



**CITY OF MONTEBELLO
CITY COUNCIL
REGULAR MEETING**

WEDNESDAY, MAY 14, 2025 AT 6:00 PM

**CITY HALL COUNCIL CHAMBERS
1600 WEST BEVERLY BOULEVARD
MONTEBELLO, CALIFORNIA**

CITY COUNCIL

Salvador Melendez, Mayor
Georgina Tamayo, Mayor Pro Tem
Scarlet Peralta, Councilmember
Ric Alonzo, Councilmember
Danielle Romero, Councilmember

CITY MANAGER

Raul Alvarez

CITY TREASURER

David Matanga

CITY ATTORNEY

Arnold M. Alvarez-Glasman

CITY CLERK

Christopher Jimenez

DEPARTMENT HEADS

Acting Assistant City Manager
Fire Chief
Police Chief
Director of Finance
Director of Human Resources
Director of Planning/Community Development
Director of Public Works
Director of Recreation and Community Services
Director of Transportation

Angelica Palmeros
Fernando Pelaez
Luis Lopez
Michael Solorza
Ramon Figueroa
Joseph Palombi
Cesar Roldan
David Sosnowski
John Soria

NOTICES

This City Council Meeting ("Council") will be held in person and will meet at **City Hall – City Council Chambers, 1600 West Beverly Boulevard, Montebello, California.** The meeting will be live streamed and can be watched on the City's website and YouTube Channel via the following link: <https://www.montebelloca.gov>, and may also be viewed on Spectrum Public Access Channel 3 for all Spectrum cable subscribers.

AMERICANS WITH DISABILITIES ACT: In compliance with the Americans with Disabilities Act (ADA) any person with a disability who requires special accommodations in order to participate in a meeting should contact the Administration Office at (323) 887-1437 Monday-Thursday from 7:30 a.m.-5:30 p.m. Please call 48 hours prior to the meeting to ensure that reasonable arrangements can be made to provide accessibility to this meeting (28 CFR 35.102-35.104 ADA Title II 1203). If you require translation services, please contact the City Clerk's office 72 hours before this meeting. **Si necesita servicios de traducción, comuníquese con la Oficina del Secretario Municipal 72 horas antes de esta reunión.** 如果您需要翻译服务, 请在会议前 72 小时联系市书记员办公室.

RULES OF DECORUM:

Pursuant to Section 54957.95 of the Government Code, the presiding member of the legislative body conducting a meeting, or their designee, is authorized to remove, or cause the removal of, an individual for disrupting the meeting. Any such removal will be preceded by a warning to the disruptive individual by the presiding member of the legislative body or their designee that the individual's behavior is disrupting the meeting and that the individual's failure to promptly cease their disruptive behavior may result in their removal.

PUBLIC COMMENTS:

In-Person: For those interested in participating during the Public Comment period(s) or public testimony period for Public Hearings of the City Council meetings, you may address the City Council ***in person only the day of the meeting.*** Speakers will be required to fill out a speaker card provided at the door and submit it to City Clerk staff prior to each Public Comment announcement period. Staff will number and call each speaker card in the order received. ***Closed Session begins at 6:00 p.m. and Regular Session begins immediately thereafter; if there is no Closed Session, Regular Session will begin at 6:00 p.m.***

AGENDA MATERIALS: The agenda and/or agenda packet are available for public inspection at City's website at: [Agendas, Minutes, and Videos](#),

IN CONSIDERATION OF OTHERS, PLEASE TURN OFF, OR MUTE, ALL CELL PHONES AND PAGERS
THANK YOU FOR YOUR COOPERATION

OPENING CEREMONIES

CALL TO ORDER - 6:00 P.M.

ROLL CALL

ANNOUNCEMENT OF CLOSED SESSION ITEMS

PUBLIC COMMENTS ON CLOSED SESSION ITEMS

At this time, the public may submit a speaker card to the City Clerk staff for Closed Session items, prior to the beginning of this statement. Speakers will be called in the order received. Please be aware that the maximum time allotted for members of the public to speak on Closed Session items shall not exceed three (3) minutes per person. State Law prohibits the City Council from taking action or entertaining extended discussion on a topic not listed on the agenda. Please show courtesy to others and direct all of your comments to the Mayor and City Council.

CLOSED SESSION

The City Attorney shall provide a briefing on the item listed for Closed Session as follows:

1. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
Government Code Section 54956.9(d)(1)
Lilian Tostado v. City of Montebello et. al.
Los Angeles County Superior Court Case No. 22STCV12953
2. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
Government Code Section 54956.9(d)(1)
C. Sanchez v. City of Montebello
Case No. ADJ14896913
3. **CONFERENCE WITH LABOR NEGOTIATORS**
Government Code Section 54957.6
Agency Negotiator: Raul Alvarez
Labor Groups: MFA, MFMA, MCEA, MMMA, MSA, MMPA, MEMA, SMART-TD
4. **PUBLIC EMPLOYEE DISCIPLINE, DISMISSAL, RELEASE**
Government Code Section 54957
One matter to review on appeal from a decision of the Civil Service Commission

REGULAR SESSION - IMMEDIATELY FOLLOWING CLOSED SESSION

CLOSED SESSION REPORT

INVOCATION

PLEDGE OF ALLEGIANCE

CORRECTIONS TO THE AGENDA - CITY MANAGER

CEREMONIAL ITEMS/PRESENTATIONS

5. PROCLAMATION FOR NATIONAL MILITARY APPRECIATION MONTH
6. PROCLAMATION FOR PUBLIC WORKS WEEK
7. CERTIFICATE OF RECOGNITION FOR RETIRED FIRE CAPTAIN FRANK OSORIO
8. PROCLAMATION FOR NATIONAL POPPY DAY
9. MONTEBELLO DOG PARK UPDATE

PUBLIC COMMENTS ON NON-AGENDA ITEMS (30 MINUTES)

At this time, the public may submit speaker card(s) to the City Clerk staff, for both agenda and non-agenda items, prior to the beginning of this statement; Public Hearing items do not require a speaker card.

The City Council will address non-agenda items during this section and speakers will be called in the order received. Those persons not accommodated during this 30-minute period will have an opportunity to speak under "Public Comments – Continued", after all scheduled matters have been considered. **Public Hearing, Regular Business and/or Consent Calendar items will be addressed at the time that matter of business is heard, in the order received.**

Please be aware that the maximum time allotted for members of the public to speak shall not exceed three (3) minutes per speaker. State Law prohibits the City Council from taking action or entertaining extended discussion on a topic not listed on the agenda. Please show courtesy to others and direct all of your comments to the Mayor and City Council.

STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST

PUBLIC HEARING

10. **PUBLIC HEARING TO ADOPT RESOLUTION NO. 25-28 APPROVING AND ADOPTING THE CITY OF MONTEBELLO'S COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND THE HOME INVESTMENT PARTNERSHIP (HOME) PROGRAM FIVE-YEAR 2025-2029 CONSOLIDATED PLAN, THE 2025-2026 ANNUAL ACTION PLAN, THE CITIZEN PARTICIPATION PLAN AND HOME POLICIES AND PROCEDURES MANUAL**

RECOMMENDATION: It is recommended that the City Council:

1. Conduct a Public Hearing; and
2. Adopt Resolution No. 25-28 approving and adopting the City of Montebello's Community Development Block Grant Program (CDBG) and the HOME Investment Partnership Program (HOME) Five-Year Consolidated Plan, Annual Action Plan, Citizen Participation Plan, and the HOME Policies and Procedures Manual; and
3. Take such additional, related action that may be desirable.

REGULAR BUSINESS

11. **ADOPT RESOLUTION NO. 25-29 FOR THE INSTALLATION OF AN ALL-WAY STOP AT THE INTERSECTION OF 3RD STREET AND LOS ANGELES AVENUE**

RECOMMENDATION: It is recommended that the City Council:

1. Adopt Resolution No. 25-29 (Attachment A) approving the installation of an all-way stop at the intersection of 3rd Street and Los Angeles Avenue; and,
2. Approve Environmental Assessment pursuant to 14 California Code of Regulations § 15301 as a Class 1 categorical exemption under the California Environmental Quality Act; and
3. Authorize the Public Works Department to place the appropriate pavement markings, advance warning signs and appropriate signage in accordance with the California Manual on Traffic Control Devices. and,
4. Take such additional, related action that may be desirable.

12. AWARD PROFESSIONAL SERVICES AGREEMENT NO. 4313 FOR FINAL DESIGN OF STORM DRAIN IMPROVEMENTS ON 4TH STREET, FROM BEACH STREET TO MINES AVENUE

RECOMMENDATION: It is recommended that the City Council:

1. Find that it would be impractical, useless, or uneconomical in this project to follow the bidding procedures, and that the welfare of the public would be promoted by dispensing said procedures.
2. By a four-fifth vote of the City Council, staff recommend authorizing the dispensing of a formal request for proposal (RFP) procedure and award a professional services agreement for the design of a storm drain system on 4th Street between Beach Street and Mines Avenue, in accordance with Montebello Municipal Code Chapter 3.21.025(C); and,
3. Due to the consultant's familiarity, experience, intimate knowledge, and dealings with the Los Angeles County Department of Public Works and Flood Control District, award Professional Services Agreement No. 4313 to West & Associates Engineering, Inc. for the amount of \$114,800 payable from Gas Tax funds in Account No. 200-30-330-6040.96 (Gas Tax, Public Works, Engineering, Contract Services Engineering Design Services); and,
4. Authorize the City Manager to execute the professional services agreement in good faith;
5. Take such additional, related action that may be desirable.

13. AWARD CONSTRUCTION AGREEMENT NO. 4311 FOR THE PAVING THE WAY PROGRAM MONTEBELLO BOULEVARD FROM LOS ANGELES AVENUE TO LINCOLN BOULEVARD (CP 888)

RECOMMENDATION: It is recommended that the City Council:

1. Award a Construction Agreement to Toro Enterprises, Inc. for the Paving the Way Program Montebello Boulevard from Los Angeles Avenue to Lincoln Boulevard (CP 888) as the most responsive, responsible bidder in the amount of Three Million, Two-Hundred Ninety-Eight Thousand, Seven Hundred Five Dollars (\$3,298,705) payable from Paving the Way — Proposition C funds; and
2. Approve a 15% construction contingency of \$494,806 payable from Paving the Way – Proposition C funds; and
3. Authorize the City Clerk's Office to release all-other bidders' bonds; and
4. Authorize the City Manager to execute the Construction Agreement (attached hereto in substantial form) and all applicable change orders in good faith; and
5. Take such additional, related action that may be desirable.

CONSENT CALENDAR

All matters listed under the Consent Calendar are considered to be routine. Any items a member wishes to discuss, including any items the public submitted speaker cards for, should be designated at this time. All other items may be approved in a single motion. Such approval will also waive the reading of any Ordinance.

14. APPROVE AGREEMENT NO. 4301 WITH BRIAN D. HEINZ (DBA HEINZ LABORATORIES) FOR HAZARDOUS MATERIALS (HAZMAT) TRAINING OF FIRE SUPPRESSION PERSONNEL

RECOMMENDATION: It is recommended that the City Council:

1. Approve Professional Services Agreement No. 4301 between the City of Montebello and Brian D. Heinz (DBA Heinz Laboratories) for provision of Hazardous Materials Specialist Training of Fire Suppression Personnel; and
2. Amend the Fiscal Year 2024-25 adopted budget to increase appropriations by \$140,000 in Account No. 600-90-915-6040.10 (Transit, Transportation, Corporate Shop, Contract Services-Outside Contracts); and
3. Take such additional, related action that may be desirable.

15. AUTHORIZE SUBMITTING AN APPLICATION FOR THE 2025 AIR QUALITY MANGEMENT DISTRICT (AQMD) CARL MOYER MEMORIAL AIR QUALITY STANDARDS ATTAINMENT GRANT PROGRAM

RECOMMENDATION: It is recommended that the City Council:

1. Authorize submission of a grant application to the South Coast Air Quality Management District (AQMD) Carl Moyer Program for the replacement of fire department apparatus as determined appropriate by the Fire Department during the application process; and
2. Take such additional, related action that may be desirable.

16. AUTHORIZE SUBMITTING AN APPLICATION FOR COUNTY OF LOS ANGELES MEASURE B FUNDING TO PURCHASE FIRE DEPARTMENT EMERGENCY MEDICAL EQUIPMENT

RECOMMENDATION: It is recommended that the City Council:

1. Authorize submission of a funding proposal to the County of Los Angeles for Measure B funding to purchase Automated External Defibrillators (AEDs) and training equipment, or other emergency medical equipment as determined appropriate by the Fire Department during the application process; and
2. Take such additional, related action that may be desirable.

17. ACCEPTANCE OF THE MONTEBELLO DRIVING RANGE PROJECT - TOP GOLF – NOTICE OF COMPLETION

RECOMMENDATION: It is recommended that the City Council:

1. Accept the Top Golf Project as completed by McCarthy Building Companies, Inc.; and,
2. Approve the final contract amount with McCarthy Building Companies, Inc. for the construction of the Top Golf Project in the amount of \$45,268,224; and,
3. Approve the Final Total Project Budget (Attachment A); and,
4. Authorize the City Clerk to execute, verify and file the Notice of Completion (Attachment B) with the Los Angeles County Registrar-Recorder; and,
5. Take such additional, related action that may be desirable.

18. AWARD CONSTRUCTION AGREEMENT NO. 4312 FOR PLAZA DRIVE PAVEMENT REHABILITATION PROJECT (CP 917)

RECOMMENDATION: It is recommended that the City Council:

1. Award a Construction Agreement to All American Asphalt for Plaza Drive Pavement Rehabilitation Project (CP 917) as the most responsive, responsible bidder in the amount of Four Hundred Fourteen Thousand, Nine Hundred Fifty-One Dollars (\$414,951) payable from Proposition C funds; and
2. Approve a 10% construction contingency of \$41,495 payable from Proposition C funds; and
3. Authorize the City Clerk's Office to release all-other bidders' bonds; and
4. Authorize the City Manager to execute the Construction Agreement (attached hereto in substantial form) and all applicable change orders in good faith; and
5. Take such additional, related action that may be desirable.

19. ADOPT RESOLUTION NO. 25-30 APPROVING THE ENGINEER'S REPORT FOR THE FISCAL YEAR 2025-26 ANNUAL NATASHA LANE LANDSCAPE ASSESSMENT DISTRICT NO. 2005-1 AND SETTING A DATE FOR THE PUBLIC HEARING

RECOMMENDATION: It is recommended that the City Council:

1. Adopt Resolution No. 25-30 (Attachment A) approving the Fiscal Year 2025-26 Engineer's Report (Attachment B) for the Annual Natasha Lane Landscape Assessment District No. 2005-1, setting a date for the Public Hearing for the regular meeting scheduled for June 25, 2025 at 6:00 pm; and,
2. Take such additional, related action that may be desirable.

20. ADOPT RESOLUTION 25-31 APPROVING THE ENGINEER'S REPORT FOR THE FISCAL YEAR 2025-26 ANNUAL NATASHA LANE SEWER AND STORM WATER PUMP STATION ASSESSMENT DISTRICT NO. 2005-2 AND SETTING A DATE FOR THE PUBLIC HEARING

RECOMMENDATION: It is recommended that the City Council:

1. Adopt Resolution No. 25-31 (Attachment A) approving the Fiscal Year 2025-26 Engineer's Report (Attachment B) for the Annual Natasha Lane Sewer and Storm Water Pump Station Assessment District No. 2005-2, setting a date for the Public Hearing for the regular meeting scheduled on June 25, 2025, at 6:00 pm; and,
2. Review the draft engineer's report and comment prior to acceptance; and,
3. Take such additional, related action that may be desirable.

21. APPROVE ISSUING A REQUEST FOR QUOTATIONS FOR EQUIPMENT, HARDWARE, TOOLS, AND RELATED MATERIALS; AUTOMOTIVE SUPPLIES; RENTAL EQUIPMENT; SIGNAGE AND TRAFFIC SUPPLIES; ASPHALT SUPPLIES AND DELIVERY

RECOMMENDATION: It is recommended that the City Council:

1. Approve issuing a Request for Quotations ("RFQ") for Equipment, Hardware, Tools, and Related Materials; and,
2. Approve issuing a Request for Quotations ("RFQ") for Automotive Supplies; and,
3. Approve issuing a Request for Quotations ("RFQ") for Rental Equipment; and,
4. Approve issuing a Request for Quotations ("RFQ") for Signage and Traffic Supplies; and,
5. Approve issuing a Request for Quotations ("RFQ") for Asphalt Supplies and Delivery; and,
6. Take such additional, related action that may be desirable.

22. APPROVE ISSUING REQUEST FOR PROPOSALS (RFP) NO. 25-10 FOR CITYWIDE HVAC MAINTENANCE AND REPAIR SERVICES

RECOMMENDATION: It is recommended that the City Council:

1. Authorize issuing a Request for Proposals (RFP) No. 25-10 for citywide HVAC maintenance and repair services; and
2. Take such additional, related action that may be desirable.

23. APPROVE AMENDMENT NO. 1 TO AGREEMENT NO. 4175 WITH YUNEX LLC TO INCREASE THE NOT-TO-EXCEED AMOUNT IN YEAR 2 OF THE AGREEMENT BY \$90,000

RECOMMENDATION: It is recommended that the City Council:

1. Approve Amendment No. 1 to Agreement No. 4175 between the City of Montebello and Yunex LLC to increase the not-to-exceed amount of Year 2 of the Agreement by \$90,000; and,
2. Amend the Fiscal Year 2024-25 budget by increasing appropriations by \$90,000 in Account No. 200-99-6040.50 (Gas Tax, Non-Departmental, Contract Services Street Maintenance); and,
3. Authorize the City Manager to execute the Amendment on behalf of the City; and,
4. Take such additional, related action that may be desirable.

24. TREASURER'S REPORT FOR THE QUARTER ENDING MARCH 31, 2025

RECOMMENDATION: It is recommended that the City Council:

1. Receive and file the Quarterly Treasurer's Report for the quarter ending March 31, 2025 (Third Quarter of Fiscal Year 2024-25); and,
2. Take such additional, related action that may be desirable.

25. APPROVE AMENDMENT NO. 1 TO AGREEMENT NO. 4040 WITH UNIVERSAL PROTECTION SERVICES, LP TO PROVIDE UNARMED TRANSIT SECURITY GUARD SERVICES

RECOMMENDATION: It is recommended that the City Council:

1. Approve Amendment No. 1 to Agreement No. 4040 with Universal Protection Service, LP dba Allied Universal Security Services, for an additional two-year (2-year) term through June 30, 2027, increasing

the not-to-exceed amount by nine hundred twenty-four thousand, three hundred sixty-four dollars (\$924,364) to provide Unarmed Transit Security Guard Services; and

2. Authorize the City Manager and/or his designee to execute Amendment No. 1 on behalf of the City of Montebello; and
3. Take such additional, related, action that may be desirable

26. REJECT ALL PROPOSALS RECEIVED IN RESPONSE TO REQUEST FOR PROPOSALS (RFP) NO. 25-03 FOR CITYWIDE VEHICLE BODY REPAIR AND PAINTING SERVICES

RECOMMENDATION: It is recommended that the City Council

1. Reject all proposals received in response to Request for Proposals (RFP) No. 25-03 for citywide vehicle body repair and painting services in accordance with the City of Montebello Municipal Code Section 3.20.080; and
2. Authorize staff to re-issue a Request for Proposals for similar services at a future date if so desired; and,
3. Take such additional, related, action that may be desirable.

27. APPROVE AMENDMENT NO. 6 TO AGREEMENT NO. 3733 WITH LPM CONSULTING INC., TO PROVIDE MONITORING AND OVERSIGHT CONSULTING SERVICES FOR MONTEBELLO BUS LINES' SUBSTANCE ABUSE PROGRAM

RECOMMENDATION: It is recommended that the City Council

1. Approve Amendment No. 6 to Agreement No. 3733 with LPM Consulting Inc. to provide monitoring and oversight consulting services for Montebello Bus Lines' (MBL) Substance Abuse Program; and
2. Authorize the City Manager to execute Amendment No. 6 on behalf of the City of Montebello; and
3. Take such additional, related, action that may be desirable.

28. APPROVE THE CITY OF MONTEBELLO DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM

RECOMMENDATION: It is recommended that the City Council

1. Approve the City of Montebello Disadvantaged Business Enterprise (DBE) Program; and
2. Take such additional, related action that may be desirable.

29. AWARD AGREEMENT NO. 4280 TO PALADIN TECHNOLOGIES FOR THE PURCHASE AND INSTALLATION OF A SECURITY AND SURVEILLANCE CAMERA SYSTEM FOR THE TRANSPORTATION DEPARTMENT

RECOMMENDATION: It is recommended that the City Council:

1. Award Agreement No. 4280 with Paladin Technologies (Paladin), for a one-year (1-year) term, to purchase and install a security and surveillance camera system for the Transportation Department, for a total not-to-exceed amount of \$545,850; and
2. Amend the Fiscal Year 2024-25 adopted operating budget to increase appropriations by \$136,472 in Account No. 600-90-915-6040.95 (Transit, Administration, Corporate Shop, Contract Services - Other Professional Services); and
3. Authorize the City Manager to approve change orders up to an additional ten percent (10%) or \$54,585 of the total agreement amount; and
4. Take such additional, related, action that may be desirable.

30. APPROVE PURCHASE TWO (2) LOW-EMISSIONS VEHICLES FOR THE PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT UTILIZING SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT (AQMD) FUNDING

RECOMMENDATION: It is recommended that the City Council:

1. Approve the purchase of two (2) vehicles for the Planning and Community Development Department, including one (1) vehicle for the Code Enforcement Division and one (1) vehicle for the Building and Safety Division, using South Coast Air Quality Management District (AQMD) funds; and
2. Declare that the purchase of these vehicles is exempt from Montebello Municipal Code Section 3.20.080 since the acquisition of these vehicles would be impractical and uneconomic to procure through the standard bidding process to maintain the public safety for the proper operation of the City's Code Enforcement and Building and Safety divisions; and
3. Authorize the City Manager to execute all necessary documents related to the purchase of two vehicles using AQMD funding (Account No. 245-99-6082) to fully cover the purchase of vehicles in an amount not-to-exceed \$120,000; and
4. Declare the vehicles to be replaced as surplus and authorize the City Manager to dispose of them as per the City's Municipal Code and related administrative policies; and
5. Take such additional, related action that may be desirable.

31. AUTHORIZE INCREASING THE BLANKET PURCHASE ORDER WITH DELL MARKETING LP IN THE AMOUNT OF \$100,000 TO PURCHASE COMPUTER TECHNOLOGY EQUIPMENT FOR FISCAL YEAR 2024-25.

RECOMMENDATION: It is recommended that the City Council:

1. It is recommended that the City Council increase the blanket purchase order amount to \$100,000 for Dell Marketing LP for information technology-related purchases for Fiscal Year 2024-25; and,
2. Take such additional, related action that may be desirable.

32. APPROVE PURCHASE OF NON-REVENUE SUPPORT VEHICLES FOR THE TRANSIT DEPARTMENT FROM MONTEBELLO AUTO GROUP LLC AND FORD OF MONTEBELLO, INC.

