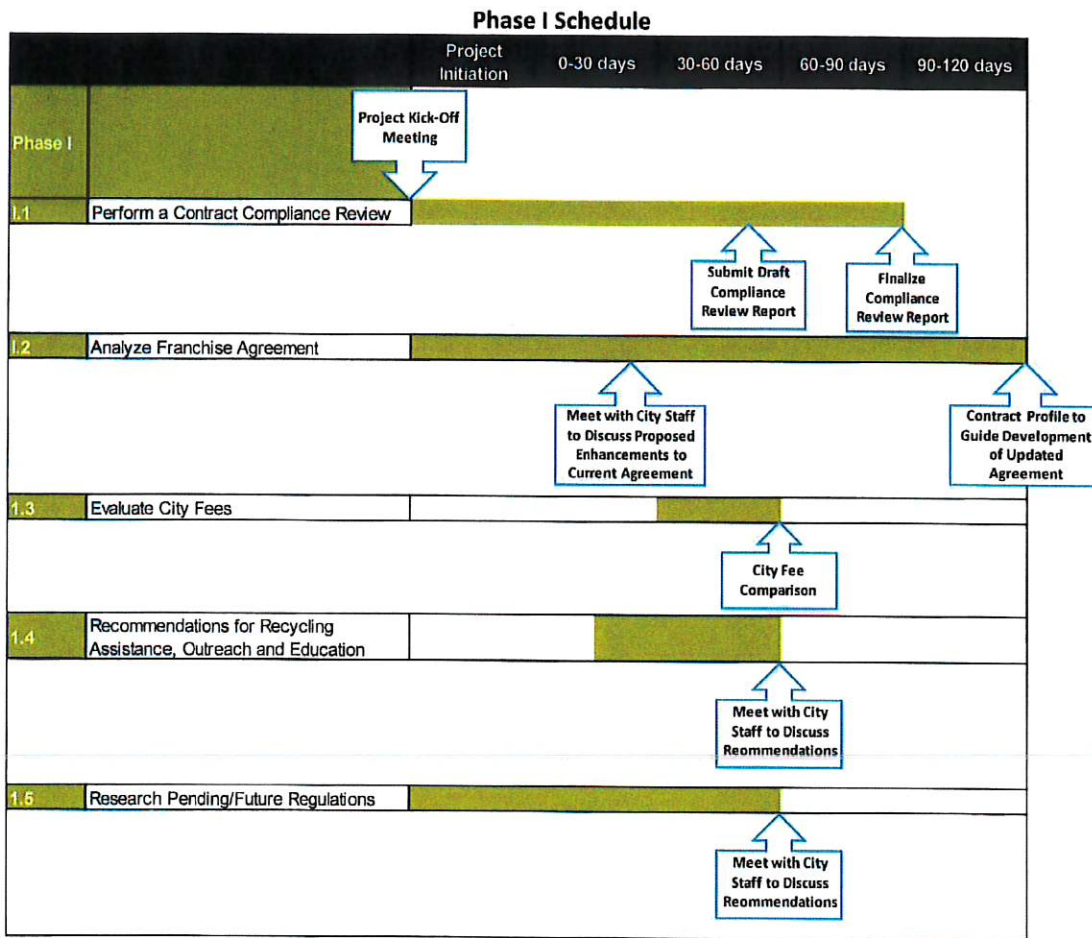
**Key Staff**

Laith Ezzet-Engagement Director, Debbie Morris-Engagement Manager

### SECTION 3: PROJECT SCHEDULE

#### Project Schedule – Phase I

The following is our proposed schedule to provide the requested services. HF&H will finalize the schedule at the project kick-off meeting with City staff.



## EXHIBIT 1: CLIENT TESTIMONIALS



January 21, 2014

Mr. I aith Ezzet, CMC  
Senior Vice President  
HF&H Consultants, LLC  
19200 Von Karman Avenue, Suite 360  
Irvine, California 92612

**Re: Letter of Recommendation**

I am pleased to recommend HF&H Consultants. HF&H has been providing solid waste consulting services to the City of Bell Gardens since 2011. The City has benefited from their breadth of solid waste industry experience and we have always found their work to be comprehensive, and their staff to be responsive to all of our requests.

On an ongoing basis, HF&H:

- Reviews the haulers' operational and financial data to ensure proper payment of city fees and reporting of tonnage.
- Reviews rate increase requests submitted by the exclusive franchised hauler on an annual basis.
- Develops measures to ensure compliance with the State's mandatory commercial recycling program.
- Prepares AB 939 Annual Reports.

As a result of this ongoing work, HF&H has assisted the City in:

- Recovering unpaid city fees.
- Working with each hauler on an individual basis to ensure compliance with the mandatory commercial recycling regulation.
- Ensuring hauler compliance – meetings between HF&H, the haulers, and the City ensured compliance with all of the requirements of the solid waste and recycling collection contract.

For me as a Director of Public Works, I take comfort knowing Debbie Morris and your team is available to respond to issues as they arise. HF&H's consistently delivers a high level of client satisfaction.

Sincerely,

A handwritten signature in black ink, appearing to read "Chau L. Vu".

Chau L. Vu  
Public Works Director



The City of Bellflower

*Families. Businesses. Futures.*

16600 Civic Center Drive, Bellflower, CA 90706

Tel 562.804.1424 Fax 562.925.8660 www.bellflower.org



June 9, 2011

Laith Ezzett  
HF&H Consultants, LLC  
3990 Westerly Place, Suite 195  
Newport Beach, CA 92660

Dear Mr. Ezzett:

I am writing to acknowledge HF&H's important contribution to the City of Bellflower's recent negotiations with our solid waste franchisee CR&R.

CR&R has been serving the City of Bellflower since 2005 pursuant to a franchise agreement originally bid and negotiated with HF&H's assistance. In June, 2010, the City found itself facing a dramatic increase in contract street sweeping costs. CR&R became aware of this situation and expressed interest in adding street sweeping to the suite of solid waste services provided to the City in consideration of a franchise agreement extension.

This was the basis of the City's recent negotiation. Over a period of several months, HF&H assisted the City in bringing the concept to fruition. As always, you and your staff contributed your knowledge of solid waste industry trends and practices as well as your knowledge of the regulatory environment. As a smaller city, we do not have a staff person dedicated to solid waste and could not provide such a depth of knowledge without your assistance.

In addition, on a very practical level, HF&H staff prepared agendas, tracked issues, tracked and reconciled multiple versions of our 100+ page agreement, and calculated the financial consequences of various city and company proposals over time. This saved countless hours in what would otherwise have been staff and attorney time.

This agreement was of critical importance to the City at a very challenging financial juncture and I want to acknowledge HF&H's professional assistance.

Over the past number of years, not only City staff but also our franchisee and City Council have come to have confidence in HF&H's analysis as an honest broker. Your policy of only working for municipal clients reinforces our confidence in the integrity of your practice and our experience reinforces our confidence in the competency of your practice.

We look forward to continuing to work with you.

Sincerely,

Deborah R. Chankin  
Director of Public Works

Scott A. Larsen  
Mayor

Dan Koops  
Mayor Pro Tem

Randy Bongaars  
Council Member

Raymond Duntun  
Council Member

Sunny Santa Ines  
Council Member



## CITY OF LONG BEACH

### DEPARTMENT OF PUBLIC WORKS

333 WEST OCEAN BOULEVARD • LONG BEACH, CA 90802 • (562) 570-6383 • FAX (562) 570-6012

August 29, 2016

Mr. Laith Ezzet, CMC  
Senior Vice President  
HF&H Consultants, LLC  
19200 Von Karman Avenue, Suite 360  
Irvine, CA 92612

Dear Mr. Ezzet:

On behalf of the City of Long Beach Public Works Department, I would like to thank you for the professional guidance and technical expertise you and your team provided during the City's recycling procurement project.

Your team was retained by the City to assist with the development of the Recycling Collection Request for Proposal (RFP); specifically these services included:

- Providing input into the terms and conditions of the RFP for the collection and processing of single family, multi-family and commercial recyclables;
- Reviewing and evaluating the received proposals;
- Assisting with background investigations, interviews, evaluation reports and final contract negotiations with the selected vendor; and
- Assisting city staff in finalizing contract language.

Throughout the procurement project you provided excellent guidance and recommendations in a professional and timely manner. The expertise provided by you and your firm greatly assisted city staff with finalizing the contract with the selected provider.

Thank you again for your assistance and guidance. We look forward to working with HF&H Consultants, LLC in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "Dikran A. Melkonian".

Dikran A. Melkonian  
Environmental Services Bureau Manager



**City of Manhattan Beach**  
**Department of Public Works**

3621 Bell Avenue, Manhattan Beach, CA 90266  
Phone: (310) 802-5313 Fax: (310) 802-5301 TDD: (310) 546-3501

February 6, 2019

HF&H Consultants, LLC  
Attn: Laith Ezzet, CMC, SVP and April Hamud, Project Manager  
19200 Von Karman Avenue, Suite 360  
Irvine, CA 92612

Dear Laith and April,

It is difficult to put into words how thankful we are for the professional guidance and support you both have provided the City of Manhattan Beach throughout our recent solid waste RFP process. Although there are still some to-do's remaining to finalize the awarded contract, we didn't want to delay our thanks. Along with City Council, we appreciate and respect your analysis, industry-knowledge, keen understanding of complex solid-waste-specific contract issues, and your helpful can-do attitude. You both made this process so unbelievably smooth, transparent and most importantly, ethical. Given the burden that selecting a hauler can place on city staff, HF&H was instrumental in significantly lessening that burden. And the guidance and expertise you provided to us and to our city council was immeasurable. We know that HF&H has an abundance of clients all over the State of California; however, please consider us one of the most grateful for all you have done to help us.

You are both worth your weight in gold!!!

All our best,

A handwritten signature in blue ink, appearing to read "Stephanie Katsouleas".

Stephanie Katsouleas, Public Works Director

A handwritten signature in blue ink, appearing to read "Anna Luke-Jones".

Anna Luke-Jones, Senior Management Analyst

Visit the City of Manhattan Beach website at [www.citymb.info](http://www.citymb.info)



**GARDEN GROVE SANITARY DISTRICT**  
11222 ACACIA PARKWAY, P.O. BOX 339, GARDEN GROVE, CALIFORNIA 92842

October 25, 2018

To Whom it May Concern

Local jurisdictions are required to have a Commercial Organics Recycling Program in place effective January 2017 as part of Assembly Bill (AB) 1826 (Chapter 727, Statutes of 2014). Some entities of which the Garden Grove Sanitary District is one may require a rate adjustment per its solid waste service provider to account for new state program implementation. In order to determine an equitable rate is achieved to fund the program; HF&H Consultants (Hilton, Farnkopf & Hobson, LLC) was chosen in 2017 to perform a formal (cost-based) rate review process on the new proposed organic rates, and to negotiate on behalf of the City/District with our solid wastes service provider to develop an amendment to our Franchise Agreement.

HF&H Consultants is a management consulting firm established in 1989 with a focus on municipalities. HF&H has more than 25 years of solid waste operations and consulting experience, and during that time has conducted hundreds of solid waste management consulting projects for clients throughout California. HF&H has provided our City/District staff with excellent advisement on all aspects of the Commercial Organics Recycling Program as well as formidably representing our City/District in negotiating a reasonable service rate adjustment with our solid wastes service provider. HF&H services provided consists of reviewing background information, preparing for negotiations, briefing City Staff on negotiation status, preparing draft amendment to franchise agreement, reporting results and making recommendations.

I highly recommend HF&H Consultants' services to government entities that need such highly marked solid waste management industry skills as that of which HF&H possesses. Please feel free to contact me at (714) 741-5956 if additional information is needed.

Sincerely,

A. J. Holmon III  
Environmental Services  
Division Manager

**Mayor**  
CHAD P. WANKE  
**Mayor Pro Tem**  
RHONDA SHADER  
**Councilmembers:**  
CRAIG S. GREEN  
WARD L. SMITH  
JEREMY B. YAMAGUCHI

*The People are the City*



401 East Chapman Avenue – Placentia, California 92870

**City Clerk:**  
PATRICK J. MELIA  
**City Treasurer**  
KEVIN A. LARSON  
**City Administrator**  
DAMIEN R. ARRULA

May 10, 2018

Laith Ezzet, CMG  
Senior Vice President  
HF&H Consultants, LLC  
19200 Von Karman Avenue, Suite 360  
Irvine, CA 92612

Dear Mr. Ezzet:

On behalf of the City of Placentia, I would like to convey my sincere appreciation to you and the HF&H Team for providing professional and technical expertise during the successful contract negotiations with Republic Services. The negotiations were completed on time, within budget, and ultimately approved by the City Council well in advance of the City's target date to execute the agreement amendment.

As you know, this was the City's first time utilizing the services of HF&H. The City is pleased with the successful negotiations HF&H executed. HF&H provided quality data analysis which allowed for tough but fair contract negotiations; thus, insuring the highest level of service to the community at competitive rates. Our recent negotiations concluded with a agreement amendment with the following enhancements:

- A sector-wide competitive rate for commercial organics services.
- New organics program that complies with AB 1826 requirements.
- Focus on accountability, including reporting to meet CalRecycle requirements and a rate rebalancing mechanism to ensure the organic waste collection rate is accurate and fair for customers.

This letter serves not only as a reference for your professionalism and high quality of work, but as confirmation that the HF&H Team provides results that ultimately benefit the City, its residents and businesses we serve.

Thank you again for the opportunity to work with you and the HF&H Team. I am available to discuss specifics by phone at (714) 993-8120 or by email at [lestevez@placentia.org](mailto:lestevez@placentia.org)

Sincerely,

Luis Estevez,  
Director of Public Works



CITY OF YORBA LINDA

P.O. BOX 87014

CALIFORNIA 92885-8714

May 9, 2018

Laith Ezzet, CMC  
Senior Vice President  
HF&H Consultants, LLC  
19200 Von Karman Avenue, Suite 360  
Irvine, CA 92612

Dear Laith,

On behalf of the City of Yorba Linda, I would like to express my appreciation to your and your team for assisting us with our recent contract amendment negotiations with Republic Services. We truly valued your expertise and guidance through this very complex subject matter, which we could not have navigated alone. We believe the negotiations were successfully completed on time, within budget and resulted in a substantial savings to the businesses of Yorba Linda.

Thank you for all your hard work, effort, professionalism and dedication. It was a pleasure working with you and your team and we look forward to other opportunities to engage HF&H in the future.

Sincerely,

A handwritten signature in cursive script that reads "David Christian".

David Christian  
Assistant City Manager

BIRTHPLACE OF RICHARD NIXON • 37<sup>TH</sup> PRESIDENT OF THE UNITED STATES



**CITY OF EL MONTE**  
PUBLIC WORKS DEPARTMENT

**Elaine Jeng, P.E.**  
*Public Works & Utilities Director*

**Jonathan Wu, P.E.**  
*Interim City Engineer*

September 14, 2017

Mr. Laith Ezzet, CMC  
Senior Vice President  
HF&H Consultants, L.L.C  
19200 Von Karman Avenue, Suite 360  
Irvine, California 92612

**Re: Letter of Recommendation**

On behalf of the City of El Monte, I would like to take this opportunity to express my appreciation for the outstanding services provided by HF&H Consultants.

The City of El Monte retained HF&H Consultants in 2015 to provide diversion program implementation and monitoring, regulatory compliance planning and assistance, solid waste contract monitoring, auditing services, grant management, and representing the City at community events on an ongoing basis.

HF&H's "hands-on" approach to solid waste consulting has assisted the City in:

- Developing and implementing a plan to gain compliance with assembly bills 341 and 1826;
- Ensuring that the franchised haulers are complying with the terms and conditions contained in the solid waste agreements, and paying City fees accurately;
- Streamlining the City's construction and demolition process to ensure the capture of the all projects within the City to maximize diversion, and updating the City's construction and demolition debris ordinance to align with CalGreen requirements; and,
- Developing an effective plan to decrease illegal dumping.

HF&H's professional and well-qualified staff has been a benefit to the City, and I am pleased to have the opportunity to recommended HF&H Consultants to other jurisdictions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Elaine Jeng".

Elaine Jeng, P.E.  
Director of Public Works and Utilities

11333 VALLEY BOULEVARD, EL MONTE, CALIFORNIA 91731-3293 / (626) 580-2058  
WEBSITE: [www.elmonteca.gov](http://www.elmonteca.gov)



## City of Whittier

13230 Penn Street, Whittier, California 90602-1772  
(562) 567-9500

October 2, 2017

Laith Ezzet, CMC  
Senior Vice President  
HF&H Consultants, LLC  
19200 Von Karman Avenue, Suite 360  
Irvine, CA 92612

Dear Laith:

I would like to thank you and your team for providing the technical expertise to finalize solid waste collection franchise agreements with Republic and Athens Services. As you know, the City had previously gone through a RFP process with another consulting firm in order to award a franchise agreement for the entire City. Going from a three-zone system with two private haulers and City crews to one private hauler for the entire City proved to be controversial. The RFP process ended in a referendum halting the award of the franchise agreement.

You and your team were tasked with negotiating long-term agreements with two haulers to service two separate City zones. Council's requirement to have the rate schedules in both franchise agreements match added complexity to the negotiation process. You were able to accomplish this while also negotiating valuable improvements from previous agreements including:

- An increased franchise fee
- A fair price for the purchase of City-owned equipment by one of the haulers
- A 50-hour per week porter to maintain the Uptown commercial district
- Free roll-out service for residents with disabilities
- 48 special clean ups per year from each hauler to include homeless encampment clean ups.

Thank you again for your support and professional expertise during the negotiation process. Public Works Manager, Vicki Smith, and I are available to discuss the process by phone at 562.567.9500 or by email at dschickling@cityofwhittier.org or vsmith@cityofwhittier.org.

Sincerely,

David Schickling  
Director of Public Works

D:\01\Vicki Smith\Correspondence\HF&H Reference Letter.docx





# PALMDALE

*a place to call home*

June 21, 2017

JAMES C. FLEGGOLD  
Mayor  
STEVEN D. HOEBAUER  
Mayor Pro Tem  
LAURA BETTENCOURT  
Councilmember  
AUSTIN BENTON  
Councilmember  
JOAN CARILLO  
Councilmember

68400 Sierra Highway  
Palmdale, CA 91350-4798  
Tel: 661/267-5100  
Fax: 661/267-0422  
TDD: 661/267-5165

Accessibility and  
communication accessibility  
open 24 hours online and request

Mr. Laith Ezzet  
Senior Vice President  
HF&H Consultants, LLC  
19200 Von Karmen Avenue, Suite 360  
Irvine, CA 92612

Dear Laith,

On behalf of the City of Palmdale, I would like to thank you for all of the assistance you have provided us with our Request for Proposals for Integrated Solid Waste Management (RFP). Your team provided us with the technical and professional expertise needed to have a successful RFP process that yielded great results.

Thanks to HF&H, we were able to present the City Council with two excellent agreements for consideration. Each proposed agreement would help save residents money while also addressing very difficult problems that are being encountered in the waste industry today, helping us future plan to protect against extraordinary rate increase requests thanks to ever changing waste diversion requirements. With your help, we were able to bring forward great options, with the difficulty being based on which option was best, versus how the public would react to the changes that needed to be made. Additionally, we will now have a greater waste diversion infrastructure, one that will provide our City with waste diversion security for years to come.

Thank you again for all of the assistance you have provided to the City with our RFP. We look forward to potentially working with you with our future waste diversion needs. If anyone would like to learn more about our RFP process, please don't hesitate to have them contact Benjamin Lucha, Senior Management Analyst, at [blucha@cityofpalmdale.org](mailto:blucha@cityofpalmdale.org) or 661/267-5308.

Sincerely,

James Purtee  
City Manager

[www.cityofpalmdale.org](http://www.cityofpalmdale.org)



October 24, 2017

Laith Ezzet, CMC  
Senior Vice President  
HF&H Consultants, LLC  
19200 Von Karman Avenue, Suite 360  
Irvine, CA 92612

Dear Mr. Ezzet:

On behalf of the City of Aliso Viejo, I would like to convey my sincere appreciation to you and the HF&H Team for your assistance with our successful contract negotiations with CR&R Waste Management Services. The negotiations were completed on time, within budget, and ultimately approved by the City Council well in advance of the agreement expiration.

As you know, I have utilized HF&H on more than one occasion, while working for different agencies and negotiating waste hauler contracts with various providers. In my experience, HF&H provides the highest quality data analysis which allows for tough but fair contract negotiations; thus, insuring the highest level of service to the community at competitive rates. Our recent negotiations concluded with a contract with the following enhancements:

- ◆ No customer rate increases for the first two years
- ◆ Increased franchise fee revenue by \$185,000 per year
- ◆ Rate decrease for organics recycling
- ◆ Free wheel out service for disabled residents
- ◆ 10% rate discount for seniors
- ◆ Free bulky item collection for multi-family premises

Thank you again for providing the City with your expertise, professionalism and dedication. If there is anything I can do for you in the future, please contact me by email or by phone at (949) 425-2510.

Sincerely,

David A. Doyle  
City Manager  
[ddoyle@cityofaliso Viejo.com](mailto:didoyle@cityofaliso Viejo.com)

MAYOR  
Dave Harrington

MAYOR PRO TEM  
Philip B. Teneda

COUNCIL MEMBER  
Ross Chen

COUNCIL MEMBER  
Mike Muzzing

COUNCIL MEMBER  
William A. Phillips

CITY MANAGER  
David A. Doyle

CITY ATTORNEY  
Scott C. Smith

CITY CLERK  
Mizu O'Gee, MMC

Mayor L. Dennis Michael | Mayor Pro Tem Sam Spagnolo  
Council Members William J. Alexander, Lynne Kennedy, Diane Williams  
City Manager John R. Gillison



CITY OF RANCHO CUCAMONGA

10500 Civic Center Drive | P.O. Box 807 | Rancho Cucamonga, CA 91729-0807 | 909.477.2700 | www.CityofRC.us

July 14, 2016

Mr. Lalth Ezzet, CMC  
Senior Vice President  
HF&H Consultants, LLC  
19200 Von Karman Ave. Suite 360  
Irvine, CA 92612

Dear Lalth,

On behalf of the City of Rancho Cucamonga, I would like to thank both you and your team for the professional guidance and technical expertise you provided during our contract negotiations with Burrtec Waste Industries. The staff at HF&H provided a comprehensive evaluation of current and enhanced services, identifying a number of key elements that were missing from the current agreement. In addition to the analysis, HF&H prepared a new agreement and rate adjustment formula in a short amount of time, and advised city staff who led the negotiations. The City Council unanimously approved a new updated franchise agreement with numerous enhancements that was developed through the combined efforts of City staff and the HF&H Team.

The updated franchise agreement has the following key enhancements:

- o For the first time, there will be a 5% cap on future rate adjustments.
- o Rate adjustment methodology and formula included in agreement.
- o Liquidated damages section with penalties for failure to meet performance standards as outlined in the agreement.
- o Street sweeping services to be provided at no cost to the City or customers.
- o Minimum overall diversion requirement with a 2% franchise fee increase if hauler fails to meet diversion standard.
- o Free collection of trash and recyclables at City facilities, special events and community clean ups.

Please feel free to use the City of Rancho Cucamonga as reference. Thank you again for your expertise and professional guidance through the process.

Sincerely,

Linda Ceballos  
City of Rancho Cucamonga  
Environmental Programs Manager



Inglewood

California

Public Works Department  
ONE MANCHESTER BOULEVARD / INGLEWOOD, CA. 90301 / P.O. BOX 6500 / INGLEWOOD, CA. 90312  
Telephone (310) 412-5333 / Fax (310) 412-5552  
[www.cityofinglewood.org](http://www.cityofinglewood.org)

LOUIS A. ATWELL, P.E.  
PUBLIC WORKS DIRECTOR

December 15, 2016

Mr. Laith Ezzet, CMC  
Senior Vice President  
HF&H Consultants, LLC  
19200 Von Karman Avenue, Suite 360  
Irvine, CA 92612

**Re: Letter of Recommendation**

Dear Mr. Ezzet:

This letter is provided as recommendation of HF&H Consultants, LLC. HF&H has assisted the City of Inglewood in the area of solid waste consulting and recycling projects since 2006.

HF&H Consultants are a great business partner to the City. Their leadership and extensive knowledge of solid waste practices, contract procurement, negotiations and sustainability principles has proven to be invaluable for Inglewood. Inglewood's current franchise agreement is far and above industry standards due in part to the fact that HF&H understands the City's mission to provide the best trash disposal and recycle services to our residential and commercial customers.

HF&H's ability to serve Inglewood with prompt responsiveness, accountability and professional commitment goes a long way to solidify our trust in them. HF&H is nationally known as "Leaders in Managing Tomorrow's Resources Today"; here in Inglewood, we have found that to be true. HF&H takes pride in the services they provide to their clients in California. They painstakingly ensure that all reports, data requests and rate calculations are provided accurately. Their breadth of experience is depended upon to assist the City to maintain its compliance with state, local and federal agencies.

I wholeheartedly recommend HF&H Consultants, LLC to any entity that is looking for a high quality, state of the art and professional operation.

Respectfully,

Handwritten signature of Angela Williams in cursive script.  
Angela Williams  
Environmental Services Manager

**EXHIBIT 2: CLIENT LIST**

- Aerojet General Corporation
- Alameda County Clean Water Program
- Alameda County Waste Management Authority
- Alameda County Water District
- Amador Water Agency
- Bay Area Water Supply & Conservation Agency
- Bear Creek Valley Sanitary
- CSU, Monterey Bay
- California Water Service Company
- CalRecycle
- Carmichael Water District
- Castro Valley Sanitary District
- Central Contra Costa Sanitary District
- Central Contra Costa Solid Waste Authority (RecycleSmart)
- Chittenden Solid Waste District
- City of Adelanto
- City of Alameda
- County of Alameda
- City of Albany
- City of Aliso Viejo
- City of Anaheim
- City of Antioch
- City of Arcadia
- City of Ashland
- City of Atherton
- City of Atwater
- City of Azusa
- City of Bakersfield
- City of Barstow
- City of Bell Gardens
- City of Bellflower
- City of Belmont
- City of Belvedere
- City of Benicia
- City of Berkeley
- City of Beverly Hills
- City of Brea
- City of Brentwood
- City of Burbank
- City of Burlingame
- City of Calabasas
- City of California City
- City of Camarillo
- City of Campbell
- City of Canyon Lake
- City of Carlsbad
- City of Carmel-by-the-Sea
- City of Carpentaria
- City of Carson
- City of Carson City, Nevada
- City of Cerritos
- City of Chandler
- City of Chino
- City of Chula Vista
- City of Clovis
- City of Compton
- City of Concord
- County of Contra Costa
- City of Corte Madera
- City of Cotati
- City of Covina
- City of Cudahy
- City of Cupertino
- City of Daly City
- City of Dana Point
- City of Davis
- City of Del Mar
- City of Diamond Bar
- City of Downey
- City of Dublin
- City of East Palo Alto
- City of El Centro
- City of El Cerrito
- County of El Dorado
- City of El Monte
- City of Elk Grove
- City of Emeryville
- City of Encinitas
- City of Eugene
- City of Fair Oaks
- Town of Fairfax
- City of Fairfield
- City of Fillmore
- City of Florence
- City of Folsom
- City of Fort Bragg
- City of Fort Collins, CO
- City of Fortuna
- City of Foster City

Proposal to Provide Solid Waste Consulting Services

City of Fremont	City of Long Beach
City of Fresno	City of Los Alamitos
County of Fresno	City of Los Altos
City of Fullerton	Town of Los Altos Hills
City of Galt	City of Los Angeles
City of Garden Grove	County of Los Angeles
City of Gilroy	City of Los Banos
City of Glendale, Arizona	Town of Los Gatos
City of Glendale, California	City of Lynwood
City of Glendora	City of Manhattan Beach
City of Goodyear	City of Manteca
City of Granada	County of Marin
City of Gridley	City of Marina
City of Guadalupe	City of Martinez
City of Hawthorne	County of Mariposa
City of Hayward	City of Menlo Park
City of Healdsburg	County of Mendocino
City of Hercules	County of Merced
City of Hermosa Beach	City of Mesa
City of Hesperia	City of Mill Valley
Town of Hillsborough	City of Millbrae
City of Hollywood	City of Milpitas
County of Humboldt	City of Mission Viejo
City of Huntington Park	City of Modesto
City of Imperial Beach	County of Mono
City of Indian Wells	City of Monrovia
City of Indio	City of Montclair
City of Inglewood	City of Monte Sereno
City of Irvine	City of Monterey Park
City of Kensington	City of Morgan Hill
County of Kern	City of Mountain View
City of La Canada-Flintridge	City of Murrieta
City of La Habra	City of Napa
City of La Palma	County of Napa
City of La Puente	County of Nevada, CA
City of La Quinta	City of Newark
City of La Verne	City of Newport Beach
City of Laguna Beach	City of Newport, OR
City of Laguna Niguel	County of North San Diego
City of Lake Forest	City of Northridge
City of Lancaster	City of Norwalk
City of Larkspur	City of Oakland
City of Lathrop	Oakwood Lake Water District
City of Lawndale	City of Oceanside
City of Lincoln	City of Ogden, UT
City of Litchfield Park, AZ	City of Ojai
City of Livermore	Town of Old Sacramento
City of Lodi	City of Ontario
City of Lompoc	City of Orange

Proposal to Provide Solid Waste Consulting Services

County of Orange	City of San Clemente
City of Oroville	City of San Diego
City of Oxnard	County of San Diego
City of Pacific Grove	City of San Fernando
City of Pacifica	City of San Francisco
City of Palm Desert	County of San Joaquin
City of Palm Springs	City of San Jose
City of Palmdale	City of San Juan Capistrano
City of Palo Alto	City of San Leandro
City of Palos Verdes Estates	City of San Luis Obispo
Town of Paradise	County of San Luis Obispo
City of Paramount	City of San Mateo
City of Pasadena	County of San Mateo
City of Paso Robles	City of San Pablo
City of Peoria, AZ	City of San Rafael
City of Petaluma	City of San Ramon
City of Pico Rivera	City of Sand City
City of Piedmont	City of Sandy
City of Pinole	City of Sanger
City of Pittsburg	City of Santa Ana
City of Placentia	City of Santa Barbara
City of Pleasanton	County of Santa Barbara
City of Pomona	City of Santa Clarita
City of Port Hueneme	City of Santa Cruz
City of Portland	County of Santa Cruz
City of Portola Valley	City of Santa Monica
City of Poway	City of Santa Paula
City of Rancho Cordova	City of Santa Rosa
City of Rancho Cucamonga	City of Santa Ynez
City of Rancho Palos Verdes	City of Santee
City of Rancho Santa Margarita	City of Saratoga
City of Redondo Beach	City of Sausalito
City of Redwood City	City of Seal Beach
City of Reedley	City of Seaside
City of Ridgecrest	City of Seattle
City of Rio Vista	City of Sebastopol
City of Riverside	City of Sedona, AZ
County of Riverside	City of Selma
City of Rohnert Park	County of Sonoma
City of Roseville	City of South Gate
City of Sacramento	City of South San Francisco
County of Sacramento	City of Stockton
City of Saginaw	City of Sunnyvale
Town of San Anselmo	County of Sutter
City of San Bernardino	Town of Tiburon
County of San Bernardino	City of Temecula
City of San Bruno	City of Thousand Oaks
City of San Buenaventura	City of Torrance
City of San Carlos	City of Tracy

## Proposal to Provide Solid Waste Consulting Services

Town of Truckee	Greater Vancouver Water District
County of Tulare	Groveland Community Services District
City of Tustin	Hayward Area Recreation District
City of Ukiah	Humboldt Waste Management Authority
City of Union City	Irish Beach Water District
City of Upland	Josephine County/Grants Pass SWA
City of Vacaville	Kensington Police Protection
City of Vallejo	Lake County / City Area Planning Council
City of Vancouver, WA	Lane County Waste Management
County of Ventura	Las Gallinas Valley Sanitary District
City of Vernon	Los Angeles County Sanitation District
City of Victorville	Los Angeles Department of Water & Power
City of Visalia	Los Trancos County Water District
City of Walnut Creek	Lukins Brothers Water Company
City of Watsonville	Malaga County Water District
City of West Hollywood	Marin County Community Development Agency
City of West Linn, OR	Marin Municipal Water District
City of Whittier	Mendocino Solid Waste Management Authority
City of Willits	Metropolitan Water District
Town of Windsor	Monterey Regional Waste Management District
City of Winters	Mountain View Sanitary District
City of West Sacramento	Municipality of Anchorage
City of Woodland	National Association of Theatre Owners
County of Yolo	Natural Resources Defense Council
City of Yorba Linda	North American Development Bank
City of Yountville	North Coast County Water District
County of Yuba	Novato Sanitary District
Town of Yucca Valley	Olivenhain Municipal Water District
Clackamas County Sunnybrook Service Ctr.	Oro Loma Sanitary District
Coachella Valley Association of Gov.	Pebble Beach Community Services District
Coastside County Water District	Placer County Water Agency
Contra Costa Water District	Riverside County Waste Resource Management District
Costa Mesa Sanitary District	Ross Valley Sanitary District
Delta Diablo Sanitation District	Sacramento Regional Solid Waste Authority
DERWA (DSRSD-EBMUD Recycled Water Authority)	San Francisquito Creek JPA
Disneyland Resort	San Gabriel Valley Council of Governments
Dublin San Ramon Services District	San Juan Water District
East Bay Municipal Utilities District	Sanitary District No. 5 of Marin County
East Palo Alto Sanitation District	Santa Anita Associates, LLC
Fairfield-Suisun Sewer District	
Fred Hutchinson Cancer Research Center	
Fremont Unified School District	
G.L. Mezzetta	
Glenn County Public Works	
Golden Hills Community Services District	



Santa Clara Valley Water District  
Santa Margarita Water District  
Sausalito-Marín City Sanitary District  
Scotts Valley Water District  
Sharon Heights Golf & Country Club  
Silicon Valley Animal Control Authority  
Solano Irrigation District  
Sonoma County Water Agency  
South Bayside Waste Mgmt. Authority  
South Coast Water District  
South County Fire  
South El Monte Joint Defense Group  
Southeast Water Coalition JPA  
Stanford University  
Stanislaus County  
Superior Court Orange County  
SWANA  
Tamalpais Community Services District  
The Presidio Trust  
The Santaluz Club  
The State Bar of California  
Union Sanitary District  
United Water Conservation District  
University Enterprises (CSU System)  
University of California Berkeley  
Veterans Home Administration  
Waterworks Technologies, Inc.  
West Bay Sanitary District  
West Contra Costa Integrated Waste  
Management Authority  
West Contra Costa Unified School  
District  
West Valley Solid Waste Management  
Authority  
Westborough Water District  
Western Hills Water District  
Western Municipal Water District  
Western Riverside Council of  
Government

**FEE ESTIMATE**

*Our consulting costs are summarized below. In most of the contracting processes we have conducted for other cities, the contractor is required to reimburse the City for its consulting costs.*

**Billing, Personnel Hourly Rates, and Expense Costs for Both Negotiations and Competitive RFP Process**

HF&H will bill you once per month based on the number of hours worked multiplied by our hourly billing rates, plus expenses incurred. Payment is due within 30 days of invoicing.

Hourly rates through December 31, 2021 for professional and administrative personnel are listed below. Rates will adjust each January 1 by 2.5%.

<u>Position</u>	<u>Rate</u>
President/Senior Vice President	\$299
Senior Project Manager	\$260 - \$285
Senior Associate/Project Manager	\$199 - \$235
Associate Analyst	\$159 - \$165
Assistant Analyst	\$120 - \$160
Administrative Staff	\$100 - \$120

Expenses will be billed as follows:

Automobile Travel	Prevailing IRS mileage rate
Postage, Overnight Mail and Couriers	Actual

**Fee Estimate – Contract Negotiations**

We will perform the solid waste agreement negotiations scope of work submitted to the City of South Gate on February 25, 2019, based on time and materials, not to exceed \$89,000 without prior written City authorization. Our actual costs could be higher or lower than this amount, depending on the complexity of issues raised by the contractor, the number of negotiation sessions required, and other factors that cannot be precisely estimated in advance

The work plan itemizes hours by task and staff classification. Hours may be shifted among tasks.

**Contract Negotiation Work Plan**

Task Description	Sr. Vice President	Sr. Project Manager	Staff	Total Hours
<b>1 Develop New Contract Provisions and Prepare Updated Agreement</b>				
A. Draft franchise agreement	20	40	16	76
B. Revise documents once after review by City Attorney and other City staff	8	16	4	28
<b>Subtotal: Task 1 Hours</b>	<b>28</b>	<b>56</b>	<b>20</b>	<b>104</b>
<b>2 Negotiate Rates, Terms and Conditions of Desired Services</b>				
A. Meet and negotiate with Waste Management and advise City as to value and reasonableness of requested contract changes and proposed rates	22	42	-	64
B. Analyze proposed rates and document negotiated deal points	12	16	16	44
<b>Subtotal: Task 2 Hours</b>	<b>34</b>	<b>58</b>	<b>16</b>	<b>108</b>
<b>3 Gather and Review Hauler Operating Data to Evaluate the Reasonableness of Proposed Rates</b>				
A. Gather operating data	8	8	14	30
B. Review Waste Management's operating data and evaluate the reasonableness of proposed rates	20	20	16	56
<b>Subtotal: Task 3 Hours</b>	<b>28</b>	<b>28</b>	<b>30</b>	<b>86</b>
<b>4 Prepare Negotiated Agreement</b>				
A. Update draft agreement, provide to City staff and City Attorney for review and make one-set of revisions	8	16	8	32
<b>Subtotal: Task 4 Hours</b>	<b>8</b>	<b>16</b>	<b>8</b>	<b>32</b>
<b>5 Attend City Council Meeting</b>				
A. Prepare for and attend Council meeting for approval of final agreement	8	8	4	20
<b>Subtotal: Task 5 Hours</b>	<b>8</b>	<b>8</b>	<b>4</b>	<b>20</b>
<b>Total Hours</b>	<b>106</b>	<b>166</b>	<b>78</b>	<b>350</b>
<b>Hourly Rate</b>	<b>\$ 299</b>	<b>\$ 269</b>	<b>\$ 160</b>	
<b>Subtotal</b>	<b>\$ 31,694</b>	<b>\$ 44,654</b>	<b>\$ 12,480</b>	<b>\$ 88,828</b>
<b>Expenses</b>				<b>\$ 172</b>
<b>Total Fees and Expenses</b>				<b>\$ 89,000</b>

### **Fee Estimate – Competitive RFP Process**

We will perform the scope of work for the competitive procurement submitted to the City of South Gate on February 25, 2019, based on time and materials. The estimated total budget is \$150,000. Our actual costs could be higher or lower than this amount, depending on the complexity of the City's contracting process, the number of proposals to be evaluated, the number of negotiation sessions required, and other factors that cannot be precisely estimated in advance.

The proposed work plan includes preparation of an integrated residential and commercial RFP, gathering operating data, soliciting proposals, conducting a pre-proposal conference, evaluating up to four proposals, participating in the negotiation sessions identified in the work plan, and finalizing an agreement with one proposer. Should more than four proposals be submitted, we estimate that the budget will increase by \$5,900 per proposal. If agreements are finalized with more than one proposer, our cost will increase by \$6,500 for each additional agreement.

The work plan on the next page itemizes hours by task and staff classification. Hours may be shifted among tasks and staff.

**Solid Waste Agreement Competitive Procurement Work Plan**

Task Description	Sr. Vice President/President	Sr. Project Manager	Staff	Total Hours/Fees
<b>1. Gather and Review Operating Data</b>				
A. Develop data collection forms, and excel worksheets to document the data submitted by City and Waste Management	8	8	14	30
<b>Subtotal: Task 1 Hours</b>	<b>8</b>	<b>8</b>	<b>14</b>	<b>30</b>
<b>2. Prepare and Issue Request for Proposals</b>				
A. Prepare service specifications, draft RFP and agreement	20	80	24	124
B. Revise documents after review by City Attorney, other City staff, and potential proposers	8	16	-	24
C. Attend Council meeting to approve RFP package	5	5	-	10
D. Prepare for and attend proposers' conference	8	8	-	16
E. Prepare addenda	6	26	2	34
<b>Subtotal: Task 2 Hours</b>	<b>47</b>	<b>135</b>	<b>26</b>	<b>208</b>
<b>3. Review and Evaluate Proposals</b>				
A. Review proposals for completeness	-	8	-	8
B. Evaluate complete proposals (maximum of four)	12	24	40	76
C. Prepare follow-up questions for proposers	6	8	-	14
D. Review responses and clarify unresolved issues	12	12	4	28
E. Discuss preliminary evaluation with City staff	6	6	-	12
F. Interview proposers	16	16	-	32
G. Contact references for recommended proposer	1	2	8	11
H. Prepare evaluation report, review with City staff and present to City Council	22	40	8	70
<b>Subtotal: Task 3 Hours</b>	<b>75</b>	<b>116</b>	<b>60</b>	<b>251</b>
<b>4. Negotiate Final Agreement and Prepare a New Agreement</b>				
A. Prepare for and participate in negotiating session	20	24	-	44
B. Prepare revised portions of Agreement	8	30	-	38
C. Attend Council meeting for approval of final agreement	4	4	-	8
<b>Subtotal: Task 4 Hours</b>	<b>32</b>	<b>58</b>	<b>-</b>	<b>90</b>
<b>Total Hours</b>	<b>162</b>	<b>317</b>	<b>100</b>	<b>579</b>
<b>Hourly Rate</b>	<b>\$ 299</b>	<b>\$ 269</b>	<b>\$ 160</b>	
<b>Subtotal</b>	<b>\$ 48,438</b>	<b>\$ 85,273</b>	<b>\$ 16,000</b>	<b>\$ 149,711</b>
<b>Expenses</b>				<b>\$ 289</b>
<b>Total Fees and Expenses</b>				<b>\$ 150,000</b>

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

This Agreement for Commercial/Industrial and Residential Refuse Collection and Recycling Services (hereinafter, the "Agreement"), is entered into and executed as of January 25, 2011, and effective as of the 25 day of January, 2011, by and between the CITY OF SOUTH GATE (hereinafter, the "City"), a municipal corporation, organized and existing under the laws of the State of California, and USA WASTE OF CALIFORNIA, INC dba WASTE MANAGEMENT OF LOS ANGELES, a Delaware Corporation (hereinafter, the "Contractor").

**RECITALS:**

This Agreement is entered into on the basis of the following facts, understandings and intentions of the parties:

**WHEREAS**, the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 (Public Resources Code Section 49100, et seq.; hereinafter the "Act") established a solid waste management process that requires cities and other local jurisdictions to implement source reduction, reuse, and recycling as integrated waste management practices; and

**WHEREAS**, pursuant to Chapter 13.100 and Section 40059(a) of the Public Resources Code, the City is authorized to enter into an exclusive agreement for the collection and disposal of solid waste; and

**WHEREAS**, the Contractor and City entered into that certain agreement entitled Franchise Agreement between the City of South Gate and USA Waste of California, Inc. for Commercial/Industrial and Residential Refuse Collection and Recycling Services; ("Prior Agreement"), dated May 10, 2005; and

**WHEREAS**, the City and the Contractor are mindful of the provisions of the laws governing the safe collection, transport, recycling and disposal of solid waste, including the Act, Resource Conservation and Recovery Act ("RCRA"), and Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"); and

**WHEREAS**, there are no places within the limits of the City where landfills are located, or that are suitable for the siting of a landfill, and solid waste must, therefore, be exported from the City; and

**WHEREAS**, the Contractor has represented and warranted to City that it has the experience, responsibility, and qualifications to provide collection of solid waste (including green waste) and recyclables, and to arrange with residents and other entities in the City for the collection, safe transport, processing and disposal of solid waste and recyclables in compliance with applicable laws;

**WHEREAS**, the City is participant in the Los Angeles Integrated Waste Management Authority ("LARA"), for the purpose of assisting to meet its diversion obligations under AB 939; and

**WHEREAS**, the Contractor and the City desire to renew their arrangements to provide solid waste handling services and to modify the terms and conditions of the Prior Agreement as set forth in this Agreement; and

**WHEREAS**, this Agreement is intended to replace and supersede the Prior Agreement in its entirety, except for Contractor's indemnification of the City arising from matters occurring prior to the effective date of this Agreement.

**WHEREAS**, in accordance with California Public Resources Code Section 40059(a)(2), the City has determined that the public health, safety, and well-being require that an exclusive franchise be awarded to a qualified company for the collection, transportation, recycling, processing, and disposal of solid waste, and for other services related to meeting the diversion goals of AB 939 and other requirements of the California Integrated Waste Management Act.

**NOW, THEREFORE**, for good and valuable consideration, the receipt of which is acknowledged, the parties agree as follows:

1. **DEFINITIONS.** Whenever any term used in this Agreement has been defined by Chapter 13.100 of the South Gate Municipal Code or Division 30, Part 1, Chapter 2 of the California Public Resources Code, the definitions in Chapter 13.100 or the Public Resources Code shall apply unless the term is otherwise defined in this Agreement.
  - 1.1. **AB939** means the California Integrated Waste Management Act of 1989, as amended (Public Resources Code §40000 et seq.), and implementing regulations of CalRecycle.
  - 1.2. **ACCOUNT** means premises located within the City receiving services pursuant to this Agreement, or the person arranging for services pursuant to this Agreement, as the case may be. The word "account" is used interchangeably with the terms "customer," "commercial/Industrial business owner," or "residential occupant" used in this Agreement.
  - 1.3. **ACTIVATION FEE** means a fee charged by Contractor to compensate if for expenses incurred in commencing services to a new commercial/industrial account, or where re-establishing service following a suspension of service due to non-payment. However, the activation fee will not apply to existing commercial/industrial accounts that move to a new business location within the City.
  - 1.4. **AGREEMENT** means this Amended and Restated Solid Waste Franchise Agreement between the City and Contractor, including all exhibits and attachments, and any amendments.

- 1.5. **APPLICABLE LAW** means RCRA, CEQA, any legal entitlement and any other law, ordinance, rule, regulation, requirement, guideline, permit, action, determination or order of any governmental entity having jurisdiction, applicable from time to time to the siting, design, permitting, acquisition, construction, equipping, financing, ownership, possession, management, operation or maintenance of facilities used for the collection, handling, transportation or disposal of solid waste, green waste, recyclable materials, or construction and demolition waste, or any other transaction or matter contemplated herein (including any of the foregoing which concern health, safety, fire, environmental protection, labor relations, building codes, non-discrimination and the payment of minimum wages). Applicable Law includes Health & Safety Code, Division 25.5, known as the Global Warming Solutions Act of 2006.
- 1.6. **BAGSTER® BAG** means a soft-sided polypropylene Container that can hold up to 3,000 pounds of Solid Waste, is purchased by the customer at a local hardware or home supply store by the customer, and is collected by Contractor using a special vehicle with an overhead crane.
- 1.7. **BAGSTER® SERVICE** means a method for residential or commercial/industrial customers to arrange for collection of solid waste as an alternative to temporary bin or roll-off service, using a Bagster® bag. Contractor will provide for collection/processing of the Bagster® bag. Bagster® Service is considered a temporary service, and will be charged as a service fee.
- 1.8. **BIN** means a metal or rigid plastic container with a capacity of one to eight cubic yards, having a hinged lid and wheels, which is serviced by a front-end loading truck.
- 1.9. **BIN SERVICE** means collection services provided to accounts using bins provided by Contractor. Bin service may be provided to either residential premises or commercial/industrial premises on a permanent or temporary basis.
- 1.10. **BIOHAZARDOUS WASTE** means those materials defined as "biohazardous waste" in Health and Safety Code §117635.
- 1.11. **BULKY ITEMS** means discarded furniture (including but not limited to chairs, sofas, mattresses, and rugs); appliances (including but not limited to refrigerators, ranges, washers, dryers, water heaters, dishwashers, plumbing, small household appliances, and other similar items, commonly known as "white goods"); discarded stereos, televisions, computers, VCR's, and other similar items (commonly known as "e-waste"); wood waste, tree trunks, and large branches if more than six inches in diameter or four feet in length, scrap wood, rocks, sod and earth. Bulky items do not include construction and demolition waste, or large items such as car bodies, Jacuzzi tubs or spas, or any other items that exceed eight (8) feet in length, four (4) feet in width, weigh more than 250 pounds, or cannot be handled by two persons. Bulky items do not include waste tires or hazardous waste.



- 1.12. CALRECYCLE means the California Department of Resources Recycling and Recovery, or any successor agency.
- 1.13. CART means a plastic container with a capacity of approximately 64 to 101 gallons, having a hinged lid and wheels, which is serviced by an automated side-loading truck.
- 1.14. CART SERVICE means collection services provided to accounts using carts provided by Contractor. Cart service may be provided to either residential premises or commercial/industrial premises on a permanent basis.
- 1.15. CITY means the City of South Gate.
- 1.16. CITY COUNCIL means the South Gate City Council.
- 1.17. CITY MANAGER means the City Manager of the City of South Gate or such officer's designee.
- 1.18. COLLECTION means the operation of gathering together and transporting to the point of disposal or processing, all solid waste, green waste, recyclable materials or construction and demolition waste.
- 1.19. COMMERCIAL BUSINESS OWNER means any individual proprietor, person, firm, partnership, corporation or other entity holding or occupying, singly or with others, commercial/industrial premises, whether or not the holder of the title or owner of record of the commercial/industrial premises.
- 1.20. COMMERCIAL/INDUSTRIAL PREMISES means all occupied real property in the City, other than residential premises, and shall include, without limitation, wholesale and retail establishments, restaurants and other food establishments, bars, stores, shops, offices, industrial establishments, manufacturing establishments, service stations, repair, research and development establishments, professional, services, sports or recreational facilities, construction and demolition sites and any other commercial or industrial business facilities, structures, sites, or establishments in the City.
- 1.21. CONSTRUCTION AND DEMOLITION WASTE means used or discarded construction materials removed from premises during the construction, renovation or demolition of a structure or premises, including rocks, soil, tree remains, and other green waste which normally results from land clearing or land development operations.
- 1.22. CONTAMINATION FEE means an amount charged by Contractor to commercial/industrial accounts to recover its costs for separating solid waste placed in recyclable materials or green waste containers, or for arranging special, unscheduled solid waste collections, due to placement of solid waste in a recyclable materials container by a commercial account.
- 1.23. CONTRACTOR means USA Waste of California, Inc., a Delaware corporation.

- 1.24. **CONTRACTOR'S MATERIAL RECOVERY FACILITY** means the South Gate Transfer Station/MRF, located at 4489 Ardine Street, South Gate, California.
- 1.25. **DISPOSAL** means the entire operation of treating and disposing of accumulations of refuse and of the product or residue resulting from such treatment.
- 1.26. **EFFECTIVE DATE** means the Effective Date of this Agreement, which is January 25, 2011.
- 1.27. **E-WASTE** means discarded stereos, televisions, computers, VCR's, and other similar items, including but not limited to any "covered electronic device" as defined in Public Resources Code §42463(f).
- 1.28. **FOOD WASTE** means solid waste comprised of animal, fruit or vegetable matter that attends the preparation, consumption, decay, dealing in or storage of meats, fish, fowls, fruits or vegetables.
- 1.29. **FORCE MAJEURE** means a delay or failure in performance of duties under this Agreement by circumstances beyond the affected party's control, whether or not foreseeable, including, without limitation, acts of terrorism, acts of God, landslides, lightning, forest fires, storms, floods, severe weather, freezing, earthquakes, other natural disasters, the threat of such natural disasters, pandemics (or threat of same), quarantines, civil disturbances, acts of the public enemy, wars, blockades, public riots, strikes, lockouts, or other labor disturbances, acts of government or governmental restraint. A force majeure event may also arise from other causes, whether of the kind enumerated or otherwise, that are not reasonably within the control of the affected party.
- 1.30. **GREEN WASTE** means leaves, grass, weeds, and wood materials from trees and shrubs that fit within a cart, or tree trunks or limbs that are less than six inches in diameter or four feet in length. Materials not meeting these specifications are considered bulky items. Green waste does not include palm fronds.
- 1.31. **GROSS RECEIPTS** means any and all revenues, receipts or compensation in any form received by the Contractor from service recipients for providing service under this Agreement, and includes service fees. The term gross receipts, for purposes of this Agreement, shall not include special fees, revenues generated from the sale of recyclable materials (including Department of Conservation rebates), or other revenues from state and local government accounts.
- 1.32. **HAZARDOUS WASTE** means any waste materials or mixture of wastes defined as such pursuant to the Resource Conservation and Recovery Act, 42 USC Section 6901 et seq., as amended or the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 USC Section 9601 et seq., as amended. The term also means and includes any waste material defined as such by the California Environmental Protection Agency or CalRecycle, or either of them. Where there is a conflict in the definitions employed by two or more agencies having jurisdiction over hazardous or solid waste, the term "Hazardous Waste" shall be construed to have a broader, more

encompassing definition.

- 1.33. HOLIDAY means New Year's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; and Christmas Day. "Holiday" shall also mean any-other day designated as such in a contract between Contractor and the labor union serving as the exclusive representative of Contractor's employees, provided such holiday is established or recognized by resolution of the City Council.
- 1.34. LARA means the Los Angeles Area Integrated Waste Management Authority, a Regional Agency established for implementing and meeting the requirements of Public Resources Code, Division 30, Part 2.
- 1.35. LATE FEE means reasonable amounts charged by Contractor to reimburse it for administrative costs arising from payment delinquency, including the cost of notices and adjustments to its accounting records, and may include a fixed fee, interest on past due amounts, or NSF fees.
- 1.36. MATERIAL RECOVERY FACILITY means a permitted solid waste facility, including Contractor's material recovery facility, where solid waste, green waste or recyclable materials is sorted, separated or processed for the purposes of waste diversion.
- 1.37. MULTIPLE-UNIT RESIDENTIAL PREMISES mean a residential premises with five (5) or more attached units.
- 1.38. MUNICIPAL CODE means the Municipal Code of the City of South Gate as it presently exists or may subsequently be amended.
- 1.39. OVERAGE FEE means a fee charged by Contractor to commercial/industrial premises and multi-family residential premises receiving bin service to compensate it for its reasonable expenses in documenting and cleaning up litter and debris arising from overfilling of Containers by an account.
- 1.40. PREMISES means any land, building or structure in the City where solid waste, recyclable material, green waste or construction and demolition waste is generated or accumulated.
- 1.41. PRIOR AGREEMENT means the Franchise Agreement between the City of South Gate and USA Waste of California, Inc. for Commercial/Industrial and Residential Refuse Collection and Recycling Services, dated May 10, 2005.
- 1.42. RECYCLABLE MATERIALS means any material or materials generated on or emanating from residential, or commercial/industrial accounts that is no longer wanted and which is collected, transported and reused or processed into a form suitable for reuse through reprocessing or remanufacture, consistent with the requirements of AB 939, including paper, glass, cardboard, plastics, ferrous metal, aluminum, styrofoam, or other materials as determined from time to time by mutual agreement between City,

Contractor, or an account.

- 1.43. **RESIDENTIAL OCCUPANT** means any person holding and occupying residential premises, whether or not the owner, singly or in combination with other persons, within the boundaries of the City.
- 1.44. **RESIDENTIAL PREMISES** shall mean any single-unit or multiple-unit residential dwelling unit in the City receiving cart service. Multiple unit residential complexes not utilizing cart service shall be included within the definition of commercial/industrial premises.
- 1.45. **ROLL-OFF BOX** means an open-top metal container or closed compactor box with a capacity of 10 to 40 cubic yards that may be provided by either the account or Contractor, which is serviced by a roll-off truck.
- 1.46. **ROLL-OFF SERVICE** means collection, transportation, recycling, processing and disposal services that are provided using a roll-off box. Roll-off service may be provided to either residential premises, industrial premises, or commercial premises on a permanent or temporary basis.
- 1.47. **ROLL-OUT SERVICE** means a service provided to commercial/industrial accounts where Contractor's driver must dismount the collection vehicle and move one (1) or more bins in order to accomplish collection using the standard collection Vehicle.
- 1.48. **SCOUT SERVICE** means a service provided to commercial/industrial accounts where a smaller truck is required to move one (1) or more bins to a location where collection can be accomplished using the standard collection vehicle.
- 1.49. **SERVICE FEES** means a charge for services other than collection provided by Contractor under this Agreement. Examples include fees for service initiation, supplying additional carts, back yard collection, extra collections, scout service, bin roll-out service, Bagster® Service, and special waste collections.
- 1.50. **SINGLE-UNIT RESIDENTIAL PREMISES** mean a residential premises which is separate, or having less than five (5) attached units.
- 1.51. **SOLID WASTE** means "solid waste" as defined in Public Resources Code §40191, including putrescible and non-putrescible refuse, special waste, and construction and demolition waste. For purposes of this Agreement, "solid waste" includes green waste, food waste, construction and demolition waste, and recyclable materials.
- 1.52. **SPECIAL FEES** means a charge imposed by Contractor in response to improper actions by accounts, including fees for contamination, cleanup, cart or bin repair or replacement arising from damage caused by the account, late payment, or interest, or a charge for special services where a rate is not provided in Exhibit A.

- 1.53. SPECIAL WASTE means solid waste generated by a commercial/industrial premises that is a "designated waste" under applicable law, is required to be accompanied by a written manifest or shipping document describing the waste under applicable law, or requires special handling at any processing facility or disposal site.
- 1.54. TEMPORARY SERVICE means bin service, roll-off service or Bagster® Service provided to premises on a temporary, as-needed basis, such that no container remains on the premises or a service location on a premises for more than thirty (30) days at a time, or for more than sixty (60) days of any ninety (90) day period.
- 1.55. UNIVERSAL WASTE means all waste defined by Title 22, Subsections 66273.1 through 66273 of the California Code of Regulations, which typically include batteries, fluorescent tubes, and compact fluorescent bulbs.

## 2. SERVICES.

- 2.1. Contractor is hereby granted the exclusive right and privilege to collect, transport, recycle and dispose of all solid waste (which includes recyclable material, green waste, food waste, and construction and demolition waste) generated at all premises now existing or hereafter constructed within the City during the term of this Agreement.
- 2.2. During the term of this Agreement, except as otherwise provided in Section 2.4, or as may otherwise be provided by federal or state law, the rights granted to Contractor under this Agreement will be exclusive to Contractor. The City will, where reasonable, protect Contractor's exclusive rights by considering the adoption of appropriate ordinances. In addition, the City authorizes Contractor to take administrative or legal action against any person who infringes on Contractor's exclusive rights, at no cost to the City.
- 2.3. The City agrees not to enter into any contract with any other person, firm or organization for the performance of the services required to be performed by Contractor except, in the event Contractor fails, refuses or neglects to uphold the terms of this Agreement in material breach thereof, the City may cause fulfillment of this Agreement by other methods or contractors.
- 2.4. The franchise granted to Contractor is exclusive, except for the categories of solid waste listed below. The granting of this franchise does not preclude the categories of solid waste listed below from being delivered to, collected, and transported by others, provided that no person is excused from obtaining from the City any authorization that is required by law.
  - 2.4.1. Recyclable material that an account sells to, or otherwise receives compensation from, other persons in a manner resulting in a net payment to the account after consideration of collection, handling, or processing costs.
  - 2.4.2. Recyclable material donated to youth, civic, or charitable organizations.

- 2.4.3. Containers delivered for recycling under the California Beverage Container Recycling Litter Reduction Act, Sections 14500, et seq., California Public Resources Code.
  - 2.4.4. Green waste removed from premises by a gardening, landscaping, or tree trimming company using its own equipment and employees as an incidental part of a total service offered by the company, as opposed to a hauling service.
  - 2.4.5. Construction and demolition waste that is incidentally removed by a duly licensed construction or demolition company, as part of a total service offered by such licensed company using its own equipment and employees.
  - 2.4.6. Animal waste and remains from any slaughterhouse or butcher shop.
  - 2.4.7. Grease and animal remains generated from food service providers.
  - 2.4.8. Dead animals.
  - 2.4.9. Agricultural waste, such as manure or bedding from poultry yards or stables.
  - 2.4.10. Waste tires.
  - 2.4.11. By-products of sewage treatment, including sludge, sludge ash, grit and screenings.
  - 2.4.12. Hazardous waste, biohazardous waste, universal waste or hazardous substances, regardless of its source.
  - 2.4.13. The casual or emergency collection, removal, disposal, or diversion of solid waste by the City through its officers or employees in the normal course of their employment.
- 2.5. Changes in Service. The City may direct Contractor to perform additional services or to modify the manner in which it performs existing services or bills for services. Pilot programs and innovative services that may entail new collection methods, different kinds of services or new requirements for customers, and alternative rate structures are included among the kinds of changes that the City may direct. Examples of additional services include collection of additional kinds of recyclable material, or implementation of new diversion programs such as a transit stop collection program. Contractor will be entitled to an adjustment to the rate to reimburse its increased costs, if any, for providing those additional or modified services, in accordance with Section 18.5.4 of this Agreement.
- 2.6. Delegation of Authority. The administration of this agreement shall be under the supervision of the City Manager, and the actions specified herein shall be taken by the City Manager unless otherwise stated or specified.