RECOMMENDATION: It is recommended that the City Council:

1. Approve establishing a Purchase Order (PO) with the Montebello Auto Group LLC (Montebello Chevrolet), for a total not-to-exceed amount of \$273,540, to purchase eight (8) non-revenue support vehicles; and
2. Approve establishing a Purchase Order (PO) with Ford of Montebello, Inc. (Montebello Ford), for a total not-to-exceed amount of \$155,192, to purchase three (3) non-revenue support vehicles; and
3. Authorize the City Manager and/or his designee to approve change orders up to ten percent (10%) for each PO; and
4. Amend the Fiscal Year 2024-25 adopted operating budget to increase appropriations by \$471,605 in Account No. 600-90-900-6082 (Transit – Administration – Vehicle Purchase); and
5. Authorize the disposal of vehicles per the City's surplus property policy; and
6. Take such additional, related, action that may be desirable.

33. APPROVE PURCHASE OF NON-REVENUE SUPPORT VEHICLES FOR THE TRANSIT DEPARTMENT FROM FLEET VEHICLE SOURCE, INC

RECOMMENDATION: It is recommended that the City Council:

1. Approve establishing a Purchase Order (PO) with Fleet Vehicle Source, Inc. (Fleet Source), for a total not-to-exceed amount of \$250,960, to purchase nine (9) non-revenue relief vehicles; and
2. Authorize the City Manager and/or his designee to approve change orders up to ten percent (10%) of the PO; and
3. Authorize the disposal of vehicles per the City's surplus property policy; and
4. Take such additional, related, action that may be desirable.

34. WAIVE THE SECOND READING AND ADOPTION OF ORDINANCE NO. 2482 ADDING CHAPTER 12.27 - "PUBLIC DOG PARK FACILITIES" - AND AMENDING CHAPTER 12.24 - "CONDUCT IN PUBLIC PARKS" - OF TITLE 12 OF THE MONTEBELLO MUNICIPAL CODE

RECOMMENDATION: It is recommended that the City Council:

1. Waive the Second Reading and adopt Ordinance No. 2482 (Attachment A) to add Chapter 12.27 ("Public Dog Park Facilities") to Title 12 ("Streets, Sidewalks and Public Places") and amend Chapter 12.24 ("Conduct in Public Parks") of the Montebello Municipal Code; and,
2. Take such additional, related action that may be desirable.

35. PAYMENT OF BILLS: ADOPT RESOLUTION NO. 25-27 APPROVING THE CITY WARRANT REGISTER OF DEMANDS DATED MAY 14, 2025

RECOMMENDATION: It is recommended that the City Council:

1. Adopt Resolution No. 25-27 approving the Warrant Register dated May 14, 2025.

PUBLIC COMMENTS - CONTINUED

AB 1234 TRAVEL REPORTS

Members will provide a brief report on meetings attended at the expense of the local agency as required by Government Code Section 53232.3(d).

COUNCIL/AGENCY ORALS

Announcements and requests for future agenda items.

- Ric Alonzo, Councilmember
- Danielle Romero, Councilmember
- Georgina Tamayo, Mayor Pro Tem
- Scarlet Peralta, Councilmember
- Salvador Melendez, Mayor

CLOSED SESSION - CONTINUED

ADJOURNMENT

The City of Montebello will adjourn to the next **Regular Meeting on May 28, 2025, at 6:00 p.m.**, which can be live-streamed at <https://www.montebellocal.gov> (Click on Live Stream).

I, Kimberly Guillen, Senior Deputy City Clerk for the City of Montebello, hereby certify that a copy of this agenda has been posted on or before **Sunday, May 11, 2025, no later than 6:00 p.m.**



Kimberly Guillen, Senior Deputy City Clerk

EXHIBIT - CITY OF MONTEBELLO FORECASTED AGENDA

Please note, the attached exhibit is a draft version that is to be used for reference purposes only; agenda items, information, and dates are subject to change. The exhibit will be placed at the end of the Agenda Packet.

- **CITY OF MONTEBELLO FORECASTED AGENDA**



ITEM # 10

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Joseph Palombi, Director of Planning & Community Development
Rosemary Perich, Housing Manager

SUBJECT: PUBLIC HEARING TO ADOPT RESOLUTION NO. 25-28 APPROVING AND ADOPTING THE CITY OF MONTEBELLO'S COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND THE HOME INVESTMENT PARTNERSHIP (HOME) PROGRAM FIVE-YEAR 2025-2029 CONSOLIDATED PLAN, THE 2025-2026 ANNUAL ACTION PLAN, THE CITIZEN PARTICIPATION PLAN AND HOME POLICIES AND PROCEDURES MANUAL

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Conduct a Public Hearing; and
2. Adopt Resolution No. 25-28 approving and adopting the City of Montebello's Community Development Block Grant Program (CDBG) and the HOME Investment Partnership Program (HOME) Five-Year Consolidated Plan, Annual Action Plan, Citizen Participation Plan, and the HOME Policies and Procedures Manual; and
3. Take such additional, related action that may be desirable.

FISCAL IMPACT:

The U.S. Department of Housing and Urban Development ("HUD") has not yet announced allocations for local jurisdictions for Federal Fiscal Year 2025-26. However, it is anticipated that the City of Montebello will receive approximately \$3 million in Community Development Block Grant ("CDBG") entitlement funds, and approximately \$1 in HOME entitlement funds, from HUD for FY 2025-2029. In addition, \$1,872 in CDBG program income, \$622,548 in HOME program income, and \$1,122,169 from prior-year

HOME allocations are available. The CDBG and HOME activities, along with associated administrative costs, will be appropriated in the FY 2025-26 budget.

BACKGROUND/DISCUSSION:

The City of Montebello is considered an entitlement jurisdiction and receives an annual allocation from the U.S. Department of Housing and Urban Development (HUD) for the operations of its CDBG and HOME programs. The funding is determined by a formula calculated by HUD based on population, age of the city, poverty levels, etc. The City's allocation can vary from year to year, causing funding to increase or decrease in various programs.

As a recipient of the federal funds, the City is required to submit a five-year Consolidated Plan, an Annual Action Plan, and monitor its progress, outcomes, and expenditures through the Consolidated Annual Performance and Evaluation Report ("CAPER").

As presented at the January 8, 2025, meeting, the purpose of the ConPlan is to identify the City's housing and community development needs, priorities, goals, and strategies and to stipulate how funds will be allocated to housing and community development activities over the next five (5) years. The CDBG Program provides Federal funds for local improvement projects and programs. Activities assisted with CDBG funds must meet one of the three (3) national objectives:

1. Benefit low and moderate-income persons; or
2. Aid in the elimination of slums and blight; or
3. Meet a particular urgent community need because existing conditions pose a serious threat, and no other source of funds is available. This national objective is rare and is designated only for activities that alleviate emergency conditions, e.g., fire, flood, earthquake.

The HOME program provides formula grants, often in partnership with local nonprofit groups, to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing or providing direct rental assistance to low-income persons. HOME is the largest Federal Block Grant to State and Local Governments designed exclusively to create affordable housing for low-income households.

In addition to the ConPlan, HUD requires public input on amendments to the City's Citizen Participation Plan and public input on the Annual Action Plan.

On February 26, 2025, the Office of the Secretary of the U.S. Department of Housing and Urban Development (HUD) formally announced the termination of the Affirmatively Furthering Fair Housing Rule. Consequently, the city is no longer required to perform an Analysis of Impediments to Fair Housing Choice, as was previously mandated.

HUD regulations 24 CFR 92.500 and 24 CFR 570 require that entitlement jurisdictions

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 3 of 6

certify to HUD that they have adopted local policies and procedures concerning the administration of the HOME and CDBG Programs. HUD requires implementation of comprehensive written policies and procedures which provide internal controls and uniform guidance for these federal programs. A recent HUD audit required that the city develop a comprehensive cost accounting and finance policy and procedure.

ENVIRONMENTAL:

The California Environmental Quality Act (CEQA), outlined in Section 2100 et seq. of the California Public Resources Code, mandates the analysis of agency approvals for discretionary "projects." According to CEQA, a "project" is defined as "the whole of an action, which has the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment" (State CEQA Guidelines Section 15378). The proposed Project qualifies as a project under CEQA.

Staff have evaluated the Project to determine the necessary level of review under CEQA and has concluded that the proposed Project is exempt from CEQA under State CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption). This section states that the commonsense exemption applies to activities where CEQA only pertains to projects that could potentially cause a significant effect on the environment. If it can be determined with certainty that the activity will not result in a significant environmental effect, then it is not subject to CEQA review. However, it is important to note that specific projects or programs eligible for funding under the proposed Project may still require environmental review prior to implementation.

ANALYSIS:

The Consolidated Plan is a HUD-required plan assessing affordable housing and community development needs for the next five-year (2025-2029 period). The ConPlan determines how funds from HUD will be used. The following tables show the proposed 2025-2029 Con Plan goals for the city:

Proposed Montebello

2025-2029 Goals

Goal Name	Category	Geographic Area	Needs Addressed
Housing	Affordable Housing	Citywide	Provide Decent Housing
Public Services	Other: Public Services	Citywide	Provide Vital Public Services
Economic Development	Other: Economic Development	Eligible Low- and Moderate-Income Block	Create Economic Development Opportunities

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 4 of 6

		Groups, Citywide	
Public Facilities and Infrastructure Improvement	Other: Public Facilities and Infrastructure Improvements	Citywide	Rehabilitation of Public Facilities and Infrastructure Improvements
Fair Housing	Other: Fair Housing	Citywide	Expand Fair Housing Choice/Access
Planning and administration	Other: Planning and Administration of the CDBG and HOME programs	Citywide	Planning and Administration

The Annual Action Plan is submitted to HUD on an annual basis and identifies how the city plans to use the Federal money during the next fiscal year to meet the goals and objectives approved by the City Council in the Five-Year Consolidated Plan.

CDBG FY 2025-2026

\$614,925	CDBG Allocation
\$1,872	Program Income
<u>(\$122,985)</u>	Administration CAP (up to 20% of Allocation)
\$493,812	Available for Programming

HOME FY 2025-2026

\$202,734	HOME Allocation
\$622,548	Program Income
\$1,122,169	Prior Year Available Resource
<u>(\$194,746)</u>	Administration CAP (10% of Allocation)
\$1,752,707	Available for Programming

Proposed Project Name	Funding	Proposed FY 2025- 2026
CDBG Program Administration	CDBG Admin	\$ 102,985
Housing Rights Center	CDBG Admin	\$ 20,000

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 5 of 6

Section 108 - Loan Payment	CDBG	\$ 84,136
Hearts of Compassion (HOC)	CDBG	\$ 52,500
Youth Employment Program (YEP)	CDBG	\$ 40,000
Fire Emergency Response Vehicle	CDBG	\$ 317,176
HOME Program Administration	HOME Admin	\$194,745.
Housing Rehabilitation Grant Program	HOME	\$1,052,707
CHDO - Acquisition and New Construction	HOME	\$700,000

The Citizen Participation Plan outlines the process when conducting program planning and reporting for the CDBG and HOME programs. The Citizen Participation Plan (CPP) sets forth policies and procedures to encourage citizen involvement and provides an opportunity for non-profit service agencies and the community to work in partnership with the City to identify needs and allocate CDBG and HOME funds. The proposed CPP incorporates the following language:

- **Removed the Analysis of Impediments to Fair Housing Choice Section.** As mentioned above, on February 26, 2025, the Office of the Secretary of the U.S. Department of Housing and Urban Development (HUD) formally announced the termination of the Affirmatively Furthering Fair Housing Rule. Consequently, the city is no longer required to perform an Analysis of Impediments to Fair Housing Choice, as was previously mandated.
- **Added a section addressing access to records.** The citizen participation plan must require the jurisdiction to provide residents of the community, public agencies, and other interested parties with reasonable and timely access to information and records relating to the jurisdiction's consolidated plan and use of assistance under the programs covered by this part during the preceding 5 years.
- **Added a section addressing the use of citizen participation plan.** The jurisdiction must follow its citizen participation plan.

HOME Investment Partnerships Program Policies and Procedures Manual ensures that program funds are expended and provides benefit to low-income eligible recipients and comply with the national objectives, where applicable. The HOME Program Policies and Procedures Manual has been updated to include the following:

- The Policies and Procedures have been revised to include a section specifically dedicated to the homebuyer assistance program. This section offers additional guidance to staff regarding the adherence to the requirements for committing HOME funds.
- The Policies and Procedures have been updated to ensure that an underwriting and subsidy layering review is conducted prior to the commitment of HOME funds, and that underwriting is modified in response to any alterations that may arise in the project budget.
- The Policies and Procedures have been amended to affirm the City's responsibility and direct oversight of all relevant projects managed by the City, or through a subrecipient, developer, or Community Housing Development Organization (CHDO), to ensure compliance with procurement regulations. Furthermore, all procurement documentation related to third-party projects should be preserved by the City both during the project timeline and particularly upon completion.
- The Policies and Procedures have been revised to incorporate the requirements of the HOME Rehabilitation Grant Program, replacing the previous HOME loan program.
- The Policies and Procedures have been revised to include guidance for the "Buy America Preference" (BAP) imposed by the Build America, Buy America Act (BABA) enacted under Division G, Title IX of the Infrastructure Investment and Jobs Act (IIJA, Pub. L. No. 117-58) was signed into law on November 15, 2021. The Build America, Buy America Act (BABA) requires that all iron and steel, construction materials, and manufactured products used in federally-funded infrastructure projects are produced in the United States.

SUMMARY:

The City Council is requested to conduct a public hearing to receive input from the public and to adopt the Five-Year Consolidated Plan, the Annual Action Plan, and the Citizen Participation Plan. Following City Council adoption, all plans will be submitted to HUD.

ATTACHMENT(S)

1. Attachment A Proposed Resolution
2. Attachment B-Five-Year Consolidated Plan with Annual Action Plan with Appendixes
3. Attachment C-Citizen Participation Plan
4. Attachment D- HOME Investment Partnership Program Policies and Procedures Manual
5. Attachment E- Proof of Publication

RESOLUTION NO. 25-28

A RESOLUTION TO THE CITY COUNCIL OF THE CITY OF MONTEBELLO, APPROVING THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM AND HOME INVESTMENT PARTNERSHIP PROGRAM FIVE-YEAR CONSOLIDATED PLAN 2020-2025, FISCAL YEAR 2025-2026 ANNUAL ACTION PLAN, CITIZEN PARTICIPATION PLAN AND POLICY AND PROCEDURES MANUAL FOR HOME INVESTMENT PARTNERSHIP PROGRAM, AND AUTHORIZING THE CITY MANAGER, OR DESIGNEE, TO SUBMIT TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

RECITALS

WHEREAS, the City of Montebello ("City") participates in the U.S. Department of Housing and Urban Development's ("HUD") Consolidated Plan Process and receives Community Development Block Grant ("CDBG"), and Home Investment Partnership ("HOME"), funds. Agencies that receive funds from HUD are required to prepare and submit a Five-Year Consolidated Plan and an Annual Action Plan; and

WHEREAS, the City wishes to receive HUD funds to provide decent housing, a suitable living environment, and economic opportunities to develop a viable urban community for low to moderate income households; and

WHEREAS, the City has developed a Consolidated Plan, including an Annual Action Plan, and Citizen Participation Plan, and has satisfactorily followed HUD requirements for the creation of each.

WHEREAS, On February 26, 2025, the Office of the Secretary of the U.S. Department of Housing and Urban Development (HUD) formally announced the termination of the Affirmatively Furthering Fair Housing Rule. Consequently, the city is no longer required to perform an Analysis of Impediments to Fair Housing Choice, as was previously mandated.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MONTEBELLO DOES HEREBY FIND, DETERMINE, AND 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 hereby find that adoption of the Five-Year Consolidated Plan 2025-2029 and 2025-2026 Annual Action Plan, the Citizen Participation Plan, and the Policy and Procedures Manual for the HOME Investment Partnership Program is a "project" under the California Environmental Quality Act (CEQA), however it qualifies for an exemption under CEQA Guidelines Section 15061(b)(3), which exempts activities under the common sense rule that CEQA only

RESOLUTION NO. 25-28

Page 1 of 3

applies to projects that have the potential for causing a significant effect on the environment. Pursuant to 14 California Code of Regulations, Sec. 15061(b)(3) the City Council finds that the adoption of the above documents is regulatory in nature and it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, and therefore the activity is not subject to CEQA. The specific program projects proposed under this project may nevertheless be subject to environmental review prior to implementation at a later time.

SECTION 3. The City Council hereby approves the Five-Year Consolidated Plan 2025-2029 and 2025-2026 Annual Action Plan, the Citizen Participation Plan, and the Policy and Procedures Manual for the HOME Investment Partnership Program.

SECTION 4. The adoption of this Resolution will serve as approval of the Five- Year Consolidated Plan 2025-2029, 2025-2026 Annual Action Plan, the Citizen Participation Plan, and the Policy and Procedures Manual for the HOME Investment Partnership Program.

SECTION 5. The City Manager, and/or his designee, is authorized to take reasonable action needed to implement this Resolution, including submittal of the HOME Investment Partnerships Program and Community Development Block Grant Program to the applicable federal and state agencies.

SECTION 6. If any part of this Resolution or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Resolution are severable.

SECTION 7. The City Manager and/or his designee are hereby directed to file a copy of said Consolidated Plan, Annual Action Plan, and the Citizen Participation Plan with HUD.

SECTION 8. The City Manager is hereby authorized to enter into agreements with eligible sub-recipients, in a form acceptable to the City Attorney.

SECTION 9. The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

[Signatures on the following page.]

APPROVED AND ADOPTED THIS 14TH DAY OF MAY 2025.

Salvador Melendez, Mayor

ATTEST:

APPROVED AS TO FORM:

Christopher Jimenez, City Clerk

Arnold M. Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 25-28 was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 14th day of May 2025 and that said Resolution was adopted by the following vote, to-wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____

Christopher Jimenez, City Clerk



MONTEBELLO

LOS ANGELES COUNTY

2025-2029 CONSOLIDATED PLAN AND 2025-2026 ANNUAL ACTION PLAN

DRAFT APRIL 14, 2025 -MAY 14, 2025

PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT

HOUSING DIVISION

Table of Contents

Executive Summary.....	3
ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)	3
The Process	8
PR-05 Lead & Responsible Agencies 24 CFR 91.200(b).....	8
PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.215(l) and 91.315(l).....	9
PR-15 Citizen Participation – 91.105, 91.115, 91.200(c) and 91.300(c)	14
Needs Assessment	16
NA-05 Overview	16
NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)	17
NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)	34
NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)	37
NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2).....	40
NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)	41
NA-35 Public Housing – 91.205(b)	42
NA-40 Homeless Needs Assessment – 91.205(c).....	51
NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d).....	57
NA-50 Non-Housing Community Development Needs – 91.215 (f)	60
Housing Market Analysis.....	62
MA-05 Overview	62
MA-10 Number of Housing Units – 91.210(a)&(b)(2).....	64
MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)	72
MA-20 Housing Market Analysis: Condition of Housing – 91.210(a).....	77
MA-25 Public and Assisted Housing – 91.210(b)	84
MA-30 Homeless Facilities and Services – 91.210(c)	89
MA-35 Special Needs Facilities and Services – 91.210(d)	93

MA-40 Barriers to Affordable Housing – 91.210(e)	97
MA-45 Non-Housing Community Development Assets – 91.215 (f)	98
MA-50 Needs and Market Analysis Discussion	109
MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)	116
MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)	120
Strategic Plan	123
SP-05 Overview	123
SP-10 Geographic Priorities – 91.215 (a)(1)	124
SP-25 Priority Needs - 91.215(a)(2)	129
SP-50 Public Housing Accessibility and Involvement – 91.215(c)	148
SP-55 Barriers to affordable housing – 91.215(h)	149
SP-60 Homelessness Strategy – 91.215(d)	151
SP-65 Lead based paint Hazards – 91.215(i)	155
SP-70 Anti-Poverty Strategy – 91.215(j)	156
SP-80 Monitoring – 91.230	157
Expected Resources	158
AP-15 Expected Resources – 91.220(c)(1,2)	158
Annual Goals and Objectives	162
Projects	165
AP-35 Projects – 91.220(d)	165
AP-38 Project Summary	166
AP-50 Geographic Distribution – 91.220(f)	171
Affordable Housing	172
AP-55 Affordable Housing – 91.220(g)	172
AP-60 Public Housing – 91.220(h)	174
AP-65 Homeless and Other Special Needs Activities – 91.220(i)	175

AP-75 Barriers to affordable housing – 91.220(j)	179
AP-85 Other Actions – 91.220(k)	181
Program Specific Requirements.....	184

DRAFT

Executive Summary

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

1. Introduction

In 1994, the U.S. Department of Housing and Urban Development (HUD) introduced new regulations that streamlined the planning, application, reporting, and public engagement processes for the Community Development Block Grants (CDBG) and HOME Investment Partnership (HOME). This newly unified planning procedure aimed to more effectively achieve three fundamental objectives: to ensure adequate housing, to create a suitable living environment, and to enhance economic opportunities. This initiative was named the Consolidated Plan for Housing and Community Development.

According to HUD, the Consolidated Plan is meant to be a cooperative effort in which a community formulates a cohesive vision for housing and community development initiatives. It provides entitlement communities with the chance to mold these housing and community development programs into efficient, coordinated strategies for neighborhood and community advancement. Additionally, it facilitates strategic planning and public engagement in a more holistic manner, thereby minimizing redundancy in efforts.

As the primary agency responsible for the Consolidated Plan, the City of Montebello adheres to HUD's standards for community and citizen engagement. Moreover, it takes on the responsibility of managing the citizen participation obligations that are part of the Consolidated Plan.

The City of Montebello has developed this Consolidated Plan to comply with HUD's guidelines, which is divided into five sections: The Process, Needs Assessment, Market Analysis, Strategic Plan, and Annual Action Plan.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

The objectives of the CDBG program are to ensure quality housing, a suitable living environment for low- and moderate-income residents of the area, and to create economic opportunities for these individuals. The City aims to meet these objectives by maximizing and effectively utilizing all available funding sources to facilitate housing and community development initiatives. These objectives are detailed as follows:

- Ensuring quality housing involves aiding homeless individuals in securing appropriate accommodation and providing support to those at risk of becoming homeless; preserving the existing affordable housing inventory; enhancing the availability of permanent housing that is affordable for low and moderate-income individuals without discrimination; and increasing the number of supportive housing options.
- Creating a suitable living environment includes enhancing the safety and livability of neighborhoods; improving access to quality amenities and services; and decreasing the segregation of income groups within an area by integrating low-income housing opportunities.
- Generating economic opportunities entails creating jobs that are accessible to low- and moderate-income individuals; offering down payment and closing cost assistance for these

individuals; fostering long-term economic and social sustainability; and empowering low-income individuals to attain self-sufficiency.

3. Evaluation of past performance

The City of Montebello has finalized a comprehensive Consolidated Annual Performance and Evaluation Report (CAPER) assessing its historical performance. These reports outline the goals and results specified in each Annual Action Plan and provide an assessment of previous performance by measuring set goals and objectives against actual results. You can access these documents on Montebello's official website at:

https://www.montebellocal.gov/departments/planning_community_development/housing_division

4. Summary of citizen participation process and consultation process

To engage citizens in the development of the Five-Year Consolidated Plan (CP) for 2025-2029 and the accompanying Annual Action Plan for FY 2025-2026, City of Montebello Housing Division staff undertook the following participation and consultation processes:

- **Community Workshop:** The City hosted a workshop to gather input on community needs during the development of this Consolidated Plan. The workshop took place at the City Hall Council Chamber on Tuesday, October 8, 2024, from 4:00 to 5:00 PM.
- **Housing and Community Needs Survey:** The City conducted two surveys, the "2025-2029 Consolidated Plan/2025-2026 Annual Action Plan Community Survey" and the "2025-2029 Consolidated Plan/2025-2026 Annual Action Plan Stakeholder Survey," from October 2024 to December 2024. These surveys asked participants to rank the severity of needs for various housing programs, public services, and community facilities and improvements. A total of 72 residents and 12 stakeholders responded to the surveys.
- **Outreach for the Community/Stakeholder workshops and the Housing and Community Needs Development Survey included:** Notice posted on the City website, Notice posted at Montebello City Hall, Announcements through City social media accounts, and Flyers advertising the Community Workshop and Survey distributed to over 3,000 households.
- **Public Hearing:** A public hearing before the City Council was held on January 8, 2025, to discuss the CDBG program and gather input on community development needs. Another public hearing will take place on May 14, 2025, to adopt the Consolidated Plan and Action Plan.
- **Public Notices:** Notices for the hearings were published in the Whittier Daily News and the San Gabriel Valley Tribune. Proof of publication for all public hearings, meetings, and general outreach efforts is attached.

- **Access to Meetings and Information:** The City of Montebello ensures adequate notification of public hearings and meetings related to the Consolidated Plan by providing advance notice in newspapers of general circulation at least 30 days prior to the meeting date.

- **30-Day Public Review:** A public review period was held from April 14, 2025, through May 14, 2025. Copies of the draft Consolidated Plan and Action Plan were available for public review on the City website, at the Planning and Community Development Department Counter, and at the City Hall Counter. Additionally, the City ensures reasonable access to information and records related to the development of the Plan and the expenditure of resources for CDBG-funded programs by posting all documents on its website and maintaining related files and reports for five years at City Hall. Copies are available for review upon request in person, by telephone, or via email.

- **Consultation:** The City of Montebello consulted with key City departments in the development of the 2025-2026 Consolidated Plan, including City Officials, Planning, and Public Works. Information was also collected from other public agencies, including the Los Angeles Homeless Services Authority (LAHSA), Los Angeles Community Development Authority (LACDA), Cesar Chavez Foundation (CCF), Montebello Housing Development Corporation (MHDC), Housing Rights Center (HRC), Heart of Compassion, YMCA, and The San Gabriel Valley Regional Housing Trust (SGVRHT).

In preparing the needs assessment, the service providers mentioned above were contacted to compile information on community needs. These agencies represent individuals with HIV/AIDS, homeless persons, low-income youth, persons with disabilities, elderly individuals, and those struggling with alcohol or substance abuse issues. They were invited to participate in the Community Workshop and Community Needs Survey.

5. Summary of public comments

All Public comments will be added in this section.

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

Not applicable.

7. Summary

The primary aim of the City for the CDBG program is to establish a thriving community by offering adequate housing, a suitable living environment, and economic prospects, primarily for individuals with low and moderate incomes. To achieve this goal in the City of Montebello, the following ConPlan objectives were put in place:

- Provide Decent Housing Opportunities
- Provide Vital Public Services
- Create Economic Opportunities
- Improve Public Facilities and Infrastructure
- Expand Fair Housing Choice and Access
- Administration and Planning

DRAFT

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

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

The following are the agencies/entities 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	MONTEBELLO	Planning & Community Development Department
HOME Administrator	MONTEBELLO	Planning & Community Development Department

Table 1 – Responsible Agencies

Narrative

Consolidated Plan Public Contact Information

City of Montebello
Community Development Department
1600 West Beverly Boulevard Montebello, California 90640
Phone: (323) 887-1200 Ext 1598
Attn: Joseph Palombi, Director

PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.215(I) and 91.315(I)

1. Introduction

The following is a discussion of the consultation process carried out during the development of the Consolidated Plan (ConPlan).

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I)).

In the course of preparing the Annual Action Plan (AAP), the City engaged in consultations with a diverse array of agencies, which encompassed both local and regional social services organizations, San Gabriel Valley Regional Housing Trust, the Los Angeles Homeless Services Authority (LAHSA), and the Los Angeles County Development Authority (LACDA). Additionally, local social service providers included the Heart of Compassion (HOC), Housing Rights Center (HRC), Cesar Chavez Foundation (CCF), Montebello-Commerce YMCA, and the Youth Employment Program (YEP).

The primary objective of this consultation process was to solicit feedback and collect data regarding the priority needs of the City of Montebello, as well as to identify potential opportunities for enhanced coordination aimed at improving the availability and accessibility of services.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

The City of Montebello is involved in the LAHSA Continuum of Care (CoC). It falls within the Service Planning Area (SPA) 7, which is situated in the East Los Angeles region. SPA 7 includes 28 cities, with Montebello being one of them. Throughout the consultation process, it became evident that the homeless population in the city and nearby regions is supported by a network of organizations and service providers, including LAHSA, the City, the Montebello Police Department, local school districts, and various social service agencies.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

The City of Montebello lacks a large enough population to qualify for direct Emergency Solutions Grant (ESG) funding. The Los Angeles Homeless Services Authority (LAHSA) oversees ESG funding in the Los Angeles County metropolitan area.

The Continuum of Care (CoC) employs the Homeless Management Information System (HMIS) to gather individual-level data and information regarding the provision of housing and services to those experiencing homelessness, as well as individuals and families at risk of becoming homeless. Through HMIS, a community can collect data from programs assisting homeless individuals and families to aid in their needs assessments and to set funding priorities.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Los Angeles County Development Authority
	Agency/Group/Organization Type	Housing PHA Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	An over the phone interview and survey were conducted in November 2024. This agency was recognized as a valuable resource for the city in addressing local needs for publicly assisted housing.
2	Agency/Group/Organization	LAHSA
	Agency/Group/Organization Type	Housing PHA Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	An over-the-phone interview and survey were conducted in November 2024. This agency was recognized as a valuable resource for the city in addressing homeless needs within the City of Montebello.
3	Agency/Group/Organization	Cesar Chavez Foundation
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	An over-the-phone interview and survey were conducted in November 2024. This agency was recognized as a valuable resource for the city in addressing housing development needs within the City of Montebello.
4	Agency/Group/Organization	Montebello Housing Development Corporation
	Agency/Group/Organization Type	Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	An over-the-phone interview and survey were conducted in February 2025. This agency provided information on unmet needs that they have encountered in the City of Montebello.
5	Agency/Group/Organization	HOUSING RIGHTS CENTER
	Agency/Group/Organization Type	Services - Housing Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	An over-the-phone interview and survey were conducted in November 2024. This agency provided information on unmet needs that they have encountered in the City of Montebello.
6	Agency/Group/Organization	Heart of Compassion
	Agency/Group/Organization Type	Food Distribution
	What section of the Plan was addressed by Consultation?	Housing Need Assessment

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	An over-the-phone interview and survey were conducted in November 2024. This agency provided information on unmet needs that they have encountered in the City of Montebello.
7	Agency/Group/Organization	Montebello-Commerce YMCA
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	An over-the-phone interview and survey were conducted in February 2025. This agency provided information on unmet needs that they have encountered in the City of Montebello.
8	Agency/Group/Organization	San Gabriel Valley Regional Housing Trust (SGVRHT)
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	An over-the-phone interview and survey were conducted in November 2024. This agency was recognized as a valuable resource for the city in addressing housing development needs within the City of Montebello.

Identify any Agency Types not consulted and provide rationale for not consulting

The city engaged in discussions with various organizations that provide services to residents of Montebello and the surrounding area. All types of agencies were included in the consultation process without exception.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	LAHSA	Both address matters related to homelessness and households with special needs.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
2021-2029 Housing Element (6th Cycle)	City of Montebello	Both focus on specific populations with special needs (especially single-parent families, seniors, and larger households), create additional affordable housing, tackle the high expense of housing, address low vacancy levels, ensure the upkeep and preservation of housing, encourage equitable housing practices, implement density bonuses, support mixed-use development, and address homeownership assistance.
Measure H	Los Angeles County Homeless Initiative	Both focus on Permanent housing, veteran homelessness, homeless incentive programs, and landlord assistance.

Table 3 – Other local / regional / federal planning efforts

Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(I))

Collaboration and coordination with other public agencies involved phone consultations and data analysis of neighboring general local government units during the implementation of the Consolidated Plan. City personnel participate in various meetings and workshops each fiscal year as part of this initiative. In particular, regarding the needs of the homeless, which is a regional concern, the City depends on nearby local government units for shelter provision; since the number of homeless individuals within the City is minimal, it is not practical for Montebello to allocate its limited resources to this issue. Additionally, the City collaborates with State and neighboring governments in other sectors such as transportation, economic development, housing, public works projects, and environmental matters.

Narrative (optional):

See Description above.

PR-15 Citizen Participation – 91.105, 91.115, 91.200(c) and 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

In developing this Annual Action Plan, the City adhered to its approved Citizen Participation Plan, which complies with HUD's federal requirements for citizen involvement. The City provided multiple opportunities for participation and feedback throughout the Consolidated Plan (ConPlan) process. A community meeting was held on October 8, 2024 to introduce the ConPlan process to the community and to make a community/stakeholder survey available. A public hearing was held on January 8, 2025 and to gather public input on the ConPlan, and the 2025 Annual Action Plan (AAP) process, as well as to assess community needs. A 30-day public review period for the ConPlan and 2025 AAP was published on March 6, 2025.

Following this period, a final public hearing will be conducted on May 14, 2025 by the City Council to adopt the ConPlan, and 2025 AAP. A 30-day public review period for the ConPlan and 2025 AAP was published on April 14, 2025.

Public comments received during the citizen participation process are an important part of identifying priority needs, along with the findings from the Community Needs Survey. Most of the needs identified throughout the ConPlan process have been incorporated. Table 4 outlines the citizen participation initiatives related to the ConPlan.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Meeting	Non-targeted/broad community	Staff Introduced the Five Year ConPlan Process and timeline to the community during this meeting.	There were no public comments.	There were no public comments.	
2	Community Needs Survey	Non-targeted/broad community	A Summary survey was prepared (see attached).	The Survey was completed online by 75 participants.	All comments were accepted.	
3	Community Needs Survey	Targeted Stakeholders and Social Service Agencies	Surveys were conducted virtually, in person or over the phone.	All comments were received.	All comments were accepted.	
4	Community Needs Survey	Non-targeted/broad community	Presentation given to City Council and public on the process and to receive input and direction	Public Comments will be documented here.	Public Comments will be documented here.	

Table 4 – Citizen Participation Outreach

Needs Assessment

NA-05 Overview

Needs Assessment Overview

To ensure the efficient and effective use of resources, the City of Montebello, CA must first assess the community's needs. This section describes and analyzes various demographic and economic indicators to provide an understanding of the community's needs. By using data gathered from state, local, and federal sources, the City can identify needs based on broad trends in population, income, and household demographics. Primary data sources include the U.S. Census Bureau, HUD, and the Bureau of Labor Statistics. Once gathered, the data is analyzed to explore how family and household dynamics, race, and housing problems are interconnected. A key objective of this Needs Assessment is to identify the nature and extent of housing problems experienced by Montebello residents.

In addition to demographic analysis, this section examines factors that influence, or are influenced by, the housing market. These include public housing needs, the needs of individuals facing homelessness, and non-homeless special needs populations. Furthermore, non-housing development needs, such as public services and infrastructure, are also evaluated to guide resource allocation decisions.

Community and stakeholder surveys conducted as part of this assessment highlight several key challenges facing Montebello residents. Housing affordability remains one of the most pressing concerns, with a growing need for affordable rental housing, senior housing, and housing for persons with disabilities. Many respondents also emphasized the need for home rehabilitation programs to address aging housing stock and improve safety, energy efficiency, and accessibility. Additionally, public services—including youth and senior centers, mental health resources, and homeless services—were identified as high priorities, particularly for low-income and vulnerable populations. Infrastructure needs, such as street and sidewalk repairs, improved public safety, and ADA accessibility enhancements, were also frequently cited as critical to enhancing community livability. By incorporating these findings into its resource allocation strategy, Montebello aims to ensure that investments are effectively targeted to address the city's most urgent housing and community development challenges.

Each of these issues is analyzed alongside economic and demographic indicators to determine if certain groups are disproportionately affected. By understanding the scale and prevalence of housing challenges within Montebello, the City can set evidence-based priorities for their CDBG and HOME programs. This approach ensures that resources are directed toward the areas and populations that need them most, promoting more equitable outcomes across the community.

NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)

Summary of Housing Needs

The housing needs of a community are influenced by supply and demand. However, the factors that impact housing supply and demand are far more complex than simply matching one house to one household. Variables such as population growth, household size, availability of rental housing, income levels, and property conditions all contribute to shaping the community's housing needs.

The following section highlights that the most significant housing challenge in Montebello is the lack of affordable housing. According to the 2018-2022 American Community Survey (ACS) 5-Year Estimates, approximately 18,542 households in the city are cost burdened, representing 44.5% of the population. HUD defines cost burden as a household spending more than 30% of their income on housing costs. Both Renters and Homeowners are similarly affected, with 9,784 rental households and 8,758 homeowner households experiencing cost burden. This data suggests that the current housing supply is either insufficient or too expensive to meet the needs of the community.

Demographics	Base Year: 2012	Most Recent Year: 2022	% Change
Population	62,697	62,056	-1%
Households	18,782	19,241	2%
Median Income	\$50,581.00	\$72,317.00	43%

Table 5 - Housing Needs Assessment Demographics

Alternate Data Source Name:
2018-2022 ACS

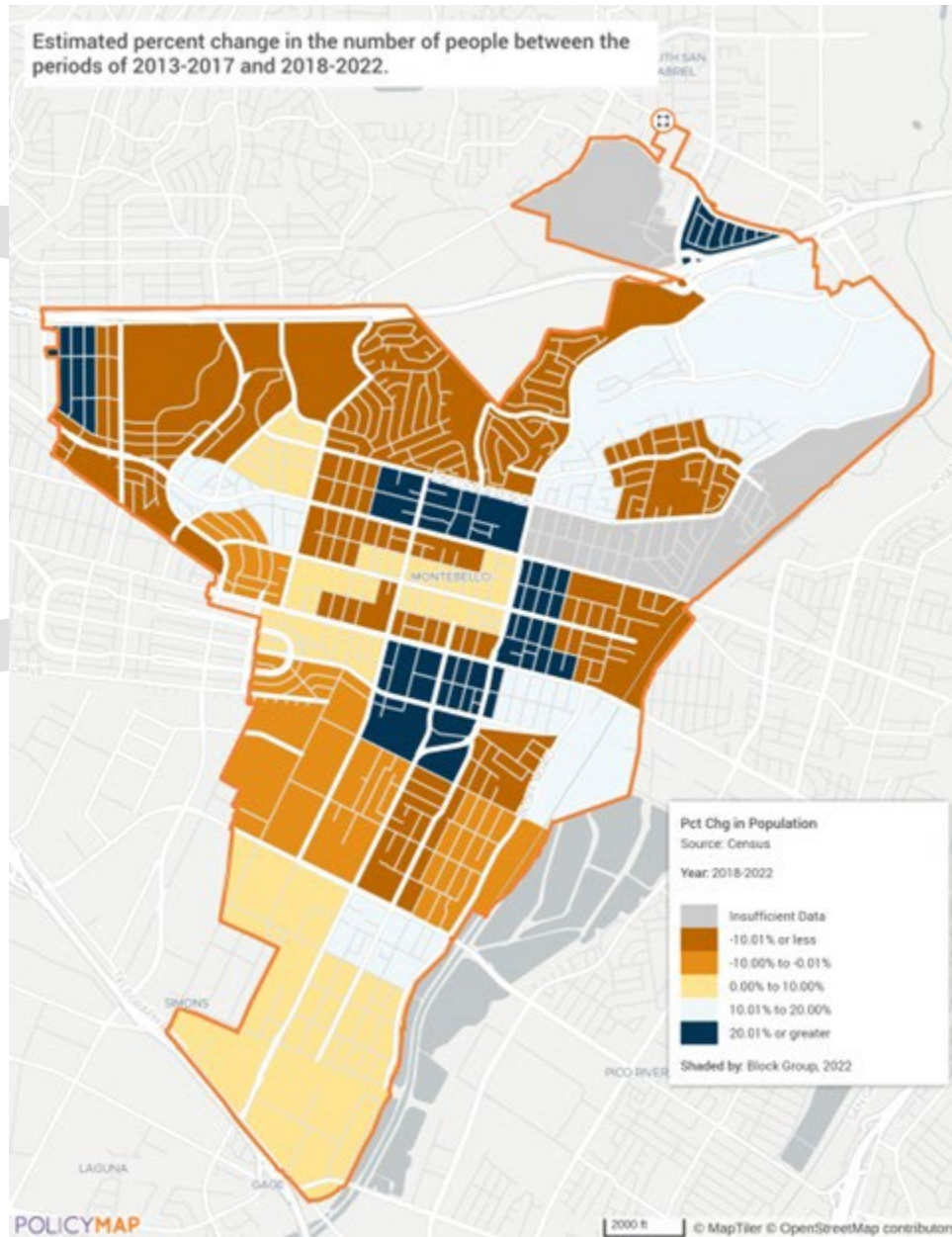
Data Source Comments: Data sets used for this section are as follows: 2008-2012 ACS (Base Year), 2018-2022 ACS (Most Recent Year)

Since 2012, Montebello's population has decreased by approximately 1.0%. Despite this slight decline, the number of households in the city has increased by 2.4%, indicating a reduction in the average household size. This trend suggests that while the overall population is shrinking, there remains a growing demand for housing, driven potentially by shifts in household composition. Such changes might include an increase in young adults or seniors living independently.

Over the same period, Montebello's Median Household Income (MHI) rose by 43.0%. While this growth surpasses inflation to some extent, the actual impact on purchasing power is limited. Using the Bureau of Labor Statistics (BLS) inflation calculator, a household earning \$50,581 in 2012 would need \$62,739 in 2022 to maintain the same purchasing power. With the actual MHI for 2022, the effective increase in purchasing power is approximately 15.3%, highlighting that income growth has only partially kept pace with inflation-adjusted economic demands.

Change in Population from 2017-2022

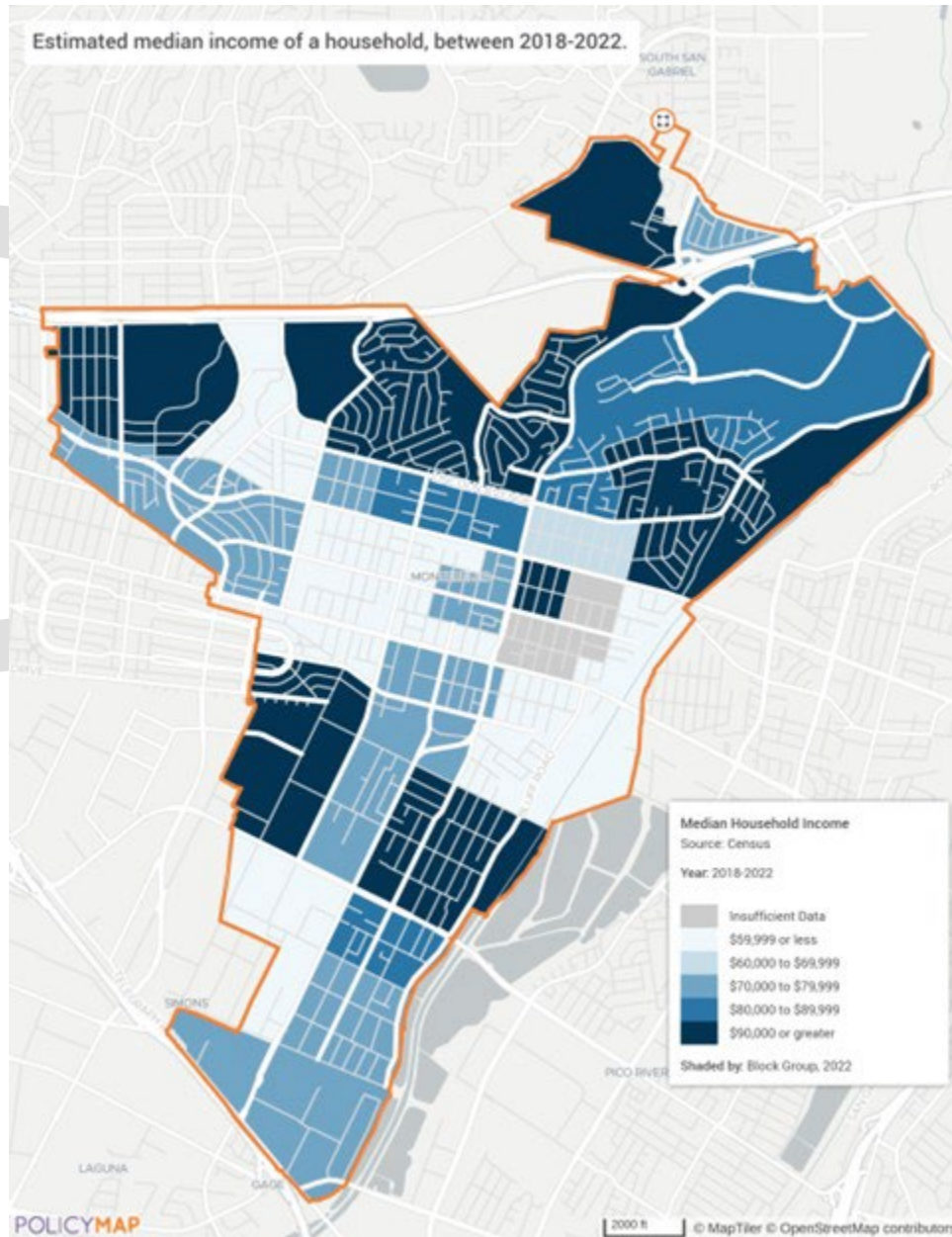
This map highlights population changes in Montebello between 2013-2017 and 2018-2022, illustrating significant demographic shifts across the city. Much of Montebello has experienced population declines, with reductions often exceeding 10% in many areas. However, certain sections, particularly near the city center, have seen substantial growth, with some areas reporting increases surpassing 20%. These trends reflect evolving population dynamics, which suggest shifts in residential density and changes in the composition of Montebello's communities over time.