- 2.7. Incorporation by Reference. The South Gate Municipal Code, as it currently exists or may be amended, is hereby incorporated and made a part of this Agreement as though set forth in full herein. In the event of any conflict between this Agreement and the Municipal Code, the terms of this Agreement will prevail.
- 2.8. Ownership of Solid Waste. Except as otherwise provided in state law with respect to recyclable material, ownership and the right to possession of materials will transfer directly from the account to Contractor at the time of collection. Contractor has the right to retain, recycle, process, sell, dispose of or reuse, and otherwise use that solid waste, green waste, recyclable materials, or construction and demolition waste, or any part thereof, in any lawful fashion or for any lawful purpose. Contractor has the right to retain any benefit resulting from its right to retain, recycle, process, sell, dispose of, or reuse the solid waste, green waste, recyclable material or construction and demolition waste that it collects, including any funds received directly or indirectly from any state or local agency, such as the CalRecycle recycling rebate.

3. REVENUE TO THE CITY.

3.1. Franchise Fee.

- 3.1.1. Contractor agrees to pay to the City a franchise fee of fifteen percent (15%) of Contractor's gross receipts collected for services provided hereunder to commercial/industrial premises, and twelve and 8/10<sup>ths</sup> percent (12.8%) of Contractor's gross receipts collected for services provided hereunder to residential premises.
- 3.1.2. The franchise fee arising from amounts collected from Contractor billings shall be payable monthly, on or before the 30<sup>th</sup> day of the month following the end of each preceding month. Each such payment shall be accompanied by an accounting in a form acceptable to the City Manager that sets forth Contractor's gross receipts for services collected during the preceding month from Contractor billings. Nothing herein shall excuse Contractor from paying City business license fees and other amounts required to be paid pursuant to City, State, or Federal law.
- 3.1.3. The Contractor's collection and payment of franchise fees to premises billed by Contractor, or the City's retention of franchise fee amounts from City billings to premises receiving service, shall not affect the amount of Contractor's compensation as determined in accordance with Section 18.

3.2. AB 939 Administrative Fee.

- 3.2.1. Contractor agrees to collect any AB 939 administrative fee adopted by City pursuant to California Public Resources Code Section 41901. Any fees collected pursuant to this Section shall be payable by Contractor to City concurrent with the payment of franchise fees. Contractor's collection and payment of such fees shall not affect the amount of Contractor's compensation as determined in accordance with Section 18.

- 3.2.2. In addition to the above, Contractor agrees to pay City one hundred forty thousand dollars (\$140,000.00) on each anniversary date, beginning on December 31, 2010 and continuing for the term of this Agreement. Contractor's collection and payment of this fee shall not affect the amount of Contractor's compensation as determined in accordance with Section 18.
- 3.3. Payment to City. No acceptance of any payment by City shall be construed as an accord that the amount is the correct amount, nor shall such acceptance of payment be construed as a release of any claim City may have against Contractor for any additional sums payable under the provisions of this Agreement. All amounts paid shall be subject to independent audit and recomputation by City. If, after audit, such recomputation indicates a franchise fee underpayment, Contractor shall pay to City the amount of the underpayment within ten (10) days of receipt of written notice from City that such is the case. If, after audit, such recomputation indicates a franchise fee underpayment of more than one percent (1%), Contractor shall reimburse City for all reasonable costs and expenses incurred in connection with the audit and recomputation, within ten days of receipt of written notice from City that such is the case. If, after audit, such recomputation indicates a franchise fee overpayment, City shall notify Contractor in writing of the amount of the overpayment, less costs and expenses incurred in connection with the audit and recomputation. Contractor may offset the payment or payments (as appropriate) next due following receipt of such notice by the amount specified therein.
- 3.4. New or Increased Fees. The City has the right to impose new fees of the provision of solid waste handling services, and to increase the amount or percentage of fees from those set forth above. In such event, Contractor shall receive an adjustment to the rates to fully compensate its increased costs, including, if applicable, a one-time rate adjustment to fully compensate where there is any delay between the effective date of the new or increased fee and the date on which it begins to receive increased compensation related to the new or increased fee. Contractor agrees to cooperate with City to adjust its invoices to customers to reflect any new or increased fee in the shortest period of time reasonably possible to minimize the need for a one-time rate adjustment.
- 3.5. Point of Sale. Contractor agrees to use commercially reasonable efforts to establish a point of sale for substantial equipment purchases by Contractor or its affiliates, through establishing a local office within the City and adjusting its purchasing policies for this purpose, so as to facilitate the City's receipt of sales tax revenue. Contractor's efforts will be undertaken in accordance with applicable law, and the parties agree that Contractor is not required to undertake any actions that could result in the imposition of fines, penalties or damages related to payment or non-payment of sales taxes, or the distribution of sales tax revenue.
4. TERM.
- 4.1. The initial term of this Agreement shall commence on the effective date and shall continue thereafter up to and including December 31, 2022, unless sooner terminated or extended pursuant to the provisions of this Agreement. The date of December 31 shall be



deemed to be the "anniversary date" of this Agreement. Thereafter, the term of this Agreement may be extended for two (2) additional terms of one (1) year each, upon mutual agreement of the parties. The parties agree to meet to discuss the potential extension of this Agreement not less than six (6) months prior to expiration of the initial term or any subsequent term.

4.2. On the effective date of this Agreement, the Prior Agreement is superseded in its entirety and is of no further force in effect, except for indemnity obligations arising under the Prior Agreement before the effective date of this Agreement. In addition, the parties acknowledge and agree that the Permit Fee Agreement between the City and Contractor, dated May 10, 2005, remains in full force and effect.

5. COMMERCIAL/INDUSTRIAL COLLECTION.

5.1. Solid Waste Bin and Cart Service. Contractor shall provide permanent and temporary bin service to commercial/industrial accounts. Contractor shall collect and remove all solid waste that is placed in bins from every commercial/industrial account receiving bin service, at least once every week or more frequently if required to handle the waste stream of the commercial or industrial premises. Contractor shall deliver and collect temporary bins at the direction of the account, and shall notify the City of all commercial/industrial temporary bin deliveries that are on the public right of way.

5.2. Solid Waste Roll-off Service.

5.2.1. Contractor shall provide permanent and temporary roll-off service to commercial/industrial accounts. Contractor shall collect and remove all solid waste that is placed in roll-off boxes from every commercial/industrial premises receiving roll-off service, at least once every week or more frequently if required to handle the waste stream of the commercial/industrial premises. Contractor shall deliver and collect temporary roll-off boxes at the direction of the account, and shall notify the City all commercial/industrial temporary roll-off box deliveries that are on the public right away.

5.2.2. Extra services, including container weight above five (5) tons, extra pickups, delivery charge, relocation of containers, trip charges where the account refuses service, use of compactors, and account-owned roll-off box hauling and disposal services, will be provided and shall be charged as service fees.

5.3. Solid Waste Cart Service.

5.3.1. Contractor shall provide permanent cart service to commercial/industrial accounts where appropriate, based on space limitations and the amount of solid waste generated. Contractor shall collect and remove all solid waste that is placed in carts from every commercial/industrial premises receiving cart service, at least once every week or more frequently if required to handle the waste stream of the commercial/industrial premises.

- 5.4. Bagster® Service. Contractor will provide Bagster® Service, consisting of collection of the Bagster® Bag and processing/disposal to all commercial/industrial accounts purchasing a Bagster® Bag and requesting collection.
- 5.5. Other Bin-Related Services. Contractor shall provide other services desired by commercial/industrial accounts, including push-out service, scout service, or use of containers with castors, hasps or locks. These services will be charged as a service fee.
- 5.6. Recyclable Material.
- 5.6.1. Contractor shall make available collection of recyclable material from commercial/industrial accounts requesting such service, using bins, roll-off boxes or carts, depending upon the account's needs.
- 5.6.2. Contractor shall collect and remove all recyclable material placed in containers from every commercial/industrial premises receiving recyclable material collection service at a frequency required to handle the materials generated by the commercial or industrial premises. Notwithstanding the above, any putrescible or degradable recyclable material shall be collected and removed from any commercial/industrial premises not less often than once per week.
- 5.6.3. During the first quarter of 2012, the City and Contractor agree to meet and confer, and to negotiate in good faith, to review commercial recycling efforts in the City, to establish rates for commercial recycling, and to implement new or enhanced programs for commercial recycling for the purpose of assuring the City's compliance with waste diversion requirements mandated by AB 939.
- 5.7. Commercial/Industrial Service Requirements.
- 5.7.1. Access to Containers. If, at the time of collection at a commercial/industrial account, the container is not accessible to the collection vehicle, Contractor shall notify the account by telephone of the situation and request that access be provided. If the account is unavailable or unable to provide prompt access to the container, Contractor shall provide pickup a later time, but may charge an extra pickup fee, which will be charged as a special fee.
- 5.7.2. Missed Pick-ups. In the event that Contractor fails to provide collection service to a commercial/industrial premises, where the containers had been timely and properly set out for collection, Contractor shall complete the collection from the commercial/industrial premises no later than the next business day following notification of the missed pickup.
- 5.7.3. Overfilling of Containers. Overfilling of solid waste containers by commercial/industrial premises is considered a significant concern to the City and Contractor, since it has the potential to create public health and safety hazards through, among other things, odors and attraction of vermin. Where Contractor identifies instances of overfilling of containers, it will document the overfilling

through the use of film or digital photography. Contractor may charge an overage fee for cleaning up the container area and placing overfilled material into the collection vehicle, which will be charged as a special fee. In addition, Contractor will present evidence of the overfilling to both the City and the commercial/industrial account. Where such evidence was presented to the commercial/industrial account, and Contractor documents another instance of overfilling within 1 year of such presentation, Contractor is authorized to deliver the next larger-sized container to the commercial/industrial premises, and to adjust the service rate to the rate in effect for the next larger-sized container.

- 5.7.4. Record of Non-Collection. When Contractor does not collect from a commercial/industrial premises, a tag shall be fastened to the container, which is the least 2-7/8", by 5-3/4" in size indicating the reason for non-collection. Reasons for non-collection may include the presence of hazardous waste, biohazardous waste, special waste (unless arrangements for the collection of this waste have been made with the customer), universal waste, or hazardous substances in the container, materials placed in plastic bags or otherwise not in the required containers, the commingling of recyclable material or green waste with solid waste, or overfilling of a roll-off box such that it would cause a violation of applicable weight restrictions. Contractor shall maintain a log containing the name and address of each commercial/industrial premises where solid waste is tagged and the date of such tagging. The log shall be maintained for inspection by the City, upon request. Where there have been three or more instances of non-collection at a commercial/industrial premises in any twelve (12) month period, Contractor may charge the commercial/industrial account a contamination fee, which will be charged as a special fee.
- 5.7.5. Spillage. Contractor shall remove any solid waste that is spilled or deposited on the ground as a result of the Contractor's emptying of the container, or other activities of the Contractor.
- 5.7.6. Special Circumstances. In cases where the needs of particular commercial/industrial business owners require collections at times, places or in a manner such that the Contractor is unable to perform such collections in the normal course of business, or where unusual frequencies of service are required or unusual quantities of solid waste or special types of material are to be collected and disposed of, or where special methods of handling or disposal are required, the commercial/industrial business owner may make independent arrangements with the Contractor on mutually agreeable terms. If the commercial/industrial business owner and the Contractor are unable to agree as to the methods and rates for the special service provided for herein, the City Manager may determine the rates and methods of service, and in the event the Contractor is unable or unwilling to provide such service, may authorize the commercial/industrial business owner to use another contractor (not affiliated with Contractor) for such special service until such time as the Contractor can provide such service in the normal course of the Contractor's business. In the event of unusual hardships, the City Manager shall be empowered to make special temporary rate adjustments to an individual commercial/industrial

account if it can be shown that the new rates identified in Exhibit A represent an increase of over fifty percent (50%) of what the commercial/industrial business owner was paying before the rate increase took effect for the same level of service. In determining the "over fifty-percent (50%)" increase, additional franchise fees or other charges imposed by the City over the fifteen-percent (15%) imposed under Section 3.1.1 of this Agreement shall not be included in the calculations. The Contractor will provide City with a list of customers receiving services under this provision, upon request.

5.7.7. Shared Bins. Contractor will undertake good faith efforts to assist the City's enforcement of requirements related to the use of shared bins, by establishing procedures to identify accounts with shared bin service.

## 6. RESIDENTIAL COLLECTION.

### 6.1. Solid Waste Cart Service.

6.1.1. Contractor shall collect solid waste delivered for collection at the curbside or in designated alley ways by single-unit residential premises, and multiple-unit residential premises receiving cart service, not less than once each calendar week. Contractor shall supply each premises with one solid waste cart of approximately 101 gallons, but may provide a smaller 64-gallon cart where required by space limitations at a premises or at the request of the customer.

6.1.2. Accounts may obtain additional solid waste carts from Contractor, which will be charged as a service fee.

### 6.2. Solid Waste Bin and Roll-off Service.

6.2.1. Contractor shall provide permanent solid waste bin service to multiple-unit residential premises, except where the premises requests cart service and both the City and Contractor approve the provision of cart service. Contractor shall also provide permanent solid waste bin service to single-unit residential premises where appropriate, based on the amount of solid waste generated, and both the City and Contractor approve the provision of bin service.

6.2.2. Contractor shall provide temporary bin service and roll-off service to residential accounts that request these services. Contractor shall deliver and collect temporary bins or roll-off boxes at the direction of the account, and shall notify the City all residential temporary bin or roll-off box deliveries that are on the public right away.

6.2.3. Other Bin-Related Services. Contractor shall provide other services desired by residential accounts, including push-out service, scout service, or use of containers with castors, hasps or locks. These services will be charged as a service fee.

6.2.4. Extra services related to temporary service, including container weight above three (3) tons, extra pickups, relocation of containers, or trip charges where the

account refuses service, will be provided and shall be charged as service fees.

6.3. Recyclable Material Cart Service.

6.3.1. Contractor shall provide weekly cart service for collection of recyclable material to single-unit residential premises, and multiple-unit residential premises receiving cart service, on the same day as solid waste collection. Contractor shall supply each premises with one recyclable materials cart of approximately 101 gallons, but may provide a smaller 64-gallon cart where required by space limitations at a premises or at the request of the customer.

6.3.2. Accounts may obtain additional recyclable material carts from Contractor at no additional charge.

6.4. Recyclable Material Collection For Multiple-Unit Residential Premises. Contractor shall make available recyclable material collection service to multiple-unit residential premises receiving bin service that request this service, using bins or carts as appropriate. Collection of recyclable materials shall occur at a frequency required to handle the materials generated by the multiple-unit residential premises. Any dispute regarding the type of recyclable material collection service to be provided shall be resolved by the City manager, whose decision is final.

6.5. Bagster® Service. Contractor will provide Bagster® Service, consisting of collection of the Bagster® Bag and processing/disposal to all residential accounts purchasing a Bagster® Bag and requesting collection.

6.6. Residential Service Requirements; Other Residential Services.

6.6.1. Collection Location. All carts will be serviced at curbside along a public street or in a designated alley way. Accounts will be responsible for placing the carts at the proper location for collection.

6.6.2. Overfilling of Containers. Overfilling of solid waste containers by multiple-unit residential premises receiving bin service is considered a significant concern to the City and Contractor, since it has the potential to create public health and safety hazards through, among other things, odors and attraction of vermin. Where Contractor identifies instances of overfilling of containers, it will document the overfilling through the use of film or digital photography. Contractor may charge an overage fee for cleaning up the container area and placing overfilled material into the collection vehicle, which will be charged as a special fee. In addition, Contractor will present evidence of the overfilling to both the City and the commercial/industrial account. Where such evidence was presented to the commercial/industrial account, and Contractor documents another instance of overfilling within 1 year of such presentation, Contractor is authorized to deliver the next larger-sized container to the commercial/industrial premises, and to adjust the service rate to the rate in effect for the next larger-sized container.

- 6.6.3. Record of Non- Collection. When Contractor does not collect from a residential premises, a tag shall be fastened to the container, which is the least 2-7/8", by 5-3/4" in size indicating the reason for non-collection. Reasons for non-collection may include the presence of hazardous waste, biohazardous waste, special waste, universal waste or hazardous substances in the container, materials placed in plastic bags or otherwise not in the required containers, placement of palm fronds or large tree trunks or limbs into the green waste cart, the commingling of recyclable material or green waste with solid waste, or the compacting of materials in such a manner that the contents of a container will not of their own weight fall out of the container when it is turned upside down. Contractor shall maintain a log containing the name and address of each account where solid waste is tagged and the date of such tagging. The log shall be maintained for inspection by representatives of the City upon request.
- 6.6.4. Missed Pick-ups. In the event that Contractor fails to provide collection service to a residential premises, where the containers had been timely and properly set out for collection, Contractor will complete the collection from the residential premises no later than the next business day following notification of the missed pickup.
- 6.6.5. Holiday Tree Collection Program. Contractor will collect holiday trees which are placed at the curbside at all residential premises on the first two scheduled collection days following December 25. In addition, Contractor shall accept holiday trees from any residential occupant at Contractor's material recovery facility for two weeks succeeding any December 25, at no charge to the customer. Contractor is not required to collect or accept artificial Christmas trees, trees containing decorations, ornaments, tinsel, debris, support stands or other foreign matter.
- 6.6.6. Sharps Mail-In Program. Contractor will provide a program for collection and safe processing of sharps generated at residential premises, through a mail-based program. Residential accounts requesting sharps services may apply to Contractor to receive this service, and sharps containers will be delivered directly to the residential account at no cost to the account.
- 6.6.7. Bulky Items.
- 6.6.7.1. On-Call Collection. Contractor will provide bulky items pickup service to all residential accounts. Once each calendar month, customers may place up to 10 bulky items out for collection per pickup. Pickup of bulky items will be made by Contractor 1 business day following notification by the customer to Contractor's customer service center. Additional pickups, or additional items per pickup, are subject to an additional fee and will be charged as a service fee.
- 6.6.7.2. Drop-off. Contractor shall accept bulky items from any residential occupant at Contractor's material recovery facility during normal operating hours. The number, weight and volume of bulky items that will be accepted at no charge shall be determined by agreement of Contractor and the City Manager.

- 6.6.8. **Disabled Service.** Upon authorization from the City, Contractor shall provide back-yard service to residential premises receiving cart service, at no additional cost, for disabled or physically challenged customers who provide a doctor's statement certifying their disabled status and expected duration, along with a signed affidavit in a form provided by Contractor stating the no able-bodied person is available on the residential premises to bring carts to the point of collection.
- 6.6.9. **Green Waste Collection Pilot Program.** Within 6 months of the effective date, Contractor will initiate a program to determine the feasibility, effectiveness and best method for providing green waste collection from residential premises. A description of the pilot plan will be submitted to the City not less than thirty (30) days prior to initiation for review and comment. Following completion of the pilot program, Contractor shall prepare and submit a final report outlining its recommendations regarding implementation of green waste collection on a City-wide basis, including but not limited to container size and collection frequency. The parties agree to negotiate in good faith regarding the terms and conditions for City-wide green waste collection, including adjustments to the rate for service.
- 6.6.10. **Shared Bins.** Contractor will undertake good faith efforts to assist the City's enforcement of requirements related to the use of shared bins, by establishing procedures to identify accounts with shared bin service.
7. **CITY FACILITIES AND EVENTS COLLECTION.** Contractor shall provide to the City the following additional services relating to solid waste collection.
- 7.1. Contractor shall provide bins, each with a capacity of 3 cubic yards, for the collection of solid waste from City-owned buildings and areas including City Hall, fire stations, police stations, City yards and City parks. Said containers shall be emptied by Contractor from 1 to 3 times per week with the specific frequency dependent upon the requirements of each location as determined by the City and the Contractor. This service will be provided at no cost to the City. In addition, Contractor will perform a waste audit of each City facility designated, and implement a comprehensive waste diversion program, including education of City employees, at no additional cost. The comprehensive diversion program may include provision of a wood chipper for use by City landscaping crews, or other equipment utilized to enhance diversion having approximately the same value.
- 7.2. Contractor shall provide 6 40 cubic yard roll-off boxes for the collection of refuse in such areas of the City as may be designated from time to time by the City Manager. Roll-off boxes shall be emptied by Contractor on an on-call basis. The City shall pay the costs of such services to Contractor at the rate specified in Exhibit A.
- 7.3. Contractor shall provide solid waste and recyclable material containers in sufficient numbers to serve City-sponsored events, at no cost to the City. A list of the City-sponsored events is provided in Exhibit B. Contractor may use either bins, cardboard containers or Bagster® bags for this service, as appropriate. Contractor shall use commercially reasonable efforts to maximize diversion of materials collected at City-sponsored events.

7.4. Emergency Service. Contractor will assist City at the City's request with emergency collection service in the event of major disaster, such as an earthquake, storm, riot or civil disturbance, by providing equipment and drivers normally assigned to City. Contractor may charge City for actual disposal costs, plus service rates in accordance with Exhibit A.

## 8. CUSTOMER SERVICE.

8.1. Office Hours. Contractor shall maintain a customer service office with assigned personnel accessible by a local phone number to receive customer requests directed to City. Contractor's office hours shall be from 8:00 a.m. to 5:00 p.m. on Monday-Friday, and 8:00 a.m. to 12:00 p.m. on Saturdays.

8.2. Emergency Telephone Number. Contractor shall maintain an emergency telephone number, for use by City personnel only, outside office hours identified in Section 8.1. Contractor shall have a representative, or an answering or call-forwarding service to contact such representative, available at the emergency telephone number during all hours other than office hours.

8.3. Service Complaints/Service Requests. All customer complaints and service requests shall be directed or referred to Contractor. During office hours, Contractor shall maintain a telephone answering system to receive complaints and service requests. Contractor shall have personnel available to respond to customer complaints and service requests in English and Spanish. Contractor shall record all complaints, including date, time, complainant's name and address if the complainant is willing to give this information, and date and manner of resolution of complaint. Contractor shall maintain this information in a computerized daily service complaint log. Any such calls received via Contractor's answering service shall be recorded in the service complaint log the following working day. This service complaint log shall be available for review by the City during Contractor's office hours.

## 9. EDUCATION AND PUBLIC AWARENESS.

9.1. Contractor acknowledges that education and public awareness are essential elements of efforts to achieve AB 939 requirements. Accordingly, Contractor shall develop and implement a public education and information program for residential premises in order to explain program offerings, maximize participation in the residential recycling effort, and provide information on other matters such as holiday collection schedules, the illegal dumping notification program, the availability of bulky items, sharps and used oil collection, temporary collection services and other special collection services, as well as procedures for complaints and service requests. The public education and information program shall include, without limitation, media advertising, contests, and community involvement programs. The public education and information program shall occur at a frequency of not less often than four times annually through community messages. In addition, Contractor shall distribute electronic welcome brochures with the above information to new residential customers at the time they apply for service. The various elements of the public education and information program shall be reviewed and



approved by the City Manager prior to implementation, and not later than 90 days after execution of this Agreement. The direct costs of implementing the program shall be borne by the Contractor.

- 9.2. Collection Vehicle Billboards. Contractor agrees to install frames on both sides of not less than 6 collection vehicles providing service in the City, for placement of City billboards, at no cost to the City. City is responsible for manufacture of the billboards, at the dimensions provided by the Contractor. Contractor shall be responsible for affixing and removing the billboards. City has the exclusive right to promote City events and provide public information through the use of billboards on collection vehicles.
- 9.3. Waste Generation/Characterization Studies. Contractor acknowledges that the City may be required periodically to perform solid waste generation and disposal characterization studies to comply with AB 939 or other waste diversion requirements. Contractor agrees to participate in, and to cooperate with the City and its agents in the preparation of these studies at no additional cost to the City.

#### 10. OPERATIONS.

- 10.1. Collections. Collection of solid waste, green waste and recyclable material will occur on Monday through Friday at residential premises or multi-unit residential premises (Monday through Saturday on holiday weeks) and Monday through Saturday at commercial premises, unless authorized by the City Manager. Collection shall take place between the hours of 6:00 am to 6:00 pm, unless authorized by the City Manager. All containers used for residential service shall be collected on the same collection service day. Where the normal collection day falls on a holiday, collection service shall be provided on the next business day following the holiday, ending with Saturday of that week.
- 10.2. Hazardous Waste Notification. Contractor will notify all agencies with jurisdiction, including the California Department of Toxic Substances Control and Local Emergency Response Providers, and if appropriate, the National Response Center, of reportable quantities of hazardous waste, found or observed by the Contractor anywhere within the City, including on, under or about the City property, City easements, City rights of way and City waste containers. In addition to other required notifications, if the Contractor observes any substances which it or its employees reasonably believe or suspect to contain hazardous wastes unlawfully disposed of or released on the City property, streets in, the City, storm drains, or public rights of way, the Contractor also will immediately notify the City Manager and the Los Angeles County Fire Protection District.
- 10.3. Vehicles
- 10.3.1. General. Contractor must provide collection vehicles sufficient in number and capacity to efficiently perform the services required by this Agreement. Contractor must have available on collection days at least 1 auxiliary vehicle to respond to any and all complaints and emergencies. All vehicles used to provide service must be registered in the State of California, and comply with all applicable federal, state

and local requirements.

10.3.2. Vehicle Specifications. All collection vehicles conform to the highest industry standards and shall be maintained in a clean and efficient condition. All collection vehicles shall comply with applicable provisions of South Coast Air Quality Management District Rule 1193. The City and Contractor understand and acknowledge that the requirements of revised Rule 1193, adopted on July 9, 2010, are not applicable to this agreement because (i) the number of private fleet solid waste collection vehicles providing services to the City is less than fifteen (15) and (ii) because the City's solicitation of this Agreement was opened prior to June 1, 2010. Notwithstanding the above, Contractor agrees to replace its current diesel-powered collection vehicles with alternative fuel heavy-duty vehicles (as that term is defined in Rule 1193(c)(1)), such that by December 31, 2014 all collection vehicles will be alternative fuel vehicles, and at a minimum will replace at least one (1) diesel-powered collection vehicle with an alternative fuel heavy-duty vehicle during calendar years 2011, 2012, 2013, and 2014, until the diesel-powered fleet has been fully replaced. Contractor may present a proposal for an extension to the replacement schedule set forth above, for review and consideration by the City Manager, which shall be approved in the City Manager's reasonable judgment. All vehicles used within the City to collect, transport or dispose of refuse shall be inspected annually by the California Highway Patrol. All certificates issued in the course of such inspections shall be submitted to the City Manager following the execution of this Agreement and upon each anniversary date during the term of this Agreement. All vehicles and containers used to perform this Agreement shall be kept clean and in good appearance, in good repair and will be uniformly painted to the satisfaction of the City Manager. All vehicles used to perform this Agreement shall conform to established City noise ordinance standards.

10.3.3. Vehicle Identification. Contractor's name, local telephone number, and a unique vehicle identification number selected by Contractor and approved by the City must be prominently displayed on all vehicles, in letters and numbers no less than three inches high.

10.3.4. Vehicle Maintenance. Contractor must inspect each vehicle daily to ensure that all equipment is operating properly. Vehicles that are not operating properly, or vehicles in such a condition as to be unsafe or excessively noisy, must be removed from service until repaired and operating properly. Contractor must keep accurate records of all vehicle maintenance, recorded according to date and mileage (or hours of operation), and must make those records available to the City upon request.

10.3.5. Vehicle Operation.

10.3.5.1. Vehicles must be operated in compliance with the California Vehicle Code, and all applicable local ordinances. Contractor may not intentionally load vehicles in excess of limitations on vehicles imposed by state or local weight restrictions.

10.3.5.2. Solid waste shall be covered at all times except when it is being loaded or unloaded or when a vehicle is moving along the collection route.

10.3.6. Minimization of Spills. Contractor must use due care to prevent solid waste or fluids from leaking or being spilled or scattered during the collection or transportation process. If any solid waste or fluids leak, or are spilled during collection, Contractor must promptly clean up those materials to the satisfaction of the City Manager. Each collection vehicle must carry a broom and shovel at all times for this purpose.

10.4. Containers.

10.4.1. Container Ownership. All containers provided by Contractor under this Agreement shall remain the property of Contractor at all times.

10.4.2. Cart Specifications. Contractor shall utilize carts for collection of solid waste, green waste and recyclable material designed and manufactured in accordance with standard industry specifications. The design of any new carts proposed to be placed into service must be approved by the City Manager.

10.4.3. Cart Maintenance and Replacement Responsibilities. Contractor is responsible for cart repair and maintenance, graffiti removal (within 3 business days), and replacing lost, stolen or damaged carts within 7 business days from receipt of a request at no additional charge. In addition, Contractor will use reasonable business efforts to respond to a request received directly from the City for cart repair or maintenance within 1 business day of receiving the request. Contractor may charge the account a special fee for repairing or replacing a cart if the damage is due to loss, negligence or abuse by the account. In no event may this charge be greater than the Company's actual cost for replacement parts or a new cart, and delivery. In addition, on or before December 31 of each year during the term, Contractor will perform a visual inspection of carts placed for service on a regularly-scheduled collection day, and repair or replace any carts that are damaged or not fully functional. Contractor will notify the City in writing of the number of carts repaired or replaced annually through this ongoing cart repair/replacement program.

10.4.4. Bin Specifications. Contractor will provide bin containers for collection of solid waste, and for the collection of recyclable material, as appropriate for individual residential, industrial or commercial accounts. Contractor must maintain its bins in a clean and sound condition, free from putrescible residue. Repairs or graffiti removal requested by an account must be completed within 5 business days of Contractor's receipt of the request. In addition, Contractor will use reasonable business efforts to respond to a request received directly from the City for bin repair within 1 business day of receiving the request. Within 30 days of the effective date, Contractor shall submit to the City Manager a list of bins currently in use to be repainted. Following review and approval by the City Manager, the listed bins will be repainted within 1 year of the effective date. Thereafter, Contractor shall repaint bins upon City's request within 30 days, as needed to present a clean appearance.

- 10.4.5. Bin Maintenance and Replacement Responsibilities. Contractor may charge the account a special fee for repairing or replacing a bin if the damage is due to loss, negligence or abuse by the account, or a service fee for cleaning a bin.
- 10.4.6. Roll-off Boxes Specifications. Contractor will provide clean roll-off boxes, free from graffiti, and equipped with reflectors. Contractor must properly cover all open roll-off boxes during transport to the disposal site.
- 10.5. Personnel
- 10.5.1. Contractor must furnish such qualified drivers, mechanical, supervisory, clerical, management and other personnel as may be necessary to provide the services required by this Agreement in a satisfactory, safe, economical, and efficient manner. All drivers must be trained and qualified in the operation of vehicles they operate and must possess a valid license, of the appropriate class, issued by the California Department of Motor Vehicles.
- 10.5.2. Contractor must establish and vigorously enforce an educational program to train Contractor's employees in the identification of hazardous waste. Contractor's employees must not knowingly place any hazardous waste in the collection vehicles, nor knowingly dispose of any hazardous waste at a processing facility or disposal site.
- 10.5.3. Contractor must train its employees in customer courtesy, prohibit the use of loud or profane language, and instruct collection crews to perform all work quietly. Contractor must use its best efforts to assure that all employees present a neat appearance and conduct themselves in a courteous manner. Contractor will assure that its employees refrain from all forms of harassment in the course of providing services.
- 10.5.4. Contractor may not discriminate in the provision of service or the employment of persons engaged in the performance of this Agreement on account of race, color, religion, sex, age, physical handicap or medical condition in violation of any applicable federal or state law.
- 10.5.5. Contractor will assure that no agent, employee, or subcontractor employed by it will request, solicit or demand, directly or indirectly, any compensation or gratuity for services except as provided for in this Agreement.
- 10.6. Transportation, Handling, Processing and Disposal of Solid Waste. Contractor must transport all solid waste collected to a permitted transfer station, materials recovery facility, green waste processing facility, construction and demolition waste processing facility, or disposal site. Contractor shall be responsible to payment of all disposal and processing fees or charges. Contractor will use reasonable efforts to divert recyclable material, green waste and construction and demolition waste from landfill disposal. Contractor will maintain complete, accurate and up-to-date records of the quantities of solid waste transported to the transfer station, materials recovery facility or disposal site

and must cooperate with the City in any audits or investigations of those quantities.

10.7. Solid Waste Management Plan; Diversion Rate.

- 10.7.1. The parties acknowledge and agree that the Act requires the City to develop and implement a solid waste management plan that includes, among other components, a Source Reduction and Recycling Element ("SRRE") and a Household Hazardous Waste Element ("HHWE"). The City's SRRE and HHWE, as they now exist, or may subsequently be amended, are incorporated herein by this reference. By executing this Agreement, the Contractor acknowledges receipt of a copy of the SRRE and HHWE.
- 10.7.2. Contractor shall comply with Public Resources Code Section 41780 (diversion rate) with respect to material collected pursuant to this Agreement. In determining compliance with Section 41780, the City and Contractor agree to cooperate in good faith to develop representative per capita disposal calculations based on population, level of industry employment, or a combination of both (e.g. hotels, assisted living facilities), as appropriate. Contractor shall provide documentation to the City within 30 days of the end of each calendar year stating and supporting that calendar year's diversion rate.
- 10.7.3. If Contractor fails to comply with Public Resources Code Section 41780 with respect to material collected pursuant to this Agreement, Franchisee must submit a plan for compliance, through implementation of applicable portions of City's SRRE, within 45 days of the end of the calendar year. Contractor's plan is subject to approval by the City Manager, and to be approved must constitute a good faith plan to implement applicable portions of City's SRRE and be reasonably likely to achieve compliance with Section 41780.
- 10.7.4. If, following implementation of the plan for compliance with Section 41780, Contractor does not achieve compliance with Section 41780 with respect to the material collected pursuant to this agreement during the calendar year in which the compliance plan is implemented, such failure shall be considered a breach of this Agreement where arising from the Contractor's failure to perform the activities set forth in the compliance plan. In the event of any breach, the City may, at its option, terminate this Agreement if the City has given at least thirty (30) days written notification to the Contractor to remedy the failure to perform the activities set forth in the compliance plan and Contractor fails to take action to perform within this time. In the event any breach does not result in termination, but does result in costs being incurred by the City, the Contractor will be held liable for all such costs.
- 10.7.5. The Contractor shall cooperate with the City and LARA in collecting and submitting such information and data as may be required for the further preparation and implementation of the City's SRRE and HHWE, all at no cost or expense to the City. The Contractor shall maintain and monitor, on behalf of the City, the City's SRRE and HHWE. The Contractor will be responsible to prepare all reports that are required by CalRecycle. This could include an annual waste sort of the City waste required by the City's adopted SRRE and HHWE. All press releases, reports, or other

documents prepared by the Contractor for release to the public, CalRecycle, or any other public agency, or related to the City's SRRE, HHWE, and diversion rate, shall be subject to the prior review and approval of the City Manager.

- 10.7.6. The City agrees to cooperate in good faith with the Contractor to facilitate the Contractor's compliance with Public Resources Code Section 41780. Such actions of the City shall include but not be limited to the adoption and enforcement of reasonable ordinances and local regulations, including such as may reasonably be recommended by the Contractor, in order to ensure compliance by residential occupants and by commercial/industrial business owners with the policies and programs implemented by the Contractor. The City further agrees to reasonably cooperate with the Contractor in adopting and implementing local resource recovery and waste diversion programs, including those recommended by the Contractor, in order to ensure compliance with all State mandates.
- 10.7.7. In the event that the State of California alters the requirements of Public Resources Code Section 41780, the City may impose new or additional recycling requirements in accordance with the City's SRRE. Contractor is entitled to an adjustment of service rates to recover additional costs associated with these new or additional recycling requirements.
- 10.7.8. LARA. In light of the fact that the City has entered into a Joint Powers Agreement with the City of Los Angeles and other participating Cities to establish LARA, with the purpose of combining disposal and diversion quantities for determining compliance with AB 939 (a copy of the Joint Powers Agreement is incorporated herein by reference, and Contractor acknowledges receipt), the parties agree as follows:
  - 10.7.8.1. Contractor shall be relieved of the duties it is obligated to perform under this Agreement, to the extent that LARA is obligated to perform the same duties pursuant to the Joint Powers Agreement.
  - 10.7.8.2. Contractor shall, to the extent possible, perform the duties that the City, as a member, is obligated to perform pursuant to Section 6 of the Joint Powers Agreement.
  - 10.7.8.3. Contractor agrees to pay the fees that the City, as a member, is obligated to perform pursuant to Section 9.3 of the Joint Powers Agreement.
  - 10.7.8.4. The City, and not the Contractor, shall be solely responsible for its share of penalties assessed against LARA for non-compliance pursuant to Section 8.3 of the Joint Powers Agreement.
  - 10.7.8.5. The City and Contractor agree to cooperate with each other to comply with the performance of the duties and obligations required under the Joint Powers Agreement.

10.7.8.6. The City may terminate the Joint Powers Agreement, or otherwise decline to further participate as a member of LARA. In addition, Contractor may recommend to the City that it terminate the Joint Powers Agreement if it believes that the requirements of Public Resources Code Section 41780 can be achieved by the City without further participation in LARA, and the City agrees to consider such recommendation in good faith. In the event that the City terminates the Joint Powers Agreement or declines to participate further in LARA, this Section 10.7.8 shall be of no force or effect and the Contractor will be obligated to perform all of its duties under this Agreement, including any duties which LARA may have previously performed.

11. RECORDS AND REPORTS; AUDITS.

11.1. The Contractor shall maintain financial statements and other relevant information as required by the City to monitor the Contractor's performance of its obligations under this Agreement. Such financial information, to the extent required to verify performance of Contractor's obligations under this Agreement, shall be available on the Contractor's business premises upon reasonable written notice.

11.2. Quarterly Report. The Contractor shall compile and keep the following information for each month during the quarter and shall deliver a written report thereon, signed by an officer of the Contractor, to the City Manager on a quarterly basis within thirty (30) days of the end of each calendar quarter:

11.2.1. total tons of solid waste collected pursuant to this Agreement;

11.2.2. total tons of recyclables collected from residential and commercial/industrial premises, by type;

11.2.3. number of residential premises receiving cart service pursuant to this Agreement;

11.2.4. number of commercial/industrial premises served;

11.2.5. the service complaint log described in Section 8.3;

11.2.6. the report of uncollected waste described in Sections 5.6.4 and 6.4.2;

11.2.7. the name, address and telephone number of each waste disposal facility used by Contractor during each month;

11.2.8. the name, address and telephone number of each processing facility where recyclables, green waste or construction and demolition waste were delivered by Contractor during each month;

11.2.9. summaries of the net amount of all waste disposed during the reporting period, typical fees paid, and where the waste was disposed of, by residential and commercial/industrial service sectors. The City may review all supporting

documentation (which the Contractor shall retain) for the Contractor's summaries on the Contractor's business premises after giving forty-eight (48) hours written notice of such a request;

- 11.2.10. average market prices for each recyclable material sold, and processing charges or acceptance fees for recyclable material, green waste and construction and demolition waste;
  - 11.2.11. participation rates for the entire City in terms of set out counts and average pounds collected for residential premises, multi-family dwelling units that are not residential premises, and commercial/industrial premises (exclusive of multi-family dwelling units that are not residential premises); and
  - 11.2.12. description of progress in meeting any applicable implementation schedule, including the problems encountered and how they were resolved.
- 11.3. Annual Report. The Contractor shall submit an annual report, in such form and utilizing such media as approved by the City, within sixty (60) days after the close of each calendar year. This report shall summarize all of the information included in the quarterly reports on an annual basis, and also include the following additional information:
- 11.3.1. A summary of the previous year's activities including, but not limited to, services begun or discontinued during the reporting year, and the number of customers for each service sector;
  - 11.3.2. A report on the Contractor's progress in meeting and maintaining its ability to meet the diversion goals under the Act as applied to the City, along with any recommended changes;
  - 11.3.3. a summary discussion of particular commercial/industrial accounts with notable service or payment issues;
  - 11.3.4. A revenue statement, setting forth monthly franchise fees, AB 939 administrative fees (if any), and the basis for the calculation thereof, certified for accuracy by an officer of the Contractor;
  - 11.3.5. A copy of Contractor's OSHA 300 log with respect to services performed in the City;
  - 11.3.6. Recommendations for new or changed services; and
  - 11.3.7. A list of the Contractor's officers and members of its board of Directors.
- 11.4. The Contractor's refusal or failure to file (after written notice requesting the Contractor to do so) any of the reports required or to provide required information to the City, or the inclusion of any false or misleading statement or representation by the



Contractor in such report shall be deemed a material breach of this Agreement, and shall subject the Contractor to all remedies, legal or equitable, which are available to the City under this Agreement or otherwise.

11.5. In order to verify reports of the amounts of solid waste collected by the Contractor from each designated route, the City shall be entitled to conduct an audit of any designated route upon demand. The City will make the audit demand by telephone 48 hours prior to the regularly scheduled collection day of the designated route. Telephone notice shall be followed by written notice and facsimile transmission to the Contractor. The audit demand shall entitle the City to conduct a physical route audit of any or all designated routes for the purposes of verifying customers served, amounts collected by material type, and any other information as may be deemed necessary and beneficial to the City so long as the audit activity does not interfere with the Contractor's personnel who are servicing the route being audited. The standard route audit will include but is not limited to: (i) verification that the collection vehicle is empty when beginning the route; (ii) verification of the addresses which are served by the designated collection vehicle; (iii) verification of the landfill or other facility to which the solid waste or recyclables are taken; and (iv) the quantity of solid waste, green waste or recyclables in tons collected from the designated route.

11.6. Contractor shall compile and keep the following documents by month, and shall deliver the documents to the City Manager within twenty (20) days of a request therefore from the City Manager:

11.6.1. copies of waste disposal facility weight tickets/invoices, which indicate the net amount of all solid waste disposed of during the reporting month, typical fees paid, and where the waste was disposed of, by route; and

11.6.2. copies of facility weight tickets/invoices which indicate the net amount of all recyclables and green waste diverted from disposal facilities during the reporting month, typical fees paid, and where the recyclables and green waste were delivered, by route.

11.7. The Contractor shall provide the City copies of all written communications from, or all reports or other material submitted by the Contractor to, any local, federal or state agency, related to any matter that may have an adverse effect on Contractor's ability to perform its obligations under this Agreement. Copies shall be submitted to the City simultaneously with the Contractor's filing of such matter with those agencies. The Contractor's routine correspondence to those agencies need not be automatically submitted to the City, but shall be made available to the City upon written request.

11.8. All reports and records required under this or any other section shall be furnished at the sole expense of the Contractor.

## 12. INSURANCE.

12.1. Contractor agrees to obtain and keep in force during the term of this Agreement,

public liability and property damage insurance issued by a company authorized to do business in California in an amount of not less than \$5,000,000.00 public liability, \$5,000,000.00 property damage, and \$5,000,000.00 excess (umbrella) coverage. To the extent applicable, said policy or policies shall (1) provide that the City, its elected and appointed officials, officers, agents and employees are additional insureds with respect to the subject matter and performance of this Agreement, and (2) provide that the policy or policies shall not expire, terminate, or be cancelled, or the coverage reduced, unless and until after thirty (30) days written notice is given to the City (10-days notice for cancellation due to failure to pay premium).

12.2. In addition, contractor shall obtain and keep in force sufficient Workers' Compensation Insurance, as required by applicable law, and Employer's Liability Insurance in an amount of not less than \$1,000,000.00.

12.3. Contractor shall provide a certificate of insurance or endorsements evidencing the above coverages to the City Manager.

### 13. INDEMNIFICATION

13.1. General Liability. Contractor shall indemnify, defend, and save harmless the City, its officers, agents and employees (the "Indemnitees"), for and from any and all loss, liability, claim, demand, action or suit, of any and every kind and description, arising or resulting from or in any way connected with any operations of Contractor in performing the obligations required by this Agreement, or arising or resulting from the failure of Contractor to comply in all respects with the provisions and requirements of this Agreement, or arising or resulting from the failure of Contractor to comply with applicable law, except to the extent of the sole or active negligence, willful misconduct, or violation of applicable law by the indemnitees. Subject to the scope of this indemnification and upon demand of the City, Contractor shall appear in and defend the City and its officers, employees and agents in any claims or actions, whether judicial, administrative or otherwise arising out of the above. The obligations of Contractor to the Indemnitees which arise under this Section 13.1 shall not be restricted to any insurance proceeds, and shall survive the expiration or termination of this Agreement.

13.2. CERCLA Liability.

13.2.1. Contractor shall indemnify, defend and hold harmless the indemnitees for all claims, actual damages, natural resources damages, injuries, costs, response, remediation and removal costs, losses, liabilities, cause of action, interest and expenses (including but not limited to reasonable attorneys' and experts' fees) of any kind whatsoever paid, incurred, or suffered by or against the Indemnitees arising from or attributable to any repair, clean up, removal action or response action undertaken pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq. (CERCLA), the California Health and Safety Code ("H&S Code") or other similar federal, state or local law or regulations, with respect to Contractor's collection, handling, or transportation of solid waste collected by Contractor from accounts pursuant to this Agreement. The

indemnity contained in this Section 13.2 is intended to operate as an agreement of Contractor pursuant to Section 107(e) of CERCLA and the H&S Code Section 25364 to defend, protect, hold harmless and indemnify the Indemnitees. Subject to the scope of this indemnification and upon demand of any of the Indemnitees, Contractor shall appear in and defend the Indemnitees in any claims or actions, whether judicial, administrative or otherwise arising out of the above. The obligations of Contractor to the Indemnitees which arise under this Section 13.2 shall not be restricted to any insurance proceeds, and shall survive the expiration or termination of this Agreement.

- 13.2.2. The foregoing indemnity and defense obligations shall apply irrespective of the negligence or willful misconduct of Contractor or any affiliate of Contractor. However, the foregoing indemnity shall not apply to the extent any claims arise or result from the sole or active negligence, willful misconduct, or violation of applicable law by any indemnitee.
- 13.3. AB 939 Liability. Subject to the requirements of Public Resources Code §40059.1, Contractor shall indemnify, protect, defend and hold the City harmless against all fines and penalties imposed by administrative order of CalRecycle against the City for failure to meet waste diversion requirements under AB939. The obligation of Contractor to indemnify, protect and defend the City shall include paying all reasonable legal fees and costs incurred by legal counsel designated by the City to represent the City in connection with any such administrative proceedings or litigation by CalRecycle.
- 13.4. Road Surface Damage. Contractor shall be responsible for any extraordinary damage to City's driving surfaces, whether or not paved, resulting from and directly attributable to the illegally excessive weight of vehicles providing solid waste collection or the improper placement and removal of containers on public or private property, but shall not be responsible for normal wear and tear.

#### 14. BREACH AND TERMINATION.

- 14.1. In the event Contractor is in material breach of this Agreement; including but not limited to:
- 14.1.1. If the Contractor practices, or attempts to practice, any fraud or deceit upon the City, or practiced any fraud or deceit or made any misrepresentations in the negotiations which preceded the execution of this Agreement;
- 14.1.2. If the Contractor violates any orders or rulings of any regulatory body that have jurisdiction relative to this Agreement, provided that the Contractor may contest any such orders or rulings by appropriate proceedings conducted in good faith, in which case no breach of this Agreement shall be deemed to have occurred until a final decision adverse to the Contractor is entered;
- 14.1.3. If the Contractor violates any material provision of any applicable federal, state or local statute or regulation specifically related to the performance of its obligations

under this Agreement;

- 14.1.4. If the Contractor ceases to provide collection service as required under this Agreement over all or a substantial portion of the area within the City, for a period of 7 days or more, for any reason within the control of the Contractor;
  - 14.1.5. If the Contractor fails to make any payments required under this Agreement; or
  - 14.1.6. If the Contractor fails to maintain in full force and effect the insurance required by Section 12 of this Agreement and such material breach is not cured within 30 days after notice in writing by the City to do so, the City may cancel and terminate this Agreement and Contractor shall have no further rights under or with respect to this Agreement. Notwithstanding the above, the 30 day period for a notice and opportunity to cure shall be extended where it is not reasonably possible to affect a cure within such 30 day period, provided that Contractor implements corrective actions within such 30 day period and thereafter diligently pursues their completion
- 14.2. Upon written notice from the City terminating this Agreement, Contractor shall have the right, upon written request made within 30 days of such order, to appeal such order to the City Council, to be heard at any regular Council meeting held within 30 days after City's receipt of Contractor's appeal. The decision of the City Council shall be final. Thereafter, Contractor may appeal any decision, order or action by the City Council under this Section 14, by filing a legal action with a Court having jurisdictional authority.

14.3. Liquidated Damages.

- 14.3.1. Should the Contractor be in material breach of the requirements set forth in this Agreement, it is mutually understood and agreed that the public will necessarily suffer damages and that such damages, from the nature of the default in performance will be extremely difficult and impractical to fix. The City finds, and the Contractor agrees, that as a the time of the execution of this Agreement, it is impractical, if not impossible, to reasonably ascertain the extent of damages which will be incurred by the City as a result of a material breach by the Contractor of its obligations under this Agreement. The factors relating to the impracticability of ascertaining damages include, but are not limited to, the fact that: (i) substantial damage results to members of the public who are denied services or denied quality or reliable service; (ii) such breaches cause inconvenience, anxiety, frustration and deprivation of the benefits of this Agreement to individual members of the general public for whose benefit this Agreement exists, in subjective ways and in varying degrees of intensity which are incapable of measurement in precise monetary terms; (iii) services might be available at substantially lower costs than alternative services, and the monetary loss resulting from denial of services or denial of quality or reliable services is impossible to calculate in precise monetary terms; and (iv) the termination of this Agreement for such breaches, and other remedies are, at best, a means of future correction and not remedies which make the public whole for past breaches.

- 14.3.2. The following liquidated damages may be assessed by the City Manager against the Contractor in the event of the Contractor's breach of certain provisions of this Agreement:
- 14.3.2.1. Failure to maintain the collection schedule -- Twenty five dollars (\$25.00) per dwelling unit not collected on the business day following the scheduled collection day after notification, plus the actual cost of investigation by the City Manager of the failure.
  - 14.3.2.2. Failure to remedy valid complaints which are determined to be justified by the City Manager - One hundred dollars (\$100.00) for each complaint.
  - 14.3.2.3. Leaking or spilling refuse or failure to pick-up such refuse immediately - Twenty dollars (\$100.00) each occurrence.
  - 14.3.2.4. Failure to have employees dressed uniformly in clean clothing -- Twenty dollars (\$20.00) per employee per day.
  - 14.3.2.5. Failure to maintain any refuse truck in accordance with the specifications after 1 warning by the City Manager- One hundred dollars (\$100.00) per truck per day.
- 14.3.3. In addition, the City Council may, in its discretion, assess liquidated damages not to exceed the sum of Three Thousand Dollars (\$3,000.00) per day, for each calendar day that service is not provided by the Contractor in accordance with this Agreement. Notwithstanding the above, the City or City Manager may only impose those liquidated damages set forth in Section 14.3.2 with respect to any matter addressed in Section 14.3.2.
- 14.3.4. The actual cost of investigation by the City Manager of any failure or violation may be assessed in addition to the above schedule of liquidated damages, computed at the then current rate per hour of staff time plus any direct costs. If the City equipment is used to pick up misses or respond to complaints, all direct costs plus staff time (including overhead) shall be charged to the Contractor.
- 14.3.5. The City finds, and Contractor acknowledges and agrees, that the above described liquidated damage provisions represent a reasonable sum in light of all of the circumstances. These liquidated damages sums shall be applicable to each calendar day of delay during which the Contractor has been found by the City Council or City Manager (as the case may be) to be in breach of this Agreement. The amount of the liquidated damages shall be increased by the past year's annual percentage September to August change in the CPI, on each anniversary date of this Agreement.
- 14.3.6. If the City Council or City Manager (as the case may be) assess such liquidated damages, the City Manager shall so notify the Contractor in writing and send a copy of the notice to the City Finance Manager. Liquidated damages shall only be assessed after the Contractor has been given notice and opportunity to cure as

provided in Section 14.1, but has failed to rectify the deficiencies of which it has been notified. The notice of assessment shall include a brief description of the incident or the event of non-performance. The Contractor may review (and make copies at its own expense) all non-confidential information in the City's possession relating to the incident or the event of non-performance. The Contractor may, within ten (10) days after receiving the notice, request a meeting with the City Manager or the City Manager's designee. The Contractor may present evidence in writing and through testimony of its employees and others relevant to the incident or the event of non-performance. The City Manager shall provide the Contractor with a written explanation of the determination on each incident or event of non-performance prior to authorizing the assessment of liquidated damages. The decision of the City Manager shall be final. Notwithstanding any provision of law to the contrary, the City has the affirmative duty to undertake reasonable measures to mitigate the amount of liquidated damages asserted or collected.

14.3.7. Once the notification, meeting and opportunity to cure process set forth in Section 14.3.6 is completed, the City Finance Manager may deduct the amount of such liquidated damages from any payment which is due to the Contractor or which thereafter becomes due. Thereafter, the Contractor shall have the right to appeal the City Manager's determination pursuant to the procedures set forth in Section 14.2 for appeal of a decision of the City Manager regarding a notice of default.

15. EXCUSE FROM PERFORMANCE; FORCE MAJEURE.

15.1. If either party is prevented from or delayed in performing its duties under this Agreement by an event of force majeure, then the affected party shall be excused from performance hereunder during the period of such disability.

15.2. The party claiming excuse from performance shall promptly notify the other party when it learns of the existence of such cause and when such cause has terminated.

15.3. The interruption or discontinuance of services by a party arising from a force majeure event shall not constitute a default under this Agreement.

16. FAITHFUL PERFORMANCE BOND Upon execution of this Agreement Contractor shall furnish to City and shall file with the City a surety bond executed by Contractor as principal and by a corporate surety authorized to do business in California as surety, in the sum of Five Hundred Thousand Dollars (\$500,000), conditioned upon the faithful performance by Contractor.

17. ASSIGNMENT AND TRANSFER.

17.1. Contractor's Assignment of Contract. The Contractor shall not assign, sell, subcontract or otherwise delegate its authority to perform any portion of this Agreement without the prior express written consent of the City. Neither shall any interest in this Agreement or any right or privilege accruing to Contractor under the terms of this Agreement be so assigned. Upon any assignment duly authorized in writing by the City,

the assignee shall assume all liability of the Contractor.

17.2. **Transfer of Ownership Interests.** The prior written consent of the City shall be required in connection with any merger, consolidation, reorganization, business combination, or other transaction wherein or whereby 25% or more of the ownership interests in the Contractor will be affected and control of the Contractor will change or be subject to change, except with respect to any such transaction with an affiliate of Contractor. As used herein, "control" shall mean the possession, direct or indirect, or the power to direct or cause the direction of the management and policies of the Contractor. A duly executed copy of any written instrument evidencing the closing and consummation of any such transaction shall be filed with the City Manager within 30 days after City Council adoption of a resolution consenting to such transaction.

17.3. **Evaluation Criteria.** In determining whether it shall consent to any transfer or assignment of this Agreement or any interest therein, or to any transaction affecting the control of the Contractor, the City may evaluate the financial, technical, legal and other qualifications of the proposed transferee or controlling person. Contractor shall ensure that the proposed transferee or controlling person submits all Information requested by the City not less than 60 days prior to the closing date of the proposed transaction. After considering the financial, technical, legal and other qualifications of the proposed transferee or controlling person, the City Council may by resolution authorize the proposed transaction, subject to such conditions as may be in the public interest. The City's consent to any such transaction shall not be unreasonably denied or delayed.

17.4. **Payment of Costs and Expenses Incurred.** Contractor and its proposed transferee or controlling person shall be jointly and severally responsible for reimbursement to the City of all costs and expenses reasonably incurred in processing and evaluating the information relating to the proposed transaction, as provided for in Section 6.4 above.

## 18. CUSTOMER BILLING AND PAYMENT; SERVICE RATES.

### 18.1. Residential Cart Service.

18.1.1. **Invoicing and Payment to Contractor.** The City shall invoice and collect payments from residential accounts. The City shall compensate the Contractor monthly for residential services, in a total amount based upon the per unit standard service charge, as it may be adjusted from time to time, and any applicable service fees, special fees or discounts, as provided in Exhibit A. In calculating such monthly compensation to the Contractor, the applicable per unit rates shall be multiplied by the number of residential dwelling units in single family residences and in multiple-unit residential complexes receiving cart service. The aggregate number of such dwelling units is currently estimated by the City to be 18,420.

18.1.2. **Contractor Submittal of Invoicing Information.** On or before the 30<sup>th</sup> of each month, Contractor shall provide City the following information. This information will be incorporated into the next invoice submitted by City to a residential account.

- 18.1.2.1. all service charges and special charges for the previous month, for billing by the City;
  - 18.1.2.2. a listing of all account locations where service was initiated or canceled during the previous month;
  - 18.1.2.3. all changes in the level of service provided to any account; or
  - 18.1.2.4. any applicable changes to the rates for any account, such as the senior discount.
- 18.1.3. Payment to Contractor. City will pay Contractor all amounts owing in accordance with Sections 18.1.1 and 18.1.2 by the 30<sup>th</sup> day of each month. The City may deduct franchise fees and AB939 administrative fees from the payment to Contractor, along with a statement detailing the basis for the deduction.
- 18.1.4. Annual Determination of the Number of Residential Premises Receiving Cart Service.
- 18.1.4.1. Prior to December 31, 2010, and each anniversary date thereafter, the number of residential premises receiving cart service for which the Contractor shall be compensated by the City shall be determined as follows:
  - 18.1.4.2. Not later than September 30 of each year, the City shall provide to the Contractor the total number of residential premises as determined by the City.
  - 18.1.4.3. The Contractor shall have 30 days to review the total number of residential premises and the supporting documentation supplied by the City.
  - 18.1.4.4. The Contractor shall inform the City Manager in writing not later than 5 days following the end of the 30-day review period of any disagreement with the total number of residential premises and the basis for such disagreement. Failure to so inform the City Manager shall constitute acceptance of the total number of residential premises as determined by the City.
  - 18.1.4.5. If the Contractor and the City are unable to agree upon the total number of residential premises within 10 days after receipt from the Contractor of the notice of disagreement, the City Council shall establish the total number.
  - 18.1.4.6. The total number of residential premises for which the Contractor shall be compensated by the City during each calendar year, shall be determined as provided above and shall not vary during the calendar year, regardless of any subsequent increase or decrease in the total number of such residential premises.
- 18.1.5. Senior Discount. Upon request, the City or Contractor shall grant qualifying senior citizens (age 65 or older) receiving cart service a discount of up to \$4.00 from



the per monthly service rates otherwise applicable, with the exact amount of the discount determined by the City. The City and Contractor will cooperate to establish reasonable standards for qualification for this discount.

18.2. Invoicing for Other Services.

18.2.1. Contractor shall invoice commercial/industrial accounts receiving permanent bin service, permanent roll-off service or cart service on a monthly basis in advance, as provided in Exhibit A, as adjusted. In addition, Contractor shall invoice residential accounts or commercial/industrial accounts receiving temporary bin or roll-off service, as provided in Exhibit A, as adjusted. All new commercial/industrial accounts establishing service after the effective date will be charged an activation fee, which shall be charged as a service fee. However, the activation fee will not apply to existing commercial accounts that move to a new business location within the City. Contractor may require a security deposit from commercial/industrial accounts with a history of non-payment. Finally, Contractor shall collect payment from residential accounts or commercial/industrial accounts receiving Bagster® Service, and may use payment by credit card, at a reasonable rate negotiated between the account and Contractor.

18.2.2. Religious and Non-Profit Organizations. Contractor agrees to provide services to commercial/industrial premises owned or occupied by religious institutions or non-profit organizations registered under Section 501(c)(3) of the Internal Revenue Code at a rate 15% lower than otherwise provided in Exhibit A. Any dispute regarding the applicability of this discount to a particular account will be decided by the City Manager.

18.3. Account Delinquency.

18.3.1. With respect to residential accounts billed by the City, Contractor will suspend service upon the direction of the City Manager, for such periods of time as determined by the City Manager.

18.3.2. With respect to accounts billed by Contractor, Contractor will provide an account with a notice of delinquency in the event of non-payment after thirty (30) days from the date of a billing. If payment is not received within thirty (30) days from the date of the notice of delinquency, Contractor may terminate collection service at the delinquent account until payment in full has been received, including any accrued interest, and reimbursement of any NSF bank charges or other costs of collection, and in addition Contractor may charge an activation fee. Contractor may charge a late fee for such time as the bill remains unpaid after its due date, which shall be charged as a special fee. Contractor will provide the City a list of delinquent accounts billed by Contractor upon request.

18.4. Service and Rate Disputes. Any disputes between Contractor and an account regarding the provision of services, including the size and location of containers, frequency of collections, or the amount of any service fees or special fees charged by

Contractor, or the reasonableness of charges for Bagster® Service, will be referred to the City Manager for determination. Thereafter, either Contractor or the account may appeal the City Manager's determination to the City Council, whose decision shall be final.

18.5. Rate Adjustments.

18.5.1. Annual Adjustment. The initial rates for service as of the effective date are set forth in Exhibit A. All of the rate components set forth in Exhibit A (without considering franchise and AB 939 administrations fees), including all ancillary fees and charges, must be adjusted as set forth below.

18.5.2. Rate Adjustment Timing and Procedure.

18.5.2.1. All components of the residential service rate must be adjusted beginning July 1, 2012, and every July 1 thereafter. All components of the commercial/industrial service rate must be adjusted beginning July 1, 2011, and every July 1 thereafter. Contractor shall submit to the City Manager, on or before the April 1 prior to the effective date of the proposed adjustment, information in support of the adjustment. The City Manager shall review the information submitted by Company for completeness and accuracy, and, if accurate, approve the requested adjustment. The parties agree to negotiate in good faith regarding any dispute regarding the accuracy of information submitted by Contractor.

18.5.3. Rate Adjustment Methodology. The rate will be adjusted by the percentage increase in the Consumer Price Index, 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 ("CPI"), for the March through February immediately prior to the date of the adjustment.