Change in Population from 2017-2022 Map

Median Household Income

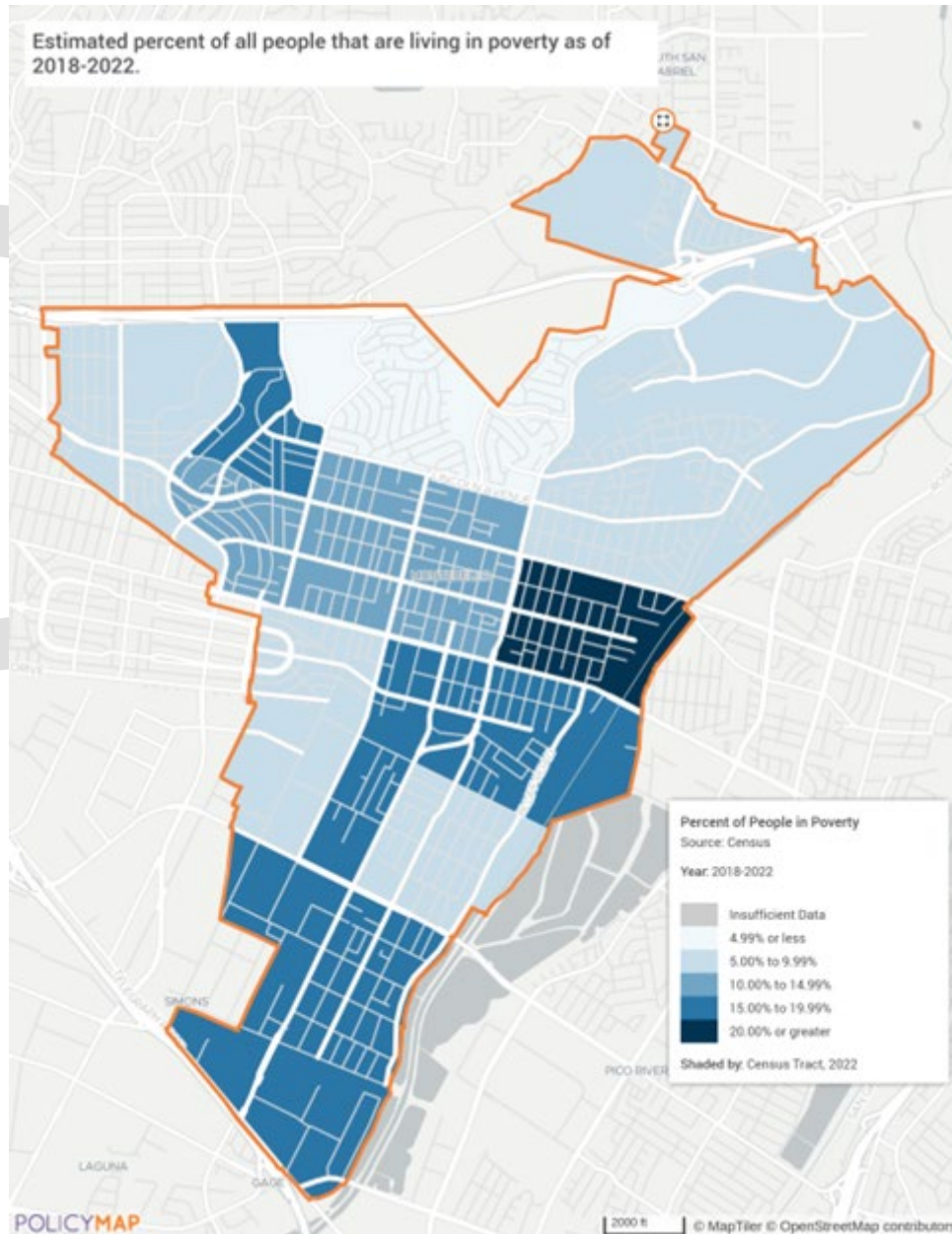
Montebello demonstrates a diverse range of income levels across its neighborhoods. Median household incomes (MHI) below \$60,000 are concentrated primarily in the central and southern portions of the city. In contrast, much of the northern region and select areas south of the city center report higher median incomes, with some neighborhoods exceeding \$90,000. This income distribution reflects significant economic variation within the city, highlighting disparities between different areas of Montebello.



Median Household Income Map

Poverty

The poverty map for Montebello highlights a significant concentration of poverty in the southern and central areas, with many parts of the city reporting rates exceeding 10%, and some surpassing 20%. In contrast, much of the northern portion of the city exhibits notably lower poverty rates, with many areas reporting rates below 10% and some below 5%. These disparities reflect a clear socioeconomic divide within Montebello, underscoring the need for targeted efforts to address poverty in the more affected regions.



Poverty Map

Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	3,145	3,820	4,275	1,990	5,890
Small Family Households	935	1,855	2,140	1,115	3,155
Large Family Households	345	565	720	275	945
Household contains at least one person 62-74 years of age	755	1,010	920	385	1,480
Household contains at least one person age 75 or older	835	565	680	335	830
Households with one or more children 6 years old or younger	520	780	709	314	730

Table 6 - Total Households Table

Alternate Data Source Name:

2017-2021 CHAS

Data Source Comments:

Number of Household Table Explanation

In the above table, data from HUD's 2017-2021 Comprehensive Housing Affordability Strategy (CHAS) provides a detailed look at households in Montebello, using the HUD Area Median Family Income (HAMFI) as a baseline. This document uses the following income group definitions:

- Extremely Low Income: 0-30% HAMFI
- Very Low Income: 30-50% HAMFI
- Low Income: 50-80% HAMFI
- Moderate Income: 80-100% HAMFI
- Above Moderate Income: >100% HAMFI

According to 2017-2021 CHAS data, almost 59% (11,240) of Montebello's households earn below 80% of the Area Median Income (AMI), classifying them as low-income. Among these low-income households, small households make up approximately 43.9%, while large households represent only 14.5%. There are similar findings of elderly households (those with at least one member aged 62 or older) having 61.1% below 80% HAMFI. Approximately 65.8% of households with children under six are below 80% HAMFI. These trends emphasize diverse housing and service needs across age and income groups, highlighting the need for targeted support for these demographics in Montebello.

Housing Needs Summary Tables

1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	75	125	20	0	220	10	25	110	10	155
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	30	90	145	90	355	4	20	75	4	103
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	320	380	285	160	1,145	10	35	35	65	145
Housing cost burden greater than 50% of income (and none of the above problems)	1,315	620	80	0	2,015	430	365	175	15	985
Housing cost burden greater than 30% of income (and none of the above problems)	170	1,165	1,140	30	2,505	140	140	340	260	880

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Zero/negative Income (and none of the above problems)	115	0	0	0	115	75	0	0	0	75

Table 7 – Housing Problems Table

Alternate Data Source Name:

2017-2021 CHAS

Data Source

Comments:

Housing Needs Summary

The table above provides a summary of housing issues in Montebello by income group and tenure (renter or homeowner), using 2017-2021 CHAS data. The table only looks at households at or below the city's AMI. Among the households referenced in Table 7, the most common issues are cost-burden and overcrowding. Specifically, 4,520 renters and 1,865 homeowners in Montebello are cost-burdened, spending 30% or more of their income on housing. Within this group of cost-burdened households, almost half of those who are renters and around 45% of those who are homeowners are classified as severely cost-burdened, with housing expenses consuming more than 50% of their income.

In addition to being cost-burdened, many households in Montebello also face overcrowding. Approximately 1,500 renter households and 248 homeowner households live in conditions where there are more than 1.01 persons per room. This highlights the dual challenges of financial strain and inadequate living space faced by Montebello residents, with renters experiencing particularly high rates of overcrowding.

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	1,915	2,385	1,665	280	6,245	600	585	735	350	2,270
Having none of four housing problems	225	410	1,030	830	2,495	220	440	845	530	2,035

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Household has negative income, but none of the other housing problems	115	0	0	0	115	75	0	0	0	75

Table 8 – Housing Problems 2

Alternate Data Source Name:

2017-2021 CHAS

Data Source

Comments:

Severe Housing Problems

Severe housing problems are widespread among lower-income households in Montebello. Of the 8,855 renter households earning between 0% and 100% of the Area Median Income (AMI), approximately 71.8% face at least one documented housing problem. Similarly, about 53.5% of the 4,380 owner households in the same income range experience at least one significant housing problem. These challenges are especially acute for those with extremely low incomes, with 90% of renter households and around 75% of homeowners earning between 0-30% of AMI facing at least one housing problem. Data from Tables 7 and 8 indicate that cost burden remains the most widespread housing issue in Montebello, as many households struggle to meet housing expenses. This underscores the urgent need for targeted efforts to improve housing affordability, particularly for lower-income households.

3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	10	345	780	1,135	65	160	425	650
Large Related	35	40	360	435	4	35	145	184
Elderly	170	50	20	240	100	150	185	435
Other	25	35	170	230	0	25	75	100
Total need by income	240	470	1,330	2,040	169	370	830	1,369

Table 9 – Cost Burden > 30%

Alternate Data Source Name:

2017-2021 CHAS

Data Source

Comments:

Housing Cost-Burdened

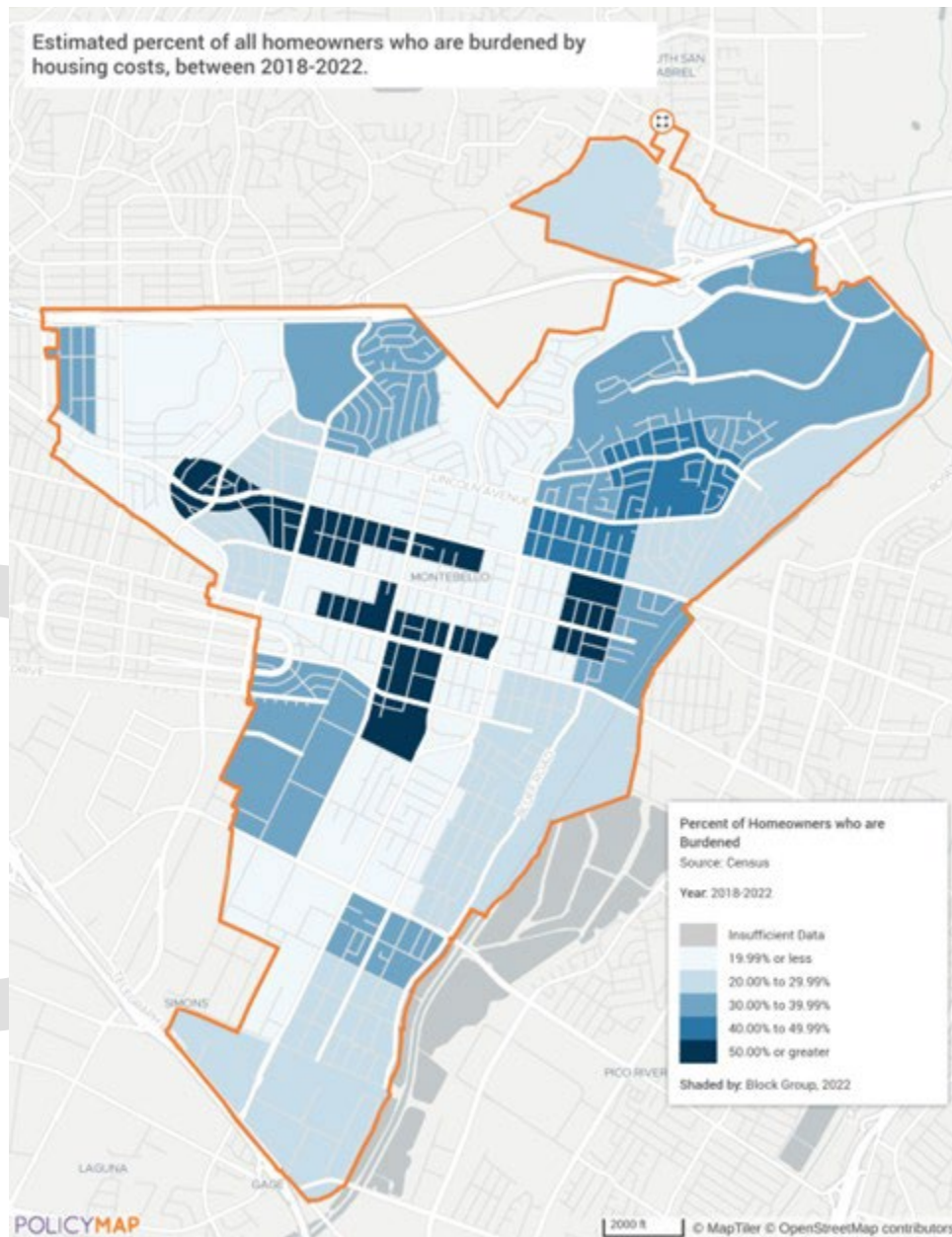
The table above, based on 2017-2021 CHAS data, provides a detailed analysis of cost-burdened households in Montebello with incomes ranging from 0% to 80% of the Area Median Income (AMI). Among renter households facing cost burdens, 55.6% are small households, while large households account for only 21.3%. A similar trend is observed among homeowners, with 47.5% of small households experiencing cost burdens compared to just 13.4% of large households.

Cost burden for elderly households is more common among homeowners than renter households. This suggests that older residents who own their homes may continue to face significant challenges with housing costs in Montebello.

The likelihood of a household being cost-burdened is heavily influenced by location, as indicated by the maps that follow. Factors impacting housing supply and demand contribute to these variations, with lower-income areas showing a higher need for affordable housing. In regions with higher median home values, housing costs are often out of reach for many residents. The maps, utilizing U.S. Census Bureau data, illustrate cost-burdened households by census tracts across Montebello.

Homeowner Cost Burden

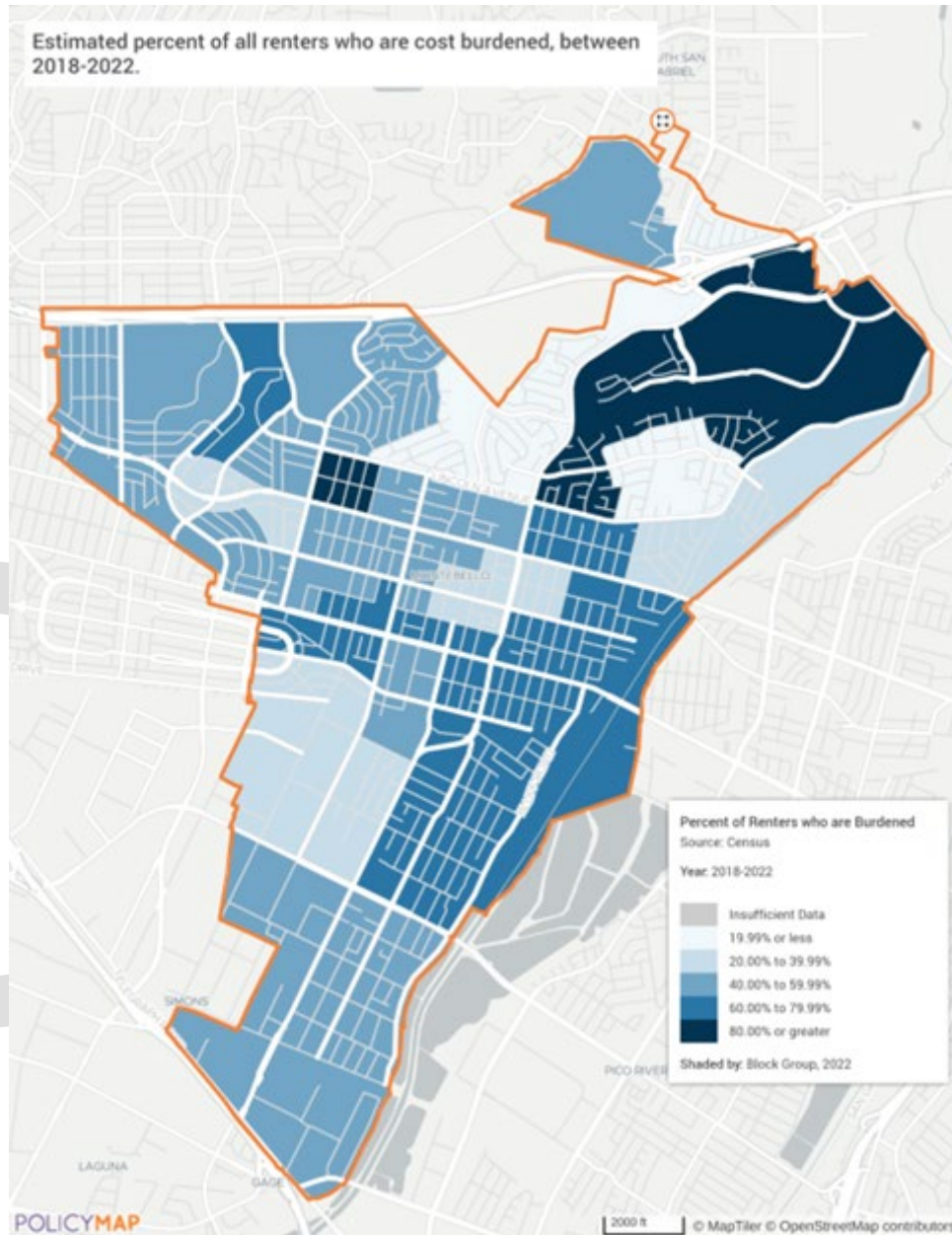
Cost-burdened homeowners in Montebello are distributed throughout the city, with many census tracts reporting over 30% of households facing housing cost burdens. The highest concentrations are found near the city center, where some tracts report more than 50% of homeowners spending over 30% of their income on housing. Although a few neighborhoods show lower cost-burden rates, with less than 20% of households affected, the widespread nature of affordability challenges underscores that housing cost burdens are a significant issue impacting homeowners across the city.



Homeowner Cost Burden Map

Cost Burdened Renters

Cost-burden rates for renters in Montebello are significant, with many areas showing moderate to high prevalence. In most parts of the city, over 40% of renters spend more than 30% of their income on housing, and some neighborhoods in the northern region experience rates exceeding 80%. This widespread cost burden underscores a critical affordability challenge for renters, highlighting the urgent need for targeted strategies to address housing stability and affordability across Montebello.



Cost Burdened Renters Map

4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	710	355	15	1,080	55	115	60	230
Large Related	270	40	20	330	10	70	45	125
Elderly	250	50	0	300	200	45	20	265

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Other	205	70	45	320	115	45	20	180
Total need by income	1,435	515	80	2,030	380	275	145	800

Table 10 – Cost Burden > 50%

Alternate Data Source Name:

2017-2021 CHAS

Data Source

Comments:

Severe Cost Burden

In Montebello, a significant proportion of cost-burdened households are classified as severely cost-burdened, meaning they spend over 50% of their income on housing. Among renters with severe cost burdens, small, related households constitute approximately 53.2% of this group, while large households account for about 16.3%. Homeowners experience slightly lower rates of severe cost burdens. Small, related households comprise 28.8% of the group and large households represent 15.6%. Elderly households are especially affected, with a higher incidence of severe cost burdens among homeowners compared to renters.

Severely cost-burdened households are particularly vulnerable to housing instability, as unexpected expenses—such as utility bill increases or medical costs—can exacerbate financial strain and increase the risk of displacement or homelessness. These residents would benefit from targeted interventions, including financial aid, housing subsidies, and other supportive resources, to help maintain stable housing. Addressing the challenges faced by severely cost-burdened households is critical to preventing housing crises and ensuring long-term stability for at-risk residents in Montebello.

5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	320	380	325	195	1,220	24	55	45	20	144
Multiple, unrelated family households	35	130	115	50	330	4	25	64	59	152
Other, non-family households	0	0	0	10	10	0	0	0	0	0

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Total need by income	355	510	440	255	1,560	28	80	109	79	296

Table 11 – Crowding Information – 1/2

Alternate Data Source Name:

2017-2021 CHAS

Data Source

Comments:

Overcrowding

HUD defines overcrowding as a household with over 1.01 occupants per room. Overcrowding patterns show significant variation by housing tenure, with renters disproportionately affected. Renters account for the majority of overcrowded households, with 1,560 cases, compared to only 296 among homeowners. This issue is particularly severe among lower-income renters, as nearly 84% of overcrowded renter households earn less than 80% of the Area Median Income (AMI).

These findings highlight the disproportionate impact of overcrowding on low-income renter households, emphasizing the urgent need for strategies that address both spatial constraints and affordability challenges. Targeted solutions are essential to improving living conditions and alleviating housing pressures for Montebello's most vulnerable residents.

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present	490	720	595	1,805	30	60	114	204

Table 12 – Crowding Information – 2/2

Alternate Data Source Name:

2017-2021 CHAS

Data Source

Comments:

Describe the number and type of single person households in need of housing assistance.

According to 2018-2022 ACS data, single-person households are more prevalent among renters, with approximately 2,175 single-person renter households compared to 1,408 single-person homeowner households. As previously noted, about 50% of small households are cost-burdened, which means an estimated 1,792 single-person households may require housing assistance. These findings underscore the vulnerability of single-person households, particularly regarding housing affordability and access to essential services like transportation.

Single-person households in Montebello are particularly vulnerable to housing instability due to lower income levels and limited access to resources. According to ACS 2018-2022 data, the median income for a single-person household is \$32,731, placing many of these households at risk of financial strain. These households often face additional challenges, such as limited transportation options, with many lacking vehicle ownership, which complicates access to jobs and essential services.

Single-person households are more common among renters than homeowners in Montebello, with approximately 2,175 single-person renter households compared to 1,408 single-person homeowner households. Based on data showing that about 50% of small households are cost-burdened, an estimated 1,792 single-person households likely require housing assistance. These findings highlight the heightened vulnerability of single-person households, emphasizing the need for targeted housing affordability and transportation solutions to support this at-risk population.

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

Disability

In Montebello, based on 2018-2022 American Community Survey (ACS) data, 7,820 residents, or approximately 12.7% of the population, report having a disability, with prevalence increasing significantly with age. Among residents aged 65 and older, 12.7% experience some form of disability, emphasizing the importance of housing that accommodates both physical and cognitive limitations. For many individuals, accessible housing features and supportive services are crucial for maintaining safe and independent living.

The most common disability reported is ambulatory difficulty affecting approximately 4,453 residents who may benefit from ADA-compliant modifications, such as ground-level units, ramps, and widened doorways to accommodate mobility aids. The second most common disability is cognitive difficulty, which affects memory, concentration, or decision-making and impacts around 2,831 residents. To support these individuals, ADA guidelines recommend structured, easy-to-navigate environments, in-home assistance, and access to communities designed to meet cognitive needs.

Survivors of Domestic Violence, Dating Violence, Sexual Assault, and Stalking

Accurate crime statistics for incidents such as domestic violence and sexual assault are often difficult to obtain due to significant underreporting. Survivors frequently refrain from reporting incidents because of fears of retaliation, child custody concerns, or limited access to economic or housing resources. Ensuring the availability of accessible resources is critical for supporting survivors seeking safety and stability.

According to California's OPEN JUSTICE crime reporting portal, the Montebello Police Department reported 26 cases of sexual assault in 2023, a decrease from 36 cases in the previous year. The U.S.

Department of Justice estimates that only 42% of violent victimizations are reported to law enforcement. Applying this underreporting rate, it is estimated that approximately 62 sexual offenses may have occurred in Montebello in 2023. This highlights the pressing need for expanded housing and support services to help survivors achieve safety and stability.

In 2023, Montebello recorded 52 domestic violence cases, a significant decline from 197 cases in 2022. Of the reported cases in 2023, nearly half involved the use of weapons. These figures underscore the importance of addressing domestic violence through enhanced support services, safe housing options, and preventative measures to reduce the risk of harm to survivors.

What are the most common housing problems?

According to 2018–2022 ACS data, Montebello has only 880 vacant housing units. Homeownership opportunities are especially limited, with just 0.8% of vacant homeowner properties compared to 1.9% of vacant rental properties, exacerbating overcrowding and instability. This scarcity disproportionately affects single-person households, elderly residents, and lower-income families, who face challenges securing stable housing and accessing essential services. The city's aging housing stock adds complexity, with 16,644 housing units built before 1980 and 4,452 predating 1950. HUD guidelines identify lead-based paint hazards (LBPHs) and asbestos as significant risks in these older homes. Montebello utilizes HOME funds to support housing redevelopment and requires developer partners to mitigate these hazards, ensuring safer and healthier living conditions for residents.