18.5.4. Special Rules Related to Rate Adjustments. Notwithstanding any provision herein to the contrary:

18.5.4.1. For rate adjustments taking place on July 1, 2011, July 1, 2012 and July 1, 2013, respectively, the adjustment shall be the greater of the percent change based on the CPI or 4.0% for the residential rate and 4.25% for the commercial/industrial rate. Notwithstanding the above, no adjustment to the residential rate or the commercial/industrial rate shall be greater than 5.0%.

18.5.4.2. For rate adjustments beginning of July 1, 2014 and for the remainder of the Term, the adjustment shall not be greater than 5.0% or less than 0.0% (e.g. no rate reduction), notwithstanding the percentage change in the CPI.

18.5.5. Extraordinary Adjustments.

18.5.5.1. In addition to the annual adjustment provided in Section 18.5.1 through

18.5.4, Contractor may request an adjustment to the rates for service set forth in Exhibit A at times other than those specified in Section 18.5.2.1 to recover increased costs of operation attributable to unusual changes in the cost of providing service under this Agreement. Contractor may request only one such adjustment during any calendar year. "Unusual changes" may include changes in service mandated by the City, changes in reporting requirements mandated by the City, changes to the South Gate Municipal Code affecting Contractor's operations, increases in the cost of disposal or processing of solid waste and green waste (at a facility not owned or operated by Contractor or an affiliate) in excess of the CPI, new or increased federal, state or local government solid waste fees and charges, changes in the law, rate increases imposed by any transfer facility utilized by Contractor (not owned or operated by Contractor or an affiliate) in excess of the CPI, or increases in fuel prices in excess of the CPI. For each request, the Contractor must prepare a schedule documenting the extraordinary costs. The request must be prepared in a form acceptable to the City with support for all assumptions made by the Contractor in preparing the estimate. The City will review the Contractor's request and, in the City's reasonable judgment, make the final determination on the appropriate amount of the adjustment, if any. A requested adjustment may not be denied in the case of changed or additional services requested by the City, any change in reporting requirements requested by the City, any change in the Municipal Code affecting the Contractor's operations, or new or increased federal, state or local government solid waste fees and charges.

18.5.5.2. In order to facilitate the City's consideration of a request for an extraordinary, the parties acknowledge that the general allocation of Contractor's costs of providing service is as follows: residential, 66.5% service, 33.3% transfer/disposal; commercial/industrial, 50% service, 50% transfer/disposal/processing.

## 19. OTHER AGREEMENTS OF THE PARTIES.

19.1 Relationship of Parties. The parties intend that Contractor shall perform the services required by this Agreement as an independent contractor engaged by the City and not as an officer or employee of the City, nor as a partner of or joint venturer with the City. No employee or agent of Contractor shall be deemed to be an employee or agent of the City. Except as otherwise expressly provided herein, Contractor shall have exclusive control over the manner and means of conducting the services performed under this Agreement, and over all persons performing those services. Contractor is solely responsible for the acts and omissions of its officers, employees, subsidiaries, subcontractors, affiliates and agents. Neither Contractor nor its officers, employees, subsidiaries, subcontractors, affiliates and agents will obtain any rights to retirement benefits, workers' compensation benefits, or any other benefits that accrue to City employees by virtue of their employment with the City.

19.2 Compliance with Law. City and Contractor must, at their sole cost, comply with all applicable laws and regulations promulgated by federal, state, regional, or local

administrative and regulatory agencies, that are now in force and as they may be enacted or amended during the term of this Agreement.

- 19.3 **Governing Law.** This Agreement is governed by, and will be construed and enforced in accordance with, the laws of the State of California.
- 19.4 **Parties in Interest.** Nothing in this Agreement, whether express or implied, is intended to confer any rights on any persons other than the parties to this Agreement and their representatives, successors, and permitted assigns.
- 19.5 **Waiver.** The waiver by either party of any breach or violation of any provisions of this Agreement shall not be deemed to be a waiver of any breach or violation of any other provision nor of any subsequent breach or violation of the same or any other provision. The subsequent acceptance by either party of any moneys that become due hereunder shall not be deemed to be a waiver of any pre-existing or concurrent breach or violation by the other party of any provision of this Agreement.
- 19.6 **Notice.** All notices, requests, demands and other communications hereunder shall be furnished at the addresses listed below (or such other address as notified in writing), shall be in writing, and shall be deemed as duly given when delivered personally (or by an overnight delivery service) or 3 days after the date mailed by certified mail, return receipt requested as follows:

City:

City of South Gate  
Attn: City Manager  
8650 California Avenue  
South Gate, CA 90290

Contractor:

USA Waste of California, Inc.  
Attn: Director of Operations  
1970 East 213<sup>th</sup> Street  
Long Beach, CA 90810

Copy to:

Waste Management – Western Group  
7025 N. Scottsdale Road  
Suite 200  
Scottsdale, AZ 85253  
Attention: Group Legal Counsel

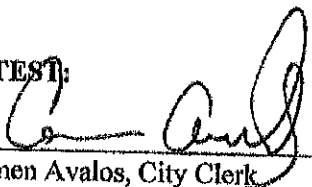
- 19.7 **Attorney's Fees.** In any action or proceeding to enforce or interpret any of the terms of this Agreement, the prevailing party is entitled to an award of attorney's fees in the amount reasonably incurred in the prosecution or defense of that action. The term "prevailing party" means the party entitled to recover costs of suit, upon the conclusion of the matter, in accordance with the laws of the State of California.
- 19.8 **Entire Agreement.** This Agreement, including the exhibits, constitutes the entire agreement between the parties with respect to the matters covered. No verbal agreement or understanding with any officer, agent, or employee of the City, either before, during, or after the execution of this Agreement, will affect or modify any of the rights or obligations herein contained.
- 19.9 **Section Headings.** The section headings in this Agreement are for the convenience of reference only and are not intended to be used in construing this Agreement, nor are they intended to alter or affect any of its provisions.
- 19.10 **References to Laws.** All references in this Agreement to laws will be understood to include existing laws as they may be subsequently amended or recodified, unless otherwise specifically provided.
- 19.11 **Interpretation.** This Agreement, including the attached exhibits, will be interpreted and construed reasonably, and neither for nor against either party, regardless of the degree to which either party participated in their drafting.
- 19.12 **Amendments.** This Agreement may not be amended in any respect except by a writing signed by the parties.
- 19.13 **Severability.** If any provision of this Agreement is for any reason determined by a court of competent jurisdiction to be invalid or unenforceable for any reason, including but not limited to a change in applicable federal, state or local law, the invalidity or unenforceability of that provision will not affect any of the remaining provisions of this Agreement, which provisions will be enforced as if such invalid or unenforceable provision had not been included.

[Remainder of page left blank intentionally]


19.14 Non-Waiver Provision. Failure of either party to exercise any of the remedies set forth in this Agreement within the time periods specified will not constitute a waiver of any rights of that party with regard to an event of nonperformance, whether determined to be a breach, excused performance, or unexcused default by the other party.

TO EFFECTUATE THIS AGREEMENT, each of the parties has caused this Agreement to be executed by its duly authorized representative as of the date set forth below the authorized signature.

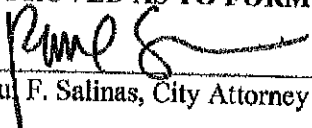
ATTEST:

  
\_\_\_\_\_  
Carmen Avalos, City Clerk  
(SEAL)

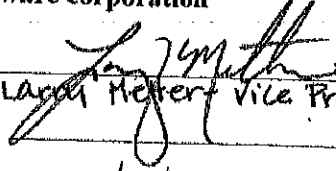
CITY OF SOUTH GATE

By:   
\_\_\_\_\_  
Gregory Martinez  
Title: Mayor  
Date: 02/28/2011

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Raul F. Salinas, City Attorney

USA WASTE OF CALIFORNIA, INC., a  
Delaware corporation

By:   
\_\_\_\_\_  
Laron Hefner, Vice President  
Title: \_\_\_\_\_  
Date: 3/10/11

**EXHIBIT A**

Initial Rates

## Schedule of Rates

**Residential Collection Services Fees Effective July 1, 2008**

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:

- |  |          |
|--|----------|
| 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) | \$ 15.44 |
| 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)   | \$ 14.00 |
| c. Extra monthly service charge for each additional standard refuse container of a 96 to 101-gallon capacity (Including an administrative fee of \$.43)  | \$ 9.93  |
| d. Extra monthly service charge for each additional standard refuse container of a 60 to 67-gallon (Including an administrative fee of \$.30)  | \$ 6.92  |

**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 | \$ 10.40 |
| 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  | \$ 8.98  |
| 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)                                      | \$ 9.93  |
| d. Extra monthly service charge for each additional standard refuse container of a 60 to 67-gallon (This includes an administrative fee of \$.30)   | \$ 6.92  |



### City of South Gate 2009 Commercial and Industrial Rates

#### Commercial/Industrial Service Rates (Effective January 1, 2009)

##### 1. Commercial Service

Bin Size	1X WK	2X WK	3X WK	4X WK	5X WK	6X WK
64 gallon container	\$23.99	\$47.98	\$71.97	\$95.96	\$119.95	\$143.94
96 gallon container	\$30.15	\$60.30	\$90.45	\$120.60	\$150.75	\$180.90
2 cy rate/month	\$94.69	\$152.93	\$210.92	\$269.05	\$350.69	\$410.64
3 cy rate/month	\$121.88	\$192.22	\$260.64	\$330.06	\$398.91	\$466.92
4 cy rate/month	\$140.66	\$225.05	\$312.26	\$398.50	\$484.78	\$558.86
5 cy rate/month	\$178.16	\$293.49	\$406.96	\$525.11	\$637.60	\$758.66
6 cy rate/month	\$213.80	\$352.19	\$488.35	\$630.09	\$765.11	\$910.35

Extra pick up charges per bin	2 yard	3 yard	4 yard	5 yard	6 Yard
	\$43.07	\$55.37	\$67.68	\$79.98	\$92.29

Overage fee per bin	2 yard	3 yard	4 yard	5 yard	6 Yard
	\$43.07	\$55.37	\$67.68	\$79.98	\$92.29

Front Load Compactor	2 yard	3 yard	4 yard	5 yard	6 Yard
	\$284.07	\$365.64	\$421.98	\$534.48	\$641.40
Extra pick up charges	2 yard	3 yard	4 yard	5 yard	6 Yard
	\$86.14	\$110.74	\$135.36	\$159.96	\$184.58

##### 2. Other Services and Fees

<b>a. Push Out</b>						
Per bin per month	\$24.22	\$47.11	\$67.30	\$87.48	\$107.68	\$121.13
<b>b. Scout Service -</b>						
Per bin per month	\$37.40	\$66.05	\$97.71	\$124.62	\$152.03	\$180.70
<b>c. Locking Lids</b>						
Per bin per month	\$12.11	\$17.50	\$24.22	\$30.95	\$37.02	\$43.07
<b>d. Bulky Item pick-up (including e-waste)</b>						
		\$25.00				
<b>e. Commercial Recycling Contamination Fee:</b>						
		\$20.00				
<b>f. Commercial Reactivation from bad debt:</b>						
		\$20.00				
<b>g. Recycling Rates:</b>						
	Not to exceed 50% of Commercial rate					

**3. ROLL OFF SERVICE including C&D****Commercial - 5 ton minimum; Residential C&D - 3 ton minimum**

Temp Container - any size	Haul Rate	\$265.00
	Delivery Fee	\$95.00
	Trip Charge	\$100.00
	Relocation Charge	\$100.00
Compactor Service	Haul Rate	\$348.94
Disposal Fee per ton		\$52.19
Roll off Weekly Rental Fee		\$45.00

**4. Residential services offered - 3-yard temporary bin**

Cost per container (Includes 7 day rental & disposal)	\$180.14
Additional pick-up	\$71.17
Weekly rental beyond initial 7 days	\$40.00

**5. Religious and Non-Profit commercial discount services**

Religious institutions or non-profit organizations registered under Section 501(c)(3) of the Internal Revenue Code are eligible for a rate 15% lower than otherwise provided for commercial services in Exhibit A

## EXHIBIT B

### City Sponsored events

- **Earth Day festival:**
  - **Equipment:** six 40-yard bins; 25 event boxes; 500 liners
- **Tweedy Mile Street Fair:**
  - **Equipment:** two 40-yard bins; five 6-yard bins for trash; five 4-yard bins for recycling; 100 event boxes; 200 liners
- **July 4<sup>th</sup> event:**
  - **Equipment:** two 6-yard bins for trash; two 3-yard bins for recycling; 50 event boxes
- **Family Day in the Park:**
  - **Equipment:** 50 event boxes
- **Holiday Parade:**
  - **Equipment:** 125 event boxes; 250 liners
- **Azalea Festival:**
  - **Equipment:** 150 event boxes; 250 liners

**AMENDMENT NO. 1  
TO AGREEMENT FOR COMMERCIAL/INDUSTRIAL AND RESIDENTIAL  
REFUSE COLLECTION AND RECYCLING SERVICES  
WITH USA WASTE OF CALIFORNIA, INC.**

THIS AMENDMENT NO. 1 ("Amendment No. 1") TO AGREEMENT FOR COMMERCIAL/INDUSTRIAL AND RESIDENTIAL REFUSE COLLECTION AND RECYCLING SERVICES (hereinafter, the "Agreement"), is entered into and executed as of August 14, 2012, by and between the CITY OF SOUTH GATE (hereinafter, the "City"), a municipal corporation, organized and existing under the laws of the State of California, and USA WASTE OF CALIFORNIA, INC dba WASTE MANAGEMENT OF LOS ANGELES, a Delaware Corporation (hereinafter, the "Contractor").

**RECITALS:**

This Agreement is entered into on the basis of the following facts, understandings and intentions of the parties:

**WHEREAS**, the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 (Public Resources Code Section 49100, et seq.; hereinafter the "Act") established a solid waste management process that requires cities and other local jurisdictions to implement source reduction, reuse, and recycling as integrated waste management practices; and

**WHEREAS**, the Contractor and City entered into that certain agreement entitled Franchise Agreement between the City of South Gate and USA Waste of California, Inc. for Commercial/Industrial and Residential Refuse Collection and Recycling Services; ("Agreement"), dated January 25, 2011; and

**WHEREAS**, the City and the Contractor have completed discussions regarding the implementation of a commercial recycling service rate, as contemplated in the Agreement; and

**WHEREAS**, the City and the Contractor desire to include provisions to implement the requirements of AB 341; and

**WHEREAS**, the bill would require a jurisdiction, on and after July 1, 2012, to implement a commercial solid waste recycling program meeting specified elements but would not require the jurisdiction to revise its source reduction and recycling element if the jurisdiction adds or expands a commercial solid waste recycling program to meet this requirement. The bill would authorize a local agency to charge and collect a fee from a commercial waste generator to recover the local agency's costs incurred in complying with the commercial solid waste recycling program requirements; and

**WHEREAS**, the City and the Contractor desire to modify certain service requirements; and

**WHEREAS**, in accordance with California Public Resources Code Section 40059(a)(2), the City has determined that the public health, safety, and well-being require that an exclusive franchise be awarded to a qualified company for the collection, transportation, recycling, processing, and disposal of solid waste, and for other services related to meeting the diversion goals of AB 939, AB 341 and other requirements of the California Integrated Waste Management Act.

**NOW, THEREFORE**, for good and valuable consideration, the receipt of which is acknowledged, the parties agree as follows:

1. Section 5.6 of the Agreement is to be deleted in its entirety and replaced with the following:

"5.6 Recyclable Material.

5.6.1 Contractor shall make available collection of recyclable material from commercial/industrial accounts requesting such service, using bins, roll-off boxes or carts, depending upon the account's needs.

5.6.2 In addition, Contractor shall cooperate and assist City in meeting the requirements of AB 341, including, but not limited to, identifying Commercial Premises and multiple-unit residential dwelling units that are required to receive recycling service, education and outreach to all properties, reporting on efforts to provide service at such premises, and a quarterly listing of such premises that have declined to accept recycling service to facilitate the City's exercise of its enforcement powers.

5.6.3 Contractor shall collect and remove all recyclable material placed in containers from every commercial/industrial premises receiving recyclable material collection service at a frequency required to handle the materials generated by the commercial or industrial premises. Notwithstanding the above, any putrescible or degradable recyclable material shall be collected and removed from any commercial/industrial premises not less often than once per week. The rates for providing commercial recycling service are set forth in the Exhibit A statement of supplemental rates attached hereto."

2. Section 6.6.7.2 of the Agreement is deleted in its entirety and replaced with the following:

"6.6.7.2 Drop-off. Contractor shall accept bulky items from any residential occupant at Contractor's Transfer Station facility during normal operating hours at no charge. In addition, residential property managers and management companies are entitled to deliver bulky items on behalf of residential occupants at Contractor's material recovery facility during normal operating hours at no charge up to a certain number of times each calendar year based on the number of units managed, in accordance with the following formula:

- 5 – 25 Dwelling Units up to 5 times per year, with a maximum of 10 items per trip;
- 26 – 100 Dwelling Units up to 10 times per year, with a maximum of 10 items per trip;
- More than 100 Dwelling Units up to 15 times per year, with a maximum of 10 items per trip

Additional deliveries by property manager or management companies are subject to the uniform standard tipping charge at Contractor's transfer station facility."

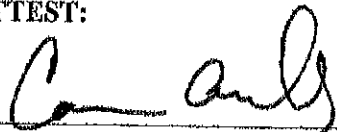
3. Section 7.2 of the Agreement is deleted in its entirety and replaced with the following:

"7.2 Contractor shall provide 6 40 cubic yard roll-off boxes for the collection of refuse in such areas of the City as may be designated from time to time by the City Manager. Roll-off boxes shall be emptied by Contractor on an on-call basis. The City shall pay the costs of such services to Contractor at the rate specified in Exhibit A, except that Contractor agrees to waive any service or disposal charges with respect to roll-off boxes collected at the City facility located at 9545 Salt Lake Avenue, South Gate, CA."


4. Except as provided herein, the terms and conditions of the Agreement remain in full force and effect.

TO EFFECTUATE THIS AGREEMENT, each of the parties has caused this Agreement to be executed by its duly authorized representative as of the date set forth below the authorized signature.

ATTEST:


  
Carmen Avalos, City Clerk  
(SEAL)

"CITY"  
CITY OF SOUTH GATE


By:   
W. H. (Bill) De Witt, Mayor

Date: 08/28/12

APPROVED AS TO FORM:

  
Raul F. Salinas, City Attorney

"CONTRACTOR"  
USA WASTE OF CALIFORNIA, INC.,  
a Delaware corporation

By:   
Larry Metter, Vice President

Date: 8/28/12

Amendment No. 1  
to Contract No. 2222

EXHIBIT A

Statement of Supplemental Rates

Commercial Recycling

**Exhibit A**

**South Gate Commercial Recycling Rates August 14, 2012**

**Commercial Recycling Rate**

South Gate Commercial Single Stream Recycling Rate

Commercial Recycle Bin Size	Ratepayer Charges					
	1X WK	2X WK	3X WK	4X WK	5X WK	6X WK
35 gallon container	\$13.51					
64 gallon container	\$16.39	\$32.78				
96 gallon Container	\$19.12	\$38.24	\$57.37			
2 cy rate/month	\$53.31	\$86.09	\$118.74	\$151.46		
3 cy rate/month	\$62.89	\$99.19	\$134.50	\$170.32	\$205.85	\$240.95
4 cy rate/month	\$65.99	\$105.58	\$146.49	\$186.95	\$227.42	\$262.18
6 cy rate/month	\$90.27	\$148.70	\$206.19	\$266.03	\$323.04	\$384.36

Includes City 15% Franchise Fee.

**Current trash collection rate - Commercial Service as of July 1, 2012**

Bin Size	1X WK	2X WK	3X WK	4X WK	5X WK	6X WK
64 gallon container	\$26.07	\$52.14	\$78.21	\$104.28	\$130.35	\$156.42
96 gallon container	\$32.76	\$65.52	\$98.28	\$131.04	\$163.80	\$196.56
2 cy rate/month	\$102.90	\$166.20	\$229.22	\$292.40	\$381.13	\$446.28
3 cy rate/month	\$132.46	\$208.91	\$283.27	\$358.71	\$433.53	\$507.45
4 cy rate/month	\$152.87	\$244.58	\$339.36	\$433.10	\$526.86	\$607.37
5 cy rate/month	\$193.62	\$318.96	\$442.29	\$570.69	\$692.95	\$824.51
6 cy rate/month	\$232.36	\$382.76	\$530.74	\$684.79	\$831.53	\$989.37

**Rationale:**

\* Rate is structured to encourage right sizing - better to get one larger container than a smaller one serviced repeatedly and costed accordingly

\* If customers need multiple day service for containers not listed in the rates, WM will work with them on a case by case basis



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

This Second Amendment to Agreement for Commercial/Industrial and Residential Refuse Collection and Recycling Services (hereinafter, the "Second Amendment"), is entered into and executed as of March 14, 2017, by and between the CITY OF SOUTH GATE (hereinafter, the "City"), a municipal corporation, organized and existing under the laws of the State of California, and USA WASTE OF CALIFORNIA, INC dba WASTE MANAGEMENT OF LOS ANGELES, a Delaware Corporation (hereinafter, the "Contractor").

**RECITALS:**

This Agreement is entered into on the basis of the following facts, understandings and intentions of the parties:

**WHEREAS**, the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 (Public Resources Code Section 49100, et seq.; hereinafter the "Act") established a solid waste management process that requires cities and other local jurisdictions to implement source reduction, reuse, and recycling as integrated waste management practices; and

**WHEREAS**, the Contractor and City entered into that certain agreement entitled Franchise Agreement between the City of South Gate and USA Waste of California, Inc. for Commercial/Industrial and Residential Refuse Collection and Recycling Services; ("Agreement"), dated January 25, 2011, and a First Amendment to Agreement for Commercial/Industrial and Residential Refuse Collection and Recycling Services ("First Amendment") dated August 14, 2012; and

**WHEREAS**, the First Amendment included provisions to implement the requirements of AB 341; and

WHEREAS, the City and the Contractor now desire to include provisions to implement the requirements of AB 1826; and

WHEREAS, in accordance with California Public Resources Code Section 40059(a)(2), the City has determined that the public health, safety, and well-being require that an exclusive franchise be awarded to a qualified company for the collection, transportation, recycling, processing, and disposal of solid waste, and for other services related to meeting the diversion goals of AB 939, AB 341, AB 1826 and other requirements of the California Integrated Waste Management Act.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is acknowledged, the parties agree as follows:

1. Section 1.28 of the Agreement is to be deleted in its entirety and replaced with the following:

"1.28 FOOD WASTE means solid waste comprised of animal, fruit or vegetable matter that attends the preparation, consumption, decay, dealing in or storage of meats, fish, fowls, fruits or vegetables, and compostable paper used in food service."

2. New Section 1.39.1 is added to the Agreement, as follows:

"1.39. ORGANIC WASTE or ORGANICS means food waste and green waste, whether collected separately or commingled into the same bin, cart or roll-off box."

3. Section 5.6 of the Agreement is to be deleted in its entirety and replaced with the following:

"5.6 Recyclable Material and Organic Waste.

5.6.1 Contractor shall make available collection of recyclable material from commercial/industrial accounts requesting such service, using bins, roll-off boxes or carts, depending upon the account's needs.

5.6.2 In addition, Contractor shall cooperate and assist City in meeting the requirements of AB 341, including, but not limited to, identifying Commercial Premises and multiple-unit residential dwelling units of five (5) units or more, that are required to receive recycling service, reporting on efforts to provide service at such premises, and a quarterly listing of such premises that have declined to accept recycling service to facilitate the City's exercise of its enforcement powers.

5.6.3 Contractor shall collect and remove all recyclable material placed in containers from every commercial/industrial premises receiving recyclable material collection service at a frequency required to handle the materials generated by the commercial or industrial premises. Notwithstanding the above, any putrescible or degradable recyclable material shall be collected and removed from any commercial/industrial premises not less often than once per week. The rates for providing commercial recycling service are set forth in the Exhibit A statement of supplemental rates attached hereto.

5.6.4 Contractor shall make available collection of organic waste from commercial/industrial accounts requesting such service, using bins, roll-off boxes or carts, depending upon the account's needs.

5.6.5 In addition, Contractor shall cooperate and assist City in meeting the requirements of AB 1826, including, but not limited to, identifying commercial/industrial premises and multiple-unit residential dwelling units of five (5) units or more, that are required to receive organics service, reporting on efforts to provide service at such premises, and a quarterly listing of such premises that have declined to accept organics service to facilitate the City's exercise of its enforcement powers.

5.6.6 Contractor shall collect and remove all organic waste placed in containers from every commercial/industrial premises receiving organics service at a frequency required to handle the materials generated by the commercial or industrial premises. The rates for providing commercial organics service is set forth in the Exhibit A statement of supplemental rates attached hereto."

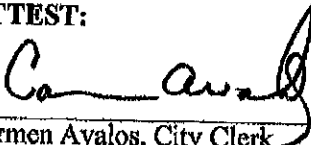
4. Except as provided herein, the terms and conditions of the Agreement and the First Amendment remain in full force and effect.

[Remainder of page left blank intentionally]

TO EFFECTUATE THIS AGREEMENT, each of the parties has caused this Second Amendment to be executed by its duly authorized representative as of the date set forth below the authorized signature.

**CITY OF SOUTH GATE**


ATTEST:

  
\_\_\_\_\_  
Carmen Avalos, City Clerk  
(SEAL)

By:   
\_\_\_\_\_  
Maria Davila, Mayor

Date: 04/13/2017

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Raul F. Salinas, City Attorney

**USA WASTE OF CALIFORNIA, INC., a  
Delaware corporation**

By:   
\_\_\_\_\_  
Larry Metter, President - Southern California Area

Date: 3/22/18

**EXHIBIT A**

Statement of Supplemental Rates

Organic Waste

***Organics Service***

<b>Bin Size / Freq</b>	<b>1</b>	<b>2</b>	<b>3</b>
64 gallon container			
Collection	\$20.59	\$41.18	\$61.77
Processing	\$37.72	\$75.44	\$113.16
Total	\$58.31	\$116.62	\$174.92
Each Additional Cart	\$52.13	\$104.26	\$156.39
2 cy rate/month			
Collection	\$81.27	\$131.26	\$181.03
Processing	\$150.88	\$301.75	\$452.63
Total	\$232.14	\$433.01	\$633.66
Each Additional Cart	\$207.76	\$393.63	\$579.35

Note: Exhibit A was replaced by Exhibit A-1 due to inadvertently omitted Table for Commercial Recycling Services.

\* See Memo dated February 27, 2018.



# City of South Gate

----- Memorandum -----

To: Carmen Avalos, City Clerk

From: Victor H. Ferrer, Management Analyst *VH*

Date: February 27, 2018

Re: **Administrative Change to Amendment No. 2 to Contract No. 2222 with USA Waste of California, Inc., dba Waste Management of Los Angeles**

## Purpose

To correct Amendment No. 2 to Contract No. 2222 with USA Waste of California, Inc., dba Waste Management of Los Angeles (Amendment No. 2) by replacing Exhibit A with Exhibit A-1, an exhibit establishing rates for Commercial Organic and Recycling services.

## Background

Waste Management has been the City's waste hauler since August 13, 1990. On May 10, 2005, the City Council approved Contract No. 2222 with Waste Management for Commercial/Industrial and Residential Refuse Collection and Recycling Services, through December 13, 2017.

The City Council later approved Amendment No. 1 and amended Contract No. 2222 on January 25, 2011 and on August 14, 2012, which, among other things, extended the contract to December 31, 2022, and gave Waste Management the exclusive rights to collect, transport, recycle and dispose of Solid Waste, Recyclable Material, Green Waste, Food Waste (Organic Waste) and Construction and Demolition Waste.

On June 13, 2017, the City Council approved Amendment No. 2, which established rates for commercial organic waste and recycling services.

## Issues

Although Amendment No. 2 focuses on a new organic waste hauling service, the amendment cites recycling services; specifically, Section 5.6.3 states, "...The rates for providing commercial recycling service are set forth in the Exhibit A statement of supplemental rates attached hereto." Meaning, new rates for organic waste and recycling services are being established or amended and can be found in Exhibit A; said exhibit only contains the rates for organic waste services and inadvertently omits the rates from recycling services.

Ultimately, Amendment No. 2 accidentally – by clerical error – eliminates the rates for recycling services, which was not the intent of the amendment.

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**Directives**

After receiving direction and authorization from City Attorney, Raul F. Salinas, the City Clerk is being requested to replace Exhibit A with the attached Exhibit A-1 document.

Please contact me if you have any questions or require additional information. Thank you for your attention.

cc: Raul F. Salinas, City Attorney





Exhibit A-1

Statement of Supplemental Rates

Organic Waste

**Commercial Recycling Service - Rates Effective June 2017**

Bin Size	1X WK	2X WK	3X WK	4X WK	5X WK	6X WK
35-gallon container	\$17.95					
64-gallon container	\$21.78	\$35.22				
96-gallon container	\$20.54	\$41.10	\$61.65			
2 cy rate/month	\$57.29	\$92.51	\$127.58	\$162.75		
3 cy rate/month	\$67.58	\$106.58	\$144.52	\$183.02	\$221.19	\$258.90
4 cy rate/month	\$70.90	\$113.45	\$157.40	\$200.88	\$244.37	\$281.71
6 cy rate/month	\$96.99	\$159.77	\$221.54	\$285.86	\$347.10	\$413.00

**Commercial Organic Service**

Bin Size / Freq	1	2	3
64-gallon container			
Collection	\$20.59	\$41.18	\$61.77
Processing	\$37.72	\$75.44	\$113.16
Total	\$58.31	\$116.62	\$174.92
Each Additional Cart	\$52.13	\$104.26	\$156.39
2 cy rate/month			
Collection	\$81.27	\$131.26	\$181.03
Processing	\$150.88	\$301.75	\$452.63
Total	\$232.14	\$433.01	\$633.66
Each Additional Cart	\$207.76	\$393.63	\$579.35

Note: Exhibit A-1 replaces Exhibit A of Amendment No. 2 to Contract No. 2222 as the Commercial Recycling Service Rates Table was inadvertently omitted.

*AM*

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MAY 5 2021

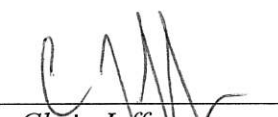
Item No. 16

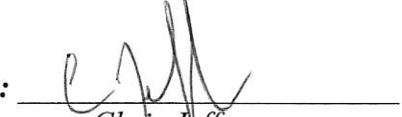
City of South Gate  
CITY COUNCIL

CITY OF SOUTH GATE  
OFFICE OF THE CITY MANAGER  
6:50am

AGENDA BILL

For the Regular Meeting of: May 11, 2021  
Originating Department: City Manager's Office

Interim City Manager:   
Chris Jeffers

Interim City Manager:   
Chris Jeffers

**SUBJECT:** AMERICAN RESCUE PLAN ACT OF 2021

**PURPOSE:** To begin developing a framework for the use of the American Rescue Plan Act of 2021 funding in accordance with the guidelines developed by the U.S. Treasury Department.

**RECOMMENDED ACTIONS:** The City Council will consider:

- a. Receiving and filing the American Rescue Plan Act (ARPA) of 2021 report; and
- b. Providing direction to staff on the proposed use of the City's estimated \$37 million allocation from the ARPA. Based on the City Council's direction, staff will prepare appropriate budgetary action for the City Council's consideration at a future meeting.

**FISCAL IMPACT:** The City of South Gate has been allocated an estimated \$37 million from the ARPA. Fifty percent (50%) of the amount will be eligible for draw down by the City in late May or early June of the current Fiscal Year 2020/21. The balance of the funds is anticipated to be released 12 months later or approximately in June 2022. All ARPA funds must be expended by December 31, 2024.

It is important to note that all revenue and expenditure elements caused or impacted by the Coronavirus Disease 2019 (COVID-19) pandemic since January 2020 through December 2024 are generally covered by the ARPA.

**ANALYSIS:** The American Rescue Plan Act (ARPA) includes economic relief to local, state and tribal governments that have experienced a significant revenue loss and/or increased expenditures resulting from the COVID-19 pandemic. The City of South Gate is estimated to receive \$37.7 million from the U.S. Treasury Department over the next two fiscal years. It is anticipated that the first half, approximately \$18.8, million, will be available in May 2021. The remaining balance will be available approximately in June 2022.

The use of these ARPA funds are more flexible than the previous CARES Act funding which covered expenditures related to the COVID-19 pandemic. All expenditure reductions due to revenue losses incurred due to the pandemic fiscal adjustments are eligible expenses, as long as they do not cover pension costs.

In general, the ARPA funds can be used for the following categories:

1. To respond to the public health emergency with respect to COVID-19 pandemic, or its negative economic impacts, including assistance to households, small businesses, and nonprofits or aid impacted industries.
2. To respond to workers performing essential work during the COVID-19 pandemic public health emergency.
3. For the provision of government services, to the extent of the reduction in revenue of such local government due to the COVID-19 pandemic.
4. To make necessary investments in water, sewer, or broadband infrastructure.

The ARPA does have direct funding allocations for other items such as renter and homeowner assistance, homeless intervention and infrastructure projects that will be distributed by either the state and/or federal governments.

### ***Expenses***

Both the League of California Cities and National League of Cities are suggesting that local government prioritize revenue losses and expenditures incurred to be reimbursed from the ARPA funds. In addition, they strongly suggest that the funds be treated as the one-time sources they are and that ARPA not be used for programs that would need on-going financial support to function. Finally, they believe capital projects should be strongly considered as a way of improving the community's infrastructure which will not only benefit residents today, but future generations as well.

As of this writing, the City has spent nearly \$2.4 million in response costs due to the COVID-19 pandemic. This includes safety equipment, staffing coverages, reduction in budgets including capital items and project deferrals. We believe that all these items will be eligible for reimbursement at this time.

### ***Revenue***

The ARPA is the first piece of legislation that allows for federal funding to backfill the loss of revenues due to the COVID-19 pandemic. The revenue loss calculation accepted is the difference of the revenues received in the fiscal year prior to the pandemic versus the fiscal years impacted by the pandemic. For South Gate, Fiscal Year 2018/19 will be compared against the subsequent fiscal years for 2019/20; 2020/21; 2021/22; 2022/23; and 2023/24. Based on this methodology, the City of South Gate experienced significant revenue losses in specific General Fund categories and other Special Revenue sources. These losses will likely continue for the next few years in terms of actual and historic growth patterns.

### ***Summary***

Staff is recommending the following parameters for consideration:

1. Reimbursement of General Fund and Special Revenue Funds lost during any fiscal year from generally January 2020 through December 2024. These amounts will be refined as specific guidelines are released by the U.S. Treasury Department and the final accounting is determined as stated in the Annual Financial Report or some other document acceptable to the U.S. Treasury Department guidelines. The initial estimate is \$7 million.
2. Reimbursement of any General and Special Revenue Funds expenditures generally from January 2020 through December 2024 responding to the COVID-19 pandemic that were not

already reimbursed by the CARES Act funding or CDBG funds. This amount will be refined as specific guidelines are released by the U.S. Treasury Department and the final accounting is determined in the appropriate Annual Financial Report or other documents approved by the guidelines up through December 31, 2024. The initial estimate is \$3 million.

3. Designate \$2 million in funding of deferred capital projects and items from the Fiscal Year 2020/21 Municipal Budget Fall Revise as outlined in the December 8, 2020 Agenda Bill.
4. Designate \$14 million in funding projects from the Master Plans for water, sewer and information technology that meet guidelines under the ARPA.
5. Set aside \$1.5 million for Fiscal Year 2021/22 for continued small business assistance programs using current CDBG eligibility guidelines unless otherwise provided for by the U.S. Treasury Department.
6. Set aside \$1 million for rental assistance using current CDBG guidelines unless otherwise provided for by the U.S. Treasury Department.
7. Set aside \$2 million for homelessness programs and resources, including enhanced MET Team assistance for the South Gate Police Department.
8. Set aside \$1.5 million for implementation of a Broadband project either locally or through a regional approach with other Gateway Cities.
9. Set aside \$5.7 million, the remaining funds to be determined at a later date as projects are presented or are awarded to ensure sufficient funds for the programs. This estimated amount is factored based on elements above.

Once the U.S. Treasury Department has released the final guidelines, the City will be in a better position to specifically address the programs which would be funded by any ARPA funds, as well as, the succeeding allocation in June 2022. It is important to note that all funds have to be spent or legally encumbered by December 31, 2024.

**BACKGROUND:** The worldwide Coronavirus Disease 2019 pandemic (COVID-19) is unprecedented in its size, scope and impact. With over 31 million people infected and nearly 575,000 deaths in the United States as of April 19, 2021, the impact of this infectious and potentially deadly disease is unmatched. The impact, locally has certainly been devastating with nearly 18,600 infections and 225 deaths in South Gate during this same period of time.

To deal with this unprecedented pandemic, the state and Los Angeles County have issued several health orders that included "Stay at Home" orders and other steps to stem the outbreak and several surges over the last year. These orders, while developed in the interest of stemming the infections and deaths have had a tremendous impact upon residents and businesses. Unemployment in the City of South Gate stands at about 18%, with several sub-groups within the data seeing numbers at about 25%. In addition, we have seen many small businesses close, with the possibility that many may never open their doors again.

As of May 1, 2021, Los Angeles County is in the Yellow Tier for safety protocol allowing for the reopening of most businesses to as much as 75% occupancy depending on the type of business. This, of course, will have a tremendous impact upon lowering the unemployment as businesses bring workers back. The pace of this reopening will depend on the vaccination process of communities and the speed in which both national and global economies return to normal.

Last year, on March 27, 2020, the U.S. Congress passed the CARES Act which allotted \$2.2 trillion to provide fast and direct economic aid across the county; however, the funding was restricted to certain emergency expenditures, and only provided direct allocations to governments with populations over 500,000. As a result, municipalities under the 500,000 threshold had to coordinate with and lobby state and county governments to receive a share of the CARES Act funding. The City of South Gate ultimately filed for about \$1.2 million in reimbursement for response and protective items.

Approximately a year later, on March 11, 2021, the American Rescue Plan Act, signed by President Biden, included a \$1.9 trillion Economic Relief Plan that contains of \$350 billion in direct aid to state, local, territorial, and tribal governments. Of this amount, local governments, including both counties and municipalities, were provided \$130.2 billion in emergency funding. The state and local fiscal recovery fund was designed to assist with the budget gaps created by the crisis and its economic shutdowns.

In the recently approved ARPA, the allocation formula for entities over 50,000 in population is generally based on the federal CDBG (Community Development Block Grant) allocation methodology. Based on the CDBG methodology, the City of South Gate is estimated to receive \$37.7 million; half of that amount within 60 days of the Bill's passage and the balance in 12 months, in Fiscal Year 2021/22. As of the writing of this report, the U.S. Treasury Department is still finalizing the procedures and processes to claim the funding and the reporting requirements. It is expected that by the time this report is made to the City Council, many of those procedures will have been promulgated. Although the Bill specifically allows for the recovery of revenue losses and the reduction of expenditures governments incurred to address the pandemic, the Bill is very clear that pension costs are not eligible.

As the City Council is aware, during the last quarter of Fiscal Year 2019/20 and the first half of the current fiscal year, the City put holds on hiring, expenditures and capital projects as a cost containment effort to deal with the unknown fiscal impacts when the COVID-19 pandemic first arose. In December, the City Council reduced the current fiscal year budget by nearly \$3 million and deleted many capital projects. While the City did not fully experience some of the initial fiscal fallout projected, it did see many sources of funding reduced and certainly undertook expenses to deal with the pandemic that drew down from the reserves.

Many economic experts have indicated that it may take 3-5 years before the national and global economies return to their normal cycles. This, of course, means the local economies will be slow to fully recover. Finally, as a result of the numerous health orders that limited businesses in their operations, we have seen the basic economy change. This change has been especially evident in the retail sector and office sector. On-line retail has grown to about 19% of all retail sales with a 36% increase last calendar year, while in-store sales fell by 3.2% over the same period a year ago nationally. It is expected the online sales will grow about 8% annually, while in-store sales will only grow about 5% for 2021 over last year 2020.

Office space has also seen a sharp decline as businesses have adapted to telecommuting and other technology applications that have allowed individuals to work off-site. This decline is expected to continue into the future thus creating a very soft market in terms of rents and a surge in vacancies for this space. Will this change create a need to repurpose office space into other uses like housing or something else? And, if so what impact might there be on local zoning standards?

The bottom line is that the COVID-19 pandemic has changed many parts of traditional economic model assumptions. Some of these changes may be forever, while some may just take time for a return to normal. At this time, we do not know given the unprecedented nature of the pandemic.

Yet, the ARPA provides a truly unique opportunity to make a significant investment that cannot only benefit the community today, but certainly many years to come; if strategically applied. There will most likely never be another funding level like the one before the City Council for generations to come.

**ATTACHMENT:** American Rescue Plan Act of 2021 - PowerPoint Summary



# The American Rescue Plan Act of 2021

## City of South Gate

# The American Rescue Plan Act

- ▶ The American Rescue Plan Act became law on March 11, 2021
- ▶ Provides for \$2.2 trillion in financial assistance to various segments of our economy, including government
- ▶ \$360 billion in direct funding to state & local funding
  - ▶ State Government - \$195.3 billion
  - ▶ Tribal Government - \$20 billion
  - ▶ Local Government - \$130.2 billion
    - ▶ \$65.1 billion directly to 19,000 municipal governments
    - ▶ \$65.1 billion for 3,000+ County governments



# The American Rescue Plan Act

- ▶ Municipal Government (\$65.1 billion)
  - ▶ \$45.5 billion to cities with 50,000 or more residents (modified CDBG)
  - ▶ \$19.5 billion to cities less than 50,000 distributed through the State
- ▶ Funding will be released in two phases
  - ▶ May 11, 2021
  - ▶ May 11, 2022
- ▶ Spending Deadline - December 31, 2024

# The American Rescue Plan Act

## ▶ Eligible Expenditures

- ▶ Responding to the health emergency or its negative economic impacts
  - ▶ Assistance to households; small businesses; nonprofits or aid to impacted industries
- ▶ Respond to workers performing essential work during the COVID-19 emergency
- ▶ Revenue replacement for local government (based on the 2018-19 fiscal year)
- ▶ Make necessary investments in water, sewer and broadband infrastructure
  
- ▶ \* All expenses must meet U.S. Treasury Department guidelines and are subject to audit

# The American Rescue Plan Act

- ▶ ARPA does provide other funding categories to be administered by the State
  - ▶ Broadband Development
    - ▶ \$7 billion for Emergency Connectivity Fund (schools and libraries)
    - ▶ \$10 billion for capital projects including remote options work, learning and health monitoring
  - ▶ Homeless Intervention
    - ▶ \$5 billion for Emergency Housing vouchers
    - ▶ \$5 billion for HUD Homeless Assistance Programs
    - ▶ \$400 million for FEMA Emergency Food/Shelter Program
  - ▶ Renter/Homeowner Assistance
    - ▶ \$21 billion for Emergency Rent Relief
    - ▶ \$10 billion for Homeowner Assistance Fund

# The American Rescue Plan Act

- ▶ League of CA Cities/National League of Cities Recommendation
  - ▶ Save local fiscal recovery funds for gaps and priorities not eligible for other federal/state assistance programs
  - ▶ Assess government operations AND community needs
  - ▶ Prioritize fiscal stability and returning to work
  - ▶ Take advantage of the infrastructure opportunities under the ARPA
  - ▶ Treat as one-time funding as opposed to projects needing continual funding
  - ▶ Maintain records and document success

# The American Rescue Plan Act

- ▶ Based on the modified CDBG approach
  - ▶ South Gate - \$37.7 million
  - ▶ Cudahy - \$4.4 million
  - ▶ Downey - \$27.3 million
  - ▶ Huntington Park - \$31.8 million
  - ▶ Lynwood - \$28.2 million
  - ▶ Paramount - \$19.8 million
  - ▶ Pico Rivera - \$15.5 million
- ▶ U.S. Treasury Department to issue guidelines by May 11, 2021

# The American Rescue Plan Act

- ▶ Staff Suggested Consideration
  - ▶ Reimburse Revenue (GF/Special) lost - estimated \$7 million
  - ▶ Reimburse Expenses (GF/Special) incurred - estimated \$3 million
  - ▶ Designate Fund for deferred projects/reduced FY 2020-21 - estimated \$2 million
  - ▶ Designate for water/sewer/information tech projects - estimated \$14 million
  - ▶ Designate for small business assistance - estimated \$1.5 million
  - ▶ Designate for rental assistance - \$1 million
  - ▶ Designate for homelessness programs - \$2 million
  - ▶ Designate for Broadband Project - \$1.5 million
  - ▶ Designate a set-a-side for later determination - \$5.7 million

# The American Rescue Plan Act

- ▶ Summary
- ▶ ARPA parameters
  - ▶ Respond to COVID healthcare emergency
  - ▶ Assist with economic impacts
  - ▶ Revenue replacement
  - ▶ Investments in water/sewer/broadband
  - ▶ Respond to workers performing essential work
- ▶ One-time versus on-going (League and National League recommendations)
- ▶ General time period (1/1/2020 thru 12/31/2024)
- ▶ All funds must be spent/encumbered by 12/31/2040 or returned
- ▶ “The devil is in the details” - U.S. Treasury Department to issue guidelines

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MAY 5 2021

City of South Gate  
CITY COUNCIL

CITY OF SOUTH GATE  
OFFICE OF THE CITY MANAGER  
3:20pm

AGENDA BILL

For the Regular Meeting of: May 11, 2021  
Originating Department: City Manager's Office

Interim City Manager: Chris Jeffers

Interim City Manager: Chris Jeffers

**SUBJECT:** WEST SANTA ANA BRANCH LIGHT RAIL UPDATE REPORT AND THE DRAFT MASTER COOPERATIVE AGREEMENT WITH THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY.

**PURPOSE:** To update the City Council on the West Santa Ana Branch (WSAB) Light Rail Project (Project) and the draft Master Cooperative Agreement (MCA).

- RECOMMENDED ACTIONS:** The City Council will consider:
- a. Receiving and filing an update report of the West Santa Ana Branch Light Rail Project; and
  - b. Providing staff with direction as it relates to the draft Master Cooperative Agreement with the Los Angeles County Metropolitan Transportation Authority and future fiscal planning.

**FISCAL IMPACT:** There is no immediate financial impact; however, over the next several years, the City of South Gate (City) will be obligated to pay significant funds as required under the 3% Local Contribution Rule within Measure M which was adopted by voters in 2016. That contribution along with other participation costs associated with the Project may be as much as \$34 million. Actual costs cannot be determined at this time.

**ANALYSIS:** The Los Angeles County Metropolitan Transportation Authority (Metro) is continuing with its planning of the Project, with a goal of starting construction in 2023. The City has been engaged in providing significant comment to Metro for the last several years as the Project will run through the City using the Union Pacific right-of-way from the border with the City of Cudahy on Santa Ana Street to our City's south border at the I-105. The City's segment will be one of the longest in the 19 miles of the WSAB corridor.

Metro will, in short order, be releasing several documents for review and comment. The first of the documents will be the review of the Locally Preferred Alternative (LPA) and Final EIR in June 2021. These documents will, in essence, choose the actual corridor segment. At the present time, Metro is studying four alternatives, with South Gate being in three of the four options under consideration.

The second document is seeking approval of a Master Cooperative Agreement (MCA) between Metro and the various cities along the rail corridor. This will be an agreement between the City and Metro on how they and the City will interact in reviewing documents and construction plans during the process.



As one might imagine, a multi-billion dollar construction project passing through a multitude of jurisdictions could create inconsistencies, delays and inefficiencies. To overcome those hurdles, Metro requires that the local jurisdiction enter into a MCA which outlines and guides the parties in their interactions related to the specific construction project. Metro has submitted their latest draft of the MCA to the City and staff has reviewed the document and is prepared to discuss it later in this report.

**BACKGROUND:** Within Measure M, which was passed by Los Angeles County voters in 2016, is the Project known as the West Santa Ana Branch Transit Corridor. As initially envisioned within Measure M, the Project would be an approximate 19.3 mile light rail transit system from Union Station in Los Angeles to the City of Artesia. The Project would serve a population of nearly 1.4 million and interconnect with two existing light rail lines (Blue and Green) operated by Metro.

Metro has designated the WSAB project as a high priority with the goal of having it operational by 2028 and the Los Angeles Olympics that summer. The process for the WSAB began in 2017 with EIS/EIR scoping meetings. Metro is scheduled to release its draft EIS/EIR document in the next few months along with a selection of the locally preferred route. The Draft EIS/EIR was to have been released in the summer 2020, according to initial project material on the Metro website.

It will likely be Fall/Winter 2021 before Metro can certify a final EIS/EIR document, which would allow the Federal Transit Administration to consider approval of its Record of Decision (ROD) which would allow use of the rail and possible federal funding of the Project. The time needed for federal approval is not known at this time. Metro is still negotiating with Union Pacific on joint use of their right-of-way for a significant portion of the proposed corridor. Again, no time frame has been established for the completion of that aspect.

Metro is going to need to acquire significant portions of property to house stations, parking areas and other attributes that are common to such a significant transit Project. Those aspects cannot begin until Metro has adopted a final EIS/EIR, approved a LPA and secured a full plan for the corridor; even if it is in project stages.

At this time, the initial funding allocation is \$4 Billion made up of Measure M and other local, state and federal sources. The funding is scheduled to be released in two cycles: \$1 billion in 2028 and \$3 billion in 2041. The Project is currently estimated to cost about \$6.6 billion based on an estimate in 2018 and 5% final design drawings. The final project cost is dependent on further design work; coordination with railroad owners and Ports of Long Beach/ Los Angeles for rail right-of-way along with First and Last Mile plans (FLM). Thus, there is a significant shortfall anticipated. Metro is seeking state/federal support to backfill that shortage, but the Project is one of several projects that Metro knows is facing a shortfall at this time.

While the Draft EIS/EIR is being developed, Metro has completed what is termed 15% Final Design documents and is likely to finish the 30% design plans within 12 months. The 30% document will be used to begin seeking construction costs and will be a milestone as it relates to the 3% local contribution requirement. As one might expect with such a project occurring in a fully developed urban setting, the complexity of these design plans is significant.

### ***South Gate Project Overview***

For South Gate, this Project will have a significant presence and visibility. Attachment A is a series of layouts showing the light rail line through the City. These initial diagrams come from the 15% Design

Plans used to develop the latest cost estimates. The 30% Design Plans are scheduled to be released sometime in fiscal year 2021-22, according to Metro which will be critical to ultimately setting costs for the project.

Due to the significant number of challenges, our portion of the line will have a significant number of “fly overs” or bridges to keep the light rail off of the major streets. This will include basically from Salt Lake Avenue/Atlantic to just over the Firestone, LA River bridge expansion; under the 710 Freeway; over the Rio Hondo Flood Control Channel, Imperial Highway; Garfield and over the 105 Freeway. The entire line has to accommodate two light rail tracks (north/south) and the freight line. This is a complex project given this amount of infrastructure; thus, the reason why the costs have escalated from the 5% design to 15% and likely to increase as the 30% design standards are published.

As a result, significant parcels of land will be acquired by Metro to ensure operations and the necessary infrastructure to support them. Those properties have not been fully identified and will not be until likely the 30% design phase or later.

### ***MCA***

The Master Cooperative Agreement (MCA) between the cities and Metro covers the roles and responsibilities of each in terms of review of plans and documents, permits, inspections, property issues, to future operation and maintenance principles. While the original MCA was sent to cities almost a year ago, many cities have been in negotiations concerning the agreement. To date, only 4 cities of the 9 WSAB corridor cities have formally approved the MCA. Many of the issues center around turnaround time for review of complex plans, liability of “caused” delays in the Project, to debates of what is a “betterment” as opposed to “as is”, especially in utility infrastructure. This can be a significant issue as “betterments” are charged to the responsible city.

While Metro has met and attempted to address issues raised, the general philosophy concerning many outstanding issues/concerns is a request to trust that Metro will cooperate and be fair in dealing with matters down the road. Attachment A is the most current red-line version of the MCA which we are working from between the parties. Staff is still in dialog with Metro over elements of the modified red-line version attached as Attachment B to this report. We certainly want to be sure the community interruptions that will come with construction can be dealt with, and maintenance of the infrastructure is properly planned for; especially aesthetics.

The importance and significance of the Project to the region and City is recognized. As such, there will have to be a level of trust that Metro does acknowledge and will accommodate local concerns with such a project. It is difficult to fully describe the potential of future issues and/or disagreements that may arise over the Project, the MCA commits the City to responsibilities regardless.

### ***3% Local Contribution***

Under Measure M, the funding requirement for projects was redefined and strengthened making it a requirement in order for Metro to access this funding source. As it relates to rail projects, the contribution is based on the total project cost at the 30% design phase and is based on centerline track mileage and amount of land within one-half mile radius of new stations. This is a pretty heavy hit on a community such as South Gate which has the second largest mileage of track and three stations impacting it. Only the City of Los Angeles has a potentially higher cost under this formula. It should be noted that at this point, there are three stations impacting us within the ½ mile radius element. There could be a fourth station (given the push by Supervisor Solis and Assembly Speaker Rendon’s

office) to serve the future Cultural Arts Center area. Metro is studying this option, with a report due likely this summer. If approved, this will increase our 3% costs and those of all other cities as well.

Based on the 15% design plans, the estimated project costs have risen \$1 to \$2 Billion from the 2018 costs stated above. Based on those project estimates, the following table represents the potential 3% contribution for local agencies with in the WSAB:

	<u>Jurisdiction</u>	<u>\$7.26 B Cost</u>	<u>\$8.00 B Cost</u>
1.	Artesia	\$ 9,735,660	\$ 10,728,000
2.	Bell	\$ 2,969,340	\$ 3,272,000
3.	Bellflower	\$ 23,239,260	\$ 25,608,000
4.	Cerritos	\$ 2,613,600	\$ 2,880,000
5.	Cudahy	\$ 1,865,820	\$ 2,056,000
6.	Downey	\$ 3,216,180	\$ 35,496,000
7.	Huntington Park	\$ 32,212,620	\$ 35,496,000
8.	Los Angeles City	\$ 79,700,280	\$ 87,824,000
9.	Los Angeles County	\$ 5,677,320	\$ 6,256,000
10.	Paramount	\$ 23,050,500	\$ 24,400,000
11.	SOUTH GATE	\$ 32,662,740	\$ 35,992,000
12.	Vernon	\$ 856,680	\$ 944,000
	<b>Total*</b>	<b>\$ 217,800,000</b>	<b>\$ 240,000,000</b>

- Current Metro regulations require the full amount of the local contribution by the completion of 50% of the project construction (this would mean 2025/26 based on the current Metro timeline). However, the specific timeframe has yet to be established.

Nevertheless, there are some good points. Under the regulations, all costs are fixed at the time that the 30% design drawings are accepted by Metro. So any additional costs, which are likely, would all be absorbed by Metro.

Local jurisdictions may meet all or a portion of their 3% local obligation by funding and implementing active transportation projects (ATP) identified in their station area First Last Mile (FLM) plans. The FLM plan improvements are included in the 30% project design and cost estimate plans.

Eligible funding contributions by cities may include funds controlled by the City (General Fund, Gas Tax, Prop A/C, and Measures R&M); Measure M Subregional Program Funds (controlled by the COG) and in-kind contributions (land or right-of-way contributions).

### ***Funding Assistance***

The idea of FLM will play a significant role in reducing or counting as an in-kind donation as it relates to the 3% local contribution. Certainly, there have most likely been projects like improved pedestrian and mobility improvements along Firestone and Atlantic that should be presented for consideration to Metro since 2018 when the Project was being developed for environmental review. The City should start pressing Metro to consider and include them when the Contribution Agreement is considered between Metro and South Gate.

In addition, there may have been or will be future mobility improvements within a ½ mile of the stations that the City has undertaken that could very well be applied toward our 3% obligation.

Metro also has separate funding programs that can be applied for to assist the cities in FLM requirements. Finally, the Gateway Cities Council of Governments (COG) has been allocated, as part of Measure M, a significant amount of money for transportation in the subregion that could be pursued for assistance either with FLM or direct support of the 3% local contribution. Both of these programs are competitive grants and are competing against many other local jurisdictions in the county and subregion.

Clearly, there are opportunities to reduce the potential financial hardship the 3% contribution will impose upon the cities, including South Gate. A sustained and coordinated effort is needed by both elected officials and staff to obtain these concessions, grants and funding from Metro and the COG. The question that cannot be answered at this time is, "what will our final 3% local contribution amount be?" We should not assume that we will get a significant amount (50% or more) of relief and should financially plan for at least 60% of the contribution or \$18 million to be funded (either in direct payment or FLM projects) by South Gate.

Currently, our transportation funding is used for both operation and capital programing. While a more in depth evaluation will be provided at upcoming budget presentations, using these to pay anything more than \$750,000 annually will require adjustments on other programs (operations or capital). That would necessitate the \$32 million obligation being reduced by at least 70% based on a 10-year payment program.

#### **SUMMARY**

The WSAB Light Rail Project (Project) will be the largest public infrastructure project the Southeast Cities will have experienced since the I710 Freeway in 1964. The Project will provide a new mobility alternative for residents to interconnect easily and in a more timely fashion than provided by traditional bus services.

The Project will bring many new opportunities for economic development and land use changes to better maximize the opportunities for the City. Mobility will improve by mostly reducing future growth demands on local streets and major freeways in the area, as opposed to really reducing current volumes. The state and region will remain an auto based environment for some time to come.

This Project will have a significant presence and visibility in South Gate, unlike many other transit projects in the County, due to the significant amount of elevated track and stations in the community that will be visible. The visibility of the project is good and worrisome on many fronts. We will want to be sure the bridges and other work is aesthetically designed to make it more appealing as they will be located in neighborhoods and major entry points to the City. Yet, we will see a renewed interest in many parts of the community to invest in order to take advantage of this infrastructure project.

The required Project funding from the City, under Measure M, will be a challenge. Certainly, much opportunity exists to reduce significant portions of the estimated amount stated in this report relating to the mandatory contribution. The success will largely require the City Council, as a body, to actively educate our state and federal representatives, as well as, lobby for funding from third parties to meet that obligation. That education and lobbying will also depend on the WSAB cities to consistently work closely together to form a united front in that.

This Project will require additional staff and third party consultant assistance to ensure we get what is expected on behalf the City Council. The continuous vigilance of this Project will require a significant investment of staff time (and could count towards our contribution in many cases), but is such an investment worth it on so many fronts?

Regardless of what happens as it relates to the MCA or other elements, the Project is going to be undertaken by Metro.