Are any populations/household types more affected than others by these problems?

Household income is strongly correlated with the likelihood of experiencing housing problems, particularly among renters. Lower-income households are disproportionately affected, with those in the extremely low-income range (30% AMI and below) being the most impacted. Households in this category are statistically more likely to face at least one severe housing problem, such as cost burden, overcrowding, or inadequate housing conditions, compared to those in higher income ranges.

Certain populations are especially vulnerable. Residents with disabilities often encounter accessibility challenges in addition to financial burdens, further limiting their housing options. Similarly, individuals and families that have experienced homelessness face extreme housing instability and are at a heightened risk of living in unsafe or unsuitable conditions.

Housing problems also reveal disparities along racial and ethnic lines, with some groups experiencing higher rates of cost burden, overcrowding, and substandard housing. These disparities, along with a more detailed analysis by race, ethnicity, and income, are discussed in sections NA-15 to NA-30.

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the

needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

HUD defines extremely low-income households as those earning 0–30% of the Area Median Income (AMI) and classifies households spending over 50% of their income on housing as severely cost-burdened. According to 2017–2021 CHAS data from the Housing Needs Summary Tables, Montebello’s extremely low-income households, especially families with children, face acute affordable housing shortages. Approximately 380 extremely low-income homeowner households and 1,435 renter households in Montebello are severely cost-burdened, spending more than half of their income on housing. These 1,815 households are at significant risk of housing instability and potential homelessness.

The data also indicates that Montebello has 520 extremely low-income households with children, the majority of whom are renters. These families experience severe housing challenges, highlighting the critical need for targeted interventions to stabilize housing for the city’s most vulnerable residents. Addressing these affordability issues is crucial to preventing housing instability and ensuring long-term security for low-income families and households in Montebello.

If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:

The City of Montebello, in collaboration with the Los Angeles County Department of Public Health (LACDPH), provides estimates of at-risk populations to inform public health strategies and allocate resources effectively.

Montebello's At-Risk Population Estimates:

- **Low-Income Households:** A significant portion of Montebello's population falls below the poverty line, with 13% of residents living in poverty.
- **Elderly Population:** Approximately 15% of Montebello’s residents are aged 65 and over, a demographic often at risk due to age-related health concerns.
- **Overcrowded Housing:** Overcrowding is a common issue, particularly among lower-income renters, due to the limited availability of affordable, family-sized units.

Operational Definition of At-Risk Populations:

At-risk populations are defined as groups more susceptible to adverse health outcomes due to factors such as socioeconomic status, age, disability, housing conditions, and access to healthcare. These groups often include low-income households, elderly individuals, people with disabilities, and those living in overcrowded or substandard housing.

Methodology for Generating Estimates:

The LACDPH and associated agencies utilize the following data sources:

- **Community Health Profiles:** These profiles provide local-level data on over 100 indicators impacting community health and well-being. Data are organized into thematic areas like demographics, social determinants of health, and housing, with specific profiles for Montebello.
- **U.S. Census Bureau Data:** The Community Resilience Estimates (CRE) program offers metrics on social vulnerability to disasters, including data specific to Montebello.
- **American Community Survey (ACS):** The ACS provides detailed demographic, social, economic, and housing data, which are used to assess factors contributing to vulnerability, such as income levels, housing conditions, and access to healthcare.

These estimates help inform public health strategies and resource allocation to support Montebello's vulnerable populations.

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

In Montebello, several housing characteristics contribute to instability and elevate the risk of homelessness. The city's high percentage of older housing stock often requires costly repairs and updates to meet safety standards, leaving many properties vulnerable to deferred maintenance or structural issues that could render them uninhabitable. Low-income tenants are especially at risk of displacement if they cannot afford these repairs. Additionally, inadequate maintenance and unmet needs for essential repairs, such as plumbing, heating, and electrical work, can create health hazards, often forcing residents to vacate or face eviction when they lack resources to address or contest unsafe conditions.

The limited housing availability, with only a 4.4% vacancy rate, combined with a shortage of affordable options, as indicated by the high proportion of cost-burdened households, compounds these challenges. This situation highlights an urgent need for affordable and stable housing solutions in Montebello.

Discussion

See Discussion above.

NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

To better understand community needs, it is crucial to determine if specific racial or ethnic groups face greater housing problems. This section examines housing problems across racial and ethnic groups within each income category, following HUD guidelines. According to these guidelines, a disproportionately greater need exists when a group's rate of housing problems exceeds the citywide average by at least 10 percentage points. This analysis helps identify whether certain groups in Montebello are more significantly impacted by housing problems.

0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,515	635	0
White	260	85	0
Black / African American	10	0	0
Asian	335	40	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	1,875	325	0
0	0	0	0

Table 13 - Disproportionally Greater Need 0 - 30% AMI

Alternate Data Source Name:

2017-2021 CHAS

Data Source Comments:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,970	850	0
White	140	120	0
Black / African American	0	0	0
Asian	105	94	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	2,690	635	0
0	0	0	0

Table 14 - Disproportionally Greater Need 30 - 50% AMI

Alternate Data Source Name:

2017-2021 CHAS

Data Source Comments:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,400	1,875	0
White	225	145	0
Black / African American	70	0	0
Asian	205	245	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	1,885	1,445	0
0	0	0	0

Table 15 - Disproportionally Greater Need 50 - 80% AMI

Alternate Data Source Name:

2017-2021 CHAS

Data Source Comments:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	630	1,360	0
White	8	65	0
Black / African American	0	0	0
Asian	100	205	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	105	1,065	0
0	0	0	0

Table 16 - Disproportionally Greater Need 80 - 100% AMI

Alternate Data Source Name:

2017-2021 CHAS

Data Source Comments:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

Discussion

Extremely Low Income: The jurisdiction-wide rate of households with a housing problem in this income group is 79.8%. Black / African American households in this income range are considered disproportionately in greater need.

Very Low Income: In this income group, 77.7% of households report a housing problem. No households in this income range are considered disproportionately in greater need.

Low Income: The jurisdiction-wide rate of households with a housing problem in this income group is 56.1%. Black / African American households in this income range are considered disproportionately in greater need.

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

To better understand community needs, it is crucial to determine if specific racial or ethnic groups face greater housing challenges. This section examines housing problems across racial and ethnic groups within each income category, following HUD guidelines. According to these guidelines, a disproportionately greater need exists when a group's rate of severe housing problems exceeds the citywide average by at least 10 percentage points. This analysis helps identify whether certain groups in Montebello are more significantly impacted by severe housing problems.

0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,200	945	0
White	240	105	0
Black / African American	10	0	0
Asian	220	40	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	1,705	505	0
0	0	0	0

Table 17 – Severe Housing Problems 0 - 30% AMI

Alternate Data Source Name:

2017-2021 CHAS

Data Source Comments:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,660	2,150	0
White	105	155	0
Black / African American	0	0	0
Asian	55	145	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	1,495	1,830	0
Other	0	0	0

Table 18 – Severe Housing Problems 30 - 50% AMI

Alternate Data Source Name:

2017-2021 CHAS

Data Source Comments:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	920	3,355	0
White	60	315	0
Black / African American	0	70	0
Asian	95	355	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	760	2,565	0
Other	0	0	0

Table 19 – Severe Housing Problems 50 - 80% AMI

Alternate Data Source Name:

2017-2021 CHAS

Data Source Comments:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	345	1,645	0
White	4	70	0
Black / African American	0	0	0
Asian	75	235	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	70	1,315	0
Other	0	0	0

Table 20 – Severe Housing Problems 80 - 100% AMI

Alternate Data Source Name:

2017-2021 CHAS

Data Source Comments:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

Discussion

Extremely Low Income: The jurisdiction-wide severe housing problem rate in this income group is 70.0%. Asian and Black / African American households in this income range are considered disproportionately in greater need.

Very Low Income: In this income group, 43.6% of households report a severe housing problem. No households in this income range are considered disproportionately in greater need.

Low Income: The jurisdiction-wide severe housing problem rate in this income group is 21.5%. No households in this income range are considered disproportionately in greater need.

Moderate Income: In this income group, 17.3% of households report a severe housing problem. No households in this income range are considered disproportionately in greater need.

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction:

To understand community needs, it is essential to identify whether any racial or ethnic groups face greater housing challenges. This section compares housing cost burdens across racial and ethnic groups within each income category, using HUD guidelines that define a disproportionately greater need as when a group experiences housing cost burdens at a rate of at least 10 percentage points higher than the city's average, highlighting whether certain groups in Montebello are more affected by housing cost burdens.

Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	11,155	4,305	3,475	185
White	905	315	360	15
Black / African American	40	70	10	0
Asian	2,175	385	365	50
American Indian, Alaska Native	25	0	0	0
Pacific Islander	0	0	0	0
Hispanic	7,805	3,490	2,700	120

Table 21 – Greater Need: Housing Cost Burdens AMI

Alternate Data Source Name:

2017-2021 CHAS

Data Source Comments:

Discussion:

Cost Burden: The jurisdiction-wide housing cost burden rate (30% to 50% of household income) is 22.5%. Black / African American households are disproportionately impacted.

Severe Cost Burden: The jurisdiction-wide rate of severe housing cost burden (over 50% of household income) is 18.2%. No households in this category are considered disproportionately in greater need.

NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)

Are there any income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

Housing Problems

- Extremely Low Income: Black / African American households
- Very Low Income: No racial or ethnic groups
- Low Income: Black / African American households
- Moderate Income: No racial or ethnic groups

Severe Housing Problems

- Extremely Low Income: Black or African American and Asian households
- Very Low Income: No racial or ethnic groups
- Low Income: No racial or ethnic groups
- Moderate Income: No racial or ethnic groups

Housing Cost Burden

- Cost Burden: Black / African American households
- Severe Cost Burden: No racial or ethnic groups

If they have needs not identified above, what are those needs?

The most pressing needs in Montebello include the development of new or renovated affordable housing for both homeownership and rental purposes, alongside expanded economic opportunities such as job training and job placement. Further analysis exploring the intersections of race and ethnicity, income, and housing issues is provided in section MA-50.

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

The relationship between racial or ethnic groups and specific neighborhoods is included in section MA-50.

NA-35 Public Housing – 91.205(b)

Introduction

Public housing was established to provide decent and safe rental housing for eligible low- and moderate-income families, the elderly, and persons with disabilities. Public housing includes federally subsidized affordable housing that is owned and operated by the public housing authorities. Montebello, CA is primarily served by the Los Angeles County Development Authority (LACDA).

In 1982, the Los Angeles County Board of Supervisors merged the Housing Authority, Community Development Department, and Redevelopment Agency to create the Community Development Commission (CDC), which was rebranded in 2019 as the Los Angeles County Development Authority (LACDA). Though part of the Los Angeles County family, the LACDA operates independently and is dedicated to affordable housing, community, and economic development. Its broad programs support residents and business owners across both unincorporated Los Angeles County areas and participating incorporated cities, serving a wide range of needs for over one million residents in unincorporated regions alone.

This section provides an overview of current data on the total number of Housing Choice Vouchers (HCV), public housing units, and affordable housing initiatives managed by the LACDA. Additionally, it includes a demographic breakdown of the populations served by these programs, highlighting support provided to low-income families, elderly residents, and individuals with disabilities.

Totals in Use

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	0	0	26,867	2,412	24,194	3,442	524	303

Table 22 - Public Housing by Program Type

***includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition**

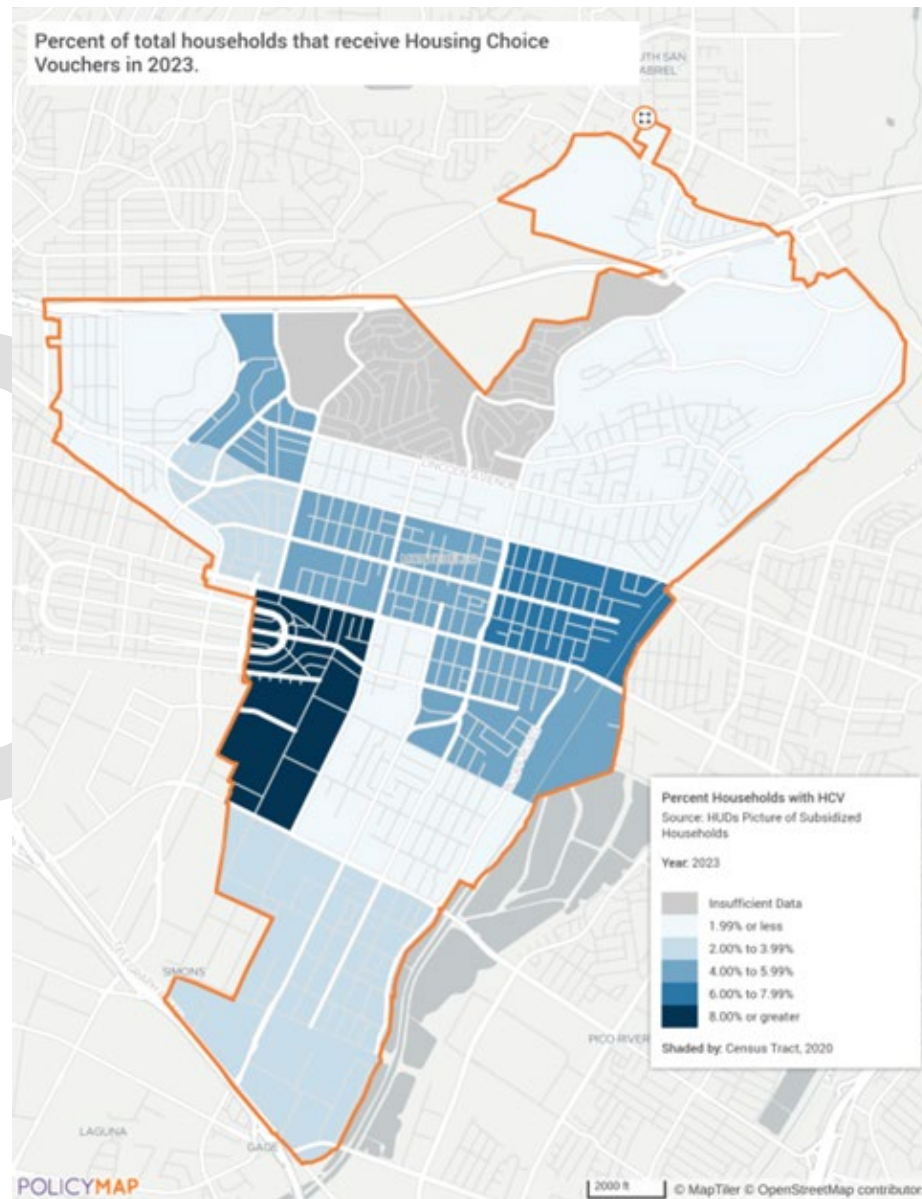
Alternate Data Source Name:

Housing Choice Voucher Data Dashboard 2024 (CA002)

Data Source Comments:

Housing Choice Voucher Distribution

The map below illustrates the distribution of Housing Choice Voucher (HCV) households in Montebello as of 2023, showing the highest concentrations in the central areas of the city. In the western portion of the city center, over 8% of households are utilizing HCVs, creating localized clusters of voucher-supported residents. In contrast, the northern and southern sections of Montebello display significantly lower HCV concentrations. This distribution reflects the uneven reliance on housing subsidies across the city, emphasizing the need to address housing affordability in areas with lower HCV utilization.



Housing Choice Voucher Distribution Map

Characteristics of Residents

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher	
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program
Average Annual Income	0	0	0	0	0	0	0	0
Average length of stay	0	0	0	0	0	0	0	0
Average Household size	0	0	0	0	0	0	0	0
# Homeless at admission	0	0	0	0	0	0	0	0
# of Elderly Program Participants (>62)	0	0	0	0	0	0	0	0
# of Disabled Families	0	0	0	0	0	0	0	0
# of Families requesting accessibility features	0	0	0	21,087	47	20,550	268	163
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

Table 23 – Characteristics of Public Housing Residents by Program Type

Alternate Data Source Name:

Housing Choice Voucher Data Dashboard 2024 (CA002)

Data Source Comments:

The City of Montebello is not a Public Housing Authority therefore it relies on the available data for this section of the Con Plan. The Housing Choice Voucher Data Dashboard 2024 Data does not provide the Characteristics of Residents.

Race of Residents

Race	Certificate	Mod-Rehab	Public Housing	Program Type					
				Vouchers			Special Purpose Voucher		
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	0	0	0	0	0	0	0	0
Black/African American	0	0	0	0	0	0	0	0	0
Asian	0	0	0	0	0	0	0	0	0
American Indian/Alaska Native	0	0	0	0	0	0	0	0	0
Pacific Islander	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 24 – Race of Public Housing Residents by Program Type

Alternate Data Source Name:

Housing Choice Voucher Data Dashboard 2024 (CA002)

Data Source Comments:

The City of Montebello is not a Public Housing Authority therefore it relies on the available data for this section of the Con Plan. The Housing Choice Voucher Data Dashboard 2024 Data does not provide the Race of Residents.

Ethnicity of Residents

Ethnicity	Certificate	Mod-Rehab	Public Housing	Program Type					
				Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	0	0	0	0	0	0	0	0
Not Hispanic	0	0	0	0	0	0	0	0	0
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 25 – Ethnicity of Public Housing Residents by Program Type

Alternate Data Source Name:

Housing Choice Voucher Data Dashboard 2024 (CA002)

Data Source Comments:

The City of Montebello is not a Public Housing Authority therefore it relies on the available data for this section of the Con Plan. The Housing Choice Voucher Data Dashboard 2024 Data does not provide the Ethnicity of Residents.

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

Montebello does not have public housing developments managed by a local housing authority. Instead, affordable housing needs are addressed through various programs and organizations. Residents living in or waiting for affordable housing with accessibility features face several challenges. The limited availability of accessible housing units creates significant barriers for individuals with disabilities, often resulting in long waiting times. This issue is further compounded by high demand for affordable housing, which exceeds the available supply and complicates access to accessible units. Additionally, many of Montebello's housing units were built before modern accessibility standards, making them less suitable for residents with disabilities.

Most immediate needs of residents of Public Housing and Housing Choice voucher holders

The most immediate needs of HCV holders in Montebello are affordable, decent, safe, and sanitary housing. Once families have secure housing it is important for them to have pathways to financial independence. This means that public housing must be near economic opportunities, educational facilities, and a robust public transportation system.

Additionally, many residents require units with accessibility features, such as stairless entryways, grab bars, non-slip flooring, and emergency alert systems to ensure safety and independence. Households with sensory impairments need accommodations like tactile signage or specialized signaling devices. Elderly residents often require housing near healthcare facilities and supportive services, while individuals with disabilities benefit from proximity to public transportation and community resources.

In addition to physical housing modifications, access to supportive services is critical for stability and improved quality of life. Services such as case management, mental health care, and employment assistance are essential for HCV holders to maintain independence and navigate daily challenges. By addressing these immediate needs, Montebello can better support its vulnerable populations and foster equitable access to safe and stable housing.

Specifically for the city of Montebello, see the following data for the approximate 598 Montebello Residents that do receive Housing Choice Vouchers:

As of January 22, 2025, there are currently 598 Housing Choice Voucher participants that currently reside in the City of Montebello.

Voucher Types: Housing Choice Voucher program which includes the following targeted programs: Emergency Housing Voucher, Foster Youth to Independence, Veteran Affairs Supportive Housing, and the Family Unification Program.

Average Annual Income: \$21,540

Average Length of Stay: This is not tracked.

Average Household Size: 2

of Homeless at Admission: 103

of Elderly: 346

of Disabled: 358

of HIV/AIDS Program Participants: 1

Race

American Indian/Alaskan Native: 8

Asian: 11

Black/African American: 24

Native Hawaiian/Other Pacific Islander: 2

White: 553

Grand Total: 598

Ethnicity

Hispanic or Latino: 441

Non-Hispanic: 157

Grand Total: 598

How do these needs compare to the housing needs of the population at large

The housing needs of Housing Choice Voucher (HCV) holders in Montebello present unique challenges compared to those of the general population. While the broader population prioritizes affordability,

neighborhood quality, and proximity to amenities, HCV holders often encounter additional barriers that require targeted interventions.

For example, many HCV holders are single-parent households or families with children, needing housing that supports family-oriented priorities, such as access to quality schools, child-friendly neighborhoods, and reliable public transportation. These factors are essential for stability and upward mobility but are not always readily available in the private rental market, even with voucher assistance.

HCV holders also face difficulties in finding landlords willing to accept vouchers. This issue limits their housing options, often concentrating them in areas with fewer amenities or higher poverty rates. These obstacles add complexity to their housing search that the general population may not encounter as frequently.

Financially, HCV households are more likely to experience severe cost burdens even with subsidies, as rents in Montebello often exceed payment standards. The gap between voucher amounts and actual rental prices can make it challenging for these households to secure suitable housing, an issue that is less common among higher-income residents.

Discussion

Addressing these disparities requires targeted efforts to expand the availability of accessible and affordable housing units. Providing supportive services tailored to the specific needs of individuals with disabilities is essential for ensuring equitable access to stable housing. By prioritizing these initiatives, Montebello can improve housing outcomes and enhance the quality of life for its most vulnerable residents.

NA-40 Homeless Needs Assessment – 91.205(c)

Introduction:

Homelessness is a complex issue that affects communities across the United States, and its challenges stem from a combination of overlapping and interrelated factors. The causes of homelessness rarely arise from a single issue, but rather from the convergence of multiple events and conditions. Economically, homelessness can result from unemployment, a lack of affordable housing, or poverty. Health factors such as mental illness, physical disabilities, HIV/AIDS, and substance abuse also contribute significantly to housing instability. Additionally, social issues like domestic violence, educational attainment, and racial disparities play a role. Since these factors are often interconnected, addressing homelessness requires a collaborative, community-based approach that considers economic, health, and social dimensions simultaneously.

The Stewart B. McKinney Homeless Assistance Act defines the “homeless” or “homeless individual” or “homeless person” as an individual who lacks a fixed, regular, and adequate night-time residence; and who has a primary night-time residence that is:

- A supervised publicly or privately-operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill)
- An institution that provides a temporary residence for individuals intended to be institutionalized
- A public or private place not designed for, or ordinarily used as a regular sleeping accommodation for human beings

The Los Angeles City and County Continuum of Care (CoC), managed by Los Angeles Homeless Services Authority (LAHSA), coordinates the region’s response to homelessness, including conducting the annual Point-In-Time (PIT) Count. A homeless count was completed for SPA 7 in which the City of Montebello is a part of. The PIT Count is conducted annually in late January to get a snapshot of sheltered and unsheltered homelessness in the region. The data in this section comes from the Service Planning Area 7 2024 PIT Homeless Count, conducted by the CA-600 Los Angeles City and County CoC which includes the city of Montebello and other surrounding cities.

Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	575	202	0	0	0	0
Persons in Households with Only Children	1	0	0	0	0	0
Persons in Households with Only Adults	981	4,140	0	0	0	0
Chronically Homeless Individuals	277	1,583	0	0	0	0
Chronically Homeless Families	69	53	0	0	0	0
Veterans	71	81	0	0	0	0
Unaccompanied Child	154	66	0	0	0	0
Persons with HIV	24	43	0	0	0	0

Table 26 - Homeless Needs Assessment

Alternate Data Source Name:

2024 Greater Los Angeles Homeless Count (SPA 7)

Data Source Comments:



2024 Homeless Count: Raw Data Totals Montebello



Select City:

Montebello ▼

Actual Persons Counted:

	2024	2023	Diff
Sheltered:	28	27	1
Unsheltered:	132	198	-66
Total Actual Persons:	160	225	-65

Improvised Dwellings Counted:

	2024	2023	Diff
Cars:	21	35	-14
Vans:	16	34	-18
RVs:	14	14	0
Tents:	25	26	-1
Makeshift shelters:	20	54	-34
Total Dwellings:	96	163	-67

Notes:

- * The data presented above are actual counts of the persons and improvised dwellings and have not been adjusted by a multiplier to estimate the persons living in the counted dwellings.
- * These actual counts of persons and improvised dwellings include data collected by volunteers the night of the count along with data collected by special outreach teams who canvass hard-to-reach and/or dangerous areas.
- * Sheltered counts do not include clients sheltered with vouchers or in programs with confidential addresses, such as shelters for clients fleeing domestic violence. Voucher-based program data is not available at the census tract level. Data for confidential sites is included only in summaries at the SPA-level or larger to protect their confidentiality.

Montebello Homeless Count Data

Indicate if the homeless population is: Has No Rural Homeless

If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

- **Homeless Individuals and Families:** Chronically homeless individuals and families are those who experience long-term or repeated episodes of homelessness, often for a year or more. This population frequently faces mental health challenges, substance use disorders, or physical disabilities that complicate efforts to find and retain stable housing. Due to the enduring nature of their homelessness, these individuals and families typically require intensive support services and permanent supportive housing to achieve housing stability.
- **Families with Children:** Homeless families with children usually consist of one or more adults with minor dependents. These families often face homelessness due to economic hardship, domestic violence, or a lack of affordable housing. Homelessness can have particularly adverse effects on children, disrupting their education, healthcare access, and overall well-being. Providing stable housing for these families is essential to support the developmental needs of children and promote family stability.
- **Veterans and Their Families:** Veterans experiencing homelessness often have unique needs related to physical or mental health, such as post-traumatic stress disorder (PTSD) or physical disabilities acquired during military service. Veterans are more likely than the general population to experience homelessness, and they frequently benefit from tailored services, such as specialized healthcare and housing assistance. Although most data focuses on individual veterans, families of veterans may also face housing instability, especially when veterans face barriers to employment or healthcare.
- **Unaccompanied Youth:** Unaccompanied youth experiencing homelessness are young individuals, under the age of 24, who are without parental or guardian care. This population often includes those who have aged out of foster care, fled abusive households, or faced family rejection due to sexual orientation or other factors. Unaccompanied youth face unique vulnerabilities, including limited access to education, healthcare, and employment, and they are at higher risk for exploitation and mental health issues. Targeted interventions are essential to support these youth and help them transition to stable, independent living.

Nature and Extent of Homelessness: (Optional)

Race:	Sheltered:	Unsheltered (optional)
White	693	748
Black or African American	485	493
Asian	32	43
American Indian or Alaska Native	39	297
Pacific Islander	12	5
Ethnicity:	Sheltered:	Unsheltered (optional)
Hispanic	879	2,929
Not Hispanic	678	1,413

Alternate Data Source Name:

CoC: CA-600 Los Angeles City and County CoC

Data Source

Comments: 2024 Greater Los Angeles Homeless Count Data

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

The table above presents data from the Los Angeles City and County Continuum of Care (CoC) 2024 Point-In-Time (PIT) count for Service Planning Area 7 (SPA), highlights the significant housing needs of families with children experiencing homelessness. Among the total homeless population, there were 190 families with children comprised of 575 individuals that were experiencing sheltered homelessness on the night of the count, while 62 families with children comprised of 202 individuals were experiencing unsheltered homelessness. Collectively, these families included 373 individuals under the age of 18, demonstrating the substantial presence of children in need of stable housing solutions. The high number of unsheltered families underscores the urgent need for interventions to address both immediate shelter needs and long-term housing stability for families with children. There were no Veterans in families with children identified during the 2024 PIT count.

Addressing the housing needs of these families with children requires expanded access to affordable housing, tailored support services, and programs designed to promote long-term housing stability. These efforts are essential for ensuring that vulnerable populations can transition from homelessness and achieve a higher quality of life.

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

Based on data from the Los Angeles City and County Continuum of Care (CoC) 2024 Point-In-Time (PIT) count for Service Planning Area 7 (SPA), there were a total of 1,557 individuals experiencing sheltered homelessness and 4,342 individuals experiencing unsheltered homelessness.

Among the sheltered homeless population, approximately 44.5% were White individuals, 31.1% Black/African American individuals, and 56.5% Hispanic individuals.

Of the unsheltered homeless population, approximately 17.2% were White individuals, 11.4% were Black/African American individuals, and 67.5% were Hispanic individuals. Hispanic individuals represented the largest demographic group among unsheltered individuals, reflecting unique challenges in accessing housing stability.

This demographic data underscores the need for targeted interventions to address the racial and ethnic inequities within the homeless population, ensuring that resources are equitably distributed and tailored to meet the specific needs of these communities.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

According to the Los Angeles City and County Continuum of Care (CoC) 2024 Point-In-Time (PIT) count for Service Planning Area 7 (SPA), there were 1,557 individuals experiencing sheltered homelessness and 4,342 individuals experiencing unsheltered homelessness across the region. Within this CoC, the Los Angeles Homeless Services Authority (LAHSA) provides localized data through its Homeless Count by City Dashboard. A local count conducted in January 2024 for Montebello identified 28 individuals residing in shelters, 132 unsheltered individuals, and 96 improvised dwellings, such as cars, vans, RVs, tents, or makeshift shelters.

This data provides valuable insights into the scope of homelessness in Montebello, emphasizing the urgent need for targeted interventions to address both sheltered and unsheltered homelessness. Additionally, the presence of individuals in temporary or informal accommodation highlights the importance of solutions that ensure housing stability for all affected residents.

Discussion:

All data from the 2024 Point-In-Time (PIT) count provided in the previous tables pertains to the Los Angeles City and County Continuum of Care (CoC) Service Planning Area 7, which includes the city of Montebello unless otherwise noted. This regional data offers valuable insights into the scope of homelessness within the broader CoC and informs local planning and resource allocation for cities like Montebello. As part of the CoC, Montebello's homelessness challenges and housing needs are reflected within these aggregated statistics, underscoring the shared responsibility to address homelessness across the region.

NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d)

Introduction:

This section includes an assessment of non-homeless special needs groups in the city, including the elderly, developmentally disabled, persons with disabilities, persons with HIV/AIDS, and persons with drug and alcohol addictions. Services for these populations are critical in the prevention of homelessness. Common special needs populations identified in the city's Consolidated Plan public/stakeholders' forums included ex-offenders, and persons in need of non-traditional childcare (nights, evening, weekends).

Describe the characteristics of special needs populations in your community:

Elderly: According to 2018-2022 ACS data, approximately 10,614 individuals in Montebello are over the age of 65, representing 17.1% of the population. Among them, approximately 41.5% have a disability, and 12.9% live below the poverty level. Elderly households are predominantly homeowners, with 65.7% owning their homes. These figures underscore the need for housing affordability initiatives and support services to help Montebello's aging population maintain stability and independence.

HIV/AIDS: In Montebello, various housing programs funded by federal, state, and local resources aim to support vulnerable populations, including low-income households and individuals facing health challenges such as HIV/AIDS. Although specific HIV/AIDS data for Montebello are unavailable, Los Angeles County's 2022 HIV Surveillance Report indicated 53,599 people living with diagnosed HIV (PLWDH) countywide, with significant racial disparities and housing instability affecting health outcomes.

Black/African Americans and Hispanic individuals experience higher rates of new HIV diagnoses and lower rates of viral suppression compared to White individuals. Approximately 20% of PLWDH in Los Angeles County reported housing instability, emphasizing the need for stable housing to support effective medical care and treatment adherence.

Affordable housing programs in Montebello provide critical support to residents with chronic health conditions, including HIV/AIDS. Stable housing is vital for improving health outcomes, especially for low-income families and individuals on fixed incomes or facing housing cost burdens. By addressing both housing and healthcare needs, these programs play a key role in promoting long-term stability and well-being.

Alcohol and Drug Addiction: Substance use disorders are a critical concern in Montebello, with recent data indicating that alcohol and opioids (including prescription opioids and heroin) are the most frequently reported substances associated with hospitalizations. In 2022, Los Angeles County reported

approximately 131,365 emergency department (ED) visits due to alcohol-related health issues and 129,449 hospitalizations related to alcohol and illicit drug use. Additionally, according to the Los Angeles County Department of Public Health, around 54% of adults aged 18 and older consumed alcohol at least once in the past month, with 18% engaging in binge drinking—defined as consuming five or more drinks on a single occasion for men, or four or more drinks for women.

Opioid-related issues also remain prevalent, with 2021 data showing 16,663 opioid-related ED visits and 11,022 hospitalizations across the county. In 2022, the number of accidental fentanyl overdose deaths reached 1,910, reflecting a drastic 1,652% increase from 2016. These statistics underscore the pressing need for targeted interventions and comprehensive support services to address the substance use challenges affecting communities in Montebello and surrounding areas.

Disability: In Montebello, 18,524 individuals live with a disability, representing 10.3% of the population. Disability rates naturally increase with age, as older residents are more likely to experience one or more disabilities. Disabilities are less common among children, with only 1,176 individuals 17 years and younger reporting a disability, and no reported cases under the age of 5. However, this demographic still requires attention. Households with children who have disabilities may need additional support and resources to address their unique needs, emphasizing the importance of targeted services for this group.

What are the housing and supportive service needs of these populations and how are these needs determined?

Elderly: Housing options for the elderly range from independent living to assisted living, nursing homes, and support facilities like adult day care. Key considerations include location, affordability, proximity to healthcare and essential services, and ease of upkeep. As health issues become more common with age, elderly individuals benefit from access to healthcare and assistance with daily activities such as shopping and housekeeping. Proximity to essential services and reliable transportation is critical as mobility decreases, and safety becomes a growing concern for those living alone.

Providing secure, affordable housing for the elderly is vital. Access to healthcare, shopping, social networks, and public transportation supports seniors in maintaining independence. Additionally, housing may require modifications to address disabilities that often arise with aging, further ensuring a safe and supportive living environment.

Alcohol and Drug Addiction: Individuals with substance abuse problems require a comprehensive support network to maintain sobriety and overall health. Their housing needs often include sober living environments that provide a structured, substance-free setting conducive to recovery. Access to employment support services is also critical, as stable income can be a key factor in maintaining long-term sobriety. Additionally, housing should be located near health facilities for ongoing medical and psychological treatment, as well as close to family and social networks that can offer emotional support.

Detoxification facilities are essential at the onset of treatment, offering medical supervision during the withdrawal process. These facilities, along with rehabilitation centers, provide the foundation for recovery. Access to such resources, coupled with stable housing and employment, plays a crucial role in breaking the cycle of addiction and preventing relapses. Long-term housing stability, combined with ongoing access to medical and social support services, is key to helping individuals with substance abuse issues rebuild their lives.

Disability: Individuals with disabilities represent a diverse population with varying levels of independence and abilities. While they face many of the same housing challenges as the general population, they also have unique needs based on their capabilities. Many individuals with disabilities rely on a fixed income, limiting their housing options. Those with greater independence often utilize subsidized housing, while individuals requiring more support typically reside in community homes funded by public welfare or privately-owned personal care settings. Some adults with disabilities continue to live with their families throughout adulthood.

Regardless of the type of housing, continuous support services are crucial and must be tailored to each individual's abilities. These services may include assistance with daily living activities, transportation, or medical care. The availability of these support systems is essential to ensure that individuals with disabilities can maintain a stable and comfortable living environment, promoting independence and improving their quality of life.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

Within the Los Angeles Eligible Metropolitan Statistical Area (EMSA), which includes Montebello, there were 53,599 people living with diagnosed HIV (PLWDH) as of 2022. Black/African Americans and Hispanic individuals are disproportionately affected, with higher rates of new diagnoses and lower viral suppression compared to White individuals. Housing instability impacts approximately 20% of PLWDH, emphasizing the critical need for stable housing to support effective treatment and care. Families impacted by HIV/AIDS often face additional challenges, including economic instability and barriers to accessing comprehensive healthcare and supportive services.

If the PJ will establish a preference for a HOME TBRA activity for persons with a specific category of disabilities (e.g., persons with HIV/AIDS or chronic mental illness), describe their unmet need for housing and services needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2) (ii))

Not applicable.

Discussion:

See Discussion above.

NA-50 Non-Housing Community Development Needs – 91.215 (f)

Describe the jurisdiction's need for Public Facilities:

Montebello requires enhanced public facilities to adapt to shifting household dynamics and support economic growth by providing diverse community resources such as recreation spaces, multi-use facilities, and community centers tailored to seniors, youth, and independent young adults. The Community and Stakeholder Surveys identified a strong demand for youth, senior centers, expanded recreational spaces, historical preservation and ADA-compliant public facilities to ensure equitable access to services. Additionally, respondents emphasized the importance of mental health facilities, homeless service centers, and spaces for workforce development programs to support vulnerable populations. These facilities are critical for fostering community engagement, improving quality of life, and ensuring Montebello remains an attractive place to live and work.

How were these needs determined?

These needs were identified through the 2021 Parks Master Plan, which incorporated resident surveys and public input sessions, as well as recent findings from the Community and Stakeholder Surveys. Feedback emphasized the need for spaces accommodating evolving household structures, such as senior programs, youth services, and shared community areas. The surveys also highlighted accessibility barriers for individuals with disabilities and the need for expanded mental health and homelessness resources. This approach ensures the city's facilities can address current demands while aligning with long-term goals for livability and economic development.

Describe the jurisdiction's need for Public Improvements:

Montebello's infrastructure requires substantial upgrades to improve livability and economic opportunities. Key needs include modernizing transportation infrastructure, enhancing stormwater drainage systems, and maintaining streets and alleys to ensure accessibility and safety for residents and businesses. The Community and Stakeholder Surveys revealed concerns regarding poor road conditions, sidewalk accessibility, inadequate lighting, and drainage issues, particularly in lower-income areas. Respondents also highlighted the need for ADA-compliant infrastructure improvements and better pedestrian and bike-friendly routes to enhance mobility. Improvements to infrastructure not only benefit residents but also attract businesses, fostering economic development and job creation.

How were these needs determined?

The city's Public Works Department conducts regular assessments of roadways, drainage systems, and transportation infrastructure, but additional feedback from the Community and Stakeholder Surveys helped identify specific issues affecting residents' daily lives. Public input highlighted frequent flooding, insufficient pedestrian crossings, and deteriorating road conditions as major concerns. Stakeholders also

emphasized the importance of safe and efficient public transportation, particularly for seniors and individuals with disabilities. These findings underscore the need for targeted infrastructure investments to enhance safety, accessibility, and economic mobility.

Describe the jurisdiction's need for Public Services:

Montebello has a strong need for expanded public services to support families, enhance housing stability, and drive economic opportunities. Key priorities include job training programs, housing assistance, and mental health services, as well as youth services and food assistance programs identified in the Community and Stakeholder Surveys. The surveys highlighted gaps in workforce development, financial literacy programs, and social services for low-income households, particularly those experiencing housing instability. Residents also expressed the need for emergency assistance programs, childcare support, and expanded mental health counseling services to address the challenges faced by vulnerable populations.

How were these needs determined?

The city's Planning and Community Development Department's Housing Division and local organizations conduct assessments through outreach programs, but recent Community and Stakeholder Surveys provided additional insights into service gaps affecting Montebello residents. Respondents emphasized the need for accessible healthcare services, rental assistance programs, and workforce development initiatives to help low-income households achieve financial stability. Stakeholder feedback further identified the importance of services for seniors, unaccompanied youth, and individuals with disabilities, highlighting the necessity of a more comprehensive public service network. Addressing these needs through strategic investments in public services, workforce development, and housing assistance programs will support long-term economic resilience and improve quality of life for Montebello residents.

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

Montebello, CA, located in Los Angeles County, is a vibrant community blending historical significance with modern suburban appeal. Established in the early 20th century as an agricultural hub, Montebello has transitioned into a predominantly residential city, characterized by its diverse population and proximity to urban amenities. The local economy is multifaceted, with key industries including healthcare, retail, and manufacturing, contributing to a steady demand for both affordable and market-rate housing options.

Montebello's population is diverse in terms of age, income, and cultural backgrounds. The city's housing stock is relatively older, with approximately 83% of homes built before 1980, including a significant number constructed before 1950. Many of these properties require upgrades to meet modern safety, efficiency, and accessibility standards. While much of the housing is in fair to good condition, deferred maintenance is common, particularly among lower-income households. Housing availability remains constrained, with a homeowner vacancy rate of 0.8% and a rental vacancy rate of 1.9%, limiting options for new residents and driving competition in both rental and ownership markets.

Montebello faces several key housing and community needs. Socially, the city requires more affordable and accessible housing to support low-income families, seniors, and individuals with disabilities. Economically, continued investments in workforce development and job creation can enhance economic stability. Infrastructure improvements—such as modernized utilities, expanded public facilities, and safer pedestrian pathways—are necessary to improve connectivity and resilience. Addressing these needs in a comprehensive manner will strengthen Montebello's housing market, enhance quality of life, and ensure long-term stability and opportunity for its residents.

Overcoming Impediments such as homelessness, the availability of affordable housing, the balance between jobs and housing, and access to essential services require a special partnership among cities in the region, the County, and nonprofit organizations.

The County of Los Angeles and the City of Los Angeles persist in their efforts to implement effective programs centered on housing-related issues. These initiatives include programs for first-time homebuyers, supportive and transitional housing, enhancements to rental properties, and the development of new affordable housing units.

The City of Montebello actively implements and delivers essential programs aimed at assisting low-income residents, in collaboration with local and county social services. The city maintains a close partnership with the Housing Rights Center (HRC) to address investigations and allegations related to

housing discrimination within the community. Furthermore, the community significantly benefits from the quarterly fair housing education sessions that are offered by HRC. Initiatives of this nature play a significant role in reducing the inequalities that community members may encounter.

MA-10 Number of Housing Units – 91.210(a)&(b)(2)

Introduction

This section provides an analysis of Montebello's housing stock, focusing on housing types and occupancy trends. It examines the number of units per structure, the distribution of multifamily housing, and the range of unit sizes available. Additionally, it explores the balance between owner-occupied and renter-occupied housing, offering insights into the city's housing composition and the availability of diverse housing options throughout the community.

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	9,922	49%
1-unit, attached structure	1,629	8%
2-4 units	2,581	13%
5-19 units	2,410	12%
20 or more units	3,269	16%
Mobile Home, boat, RV, van, etc	310	2%
Total	20,121	100%

Table 27 – Residential Properties by Unit Number

Alternate Data Source Name:

2017-2021 CHAS

Data Source Comments:

Residential Properties by Number of Units

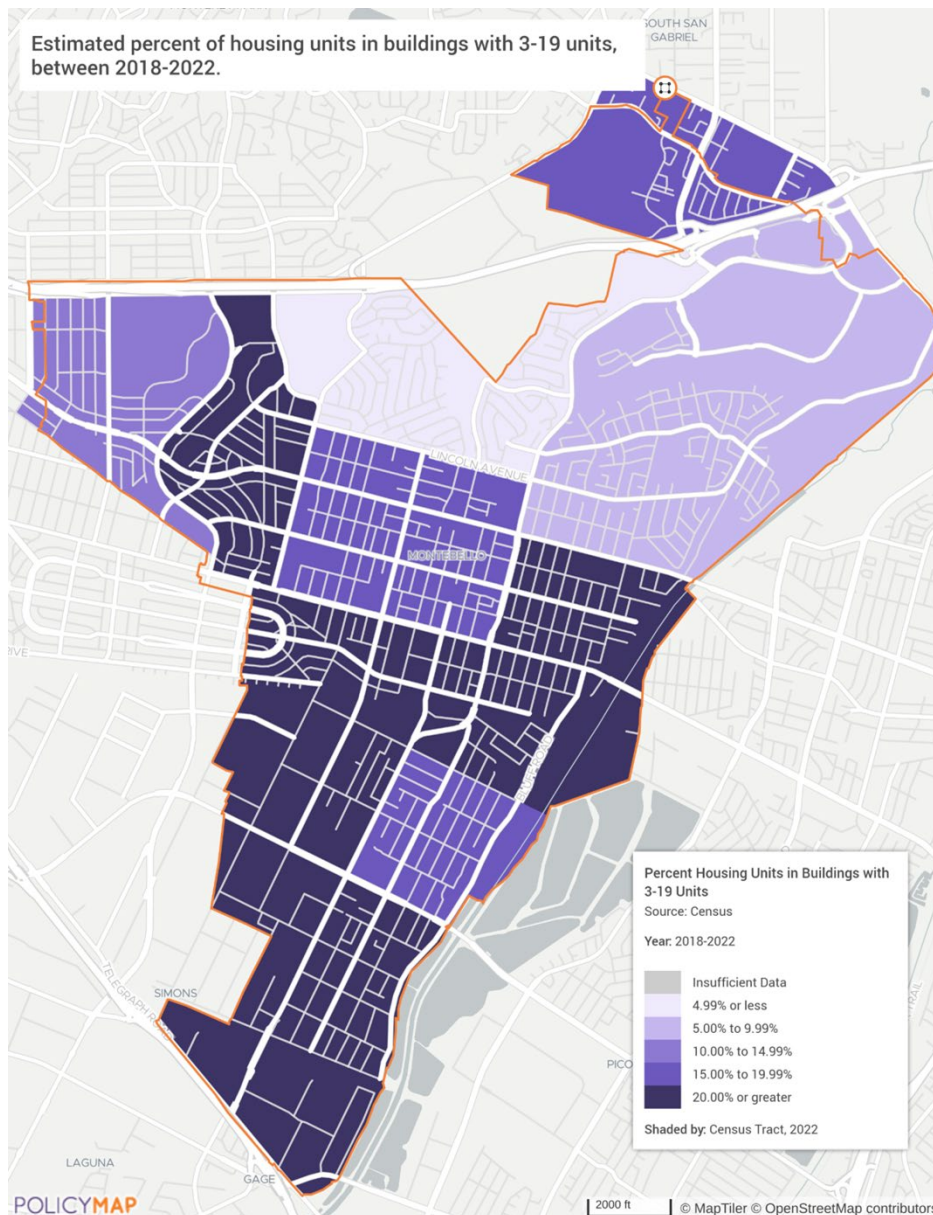
Montebello's housing stock is diverse, with traditional single-family detached homes comprising 49.3% of all units and multifamily housing, defined as buildings with four or more units, making up 28.2%. Multifamily units vary in size, ranging from small buildings with 3-19 units to medium-sized buildings with 20-49 units, and large developments with 50 or more units, which are primarily located in urban areas. This range of housing types provides options to accommodate various household sizes and preferences, reflecting the city's commitment to meeting diverse housing needs.