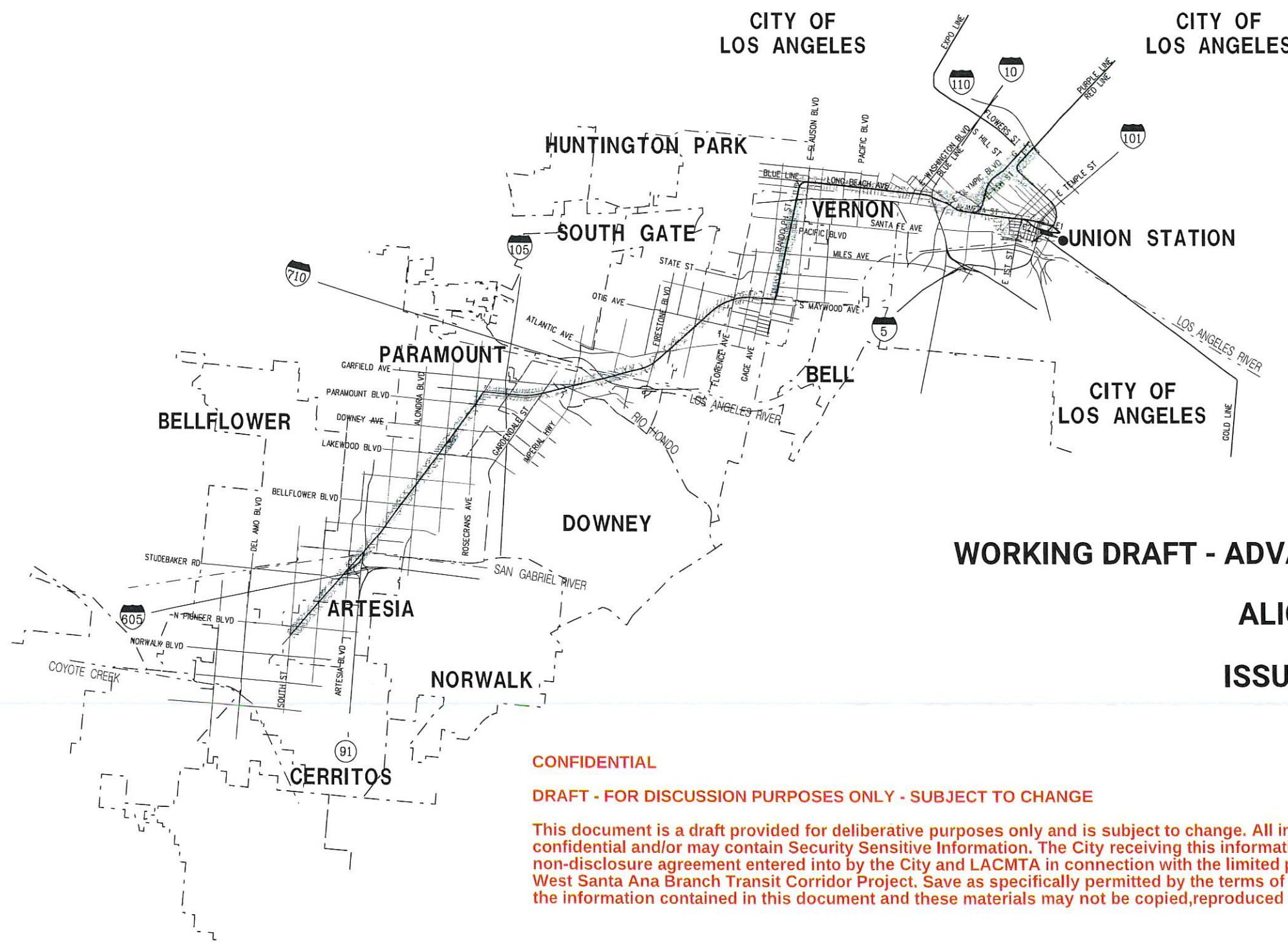
**ATTACHMENTS:** A. 15% Design Plans South Gate  
B. 4/x/21 Redline MCA Version

02-MAR-2020

svc-projectwise fit:07

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**WORKING DRAFT - ADVANCED CONCEPTUAL ENGINEERING**  
**ALIGNMENT DESIGN**  
**ISSUE: FEBRUARY 2020**

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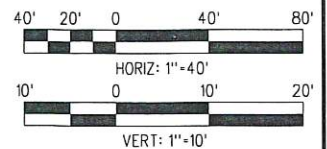
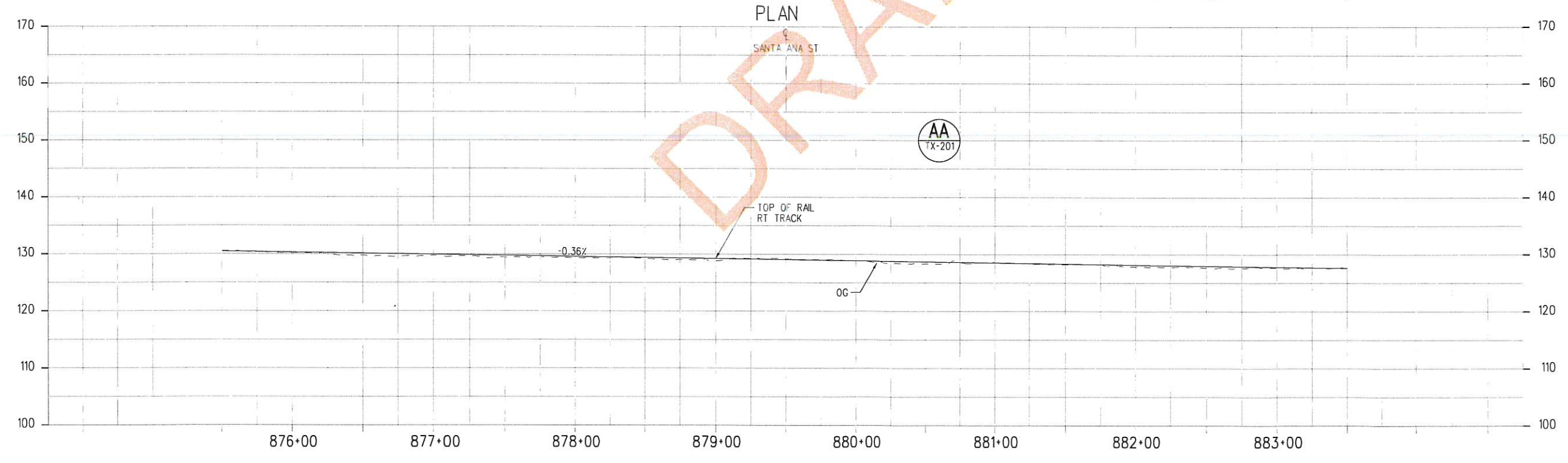
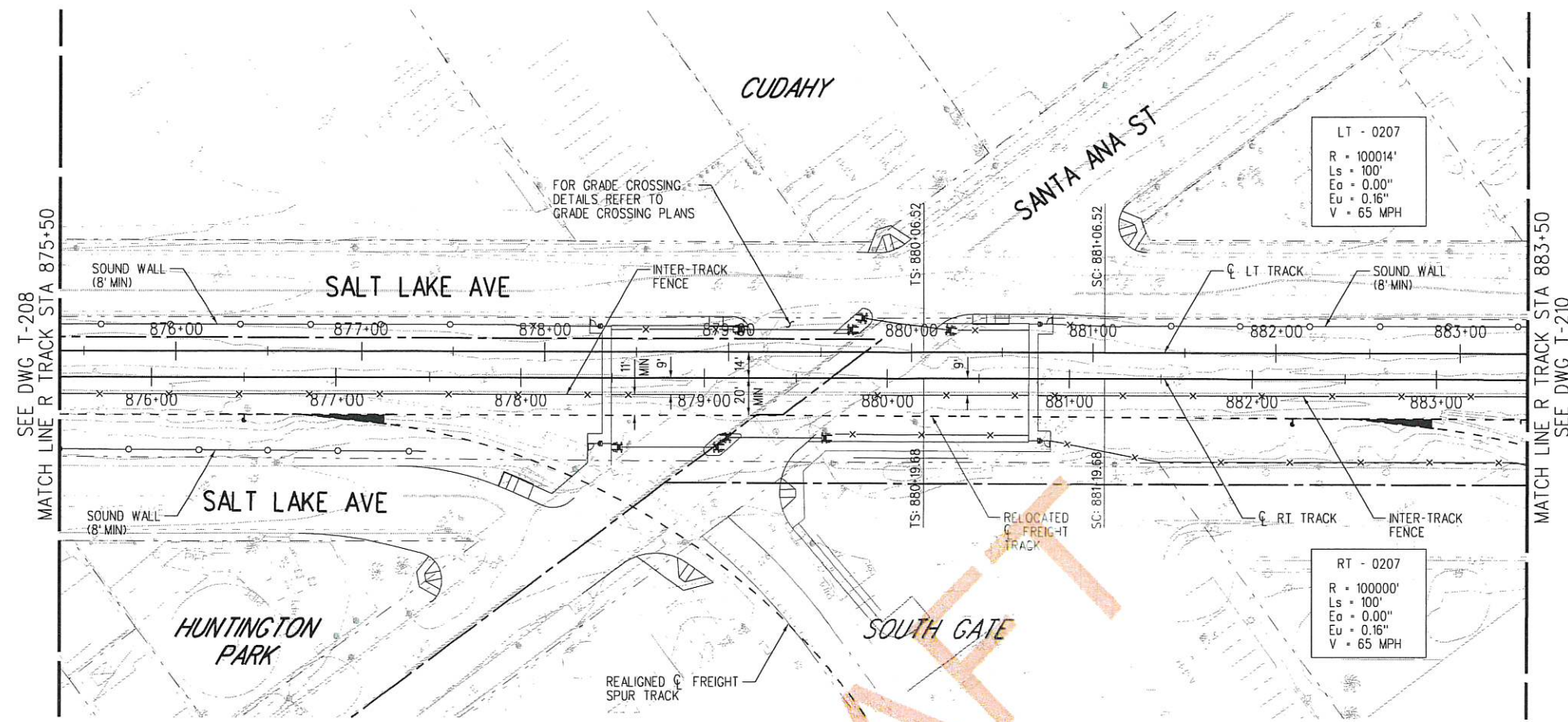
# WEST SANTA ANA BRANCH TRANSIT CORRIDOR PROJECT

444 South Flower Street  
 Suite 800  
 Los Angeles, CA 90071  
 TEL (213) 362-9470



LOS ANGELES COUNTY  
 METROPOLITAN TRANSPORTATION AUTHORITY

pg. 1 of 22



DRAFT

27-FEB-2020 B-28091AT209.plg  
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svc-projectwise

FINAL REVISED ACE SUBMITTAL - 02/26/2020

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REV	DATE	BY	APP	REG NO.	EXPIRES	SEAL HOLDER
0	2/26/2020					
FINAL REVISED ACE SUBMITTAL						DESCRIPTION

DESIGNED BY CB	DRAWN BY RM	CHECKED BY RL	IN CHARGE NM	DATE 2/26/2020
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**M Metro**  
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

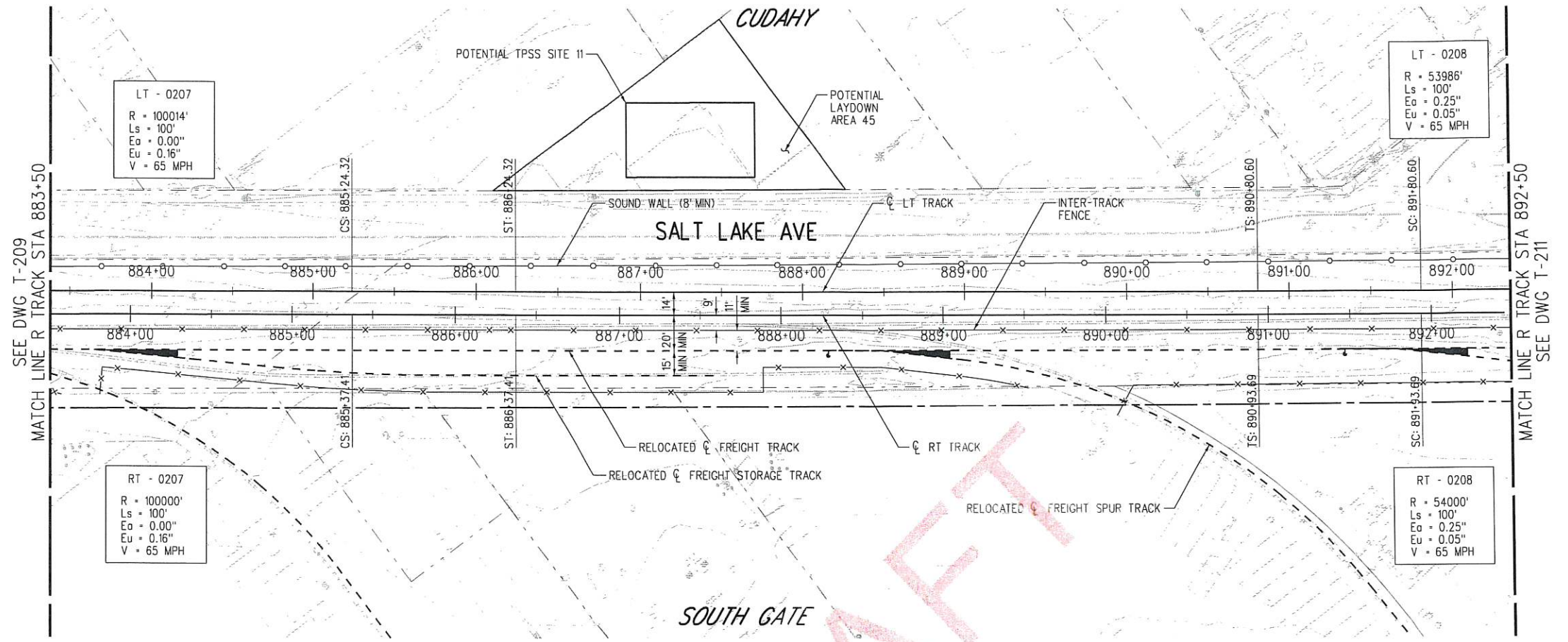
**wsp** 444 South Flower Street Suite 800 Los Angeles, CA 90071 TEL (213) 362-9470

SUBMITTED \_\_\_\_\_  
APPROVED \_\_\_\_\_

**NOT FOR CONSTRUCTION**

**WEST SANTA ANA BRANCH LRT TRACK ALIGNMENT ALTERNATIVES 1, 2, AND 3 PLAN & PROFILE STA 875+50 TO STA 883+50**

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SHEET NO. <b>88</b>	OF 169



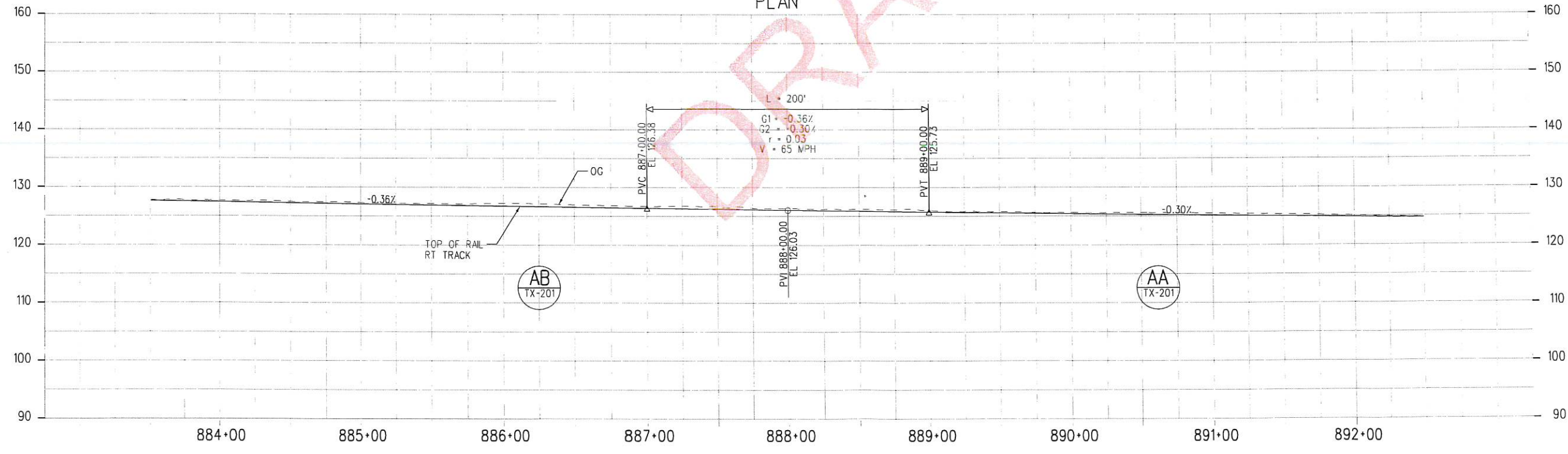
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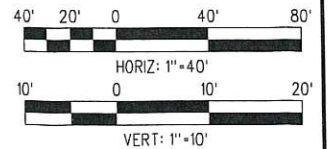
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 Ls = 100'  
 Eo = 0.25"  
 Eu = 0.05"  
 V = 65 MPH

SOUTH GATE  
 PLAN



PROFILE



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27-FEB-2020 B-28091AT210.plt

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REV	DATE	BY	APP	REG NO.	EXPIRES	SEAL HOLDER	DESCRIPTION
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DESIGNED BY CB	 LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
DRAWN BY RM	
CHECKED BY RL	
IN CHARGE NM	
DATE 2/26/2020	

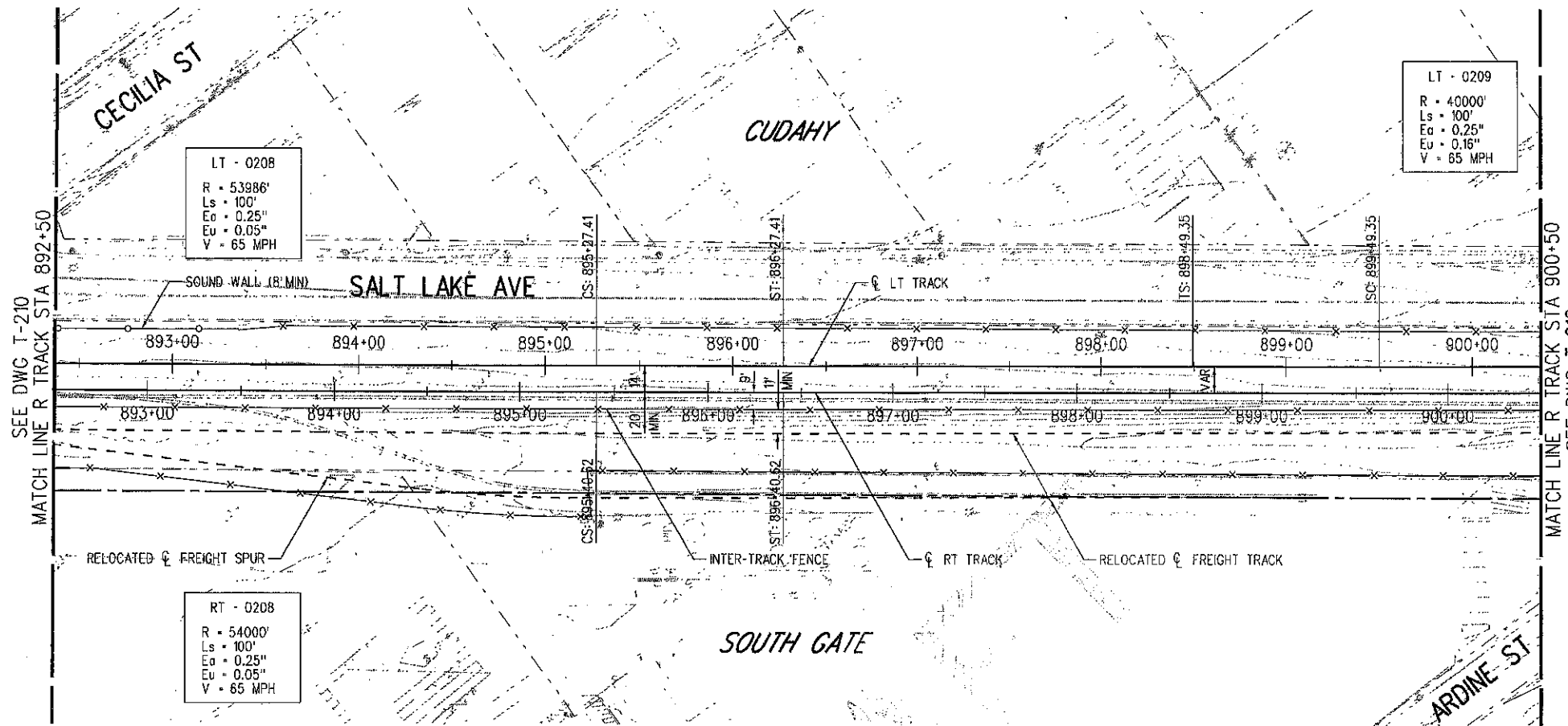
 444 South Flower Street Suite 800 Los Angeles, CA 90071 TEL (213) 362-9470	SUBMITTED _____ APPROVED _____
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WEST SANTA ANA BRANCH LRT  
 TRACK ALIGNMENT  
 ALTERNATIVES 1, 2, AND 3  
 PLAN & PROFILE  
 STA 883+50 TO STA 892+50

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pg. 3 of 22



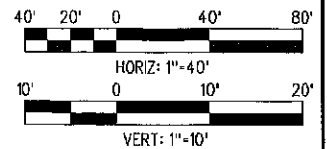
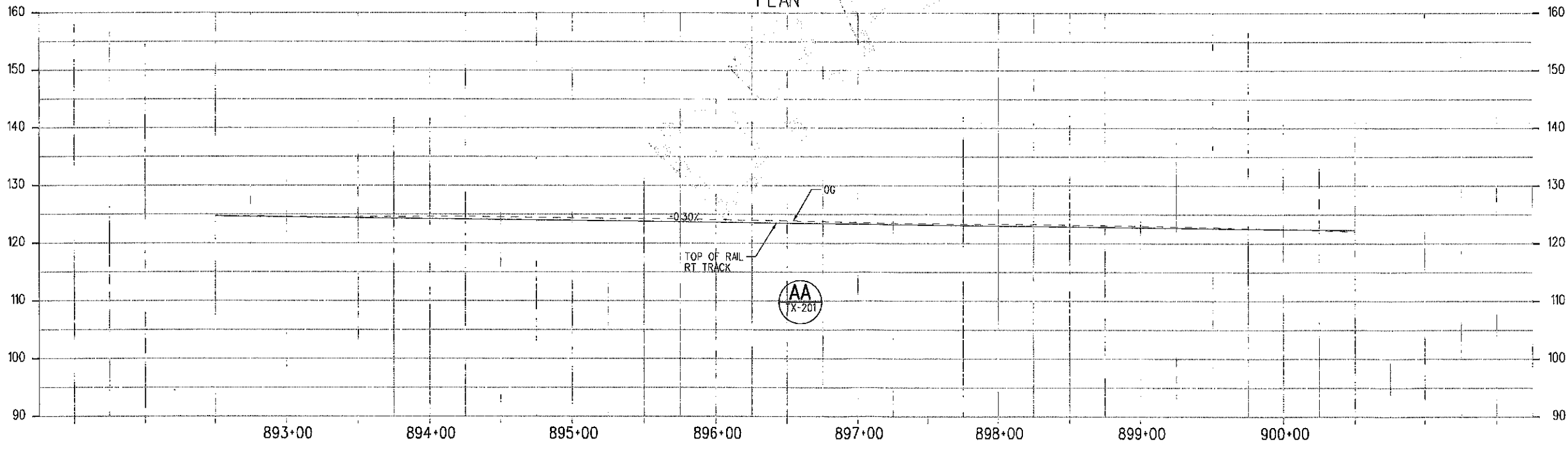


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RT - 0208  
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PLAN



PROFILE

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DATE 2/26/2020	

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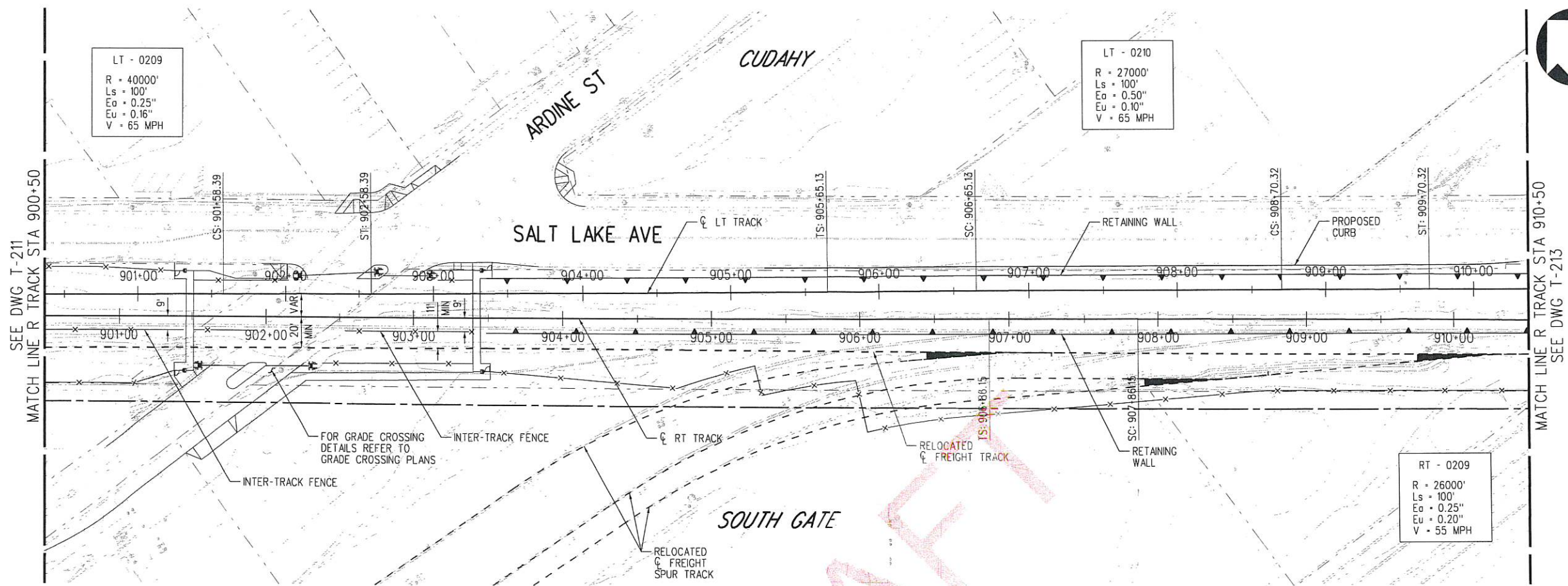
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APPROVED \_\_\_\_\_

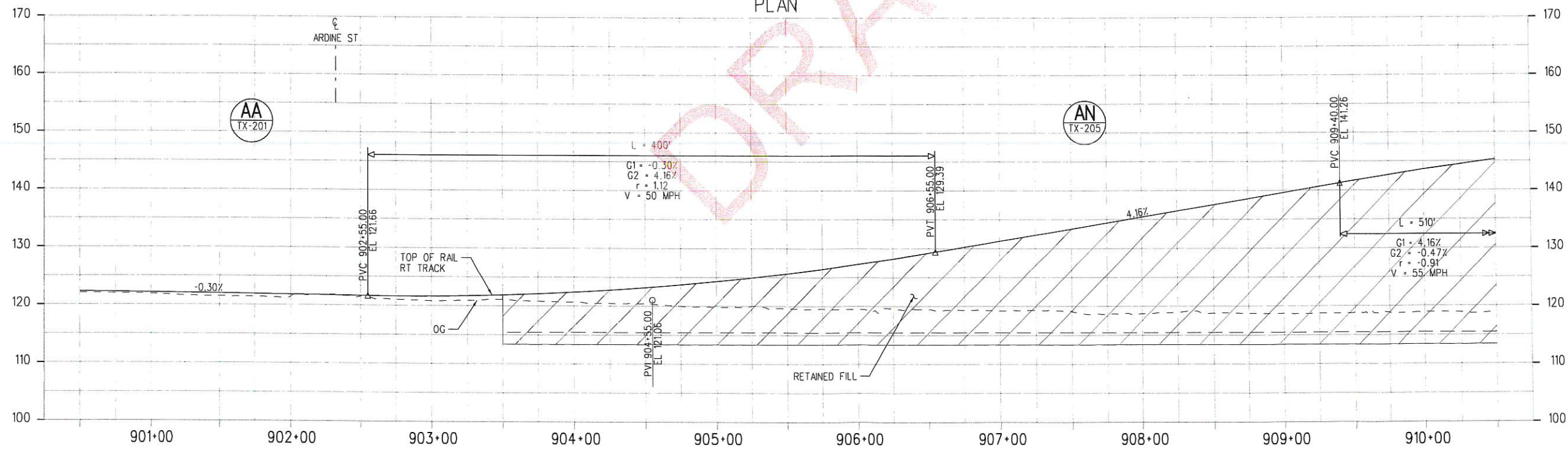
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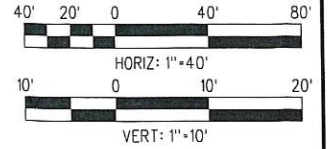
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PLAN



PROFILE



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DATE	2/26/2020					

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DRAWN BY	RM
CHECKED BY	RL
IN CHARGE	NM
DATE	2/26/2020

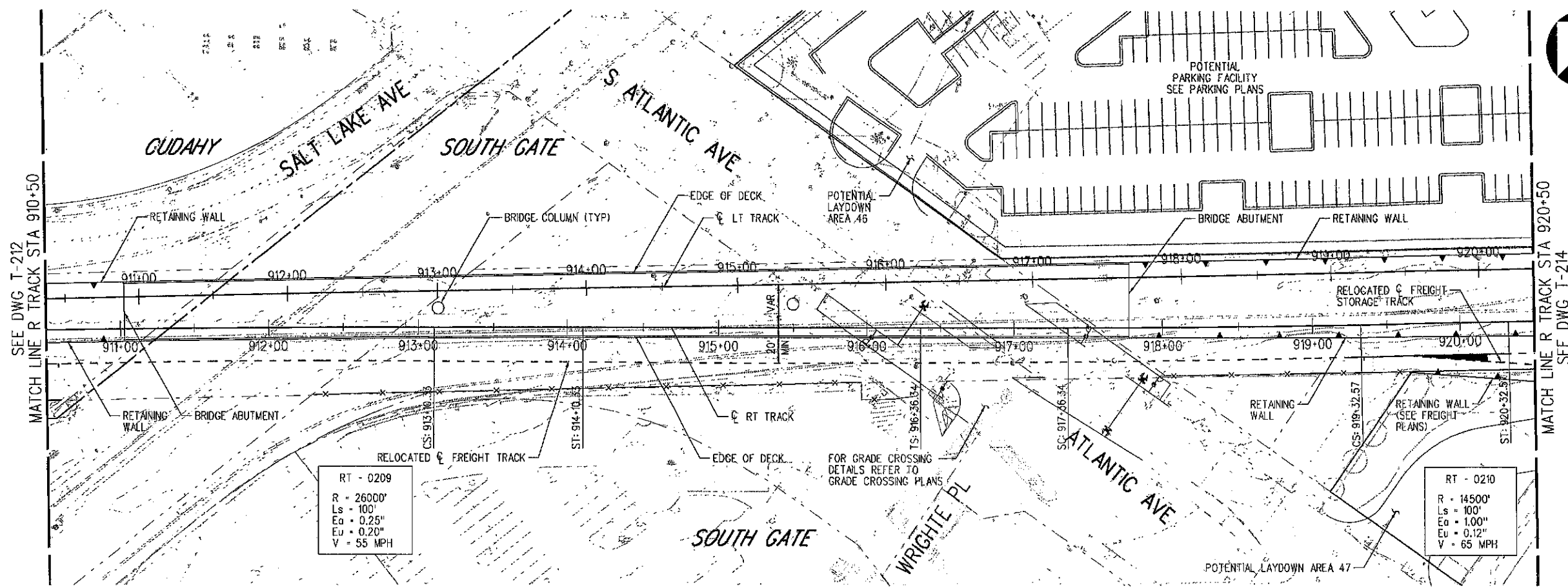
**Metro**  
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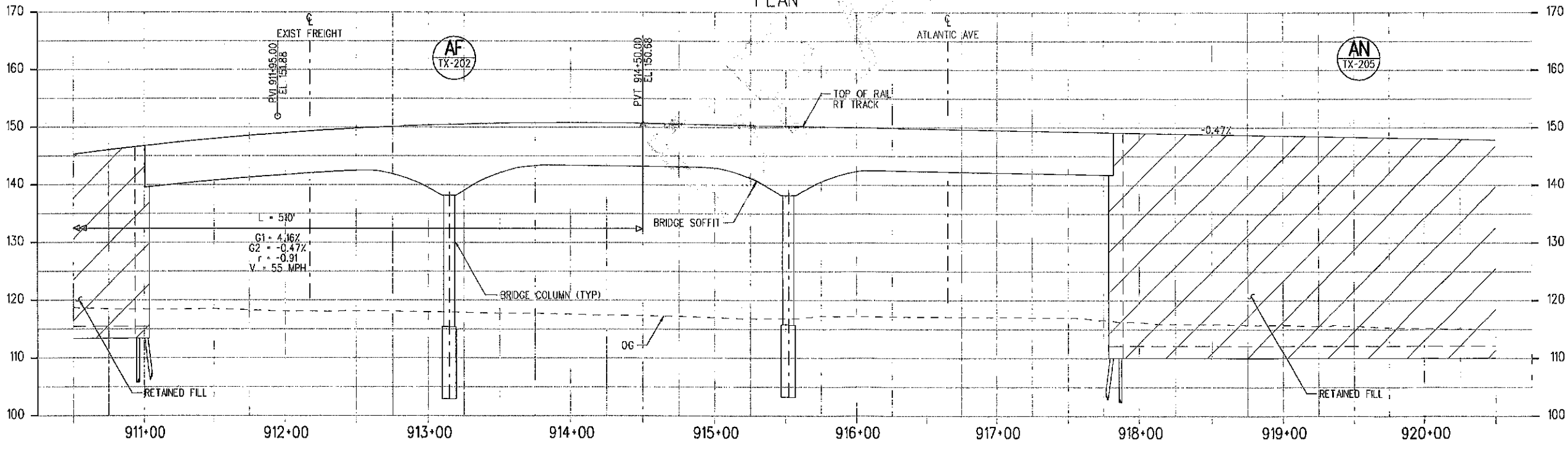
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 PLAN & PROFILE  
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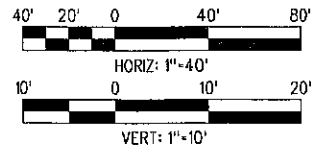
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PLAN



PROFILE



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FINAL REVISED ACE SUBMITTAL - 02/26/2020

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0	2/26/2020						FINAL REVISED ACE SUBMITTAL

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**wsp**  
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 APPROVED \_\_\_\_\_

**WEST SANTA ANA BRANCH LRT  
 TRACK ALIGNMENT  
 ALTERNATIVES 1, 2, AND 3  
 PLAN & PROFILE  
 STA 910+50 TO STA 920+50**

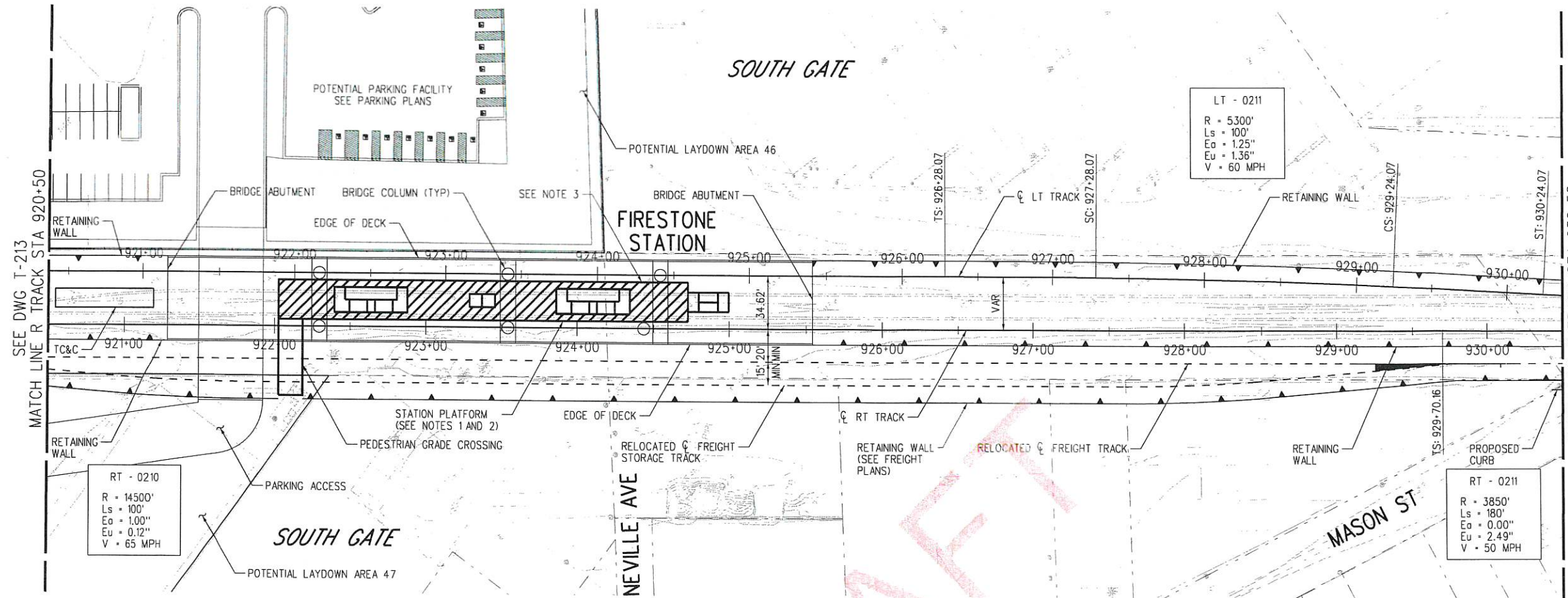
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pg 6 of 22

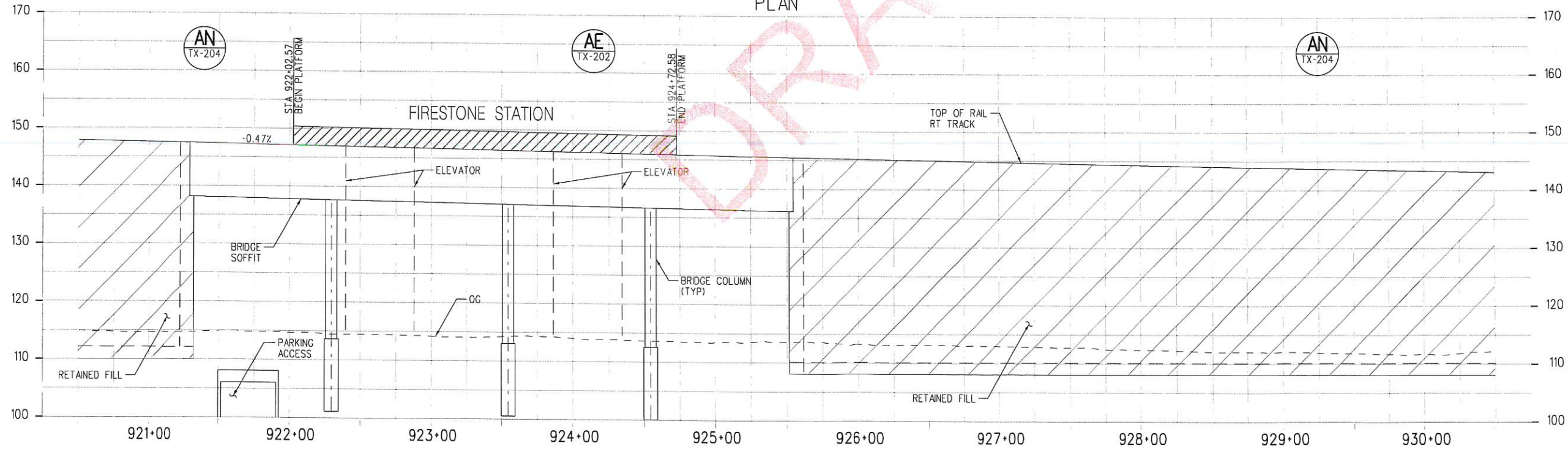


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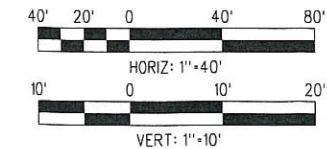
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PLAN



PROFILE



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0	2/26/2020					DRAWN BY RM
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						FINAL REVISED ACE SUBMITTAL

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DRAWN BY RM
CHECKED BY RL
IN CHARGE NM
DATE 2/26/2020



LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

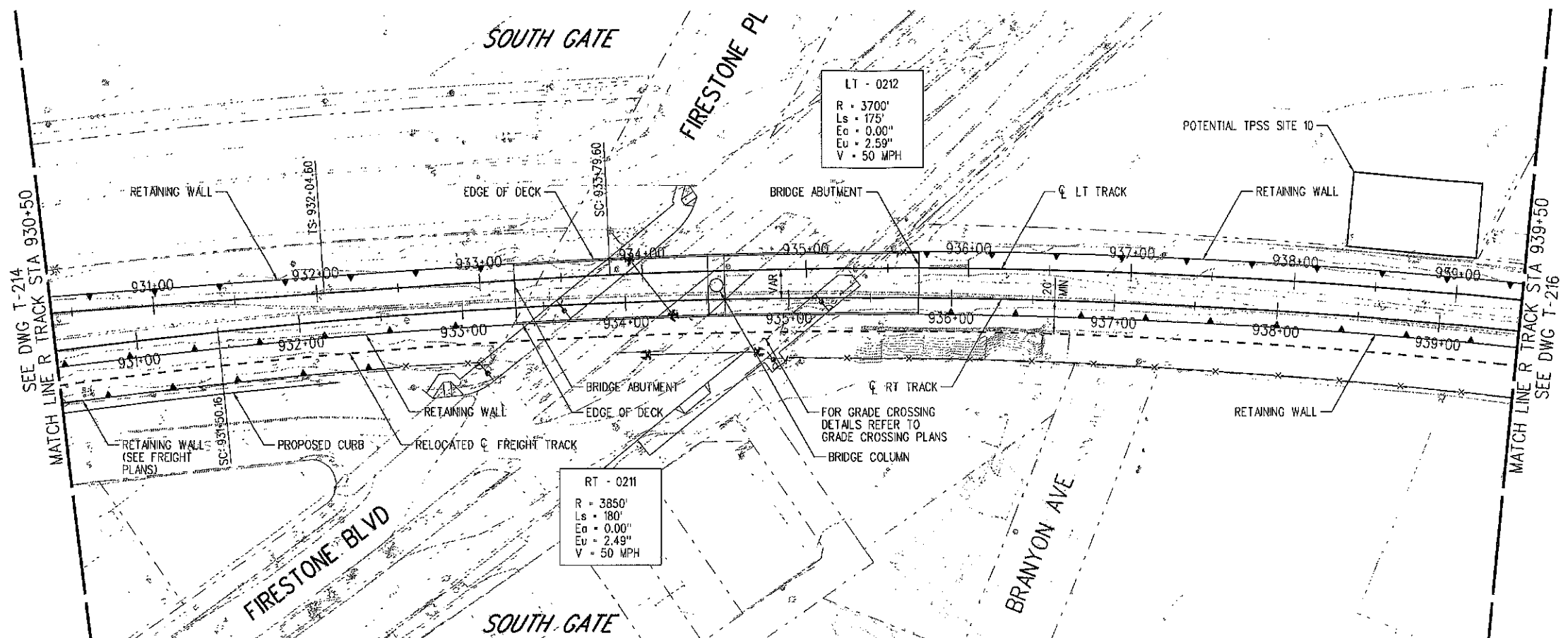


444 South Flower Street Suite 800 Los Angeles, CA 90071 TEL (213) 362-9470

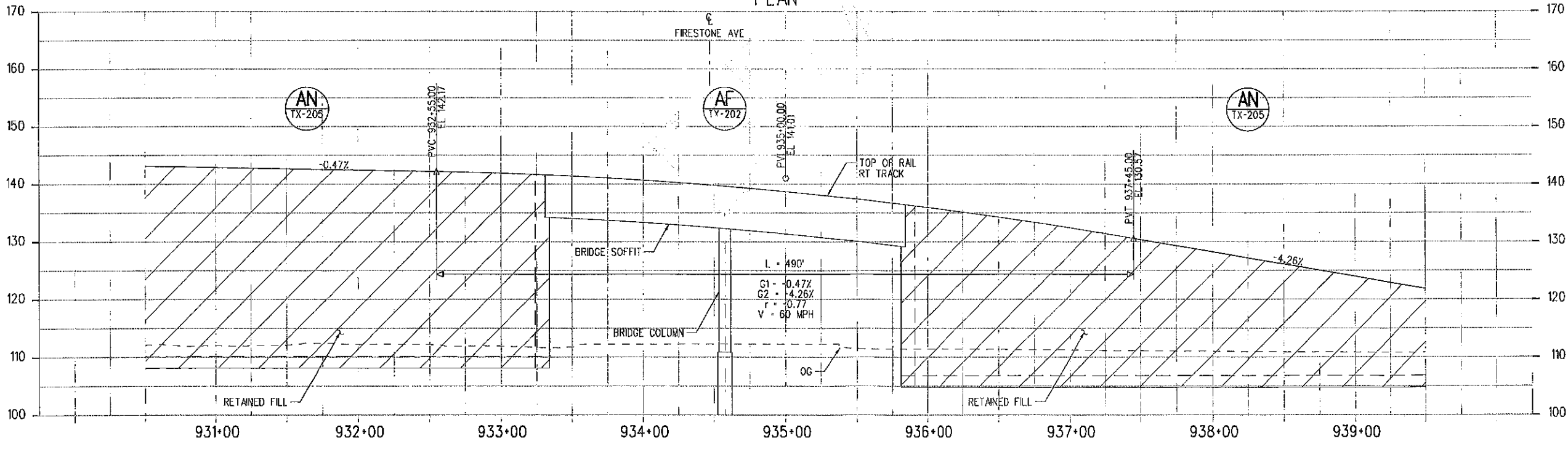
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WEST SANTA ANA BRANCH LRT  
TRACK ALIGNMENT  
ALTERNATIVES 1, 2, AND 3  
PLAN & PROFILE  
STA 920+50 TO STA 930+50

CONTRACT NO. AE5999300
DRAWING NO. T-214
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SHEET NO. 93 OF 169



PLAN



PROFILE

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FINAL REVISED ACE SUBMITTAL - 02/26/2020

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DATE	2/26/2020

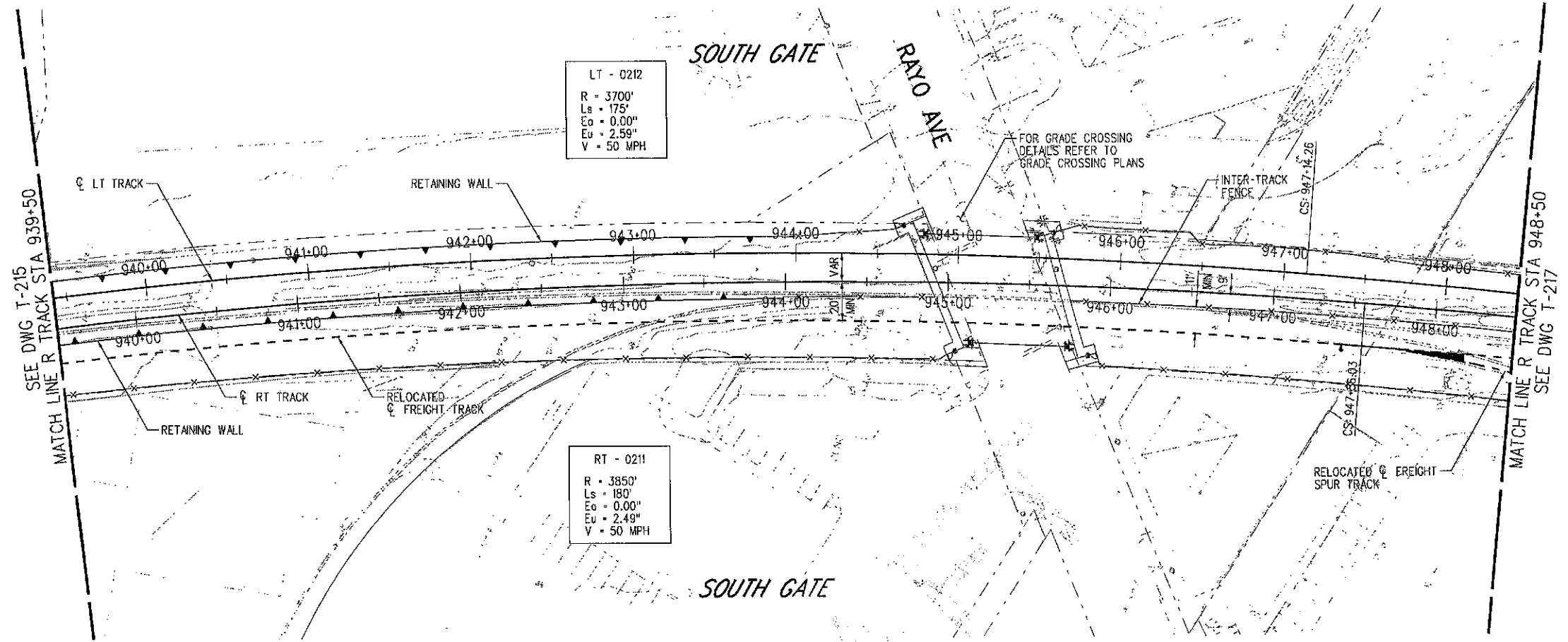
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 LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

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 TEL (213) 362-9470

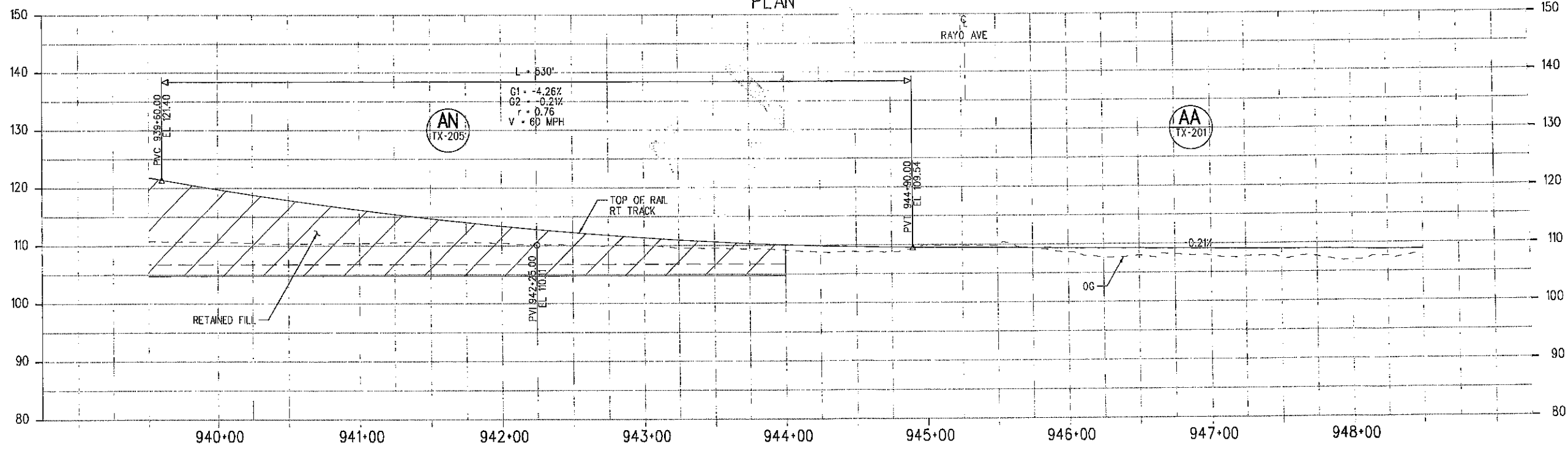
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 APPROVED \_\_\_\_\_

WEST SANTA ANA BRANCH LRT  
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 STA 930+50 TO STA 939+50

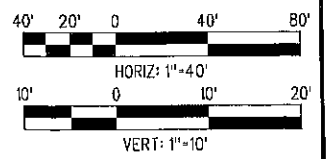
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SHEET NO	94 OF 169



PLAN



PROFILE



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REV	DATE	BY	APP	REG NO.	EXPIRES	SEAL HOLDER	DESCRIPTION
0	2/26/2020						FINAL REVISED ACE SUBMITTAL

DESIGNED BY CB	 LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  444 South Flower Street Suite 800 Los Angeles, CA 90011 TEL (213) 362-3470
DRAWN BY RM	
CHECKED BY RL	
IN CHARGE NM	
DATE 2/26/2020	

SUBMITTED	APPROVED
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WEST SANTA ANA BRANCH LRT  
 TRACK ALIGNMENT  
 ALTERNATIVES 1, 2, AND 3  
 PLAN & PROFILE  
 STA 939+50 TO STA 948+50

CONTRACT NO. AE5999300
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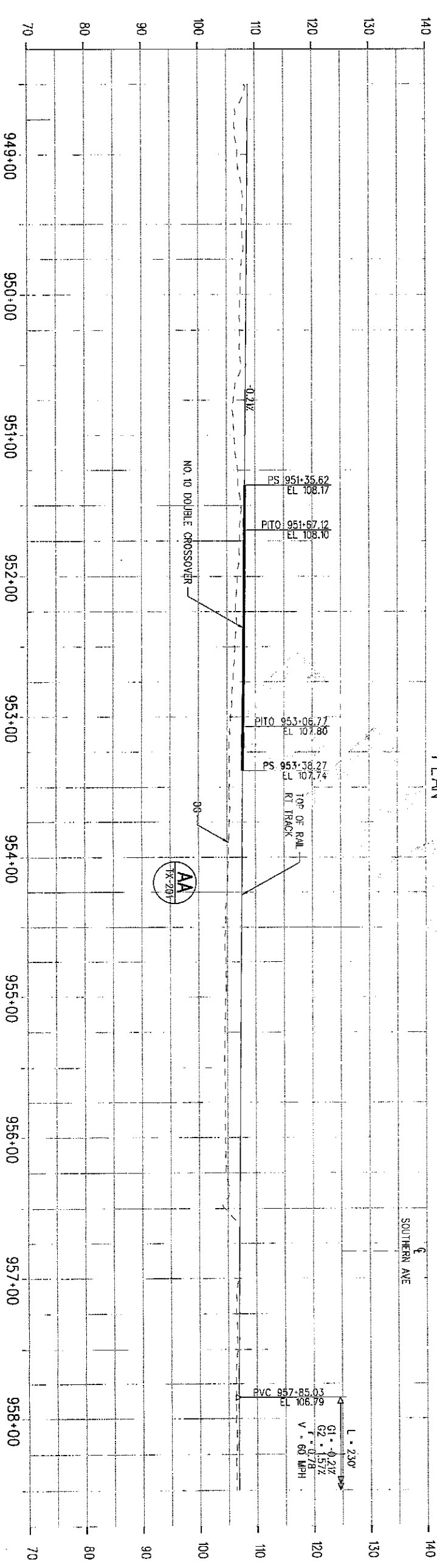
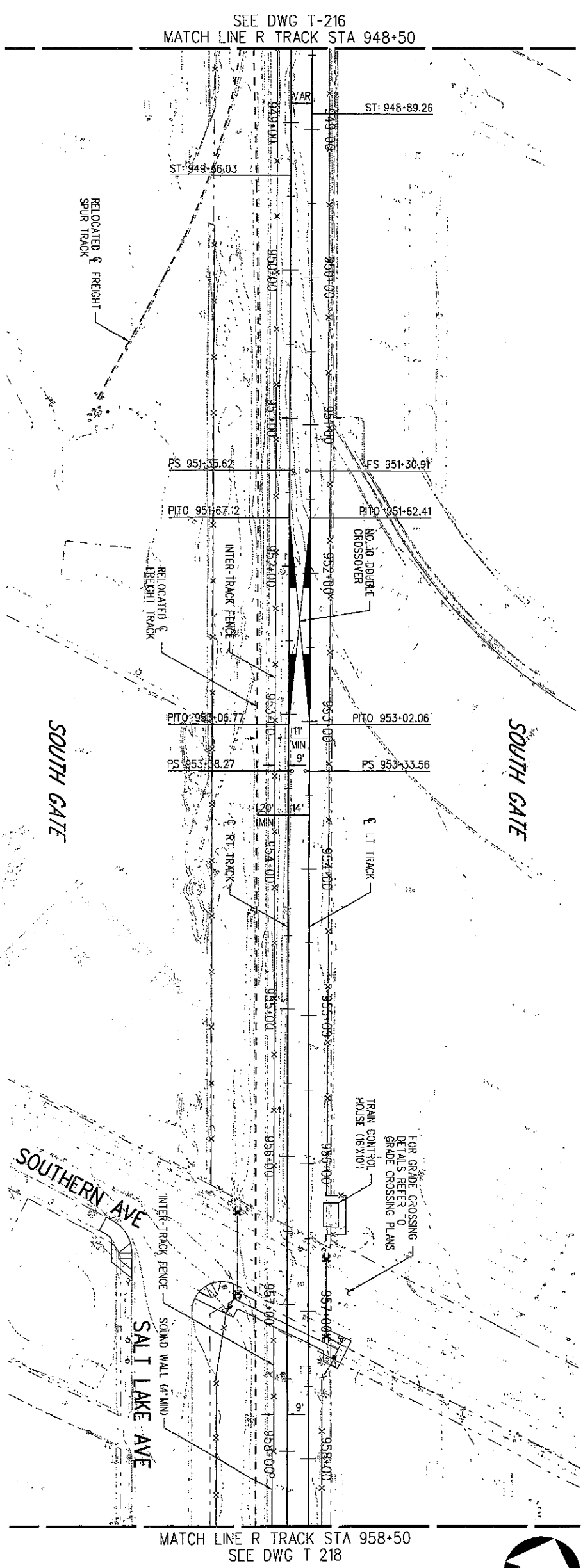
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pg. 9 of 22

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FINAL REVISED ACE SUBMITTAL - 02/25/2020

PROFILE

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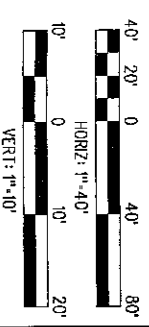
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DESIGNED BY	CHECKED BY	DATE
		2/25/2020

**Metro**  
 LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  
 444 South Flower Street  
 Suite 600  
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WEST SANTA ANA BRANCH LRT TRACK ALIGNMENT ALTERNATIVES 1, 2, AND 3 PLAN & PROFILE  
 STA 948+50 TO STA 958+50

CONTRACT NO.	AE5999300
DRAWING NO.	T-217
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SHEET NO.	96 OF 168



pg 10 of 22

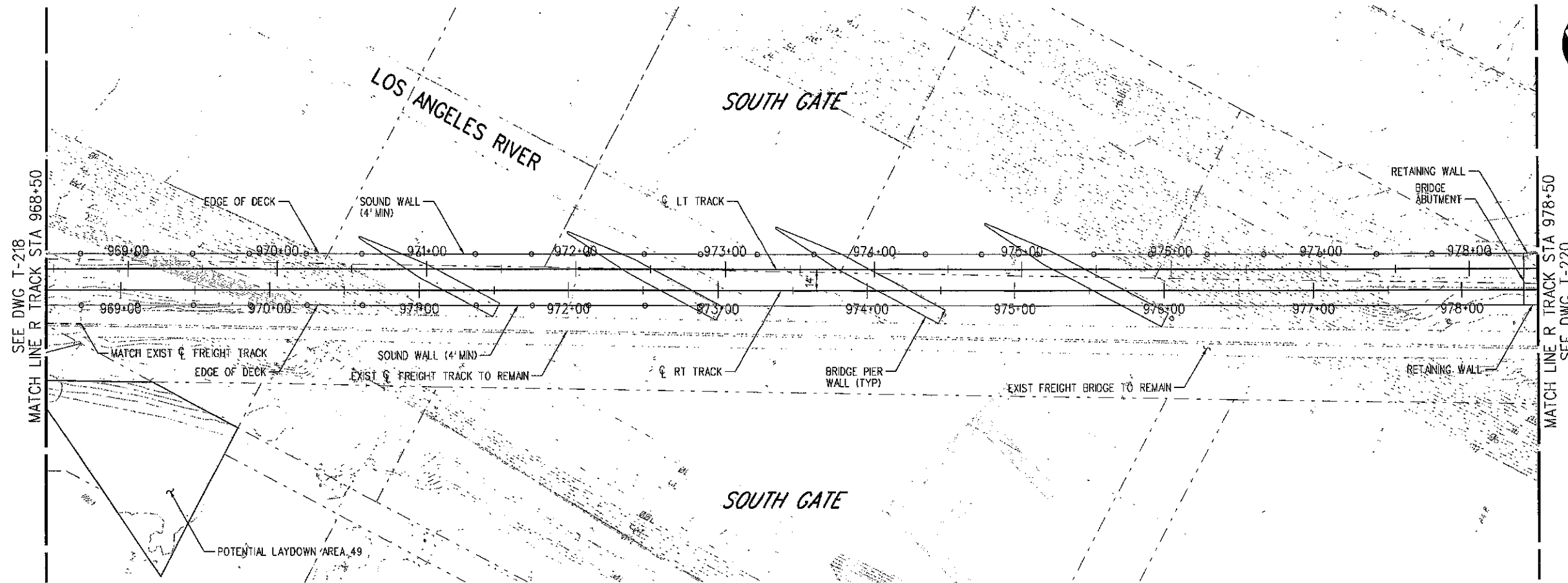




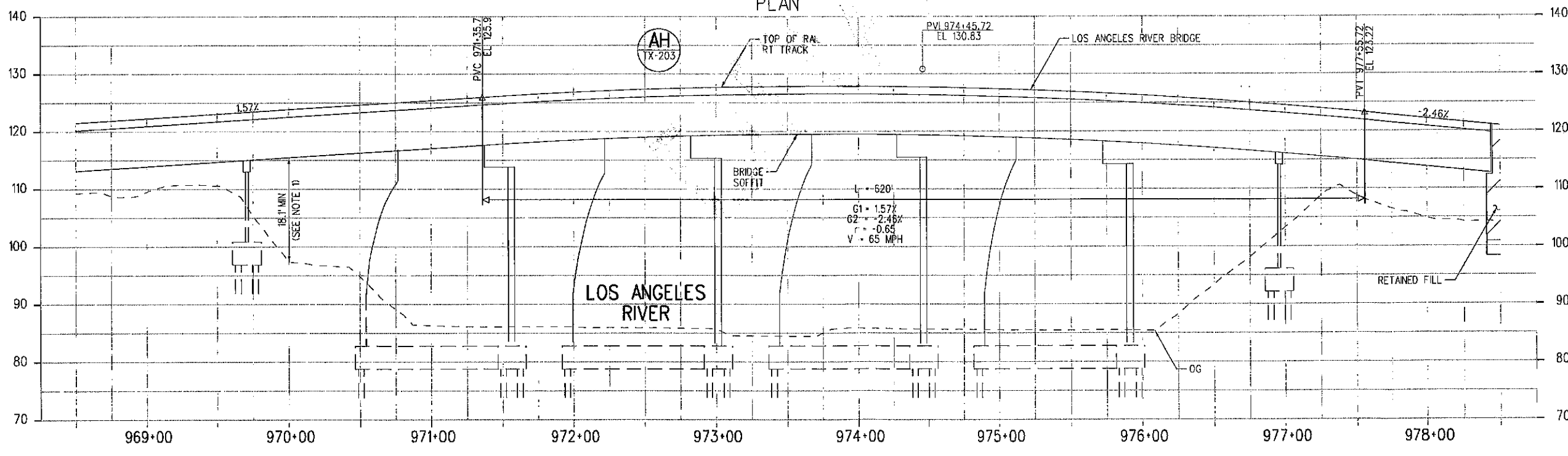


**NOTES:**

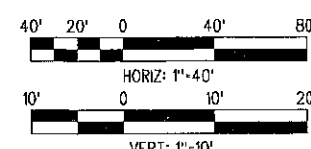
- 1. MINIMUM VERTICAL CLEARANCE INCLUDES 3.5' FREEBOARD.