Property Type: Small Multifamily Developments (3-19 Units)

Small Multifamily Developments (3-19 Units)

Small multifamily developments (3-19 units) are distributed throughout Montebello, with notable concentrations in the southern and western portions of the city. Most census tracts in Montebello report a prevalence of small multifamily buildings above 10%, with many areas exceeding 20% of the housing stock. In contrast, the northern and northeastern parts of the city have significantly lower prevalence, with some areas falling below 5% of the housing stock. This variation underscores the

localized distribution of smaller multifamily housing options, highlighting specific areas where these developments are more common.

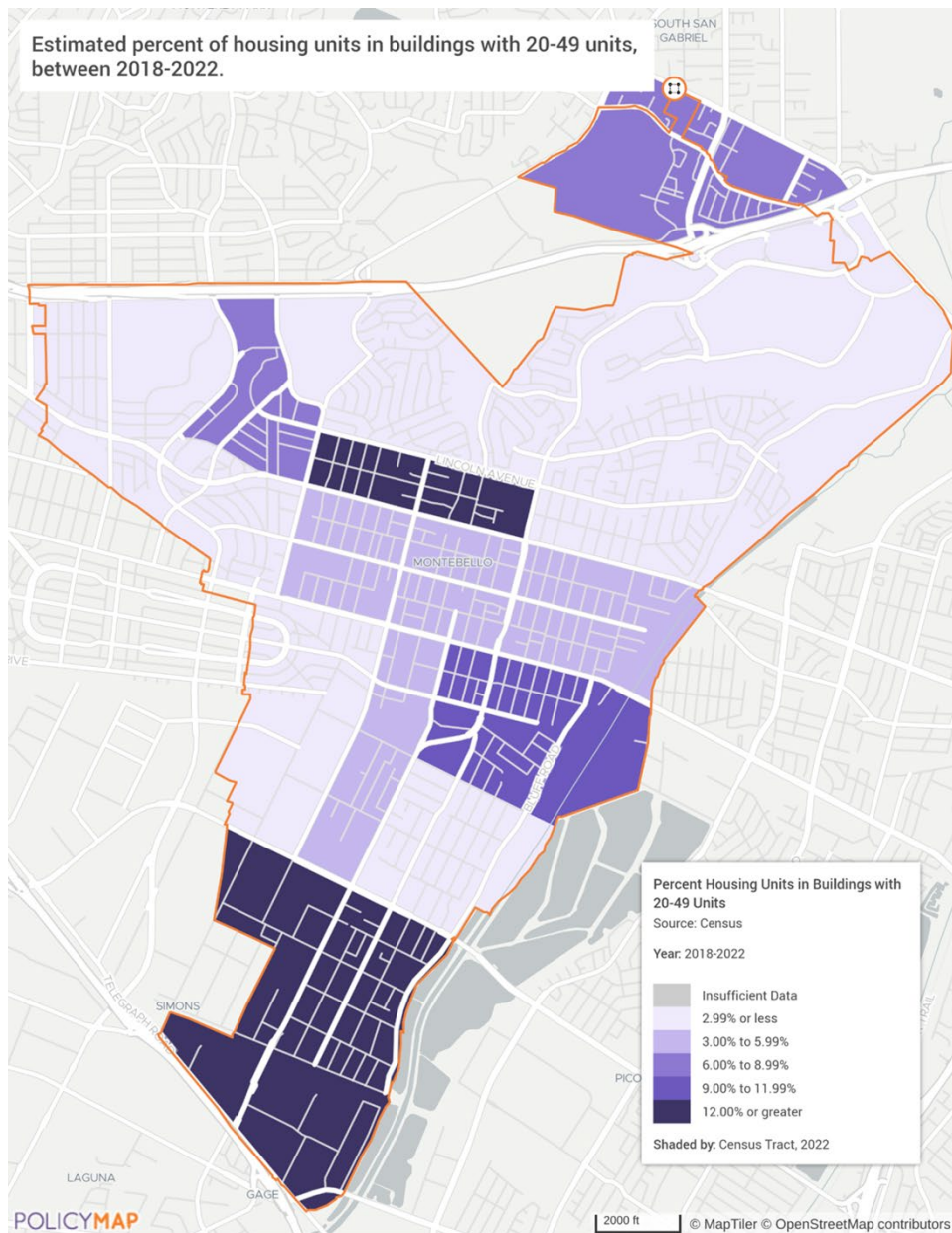


Small Multifamily Developments (3-19 Units) Map

Medium Multifamily Developments (20 - 49 Units)

Medium multifamily developments (20-49 units) are relatively uncommon throughout most of Montebello, with the majority of census tracts reporting less than 3% of housing units in this category. However, notable concentration exists in specific areas, particularly in the southern and central portions of the city. In these neighborhoods, certain census tracts report that over 9% of housing units are classified as medium multifamily developments, with a few tracts exceeding 12%. This distribution

underscores the localized presence of mid-sized multifamily housing within Montebello, catering to specific community and housing needs.

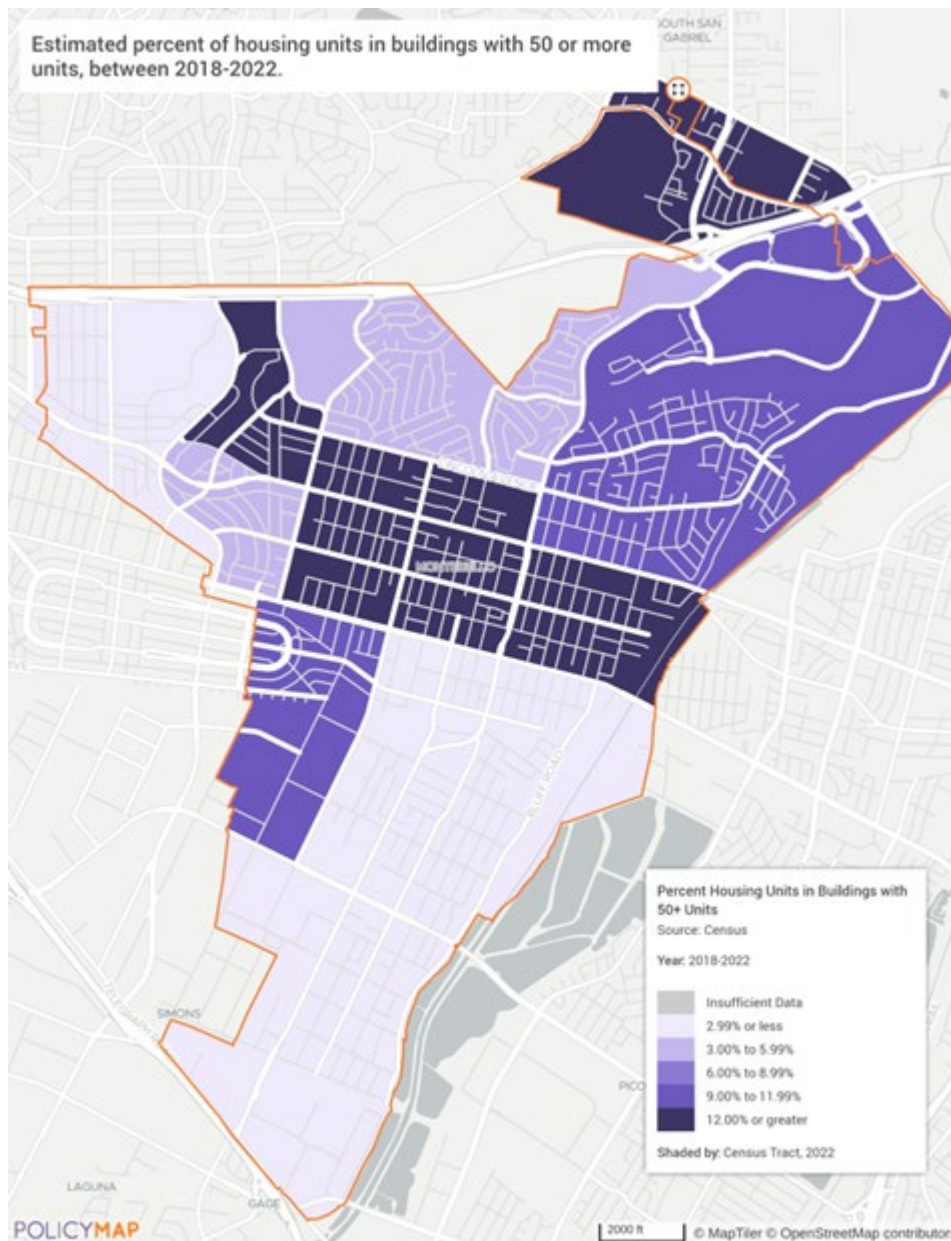


Medium Multifamily Developments (20 - 49 Units) Map

Large Multifamily Developments (50 or More Units)

Large multifamily developments with 50 or more units are relatively sparse across most of Montebello, with the majority of census tracts reporting less than 3% of housing units in this category. However, noticeable concentration exists in the central, northern, and western areas of the city. In these regions, several tracts have 12% or more of their housing stock in large multifamily buildings. This distribution

highlights areas of higher housing density, particularly in the northern and central portions of Montebello, where large apartment complexes and similar housing options are more prevalent.



Large Multifamily Developments (50 or More Units) Map

Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	124	1%	679	7%
1 bedroom	220	2%	2,445	24%
2 bedrooms	2,014	23%	5,317	51%

	Owners		Renters	
	Number	%	Number	%
3 or more bedrooms	6,517	73%	1,925	19%
Total	8,875	99%	10,366	101%

Table 28 – Unit Size by Tenure

Alternate Data Source Name:

2017-2021 CHAS

Data Source Comments:

Unit Size by Tenure

In Montebello, there is a notable contrast in unit sizes between owner-occupied and rental properties. Larger units with three or more bedrooms dominate the homeowner market, accounting for approximately 73.4% of owner-occupied units, whereas only 18.6% of rental units fall into this category. Conversely, smaller units with one bedroom or less are uncommon among homeowner properties, comprising just 3.9%, but are significantly more prevalent in the rental market, where they make up 30.2% of all units. This disparity highlights a concentration of smaller living spaces within Montebello's rental housing market.

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

Montebello does not have traditional public housing but offers several affordable housing developments supported by federal, state, and local programs. These properties target a range of income levels and family types, reflecting the city's commitment to meeting diverse housing needs. Below is a summary of these developments:

Vista de J.J. Rodriguez:

- Funding Sources: Tax Credit Proceeds, City of Montebello, Los Angeles County Affordable Housing Trust Fund, Infill Infrastructure Grant, San Gabriel Valley Regional Housing Trust, City National Bank
- Number of Affordable Units: 63 units
- Target Population: Families, including permanent supportive housing for survivors of domestic violence

Montebello Affordable Housing Project:

- Funding Sources: State of California Affordable Housing Development under Executive Order N-06-19
- Number of Affordable Units: 57 units

- Target Population: Permanent supportive and income-restricted units for families and individuals

Beverly Towers:

- Funding Sources: HUD Section 8 Project-Based Rental Assistance
- Number of Affordable Units: 189 units
- Target Population: Seniors

Casa La Merced:

- Funding Sources: HUD Section 8 Project-Based Rental Assistance
- Number of Affordable Units: 129 units
- Target Population: Seniors

Greenwood Gardens:

- Funding Sources: HUD Section 8 Project-Based Rental Assistance
- Number of Affordable Units: 30 units
- Target Population: Families

These developments highlight Montebello's ongoing efforts to provide stable housing options to seniors, families, and individuals through partnerships and a combination of funding sources.

Additional Program Funding

Community Development Block Grant (CDBG):

- 5-Year Goals: Montebello expects to receive \$3,074,625 in CDBG entitlement funds over the next five years, including \$614,925 in Year 1. Any unencumbered funds from prior years will be allocated to:
- Public facility improvements (including historical preservation)
- Housing Rehabilitation Grants/Loans Program

HOME Investment Partnerships Program (HOME):

- 5-Year Goals: Montebello expects to receive \$1,351,571.65 in HOME entitlement funds over the next five years, including \$270,314.33 in Year 1. Funds will support:
- Acquisition
- Homebuyer assistance
- Homeowner rehabilitation
- Multifamily rental new construction and rehabilitation
- New construction for ownership
- Tenant-Based Rental

These programs demonstrate Montebello's proactive approach to addressing housing challenges and improving the quality of life for its residents.

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

Montebello currently has three properties under contract with Section 8, all of which are set to expire in 2025. The expiration of these contracts would result in the loss of 348 affordable housing units, which are crucial for meeting the city's housing needs:

- **Beverly Towers:** 189 units, serving seniors
- **Casa La Merced:** 129 units, serving seniors
- **Greenwood Gardens:** 30 units, serving families

The potential loss of these units highlights the urgent need for contract renewals or alternative measures to preserve affordable housing options for Montebello's vulnerable populations, including seniors and low-income families.

Does the availability of housing units meet the needs of the population?

Montebello is experiencing a significant shortage of affordable housing, particularly in small to medium-sized units suitable for both growing families and elderly households, as identified in local housing assessments. This shortage is evident in the high rate of cost-burdened households, with many families spending more than 30% of their income on housing. Overcrowding is also a prevalent issue among small family households, highlighting the urgent need for more affordable housing options that can reduce financial strain and better accommodate larger household sizes within the city.

Describe the need for specific types of housing:

Montebello faces a critical need for specific housing types to address the diverse needs of its residents. There is a shortage of affordable rental units for low-income households, particularly those earning below 30% of the Area Median Income (AMI). Many of these households are severely cost-burdened and at risk of housing instability. There is also strong demand for small to medium-sized owner-occupied units, which could accommodate growing families seeking homeownership opportunities and elderly residents seeking accessible, downsized living spaces.

The supply of ADA-compliant housing in Montebello is limited, creating challenges for elderly residents and individuals with disabilities who require modifications such as ramps, grab bars, and zero-step entries to maintain independent living. Rising home prices and interest rates further limit homeownership opportunities for middle-income families, emphasizing the need for affordable options like townhomes or small single-family homes.

Additionally, there is a significant need for supportive housing with integrated services, including mental health care and substance abuse counseling, to assist residents with complex needs. Expanding these housing options would help alleviate Montebello's housing shortages, reduce cost burdens, and support a more stable and inclusive community.

Discussion

See Discussion above.

MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)

Introduction

In this section, the cost of housing for both homeowners and renters in the City of Montebello is described and analyzed. A review is made of the current home values and rents, as well as how those amounts have changed since 2012. Housing affordability, availability, and cost burden are major issues facing the residents of Montebello.

Cost of Housing

	Base Year: 2012	Most Recent Year: 2022	% Change
Median Home Value	404,500	628,400	55%
Median Contract Rent	1,046	1,596	53%

Table 29 – Cost of Housing

Alternate Data Source Name:

2018-2022 ACS

Data Source Comments: 2008-2012 ACS (Base Year)

Rent Paid	Number	%
Less than \$500	448	9.0%
\$500-999	655	14.5%
\$1,000-1,499	2,264	42.0%
\$1,500-1,999	3,974	28.7%
\$2,000 or more	2,595	5.9%
Total	9,936	100.0%

Table 30 - Rent Paid

Alternate Data Source Name:

2017-2021 CHAS

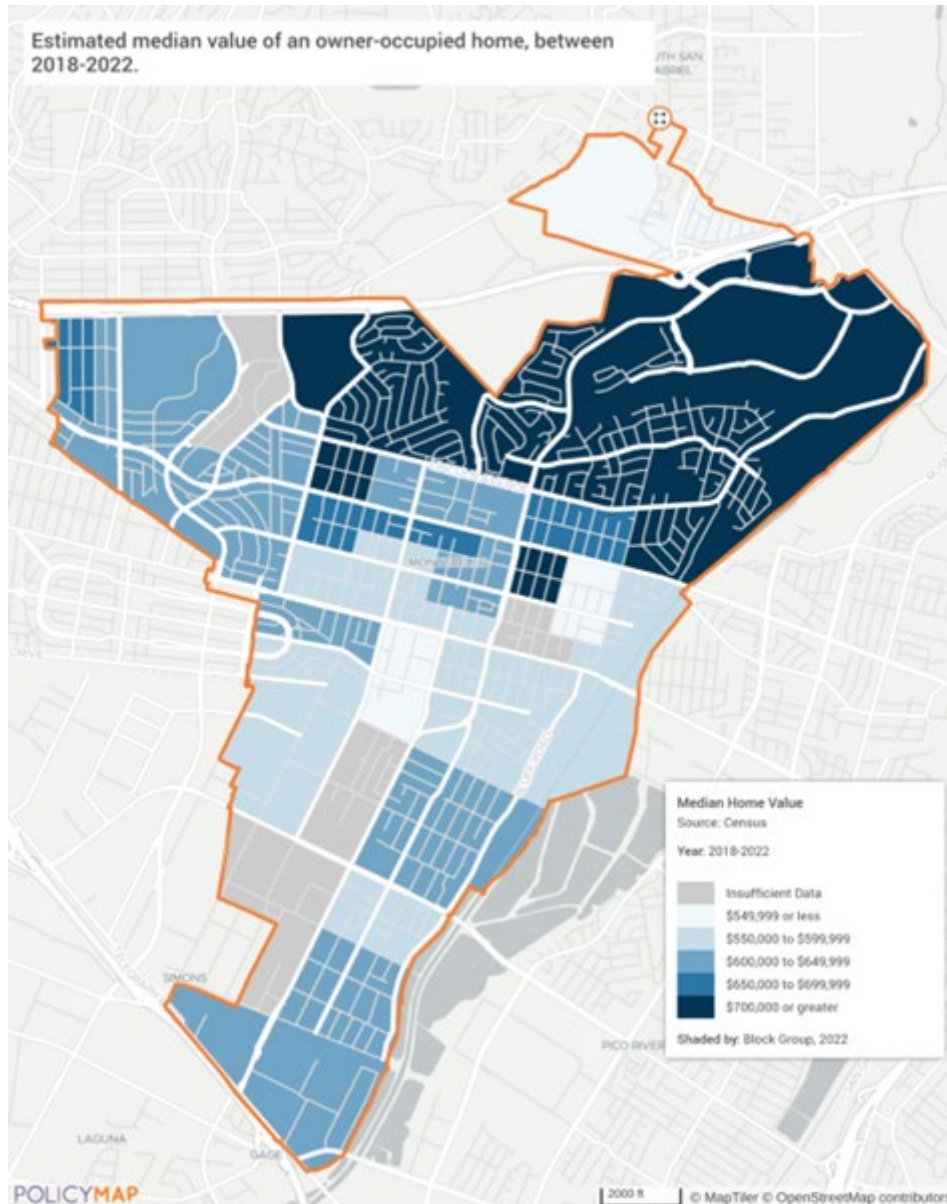
Data Source Comments:

Housing Costs

Housing costs in Montebello have skyrocketed since 2012, with home prices increasing by 55.4% and rents rising by 52.6%. Currently, 66.1% of renters pay over \$1,500 per month, while 22.8% pay between \$1,000 and \$1,500. These trends highlight growing affordability challenges as housing costs outpace wage growth, underscoring the urgent need for expanded affordable housing options to meet demand.

Median Home Values

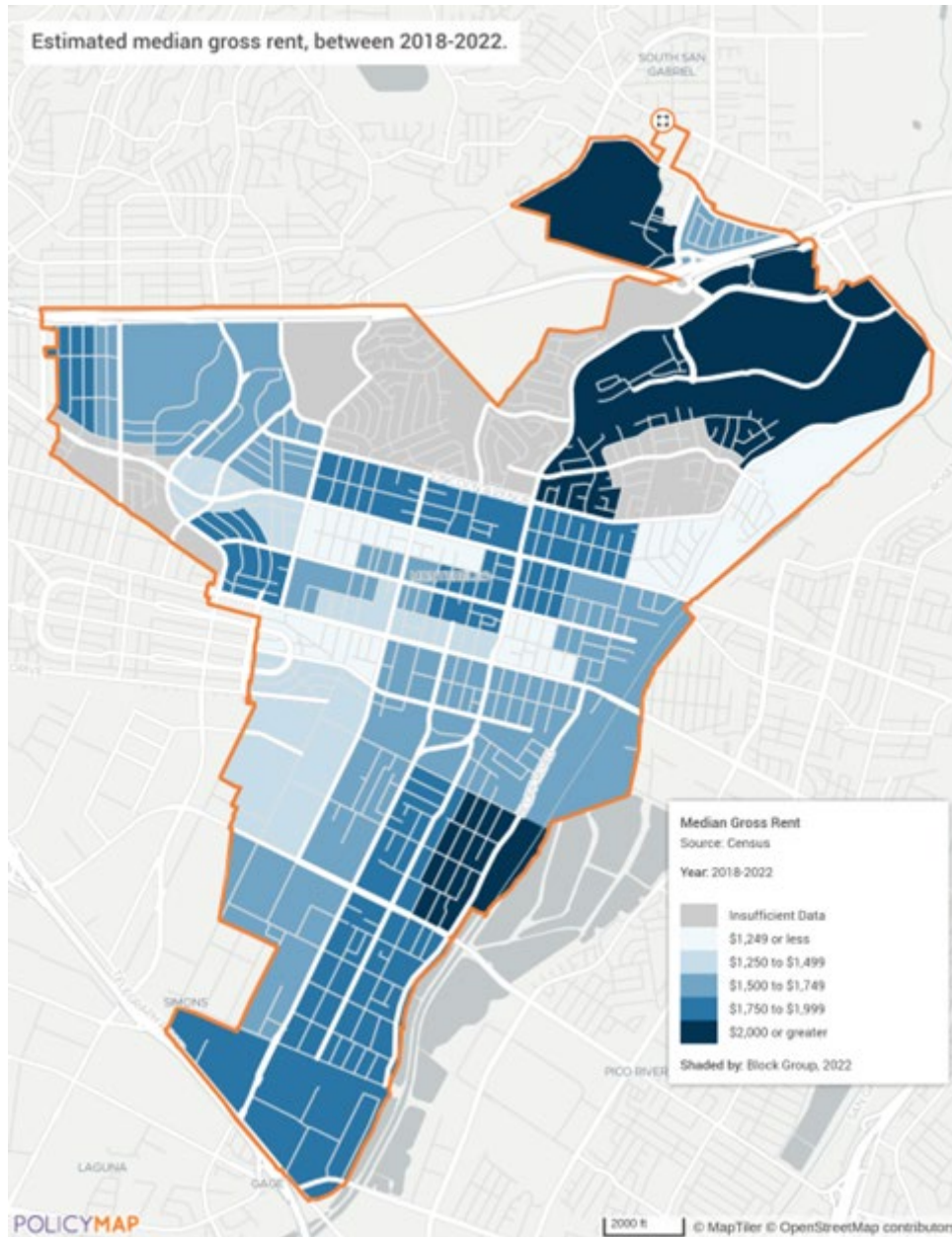
The map shows median home values in Montebello, with the highest values, exceeding \$700,000, concentrated in the northeast. Nearby, lower-value areas to the south and west have median values below \$550,000, highlighting significant disparities within close proximity.



Median Home Values Map

Median Rent

The following map illustrates median rent by census tract across Montebello, showing a more dispersed pattern compared to home values. The highest rents, exceeding \$2,000, are concentrated in the northeastern part of the city, while nearby tracts have significantly lower median rents, with some areas reporting figures below \$1,249. This variation highlights notable rental cost disparities within proximity, shaping a diverse and uneven rental landscape that affects affordability.