PLAN



PROFILE



NOT FOR CONSTRUCTION

FINAL REVISED ACE SUBMITTAL - 02/26/2020

THE PREPARATION OF THIS DRAWING HAS BEEN FINANCED IN PART THROUGH A GRANT FROM THE U.S. DEPARTMENT OF TRANSPORTATION FEDERAL TRANSIT ADMINISTRATION (FTA), UNDER THE FEDERAL TRANSIT ACT OF 1954, AS AMENDED, AND IN PART BY THE TAXES OF THE CITIZENS OF LOS ANGELES COUNTY AND OF THE STATE OF CALIFORNIA.

REV	DATE	BY	APP	REG NO.	EXPIRES	SEAL HOLDER	DESCRIPTION
0	2/26/2020						FINAL REVISED ACE SUBMITTAL

DESIGNED BY CB	 LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
DRAWN BY RM	
CHECKED BY RL	
IN CHARGE NM	
DATE 2/26/2020	

 444 South Flower Street Suite 800 Los Angeles, CA 90071 TEL (213) 362-9470	SUBMITTED _____ APPROVED _____
---	-----------------------------------

WEST SANTA ANA BRANCH LRT  
 TRACK ALIGNMENT  
 ALTERNATIVES 1, 2, AND 3  
 PLAN & PROFILE  
 STA 968+50 TO STA 978+50

CONTRACT NO. AE5999300	REV
DRAWING NO. T-219	
SCALE HOR: 1"=40' VERT: 1"=10'	
SHEET NO. 98 OF 169	

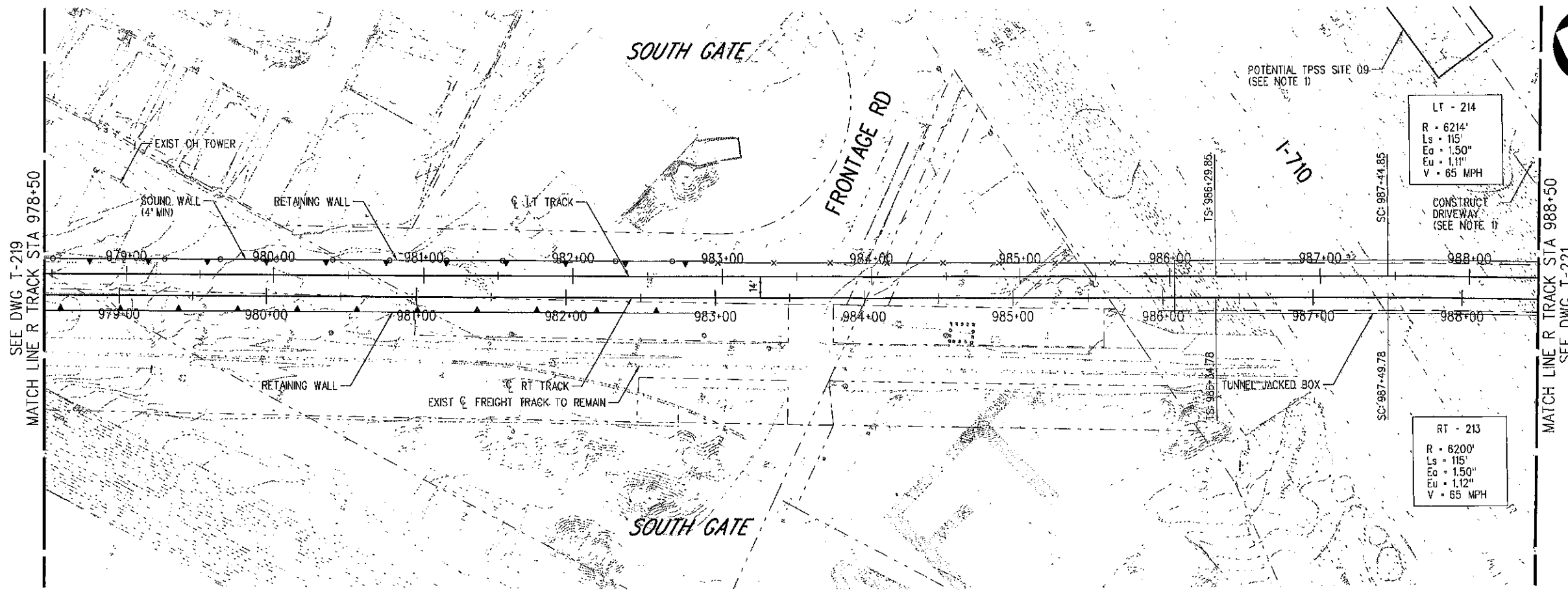
27-FEB-2020 B-28091AT219.plg

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Pentoble=bw.plt



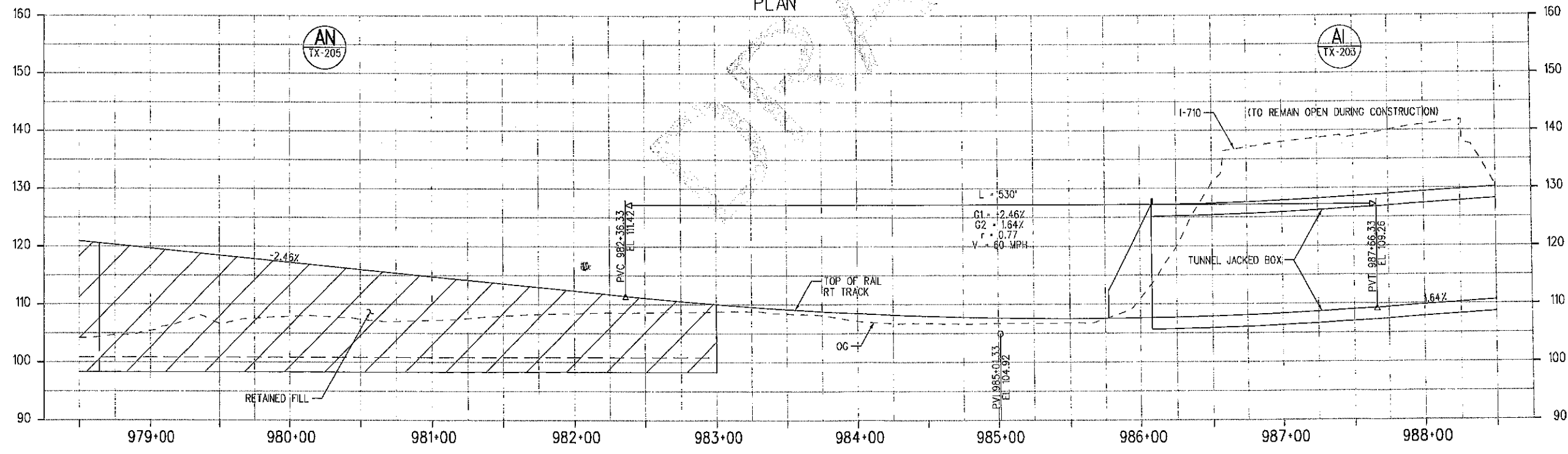
**NOTES:**  
 1. TPSS 108 LOCATED AT BASE OF I-710 EMBANKMENT BEYOND DRIVEWAY.



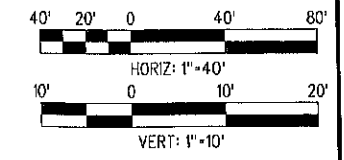
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 R = 6214'  
 Ls = 115'  
 Ea = 1.50"  
 Eu = 1.11"  
 V = 65 MPH

RT - 213  
 R = 6200'  
 Ls = 115'  
 Ea = 1.50"  
 Eu = 1.12"  
 V = 65 MPH

PLAN



PROFILE



27-FEB-2020 B-28091AT220.plg

FINAL REVISED ACE SUBMITTAL - 02/26/2020

**NOT FOR CONSTRUCTION**

THE PREPARATION OF THIS DRAWING HAS BEEN FINANCED IN PART THROUGH A GRANT FROM THE U.S. DEPARTMENT OF TRANSPORTATION FEDERAL TRANSIT ADMINISTRATION (FTA) UNDER THE FEDERAL TRANSIT ACT OF 1984, AS AMENDED, AND IN PART BY THE TAXES OF THE CITIZENS OF LOS ANGELES COUNTY AND OF THE STATE OF CALIFORNIA.

REV	DATE	BY	APP	REG NO.	EXPIRES	SEAL HOLDER	DESCRIPTION
0	2/26/2020						FINAL REVISED ACE SUBMITTAL

DESIGNED BY  
CB  
 DRAWN BY  
RM  
 CHECKED BY  
RL  
 IN CHARGE  
NM  
 DATE  
2/26/2020

**Metro**  
 LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

**wsp**  
 444 South Flower Street  
 Suite 800  
 Los Angeles, CA 90071  
 TEL (213) 362-9470

SUBMITTED \_\_\_\_\_  
 APPROVED \_\_\_\_\_

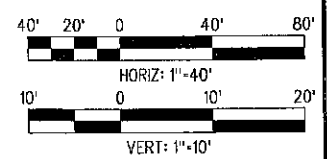
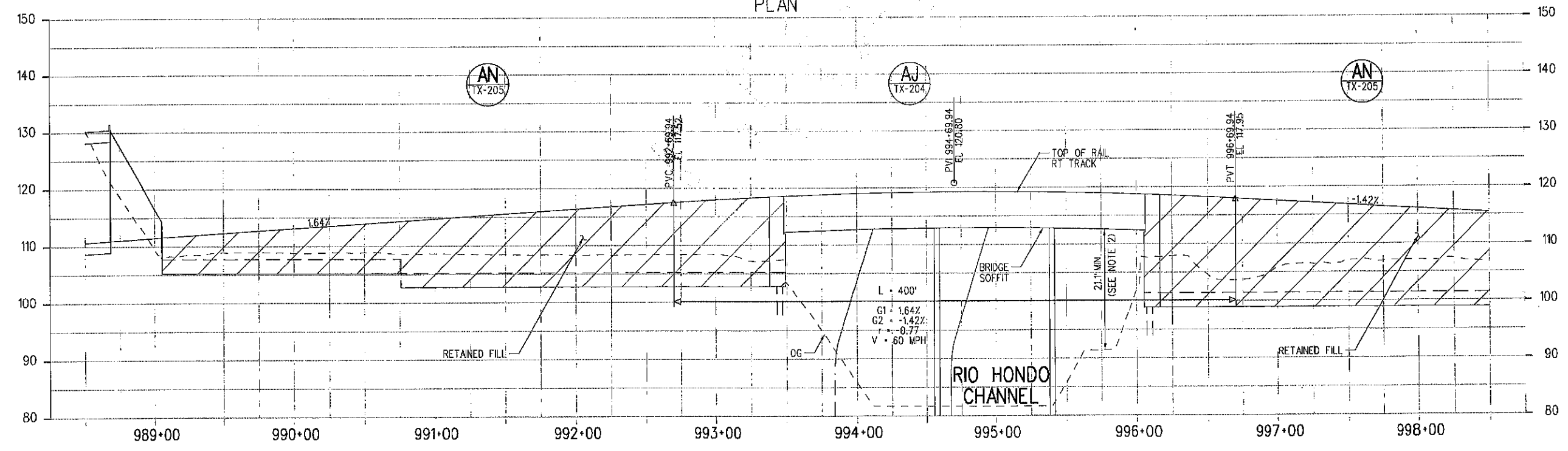
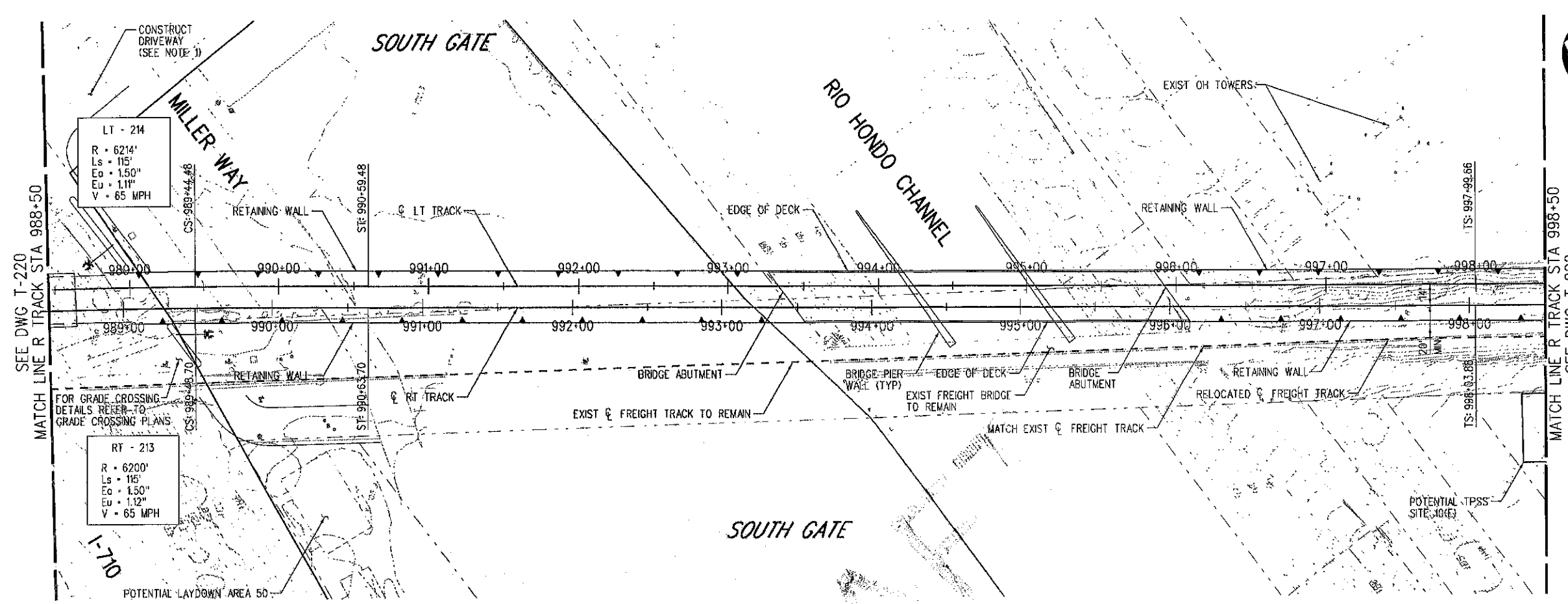
**WEST SANTA ANA BRANCH LRT TRACK ALIGNMENT ALTERNATIVES 1, 2, AND 3 PLAN & PROFILE STA 978+50 TO STA 988+50**

CONTRACT NO.	AE5999300
DRAWING NO.	T-220
SCALE	HOR: 1"=40' VERT: 1"=10'
SHEET NO.	99 OF 169



**NOTES:**

- 1. TPSS JOB LOCATED AT BASE OF I-710 EMBANKMENT BEYOND DRIVEWAY.
- 2. MINIMUM VERTICAL CLEARANCE INCLUDES 3.5' FREEBOARD.



**NOT FOR CONSTRUCTION**

27-FEB-2020 B-28091AT221.plg  
13:34  
svc-projectwise

**FINAL REVISED ACE SUBMITTAL - 02/26/2020**

REV	DATE	BY	APP	REG NO.	EXPIRES	SEAL HOLDER	DESCRIPTION
0	2/26/2020						FINAL REVISED ACE SUBMITTAL

DESIGNED BY	CB
DRAWN BY	RM
CHECKED BY	RL
IN CHARGE	NM
DATE	2/26/2020

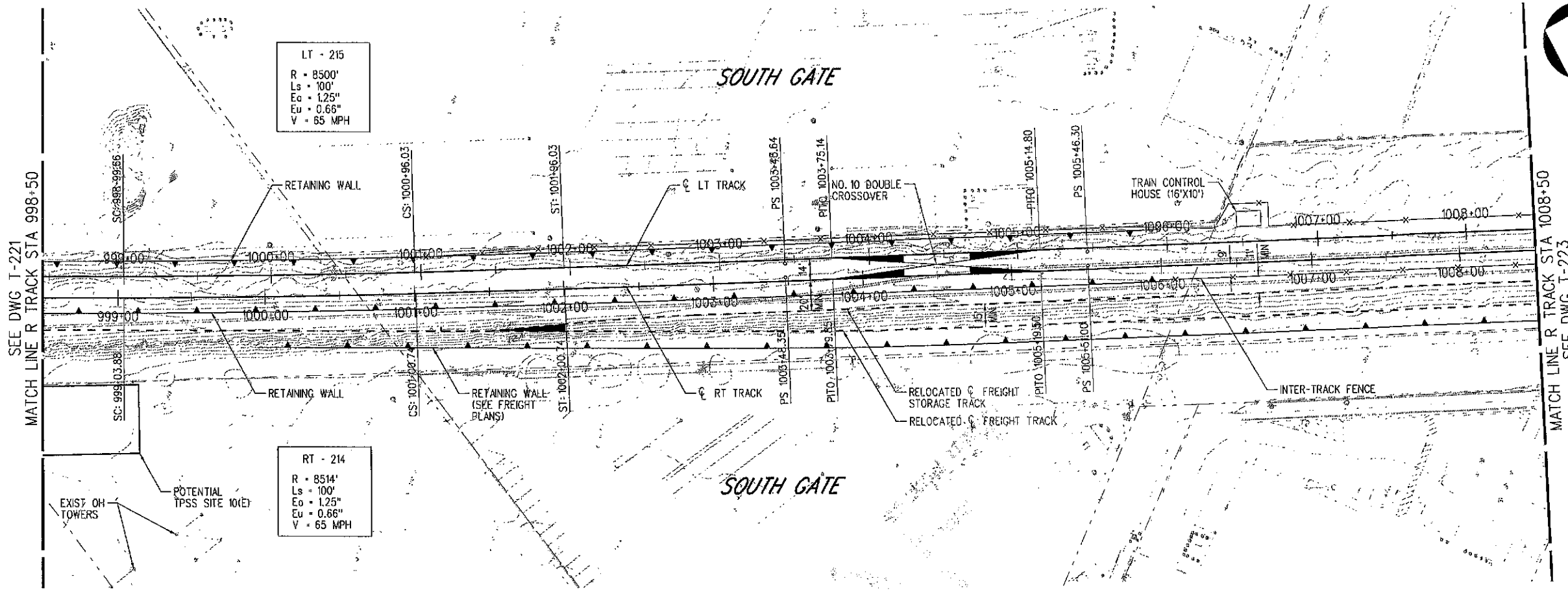
**Metro**  
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

**wsp**  
444 South Flower Street  
Suite 800  
Los Angeles, CA 90071  
TEL (213) 362-9470

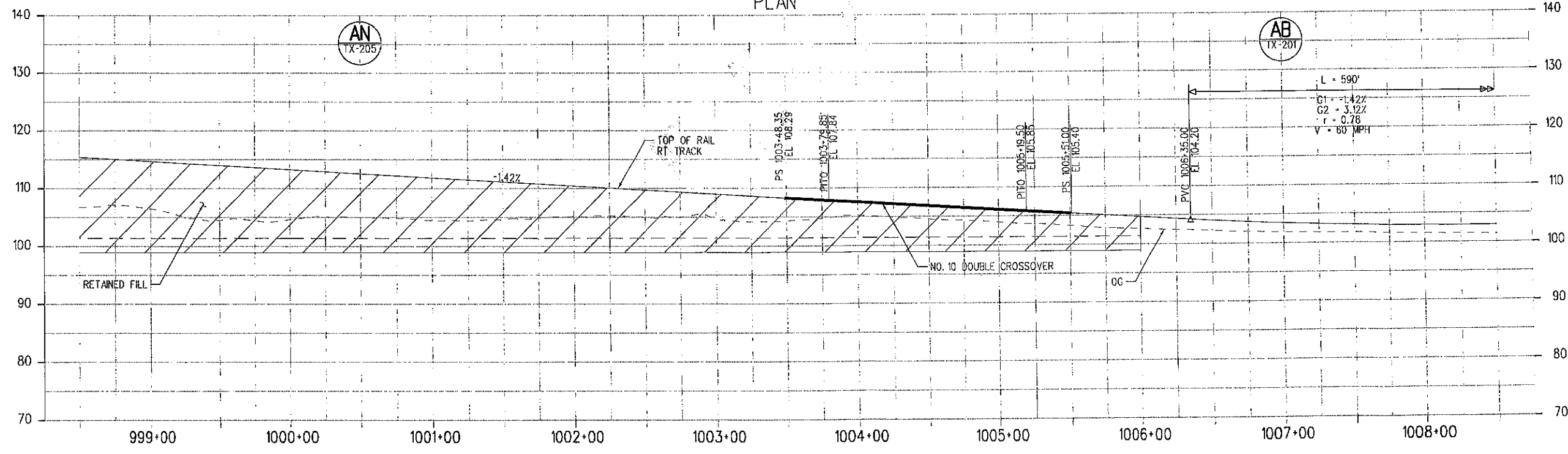
SUBMITTED \_\_\_\_\_  
APPROVED \_\_\_\_\_

**WEST SANTA ANA BRANCH LRT TRACK ALIGNMENT ALTERNATIVES 1, 2, AND 3 PLAN & PROFILE STA 988+50 TO STA 998+50**

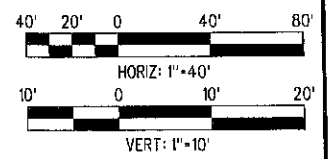
CONTRACT NO.	AE5999300
DRAWING NO.	T-221
SCALE	HOR: 1"=40' VERT: 1"=10'
SHEET NO.	100 OF 169



PLAN



PROFILE



NOT FOR CONSTRUCTION

FINAL REVISED ACE SUBMITTAL -- 02/26/2020

THE PREPARATION OF THIS DRAWING HAS BEEN FINANCED IN PART THROUGH A GRANT FROM THE U.S. DEPARTMENT OF TRANSPORTATION FEDERAL TRANSIT ADMINISTRATION (FTA), UNDER THE FEDERAL TRANSIT ACT OF 1964, AS AMENDED, AND IN PART BY THE TAXES OF THE CITIZENS OF LOS ANGELES COUNTY AND OF THE STATE OF CALIFORNIA.

REV	DATE	BY	APP	REG NO.	EXPIRES	SEAL HOLDER	DESCRIPTION
0	2/26/2020						FINAL REVISED ACE SUBMITTAL

DESIGNED BY  
CB  
DRAWN BY  
RM  
CHECKED BY  
RL  
IN CHARGE  
NM  
DATE  
2/26/2020



LOS ANGELES COUNTY  
METROPOLITAN TRANSPORTATION AUTHORITY



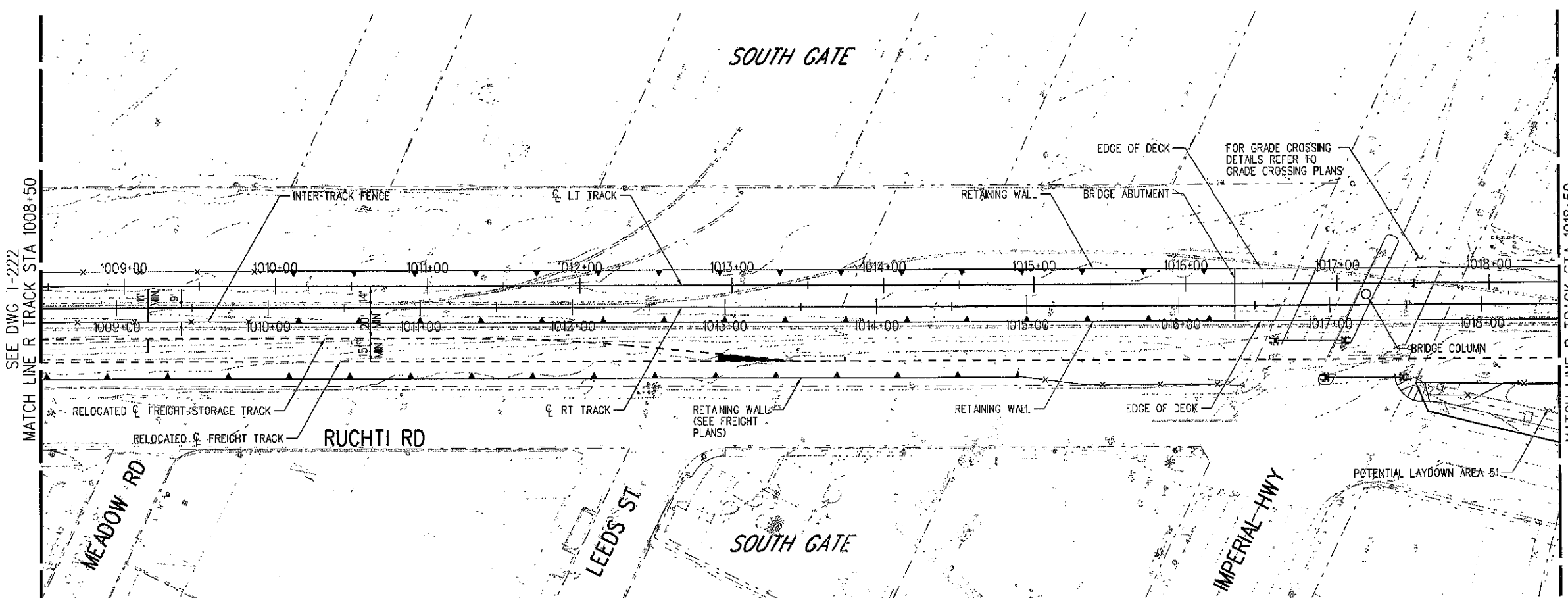
444 South Flower Street  
Suite 800  
Los Angeles, CA 90071  
TEL (213) 362-9470

SUBMITTED \_\_\_\_\_  
APPROVED \_\_\_\_\_

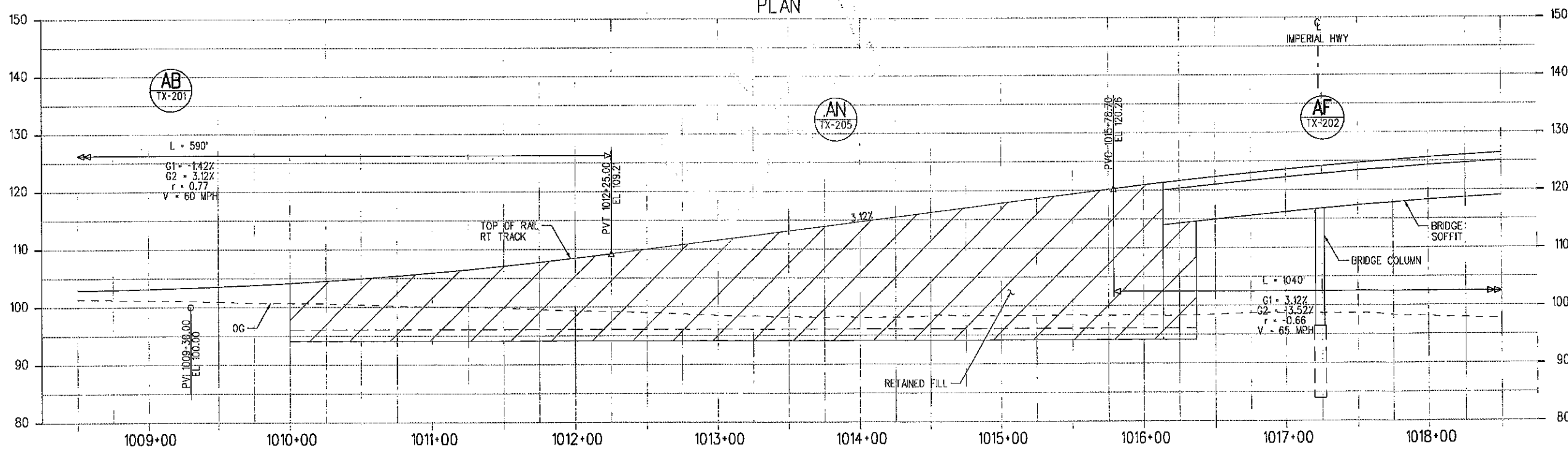
WEST SANTA ANA BRANCH LRT  
TRACK ALIGNMENT  
ALTERNATIVES 1, 2, AND 3  
PLAN & PROFILE  
STA 998+50 TO STA 1008+50

CONTRACT NO.	AE5999300
DRAWING NO.	T-222
SCALE	HOR: 1"=40' VERT: 1"=10'
SHEET NO.	101 OF 169

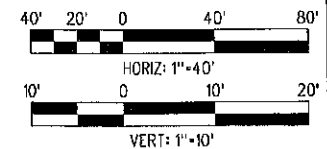
27-FEB-2020 B-25091AT222.plg 13:27 svc-projectwise



PLAN



PROFILE



NOT FOR CONSTRUCTION

27-FEB-2020 B-28091AT223.plt

13:29

FINAL REVISED ACE SUBMITTAL - 02/26/2020

THE PREPARATION OF THIS DRAWING HAS BEEN FINANCED IN PART THROUGH A GRANT FROM THE U.S. DEPARTMENT OF TRANSPORTATION FEDERAL TRANSIT ADMINISTRATION (FTA), UNDER THE FEDERAL TRANSIT ACT OF 1964, AS AMENDED, AND IN PART BY THE TAXES OF THE CITIZENS OF LOS ANGELES COUNTY AND OF THE STATE OF CALIFORNIA.

REV	DATE	BY	APP	REG NO.	EXPIRES	SEAL HOLDER	DESCRIPTION
0	2/26/2020						FINAL REVISED ACE SUBMITTAL

DESIGNED BY  
CB  
DRAWN BY  
RM  
CHECKED BY  
RL  
IN CHARGE  
NM  
DATE  
2/26/2020



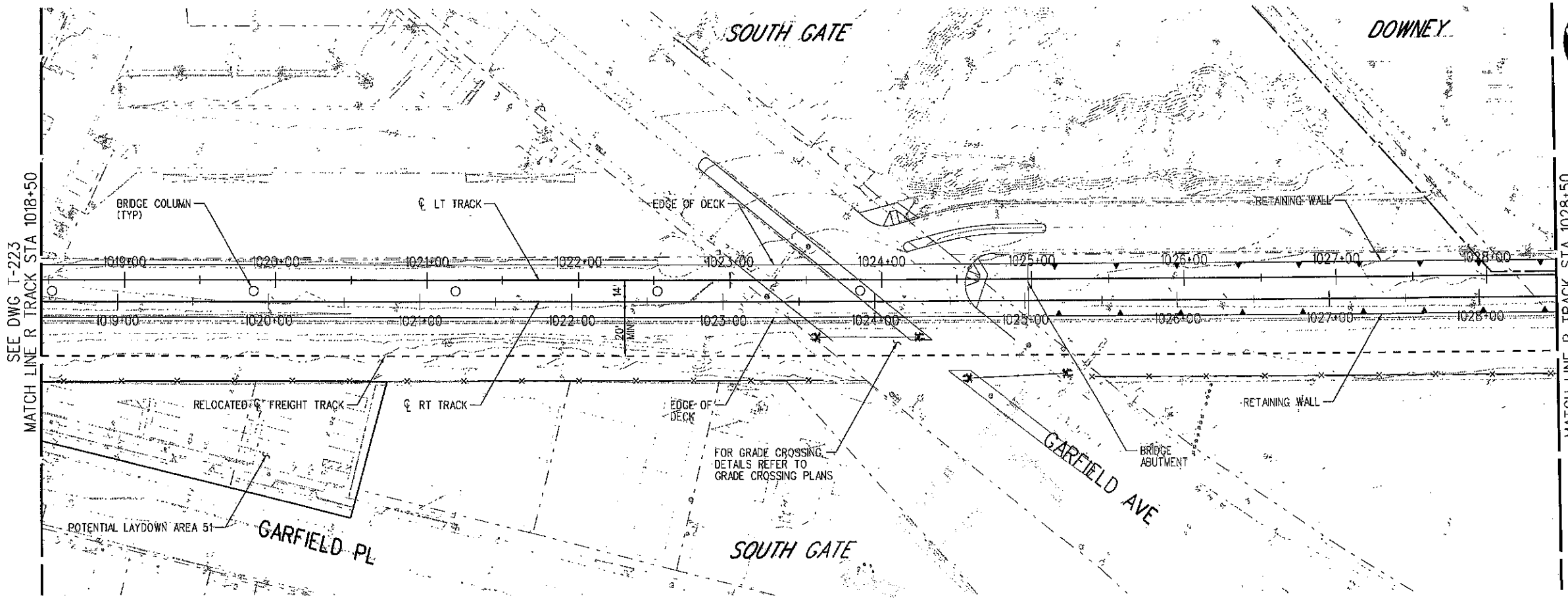
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

444 South Flower Street  
Suite 800  
Los Angeles, CA 90071  
TEL (213) 362-9470

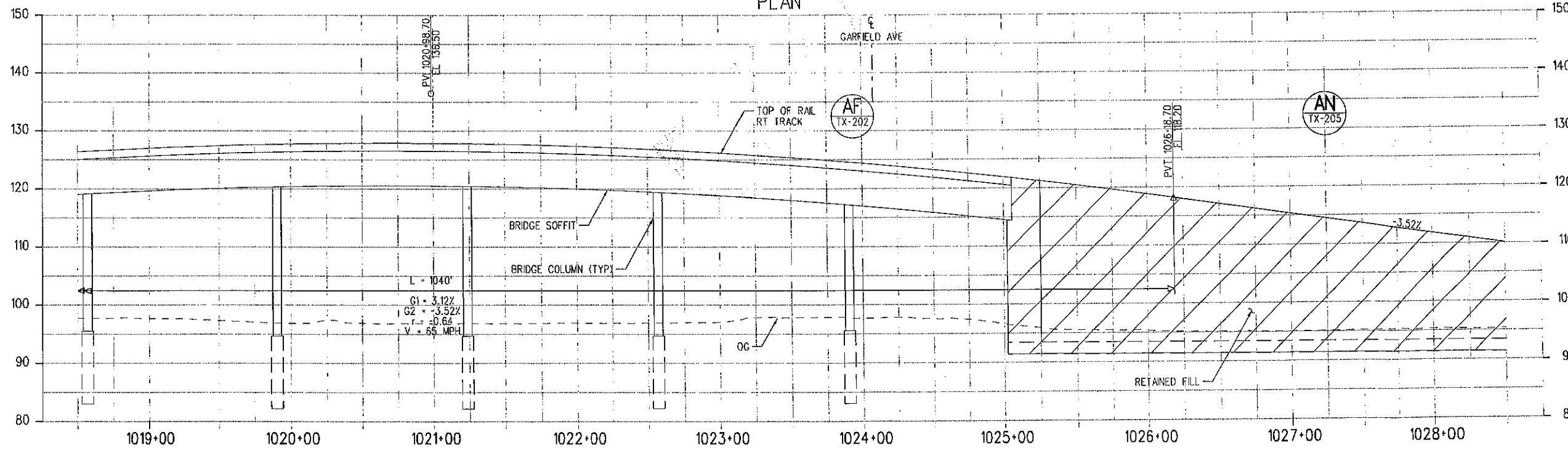
SUBMITTED  
APPROVED

WEST SANTA ANA BRANCH LRT  
TRACK ALIGNMENT  
ALTERNATIVES 1, 2, AND 3  
PLAN & PROFILE  
STA 1008+50 TO STA 1018+50

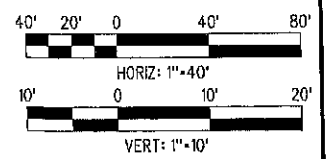
CONTRACT NO. AE5999300	
DRAWING NO. T-223	REV
SCALE HOR: 1"=40' VERT: 1"=10'	
SHEET NO. 102	OF 169



PLAN



PROFILE



NOT FOR CONSTRUCTION

27-FEB-2020 8-28091AT224.plg  
13:28  
svc-projectwise

FINAL REVISED ACE SUBMITTAL - 02/26/2020

THE PREPARATION OF THIS DRAWING HAS BEEN FINANCED IN PART THROUGH A GRANT FROM THE U.S. DEPARTMENT OF TRANSPORTATION FEDERAL TRANSIT ADMINISTRATION (FTA) UNDER THE FEDERAL TRANSIT ACT OF 1964, AS AMENDED, AND IN PART BY THE TAXES OF THE CITIZENS OF LOS ANGELES COUNTY AND OF THE STATE OF CALIFORNIA.

REV	DATE	BY	APP	REG NO.	EXPIRES	SEAL HOLDER	DESCRIPTION
0	2/26/2020						FINAL REVISED ACE SUBMITTAL

DESIGNED BY  
CB  
DRAWN BY  
RM  
CHECKED BY  
RL  
IN CHARGE  
NM  
DATE  
2/26/2020



LOS ANGELES COUNTY  
METROPOLITAN TRANSPORTATION AUTHORITY



444 South Flower Street  
Suite 800  
Los Angeles, CA 90071  
TEL (213) 362-8470

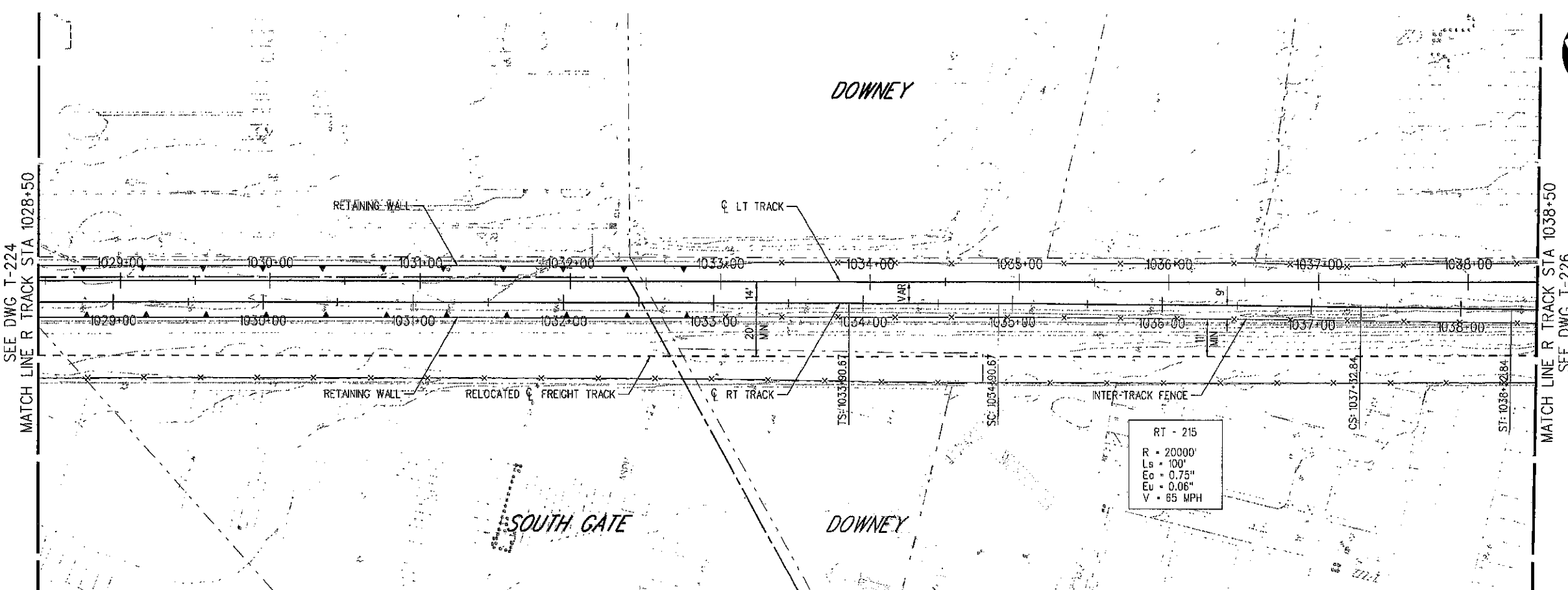
SUBMITTED

APPROVED

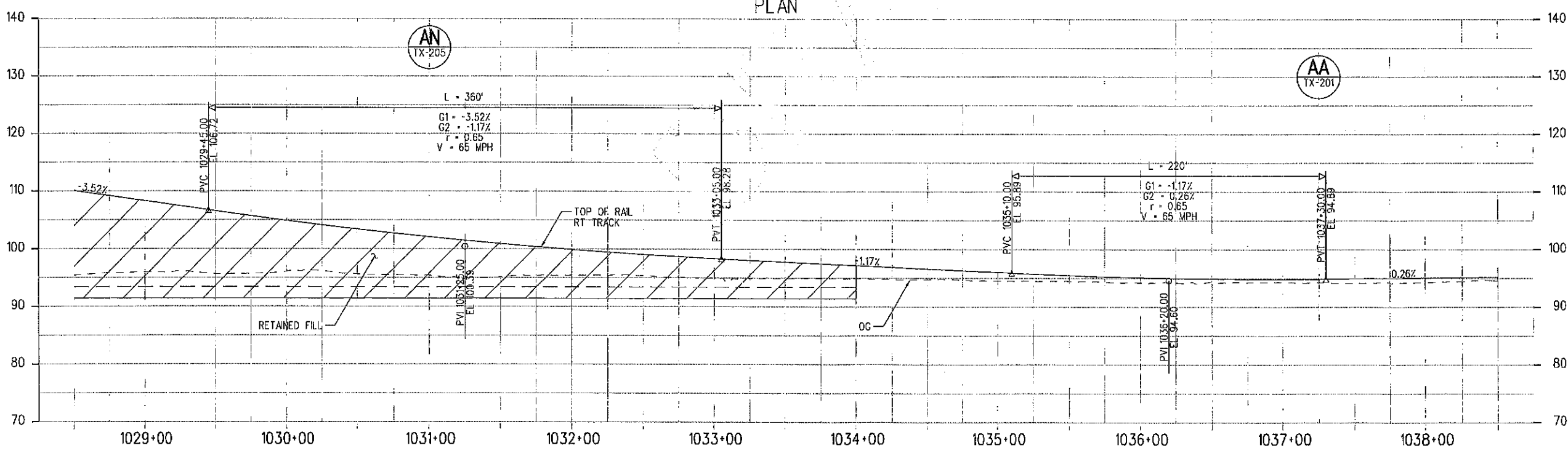
WEST SANTA ANA BRANCH LRT  
TRACK ALIGNMENT  
ALTERNATIVES 1, 2, AND 3  
PLAN & PROFILE  
STA 1018+50 TO STA 1028+50

CONTRACT NO	AE5999300
DRAWING NO	T-224
SCALE	HOR: 1"=40' VERT: 1"=10'
SHEET NO	103 OF 169

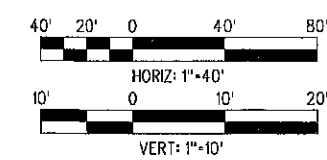
pg. 17 of 22



PLAN



PROFILE



NOT FOR CONSTRUCTION

FINAL REVISED ACE SUBMITTAL - 02/26/2020

THE PREPARATION OF THIS DRAWING HAS BEEN FINANCED IN PART THROUGH A GRANT FROM THE U.S. DEPARTMENT OF TRANSPORTATION FEDERAL TRANSIT ADMINISTRATION (FTA) UNDER THE FEDERAL TRANSIT ACT OF 1964, AS AMENDED, AND IN PART BY THE TAXES OF THE CITIZENS OF LOS ANGELES COUNTY AND OF THE STATE OF CALIFORNIA.

REV	DATE	BY	APP	REG NO.	EXPIRES	SEAL HOLDER	DESCRIPTION
0	2/26/2020						FINAL REVISED ACE SUBMITTAL

DESIGNED BY	CB
DRAWN BY	RM
CHECKED BY	RL
IN CHARGE	NM
DATE	2/26/2020

**Metro**  
 LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

**wsp**  
 444 South Flower Street  
 Suite 800  
 Los Angeles, CA 90071  
 TEL (213) 352-9470

SUBMITTED \_\_\_\_\_  
 APPROVED \_\_\_\_\_

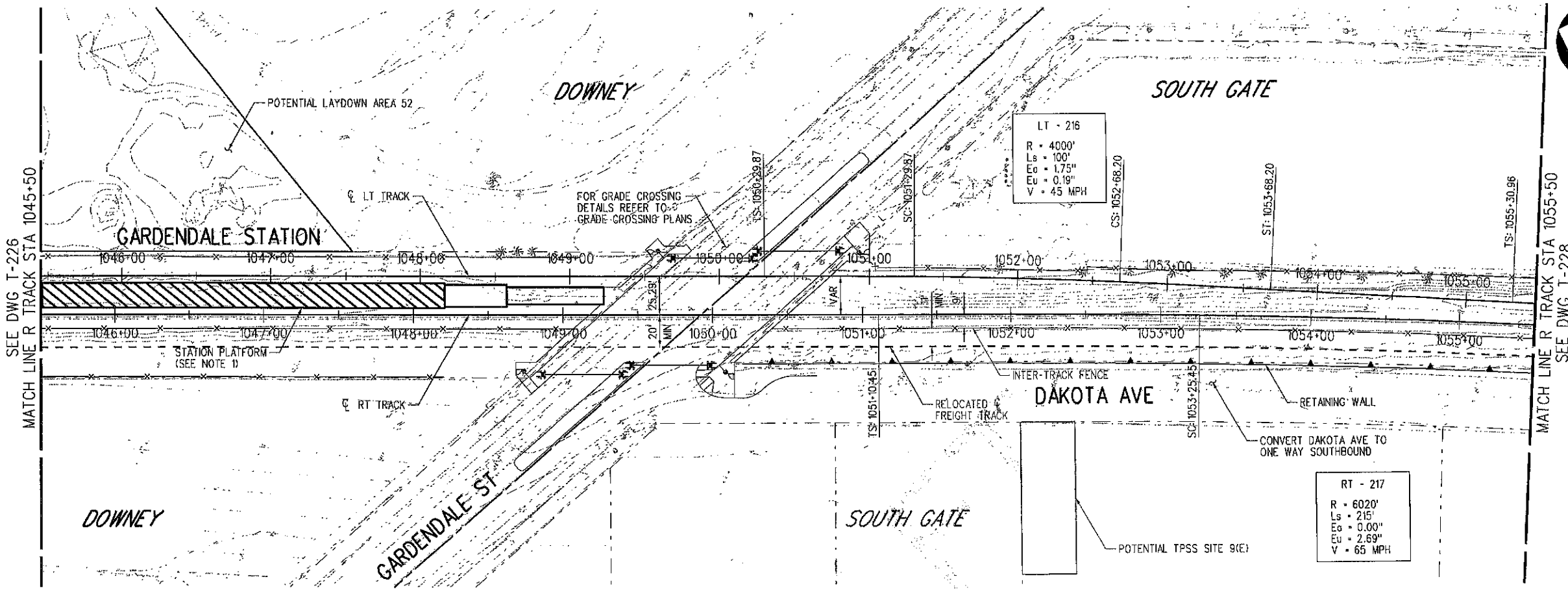
**WEST SANTA ANA BRANCH LRT TRACK ALIGNMENT ALTERNATIVES 1, 2, AND 3 PLAN & PROFILE STA 1028+50 TO STA 1038+50**

CONTRACT NO. AE5999300  
 DRAWING NO. T-225  
 SCALE: HOR: 1"=40' VERT: 1"=10'  
 SHEET NO. 104 OF 169

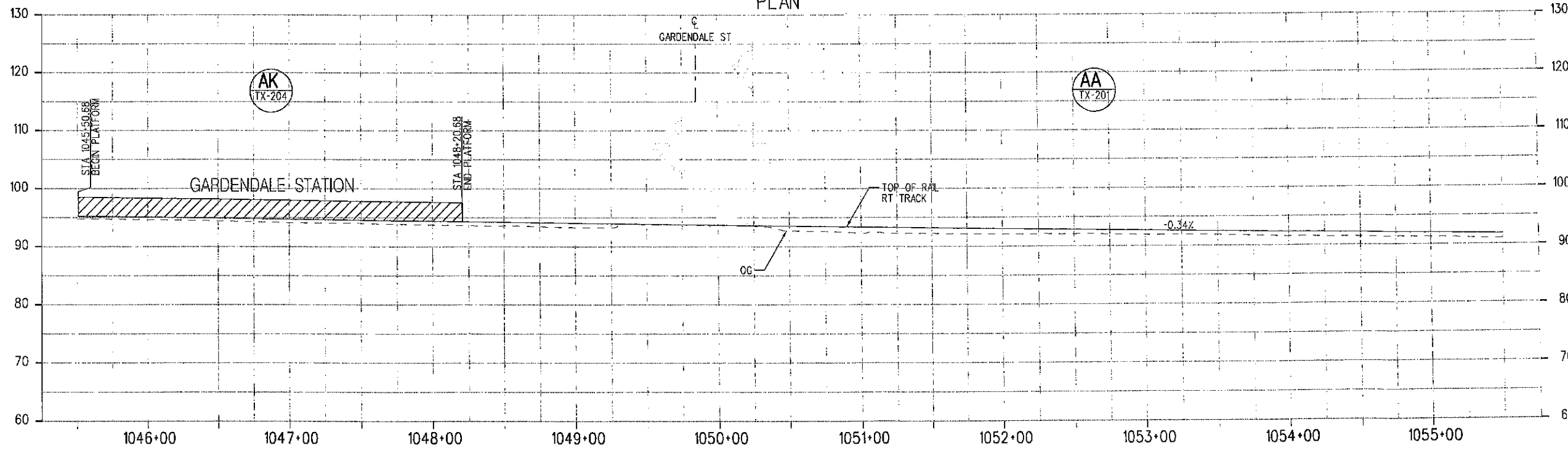
27-FEB-2020 B-28091A1T225.plg 13:29 svc-projectwise



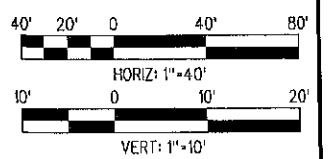
**NOTES:**  
 1. FOR STATION LAYOUT SEE STATION SITE PLANS, SHEET A12-001.



PLAN



PROFILE



**NOT FOR CONSTRUCTION**

FINAL REVISED ACE SUBMITTAL - 02/26/2020

THE PREPARATION OF THIS DRAWING HAS BEEN FINANCED IN PART THROUGH A GRANT FROM THE U.S. DEPARTMENT OF TRANSPORTATION FEDERAL TRANSIT ADMINISTRATION (FTA), UNDER THE FEDERAL TRANSIT ACT OF 1964, AS AMENDED, AND IN PART BY THE TAXES OF THE CITIZENS OF LOS ANGELES COUNTY AND OF THE STATE OF CALIFORNIA.

REV	DATE	BY	APP	REG NO.	EXPIRES	SEAL HOLDER	DESCRIPTION
0	2/26/2020						FINAL REVISED ACE SUBMITTAL

DESIGNED BY CB	 LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
DRAWN BY RM	
CHECKED BY RL	
IN CHARGE NM	
DATE 2/26/2020	

**wsp** 444 South Flower Street  
 Suite 800  
 Los Angeles, CA 90071  
 TEL (213) 362-9470

SUBMITTED: \_\_\_\_\_  
 APPROVED: \_\_\_\_\_

**WEST SANTA ANA BRANCH LRT  
 TRACK ALIGNMENT  
 ALTERNATIVES 1, 2, AND 3  
 PLAN & PROFILE  
 STA 1045+50 TO STA 1055+50**

CONTRACT NO. <b>AE5999300</b>	REV
DRAWING NO. <b>T-227</b>	
SCALE HOR: 1"=40' VERT: 1"=10'	
SHEET NO. 105 OF 169	

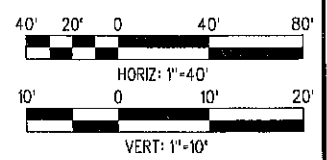
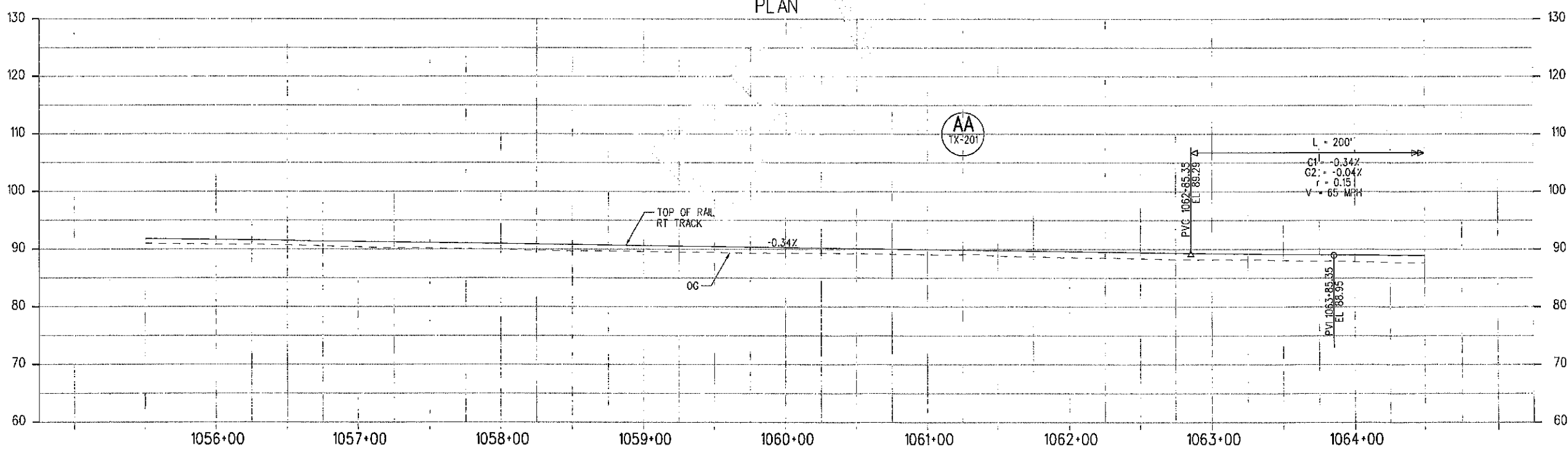
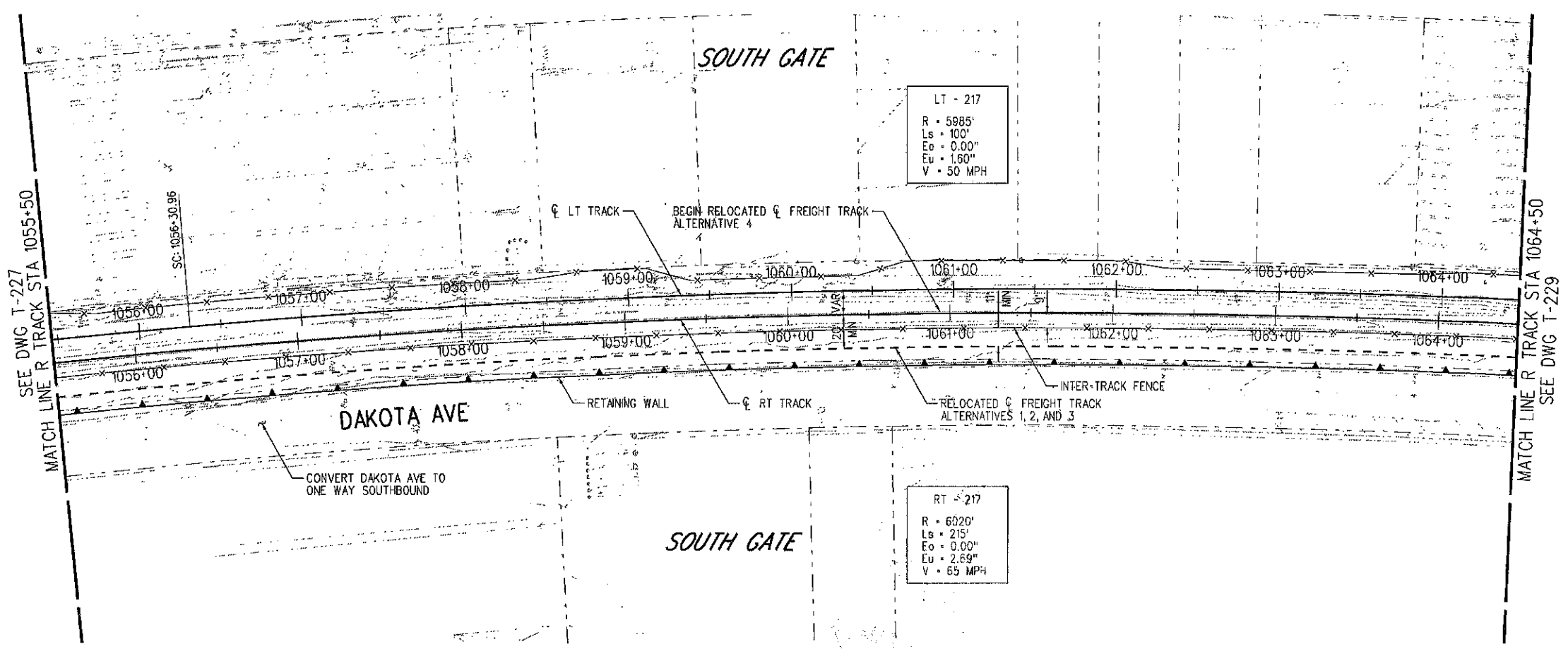
27-FEB-2020 B-28091AT227.plt

Plot Driver=MTA-half.pen

Pentable=bw.plt

pg. 19 of 22





PROFILE

NOT FOR CONSTRUCTION

FINAL REVISED ACE SUBMITTAL - 02/26/2020

REV	DATE	BY	APP	REG NO.	EXPIRES	SEAL HOLDER	DESCRIPTION
0	2/26/2020						FINAL REVISED ACE SUBMITTAL

DESIGNED BY CB	DRAWN BY RM	CHECKED BY RL	IN CHARGE NM	DATE 2/26/2020
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**Metro**  
 LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

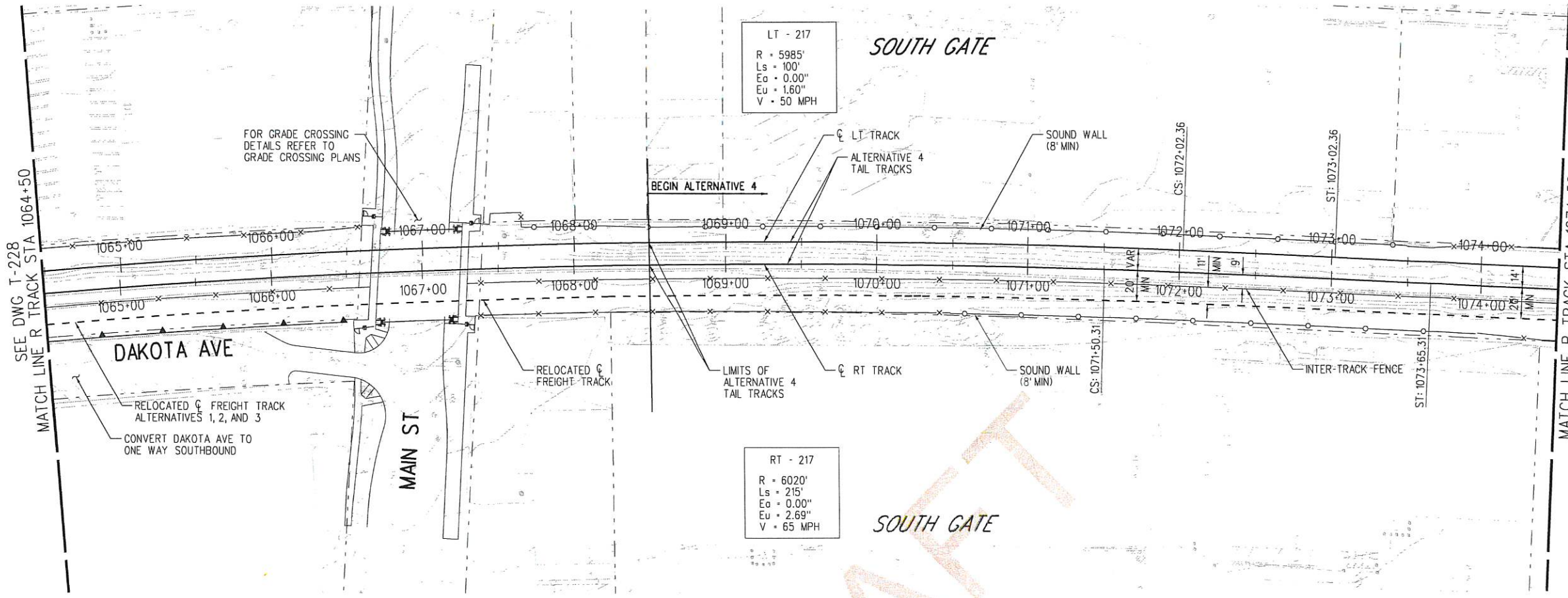
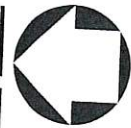
444 South Flower Street  
 Suite 800  
 Los Angeles, CA 90071  
 TEL (213) 362-9470

SUBMITTED \_\_\_\_\_  
 APPROVED \_\_\_\_\_

WEST SANTA ANA BRANCH LRT  
 TRACK ALIGNMENT  
 ALTERNATIVES 1, 2, 3, AND 4  
 PLAN & PROFILE  
 STA 1055+50 TO STA 1064+50

CONTRACT NO. AE5999300	REV
DRAWING NO. T-228	
SCALE HOR: 1"=40' VERT: 1"=10'	
SHEET NO. 107 OF 169	

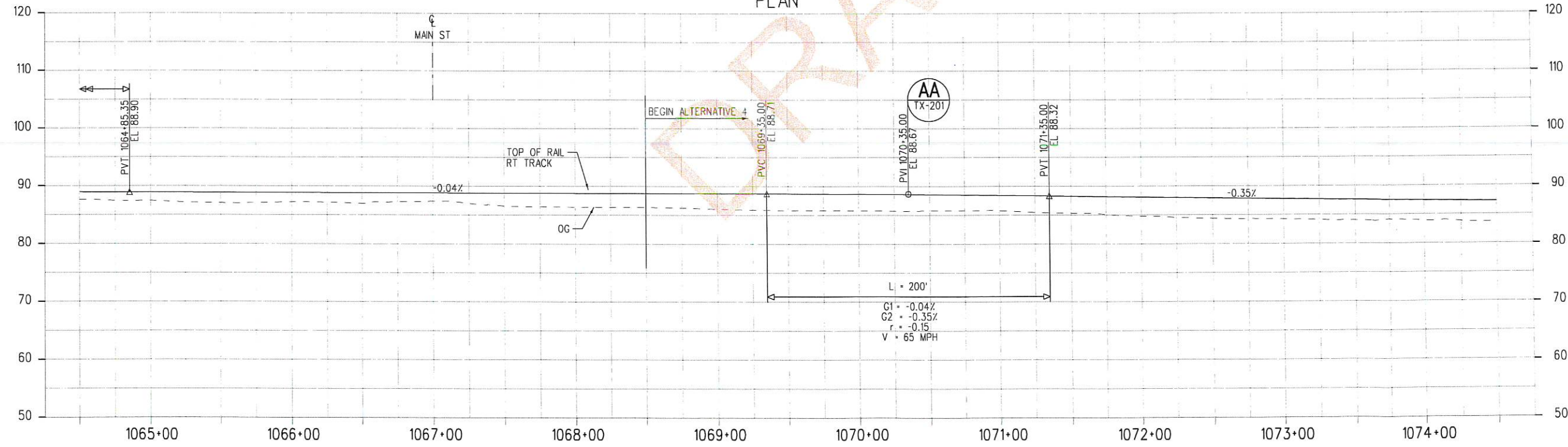
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 svc-projectwise



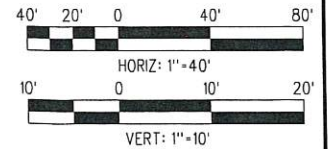
LT - 217  
 R = 5985'  
 Ls = 100'  
 Eo = 0.00"  
 Eu = 1.60"  
 V = 50 MPH

RT - 217  
 R = 6020'  
 Ls = 215'  
 Eo = 0.00"  
 Eu = 2.69"  
 V = 65 MPH

PLAN



PROFILE



NOT FOR CONSTRUCTION

27-FEB-2020 B-28091AT229.plg  
13:30  
svc-projectwise

FINAL REVISED ACE SUBMITTAL - 02/26/2020

THE PREPARATION OF THIS DRAWING HAS BEEN FINANCED IN PART THROUGH A GRANT FROM THE U.S. DEPARTMENT OF TRANSPORTATION FEDERAL TRANSIT ADMINISTRATION (FTA), UNDER THE FEDERAL TRANSIT ACT OF 1964, AS AMENDED, AND IN PART BY THE TAXES OF THE CITIZENS OF LOS ANGELES COUNTY AND OF THE STATE OF CALIFORNIA.

REV	DATE	BY	APP	REG NO.	EXPIRES	SEAL HOLDER	DESCRIPTION
0	2/26/2020						FINAL REVISED ACE SUBMITTAL

DESIGNED BY	CB
DRAWN BY	RM
CHECKED BY	RL
IN CHARGE	NM
DATE	2/26/2020



LOS ANGELES COUNTY  
METROPOLITAN TRANSPORTATION AUTHORITY

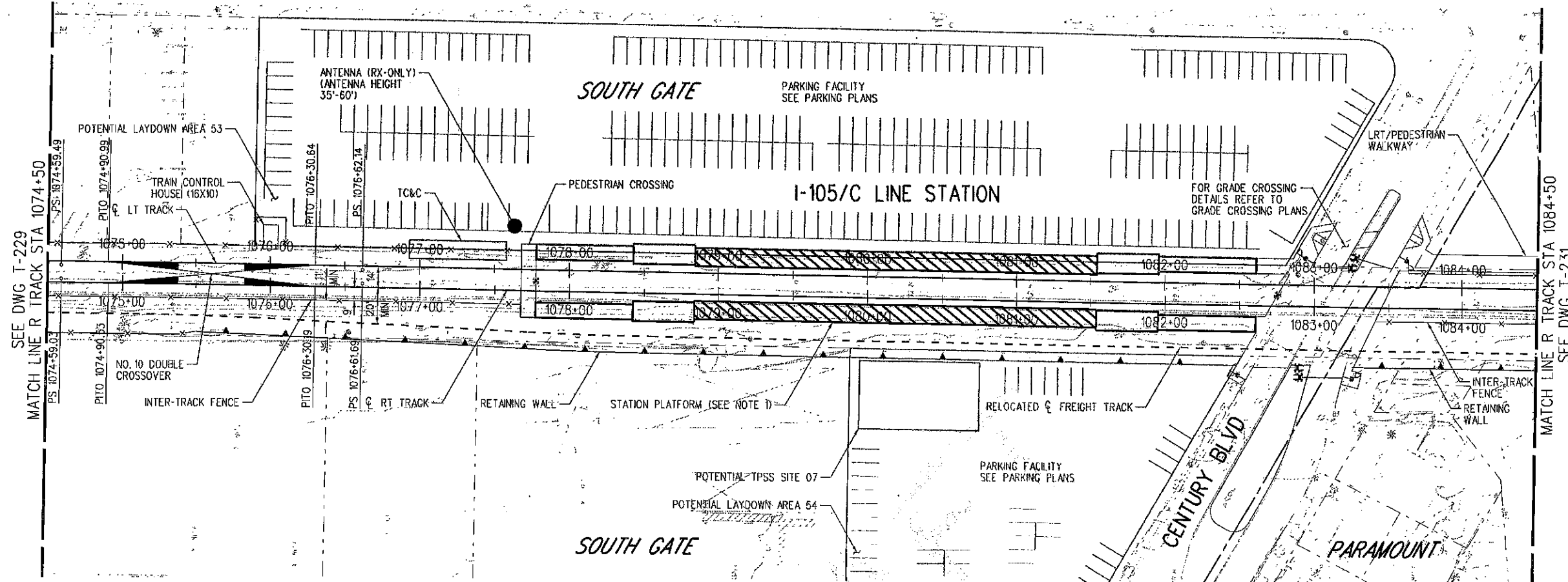


444 South Flower Street  
Suite 800  
Los Angeles, CA 90071  
TEL (213) 362-9470

SUBMITTED \_\_\_\_\_  
APPROVED \_\_\_\_\_

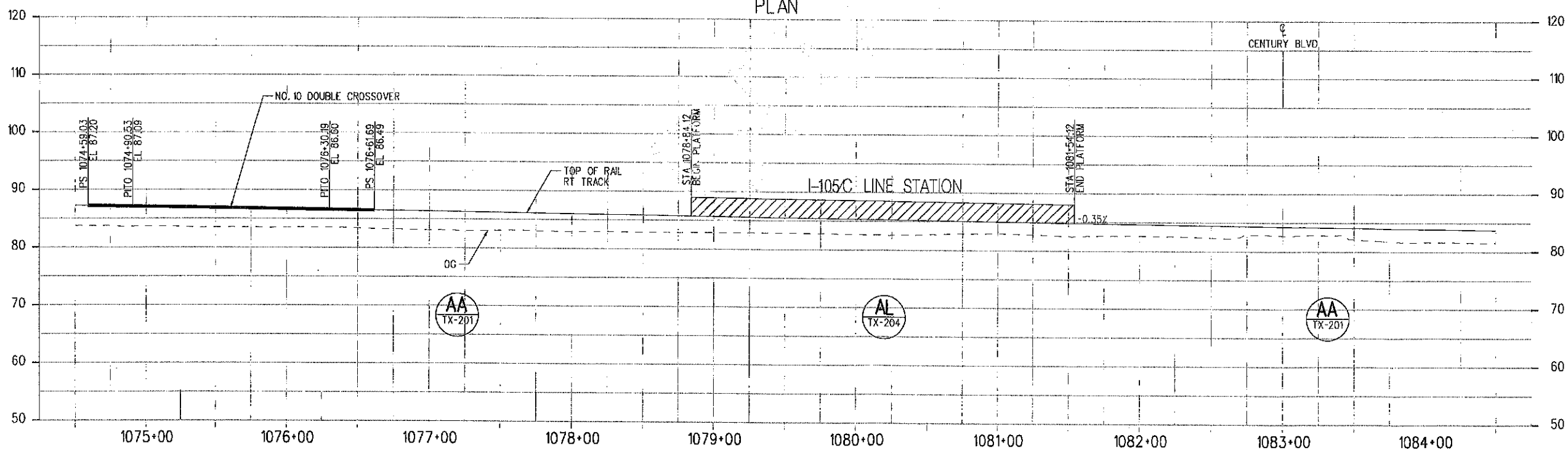
WEST SANTA ANA BRANCH LRT  
TRACK ALIGNMENT  
ALTERNATIVES 1, 2, 3, AND 4  
PLAN & PROFILE  
STA 1064+50 TO STA 1074+50

CONTRACT NO.	AE5999300
DRAWING NO.	T-229
SCALE	HOR: 1"=40' VERT: 1"=10'
SHEET NO.	108 OF 169



**NOTES:**  
 1. FOR STATION LAYOUT SEE STATION SITE PLANS, SHEET A13-001.

**PLAN**



**PROFILE**

**NOT FOR CONSTRUCTION**

FINAL REVISED ACE SUBMITTAL - 02/26/2020

THE PREPARATION OF THIS DRAWING HAS BEEN FINANCED IN PART THROUGH A GRANT FROM THE U.S. DEPARTMENT OF TRANSPORTATION FEDERAL TRANSIT ADMINISTRATION (FTA), UNDER THE FEDERAL TRANSIT ACT OF 1964, AS AMENDED, AND IN PART BY THE TAXES OF THE CITIZENS OF LOS ANGELES COUNTY AND OF THE STATE OF CALIFORNIA.

REV	DATE	BY	APP	REG NO.	EXPIRES	SEAL HOLDER	DESCRIPTION
0	2/26/2020						FINAL REVISED ACE SUBMITTAL

DESIGNED BY CB	DRAWN BY RM	CHECKED BY RL	IN CHARGE NM	DATE 2/26/2020
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**Metro** LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

**wsp** 444 South Flower Street Suite 800 Los Angeles, CA 90071 TEL (213) 362-9470

SUBMITTED: \_\_\_\_\_ APPROVED: \_\_\_\_\_

**WEST SANTA ANA BRANCH LRT TRACK ALIGNMENT ALTERNATIVES 1, 2, 3, AND 4 PLAN & PROFILE STA 1074+50 TO STA 1084+50**

CONTRACT NO. <b>AE5999300</b>
DRAWING NO. <b>T-230</b>
SCALE HOR: 1"=40' VERT: 1"=10'
SHEET NO. 109 OF 169

27-FEB-2020 B-28091A1230.plg 13:28

Plot Driver=MTA-half.pen

Pentable=bw.plt

Pg. 22 of 22

**MASTER COOPERATIVE AGREEMENT FOR THE DESIGN,  
CONSTRUCTION AND OPERATION AND MAINTENANCE OF A  
PORTION OF THE WSAB PROJECT**

**BETWEEN**

**THE CITY OF [●]**

**AND**

**THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY**

**[INSERT DATE]**

---

**EFFECTIVE DATE**

CONTENTS

ARTICLE	PAGE
ARTICLE 1. SCOPE AND DURATION	<u>21</u>
ARTICLE 2. GENERAL OBLIGATIONS	<u>32</u>
ARTICLE 3. DESIGN	<u>87</u>
ARTICLE 4. CONSTRUCTION	<u>109</u>
ARTICLE 5. BETTERMENTS	<u>1110</u>
ARTICLE 6. OPERATION AND MAINTENANCE	<u>1211</u>
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This Agreement is entered into by and between the City of [●] (the "City"), and the Los Angeles County Metropolitan Transportation Authority ("LACMTA").

## RECITALS

- (A) LACMTA proposes to develop and open a new light rail transit line known as the West Santa Ana Branch Transit Corridor Project (as more fully defined in Article 11 (Definitions and Interpretation), the "**WSAB Project**"). As at the date of this Agreement, the WSAB Project is undergoing an Environmental Impact Statement (EIS)/Environmental Impact Report (EIR) process.
- (B) The WSAB Project will serve various cities and communities including the City and the City intends, by this Agreement, to facilitate the development and implementation of the WSAB Project and in particular the City Portion of the WSAB Project.
- (C) LACMTA and the City wish to enter into this Agreement in order to record/identify the ~~agreement of certain arrangements~~ rights and obligations between them in connection with the development and implementation of the WSAB Project.

In consideration of the mutual covenants of the Parties as set out below, the Parties hereby agree as follows:

## ARTICLE 1. SCOPE AND DURATION

### 1.1 Scope of Agreement

- (a) The City has acknowledged the WSAB Project as a high priority public works project to provide LACMTA with expedited review and approval procedures in connection with design, design reviews, permitting, property acquisition, and other authority to be exercised by the City relating to the WSAB Project and/or this Agreement.
- (b) The Parties have entered into this Agreement to:
  - (i) acknowledge the intended scope, schedule and site for the WSAB Project as set out in EXHIBIT 1 (Project Description), EXHIBIT 2 (Project Phases and Project Schedule) and EXHIBIT 3 (Project Site) respectively; and
  - (ii) define the applicable procedures, manage the interfaces and regulate the roles and responsibilities and allocation of costs between LACMTA and the City, in respect of the design, construction, operation and maintenance of the WSAB Project as it relates to the City Portion and any Rearrangements.
- (c) LACMTA may procure the design, construction, operation and maintenance of the WSAB Project, including the City Portion, under multiple procurements and contract packages and may self-perform parts of the design, construction, operation and maintenance of the WSAB Project, including the City Portion. As at the date of this Agreement, LACMTA contemplates:
  - (i) procuring the performance of the Enabling Works by one or more LACMTA Contractors under one or more contractual packages;
  - (ii) procuring the P3 Project Scope by a LACMTA Contractor under a design, build, finance, operate and maintain agreement; and
  - (iii) retaining responsibility for performance by LACMTA or LACMTA Contractors of the LACMTA Retained Scope.
- (d) The City acknowledges and agrees that LACMTA may: (i) engage the LACMTA Contractor(s) to carry out Design, Construction, operation and/or maintenance work with respect to the City Portion including the Design and/or Construction of Rearrangements; and (ii) in each LACMTA Contract,

require the LACMTA Contractor to comply with certain of LACMTA's obligations under this Agreement provided that nothing in this Agreement will create any contractual relationship between the City and any LACMTA Contractor and in accordance with Section 10.11 (Limitation on Third Party Beneficiaries), nothing contained in this Agreement is intended or will be construed as creating or conferring any rights, benefits or remedies upon, or creating any obligations of the City toward, any LACMTA Contractor.

- (e) The City acknowledges and agrees that LACMTA may change the contracting and procurement strategy and plan for the WSAB Project, including the City Portion, described in Section 1.1(c) (Scope of Agreement) in its sole discretion. The City further acknowledges that as at the date of this Agreement, the WSAB Project is in the Planning and Procurement Phase and LACMTA may elect (i) not to proceed with the WSAB Project, or (ii) to amend the scope of the WSAB Project, each in its sole discretion.
- (f) LACMTA shall promptly notify the City of any changes to its contracting and procurement strategy or to the scope of the WSAB Project that has or is reasonably likely to have an impact on the scope, schedule or roles and responsibilities for the City Portion or the provisions and procedures set out under this Agreement. The Parties shall use good faith efforts to agree any amendments or supplements to this Agreement necessary to be made as a result of any such change notified by LACMTA to the City.

## 1.2 Duration of Agreement

This Agreement (and all of the rights and obligations under this Agreement) will come into effect on the Effective Date and continue until ~~the~~ the first day on which passenger service on the WSAB Project commences, unless terminated earlier in accordance with the provisions of this Agreement or extended in accordance with Article 6 (Operation and Maintenance) (the "Term").

## ARTICLE 2. GENERAL OBLIGATIONS

### 2.1 Governance

- (a) The roles and responsibilities of the City and LACMTA are set out in EXHIBIT 4 (Roles and Responsibilities).
- (b) The City and LACMTA shall each designate an individual or individuals who will be authorized to make decisions and bind the Parties on matters relating to this Agreement (the "**City Representative**" and "**LACMTA Representative**", respectively). EXHIBIT 4 (Roles and Responsibilities) provides initial designations. Either Party may change its designated representative by providing ~~five Business Days~~ seven days' prior Notice to the other Party.
- (c) LACMTA may establish Working Groups in relation to the WSAB Project or particular aspects of the WSAB Project for the purposes of providing a non-binding forum for LACMTA, the LACMTA Contractors and other attendees to monitor the progress of the WSAB Project, to consider issues, or potential issues, and to present, understand and discuss proposed solutions with respect to the WSAB Project. On LACMTA's written request, the City shall ensure the attendance (in person or via videoconference or teleconference) of the City Representative (or a delegate) at any Working Group meeting held with respect to the City Portion during normal business hours and upon reasonable notice. Any Working Group meeting attended by the City Representative (or a delegate) is consultative and advisory only and nothing which occurs during any such Working Group meeting and no information that is presented during any such Working Group meeting will:
  - (i) affect the rights or obligations of either Party under this Agreement;
  - (ii) entitle a Party to make any claim against the other;

- (iii) relieve a Party from, or alter or affect, a Party's liabilities or responsibilities whether under this Agreement or otherwise according to Applicable Law;
- (iv) prejudice a Party's rights against the other Party whether under this Agreement or otherwise according to Applicable Law; or
- (v) be construed as a direction by a Party to do or not do anything.

## 2.2 Annual Work Plan

- (a) LACMTA and the City will cooperate to develop an agreed Annual Work Plan for each LACMTA Fiscal Year during the Term, in accordance with the following provisions:
  - (i) not later than February 28 of each LACMTA Fiscal Year during the Term (or in the case of the first partial LACMTA Fiscal Year during the Term, no later than 30 days after the date of this Agreement), LACMTA shall provide the City with information with respect to anticipated Work Orders, including a list of each item of work or scope of activities or services that LACMTA anticipates to request or require from the City during the upcoming LACMTA Fiscal Year, and the estimated start and finish dates for the item of work or scope of activities or services that LACMTA anticipates to request or require from the City;
  - (ii) within ~~20 Business Days~~30 days after the City's receipt of the required information from LACMTA pursuant to Section 2.2(a)(i) (Annual Work Plan), the City shall submit a preliminary annual work plan to LACMTA for the ~~next~~next upcoming LACMTA Fiscal Year, which will include an estimate of the Costs under the anticipated Work Orders for which the City shall require reimbursement;
  - (iii) promptly and in any event within ~~ten Business Days~~15 days after LACMTA receives the preliminary annual work plan from the City ~~pursuant to~~ pursuant to Section 2.2(a)(ii) (Annual Work Plan), the City and LACMTA will meet to review the preliminary work plan and negotiate in good faith such issues as are necessary in order to finalize and agree the annual work plan for the ~~next~~next upcoming LACMTA Fiscal Year; and
  - (iv) not later than April 30 of the then current LACMTA Fiscal Year, LACMTA shall notify the City of the agreed annual work plan for the ~~next~~next upcoming LACMTA Fiscal Year (each such agreed annual work plan, an "**Annual Work Plan**").
- (b) Section 2.3(e) (Work Orders) shall apply notwithstanding that the Parties may agree an Annual Work Plan setting out the schedule of anticipated Work Orders.

## 2.3 Work Orders

- (a) If the City is required to perform work and/or provide support and/or services under the provisions of this Agreement or LACMTA requests that the City perform work and/or provide support and/or services under the provisions of this Agreement, the City shall submit a Form 60 to LACMTA to estimate the total effort and Costs for which the City shall require reimbursement with respect to that scope of work.
- (b) Upon LACMTA's approval of a Form 60 submitted to it by the City with respect to a scope of work under Section 2.3(a) (Work Orders), LACMTA will issue a Work Order to the City for such scope of work.
- (c) Each Work Order issued by LACMTA to the City in accordance with this Agreement shall specify the work authorized to be performed and any materials or equipment to be acquired, the amount of money that the City will be reimbursed for the authorized work as agreed under the applicable Form 60, and a schedule, including the estimated starting and finishing dates for the authorized work.



- (d) ~~The City shall accept~~ On receipt of a Work Order issued in accordance with the provisions of this Agreement, the City must: (i) promptly commence work on any elements of work authorized under the Work Order that are unchanged from the applicable Form 60; and (ii) promptly and without delay (and in any case within 10 days of issuance by LACMTA) accept any changes or additions (including any additional or supplemental provisions) agreed to the applicable Form 60 by counter-signing the Work Order, or otherwise by written acceptance by the City Representative, followed by commencement of the applicable work under the Work Order. If the City fails to accept the Work Order within 10 days (if applicable), the Work Order will be deemed to be accepted by the City.
- (e) The City shall not be authorized to do any work and shall not be paid, credited or reimbursed for costs or expenses associated with any work performed in connection with a Rearrangement or the City Portion or otherwise under the ~~terms~~ provisions of this Agreement, that is not expressly authorized by a Work Order.
- (f) Except in the case of a change required due to an emergency (which notification may be given orally before being confirmed in writing within ~~one Business Day~~ three days), the City may submit proposed changes to a Work Order in writing to LACMTA for approval, such approval to not be unreasonably withheld or delayed.
- (g) LACMTA may terminate any Work Order at any time at its sole discretion, provided that the City will be entitled to reimbursement in accordance with this Agreement for Costs, if any, already incurred.
- (h) The City shall promptly notify LACMTA if at any time it anticipates:
- (i) exceeding 75% of the total estimated Costs under any Work Order within the next 60 days;
  - (ii) that the total Costs under any Work Order will be in excess of 10% greater than previously estimated Costs; or
  - (iii) that the estimated finishing date will be later than the date stated in the Work Order,
- and shall request an amendment to such Work Order pursuant to Section 2.3(f) (Work Orders).

#### 2.4 Project Schedule

- (a) The City agrees to cooperate and coordinate with LACMTA in accordance with the provisions of this Agreement in order for LACMTA to achieve the Project Schedule and to allocate sufficient staff and other resources necessary to provide the level of service required to meet the scope of work and work schedules, review periods and timelines identified in this Agreement and any Work Orders.
- (b) If the City fails to carry out any work or obligations for which it is responsible under the provisions of this Agreement and/or any Work Order in accordance with the work schedules, review periods and timelines identified in this Agreement and the applicable Work Order, and such failure is attributable to the City, then, to the extent such delay directly causes: (i) LACMTA to incur additional costs; or (ii) a delay to the WSAB Project, the City must reimburse LACMTA for all actual and documented costs and expenses incurred or arising out of such delay. The City shall pay such costs to LACMTA within 90 days of receiving an invoice from LACMTA. If the Parties agree, LACMTA may deduct the amount due from the City to LACMTA pursuant to this Section 2.4(b) from payment(s) due to the City.
- (c) Without limiting any other rights under this Section 2.4, if: (i) the City fails to carry out any work for which it is responsible under the provisions of this Agreement in accordance with the work schedules, review periods and timelines identified in this Agreement and the applicable Work Order; or (ii) LACMTA reasonably determines that the City will be unable to timely complete such work, LACMTA may by Notice to the City suspend the affected element of the City's work and

LACMTA may perform the remaining work. If LACMTA takes over work in accordance with this Section 2.4(c), the City shall cooperate and assist LACMTA in accordance with the provisions of this Agreement.

- (d) To the extent a failure by LACMTA to perform its work and obligations in accordance with the work schedules, review periods and timelines identified in this Agreement and/or any Work Order results in a delay to the performance of the City's work under a Work Order, the City will be entitled to an equivalent extension to the affected deadline and any other relief expressly contemplated under the provisions of the applicable Work Order.

## 2.5 Permits

- (a) The Parties acknowledge that pursuant to Applicable Law, LACMTA is not subject to zoning, building or design review, or construction permitting ordinances of the City when constructing the City Portion.
- (b) Without prejudice to Section 2.5(a) (Permits):
  - (i) the City will issue a blanket Permit Notification to cover the City Portion;
  - (ii) for those permits and fees set out in the Permit Notification, the City will not exercise, or otherwise attempt to assert, permitting authority over, and will not require the payment of fees or the posting of bonds for or insurance by LACMTA or any LACMTA Contractor for, any work contemplated, ~~under~~ in the City Portion or otherwise, under the provisions of this Agreement;
  - (iii) any processing procedures or timelines specified in the Permit Notification will be aligned with the procedures and timelines specified in this Agreement and will otherwise be streamlined as necessary to assist in the timely delivery of the City Portion in accordance with the Project Schedule; and
  - (iv) except for Cost reimbursement expressly provided under a Work Order, the City waives the payment of any permit Costs for permits identified in the Permit Notification.
- (c) To the extent any conflicts exist or arise between the provisions of the Permit Notification and the provisions of this Agreement, the provisions of this Agreement shall govern.
- (d) If requested by LACMTA, the City will ~~cooperate with~~ provide reasonable assistance to LACMTA and the LACMTA Contractors in relation to any application by LACMTA or a LACMTA Contractor for a Governmental Approval or other Governmental Entity or third party approval relating to or arising from, the design, construction, operation or maintenance of the City Portion.
- (e) Without prejudice to the generality of Section 2.5(d) (Permits), the City acknowledges and agrees that unless otherwise agreed between LACMTA and the City, LACMTA may prepare, subject to concurrence by the City (which concurrence may not be unreasonably delayed or withheld), plans and applications for the establishment of street and pedestrian crossings with LACMTA's rail transit tracks, their subsequent maintenance or alteration and their operation, for submission to the CPUC. To the extent required by Applicable Law, the state fire marshal and the City fire department shall review such plans and specifications and perform inspections as needed throughout the Construction of the City Portion.

## 2.6 Coordination of ~~work~~ Work

- (a) The City will promptly notify LACMTA upon becoming aware of any proposed or planned Adjacent Work and will coordinate the design and performance of any Adjacent Work with LACMTA so that such Adjacent Work shall not interfere with, disrupt or delay the design, construction, operation or maintenance of the City Portion including by:

- (i) complying with the provisions of this Section 2.6 and LACMTA's standard procedures for Adjacent Works;
  - (ii) delivering copies of all designs and plans for the Adjacent Work to LACMTA and giving LACMTA the right to review and comment on the designs and plans for the Adjacent Work and to approve the final designs and plans for the Adjacent Work; and
  - (iii) if LACMTA reasonably determines and notifies the City that the Adjacent Work will, in whole or in part, interfere with, disrupt or delay the design, construction, operation or maintenance of the City Portion, suspending the Adjacent Work or the relevant part of the Adjacent Work (as applicable).
- (b) The City will, and will ensure that any City Contractor or third party performing any Adjacent Work, City Construction Work or City Maintenance Work is obligated under contract and/or a permit process to:
- (i) fully co-operate and coordinate with LACMTA and the LACMTA Contractors including:
    - (A) attending interface definition and coordination meetings upon reasonable request; and
    - (B) providing any other interface data reasonably requested by LACMTA or the relevant LACMTA Contractor and necessary to complete interface coordination;
  - (ii) perform the Adjacent Work, City Construction Work or City Maintenance Work (as applicable) so as to minimize any interference with or disruption or delay to construction, operation or maintenance of the City Portion or any other part of the WSAB Project;
  - (iii) comply with LACMTA's or the relevant LACMTA Contractor's site access, track allocation/work permit procedures and work health and safety policies and procedures; and
  - (iv) promptly advise LACMTA of all matters arising out of the Adjacent Work, City Construction Work or City Maintenance Work (as applicable) that may interfere with, disrupt, delay or otherwise have an adverse effect upon the City Portion or any other part of the WSAB Project.

## 2.7 Franchise Rights

- (a) After receipt of a written request from LACMTA for the City to exercise its franchise rights with respect to a utility whose facilities conflict with the City Portion, the City will:
- (i) within ~~five Business Days~~ ten days of receipt of such written request, coordinate with LACMTA to send written notice to the applicable utility owner instructing it to relocate or remove the conflicting utility at that utility owner's expense pursuant to the City's franchise rights;
  - (ii) within the time periods required under the applicable local, state and/or federal government codes, send all such notices as are required to be submitted for each of the processing steps required by local, state, and federal government codes in order for the City to exercise its franchise rights with respect to that conflicting utility (including, at a minimum, a utility claim letter, record of investigations, draft utility agreements and/or utility certifications); and
  - (iii) undertake subsequent enforcement actions to enforce its franchise rights with respect to that conflicting utility in the event no action is taken by the applicable utility owner in response to a notice issued under Section 2.7(a) (Franchise Rights).

- (b) LACMTA and the City shall co-operate and coordinate in executing the necessary documents for each step set out in Section 2.7(a) (Franchise Rights).
- (c) Following the exercise of the City's franchise rights with respect to a conflicting utility pursuant to Section 2.7(a) (Franchise Rights), the City will coordinate the design and performance of the utility relocation or removal work performed by the utility owner with LACMTA so that such utility relocation or removal work shall not interfere with, disrupt or delay the design, construction, operation or maintenance of the City Portion including by:
  - (i) delivering copies of all designs and plans for the utility relocation or removal work to LACMTA and giving LACMTA the right to review and comment on the designs and plans for the utility relocation or removal work and to approve the final designs and plans for the utility relocation or removal work; and
  - (ii) otherwise complying with Section 2.6 (Coordination of work) with respect to the coordination of the utility relocation or removal work.
- (d) LACMTA's approval of a utility owner's design under Section 2.7(c)(i) (Franchise Rights) will not relieve the relevant utility owner or its contractors from professional liability (errors and omissions) as the design engineer of record for any utility relocation or removal work performed by the utility owner or its contractors.

## 2.8 Governmental and Lender Requirements

If the WSAB Project is subject to financial assistance provided by loan agreements with the U.S. Department of Transportation, Federal Transit Administration, other Governmental Entities, and/or financial institutions providing grants, funding or financing, the Parties will comply with the terms and conditions set out in EXHIBIT 11 (Governmental and Lender Requirements) and any additional prescribed governmental and lender requirements set out in a Work Order or otherwise under the applicable grant, funding or financing agreements notified to the City.

## 2.9 Access

If, prior to LACMTA's scheduled date of commencement of Construction work in a part of the City Portion, any Rearrangement is necessary to eliminate a conflict, the City may grant to LACMTA and/or its designee sufficient rights, if necessary, to allow LACMTA to proceed with investigation of existing conditions and the Construction of that part of the City Portion in accordance with the Project Schedule; provided, however, that such grant does not unreasonably and adversely interfere with the provision of City's services to the public, or affect public health and safety; and provided further, that the City is permitted under Applicable Law to grant such right.

## 2.10 Discretions

Except as otherwise expressly provided in this Agreement, all determinations, consents, waivers, or approvals of a Party under this Agreement must not be unreasonably withheld, conditioned, or delayed.

# ARTICLE 3. DESIGN

## 3.1 Design Responsibilities

- (a) Except to the extent of any ~~Construction~~Design work requested to be performed by the City under Section 3.1(ab) (Design Responsibilities), LACMTA will (directly or through LACMTA Contractors) design all Rearrangements and produce all Design Documentation relevant to those works in accordance with the provisions of this Agreement. LACMTA shall be responsible for any errors and omissions in the Design Documentation prepared by LACMTA or ~~an~~ LACMTA Contractor.

- (b) LACMTA may request and authorize the City to perform Design work and/or provide support services with respect to the Design of a Rearrangement pursuant to the procedures set out under Section 2.3 (Work Orders). The City shall diligently perform and shall ensure that any City Contractor diligently performs, such Design-related activities in accordance with the provisions of the applicable Work Order and this Agreement. The City shall be responsible for any errors and omissions in any Design Documentation prepared by the City or a City Contractor.

### 3.2 Design Requirements

The Designs of the Rearrangements shall comply with the requirements set out in EXHIBIT 5 (Design Requirements).

### 3.3 Design Review Procedure

- (a) LACMTA will submit, and will require that the LACMTA Contractors submit, the Designs for any Rearrangements to the City for review in accordance with the procedures set out in EXHIBIT 6 (LACMTA Submittal Review Procedure) and otherwise in accordance with the terms/provisions of this Agreement and any applicable Work Orders.
- (b) The City will carry out the review and approval of the Designs for the Rearrangements in accordance with the procedures and the review periods set out in EXHIBIT 6 (LACMTA Submittal Review Procedure) and otherwise in accordance with the terms/provisions of this Agreement and any applicable Work Orders.
- (c) LACMTA ~~shall be~~ exempt from submitting any Design for Construction work within the City Rights-of-Way to the City for City's review and approval where:
  - (i) LACMTA, a LACMTA Contractor, or a tenant or licensee of LACMTA owns and maintains the structure or physical element; or
  - (ii) the work is related to utility trenching and shoring within OSHA guidelines and the relevant LACMTA Contractor is OSHA certified.

and without prejudice to the foregoing, the City further acknowledges that as between LACMTA and the City, LACMTA has sole discretion to determine whether, and which, features or facilities are required in order for LACMTA to comply with its obligations under Applicable Law in connection with the WSAB Project (whether or not situated within the City Rights-of-Way) including the ADA and in the case of its obligations under the ADA to determine whether matters are technically infeasible; provided, however, in making such determination, LACMTA shall utilize current rules and regulations promulgated under the ADA, and guidelines issued by federal agencies in accordance with the ADA, including but not limited to The ADA Best Practices Tool Kit for State and Local Governments published by Civil Rights Division of the U.S. Department of Justice.

### 3.4 Design Development

The Parties acknowledge and agree that:

- (a) the Basis of Design will establish the detailed scope, limits of work, specifications and requirements applicable to the Designs for any Rearrangements; and
- (b) the Design Documentation for any Rearrangements will be submitted for review progressively in Packages and:
  - (i) with respect to the Design for any Rearrangements that are part of the Enabling Works, LACMTA and the applicable LACMTA Contractor will retain responsibility for defining the scope and timing of delivery of the Packages at each stage of Design; and

- (ii) with respect to the Design for any Rearrangements that are part of the P3 Project Scope, the P3 Developer will have responsibility for defining the Packages as part of its design management plan for the P3 Project Scope.

### 3.5 City Standards

- (a) The City agrees that it shall not adopt any new City Standards or otherwise amend or supplement any existing City Standards or its interpretation or application of any existing City Standards, for the sole or primary purpose of affecting the WSAB Project.
- (b) The City shall promptly (and in any case within ~~ten Business Days~~ 15 days' of adoption) notify LACMTA of any changes or additions to the City Standards adopted during the Term.
- (c) Any changes or additions to the City Standards applicable to a Rearrangement after the establishment of the Basis of Design for that Rearrangement shall be considered a "Betterment" for the purposes of this Agreement.

### 3.6 Changes to Design

- (a) If LACMTA wishes to amend the Final Design for a Rearrangement for which it is responsible prior to completion of Construction of that Rearrangement, it must submit the amended Design Documentation to the City and EXHIBIT 6 (LACMTA Submittal Review Procedure) will apply as if the Design Documentation is for the Final Design.
- (b) LACMTA may use or may allow the relevant LACMTA Contractor to use, the amended Final Design for Construction prior to approval by the City if and only if the amendment to the Final Design is: (i) minor; (ii) does not adversely impact the relevant Rearrangement; and (iii) is necessary to overcome an issue which has arisen or become evident since the Final Design was initially approved.

## ARTICLE 4. CONSTRUCTION

### 4.1 Construction Responsibilities

- (a) Except to the extent of any Construction work requested to be performed by the City under Section 4.1(b) (Construction Responsibilities), LACMTA (directly or through the LACMTA Contractors) will be responsible for the Construction of all Rearrangements and shall diligently perform and shall ensure that any LACMTA Contractor diligently performs, all such Construction in accordance with the provisions of this Agreement.
- (b) LACMTA may request and authorize the City to perform Construction work with respect to a Rearrangement and/or provide Construction support services pursuant to the procedures set out under Section 2.3 (Work Orders). The City shall diligently perform and shall ensure that any City Contractor diligently performs, all such Construction work and/or support services in accordance with the provisions of the applicable Work Order and this Agreement.

### 4.2 Construction Requirements

The Construction of the Rearrangements and any other Construction work performed in the City Rights-of-Way in connection with the WSAB Project shall comply with the requirements set out in EXHIBIT 7 (Construction Requirements).

### 4.3 Rights-of-Way

- (a) The Parties acknowledge that pursuant to Applicable Law, LACMTA is permitted to use City Rights-of-Way to the same extent those rights and privileges relating to City Rights-of-Way are granted to the City.

- (b) ~~(a)~~ Replacement rights-of-way for the relocation of Conflicting Facilities shall be determined during the Design Phase and, if needed, may be acquired by LACMTA or the City following approval by the Parties of the location and type of such replacement rights-of-way. When reasonably possible and where the City Facilities being replaced are located in a public right-of-way, a Rearrangement shall be located in existing public rights-of-way. The required rights-of-way shall be acquired so as not to impair the Project Schedule. If the City cannot acquire necessary private rights-of-way without out-of-pocket expense to itself, such private rights-of-way may be acquired by LACMTA. Without acceptance of the applicable Replacement Facility, the City shall convey or relinquish to ~~MTA~~LACMTA or its designee, if permitted by Applicable Law and agreement, at no cost, all City real property interests being taken out of service by the Rearrangement, and for which replacement real property interests are provided.
- (c) ~~(b)~~ Upon reasonable request by LACMTA, the City shall provide all such reasonable assistance as may be required for LACMTA to obtain the right-of-way necessary to construct the City Portion. Without prejudice to the generality of the foregoing and to Section 4.3(a) (Rights-of-Way), the City shall consider requests by LACMTA to convey to LACMTA, at no cost to LACMTA, any City-owned street crossings, slivers, surface easements and temporary construction easements that may be required for Construction and/or operation of the WSAB Project without requiring LACMTA to go through the appraisal, negotiations, offer, closing and transfer process. LACMTA will prepare or cause to be prepared, the title documents and documents of conveyance and shall transmit such documents to the City Representative who shall process them through the required departments for execution and return them to LACMTA within 90 days after receipt, but in any event in accordance with the Project Schedule.
- (d) ~~(e)~~ The City agrees and acknowledges that this Agreement satisfies any LACMTA obligations to the City and otherwise relating to the certification of rights-of-way, and that the City shall cooperate with LACMTA, and assist LACMTA, with any right-of-way certification processes involving other entities or agencies.
- (e) ~~(d)~~ If, following a Rearrangement, a City Facility is located within the Project Right-of-Way, LACMTA shall provide the City with a license, in a form reasonably acceptable to the City, to ~~install,~~ operate, maintain, and or remove such City Facility.

#### 4.4 Inspection and Acceptance

The Parties agree that inspection and acceptance of the Construction work of Rearrangements performed under this Agreement will be carried out in accordance with the procedure set out in EXHIBIT 8 (Inspection and Acceptance Procedure).

### ARTICLE 5. BETTERMENTS

5.1 The City shall inform LACMTA what Betterments, if any, the City requests be implemented as a Rearrangement or a part of a Rearrangement by submitting a completed Potential Notice of Betterment Form for LACMTA's review and approval. In addition ~~;~~:

- (a) any Design furnished by the City under a Work Order shall specifically identify any Betterments included in such Design and where Betterments are identified, shall be accompanied by a completed Potential Notice of Betterment Form and submitted for LACMTA's review and approval ~~;~~ and
- (b) if a City comment to a LACMTA Submittal constitutes a Betterment, LACMTA will notify the City and within 10 days of delivery of that notice, the City will: (i) withdraw the relevant comment; or (ii) submit a request for the applicable Betterment by submitting a completed Potential Notice of Betterment Form for LACMTA's review and approval. If the City fails to respond within 10 days of a notice delivered by LACMTA under this Section 5.1(b), the comment will be deemed to be withdrawn provided that such deemed withdrawal shall be without prejudice to the City's right to submit the Betterment under a subsequent Potential Notice of Betterment under this Section 5.1.

- 5.2 ~~The~~Subject to Section 5.1(b) (*Betterments*), the City shall submit any Potential ~~Notices~~Notice of Betterment ~~Forms~~ to LACMTA promptly after identifying a potential Betterment and in any event shall, unless otherwise agreed by LACMTA, deliver all Potential ~~Notices~~Notice of Betterment ~~Forms~~ to LACMTA prior to the establishment of the Basis of Design for the P3 Project Scope.
- 5.3 No Betterment shall be constructed and LACMTA shall have the right to refuse and withhold approval for any Betterment, that:
- (a) is incompatible with the WSAB Project;
  - (b) cannot be performed within the constraints of Applicable Law, any applicable Governmental Approvals, and/or the Project Schedule; or
  - (c) is requested after the establishment of the ~~applicable~~ Basis of Design for the P3 Project Scope.
- 5.4 If LACMTA approves a Betterment (with or without changes negotiated and agreed by LACMTA and the City):
- (a) the LACMTA Representative shall counter-sign the Potential Notice of Betterment Form (updated to include any changes negotiated and agreed by LACMTA and the City); and
  - (b) the City will be responsible for the cost of the Betterment.
- 5.5 LACMTA shall not be responsible for the cost of any Betterment. ~~Where LACMTA carries out a Betterment, such~~Such cost will be paid to LACMTA or credited to LACMTA in accordance with Section 7.2 (Reimbursement and Credits to LACMTA).

#### ARTICLE 6. OPERATION AND MAINTENANCE

- 6.1 LACMTA may, at any time during the original Term, issue to the City a request to extend the Term to include the ~~operation~~Operation and ~~maintenance phase of the WSAB Project~~Maintenance Phase or to enter into a new master cooperative agreement with respect to the ~~operation~~Operation and ~~maintenance phase of the WSAB Project~~Maintenance Phase.
- 6.2 Following issuance of a request by LACMTA under Section 6.1 (Operation and Maintenance Phase), the Parties shall use good faith efforts to agree an amendment or supplement to this Agreement or to agree a new master cooperative agreement to address the Parties respective obligations during the operation and maintenance of the WSAB Project and the procedures and cost reimbursement principles that shall apply to the coordination and performance of their respective obligations during the operation and maintenance of the WSAB Project.
- 6.3 The Parties agree ~~that~~ that any amendment or supplement to this Agreement or any new agreement entered into in accordance with Section 6.2 (Operation and Maintenance Phase) shall be on terms that are substantially consistent with:
- (a) the provisions set out in this Agreement (to the extent applicable and subject to any necessary amendments to reflect the different phase of the WSAB Project); and
  - (b) the agreed operation and maintenance principles set out in EXHIBIT 9 (Operation and Maintenance Principles).
- 6.4 Any amendment, or supplement or new agreement agreed by the Parties in accordance with Section 6.2 (Operation and Maintenance Phase) shall be finalized and documented in accordance with Section 10.7 (Amendments).



## ARTICLE 7. REIMBURSEMENT AND CREDITS

### 7.1 Reimbursements to the City

- (a) Except with respect to Betterments, LACMTA will reimburse the City for Costs incurred for work performed by the City or the City Contractors under a Work Order in accordance with this Section 7.1 and the provisions of the applicable Work Order.
- (b) If a Rearrangement performed under a Work Order ~~involves~~ is limited to the removal or elimination of a City Facility, LACMTA will only be responsible for any Costs incurred in Abandoning such City Facility and will not be required to replace or compensate the City for the replacement of that City Facility.
- (c) As described in EXHIBIT 1 (Project Description), LACMTA (or its LACMTA Contractors) will be responsible for any environmental site assessments and any remediation of hazardous materials to be performed on the Project Site for the purposes of the WSAB Project. LACMTA will not be responsible for any costs relating to the presence or existence of any environmental hazard on, in, under or about any City Facility, including but not limited to, any "**hazardous substance**" as that term is defined under the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. § 9601 et seq.), unless LACMTA or any LACMTA Contractor caused the environmental hazard through its actions.
- (d) The City shall use the following procedures for submission of its billings to LACMTA, on a progress basis, for work performed by the City under a Work Order:
  - (i) the City shall commence its monthly billing within no more than 60 days, following the commencement of work under a specific Work Order and shall bill monthly thereafter following the City's standard billing procedures;
  - (ii) the City shall provide supporting documents to demonstrate the Costs incurred by the City with respect to a Work Order, including City Contractor invoices, and other data, to LACMTA upon request;
  - (iii) each billing statement shall: (A) be noted as either "progress" or "final"; (B) be addressed to the LACMTA Representative; (C) include a certification that the Costs identified in such billing were appropriate and necessary to the performance of the work under the Work Order and have not previously been billed or paid; and (D) reflect any applicable credits due to LACMTA under this Article 7;
  - (iv) the final billing, with a notation that all work covered by a given Work Order has been performed, shall be submitted to LACMTA within 60 days after completion of the work under the applicable Work Order, and shall summarize prior progress billings, show inclusive dates upon which work was performed, and include a certification that the Costs identified in such billing were appropriate and necessary to the performance of the work under the Work Order and have not previously been billed or paid; and
  - (v) after the expiration of the 60 day period described in Section 7.1(d)(iv) (Reimbursements to the City), LACMTA may notify the City in writing that the 60 day closing billing period has expired, and upon the City's receipt of such Notice from LACMTA, the City shall have 30 days to ~~its~~ submit its final invoice. If the City fails to submit an invoice within such 30 day period, then LACMTA shall have no further obligation for payment to the City with regard to any amounts due or payable under the applicable closed out Work Order.
- (e) On completion of the Construction of the City Portion, LACMTA will issue a Notice of closeout to the City. Within 90 days of receiving such Notice, the City must issue invoices to LACMTA for all outstanding work. If the City fails to submit an invoice not previously submitted within such 90 day

period, then LACMTA shall have no further obligation for payment to the City with regard to any amounts due or payable under the applicable invoice.

## 7.2 Reimbursements and Credits to LACMTA

- (a) LACMTA shall receive a credit, or payment for:
- (i) salvage for items recovered from existing ~~the~~ City Facilities that the City intends to re-use in the performance of Construction work performed under the provisions of this Agreement where the amount of salvage credit or payment, if any, shall equal the depreciated value of like or similar materials as determined by agreement of the Parties, plus storage and transportation costs of such materials salvaged for the City's use;
  - (ii) Betterments upon acceptance of physical work where:
    - (A) the amount of the Betterment payment shall be based upon the estimated cost of the Replacement Facility less the estimated cost of ~~a Replacement~~the Conflicting Facility; and
    - (B) the amount of a Betterment credit, if any, shall be a fixed amount determined by the Parties during Design Development based upon estimates provided by the City and agreed to by LACMTA under a Potential Notice of Betterment Form; and
  - (iii) the Expired Service Life Value of each Conflicting Facility being replaced if the Replacement Facility will have an expected period of useful service greater than the period that the existing Conflicting Facility would have had, had it remained in service and the Rearrangement not been made, where:
    - (A) the "**Expired Service Life Value**" shall be equal to the depreciated value of the Conflicting Facility, which value is calculated by multiplying the cost of the Replacement Facility by a fraction, the numerator of which is the age of the Conflicting Facility and the denominator of which is the estimated overall service life of the Conflicting Facility; and
    - (B) the Expired Service Life Value shall be calculated in accordance with Section 7.2(a)(iii)(A) (Reimbursements and Credits to LACMTA) prior to the commencement of the applicable Rearrangement work and documented in the applicable Work Order.
- (b) LACMTA shall receive:
- (i) a credit (reflected on the applicable invoice(s) submitted by the City) for salvage, Betterments, and Expired Service Life Value of the City Facilities against work performed by the City, where the City performs the work under a Work Order; and
  - (ii) payment from the City for salvage, costs of Betterments, and Expired Service Life Value of the City Facilities where LACMTA performs the work invoiced and paid in accordance with this Article 7.
- (c) The sum of credits and/or payments due to LACMTA for salvage shall be agreed by the Parties based on applicable books, records, documents and other data. In addition, LACMTA and the City may conduct an inspection survey of a Conflicting Facility during the Design Development process. LACMTA may request and authorize the City to perform support services with respect to any such inspection survey pursuant to the procedures set out under Section 2.3 (Work Orders).
- (d) Where LACMTA is due a payment under this Article 7:

- (i) LACMTA shall commence its monthly billing within no more than 60 days, following the commencement of the applicable work and shall bill monthly thereafter following LACMTA's standard billing procedures;
- (ii) LACMTA shall provide supporting documents to demonstrate the costs incurred by LACMTA, including LACMTA Contractor invoices, and other data, to the City upon request;
- (iii) each billing statement shall: (A) be noted as either "progress" or "final"; (B) be addressed to the City Representative; and (C) include a certification that the Costs identified in such billing were appropriate and necessary to the performance of the applicable work and have not previously been billed or paid;
- (iv) the final billing, with a notation that all applicable work has been performed, shall be submitted to the City within 60 days after completion of the applicable work, and shall summarize prior progress billings, show inclusive dates upon which work was performed, and include a certification that the costs identified in such billing were appropriate and necessary to the performance of the applicable work and have not previously been billed or paid; and
- (v) after the expiration of the 60 day period described in Section 7.1(d)(iv) (Reimbursements and Credits to LACMTA), the City may notify LACMTA in writing that the 60 day closing billing period has expired, and upon LACMTA's receipt of such Notice from the City, LACMTA shall have 30 days to its submit final invoice. If LACMTA fails to submit an invoice within such 30 day period, then the City shall have no further obligation for payment to LACMTA with regard to any amounts due or payable under the applicable work.

### 7.3 Payment of Billings

Payment of each invoice properly submitted pursuant to Section 7.1 (Reimbursements to the City) or 7.2 (Reimbursements and Credits to LACMTA) shall be due within ~~40 Business Days~~ 60 days of receipt; provided that: (a) all such payments shall be conditional, subject to post-audit adjustments; (b) final payment for a Rearrangement shall be contingent upon final inspection (and acceptance) of the work by the Party billed for such work, which inspection (and acceptance, where applicable), will not be unreasonably withheld or delayed; and (c) LACMTA may withhold payments in the amount of any credit amounts due to LACMTA if the City has not posted such credits within ~~40 Business Days~~ 60 days after submittal of requests for the same by LACMTA.

## ARTICLE 8. INDEMNITY, WARRANTIES AND INSURANCE

### 8.1 Indemnity

- (a) Each Party shall release, defend, indemnify, and hold harmless the other Party and its respective officers, agents, representatives, and employees from and against all liabilities, expenses (including legal fees and costs), claims, losses, suits, and actions of any kind, and for damages of any nature, including but not limited to, bodily injury, death, personal injury, or property damage arising from or connected with its performance under this Agreement.
- (b) In contemplation of the provisions of Section 895.2 of the California Government Code imposing certain tort liability jointly upon public entities solely by reason of such entities being parties to an agreement as defined by Section 895 of the Government Code, the Parties, as between themselves, pursuant to Sections 895.4 and 895.6 of the Government Code, each assume the full liability imposed on them, or any of their officers, agents or employees, by law for injury caused by negligent or wrongful act or omission occurring in the performance of this Agreement to the same extent that such Party would be responsible under Section 8.1(a) (Indemnity). The provisions of California Civil Code Section 2778 are made a part of this Agreement as if fully set out in this Agreement.

## 8.2 Warranty

- (a) In lieu of providing a bond, LACMTA warrants that any work affecting the structural stability of City Rights-of-Way shall be free from defect for a period of two years following City acceptance. Pursuant to this warranty and for the warranty period only, LACMTA, at its sole expense, shall remedy any damage to City Rights-of-Way to the extent caused by a failure of such structural support installed by LACMTA.
- (b) Solely with respect to Rearrangements performed by LACMTA or the LACMTA Contractors and any work performed by the City or the City Contractors, the City and LACMTA each warrant to the other for a period of one year from and after acceptance of the work that any work performed by them shall be free from defect. Subject to Section 8.2(a) (Warranty), the limited warranty given under this Section 8.2(b) is the sole warranty given by the City and/or LACMTA, and, pursuant to this warranty, and for the warranty period only, the City or LACMTA, as the case may be, shall remedy any such discovered defect at its sole expense.
- (c) In connection with Rearrangements performed by LACMTA or the LACMTA Contractors and any work performed by the City or the City Contractors, warranties supplied by the LACMTA Contractors and City Contractors to LACMTA or the City (as applicable) shall be made for the benefit of both LACMTA and the City.

## 8.3 Insurance

- (a) The Parties must ensure that any contract entered into in connection with performance of the work under this Agreement contains:
  - (i) a provision requiring the general contractor, as part of the liability insurance requirements, to provide an endorsement to each policy of general liability insurance naming the City and LACMTA as additional insureds; and
  - (ii) unless otherwise mutually agreed by the Parties, the requirement for: (A) construction general contractors to provide evidence of insurance in the following amounts: \$5,000,000 in general liability; \$1,000,000 in workers' compensation/employer's liability; and \$1,000,000 in combined single limit (CSL) in auto liability; and (B) design contractors to provide evidence of insurance in the following amounts: \$5,000,000 in general liability; \$1,000,000 in workers' compensation/employer's liability; \$1,000,000 (CSL) in auto liability; and \$1,000,000 in professional liability.
- (b) Each Party must:
  - (i) give the other Party 20 days' Notice prior to any reduction in scope or cancellation or expiration of any insurance procured by it under this Section 8.3;
  - (ii) give the other Party 20 days' Notice prior to it agreeing to a reduction in scope or the cancellation or expiration of any insurance procured by a LACMTA Contractor or City Contractor (as applicable) under this Section 8.3; and
  - (iii) notify the other Party within five days if it receives a Notice from a LACMTA Contractor or City Contractor (as applicable) of the expiration of any insurance procured under this Section 8.3.

## ARTICLE 9. RESOLUTION OF DISPUTES

### 9.1 Attempt to Resolve

In the event of dispute or difference arising under, out of or in connection with or relating to this Agreement, including any question regarding its existence, validity or termination ("**Dispute**"), the Parties shall make good faith efforts to resolve the Dispute through negotiation.

#### 9.2 Arbitration – No Work Stoppage

- (a) If the Parties are unable to resolve a Dispute pursuant to Section 9.1 (Attempt to Resolve), either Party may serve the other Party a demand for arbitration. Within ~~15 Business Days~~22 days (or such longer period as agreed by the Parties) of receipt of such demand, the Parties shall agree on a sole arbitrator. If the Parties are unable to agree to the appointment of a sole arbitrator within the ~~15 Business Days~~22 days (or any longer period as may be agreed), each Party shall select an arbitrator and those arbitrators shall select a qualified neutral third party to arbitrate with regard to the Dispute ("**Neutral Arbitrator**") to form a three-person panel. If either Party fails to designate its arbitrator within ~~15 Business Days~~22 days (or longer period as agreed) of delivery of the demand or if the two designated arbitrators are unable to select the Neutral Arbitrator within five days of their appointment, a Neutral Arbitrator shall be designated pursuant to Section 1281.6 of the California Code of Civil Procedure, who shall hear the matter as the sole arbitrator.
- (b) The Parties acknowledge that Section 1283.05 of the California Code of Civil Procedure is applicable to those issues not involving work stoppage. A hearing date shall be set as promptly as possible following selection of the arbitrator in accordance with Section 9.2(a) (Arbitration – No Work Stoppage). The arbitrator's award shall follow promptly the hearing's conclusion, shall be supported by law and substantial evidence and the issuance of written findings of fact and conclusions of law. The making of an award that does not comply with such requirements shall be deemed to be in excess of the arbitrator's power and the court shall vacate the award if after review it determines that the award cannot be corrected without affecting the merits of the decision upon the controversy submitted.

#### 9.3 Arbitration – Work Stoppage

- (a) In the event of a Dispute, neither Party is permitted to stop work, except: (i) for reasons of public health or safety; or (ii) where work is prevented from continuing pending resolution of the Dispute. In the event that work is stopped, the provisions of this Section 9.3 shall apply. Upon stoppage of work, either Party may serve the other Party a demand for arbitration. A Neutral Arbitrator who is able to hear the Dispute and render a decision within five days after being selected shall be immediately designated pursuant to Section 1281.6 of the California Code of Civil Procedure.
- (b) Notwithstanding Sections 1282.2(b) and Section 1282(e) of the California Code of Civil Procedure (regarding postponement of the hearing), where work is stopped, the Neutral Arbitrator may not postpone nor adjourn the hearing except upon the agreement of the Parties. The arbitration may proceed in the absence of a Party who, after due Notice, fails to appear. In addition to all other issues, the Neutral Arbitrator shall also determine whether it was absolutely necessary to stop and await resolution of the Dispute in order to continue the work. If it is determined that the work stoppage was not necessary, the Party that did not stop the work shall be entitled to damages (as determined by the Neutral Arbitrator) arising out of such work stoppage. Section 9.2(b) (Arbitration – No Work Stoppage) shall also apply.

#### 9.4 Impartiality of Arbitrator

Any person who has any material financial or personal interest in the results of the arbitration shall be prohibited from acting as Neutral Arbitrator. Failure to disclose any such interest or relation shall be grounds for vacating an award handed down under Section 9.2 (Arbitration – No Work Stoppage) or 9.3 (Arbitration – Work Stoppage).

#### 9.5 Compensation of the Arbitrator

Each Party shall pay the expenses and fees of the arbitrator it selects. The expenses and fees of the Neutral Arbitrator shall be paid in accordance with the provisions of Section 1284.2 of the California Code of Civil Procedure.

9.6 **Other Provisions**

An arbitrator or panel appointed under this Article 9 shall have only the authority to issue a non-binding award to resolve the dispute of the Parties. Except as otherwise expressly provided in this Agreement, any arbitration under this Article 9 shall be governed by the California Arbitration Act.

9.7 **Incorporation of Subcontracts**

The City must ensure that any contract entered into in connection with performance of the work under this Agreement includes provisions equivalent to this Article 9.

**ARTICLE 10. MISCELLANEOUS**

10.1 **Force Majeure**

No Party may bring a claim for a breach of obligations under this Agreement by the other Party or incur any liability to the other Party for any losses or damages incurred by that other Party if a Force Majeure Event occurs and the affected Party is prevented from carrying out its obligations by that Force Majeure Event. During the continuation of any Force Majeure Event, the ~~Affected~~affected Party shall be excused from performing those of its obligations directly affected by such Force Majeure Event provided that the occurrence or continuation of any Force Majeure Event shall not excuse any Party from performing any payment obligations contemplated under this Agreement. If a Force Majeure Event occurs, the City agrees, if requested by LACMTA pursuant to Section 2.3 (Work Orders), and if deemed possible and feasible by the City (acting reasonably), to accelerate the performance of its obligations under this Agreement and any Work Order to mitigate any delay arising from the Force Majeure Event provided that LACMTA agrees to reimburse the City for the incremental actual costs of such acceleration.

10.2 **Existing Agreements**

This Agreement does not negate or otherwise modify any existing easements, licenses or other use and/or occupancy agreements between the City and LACMTA or to which LACMTA has become or does become a successor either by assignment or by operation of law.

10.3 **Audit and Inspection; Maintenance of Records**

(a) **Audit and Inspection.** For the period commencing on the Effective Date and ending on the date falling three years after the end of the Term, each Party will have such rights to review and audit the other Party and its books, records and documents as may be deemed necessary for the purposes of verifying compliance with this Agreement, Applicable Law and the City Standards at all times during normal business hours, without charge. Each Party represents and warrants the completeness and accuracy in all material respects of all information it or its agents provides in connection with any audit by the other Party. If an audit shows that a financial adjustment is required, the Parties will use good faith efforts to agree such adjustment. The Parties must ensure that any contract entered into in connection with performance of the work under this Agreement contains provisions acknowledging the rights of the City or LACMTA (as applicable) under this Section 10.3(a).

(b) **Maintenance of Records.** The City shall (and shall ensure that any City Contractor will) keep and maintain its books, records, and documents related to performance of the work under this Agreement (including all Costs incurred) for three years after the end of the Term; except that, all records that relate to Disputes being processed or actions brought under this Agreement must be retained and made available until any later date that such Disputes and actions are finally resolved.

The City reserves the right to assert exemptions from disclosure of information that would be exempt under Applicable Law from disclosure or introduction into evidence in legal actions.

10.4 Notices

- (a) Each Notice under this Agreement must be in writing and: (i) delivered personally; (ii) sent by certified mail, return receipt requested; (iii) sent by a recognized overnight mail or courier service, with delivery receipt requested; or (iv) sent by email communication followed by a hard copy, to the following addresses (or to such other address as may from time to time be specified in writing by such person):

**To the City:**

[General Manager  
the City of \_\_\_\_\_  
Department of \_\_\_\_\_]

With a copy to:

[\_\_\_\_\_, the City Attorney  
the City of \_\_\_\_\_  
\_\_\_\_\_]

With a copy to:

[\_\_\_\_\_, P.E.  
Director of Public Works (and/or the City Engineer),  
\_\_\_\_\_]

**To LACMTA:**

Mr. Richard Clarke, Chief Program Manager  
Los Angeles County Metropolitan Transportation Authority  
One Gateway Plaza, 16th Floor  
Los Angeles, California 90012  
Facsimile No.: (213) 922-7382  
Attn: Eduardo Cervantes or John Koo, Third Party Administration

With a copy to:

Deputy Executive Officer, Project Management  
Engineering and Construction Division  
Los Angeles County Metropolitan Transportation Authority  
One Gateway Plaza  
Los Angeles, CA 90012  
Facsimile No.: (213) 922-7447  
Attn: \_\_\_\_\_

With a copy to:

Los Angeles County Metropolitan Transportation Authority  
One Gateway Plaza, 24th Floor  
Los Angeles, CA 90012  
Facsimile No.: (213) 922-7447

Attn: \_\_\_\_\_, Deputy County Counsel

With a copy to:

Los Angeles County Metropolitan Transportation Authority  
One Gateway Plaza, 22nd Floor – Real Estate  
Los Angeles, CA 90012  
Facsimile No.: (213) 922-7447  
Attn: John Potts, Executive Officer, Metro Real Estate

- (b) Any Notice sent personally will be deemed delivered upon receipt, and any notice sent by mail or courier service will be deemed delivered on the date of receipt or on the date receipt at the appropriate address is refused, as shown on the records of the U.S. Postal Service, courier service or other person making the delivery, and any notice sent by email communication will be deemed delivered on the date of receipt as shown on the received email transmission (provided the hard copy is also delivered pursuant to Section 10.4(a) (Notices)). All Notices (including by email communication) delivered after **5:00 p.m. PST** will be deemed delivered on the first **Business Day** following delivery that is not a Saturday, a Sunday, or a federal public holiday.

#### 10.5 **Assignment; Successors and Assigns**

A Party cannot assign, novate, or otherwise transfer any of its rights or obligations under this Agreement without the prior consent of the other Party unless this Agreement expressly provides otherwise. This Agreement is binding upon and will inure to the benefit of LACMTA and the City and their respective successors and permitted assigns.

#### 10.6 **Waiver**

- (a) No waiver of any term, covenant, or condition of this Agreement will be valid unless in writing and executed by the obligee Party.
- (b) Either Party's waiver of any breach or failure to enforce any of the terms, covenants, conditions, or other provisions of this Agreement at any time will not in any way limit or waive that Party's right to subsequently enforce or compel strict compliance with every term, covenant, condition, or other provision of this Agreement, despite any course of dealing or custom of the trade (other than the waived breach or failure in accordance with the terms provisions of such waivers).

#### 10.7 **Amendments**

This Agreement can only be amended or replaced by a written instrument duly executed by the Parties.

#### 10.8 **Governing Law and Jurisdiction**

This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California. The rights and remedies of LACMTA and the City for default in performance of this Agreement or any Work Order are in addition to any other rights or remedies provided by law.

#### 10.9 **Severability**

If any provision of this Agreement is ruled invalid by a court having proper jurisdiction, such invalidity or unenforceability will not affect the validity or enforceability of the balance of this Agreement, which will be construed and enforced as if this Agreement did not contain such invalid or unenforceable clause, provision, Article, Section, subsection or part.

#### 10.10 **Counterparts**



This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

10.11 **Limitation on Third Party Beneficiaries**

Nothing contained in this Agreement is intended or will be construed as creating or conferring any rights, benefits or remedies upon, or creating any obligations of the Parties toward, any person not a party to this Agreement.

10.12 **Survival**

The representations, warranties, indemnities, waivers and any express obligations of the Parties following termination, set out in this Agreement shall survive the expiration or termination, for any reason, of this Agreement.

**ARTICLE 11. DEFINITIONS AND INTERPRETATION**

11.1 **Definitions**

Unless the context otherwise requires, capitalized terms and acronyms used in this Agreement have the meanings given in this Section 11.1.

**"Abandon"** means the permanent termination of service, or the removal of an existing City Facility or portion of it.

**"ADA"** means the Americans with Disabilities Act, 42 U.S.C. § 12101 et seq.

**"Adjacent Work"** means any removal, demolition, repair, restoration, relocation or reconstruction of existing facilities and/or construction of new facilities and/or other physical works by the City or a third party: (a) that is performed or to be performed within, or within 100 feet of, the Project Site; or the performance of which is otherwise reasonably likely to conflict with the design, construction, operation or maintenance of the City Portion; and (b) in the case of works performed or to be performed by a third party, of which the City is aware or ought to be aware.

**"Advanced Conceptual Engineering"** means the phase of the Design process that advances the project scope from a conceptual state to a level of schematic design that describes the project technical and architectural approach in order to address environmental and community impacts, significant interfaces and operational characteristics to support environmental approvals. The plan percentage complete ranges generally from the initiation of Design (0%) to 15%.

**"Agreement"** means this agreement and any schedules, exhibits, attachments and annexures to it.

**"Annual Work Plan"** means an annual work plan prepared and agreed by LACMTA and the City in accordance with Section 2.2 (Annual Work Plan).

**"Applicable Law"** means any statute, law, code, regulation, ordinance, rule, common law, judgment, judicial or administrative order, decree, directive, or other requirement having the force of law or other governmental restriction (including those resulting from the initiative or referendum process) or any similar form of decision of or determination by, or any interpretation or administration of any of the foregoing by, any Governmental Entity which is applicable to the City Portion, Rearrangements, any work performed under this Agreement or any relevant person, whether taking effect before or after the date of this Agreement. Applicable Law excludes Governmental Approvals, customs, duties and tariffs.

**"Basis of Design"** means:

- (a) for those Rearrangements that are identified by LACMTA as being part of the Enabling Works (either under the provisions of this Agreement or by a notice delivered under Section 1.1(f) (Scope

*of Agreement*)), the approval (or deemed approval) by the City under the provisions of this Agreement of the 60% Design Documentation for those Rearrangements; and

- (b) for those Rearrangements that are identified by LACMTA as being part of the P3 Project Scope (either under the provisions of this Agreement or by a notice delivered under Section 1.1(f) (Scope of Agreement)), the scope, specifications and requirements (including the requirements of the final EIR/EIS) that form the basis of the request for proposal issued by LACMTA for the P3 Project Scope.

**"Betterment"** means work performed in connection with any Rearrangement or as part of a Rearrangement:

- (a) comprising an upgrade, change or addition to a City Facility (or a part of a City Facility) requested by the City that ~~will increase or upgrade the service~~provides for greater capacity, capability, durability, appearance, efficiency or function or other betterments of that City Facility over that which was provided by the City Facility prior to the Rearrangement; or
- (b) for which the City Standards applicable to that Rearrangement are changed or added to after the establishment of the Basis of Design for that Rearrangement,

provided that the term "Betterment" shall exclude:

- (i) an upgrade, which the Parties agree, will be of direct and principal benefit to the construction, operation and/or maintenance of the WSAB Project;
- (ii) an upgrade resulting from Design or Construction in accordance with the applicable City Standards ~~and ordinances~~ as set out in EXHIBIT 5 (Design Requirements) and any changes or additions to those City Standards notified to LACMTA prior to the establishment of the Basis of Design for the Rearrangement and that have not been adopted by the City in breach of Section 3.5(a) (City Standards);
- (iii) measures to mitigate environmental impacts identified in the WSAB Project's Final Environmental Impact Report or Statement and any supplemental environmental reports for the WSAB Project;
- (iv) replacement of devices or materials no longer regularly manufactured with the next highest grade or size; and
- (v) an upgrade that is the consequence of changes made by LACMTA or a LACMTA Contractor after the establishment of the applicable Basis of Design.

~~**"Business Day"** means any day that is not a Saturday, a Sunday, or a federal public holiday.~~

**"City"** is defined in the Preamble. "City" shall also refer to any City owned or operated **"water"** and/or **"power"** departments.

**"City Construction Work"** means any Construction work and activities performed or to be performed by the City or a City Contractor pursuant to a Work Order.

**"City Contractor"** means any contractor, consultant, tradesperson, supplier or other person engaged or authorized by the City to perform any Adjacent Work, City Design Work, City Construction Work or any other work to be performed by the City under the provisions of this Agreement or otherwise on or about the Project Site but excluding LACMTA and the LACMTA Contractors.

**"City Design Work"** means any Design work and activities performed or to be performed by the City or a City Contractor pursuant to a Work Order.

"City Facility" means real or personal property located within or near the City Portion, such as structures, improvements, and other properties, which are under the ownership or operating jurisdiction of the City, and shall include, but not be limited to, public streets (any classification), highways, bridges, retaining walls, pedestrian/utility tunnels, alleys, storm drains, sanitary sewers, survey monuments, parking lots, parks, public landscaping and trees, traffic control devices, lighting and communications equipment (cameras, sensors, LTE, microwave receivers, etc.) and public buildings, police and fire department related improvements, as well as any dams or water storage tanks, systems, and appurtenances. City-owned airport and harbour facilities are not included in this definition.

"City Maintenance Work" means ~~any~~ any maintenance work and activities performed or to be performed by the City or a City Contractor pursuant to a Work Order or under the provisions of this Agreement.

"City Municipal Code" means [●].

"City Portion" means that portion of the WSAB Project that will pass in, on, under, over or along public streets, highways, bridges, parks and other public right-of-way ~~of~~ within the City, as shown in Part B of EXHIBIT 3 (Project Site).

"City Representative" is defined in Section 2.1(b) (Governance).

"City Rights-of-Way" means the public streets, highways, bridges, parks and other public right-of-way ~~of~~ within the City as defined in Section [●] of the City Municipal Code.

"City Standards" means the City's design standards and ordinances specified in EXHIBIT 5 (Design Requirements) which govern the design of all Rearrangements.

"Compliance Comment" means a comment on, objection to or the withholding of approval to a LACMTA Submittal on the basis of one or more of the following:

- (a) the LACMTA Submittal or Design work or Construction work that is the subject of the LACMTA Submittal fails to comply with (or is reasonably likely to fail to comply if implemented in accordance with the LACMTA Submittal) any applicable covenant, condition, requirement, term or provision of this Agreement; or
- (b) LACMTA (or the relevant LACMTA Contractor (as applicable)) has not provided all content or information required with respect to the LACMTA Submittal.

"Conflicting Facility" means an existing City Facility, which the Parties determine requires Rearrangement in order to construct, operate or maintain the WSAB Project.

"Construction" means all construction activities related to the City Portion that are necessary to complete and operate and maintain the WSAB Project including the removal, demolition, replacement, restoration, alteration or realignment of existing facilities and the procurement, installation, inspection, and testing of new facilities including temporary and permanent materials, equipment, systems, software, and any components of such permanent materials, systems and software.

"Construction Phase" means the phase of the WSAB Project identified as such in EXHIBIT 2 (Project Phases and Project Schedule).

"Construction Staging Plan" has the meaning given in EXHIBIT 7 (Construction Requirements).

"Cost" means all eligible direct and indirect costs actually incurred for activities or work performed or materials acquired in accordance with the provisions of this Agreement, less (in respect of the City) credits to LACMTA as provided in Article 7 (Reimbursement and Credits) where:

- (a) eligible direct costs ~~includes~~include allowable direct labor costs, materials costs, and storage and transportation costs of materials salvaged for the City's use in performing the applicable work;
- (b) eligible indirect costs shall be computed based upon the indirect cost rates approved annually for the City by its cognizant agency, and as noted on the Form 60, for allocation to federally funded or state funded contracts; and
- (c) unless the Internal Revenue Service and the CPUC issue regulations or rulings to the contrary, the eligible direct and indirect costs shall not include taxes purportedly arising or resulting from LACMTA's payments to the City under this Agreement.

"CPUC" means the California Public Utilities Commission.

"days" means, unless otherwise stated and whether or not capitalized, calendar days.

"Design" means all activities related to the design, redesign, engineering or architecture of any Construction work.

"Design Development" means the phase of the Design process that occurs after Advanced Conceptual Engineering and that develops, on a progressive basis, a clear indication of the design solutions for the applicable requirements and the major features of the architectural and structural design and third party interfaces that are intended to form the basis for the Final Design.

"Design Documentation" means all drawings (including plans, profiles, cross-sections, notes, elevations, typical sections, details and diagrams), specifications, reports, studies, working drawings, shop drawings, calculations, electronic files, records and submittals necessary for, or related to, the design of the Rearrangements.

"Design Phase" means the phase of the WSAB Project identified as such in EXHIBIT 2 (Project Phases and Project Schedule).

"Dispute" is defined in Article 9 (Resolution of Disputes).

"Effective Date" means the date stated as such on the first page of this Agreement, which shall be the date when this Agreement has been fully executed on behalf of the City and LACMTA.

"EIR/EIS" means the Environmental Impact Report/Environmental Impact Statement for the WSAB Project completed pursuant to the California Environmental Quality Act and National Environmental Policy Act.

"Enabling Works" means those elements of the WSAB Project scope that LACMTA intends to procure under separate contract package(s) to the P3 Project Scope, as described in Part B of EXHIBIT 1 (Project Description).

"Engineer of Record" means the individual, firm or entity that performs the Design, that imprints the engineer's/architect's seal on the drawings, and is responsible and liable for the Final Design.

~~"Effective Date" means [●].~~

"Expired Service Life Value" is defined in Section 7.2(a)(iii)(A) (Reimbursements and Credits to LACMTA).

"Final Design" means the phase of the Design process which provides the detailed design for all temporary and permanent project facilities and addresses and resolves all Design review Compliance Comments and finalizes all engineering, architectural and systems designs necessary for Construction. It ends with an approved-for-construction plan status and with the Design being signed and sealed by the 'Engineer of Record'.

"**Force Majeure Event**" means the occurrence of any of the following events after the date of this Agreement that directly causes either Party (the "affected Party") to be unable to comply with all or a material part of its obligations under this Agreement:

- (a) war, civil war, invasion, violent act of foreign enemy or armed conflict or any act of terrorism;
- (b) nuclear, chemical or biological contamination unless the source or cause of the contamination is brought to or near the Project Site by affected Party;
- (c) ionizing radiation unless the source or cause of the ionizing radiation is brought to or near the Project Site by the affected Party;
- (d) any fire, explosion, unusually adverse weather, flood or earthquakes;
- (e) any named windstorm and ensuing storm surges, including the direct action of wind originating from a named windstorm;
- (f) any riot or civil commotion;
- (g) any blockade or embargo;
- (h) epidemic, pandemic or quarantine; or
- (i) any official or unofficial strike, lockout, go-slow or other dispute, generally affecting the construction industry or a significant sector of it,

except, in each case, to the extent attributable to any breach of this Agreement or Applicable Law by, or any negligent act or negligent omission of, the affected Party.

"**Form 60**" means Form 60 (Professional Services Cost/Price Summary) in the form attached as Part A of EXHIBIT 10 (*Forms*).

"**Governmental Approval**" means any approval, authorization, certification, consent, license, permit, registration or ruling, issued by any Governmental Entity required to carry out the Rearrangements, the City Portion or any other work to be performed under the provisions of this Agreement.

"**Governmental Entity**" means any federal, state, or local government and any political subdivision or any governmental, quasi-governmental, judicial, public or statutory instrumentality, administrative agency, authority, body or entity (including the California Department of Transportation, CPUC and United States Army Corps of Engineers) other than LACMTA and the City.

~~"**Haulage Route**" means each of the construction traffic and haulage routes [as described in EXHIBIT 3 (*Project Site*)].~~

"**LACMTA**" is defined in the Preamble.

"**LACMTA Contract**" means any contract, subcontract or other form of agreement between LACMTA and a LACMTA Contractor or between a LACMTA Contractor and its lower tier subcontractor.

"**LACMTA Contractor**" means any contractor, consultant, tradesperson, supplier, private developer, employee, member of staff, engineer, architect, agent, operator, or other person engaged or authorized by LACMTA to carry out works with respect to the City Portion, any Rearrangement or otherwise contemplated under the provisions of this Agreement and any other person with whom any LACMTA Contractor has further subcontracted part of such works.

"**LACMTA Fiscal Year**" means each one year period commencing on July 1 of a calendar year and terminating on June 30 of the following calendar year.

"LACMTA Representative" is defined in Section 2.1(b) (Governance).

"LACMTA Retained Scope" means the WSAB Project scope elements for which LACMTA intends to retain responsibility, as described in Part B of EXHIBIT 1 (Project Description).

"LACMTA Submittal Review Period" means, for each LACMTA Submittal, a period of ~~24~~30 days from the date of delivery of the LACMTA Submittal to the City under the provisions of this Agreement or such other period as the Parties may agree under the applicable Work Order.

"LACMTA Submittals" means:

- (a) Design Documentation for a Rearrangement (other than any Design Documentation for which the City is responsible under a Work Order);
- (b) Construction Management Plans for Construction work performed by LACMTA or a LACMTA Contractor within the City Rights-of-Way; and
- (c) any other documents which LACMTA (or the LACMTA Contractors) must submit to the City in accordance with this Agreement.

"Neutral Arbitrator" is defined in Section 9.2(a) (Resolution of Disputes).

"Non-conforming Work" means Design work or Construction work not in accordance with the requirements of this Agreement.

"Notice" means any communication under this Agreement including any notice, consent, approval, request, and demand.

"Operation and Maintenance Phase" means the phase of the WSAB Project identified as such in EXHIBIT 2 (Project Phases and Project Schedule).

"P3 Developer" means the LACMTA Contractor that is awarded the P3 Project Scope.

"P3 Project Scope" means those elements of the WSAB Project scope that LACMTA intends to procure under a design, build, finance, operate and maintain agreement, as described in Part B of EXHIBIT 1 (Project Description).

"Package" means each package of Design Documentation ~~that~~ submitted by LACMTA or a LACMTA Contractor to the City in accordance with this Agreement.

"Parties" means collectively the City and LACMTA, and each a "Party".

"Permit Notification" means a blanket Permitting Process and Waiver of Certain Permit Fees issued by the City.

"Planning and Procurement Phase" means the phase of the WSAB Project identified as such in EXHIBIT 2 (Project Phases and Project Schedule).

"Potential Notice of Betterment Form" means the form set out in Part B of EXHIBIT 10 (Forms).

"Project Right-of-Way" means the permanent right-of-way for the WSAB Project, as identified in Part A of EXHIBIT 3 (Project Site).

"Project Schedule" means the schedule for the WSAB Project including the City Portion set out in Part B of EXHIBIT 2 (Project Phases and Project Schedule).

"**Project Site**" means, collectively, the Project Right-of-Way and each temporary construction easement for the WSAB Project, as identified in Part A of EXHIBIT 3 (Project Site).

"**Rearrangement**" means the work of:

- (a) removal, replacement, restoration, alteration, reconstruction, support, or relocation of all or a portion of a Conflicting Facility, whether permanent or temporary, which LACMTA determines in its sole discretion is necessary in order for the WSAB Project to comply with Applicable Law or otherwise which LACMTA and the City mutually agree is necessary in order to construct, operate or maintain the WSAB Project; or
- (b) the installation of new and required City Facilities which LACMTA determines in its sole discretion is necessary in order for the WSAB Project to comply with Applicable Law or otherwise which LACMTA and the City mutually agree is necessary as a result of the impact of the construction, operation or maintenance of the WSAB Project.

"**Replacement Facility**" means a facility, which may be constructed or provided under this Agreement as a consequence of the Rearrangement of a Conflicting Facility or a part of it.

"**Temporary Facilities**" means a facility constructed for the purpose of ensuring continued service while a City Facility is taken out of full or partial service for permanent Rearrangement and/or any work on a City Facility, which will be removed or restored to its original condition after such Construction activities are completed.

"**Term**" is defined in Section 1.2 (Duration of Agreement).

"**Traffic Control and Lighting Work**" has the meaning given in EXHIBIT 5 (Design Requirements).

"**Traffic Management Plan**" means a plan that addresses traffic control requirements in construction areas through a worksite traffic control plan and along detour routes through a traffic circulation plan.

"**Work Order**" means a work request submitted by LACMTA to the City authorizing the performance of any work associated with the WSAB Project and the associated purchase of required materials.

"**Working Group**" means each working group established pursuant to Section 2.1(c) (Governance).

"**WSAB Project**" means the design, construction, operation and maintenance of a light rail transit system known as the West Santa Ana Branch Transit Corridor, as more fully described in EXHIBIT 1 (Project Description).

## 11.2 Interpretation

- (a) In this Agreement unless otherwise expressly stated:
  - (i) headings are for convenience only and do not affect interpretation;
  - (ii) a reference to this Agreement or any other agreement, instrument, or document is to this Agreement or such other agreement, instrument, or document as amended or supplemented from time to time;
  - (iii) a reference to this Agreement or any other agreement includes all exhibits, schedules, forms, appendices, addenda, attachments, or other documents attached to or otherwise expressly incorporated in this Agreement or any such other agreement (as applicable);
  - (iv) subject to Section 11.2(a)(v) (Interpretation), a reference to an Article, Section, subsection, clause, Exhibit, schedule, form or appendix is to the Article, Section, subsection, clause, Exhibit, schedule, form, or appendix in or attached to this Agreement;

- (v) a reference in the main body of this Agreement, or in an Exhibit, to an Article, Section, subsection, or clause is to the Article, Section, subsection, or clause of the main body of this Agreement, or of that Exhibit (as applicable);
  - (vi) a reference to a person includes such person's permitted successors and assigns;
  - (vii) a reference to a singular word includes the plural and vice versa (as the context may require);
  - (viii) the words "including", "includes" and "include" mean "including, without limitation", "includes, without limitation" and "include, without limitation", respectively and the word "or" is not exclusive;
  - (ix) an obligation to do something "promptly" means an obligation to do so as soon as the circumstances permit, avoiding any delay and "shall" when stated is to be considered mandatory; and
  - (x) in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" mean "to and including".
- (b) This Agreement is not to be interpreted or construed against the interests of a Party merely because that Party proposed this Agreement or some provision of it, or because that Party relies on a provision of this Agreement to protect itself.



(c)

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date.

APPROVED AS TO FORM

MARY C. WICKHAM,  
County Counsel

By: \_\_\_\_\_  
Michelle Acosta  
Teddy Low  
Senior Deputy County Counsel

"LACMTA"

THE LOS ANGELES COUNTY METROPOLITAN  
TRANSPORTATION AUTHORITY, a California county  
transportation authority existing under the Authority of  
§§ 130050.2 *et seq.* of the California Public Utilities  
Code

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

APPROVED AS TO FORM

[Insert name and title]

By: \_\_\_\_\_  
[Insert name]  
the City Attorney

"CITY"

[\_\_\_\_\_] ,  
a California municipal corporation]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

ATTEST

By: \_\_\_\_\_  
the City Clerk

EXHIBIT 1 – PROJECT DESCRIPTION

**Part A: WSAB Project**

The WSAB Project is a new 19-mile light rail transit (LRT) line that will connect southeast LA County to downtown Los Angeles, serving the cities and communities of Artesia, Cerritos, Bellflower, Paramount, Downey, South Gate, Cudahy, Bell, Huntington Park, Vernon, unincorporated Florence-Graham community of LA County and downtown Los Angeles. The project area is home to 1.2 million residents and is a job center to approximately 584,000 employees. Projections show the resident population increasing to 1.5 million and jobs increasing to 670,000 by 2040. Population and employment densities are five times higher than the LA County average. This rail corridor is anticipated to serve commuters in a high travel demand corridor by providing relief to the limited transportation systems currently available to these communities. In addition, the project is expected to provide a direct connection to the Metro Green Line, Metro Blue Line and the LA County regional transit network. The WSAB Project involves a shared corridor of approximately 10 miles of freight-owned ROW that runs along the Wilmington and La Habra Branches (owned by Union Pacific Railroad, UPRR) and the San Pedro Subdivision (owned by the Ports of LA and Long Beach).

The main goals of the WSAB Project are to:

1. Provide mobility improvements
2. Support local and regional land use plans and policies
3. Minimize environmental impacts
4. Ensure cost effectiveness and financial feasibility
5. Promote equity

**Part B: Anticipated Contractual Packages**

As at the date of this Agreement, the Enabling Works, P3 Project Scope and LACMTA Retained Scope are anticipated to comprise of the following scope elements:

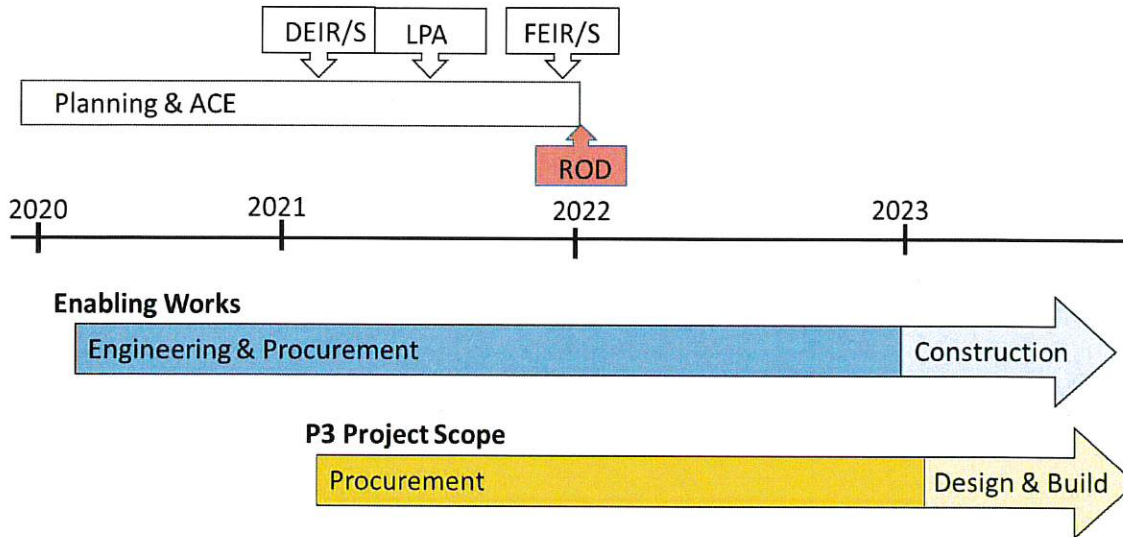
Enabling Works	LACMTA Retained Scope	P3 Project Scope
<ul style="list-style-type: none"> <li>• Advanced utility relocation</li> <li>• Freight relocation</li> <li>• Grade crossings                             <ul style="list-style-type: none"> <li>- Civil and Striping</li> <li>- Drainage</li> <li>- Utilities</li> <li>- Traffic Control</li> <li>- Signal (Freight Preemption only)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Right-of-way acquisition</li> <li>• Supply and installation of fare collection equipment and all fare collection activities</li> <li>• Security and enforcement activities, with limited exceptions (such as at maintenance storage facilities)</li> <li>• Art installation</li> <li>• Bike hubs and/or lockers</li> <li>• Environmental site assessment including identification of potential or existing contamination or hazardous</li> </ul>	<ul style="list-style-type: none"> <li>• Design and construction of the WSAB Project (including all stations, vehicles, light rail track, systems and maintenance storage facilities), other than those scope elements that are defined as part of the Enabling Works or that are LACMTA Retained Scope</li> <li>• The operation of all train services and performance of all other operating functions for the WSAB Project during the term of the LACMTA Contract with the P3 Developer, other than those scope elements that are</li> </ul>

	<p>materials through soil borings and review of publicly available information</p> <ul style="list-style-type: none"><li>• Geotechnical investigations</li><li>• Remediation of hazardous materials (if any)</li></ul>	<p>LACMTA Retained Scope</p> <ul style="list-style-type: none"><li>• All asset management and maintenance activities for the WSAB Project during the term of the LACMTA Contract with the P3 Developer, other than those scope elements that are LACMTA Retained Scope</li></ul>
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EXHIBIT 2 – PROJECT PHASES AND PROJECT SCHEDULE

Part A: Phases

As at the date of this Agreement, the phasing and time periods for the early phasing is anticipated to be as set out in this Part A. The phases described in this Part A may overlap and the time periods are subject to change.



PHASE	KEY ACTIVITIES
Planning & Advanced Conceptual Engineering	Key activities include: <ul style="list-style-type: none"> <li>Preparation of the draft EIR/EIS and the final EIR/EIS</li> <li>Approval by LACMTA Board of the locally preferred alternative (LPA)</li> <li>Preparation of Advanced Conceptual Engineering (15%) for the WSAB Project</li> <li>Certification of the final EIR by the LACMTA Board</li> <li>FTA issuance of the Record of Decision</li> <li>Preparation of the Mitigation Monitoring and Reporting Plan (MMRP)</li> </ul>
Enabling Engineering & Procurement	Works: Key activities include: <ul style="list-style-type: none"> <li>Engineering and Design Development for the Enabling Works by LACMTA and the LACMTA Contractors (including any Rearrangements included within that Enabling Works scope) through to Final Design</li> <li>Working with third parties to obtain third party approvals for the Enabling Works, including CPUC, United Pacific Railroad and Caltrans</li> <li>Procurement of LACMTA Contractor(s) to perform the Enabling Works</li> </ul>
Enabling Construction	Works: Key activities include: <ul style="list-style-type: none"> <li>Construction of Enabling Works (including any related Rearrangements)</li> </ul>

PHASE	KEY ACTIVITIES
P3 Project Procurement	Scope: Key activities include: <ul style="list-style-type: none"><li>• Definition of the scope, specifications and requirements for the P3 Project Scope</li><li>• Procurement of the P3 Developer to perform the P3 Project Scope (a two-stage procurement process including a request for qualifications and a request for proposal phase is anticipated)</li></ul>
P3 Project Design Build	Scope: Key activities include: <ul style="list-style-type: none"><li>• Design Development for the P3 Project Scope by the selected P3 Developer through to Final Design</li><li>• Construction of the P3 Project Scope (including any related Rearrangements) by the P3 Developer</li><li>• Performance of any LACMTA Retained Responsibilities by LACMTA</li><li>• Testing, trial running and certification of revenue service availability</li></ul>
Operation and Maintenance	Key activities include: <ul style="list-style-type: none"><li>• Operation of passenger service on the WSAB Project by the P3 Developer</li><li>• Maintenance of the WSAB Project by the P3 Developer</li><li>• Performance of any LACMTA Retained Responsibilities by LACMTA</li></ul>

**Part B: Project Schedule**

*[Latest Project Schedule to be inserted prior to execution]*

EXHIBIT 3 – PROJECT SITE

Part A: WSAB Project Site



Part B: City Portion

[Map of the location of the City Portion to be inserted prior to execution]

**EXHIBIT 4 – ROLES AND RESPONSIBILITIES**

**Part A: LACMTA Representative and City Representative**

The initial designations of the LACMTA Representative and City Representative are as follows:

<b>LACMTA Representative</b>	<a href="#">LACMTA Program Management or such other</a> person, or the holder of a specified office or position, specified, from time to time, by LACMTA's Chief Executive Officer, or his/her designee
<b>City Representative</b>	City Manager or his/her designee

**Part B: Summary of Key Roles and Responsibilities**

Phase	LACMTA		City
	LACMTA Retained	P3 Developer	
<b>General</b>	Performing its retained obligations and ensuring that the LACMTA Contractors (including the P3 Developer) comply with the provisions of this Agreement	During the term of its LACMTA Contract with LACMTA, performing LACMTA's responsibilities under this Agreement other than Cost reimbursement and those obligations specifically retained by LACMTA and excluded from the P3 Project Scope	Performing all of City's obligations under this Agreement and ensuring that all City Contractors comply with the provisions of this Agreement
<b>Planning and Advanced Conceptual Engineering</b>	Managing the planning process and preparing all environmental documents including the EIR/EIS  Preparing Advanced Conceptual Engineering for the WSAB Project	Not applicable	Providing support and assistance to LACMTA in obtaining Governmental Approvals and in dealing with other third parties with respect to the City Portion
<b>Enabling Works: Engineering &amp; Procurement</b>	Preparing and submitting the Design for Enabling Works to the City to the extent required by this Agreement, up to and including Final Design stage  Preparing the procurement documents and managing the procurement for the Enabling Works	Not applicable	Reviewing and approving Designs submitted to it in accordance with agreed procedures  Performing any other Design-related obligations under any Work Orders  Providing assistance to LACMTA in procuring any right-of-way necessary for the City Portion
<b>Enabling Works:</b>	Monitoring progress and performance of the LACMTA	Interfacing and coordinating with the LACMTA Contractor(s)	Performing its Construction-related

Phase	LACMTA		City
	LACMTA Retained	P3 Developer	
<b>Construction</b>	Contractor(s) responsible for Enabling Works	responsible for the Enabling Works	obligations under any Work Orders  Coordinating Adjacent Work, City Construction Work and City Maintenance Work
<b>P3 Project Scope: Procurement</b>	Preparing the procurement documents and managing the procurement for the P3 Project Scope	Submitting its proposal in accordance with the procurement documents	To the extent requested by LACMTA, reviewing the scope, specifications and requirements for any Rearrangements included within the P3 Project Scope
<b>P3 Project Scope: Design Build</b>	<p>Reviewing Designs prepared by the P3 Developer and ensuring that such Designs are submitted to the City to the extent required by this Agreement</p> <p>Performing and/ or ensuring that LACMTA Contractors perform the LACMTA Retained Scope</p> <p>Monitoring progress and performance of the P3 Developer's Construction work</p>	<p>Defining its design management plan for the design of the P3 Project Scope</p> <p>Submitting Design Packages in accordance with the <del>terms</del>provisions of its LACMTA Contract with LACMTA and its design management plan, and submitting such Designs to the City to the extent required by this Agreement, up to and including Final Design stage</p> <p>Performing the Construction work required to be performed under the P3 Project Scope in accordance with the Final Designs, approved plans, the provisions of its LACMTA Contract for the P3 Project Scope and the provisions of this Agreement</p>	<p>Reviewing and approving Designs submitted to it in accordance with agreed procedures</p> <p>Performing any other Design-related obligations under any Work Orders</p> <p>Performing its Construction-related obligations under any Work Orders</p> <p>Coordinating Adjacent Work, City Construction Work and City Maintenance Work</p>
<b>Operation and Maintenance</b>	<p>Performing or ensuring that LACMTA Contractors perform, the LACMTA Retained Scope</p> <p>Monitoring performance of the P3 Developer's operation and maintenance work</p>	<p>Performing the operation and maintenance work required to be performed under the P3 Project Scope in accordance with the approved plans, the provisions of its LACMTA Contract for the P3 Project Scope and the provisions of this Agreement (including any amendment or supplement or new agreement entered into under <u>Article 6 (Operation and Maintenance)</u>)</p>	<p>Performing any operation and maintenance work allocated to the City under the provisions of this Agreement (including any amendment or supplement or new agreement entered into under <u>Article 6 (Operation and Maintenance)</u>) and coordinating maintenance work and Adjacent Work with LACMTA and the P3 Developer</p>



**Part C: Issue Resolution Ladder**

The following City staff or its designees shall be responsible for coordinating among the applicable City departments and divisions as necessary to make the designated decision or approval.

City Team	Partial List of Key Functions for Decision or Approval	LACMTA Team
City Manager, Director of Public Works, <del>or</del> Designated Project Manager <u>or</u> <u>Designated Representative</u>	Spearhead council approval of all work outside of normal working hours including any night work variances, holiday work restrictions, police & fire department requests, peak hours exemptions, and other requests with potential short-term impacts to the community (i.e. revised detours, temporary full street closures, revised haul routes)	LACMTA Chief Program Manager
Director of Public Works, City Engineer, <del>or</del> Designated <del>PE</del> Representative	Approve all final Construction plans and related documents as required by this Agreement.  Provide overall leadership in timely resolution of Design, Construction, plan review, and related administrative matters.  CA Professional Engineer Registration	LACMTA Senior Executive Officer over Designated Project Manager
City Public Works Construction Department Head or Designated <del>Construction-Administration</del> Representative	Provide Construction support as specified in this Agreement  Manage assigned resources and coordinate interactions between the City and LACMTA and the LACMTA Contractors as it relates to Construction support.  Provide independent quality assurance (IQA) functions where LACMTA performs work within City Right-of-Way such as street improvement, signal, lighting, and utility work.	LACMTA Designated Project Manager level (Executive Officer or Deputy Executive Officer) or Designated Construction Manager (Deputy Executive Officer or Senior Director)
City Public Works Permit Division Head or Designated Representative	Oversee and coordinate all plan reviews as specified in this Agreement  Manage and coordinate interaction of the City with LACMTA and the LACMTA Contractors as it relates to Design review and comment resolution.  Provide the necessary coordination in planning, engineering, technical, analytical and administrative support services with respect to design approval including fire/life safety, police/public security, access, transportation engineering, civil and structural engineering, street lighting engineering, drainage, sanitation, landscaping, and related maintenance requirements.  Skilled in change management and expedited approvals.	LACMTA Designated Project Engineer (Deputy Executive Officer or Senior Director levels), consultant CM, and LACMTA Third Party Admin Dept Project Lead (Civil)
City Traffic Engineer or Designated <del>TE</del> Representative	Approve all worksite traffic control plans and any final design documents pertaining to both permanent and temporary traffic controls (signals, striping, WATCH lane closures, MUTCD restrictions, lighting, etc. )	LACMTA Designated Project Engineer (Deputy Executive Officer or Senior Director levels),

		consultant CM, LACMTA Third Party Admin Dept Project Lead (Civil) and TE consultants.
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## EXHIBIT 5 – DESIGN REQUIREMENTS

### 1. GENERAL DESIGN CRITERIA

Any Design work for any Rearrangements shall be performed in accordance with:

- (a) the Design requirements set out in this EXHIBIT 5 or otherwise under the provisions of this Agreement and the relevant Work Order (if applicable); and
- (b) all Governmental Approvals, Applicable Law and, subject to Section 3.5 (City Standards) of this Agreement, the City Standards.

### 2. CITY STANDARDS

The Parties agree that the following comprise the "**City Standards**" for the purposes of this Agreement:

- (a) *[To agree with the City and insert prior to execution]*

### 3. SPECIFIC DESIGN REQUIREMENTS FOR REARRANGEMENTS

- 3.1 **Surface Openings.** To the extent operationally and fiscally practical, LACMTA shall locate surface openings, if any to mitigate: (a) the effect on existing features of landscape and improvements; and (b) public disruption; in each case after taking account of health and safety concerns. Placement of gratings in sidewalks will be avoided to the extent reasonably practicable; however, all other openings, such as mechanical access openings, shall be regularly permitted in sidewalks, provided such openings are enclosed.
- 3.2 **Landscaping.** Trees and landscaped areas under ownership or daily control of the City shall be preserved whenever practical. Trees in the Project Site, which are not being removed by LACMTA, shall be adequately protected. Trees that must be removed due to Rearrangements shall be replaced by LACMTA, if the City elects and right-of-way is available. Replacement work shall be in accordance with applicable City Standards and shall be coordinated with the City. Landscaped areas removed due to Rearrangements shall be restored to the original condition to the extent practical as agreed to by the City and LACMTA.
- 3.3 **Traffic Control Devices and Lighting Systems.** If a Rearrangement requires the removal and reinstallation, or modification of existing or installation of new traffic control devices or lighting systems ("**Traffic Control and Lighting Work**"), then LACMTA must obtain the City's approval of LACMTA's Design for the Traffic Control and Lighting Work (which consent may not be unreasonably delayed or withheld).
- 3.4 **Private Projections in Public Ways.** If LACMTA determines that a private projection in, over or under any City Facilities or the City Rights-of-Way must be removed to accommodate the WSAB Project, LACMTA will issue a Work Order to the City and the City shall take all reasonable actions within its powers to require the elimination of such projections by the time specified in the Work Order. If the City is not empowered to effect the removal of such projections, or if LACMTA otherwise elects, LACMTA will make its own arrangements for removal of such projections. The City will cooperate with LACMTA to minimize the cost to eliminate, move, remove or otherwise terminate projections.
- 3.5 **City Communications Facilities.** The relocation of any conflicting underground City communications facilities shall be done by employing intercept-style manholes at both ends of every conflicting communications conduit segment in question, directly on the alignment of existing conduit segment(s), and beyond the area of the conflicting communications facilities.

4. PREPARATION AND SUBMISSION OF DESIGN DOCUMENTATION

For those Rearrangements where LACMTA is responsible for the Design work under the provisions of this Agreement, LACMTA will, and will ensure that the LACMTA Contractors will:

- (a) ~~4.1~~ prepare and submit all Design Documentation to the City:
  - (i) ~~(a)~~ in Packages in accordance with the schedule under the applicable design management plan defined by LACMTA and/or the applicable LACMTA Contractor and notified to the City (as may be updated and notified to the City from time to time); and
  - (ii) ~~(b)~~ in a manner and at a rate which, having regard to the quantum of Design Documentation submitted, will give the City a reasonable opportunity to review the submitted Design Documentation;
- (b) ~~4.2~~ ensure that the Design Documentation submitted for the Final Design is of a level of detail which is sufficient to permit the City to determine whether the Design Documentation complies with this Agreement and the Construction work which will be performed in accordance with the Design Documentation will comply with this Agreement and highlights any material amendments made since any earlier submittal of that Design Documentation;
- (c) ~~4.3~~ invite the City to attend any pre-submittal workshops held where Design Documentation for a Rearrangement is to be presented; and
- (d) ~~4.4~~ if reasonably requested by the City, make available the appropriate design personnel to participate in design review meetings after submittal of any Design Documentation for a Rearrangement to explain the Design Documentation or a particular element of it and provide such information regarding the Design Documentation as the City may reasonably request.

## EXHIBIT 6 – LACMTA SUBMITTAL REVIEW PROCEDURE

### 1. GENERAL

- 1.1 The Parties agree that individuals undertaking Design review on behalf of the City under this Agreement shall, where reasonably possible, be consistent throughout the Design Phase ~~and any new individuals proposed to undertake~~. The City will ensure that any individual undertaking Design review during on behalf of the reviews of ongoing Packages shall be subject to LACMTA's approval. City under this agreement has the appropriate qualifications, capability and experience to perform the review.
- 1.2 The procedures set out in this EXHIBIT 6 will govern all LACMTA Submittals to the City pursuant to this Agreement.

### 2. REVIEW PROCEDURE

- 2.1 The City shall notify LACMTA and the relevant LACMTA Contractor (if applicable) within five ten days of receipt of a LACMTA Submittal from LACMTA or a LACMTA Contractor if it considers (acting reasonably) that the LACMTA Submittal submitted is incomplete or deficient for the City's review purposes and requires re-submission, together with a detailed description of the information that it deems to be missing or deficient. If no such Notice is delivered by the City within such five ten-day period, the LACMTA Submittal shall be deemed complete and acceptable for review purposes.
- 2.2 The City shall (or must require that the relevant City Contractor) within the LACMTA Submittal Review Period:
- (a) review the LACMTA Submittal; and
  - (b) notify LACMTA and the relevant LACMTA Contractor (if applicable) that it:
    - (i) approves the LACMTA Submittal; or
    - (ii) rejects the LACMTA Submittal with detailed reasons including all Compliance Comments.
- 2.3 All Compliance Comments shall be transmitted in the form of a comment matrix ~~(, through the LACMTA 'Quality Management Oversight' database or through another equivalent format (in each case, as notified and provided by LACMTA) and the shall be accompanied by an~~ annotated LACMTA Submittal (if applicable). Where a database is used for transmission of comments, LACMTA will provide the City (and the relevant City Contractors) with user accounts and training for this purpose.
- 2.4 If no comments are received within the LACMTA Submittal Review Period, the LACMTA Submittal shall be deemed complete and approved by the City.
- ~~2.5 An LACMTA Submittal rejected as incomplete shall have the next review duration to such LACMTA Submittal reduced by two days.~~
- 2.5 ~~2.6~~ The Parties acknowledge that the LACMTA Submittal review process set out in this EXHIBIT 6 is intended to facilitate the LACMTA Submittal review process and be consistent (with necessary changes) with the LACMTA Guidelines on Enhanced Partnered Coordination and shall supersede the submittal / shop drawing review schedules specified in any standards referenced in this Agreement.
- ### 3. GROUNDS FOR OBJECTION OR COMMENT
- 3.1 The City will only be entitled to reject ~~an~~ LACMTA Submittal under Article 2 (Review Procedure) of this EXHIBIT 6 if such LACMTA Submittal fails to comply with the requirements set out in this Agreement, as specified in the City's Compliance Comments.

- 3.2 If the City rejects a LACMTA Submittal in accordance with Article 2 (Review Procedure) of this EXHIBIT 6, LACMTA must (or must require that the relevant LACMTA Contractor):
- (a) address the Compliance Comments and re-submit the LACMTA Submittal for review; or
  - (b) notify the City that it does not agree with the grounds for rejection. If LACMTA does not agree with the grounds for rejection on the basis that such grounds would constitute a Betterment, Article 5 (Betterments) of this Agreement shall apply.
- 3.3 The City agrees that during the Final Design stage, it shall not raise any new issues, or make any comments, which are inconsistent with its comments on earlier submittals, or with any changes already agreed to by the City.
- 3.4 The City's approval of the Final Design for any Rearrangement will not be withheld if the submittal is consistent with the most recent earlier submittal for such Rearrangement, modified as appropriate to respond to the City's Compliance Comments on such earlier submittal (to the extent such comments were made in accordance with the provisions of this Agreement) and to reflect any subsequent changes agreed to by the City and LACMTA.

4. **NO COMMENCEMENT OF CONSTRUCTION WORK**

LACMTA and the City must not commence or permit the commencement of any Construction work that is the subject of, governed by or dependent upon a LACMTA Submittal until LACMTA (or a LACMTA Contractor) has submitted the relevant LACMTA Submittal to the City in accordance with this EXHIBIT 6 and:

- (a) within ~~five Business Days~~ seven days of receiving a Notice from LACMTA (or the relevant LACMTA Contractor (as applicable)) that the City failed to respond to ~~an~~ LACMTA Submittal within the relevant LACMTA Submittal Review Period, the City fails to respond to such LACMTA Submittal; or
- (b) the City has notified LACMTA (and the relevant LACMTA Contractor (as applicable)) that it approves such LACMTA Submittal.

## EXHIBIT 7 – CONSTRUCTION REQUIREMENTS

### 1. GENERAL REQUIREMENTS

- (a) Any Construction work for any Rearrangements or the City Portion to be performed within the City Rights-of-Way shall be performed in accordance with:
- (i) ~~(a)~~ in the case of any Rearrangements, the approved Final Design (including any changes agreed under Section 3.6 (Changes to Design) of this Agreement;
  - (ii) ~~(b)~~ all Governmental Approvals, Applicable Law and, subject to Section 3.5 (City Standards) of this Agreement, the City Standards;
  - (iii) ~~(c)~~ the schedule for such Construction work agreed under the relevant Work Order (if applicable) or otherwise under the Project Schedule; and
  - (iv) ~~(d)~~ all other Construction requirements set out in this EXHIBIT 7 or otherwise under the provisions of this Agreement and any relevant Work Order (if applicable).
- (b) In conjunction with its contractors, LACMTA will be responsible for conducting public outreach to provide proper notifications to the affected communities prior to and during Construction complying with the approved final EIR/EIS documents.

### 2. EXTENDED WORKING HOURS

The Parties acknowledge that extended working hours (beyond the windows contemplated in the City's ordinances limiting work hours and including holiday or weekend working) may be necessary to facilitate Construction and operation of the City Portion. The Parties will agree such working hours following joint review of the schedule and activities to be carried out by LACMTA and the LACMTA Contractors. If a change is required to the agreed working hours, the Parties will negotiate in good faith to agree such change.

### 3. HAULAGE ROUTES

The Parties will agree ~~Haulage Routes~~ haulage routes reasonably necessary to facilitate Construction and operation of the City Portion. If a change is required to an agreed ~~Haulage Route~~ haulage route, the Parties will negotiate in good faith to agree such change.

### 4. INTERRUPTIONS

- (a) The Parties acknowledge that certain components of the work in the City Portion will require interruption of the City services. The Parties will agree a plan for any such interruptions and, subject to City approval of the plan, the City consents to scheduled interruption of services deemed necessary by LACMTA. LACMTA must provide the City prior Notice before the City services are interrupted.
- (b) LACMTA will notify affected parties, including residents, businesses, Council office, and other elected officials in advance of scheduled interruptions and will cooperate with the City to minimize interruption of the City services and resulting disruptions, provided that notification may be delayed where LACMTA is required to interrupt services in the event of emergency. Where the City determines that Temporary Facilities are necessary and appropriate, LACMTA shall accommodate this request.

### 5. CONSTRUCTION STAGING PLANS

#### 5.1 General Requirements

- (a) LACMTA or the LACMTA Contractors shall develop a construction staging plan ("**Construction Staging Plan**") for any Construction work to be performed within the City Rights-of-Way.
- (b) The City acknowledges that the Construction work to be performed by LACMTA or the LACMTA Contractors within the City Rights-of-Way is intended to be performed progressively under multiple contractual packages and the Construction Staging Plans described in this EXHIBIT 7 may, therefore, be prepared for each contractual package or for a portion of such Construction work.
- (c) A Construction Staging Plan shall provide, among other things, for:
  - (i) the handling of vehicular and pedestrian traffic on streets adjacent to the Construction with the Construction phasing showing street closures, detours, warning devices and other pertinent information specified on the plan (worksite traffic control plans);
  - (ii) actions to maintain access to businesses adjacent to the Construction areas, as possible, and actions to ensure safe access and circulation for pedestrians and vehicular traffic as described in the worksite traffic control plans;
  - (iii) elements of public awareness as well as mechanisms to assist affected parties in complaint resolutions.
- (d) The City understands that LACMTA requires flexibility in the execution of Construction phasing and traffic management planning during Construction, and agrees to impose only the minimum requirements for traffic management planning and Construction sequencing that are necessary in order to provide for public health and safety (including pedestrian and vehicular safety), and functionality (including public and business access and circulation).

## 5.2 Specific Requirements – Street Lighting Systems

LACMTA or the LACMTA Contractors shall develop street lighting Construction Staging Plans, which shall provide, among other things, for:

- (a) the safety and security at night time of vehicular and pedestrian traffic on streets adjacent to Construction, with the street lighting Construction Staging Plans showing street closures, detours, lighting devices, circuit and power service connections, and other pertinent information; and
- (b) lighting levels to maintain safe access to businesses adjacent to the Construction areas, and to ensure safe circulation for pedestrian and vehicular traffic.

## 5.3 Specific Requirements – Traffic Management Plan

- (a) LACMTA and the City may agree that a street, highway, bridge or ~~the other the~~ City Rights-of-Way shall be temporarily or permanently closed for the necessity and convenience of the WSAB Project. If agreed to, a Traffic Management Plan must be developed and submitted by LACMTA or the LACMTA Contractors, which shall provide, among other things, for worksite traffic control plans, traffic circulation plans, and temporary traffic signal plans.
- (b) WATCH Manual page references shall be acceptable as a form of traffic control plans and submittal.
- (c) The City's traffic department staff involved in the review and approval process shall facilitate the City's internal approvals regarding peak hour exemptions, holiday moratoriums, changes to existing parking restrictions in the work zone, night work, and noise variances.

## 5.4 Review and Implementation of Construction Staging Plans



- (a) LACMTA (or the relevant LACMTA Contractor (as applicable)) must submit each Construction Staging Plan to the City for review in accordance with EXHIBIT 6 (LACMTA Submittal Review Procedure).
- (b) LACMTA (or the relevant LACMTA Contractor (as applicable)) may update a Construction Staging Plan after it has been approved by the City and must promptly submit each updated Construction Staging Plan to the City for review in accordance with EXHIBIT 6 (LACMTA Submittal Review Procedure).
- (c) LACMTA must, and must ensure that the LACMTA Contractors, implement and comply with each Construction Staging Plan which has been submitted to ~~LACMTA~~the City and which has been either approved (or deemed approved) under EXHIBIT 6 (LACMTA Submittal Review Procedure).

6. **WORK IN STREETS**

6.1 **General Requirements**

- (a) The Parties acknowledge that the City has the duties of supervising, maintaining and controlling streets, highways, and ~~the other~~the City Rights-of-Way. Accordingly, LACMTA shall give the City, ten days' advance written Notice where Construction work is to be performed in the City Rights-of-Way.
- (b) LACMTA and the LACMTA Contractors shall take all appropriate actions to ensure safe performance of the Construction work within the City Rights-of-Way. The City reserves the right to stop work if public health and safety is or will be comprised by such work.
- ~~(c) LACMTA must, and must ensure that the LACMTA Contractors shall, implement and comply with each Construction Staging Plan which has been submitted to the City and which has been either approved (or deemed approved) by the City under this Agreement.~~
- (c) ~~(d)~~ If LACMTA or ~~an~~a LACMTA Contractor fails to perform any Construction work within the City Rights-of-Way in accordance with the Final Design and/or Construction Staging Plans approved (or deemed approved) by the City under this Agreement then upon written Notice of the non-compliance from the City, LACMTA must cure or must ensure that the LACMTA Contractor cures, the non-compliance.

6.2 **Traffic Control and Lighting**

LACMTA must provide the City prior Notice before conducting the Traffic Control and Lighting Work that will result in an interruption to service of traffic control devices or lighting systems and LACMTA shall cooperate with the City to minimize such interruption.

6.3 **City Communication Facilities**

Construction of replacement conduit segments, inner ducts, and manholes that bypass the conflicting conduit segments shall be done prior to relocation of the communications cables. In addition, relocation/installation work of communications cables that carry live production traffic shall be scheduled during a maintenance window, in order to minimize system downtime and minimize the City network traffic disruption.

7. **TEMPORARY AND PERMANENT STREET CLOSURES**

Upon notification of a proposed temporary or permanent street closure, the City, as requested by LACMTA, shall initiate the appropriate proceedings and shall establish the necessary conditions for the closures.

8. **TEMPORARY FACILITIES**

8.1 **LACMTA Facilities**

Temporary Facilities may be necessary to facilitate Construction of the WSAB Project (including Rearrangements). LACMTA or its designee may use, without cost, lands owned or controlled by the City for any Construction related purpose, including, but not limited to, the erection and use of Temporary Facilities thereon; provided that, the City shall first approve in writing the availability, location and duration of the Temporary Facilities, with the City's approval not to be unreasonably withheld. Upon completion of the related Construction and LACMTA's determination that the Temporary Facilities no longer are needed, LACMTA shall remove all Temporary Facilities and restore the area as nearly as practicable to its original condition unless LACMTA and the City agree to some other arrangement.

8.2 **City Facilities**

In the event that Temporary Facilities are necessary to effect a Rearrangement being constructed by the City, the City or its designee may use, without cost, lands owned or controlled by LACMTA for the purpose of using or erecting Temporary Facilities thereon; provided that, LACMTA shall first approve in writing the availability, location and duration of the Temporary Facilities. Upon completion of the Rearrangement in its permanent location, the City shall remove all Temporary Facilities and restore the area as nearly as practicable to its original condition unless the City and LACMTA agree to some other arrangement.

9. **UNDERGROUND SERVICE ALERT**

Prior to any commencement of underground work by either Party, an "Underground Service Alert" shall be notified in accordance with California law by such Party or its contractor.

10. **ENVIRONMENTAL CONTROLS**

All Construction work performed by the City or City Contractors pursuant to this Agreement shall comply with the environmental controls established by LACMTA in the LACMTA Contracts, including construction noise and vibration control, pollution controls, archaeological coordination and paleontological coordination.

11. **SALVAGED MATERIALS**

The Parties may agree to salvage certain materials belonging to the City during the course of Rearrangement. If materials belonging to the City are to be reused, LACMTA's contractor shall exercise reasonable care in removal and storage of such materials. Materials shall be inspected and stored until such time as the progress of work allows the reinstallation of such materials. Materials that are not to be reused in a Rearrangement, but which the City desires to reclaim, may be recovered by the City staff within an agreed time frame or shall be delivered by LACMTA to a location proximate to the salvage site and suitable to the City. Subject to acceptance by LACMTA, if materials removed by LACMTA are not reused and are not desired by the City, such materials shall become the property of LACMTA.

12. **AS-BUILT DRAWINGS**

12.1 LACMTA and the City shall each maintain a set of "as-built" plans of Rearrangements performed by LACMTA and the City, respectively, during Construction. Red line mark-ups for temporary lighting systems, traffic signal systems, and other the City Facilities shall be submitted to the City and LACMTA within ~~10 Business Days~~ 15 days after completion of Construction. All Design changes shall be documented on RFI/RFC forms. Upon completion of the Rearrangement work, the Party that performed the work shall furnish the other Party with reproducible "as-built" drawings showing all Replacement Facilities installed by the performing Party, within ~~60 Business Days~~ 75 days after completion of such work for each set of plans.

- 12.2 LACMTA and the City agree to provide the other with electronic files and full size paper hard copies of those final contract documents that they have prepared, or caused to be prepared, to govern the Construction of a given Rearrangement by their respective contractor so that each Party may compile a complete set of contract documents. Each Party shall prepare or cause to be prepared the contract documents for which it is responsible.

## EXHIBIT 8 – INSPECTION AND ACCEPTANCE PROCEDURE

### 1. INSPECTION DURING CONSTRUCTION

- 1.1 Each Party shall give the other Party at least ~~five~~ten days' Notice prior to commencing a Rearrangement for which it is responsible to enable such other Party to make arrangements for inspection of such work.
- 1.2 Any Construction of Rearrangements performed by LACMTA (directly or through the LACMTA Contractors) under this Agreement shall be subject to inspection and final acceptance by the City provided that any such inspection carried out by the City (directly or through a City Contractor) shall be solely for the purposes of assessing whether the Construction work conforms with, subject to Section 3.5 (City Standards) of this Agreement, the City Standards. Such inspection services shall be authorized by LACMTA under a Work Order issued in accordance with Section 2.3 (Work Orders) of this Agreement. If City inspection services are authorized under a Work Order, the City shall (or must require that the relevant City Contractor):
- (a) provide inspectors at LACMTA's cost as needed to comply with the schedule for such inspections set out in the Work Order;
  - (b) cooperate and coordinate with the LACMTA Representative and the LACMTA Contractors to observe and inspect any Rearrangements or new City Facilities so that upon completion of Construction, the City will have a basis for acceptance of the work;
  - (c) ensure that all City inspectors submit copies of daily written inspection reports to LACMTA, each within ~~24~~48 hours after such inspection; and
  - (d) remove and replace any inspector ~~five Business Days~~seven days after LACMTA's reasonable written request.
- 1.3 Any Construction work performed by the City or a City Contractor pursuant to a Work Order agreed under the provisions of this Agreement shall be subject to LACMTA inspection and final acceptance.
- 1.4 If, in carrying out an inspection, a Party identifies Non-conforming Work, the Party must provide the other Party with immediate Notice with detailed reasons (and in any event, no later than ~~24~~48 hours from discovery). The Party that performed the relevant work must rectify any Non-conforming Work.
- 1.5 The City shall not have any inspection rights with respect to any structures or physical elements that are owned and maintained by LACMTA, a LACMTA Contractor, or a tenant or licensee of LACMTA.

### 2. ACCEPTANCE PROCEDURE

- 2.1 Promptly following completion of any Rearrangement, the Party that performed the Construction shall notify the other Party that the Rearrangement is ready for final inspection.
- 2.2 The final inspection shall be carried out within ~~seven Business Days~~10 days of receipt of a Notice under Section 2.1 (Acceptance Procedure) and within ~~three Business Days~~five days of the completion of the final inspection, the inspecting Party shall notify the other Party of any Non-conforming Work. If no Notice is received, the relevant work will be deemed accepted by the inspecting Party.
- 2.3 The City shall accept all Rearrangements that are in conformance with the City Standards.

### 3. INDEPENDENT ENGINEER

The City acknowledges and agrees that LACMTA may delegate its inspection and acceptance rights under this EXHIBIT 8 to an independent engineer appointed under the ~~terms~~provisions of any LACMTA Contract.

## EXHIBIT 9 – OPERATION AND MAINTENANCE PRINCIPLES

### 1. PRIMARY RESPONSIBILITIES

- 1.1 LACMTA (directly or through the LACMTA Contractors, including in particular the P3 Developer) will be responsible for the operation and maintenance of the WSAB Project including the City Portion (and including maintenance of any low impact development water and storm drain mitigation measures constructed outside of the City Rights-of-Way as part of the WSAB Project and on the Project Site or otherwise on a LACMTA-owned right of way).
- 1.2 The City (directly or through the City Contractors) will be responsible for:
- (a) the maintenance of all City Facilities within the City Rights-of-Way including trees, gutters, sidewalks, ramps, streets, roadways, utilities, vaults, pull boxes, lights, signals, City loops, striping, signage, irrigation, bio swales and landscape;
  - (b) operation of the traffic signal system within the jurisdiction and control of the City; and
  - (c) maintenance of all low impact development water and storm drain mitigation measures constructed within the City Rights-of-Way.

### 2. TRAFFIC SIGNALS

With respect to its responsibility for the operation of the traffic signal system within the jurisdiction and control of the City, the City shall work cooperatively with LACMTA to facilitate the safe and efficient operation of the City Portion. The City shall not modify the traffic signal model controller software on the City Portion without notification to and coordination with LACMTA.

### 3. MAINTENANCE OF THE CITY PORTION

LACMTA shall obtain appropriate permits from the City when performing maintenance work on or near the City streets and conform to all of the City's permitting requirements for the submittal, review, and approval of temporary traffic control plans, use of public rights-of-way, or any other activity requiring a permit or license in accordance with the City Use of Public Property Permit Process and Application and Requirements For Traffic Control Plans. All traffic control devices shall conform to accepted City practices and shall be installed and maintained in accordance to the California Manual on Uniform Traffic Control Devices. All City staff costs incurred for permitting such work shall be reimbursed by LACMTA through the Work Order process set forth in this Agreement.

### 4. UTILITY CONTRACTS

In the event the City enters into a contract with private utility companies such as Southern California Edison for the provision of electricity and/or the applicable water district for the provision of water supply in connection with the WSAB Project, LACMTA shall similarly procure separate license and cooperative agreements with such private utilities. Further, if the City owns and operates its own "power" department and the WSAB Project draws electricity from this source, then such agreements shall include a "power restoration" priority provision regarding outages resulting from emergencies whereby the WSAB Project and future operations shall be provided with the highest level priority consistent with other state-wide designated essential facilities.

EXHIBIT 10 – FORMS

Part A: Form 60

Name of Offeror/Contractor/Utility Company (Name of Preparer):		Scope of Work/Deliverable (provide expanded description on Form 60 page 2)			
Home office address					
Division(s) and Locations where Work is to be performed		LACMTA Solicitation/Proposal/Contract Number/Work Order/Change Notice and/or Change Order Reference Number(s):			
NOTE: For proper calculations of cost elements link additional sheets to this summary page.					
1.	<b>Direct Labor</b>	<b>Est. Hours</b>	<b>Rate Per Hour</b>	<b>Est. Cost</b>	<b>TOTAL</b>
2.		0.00	\$0.00	\$0.00	
3.		0.00	\$0.00	\$0.00	
4.		0.00	\$0.00	\$0.00	
5.	<b>TOTAL DIRECT LABOR HOURS</b>	<b>0.00</b>	<b>TOTAL DIRECT LABOR</b>	<b>\$0.00</b>	
6.	<b>Labor Overhead (O/H)</b>	<b>O/H Rate</b>	<b>x Base</b>	<b>Est. Cost</b>	
7.		0%		\$0.00	
8.			<b>TOTAL LABOR OVERHEAD</b>	<b>\$0.00</b>	
9.	<b>Direct Material</b>		<b>Est. Cost</b>		
10.	<b>a. Purchase Parts</b>		\$0.00		
11.	<b>b. Subcontracted items</b>		\$0.00		
12.	<b>c. Other</b>		\$0.00		
13.			<b>TOTAL DIRECT MATERIAL</b>	<b>\$0.00</b>	
14.	<b>Equipment</b>	<b>Unit Cost</b>	<b>Est. Cost</b>		
15.		\$0.00	\$0.00		
16.		\$0.00	\$0.00		
17.			<b>TOTAL EQUIPMENT</b>	<b>\$0.00</b>	
18.	<b>Subcontractors*</b>		<b>Est. Cost</b>		
19.			\$0.00		
20.			\$0.00		
21.			\$0.00		
22.			<b>TOTAL SUBCONTRACTORS</b>	<b>\$0.00</b>	
23.			<b>TOTAL BURDENED COST (add lines 5, 8, 13, 17 and 22)</b>	<b>\$0.00</b>	
24.	<b>Other Direct Costs</b>		<b>Est. Cost</b>		
25.			\$0.00		
26.			\$0.00		
27.			\$0.00		
28.			<b>TOTAL OTHER DIRECT COSTS</b>	<b>\$0.00</b>	
29.	<b>Travel</b>		<b>Est. Cost</b>		
30.	<b>a. Transportation</b>		\$0.00		
31.	<b>b. Per Diem or Subsistence</b>		\$0.00		
32.			<b>TOTAL TRAVEL</b>	<b>\$0.00</b>	
33.	<b>General and Administrative Expense</b>	<b>Rate %</b>	<b>% x Line 23</b>		
34.		0%	\$0.00		
35.			<b>TOTAL GENERAL AND ADMINISTRATIVE EXPENSE</b>	<b>\$0.00</b>	
36.			<b>TOTAL ESTIMATED COSTS (Total Lines 23, 28, 32 and 35)</b>	<b>\$0.00</b>	
37.	<b>Profit/Fee</b>	<b>Total Labor and Overhead (line 5 + line 8)</b>	<b>Rate %</b>	<b>% x Total Labor and Overhead</b>	
38.			0%	\$0.00	

39.						TOTAL FEE	\$0.00
40.						TOTAL ESTIMATED PRICE (Total of Lines 36 and 39)	\$0.00
41.	Milestone /Task Number	Milestones/Tasks	Hours	Completion Date	Payment Amount		
42.					\$0.00		
43.					\$0.00		
44.					\$0.00		
45.						TOTAL MILESTONES/TASKS (Must equal line 40)	\$0.00
* Attach Form 60 for all proposed subcontractors performing work under Form 60 Prime Contractor where applicable. Transfer Est. Cost to this Section.							
46.	Fill in applicable sections only						
47. Has any Agency of the United States Government, State government, local public agency or the Los Angeles County Metropolitan Transportation Authority (LACMTA) performed any review of your account or records, overhead rates and general and administrative rates in connection with any public prime contract or subcontract within the past twelve months? Yes No If yes, when? Reference Contract No.							
48.a. Agency Name/Address				48.b. Individual to contact/Telephone Number			
49. As required by LACMTA, firms not audited, as described above, shall submit financial data and calculations in sufficient detail to support all proposed direct costs and subcontractor costs.							
50. The proposal reflects our estimates and/or actual costs as of the date and by submitting this proposal, Proposer/Consultant grants to LACMTA Contracting Officer and authorized representative(s) the right to examine, at any time before award, those records, which include books, documents, accounting procedures and practices, and other supporting data, regardless of type and form or whether such supporting information is specifically referenced or included in the proposal as the basis for pricing, that will permit an adequate evaluation of such cost or pricing data, along with the computations and projections used therein, for the purpose of verifying the cost or pricing data submitted. This right may also be exercised in connection with any negotiations/discussions prior to contract award or execution of contract modification.							
51. CERTIFICATE							
The labor rates and overhead costs are current and other estimated costs have been determined by generally accepted accounting principles. Proposer/Consultant represents: (a) that it has , has not , employed or retained any company or person (other than a full time bona fide employee working solely for the Proposer/Consultant) to solicit or secure a contract, and (b) that it has , has not , paid or agreed to pay to any company or person (other than a full time bona fide employee working solely for the Proposer/Consultant) any fee, commission, percentage or brokerage fee, contingent upon or resulting from the award of this contract, and agrees to information relating to (a) and (b) above, as requested by the Contracting Officer.							
52. CERTIFICATE OF CURRENT COST OR PRICING DATA							
This is to certify that, to the best of my knowledge and belief, the cost or pricing data (as defined in Section 2.101 of the Federal Acquisition Regulations (FAR) and required under subsection 15.403-4) submitted, either actually or by specific identification in writing, to LACMTA's Contracting Officer or to LACMTA's Contracting Officer's representative in support of _____* are accurate, complete and current as of _____**. This certification includes the cost or pricing data supporting any advance agreements and forward pricing rate agreements between the Proposer/Consultant/Contractor and LACMTA that are a part of the proposal.							
53. This proposal as submitted represents our best estimates and/or actual costs as of this date.							
54. Type Name and Title of Authorized Representative				Signature		Date***	
55.		* Identify the proposal, quotation, request for price adjustment, or other submission involved, giving appropriate identifying number (e.g. Information For Bid No., Work Order No., Request for Proposal No., Change Order No., Modification No., etc.)					
56.		** Insert the day, month and year when price negotiations were concluded and price agreement was reached.					
57.		*** Insert the day, month and year of signing (i.e., When price negotiations were concluded and mutual agreement was reached on contract price).					
Form 60 Attachments (Applicable if Box is checked)							

	Scope of Work Expanded Description for which Cost Estimate is based on:				
1					
2					
3					
4					
	Schedule in which Scope of Work is based on:				
1					
2					
3					
4					
	<del>The</del> Non-Disclosure Agreement (NDA) <del>Provisions provisions</del> (as <del>noted set out</del> in <del>Master Cooperative Agreement (MCA) Exhibit B</del> <del>is</del> <del>the NDA between City and LACMTA</del> ) <del>are</del> applicable <del>which to</del> the following Form 60-specific items:				
1					
2					
3					
4					
	Track Allocation Request for Metro active rail right-of-way encroachment is anticipated per stated Scope of Work. The following information is provided in advance to facilitate final Metro TAR approval:				
1					
2					
3					
4					
FORM 60 IS SIGNED AND EXECUTED WITH THE FOLLOWING ADDITIONAL ASSUMPTIONS:					
1 CITY AS-BUILT RESEARCH BY CITY FOR METRO PROJECTS IN THE PLANNING PHASE SHALL BE TREATED AS PART OF LABOR OVERHEAD PORTION OF COST					



**Part B: LACMTA “Potential Notice of Betterment” Form**

The Word file of the latest version of this form is available upon request from LACMTA's assigned Third Party Administration (TPA) Representative.

Alternatively, a written memorandum on City's letterhead may be submitted to the TPA Representative with the following required information:

1. Scope: Describe in detail with reference to applicable sections of this Master Cooperative Agreement, City Standards, and Applicable Law including any relevant codes.

Note the following common reasons for denial:

- (a) Scope is not per agreed City Standards or a legal requirement.
  - (b) Scope added after establishment of the applicable Basis of Design.
  - (c) Scope is not endorsed by LACMTA as a WSAB Project requirement.
  - (d) Scope is not identified in the EIR or amendments.
2. Detailed Justification: Why does City believe the scope is not a Betterment? Cite specific prior cases, exceptions under Applicable Law including any relevant codes, project-specific reasons, etc.
  3. Cost Estimate: Use Metro Form 60 to provide a detailed cost breakdown as proposed for the Betterment in question.
  4. City's Agreement: City agrees that scope is a Betterment and provides separate funding. The source of funds must be specified, City approved financial documents supporting validity and timing of funds must be provided, and a determination regarding whether City will commit to provide adequate front funding for cash-flow must be made.
  5. Signatures: The form shall provide a signature block with 2 signatures from City Representatives agreeing to the information provided.
  6. LACMTA Signatures: The form signature block area shall provide for LACMTA to countersign with 2 LACMTA Representative signatures with checkboxes indicating whether the Betterment proposal is denied or approved.

## EXHIBIT 11 – GOVERNMENTAL AND LENDER REQUIREMENTS

### 1. AUDIT AND INSPECTION

The City shall comply with all financial record keeping, reporting and such other requirements as may be imposed as a condition to or requirement of funding obtained by LACMTA from third parties (provided that LACMTA gives reasonable Notice of such requirements to the City). The City shall permit the authorized representatives of LACMTA, the U.S. Department of Transportation, the Comptroller General of the United States, any other government agency, and/or financial institution providing funding or oversight on the WSAB Project to inspect, audit and copy, during normal business hours and upon reasonable notice, all cost and other relevant records relating to performance by the City, its contractors and subcontractors under any Work Order issued to the City for the WSAB Project or Rearrangements of the City Facilities related thereto, from the date of this Agreement through and until ~~expiration of not less than~~ three years after the ~~accepted completion of all Rearrangements for the WSAB Project, or date of termination or expiration of this Agreement, except (a) in the event of litigation or settlement of claims arising from performance of this Agreement, in which case records shall be maintained until the disposition of all such litigation, appeals, claims or exceptions related thereto, and (b) such later date as is required by the rules and regulations of any such government agency or financial institution (provided that LACMTA gives reasonable Notice of such later date to the City).~~ Examination of a document or record on one occasion shall not preclude further examination of such document or record on subsequent occasions. By providing any of its records for examination pursuant to this EXHIBIT 11, the City represents and warrants that such records are accurate and complete. The City further agrees to permit the Federal Transit Administration and its contractors access to sites of performance under this Agreement as reasonably may be required. The City shall insert into any contracts it enters into for the performance of work hereunder the above requirements and also a clause requiring the contractors (or consultants) to include the above requirements in any subcontracts or purchase orders. In the case of such contractors, consultants, subcontractors and suppliers, any records subject to the above requirements shall include, without limitation, any relevant records as to which a tax privilege might otherwise be asserted.

### 2. INTEREST OF MEMBERS OF CONGRESS

No members of or delegates to the Congress of the United States shall be admitted to any share or part of this Agreement or to any benefit arising therefrom.

### 3. PROHIBITED INTERESTS

No member, officer or employee of LACMTA, or of a local public body, during his or her tenure or for one year thereafter shall have any interest, direct or indirect, in this Agreement or the proceeds thereof. To LACMTA's and the City's knowledge, no board member, officer or employee of LACMTA has any interest, whether contractual, non-contractual, financial or otherwise in this transaction, or in the business of the City; and 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 under Article 4 of Division 4 (commencing with Section 1090) or Division 4.5 (commencing with Section 3690) of the Government Code of the State of California.

### 4. EQUAL EMPLOYMENT OPPORTUNITY

In connection with the performance of this Agreement, the Parties shall not discriminate against any employee or applicant for employment because of age, race, religion, color, sex, sexual orientation, national origin or disability. The Parties shall take affirmative action to ensure that applicants are employed, and that employees are treated during their employment, without regard to their age, race, religion, color, sex, sexual orientation, national origin, or disability. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

5. **DISADVANTAGED BUSINESS ENTERPRISE**

In connection with the performance of this Agreement, the City will cooperate with LACMTA in meeting all applicable federal regulations with regard to the maximum utilization of disadvantaged business enterprises, and will use its best efforts to ensure that disadvantaged business enterprises shall have the maximum practicable opportunity to compete for subcontract work under this Agreement.

6. **PRIOR APPROVAL**

This Agreement and all amendments thereto are subject to U.S. Department of Transportation, Federal Transit Administration review and approval.

7. **NON-DISCRIMINATION**

Without limiting any other provision of this EXHIBIT 11, the City agrees to comply, and to cause all of its contractors who work on projects subject to this Agreement to comply, with all applicable non-discrimination laws, rules and regulations, whether imposed by federal, state or local authority.

8. **BUY AMERICA**

~~The City must comply with all Federal Transit Administration Buy America requirements and ensure that all material provided as part of any City Construction Work performed in connection to the City Portion are manufactured within the United States.~~

If the City performs any City Construction Work under a Work Order, the City must comply with 49 U.S.C. 5323(j) and 49 CFR Part 661 et seq., which provide that federal funds may not be obligated unless steel, iron, and manufactured products used in FTA-funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver. If the City performs any City Construction Work under a Work Order, the City shall incorporate the Buy America conditions set forth in every contract or purchase order entered into with a City Contractor in respect of such City Construction Work and shall enforce such conditions.

WARRANT REGISTER FOR COUNCIL MEETING OF 5/11/2021

PART I

apChkLst  
04/28/2021 10:36:26AM

Final Check List  
CITY OF SOUTH GATE

RECEIVED  
5:26pm  
MAY 4 2021

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
92335	4/29/2021	0012107	CALIFORNIA STATE DISBURSEMENT	Ben284464	4/29/2021	CA STATE DISB. UNIT: PAYMENT	115.38
		Voucher:					115.38
92336	4/29/2021	00002138	FRANCHISE TAX BOARD	Ben284460	4/29/2021	GARNISHMENT - FRANCHISE TA	396.14
		Voucher:					396.14
92337	4/29/2021	0009920	OCSE CLEARINGHOUSE SDU	Ben284462	4/29/2021	GARNISHMENT - AR CHILD SUPP	324.00
		Voucher:					324.00
<b>Sub total for BANK OF THE WEST:</b>							<b>835.52</b>
<b>Grand Total All Checks:</b>							<b>835.52</b>

3 checks in this report.

**WARRANT REGISTER FOR COUNCIL MEETING OF 5/11/2021**

apChkLst  
05/03/2021 4:15:06PM

Final Check List  
CITY OF SOUTH GATE

Bank : botw BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
92338	5/11/2021	0007328	10-8 RETROFIT INC	17699	3/31/2021	SETINA PATROL BIKE RACK FOR	522.57	522.57
		Voucher:						
92339	5/11/2021	00003502	ABC BATTERY INC.	8037	3/25/2021	12-VOLT 1400 BATTERY AND BAT	880.80	880.80
		Voucher:						
92340	5/11/2021	00003766	ABEL GLASS & SCREEN	31788	3/24/2021	SPORTS CENTER MIRROR REPL	987.90	987.90
		Voucher:						
92341	5/11/2021	00004280	ADAMSON POLICE PRODUCTS	INV350875	4/8/2021	C50 GAS MASKS FOR NEW HIRE	2,887.89	2,887.89
		Voucher:						
92342	5/11/2021	0010970	ADVANTAGE	152638	3/17/2021	PRINTING RECREATION POSTC/	2,175.68	2,175.68
		Voucher:						
92343	5/11/2021	0010065	AFC HYDRAULIC SEALS &	30847	3/17/2021	NO.2R HI PRESS HOSE X 22"	205.07	205.07
		Voucher:						
92344	5/11/2021	0012946	AGUILAR LEON, MELINA	03/23/2021	4/26/2021	PAYMENT FOR DIY EARRINGS V	275.00	275.00
		Voucher:						
92345	5/11/2021	00004372	AIRGAS USA, LLC	9111357530	4/23/2021	CARBON DIOXIDE FOR POOL	101.80	
		Voucher:		9111481253	4/29/2021	CARBON DIOXIDE FOR POOL	141.37	
				9109190617	1/12/2021	INVENTORY PO/ SAFETY VEST	183.86	
				9109190616	1/21/2021	INVENTORY PO/ SAFETY VEST	263.33	
				9111984906	4/12/2021	INVENTORY PO/ SAFETY SUPPL	1,355.69	
				9111930934	4/8/2021	INVENTORY PO/ SAFETY SUPPL	146.80	
				9109246435	1/24/2021	INVENTORY PO/ SAFETY VEST	574.93	
				910910615	2/19/2021	INVENTORY PO/ SAFETY VEST	905.08	3,672.86
92346	5/11/2021	0011577	ALL PHASE ELECTRIC SUPPLY C	0946-1013221	4/14/2021	HIGH VOLTAGE SERIES LIGHTIN	3,306.46	
		Voucher:		0946-1012724	4/1/2021	HIGH VOLTAGE SERIES LIGHTIN	2,083.73	
				0946-1013075	4/5/2021	STREET LIGHT CIRCUIT REPAIR:	444.31	
				0946-1012961	3/31/2021	STREET LIGHT CIRCUIT REPAIR:	714.83	6,549.33
92347	5/11/2021	00004309	AMERIFLEX	INV399881	4/7/2021	APRIL 2021: FSA ADMIN FEE FOF	194.25	194.25
		Voucher:						
92348	5/11/2021	0009798	ANIMAL FRIENDS PET HOTEL	433202	3/29/2021	VETERINARY SERVICES FOR OT	34.75	
		Voucher:		433199	3/29/2021	VETERINARY SERVICES FOR M/	583.50	618.25
92349	5/11/2021	0007196	ARMORCAST PRODUCTS COMP/	0213547-IN	4/7/2021	RESTOCK METER BOX AND LID	28,143.28	28,143.28
		Voucher:						
92350	5/11/2021	0006925	ARROWHEAD FORENSICS	136217	4/5/2021	SUPPLIES FOR PROPERTY-KPAI	585.50	585.50
		Voucher:						

Bank : botw BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
92351	5/11/2021	00003692	AT&T MOBILITY	875963643X04162	4/8/2021	03/09/21-4/08/21: MDCS DATA CA	584.15	
		Voucher:		28728833386X041	4/2/2021	03/03/2021-04/02/2021 NEW ACCO	1,690.08	2,274.23
92352	5/11/2021	00000201	ATLANTIC LOCK & KEY	00184	3/24/2021	SERVICE CALL AND REPLACEME	158.58	158.58
		Voucher:						
92353	5/11/2021	0010615	BEARCOM	5177688	4/1/2021	APRIL 2021:BEARCOM ANNUAL S	175.52	
		Voucher:		5162076	3/1/2021	MARCH 2021 BEARCOM ANNUAL	318.81	
				5177672	4/1/2021	APRIL 2021 BEARCOM ANNUAL S	323.48	
				5162071	3/1/2021	RENEWAL 7/1/20-6/30/21: TWO W	2,028.70	
				5177683	4/1/2021	APRIL 2021 BEARCOM ANNUAL S	2,270.06	5,116.57
92354	5/11/2021	0008396	BLUE DIAMOND MATERIALS	2159312	4/12/2021	DUMP BOBTAIL FOR SG RECYCL	603.91	603.91
		Voucher:						
92355	5/11/2021	00000418	BRADLEYS PLASTIC BAG CO	341820	3/30/2021	SUPPLIES FOR PROPERTY ROO	159.85	159.85
		Voucher:						
92356	5/11/2021	0012969	BRAXTON, BENNETT	FEB 26 2021 - EX	3/15/2021	REIMB: PROPERTY MAINTENAN	219.00	219.00
		Voucher:						
92357	5/11/2021	0011298	CALIFORNIA COMMERCIAL POOL	20054-1	2/25/2021	RENOVATION WORK- POOL & DI	48,101.25	48,101.25
		Voucher:						
92358	5/11/2021	0006239	CENTRAL FORD	370579	4/5/2021	UNIT#145 2-INSULA	226.37	
		Voucher:		370281	3/30/2021	UNIT#128 4-KIT	295.03	
				370269	3/30/2021	UNIT#290 SPECIAL ORDER **DO	47.20	568.60
92359	5/11/2021	0005839	CHAMPION CHRYSLER JEEP DOI	1627630	3/31/2021	UNIT#151 - 1AB PAD KIT FRONT	157.52	
		Voucher:		627651	3/31/2021	UNIT#184 GASKET CYLIND TAPP	632.59	790.11
92360	5/11/2021	0011708	CLIENTFIRST TECHNOLOGY	12407	3/1/2021	MARCH 2021 OFFICE 365 MIGRA	4,200.00	
		Voucher:		12436	3/31/2021	MARCH 2021 ASSISTANCE WITH	2,730.00	
				12406	3/31/2021	MARCH 2021 IT PROJECT MANA	8,365.00	
				12325	3/18/2021	RI CK #92026: FEB 2021: ASSIST	3,120.00	18,415.00
92361	5/11/2021	0011520	CMR: JARQUIN, JULIANO A.	SEP 21020 - FEB	3/16/2021	CITIZEN ADVISORY COMMITTEE	125.00	125.00
		Voucher:						
92362	5/11/2021	0009701	CMR: MARTINEZ, ANGELICA	SEP 2020 - FEB 2	3/16/2021	CITIZEN ADVISORY COMMITTEE	150.00	150.00
		Voucher:						
92363	5/11/2021	0011519	CMR: NUNEZ, BENIGNO	SEP 2020 - FEB 2	3/16/2021	CITIZEN ADVISORY COMMITTEE	100.00	100.00
		Voucher:						
92364	5/11/2021	0010135	CMR: TORRES, JIMMY	SEP 2020 - FEB 2	3/16/2021	CITIZEN ADVISORY COMMITTEE	150.00	150.00
		Voucher:						

Bank : botw BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
92365	5/11/2021	0011922	CONCENTRA MEDICAL CENTERS	70893240	3/31/2021	3/25/2021-3/30/2021 MEDICAL SE	249.00	
	Voucher:		2/23/2021	3/10/2021	2/23/21: MEDICAL SERVICES PR	177.90		
			70963051	4/13/2021	3/31/2021 & 4/6/2021 MEDICAL SE	315.50		
			70749438	3/17/2021	3/10/21-3/11/2021 MEDICAL SERV	218.00		
			70962172	4/7/2021	04/01/21-04/04/21 MEDICAL SERV	135.00	1,095.40	
92366	5/11/2021	0011159	CONSERVATION CORPS OF	1	12/31/2020	12/21/20-12/30/20 YOUTH EMPLC	2,771.04	2,771.04
	Voucher:							
92367	5/11/2021	00001423	DAILY JOURNAL CORPORATION	B3460917	4/15/2021	NOTICE OF HEARING:FY 2021-22	245.00	
	Voucher:		B3457656	4/8/2021	REQUEST FOR PROPOSALS: RF	130.00		
			B3460079	4/15/2021	NOTICE OF HEARING:THIRD PAF	135.00	510.00	
92368	5/11/2021	00001565	DEPT OF JUSTICE-(DOJ) CENTR	503735	4/5/2021	MAR 2021 - FINGERPRINT APPS	32.00	32.00
	Voucher:							
92369	5/11/2021	0007803	DON KELLER COLLISION CENTE	1566	4/6/2021	LIABILITY CLAIM #21-09-30 DAM	1,636.49	1,636.49
	Voucher:							
92370	5/11/2021	00003777	DON MILLER & SONS PLUMBING	333972A	3/23/2021	PLUMBING REPAIR PARTS FOR	229.87	229.87
	Voucher:							
92371	5/11/2021	00000175	DOOLEY ENTERPRISES, INC.	60054	3/31/2021	AMMUNITION FOR TRAINING (SV	3,257.89	
	Voucher:		60058	4/2/2021	AMMUNITION FOR TRAINING (SV	7,499.40	10,757.29	
92372	5/11/2021	0011970	E.C. CONSTRUCTION CO.	1- PROJ NO. 594-	2/28/2021	FEB 2021: CONSTRUCTION OF T	8,359.52	8,359.52
	Voucher:							
92373	5/11/2021	0012293	EMP: BAEZ, HUMBERTO	ZLNZQRW7XY2	7/1/2020	MEMBERSHIP RENEWAL FOR BL	75.00	
	Voucher:		DTN8PFNYM4X	3/31/2021	MEMBERSHIP RENEWAL FOR BL	75.00	150.00	
92374	5/11/2021	0012531	EMP: ROMO, ADRIAN	N4N5VWRKTT7	3/31/2021	REIMB:MEMBERSHIP RENEWAL	75.00	75.00
	Voucher:							
92375	5/11/2021	00001988	FAIR HOUSING FOUNDATION	# 9	4/7/2021	MAR 2021: FAIR HOUSING FOUN	2,113.31	2,113.31
	Voucher:							
92376	5/11/2021	00000619	FALCON FUELS, INC.	33719	4/1/2021	ULTRA LOW SULFUR DIESEL & SA	4,003.04	4,003.04
	Voucher:							
92377	5/11/2021	00002026	FEDERAL EXPRESS CORPORATI	17-334-78401	4/9/2021	FEDEX EXPRESS SAVER, OVERI	70.48	
	Voucher:		7-326-28754	4/2/2021	FEDEX STANDARD OVERNIGHT	7.85		
			7-319-34103	3/26/2021	FEDEX GROUND	4.54	82.87	
92378	5/11/2021	00003770	FLEMING ENVIRONMENTAL INC.	17178	3/15/2021	3/11/2021: DESIGNATED OPERAT	540.00	540.00
	Voucher:							
92379	5/11/2021	0008331	FORENSIC NURSE RESPONSE T	103-29-21	4/1/2021	MAR 2021: SART EXAM (1)	1,060.00	1,060.00
	Voucher:							

Bank : botw BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
92380	5/11/2021	00004934	GAS COMPANY	013 900 7300 3 04	4/15/2021	BILLING PRD- 03/15/21 -04/13/21	1,688.93	
		Voucher:		045 400 7300 6 04	4/15/2021	BILLING PRD- 3/15/21 -04/13/21	56.38	
				130 500 9400 5 04	4/14/2021	BILLING PRD- 03/12/21 -04/12/21	282.87	
				134 700 9400 7 04	4/14/2021	BILLING PRD- 03/12/21 -04/12/21	268.33	
				189 300 9500 04/2	4/20/2021	BILLING PRD- 03/17/21 -04/16/21	1,371.77	
				094 300 7500 3 04	4/15/2021	BILLING PRD- 03/17/21 -04/15/21	683.81	
				083 407 6536 4 4/	4/23/2021	BILLING PRD- 03/23/21 -04/21/21	21.49	
				126 300 9600 1 04	4/15/2021	BILLING PRD-03/15/21 -04/13/21	18.65	
				049 200 7902 9 04	4/16/2021	BILLING PRD-3/16/21 -04/14/21	154.85	
				115 800 9600 3 04	4/15/2021	BILLING PRD- 03/15/21 -04/13/21	3,711.88	
				132 600 9400 1 04	4/14/2021	BILLING PRD- 03/12/21 -04/12/21	41.47	
				186 100 7200 3 04	4/15/2021	BILLING PRD- 03/15/21 -04/13/21	548.96	8,849.39
92381	5/11/2021	0012666	GENERAL ALARM SERVICES, INC	125726	4/1/2021	APRIL 2021: BURGLAR AND FIRE	75.00	75.00
		Voucher:						
92382	5/11/2021	0010016	GLOBAL PARATRANSIT INC.	112021-09	4/9/2021	MARCH 2021 FIXED ROUTE (GA1	51,071.82	51,071.82
		Voucher:						
92383	5/11/2021	00004869	GOLDEN STATE WATER COMPAN	33744100000 04/2	4/12/2021	BILLING PRD- 03/02/21 - 04/02/21	244.99	244.99
		Voucher:						
92384	5/11/2021	0008109	GOODIE'S UNIFORM	2021-35603	4/6/2021	REPLACEMENT UNIFORM POLC	59.98	59.98
		Voucher:						
92385	5/11/2021	00002890	GRAINGER	9838988716	3/17/2021	SPORTS CENTER RESTROOM E	123.10	
		Voucher:		9849199840	3/26/2021	CABINET FOR FIRE SUPPRESIOI	686.35	
				9837074476	3/15/2021	WATER QUICK COUPLING KEY A	82.21	891.66
92386	5/11/2021	00000534	GRANDE VISTA STEEL	167051	4/1/2021	STELL FLAT BAR FOR SALT LAKE	110.25	
		Voucher:		166827	2/25/2021	MATERIAL FOR SR #817079 MAT	196.07	306.32
92387	5/11/2021	00002524	GREEN'S CLEANERS	531436	3/31/2021	MARCH 2021 JAIL CLEANING OF	904.20	904.20
		Voucher:						
92388	5/11/2021	0009528	GRIFFITH COMPANY	025	3/10/2021	FINAL CLOSING INVOICE: PROFI	25,900.00	25,900.00
		Voucher:						
92389	5/11/2021	0011526	HASA, INC.	742004	4/16/2021	CHLORINE DELIVERY - PARK RE	201.76	201.76
		Voucher:						
92390	5/11/2021	00002529	HINDERLITER DE LLAMAS & ASS	SIN007101	3/12/2021	QTR 3 2020: SALES TAX CONTR/	2,898.52	2,898.52
		Voucher:						



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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
92391	5/11/2021	00000268	HOME DEPOT CREDIT SERVICES4373277	4/8/2021	WALKING TAPE AND MAILBOX F	158.30	
		Voucher:	1351701	4/1/2021	MATERIAL TO SECURE PROPER	623.04	
			0373109	3/3/2021	MARKING WANDSFOR USA MAR	52.10	
			7373259	4/5/2021	BRICKS OR THE RING AT VETER	3.08	
			5351726	4/7/2021	MATERIAL TO INSTALL CORRUG	141.96	
			2373289	4/10/2021	INSTALL PLYWOOD AND CARPE	119.64	
			1351704	4/1/2021	LIZ GENDEJAS' DOOR IN PW/EN	119.14	
			1351702	4/1/2021	REPLACEMENT TOOL FOR UNIT	539.99	
			1351668	3/22/2021	BICENTENNIAL ROOM CARPET \	805.64	
			3341259	3/30/2021	PARK YARD SUPPLIES	79.59	
			5360187	4/7/2021	PARK YARD SUPPLIES	85.46	
			8221830	3/25/2021	REPLACEMENT PARTS - LUBRIC	465.11	
			4232463	10/20/2020	REF. PO #5929: CORRUGATED S	2,289.76	
			0351750	4/12/2021	WORK ORDER #817257. INSTALL	23.05	
			9373311	4/13/2021	JET FAN BLOWER	174.90	
			9373309	4/13/2021	FACILITY MAINTENANCE SUPPL	122.49	
			7351766	4/15/2021	PARK YARD SUPPLIES	148.36	5,951.61
92392	5/11/2021	00000647	HONEYWELL INTERNATIONAL IN5255590384	4/25/2021	MAY2021 3RD YR OF 3 YR ANN M	8,540.00	8,540.00
		Voucher:					
92393	5/11/2021	0011187	HUB CITIES CONSORTIUM #93-0720-0920	2/22/2021	FY 19-20 & FY 20-21 WORKFORC	33,139.29	
		Voucher:	93-1020-1220	1/15/2021	FY 19-20 OCT 1-DEC 31, 2020 WC	30,774.14	63,913.43
92394	5/11/2021	0012908	INK HEAD DESIGN & PRINTS 8308	2/25/2021	T-SHIRTS - COPS 4 KIDS PROGF	6,449.63	6,449.63
		Voucher:					
92395	5/11/2021	00004578	INTERWEST CONSULTING GROU67562	3/22/2021	MAR 2021: AS NEEDED PROFES:	1,010.00	1,010.00
		Voucher:					
92396	5/11/2021	00001866	INTOXIMETERS 676925	3/22/2021	DRY GAS	234.86	234.86
		Voucher:					
92397	5/11/2021	0011903	ITERIS, INC. 132058	3/24/2021	THRU 2/28/21: ENGINEERING SV	9,281.00	9,281.00
		Voucher:					
92398	5/11/2021	0005586	JOE A. GONSALVES & SONS 158975	4/15/2021	MAY 2021: LEGISLATIVE ADVOC/	2,500.00	2,500.00
		Voucher:					
92399	5/11/2021	00000430	JOHN L. HUNTER AND ASSOCIATSG1IW12101	3/31/2021	JAN 2021: PROFESSIONAL SERV	1,336.25	
		Voucher:	SG1MS412102	3/31/2021	FEB 2021: MANAGEMENT SERVI	6,900.00	
			SG1IW12102	3/31/2021	FEB 2021: PROFESSIONAL SERV	1,337.50	9,573.75

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
92400	5/11/2021	0007814	JV PRINTING CORPORATION	1876	3/12/2021	10,000 SOUTH GATE POLICE OFI	643.69	643.69
		Voucher:						
92401	5/11/2021	00003387	KNORR SYSTEMS, INC.	SI229324	4/2/2021	PULSAR BRIQUETTES FOR POO	1,510.43	1,510.43
		Voucher:						
92402	5/11/2021	0007294	KOA CORPORATION	JC06148-1	3/2/2021	FEB 2021: CONSTRUCTION INSP	6,687.50	6,687.50
		Voucher:						
92403	5/11/2021	0012590	LA TRUCK & AUTO INC, NAPA AU	5156-188625	4/6/2021	UNIT#163 BRAKE PADS, BRAKE :	298.37	
		Voucher:		5156-188626	4/6/2021	UNIT#140 1- DISC BRAKE PADS	161.41	
				5156-188635	4/6/2021	UNIT#115 DISC BRAKE PADS ANI	104.13	
				5156-188636	4/6/2021	UNIT#647 OESPECTRUM TRK SH	143.16	
				5156-188637	4/6/2021	BRAKLEN 50ST 14OZ BRAKE FLI	36.72	
				5156-188656	4/6/2021	UNIT 140, 1- RAIDATOR	178.59	
				5156-186390	3/16/2021	**ETCH AND CATCH EVENT** LE	114.57	
				5156-188680	4/6/2021	UNIT#198 2015 FORD EXPLOREF	144.63	1,181.58
92404	5/11/2021	0012984	LOZEAU CONSULTING, TRAINING	00000019	4/19/2021	TRAINING:HOMELESS LIAISON C	160.00	160.00
		Voucher:						
92405	5/11/2021	0011433	MARK THOMAS & COMPANY, INC	36955	6/15/2020	THRU 5/31/20: PROF SERVICES I	365.84	365.84
		Voucher:						
92406	5/11/2021	0012947	MENDIOLA-LARA, WILLORNA	SPRING 2021	3/31/2021	PAYMENT FOR WATERCOLOR W	125.00	125.00
		Voucher:						
92407	5/11/2021	0011575	MERCHANTS BUILDING	623023	3/31/2021	MARCH 2021 MBM ANNUAL JANI	19,257.44	19,257.44
		Voucher:						
92408	5/11/2021	00000447	MISC - BLDG PERMITS	0200036344	3/31/2021	3729 MISSOURI AVE PERMIT REI	122.60	122.60
		Voucher:						
92409	5/11/2021	0012932	MUNICIPAL RESOURCE GROUP,	103-21-138	4/7/2021	SALARIES & BENEFITS SURVEY:	10,000.00	10,000.00
		Voucher:						
92410	5/11/2021	0008506	MUNITEMPS	129917	2/5/2021	W/E 1/31/21: PW PROJECT MANA	5,600.00	
		Voucher:		129934	3/19/2021	W/E 3/14/21: PW PROJECT MANA	5,700.00	
				129940	4/2/2021	W/E 4/2/21: PW PROJECT MANA	5,600.00	16,900.00
92411	5/11/2021	0010176	NATIONAL NEIGHBORHOOD WAT	210584	2/24/2021	BUSINESS AND NEIGHBORHOOD	5,494.48	5,494.48
		Voucher:						
92412	5/11/2021	00004200	NATIONAL PLANT SERVICES, INC	16257	11/16/2020	11/3/20: CCTV SERVICES - FY 20	1,000.00	1,000.00
		Voucher:						
92413	5/11/2021	00004969	NATIONAL READY MIXED CONCR	772706	4/7/2021	READY MIXED CONCRETE FOR	784.23	
		Voucher:		770879	3/24/2021	READY MIXED CONCRETE FOR	1,083.08	1,867.31

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
92414	5/11/2021	0012286	NATIONWIDE ENVIRONMENTAL	31539	4/15/2021	ANNUAL ST SWP CONT YR 2 OF	56,580.00	56,580.00
		Voucher:						
92415	5/11/2021	0009990	NATURE'S SELECT PET FOOD	4131	3/12/2021	DOG FOOD MAIKO (03/12/2021),	96.95	
		Voucher:	4149	3/26/2021	DOG FOOD FOR OTIS (02/22/2021)	96.95	193.90	
92416	5/11/2021	0010683	NEW CHEF FASHION, INC.	1004955	4/14/2021	REPLACEMENT UNIFORM POLO	110.23	
		Voucher:	1004956	4/14/2021	REPLACEMENT UNIFORM POLO	99.20		
			1004829	4/12/2021	REPLACEMENT UNIFORM POLO	110.23		
			1004957	4/14/2021	REPLACEMENT UNIFORM POLO	99.20		
			1004958	4/14/2021	REPLACEMENT UNIFORM POLO	110.23	529.09	

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
92418	5/11/2021	00001414 OFFICE DEPOT	162205242001	3/11/2021	UTILITY KNIFE	23.79	
	Voucher:		164038510001	3/25/2021	OFFICE SUPPLIES	89.68	
			161164474001	3/25/2021	OFFICE SUPPLIES	59.40	
			158987149001	3/4/2021	PRINT MARSY"S LAW VICTIM FO	18.84	
			162763676001	3/18/2021	WEBCAM - COVID 19	92.58	
			159379623001	3/30/2021	OFFICE SUPPLIES	49.22	
			159706263001	3/30/2021	OFFICE SUPPLIES	16.20	
			164699777001	3/24/2021	KEYTAGS	3.73	
			164700270001	3/23/2021	OFFICE SUPPLIES	118.42	
			158808437001	3/11/2021	UTILITY CART	231.50	
			158992915001	3/26/2021	INFRARED THERMOMETER, SAN	238.97	
			159923516001	3/4/2021	OFFICE SUPPLIES	181.16	
			161493269003	3/24/2021	OFFICE SUPPLIES	41.08	
			161551643001	3/18/2021	OFFICE SUPPLIES	22.27	
			161551646001	3/19/2021	OFFICE SUPPLIES	10.13	
			162363004001	3/18/2021	OFFICE SUPPLIES & TONER	423.26	
			162363004002	3/22/2021	OFFICE SUPPLIES	20.35	
			162940487001	3/22/2021	PRINT MARSY"S LAW VICTIM FO	288.75	
			162840889001	3/23/2021	OFFICE SUPPLIES	265.38	
			159670394001	3/2/2021	CHAIR MAT	74.74	
			161279558001	3/26/2021	INFRARED THERMOMETER - CO	88.18	
			162976148001	3/22/2021	PRINT OVERTIME FORMS (PD)	435.60	
			163958444001	3/23/2021	WIPES - COVID 19	57.31	
			162204550001	3/11/2021	BATTERY FOR HEADSET	46.29	
			159448352001	3/18/2021	OFFICE SUPPLIES	167.07	
			162758468001	3/22/2021	3 BATTERY BACKUPS	185.19	
			160014852001	3/19/2021	2 USB DRIVES	39.67	
			160017019001	3/18/2021	OFFICE SUPPLIES	152.11	
			163580846001	3/18/2021	OFFICE SUPPLIES	185.18	
			163581637001	3/18/2021	OFFICE SUPPLIES	68.80	
			164766543001	3/22/2021	LABELER, BROTHER PTM95	28.10	
			164088801002	3/22/2021	OFFICE SUPPLIES	42.14	
			162047683001	3/11/2021	TONER & BANDAGES	292.11	
			164048323001	3/25/2021	OFFICE SUPPLIES & TONER - CC	304.63	
			164067746001	3/25/2021	HOLE PUNCH & TONER	314.05	

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
			159936340001	3/4/2021	OFFICE SUPPLIES	77.43		
			159936444001	3/4/2021	OFFICE SUPPLIES	19.67		
			163722591001	3/18/2021	OFFICE SUPPLIES	19.62		
			163727016001	3/18/2021	OFFICE SUPPLIES	44.09		
			161919531001	3/18/2021	PLASTIC AUTO SQUEEGE	10.46		
			157168477001	3/2/2021	PAPER	111.88		
			157387740001	3/4/2021	24" PRIVACY MONITOR	76.06		
			160830003001	3/3/2021	BOOKCASES & CHAIR FOR SENI	429.95		
			160831941001	3/3/2021	BOOKCASES & CHAIR FOR SENI	209.46		
			161869213001		RETURN PART, INVOICE #162363	-34.38		
			163995376001		RETURN PART, INVOICE #163580	-92.59		
			164766543001		RETURN PART, INVOICE #163580	-46.29		
			161762344001		RETURN PART, INVOICE #143894	-51.13		
			156268761001		RETURN PART, INVOICE #155526	-93.36		
			161052418001		RETURN PART, INVOICE #159936	-28.10		
			161493269001	3/23/2021	OFFICE SUPPLIES	150.46	5,479.11	
92419	5/11/2021	0007984	O'REILLY AUTO PARTS	3036-396883	3/17/2021	UNIT#112 TIRE TUBE	10.46	
		Voucher:		3063-397723	3/22/2021	JACK STANDS **ETCH AND CATC	40.78	
				3063-399379	3/31/2021	DRILL SRIVER	242.51	
				3063-400373	4/6/2021	UNIT151 1 GALTRANSFLD	57.31	
				3063-396892	3/17/2021	UNIT#366 1QTMOTOROIL	105.58	
				3063-397350	3/20/2021	JACK STANDS	27.55	
				3063-39916	3/30/2021	UNIT#134 2016 DODGE BATTERY	347.79	
				3063-401697	4/13/2021	TOOLS - OIL	172.78	1,004.76
92420	5/11/2021	0012516	ORTIZ ENTERPRISES, INC	OEI NO. 012	3/19/2021	2/21/21-3/20/21: CONSTRUCTION	476,656.10	476,656.10
		Voucher:						
92421	5/11/2021	0010664	PD: GOLD COAST K9	SGPD-06	4/7/2021	3/30/21-4/6/21: K9 MILO, BOARDII	240.00	240.00
		Voucher:						
92422	5/11/2021	00001398	PD: ORANGE COUNTY SHERIFF'S	SH58798	3/17/2021	TACTICAL RANGE FEES FOR JUI	385.88	
		Voucher:		1-2981	5/3/2021	TRAINING: FIELD TRAINING OFF	130.00	515.88
92423	5/11/2021	00004380	PD: PEREZ, CHRISTIAN	1-2961	4/20/2021	TRAINING NARCOTIC AND SPEC	421.59	421.59
		Voucher:						
92424	5/11/2021	0011213	PD: ROSE, RYAN	3/4/21	4/12/2021	EDUCATONAL REIMBURSEMENT	2,500.00	2,500.00
		Voucher:						

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
92425	5/11/2021	00004713	PETTY CASH- PARKS & REC.DEP2/17/2021-4/8/202	4/15/2021	02/17/2021-04/08/2021: PETTY CA	148.14	148.14
		Voucher:					
92426	5/11/2021	00004714	PETTY CASH- POLICE DEPT. -	12/16/2020-04/12/2021	4/19/2021 12/16/2020-4/12/2021: JM - PETTY	422.06	422.06
		Voucher:					
92427	5/11/2021	00003405	POWER DESIGN	41723	3/4/2021 UPS BATTERY BACKUP SYSTEM	6,486.34	6,486.34
		Voucher:					
92428	5/11/2021	00000488	PRAXAIR DISTRIBUTION, INC.	62516369	3/23/2021 WELDING CYLINDER RENTAL FC	99.26	99.26
		Voucher:					
92429	5/11/2021	0005368	PRINTCO DIRECT	83415	3/12/2021 BUSINESS CARDS (500) ANDRES	33.08	
		Voucher:		83493	4/7/2021 26"X24" PRINT SETS-10920 GARI	24.81	
				83489	4/5/2021 34"X 24" PRINT SETS FOR THE T	158.76	
				83440	3/17/2021 36" X 24" PRINT SETS TWEEDY E	17.64	
				83442	3/18/2021 24" X 36" PRINTS B/W-PARKS MA	5.51	
				83416	3/12/2021 BUSINESS CARDS(500) JOSE L.	33.08	
				83414	3/12/2021 (500)BUSINESS CARDS FOR JES	33.08	
				83439	3/24/2021 BUSINESS CARDS(500) ARTURO	33.08	339.04
92430	5/11/2021	0006933	PSYCHOLOGICAL CONSULTING /525141	10/30/2021	PRE-EMPLOYMENT EVALUATIONS	1,200.00	1,200.00
		Voucher:					
92431	5/11/2021	00003915	PUBLIC SAFETY TRAINING CONS22230	4/15/2021	TRAINING:COMMUNTICATIONS 1	330.00	330.00
		Voucher:					
92432	5/11/2021	0011254	PULSIAM	7501	1/29/2021 11/1/20-10/31/21: RENEWAL - SAF	108,272.46	108,272.46
		Voucher:					
92433	5/11/2021	0011545	RELX, INC.	1431080-2021033	3/31/2021 MARCH 2021-MONTHLY SUBSCF	732.45	
		Voucher:		1431080-2021022	2/28/2021 FEBRUARY 2021-MONTHLY SUB:	732.45	1,464.90
92434	5/11/2021	00004804	RIO HONDO COMMUNITY COLLES21-66-ZSGT	3/26/2021	TRAINING:BASIC POLICE RECRU	2,462.50	2,462.50
		Voucher:					
92435	5/11/2021	00002735	ROADLINE PRODUCTS, INC.	16361	3/23/2021 OIL FOR GRAFFITI UNITS 618 AN	105.12	105.12
		Voucher:					
92436	5/11/2021	0007637	RSG, INC	1007210	3/31/2021 MAR 2021: 2020-21 SUCCESSOR	3,418.75	
		Voucher:		1007216	3/31/2021 MAR 2021: HABITAT PROJECT - L	3,380.15	
				1007197	3/31/2021 MAR 2021: ANTI-GENTRIFICATIO	2,160.00	
				1007225	3/31/2021 MAR 2021: GENERAL HOUSING F	1,293.75	10,252.65
92437	5/11/2021	0008369	SAFETY-KLEEN SYSTEM, INC	84797476	11/23/2020 1- OIL SERVICE STOP FEE NO -P	670.00	670.00
		Voucher:					

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
92438	5/11/2021	00000322	SAM'S CLUB	000237	3/24/2021	GOLF COURSE CONCESSIONS	88.80
		Voucher:		000236	3/24/2021	SPECIAL EVENTS - EASTER FES	120.78
92439	5/11/2021	00000557	SAN DIEGO POLICE EQUIPMENT	646883	4/2/2021	ARMOR EXPRESS BUSCH PROT	931.61
92440	5/11/2021	0005808	SCOTCH PAINT CORPORATION	3595	4/15/2021	INVENTORY PO/ PAINT	63.50
		Voucher:		3564	4/12/2021	INVENTORY PO/ PAINT	8,340.52
92441	5/11/2021	00002616	SHRED-IT US JV LLC	8181767439	3/31/2021	MARCH 2021 SHREDDING OF DC	82.08
92442	5/11/2021	00004857	SMITH FASTENER COMPANY	0032301	4/6/2021	FRAME CLIP ONLY, FENDER WA	82.90
92443	5/11/2021	00004864	SOUTHERN CALIFORNIA EDISON	1801996182	3/29/2021	JAN 2021 JOINT POLE RENT	1,316.57
92444	5/11/2021	0012750	SOUTHERN CALIFORNIA NEWS	0000507948	3/31/2021	3/23/2021 PUBLIC NOTICE FOR C	3,147.80
92445	5/11/2021	0009420	SPARKLETTS	15758432 040221	4/2/2021	MARCH 2021 - DRINKING WATER	448.90
92446	5/11/2021	0012980	SPECTRUM	10830840140121	4/1/2021	APRIL 2021: FIBER OPTICS FOR	945.21
		Voucher:		0044267032721	3/27/2021	MARCH 2021: ACCT# 8448 20 89	282.24
92447	5/11/2021	00004921	TARGET SPECIALTY PRODUCTS	INVP500422111	4/6/2021	PESTICIDES	908.32
92448	5/11/2021	0012518	THE HITT COMPANIES	OE-92461	3/18/2021	OFFICE SUPPLIES- STAMPS FOF	356.16
92449	5/11/2021	00003851	THOMSON REUTERS	844113054	4/1/2021	MARCH 2021 WEST INFORMATI	417.99
92450	5/11/2021	0012941	THUNDERBIRD VILLA	01	8/4/2020	EASEMENT AGREEMENT INCLU	121,000.00
92451	5/11/2021	0008153	TIME WARNER CABLE-	0879974032921	3/29/2021	3/29/21-4/28/21: ACCT# 8448 30 (	86.97
		Voucher:		0490384032721	3/27/2021	3/27/21-4/26/21: ACCT# 8448 30 0	146.40
				0008335040121	4/1/2021	APR 2021: ACCT# 844830 017 00	161.26
92452	5/11/2021	0011640	TIREHUB, LLC	19790539	4/8/2021	INVENTORY PO/ TIRES	3,413.34
92453	5/11/2021	0010699	TRANSYSTEMS CORPORATION	INV-0003689035	4/5/2021	MAR 2021: CONSTRUCTION OF I	400.68
92454	5/11/2021	00000637	TURF STAR INC	7163814-00	3/25/2021	EQUIPMENT REPLACEMENT PAI	1,059.48
		Voucher:		7163814-01	3/26/2021	EQUIPMENT SUPPLIES	65.90

Bank : botw BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
92455	5/11/2021	0012565	UNISAN PRODUCTS LLC	3120606	2/2/2021	INVENTORY PO/ DISINFECTANT	413.66	413.66
		Voucher:						
92456	5/11/2021	0005750	UNITED INDUSTRIES	214514	4/14/2021	INVENTORY PO/ NTIRLE GLOVE:	1,096.85	1,096.85
		Voucher:						
92457	5/11/2021	00002184	UNITED RENTALS (NORTH AMER 191322189-001	3/8/2021	PUMP FOR CLEANING/ DRAINING	835.70	835.70	
		Voucher:						
92458	5/11/2021	0011926	URM TECHNOLOGIES, INC.	0066004	3/31/2021	3/1/2021 -3/31/2021 STORAGE	34.20	
		Voucher:		0066005	3/31/2021	3/31/2021-3/31/2021 STORAGE	28.50	
				0066008	3/31/2021	3/31/2021-3/31/2021 STORAGE	74.13	
				0066009	3/31/2021	3/1/2021-3/31/2021 STORAGE	17.10	
				0066006	3/31/2021	3/1/2021-3/31/2021 STORAGE	47.34	
				0066007	3/31/2021	3/1/2021 -3/31/2021 STORAGE	11.10	
				0066010	3/31/2021	3/31/2021-3/31/2021 STORAGE	45.60	257.97
92459	5/11/2021	00003928	US BANK TRUST N.A.	788757000-MAY 2	5/1/2021	MAY 2021: COSG 2005 PENSION	167,493.33	167,493.33
		Voucher:						
92460	5/11/2021	0012948	VERITONE, INC	26494	3/11/2021	3/1/21-2/28/23: AUDIO REDACTIO	5,000.00	5,000.00
		Voucher:						
92461	5/11/2021	00001848	VERIZON WIRELESS	9876235820	3/23/2021	2/24/21-3/23/21: PD - IPAD AIRTIV	39.39	39.39
		Voucher:						
92462	5/11/2021	0012909	VIDO SAMARZICH, INC	1	3/31/2021	2/16/21-3/25/21: CONSTRUCTION	190,608.47	190,608.47
		Voucher:						
92463	5/11/2021	00002634	VULCAN MATERIALS COMPANY	72831624	1/22/2021	ASPHALT & ENVIRONMENTAL FE	317.28	
		Voucher:		308378	10/31/2020	FINANCE CHARGES FOR PAST I	29.47	
				318517	1/31/2021	FINANCE CHARGES FOR PAST I	61.55	
				311957	11/30/2020	FINANCE CHARGES FOR PAST I	74.22	
				316315	12/31/2020	FINANCE CHARGES FOR PAST I	46.48	
				72842928	2/5/2021	ASPHALT & ENVIRONMENTAL FE	87.87	
				72840794	2/3/2021	ASPHALT & ENVIRONMENTAL FE	85.42	
				72842929	2/5/2021	ASPHALT & ENVIRONMENTAL FE	87.87	
				72863712	2/26/2021	ASPHALT & ENVIRONMENTAL FE	87.05	
				324637	2/28/2021	FINANCE CHARGES FOR PAST I	33.47	
				72903481	4/7/2021	ASPHALT & ENVIRONMETAL FEE	93.58	
				72914515	4/16/2021	ASPHALT & ENVIRONMETAL FEE	335.05	
				72831625	1/22/2021	ASPHALT & ENVIRONMENTAL FE	87.05	
				304986	9/30/2020	FINANCE CHARGES FOR PAST I	28.04	1,454.40



Bank : botw BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
92464	5/11/2021	00002593	WAXIE'S SANITARY SUPPLY	79878489	3/17/2021	UTILITY CARTS FOR AUD, GCH F	915.12
		Voucher:		79919383	4/5/2021	UTILITY CARTS FOR SWIM STAD	547.81
				79903049	3/29/2021	FLOOR CAUTION SIGNS FOR SV	144.21
							1,607.14
92465	5/11/2021	0010471	WEBSTER'S BEE'S REMOVAL SR'1158		4/9/2021	4/9/21: BEE REMOVAL FROM 131	185.00
		Voucher:					185.00
92466	5/11/2021	0010476	WECK LABORATORIES INC	W1C1628-cosouth	3/24/2021	WATER SAMPLES - GENERAL PH	75.00
		Voucher:					75.00
92467	5/11/2021	00000482	WEST COAST ARBORISTS, INC.	169656-A	2/15/2021	2/1/21-2/15/21: AMEND 2-TREE M	29,190.50
		Voucher:		170427	3/15/2021	3/1/21-3/15/21: AMEND 2-TREE M	2,265.20
				171085	3/31/2021	3/16/21-3/31/21: AMEND 2-TREE M	46,502.00
				171030	2/15/2021	2/1/21-2/15/21: TREE TRIMMING &	287.60
							78,245.30
92468	5/11/2021	00000561	WESTERN EXTERMINATOR COM	7913299	4/14/2021	4/14/21: ANNUAL PEST CONTROL	46.50
		Voucher:		7913300	4/14/2021	4/14/21: ANNUAL PEST CONTROL	121.00
				7916512	4/14/2021	4/14/21: ANNUAL PEST CONTROL	69.50
				7916024	4/14/2021	4/14/21: ANNUAL PEST CONTROL	82.50
				7916511	4/14/2021	4/14/21: ANNUAL PEST CONTROL	206.50
				7912676	4/14/2021	4/14/21: ANNUAL PEST CONTROL	295.50
				7912677	4/14/2021	4/14/21: ANNUAL PEST CONTROL	275.00
				7918948	4/14/2021	4/14/21: ANNUAL PEST CONTROL	56.00
				7690473	3/5/2021	MAR 2021: ANNUAL PEST CONF	149.00
				7682741	3/11/2021	MAR 2021: ANNUAL PEST CONF	211.00
				7685673	3/11/2021	MAR 2021: ANNUAL PEST CONF	206.50
				7685674	3/11/2021	MAR 2021: ANNUAL PEST CONF	69.50
				7681775	3/11/2021	MAR 2021: ANNUAL PEST CONF	295.50
				7681776	3/17/2021	MAR 2021: ANNUAL PEST CONF	275.00
				7682381	3/17/2021	MAR 2021: ANNUAL PEST CONF	151.50
				7682382	3/17/2021	MAR 2021: ANNUAL PEST CONF	42.00
				7682383	3/11/2021	MAR 2021: ANNUAL PEST CONF	46.50
				7682384	3/11/2021	MAR 2021: ANNUAL PEST CONF	121.00
				7685195	3/17/2021	MAR 2021: ANNUAL PEST CONF	82.50
				7688198	3/17/2021	MAR 2021: ANNUAL PEST CONF	56.00
				7681534	3/19/2021	MAR 2021: ANNUAL PEST CONF	206.00
				7683161	3/19/2021	MAR 2021: ANNUAL PEST CONF	42.50
				7921314	4/2/2021	APR 2021: ANNUAL PEST CONF	149.00
							3,256.00

Bank : botw BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
92469	5/11/2021	0011968	WEX BANK	71113739	4/6/2021 4/6/21 CLOSING DATE: SHELL G/	699.24	699.24
					Voucher:		
92470	5/11/2021	0012771	WIRELESS INFRASTRUCTURE S	47029	3/30/2021 SGPD TO MONTEBELLO MICRO	58,633.29	58,633.29
					Voucher:		
01800090	3/5/2021	00000343	PUBLIC EMPLOYEES RETIREMEM	100000016354202	3/5/2021 6/30/20: GASB 68 ACTUARIAL RE	2,250.00	2,250.00
					Voucher:		
<b>Sub total for BANK OF THE WEST:</b>							<b>1,754,611.15</b>

132 checks and 1 wire transfer in this report.

**Grand Total All Checks and Wire Transfers: 1,754,611.15**

**Void Checks**

Bank code: botw	Bank code: efbotw
<u>Check #</u> <u>Date</u>	(none)
92417      5/11/2021	

**WARRANT REGISTER FOR COUNCIL MEETING OF 5/11/2021**

**PART III**

apChkLst  
05/03/2021 2:29:30PM

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	
2080	4/29/2021	00000343	PUBLIC EMPLOYEES RETIREMEN	Ben284466	4/29/2021	PERS RETIREMENT: PAYMENT	243,999.64	243,999.64
		Voucher:						
2081	4/29/2021	00002370	INTERNAL REVENUE SERVICE	Ben284468	4/29/2021	MEDICARE: PAYMENT	193,055.88	193,055.88
		Voucher:						
2082	4/29/2021	00000004	NATIONWIDE RETIREMENT SOLL	Ben284470	4/29/2021	DEF COMP NATIONWIDE: PAYME	53,719.37	53,719.37
		Voucher:						
2083	4/29/2021	00004836	SEIU LOCAL 721 CTW CLC-23900	Ben284472	4/29/2021	SEIU DUES: PAYMENT	3,176.33	3,176.33
		Voucher:						
2084	4/29/2021	00001186	EMPLOYMENT DEVELOPMENT D	Ben284474	4/29/2021	SDI: PAYMENT	67,397.78	67,397.78
		Voucher:						
2085	4/29/2021	00004996	SEIU-COPE LOCAL 721, LA/OC CI	Ben284476	4/29/2021	SEIU- COPE LOCAL 721 DEDUCT	39.00	39.00
		Voucher:						
2086	4/29/2021	00004988	CHILD SUPPORT ON-LINE, STATE	Ben284478	4/29/2021	CHILD SUPPORT-ONLINE: PAYMI	2,195.54	2,195.54
		Voucher:						
<b>Sub total for BANK OF THE WEST:</b>							<b>563,583.54</b>	
<b>Grand Total All Wire Transfers:</b>							<b>563,583.54</b>	

7 wire transfers in this report.

**WARRANT REGISTER FOR COUNCIL MEETING OF 5/11/2021**

**PART IV**

apChkLst  
05/03/2021 4:15:06PM

Final Check List  
CITY OF SOUTH GATE

Page: 1

Bank : efbotw BANK OF THE WEST EFT

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
708	5/11/2021	0012960	RET: TAYLOR, TOM C.	FEB.&MAR.2021	4/13/2021	RI CK #699: ADJ. FEB. 2021 & MA	300.00
	Voucher:			APRIL 2021-RI	4/13/2021	RI CK #699: APRIL 2021- RETIRE	150.00
						<b>Sub total for BANK OF THE WEST EFTs:</b>	450.00
							<b>Grand Total All EFTs:</b>
							450.00

1 EFT in this report.

**WARRANT REGISTER SUMMARY  
CITY COUNCIL MEETING OF 5/11/2021**

<b>TOTAL PART I - PAYROLL-RELATED CHECKS</b>	<b>835.52</b>
<b>TOTAL PART II - ACCOUNTS PAYABLE CHECKS &amp; WIRE TRANSFER</b>	<b>1,754,611.15</b>
<b>TOTAL PART III - PAYROLL-RELATED WIRE TRANSFERS</b>	<b>563,583.54</b>
<b>TOTAL PART IV - ACCOUNTS PAYABLE EFT</b>	<b>450.00</b>
	<hr/>
<b>SUB - TOTAL</b>	<b>2,319,480.21</b>
<b>LESS: VOIDS</b>	<b>(4,596.53)</b>
<b>LESS: EMPLOYEE PAYROLL DEDUCTIONS</b>	<b>(385,449.86)</b>
	<hr/>
<b>GRAND TOTAL</b>	<b>1,929,433.82</b>
	<hr/> <hr/>