Median Rent Map

Housing Affordability

Number of Units affordable to Households earning	Renter	Owner
30% HAMFI	560	No Data
50% HAMFI	2,385	185
80% HAMFI	7,440	499
100% HAMFI	No Data	1,187
Total	10,385	1,871

Table 31 – Housing Affordability

Alternate Data Source Name:
2016-2020 CHAS
Data Source Comments:

Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	1,777	2,006	2,544	3,263	3,600
High HOME Rent	1,559	1,671	2,007	2,310	2,558
Low HOME Rent	1,213	1,300	1,560	1,803	2,011

Table 32 – Monthly Rent

Data Source Comments: Los Angeles-Long Beach-Glendale, CA HUD Metro FMR Area

Fair Market Rents (FMRs) are set by HUD and used to determine payment standard amounts for HUD Programs. HUD annually estimates FMRs for the Office of Management and Budget (OMB) defined metropolitan areas, some HUD defined subdivisions of OMB metropolitan areas and each nonmetropolitan county.

HOME Rents Limits are based on FMRs published by HUD. HOME Rent Limits are the maximum amount that may be charged for rent in HOME-assisted rental units and are applicable to new HOME leases.

The City of Montebello is part of the Los Angeles-Long Beach-Glendale, CA HUD Metro Fair Market Rent (FMR) Area. According to HUD's 2024 calculations, the FMRs for this metro area range from \$1,777 for an efficiency unit to \$3,600 for a four-bedroom unit. According to 2018-2022 ACS data, two-bedroom units are the most occupied rental type in Montebello, with a FMR of \$2,544. For a household to afford this rent without being considered cost-burdened (spending over 30% of income on housing costs), an annual income of approximately \$101,760 would be required, assuming the household has no other housing expenses.

Is there sufficient housing for households at all income levels?

As outlined in NA-10, Montebello faces a shortage of affordable housing, particularly for small to medium-sized homeowner households, which include both growing families and elderly households. This shortage is evident in the high rate of cost-burdened households.

How is affordability of housing likely to change considering changes to home values and/or rents?

The current trend of rising housing costs for both renters and homeowners may slow, but it is unlikely to reverse without major shifts in the housing market. To alleviate cost burdens and reduce the risk of homelessness, a significant increase in affordable housing units is essential. Without such efforts, many households will continue to face housing affordability challenges and remain at risk of housing instability.

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

In 2022, the median rent in Montebello was \$1,596, placing it above the Low HOME Rent Limit and below the Fair Market Rent (FMR) and High HOME Rent Limit for efficiency units. For 1-bedroom and 2-bedroom units, the median rent exceeded the Low HOME Rent Limit but remained below the FMR and High HOME Rent Limit. For larger units, the median rent fell below all specified rent limits, highlighting affordability challenges particularly for smaller units in the city.

Discussion

See Discussion above.

MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)

Introduction

The tables and maps below offer insights into the condition of housing units across Montebello by examining factors such as age, vacancy rates, and the occurrence of housing issues. HUD defines the four housing problems as:

1. Homes lacking complete or adequate kitchen facilities
2. Homes lacking complete or adequate plumbing facilities
3. Overcrowding, meaning there is more than one person per room
4. Households that are cost burdened, spending more than 30% of their income on housing costs.

These factors provide a comprehensive overview of housing quality and affordability challenges throughout the city.

Describe the jurisdiction's definition of "standard condition" and "substandard condition but suitable for rehabilitation":

Standard Condition:

In Montebello, housing classified as being in "standard condition" meets the requirements of the California Building Code (CBC), which incorporates the International Building Code (IBC) as adopted and amended by the state of California. Housing in standard condition is structurally sound, provides safe and adequate shelter, and complies with all applicable buildings, health, and safety regulations. These units are fully habitable, free from significant defects, and meet local and state housing codes.

Substandard Condition but Suitable for Rehabilitation:

Housing classified as "substandard condition but suitable for rehabilitation" fails to meet minimum safety and habitability standards but is considered repairable with reasonable investments. This classification is consistent with the definitions provided in the California Health and Safety Code and federal standards under 24 CFR § 5.425. Substandard housing may exhibit issues such as dilapidation, lack of essential utilities or plumbing, inadequate electrical systems, structural defects, or formal declarations of being unfit for habitation by a government agency. Properties within this classification can be restored to meet code requirements without excessive reconstruction, making them viable for rehabilitation.

By aligning with both state and federal guidelines, Montebello prioritizes the rehabilitation of substandard housing to preserve its affordable housing stock while ensuring safe, habitable environments for its residents.

Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	2,716	31%	5,557	54%
With two selected Conditions	139	2%	872	8%
With three selected Conditions	40	0%	43	0%
With four selected Conditions	0	0%	18	0%
No selected Conditions	5,980	67%	3,876	37%
Total	8,875	100%	10,366	99%

Table 33 - Condition of Units

Alternate Data Source Name:

2017-2021 CHAS

Data Source Comments:

Housing Conditions

The table above highlights the number of owner and renter households in Montebello that face at least one housing problem. Renters are significantly more likely to experience housing problems, with approximately 62.6% of renters affected, compared to only 32.6% of homeowners. Very few households face multiple housing issues, and based on data presented in the Needs Assessment, it is clear that the most common housing problem is cost burden. This indicates that many households are struggling to afford their housing costs, which remains a critical issue for the city.

Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	334	4%	429	4%
1980-1999	745	8%	1,885	18%
1950-1979	5,116	58%	6,456	62%
Before 1950	2,680	30%	1,596	15%
Total	8,875	100%	10,366	99%

Table 34 – Year Unit Built

Alternate Data Source Name:

2017-2021 CHAS

Data Source Comments:

Year Unit Built

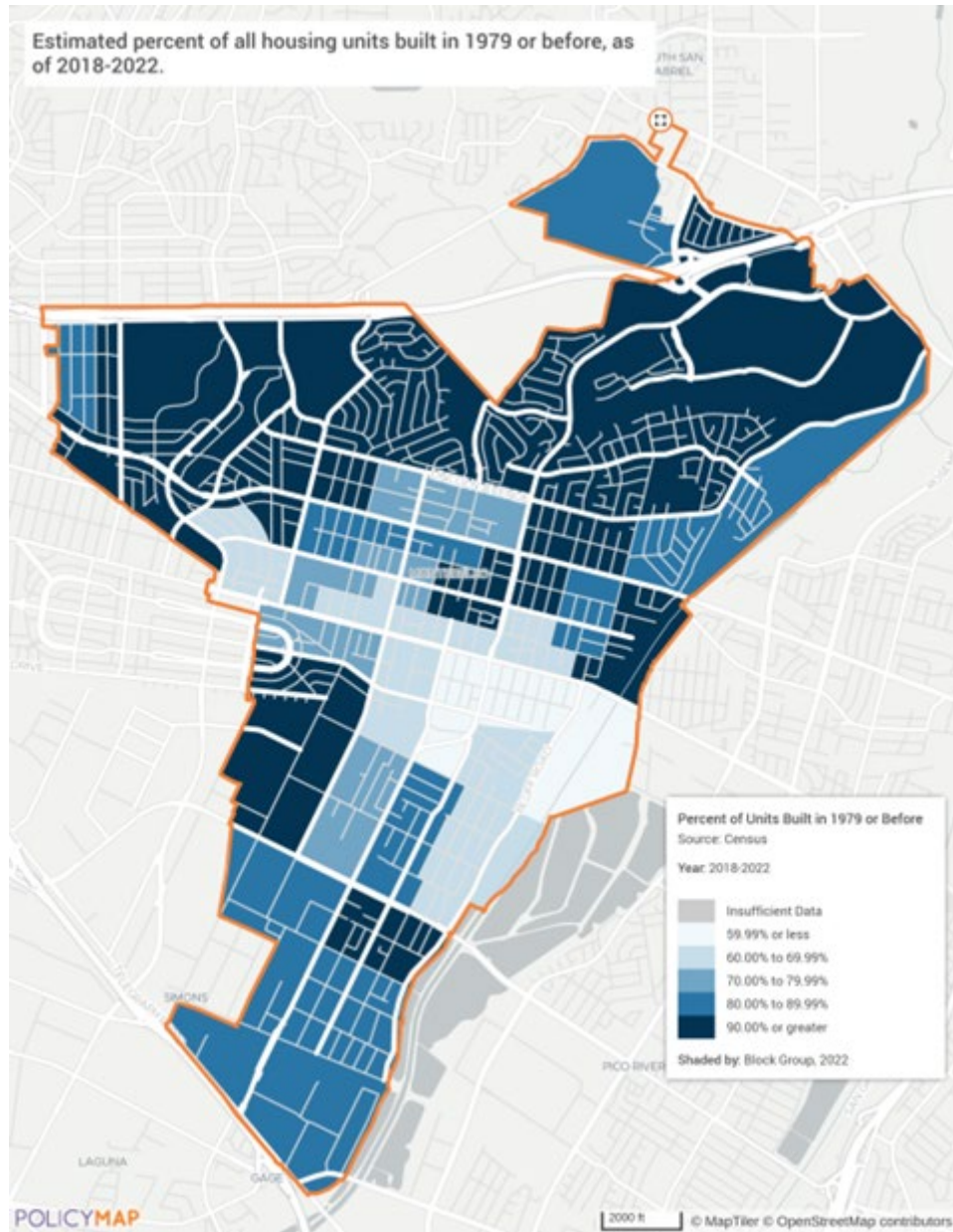
In Montebello, a considerable portion of the housing stock was built before 1980, making these units at risk for lead-based paint hazards, as lead paint was widely used before its ban in 1978. Approximately 87.8% of owner-occupied units and 77.7% of renter-occupied units fall into this category, exposing an

estimated 15,848 households to possible lead-based paint exposure. This poses a public health concern, especially for families with young children, emphasizing the need for targeted mitigation efforts in older homes to reduce exposure risks.

Age of Housing

The map below illustrates the widespread presence of older housing units across Montebello, with homes built before 1980 dominating the city's housing stock. In most neighborhoods, more than 70% of the housing stock was constructed prior to 1980, with certain areas exhibiting over 90% of units built before that year. This trend underscores significant challenges related to aging housing infrastructure, including the need for ongoing maintenance and upgrades to ensure safety, energy efficiency, and compliance with modern building standards.

Older homes are more likely to face issues such as outdated electrical systems, inefficient plumbing, and potential environmental hazards like lead-based paint or asbestos. Additionally, these properties may lack modern accessibility features, creating challenges for elderly residents or individuals with disabilities. Addressing these concerns through targeted rehabilitation efforts and funding programs is essential to preserving Montebello's aging housing stock while improving the quality of life for its residents. This also highlights the importance of leveraging federal, state, and local resources to support maintenance, repairs, and upgrades to sustain safe and habitable housing across the city.



Housing Built Before 1980 Map

Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	7,796	88%	8,052	78%
Housing Units build before 1980 with children present	624	7%	1,874	18%

Table 35 – Risk of Lead-Based Paint

Alternate Data Source Name:

2017-2021 CHAS

Data Source Comments: (Total Units) and (Units with children present)

Lead-Based Paint Hazard

As mentioned previously, any housing unit built prior to 1980 may contain lead-based paint in portions of the home. The most common locations are window and door frames, walls, and ceilings, and in some cases throughout the entire home. Thus, it is generally accepted that these homes at least have a risk of lead-based paint hazards and should be tested in accordance with HUD standards. Within the City there are approximately 15,858 total units built prior to 1980 according to 2018-2022 ACS Data. Based on the 2017-2021 CHAS data, we can estimate that there are around 2,500 units at risk of having a Lead-Based Paint Hazard that have children under the age of 6 present.

Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	880	0	880
Abandoned Vacant Units	0	0	0
REO Properties	0	0	0
Abandoned REO Properties	0	0	0

Table 36 - Vacant Units

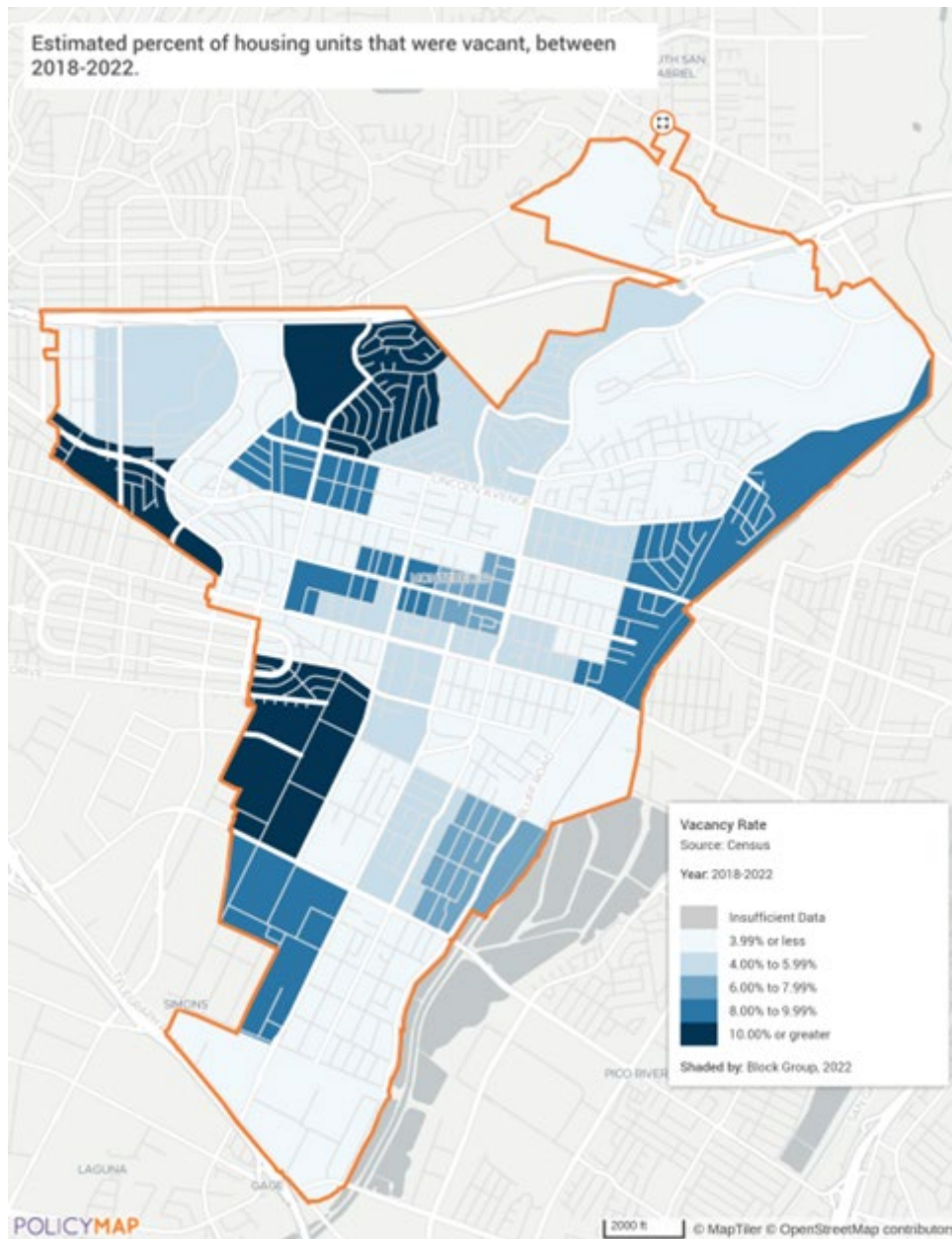
Alternate Data Source Name:

2018-2022 ACS

Data Source Comments:

Vacancy Rate

The map illustrates average housing vacancy rates across Montebello, highlighting notable regional differences. Some western tracts of the city exhibit significantly higher vacancy rates, with some neighborhoods exceeding 10%. In contrast, the northern and southern areas maintain much lower vacancy rates, with most tracts below 4%. This disparity reflects variations in housing demand and occupancy patterns, with stronger demand and occupancy levels observed in the southern regions.



Vacancy Rate Map

Need for Owner and Rental Rehabilitation

The City of Montebello has a growing need for housing rehabilitation due to the prevalence of aging housing units. As these homes continue to age, maintaining safe and secure housing becomes increasingly important, particularly for low-income households residing in older properties. Financial constraints often prevent these residents from making essential repairs, leading to potential safety hazards and deteriorating living conditions. Addressing this need is essential for preserving the housing stock and ensuring long-term livability for residents.

Estimated Number of Housing Units Occupied by Low- or Moderate-Income Families with LBP Hazards

Housing units built before 1980 in Montebello may contain lead-based paint (LBP) in areas such as window and door frames, walls, ceilings, or even throughout the entire structure. These homes are considered at risk for LBP hazards and should be tested according to HUD standards. As indicated by the Age of Housing table and maps, 88% of owner-occupied and 78% of renter-occupied units in Montebello were built before 1980. Given the potential risks, it is safest to assume that all homes with LBP hazards are occupied by low- and moderate-income (LMI) households, affecting approximately 2,103 units. This underscores the need for targeted interventions to mitigate potential health risks for these residents, particularly vulnerable populations.

Discussion

See Discussion Above.

MA-25 Public and Assisted Housing – 91.210(b)

Introduction

There are no public housing units in the City, and the City does not operate a housing authority. Instead, public housing assistance for the City comes from Housing Choice Vouchers and other forms of support offered by the LACDA.

Totals Number of Units

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project -based	Tenant -based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available	0	0	0	0	0	0	0	0	0
# of accessible units									
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 37 – Total Number of Units by Program Type

Alternate Data Source Name:

Housing Choice Voucher Data Dashboard 2024 (CA002)

Data Source Comments:

As previously stated, the city does not function as a public housing authority and does not oversee public housing units. The LACDA office supports the city of Montebello by offering Housing Vouchers to eligible residents of Montebello. Accordingly, the following outlines the housing vouchers that are administered in the city of Montebello by LACDA:

LACDA City of Montebello Data as of 1/22/2025
There are currently 598 Housing Choice Voucher participants that currently reside in the City of Montebello.
Voucher Types: Housing Choice Voucher program which includes the following targeted programs: Emergency Housing Voucher, Foster Youth to Independence, Veteran Affairs Supportive Housing, and the Family Unification Program.
Average Annual Income: \$21,540
Average Length of Stay: This is not tracked.
Average Household Size: 2
of Homeless at Admission: 103
of Elderly: 346
of Disabled: 358
of Families requesting accessibility features: This is not tracked.
of HIV/AIDS Program Participants: 1
of Domestic Violence Victim Participants: This information is not shared.
Race
American Indian/Alaskan Native: 8
Asian: 11
Black/African American: 24
Native Hawaiian/Other Pacific Islander: 2
White: 553
Grand Total: 598
Ethnicity
Hispanic or Latino: 441
Non-Hispanic: 157
Grand Total: 598

LACDA City of Montebello Data as of 1/22/2025

Describe the supply of public housing developments:

Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

The City does not own or operate any public housing developments within the jurisdiction.

Public Housing Condition

Public Housing Development	Average Inspection Score

Table 38 - Public Housing Condition

Describe the restoration and revitalization needs of public housing units in the jurisdiction:

The City does not own or operate any public housing developments within the jurisdiction.

Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

The City of Montebello, in collaboration with local housing agencies, has implemented several strategies to enhance the living environment for low- and moderate-income families residing in assisted affordable housing. Key initiatives include:

1. **Affordable Housing Development:** The city has partnered with organizations like the Cesar Chavez Foundation to develop new affordable housing projects. A notable example is the Vista de J.J. Rodriguez development, a \$46.7 million project that broke ground in June 2023. This four-story building will offer 63 units for families, including permanent supportive housing for survivors of domestic violence. Amenities include a learning center, playground, and multi-use community space, aiming to provide a supportive and enriching environment for residents.
2. **Community Development Block Grant (CDBG) and HOME Programs:** Montebello utilizes federal funding through the CDBG and HOME programs to support housing initiatives. These funds are allocated for residential rehabilitation opportunities, community housing resources, and economic development projects. The city's Housing Division is dedicated to providing affordable housing support, resources, and opportunities to improve the quality of life for its residents.
3. **Fair Housing Workshops:** To educate and empower residents, the city organizes workshops focusing on fair housing laws, disability accommodations, protections for families with children, eviction processes, rent increases, and updates on new laws. For instance, a workshop was scheduled for November 21, 2024, at the Montebello Senior Center, demonstrating the city's commitment to informing residents about their rights and available resources.
4. **Permanent Local Housing Allocation (PLHA) Plan:** Under Senate Bill 2, Montebello is eligible for up to \$1,900,548 over a five-year period to support housing-related projects. The PLHA funding aims to increase the supply of affordable housing units, assist persons experiencing or at risk of homelessness, and facilitate housing rehabilitation, thereby improving living conditions for low- and moderate-income families.

Through these comprehensive strategies, Montebello strives to create a supportive and improved living environment for its low- and moderate-income residents, addressing both immediate housing needs and long-term community development goals.

Discussion:

See Discussion Above.

MA-30 Homeless Facilities and Services – 91.210(c)

Introduction

The needs of the homeless and how the City responds to those needs are identified and discussed in this section. Numerous organizations citywide (Montebello) provide facilities, shelters, counseling services, food and nutrition and healthcare services to persons who are experiencing homelessness or at-risk of experiencing homelessness. The table below provides the number of Emergency Shelter (ES), Transitional Housing (TH), and Permanent Supportive Housing (PSH) beds available throughout the Los Angeles City and County Continuum of Care (CoC). In Service Planning Area 7, which includes Montebello, there are 1,659 ES beds, 290 TH Beds, 30 Safe Haven beds, and 1,134 PSH beds.

Facilities and Housing Targeted to Homeless Households

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	4	535	6	692	0
Households with Only Adults	1,101	19	284	442	156
Chronically Homeless Households	0	0	0	55	0
Veterans	0	0	177	54	26
Unaccompanied Youth	0	0	38	26	0

Table 39 - Facilities and Housing Targeted to Homeless Households

Alternate Data Source Name:

CoC: CA-600 Los Angeles City and County CoC

Data Source Comments: 2024 HUD Los Angeles City and County CoC Housing Inventory Count (HIC) Report SPA 7

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

In Montebello, various organizations and programs provide mainstream services across multiple sectors to support the needs of the community, including individuals experiencing homelessness. Below is a categorized list of these services:

Health Services

These organizations provide medical care, preventive services, and health education to promote physical well-being.

- **Montebello Community Assistance Program (MCAP):** Offers case management and connections to medical care for individuals with complex health needs.
- **Los Angeles County Department of Health Services:** Provides general medical services to low-income individuals through affiliated health centers.

Mental Health Services

These agencies offer counseling, psychiatric care, and support for individuals facing mental health challenges.

- **Montebello Mental Health Evaluation Team (MMHET):** Provides mental health intervention and case management for individuals experiencing mental illness.
- **Pacific Clinics:** Offers behavioral health and wellness programs, including support for mental health and substance use issues.

Employment Services

These organizations assist individuals in job placement, career development, and workforce readiness.

- **Goodwill Southern California Employment Services:** Provides job training and placement support for low-income and unemployed individuals.
- **Montebello Employment Development Department (EDD):** Assists residents in accessing job opportunities and career resources.

Food Services

These entities provide food assistance, meal programs, and nutrition education to combat hunger.

- **Heart of Compassion (HOC):** Distributes food and essential resources to individuals and families in need.

- **Los Angeles Regional Food Bank:** Partners with local organizations to provide food assistance in Montebello.

Transportation Services

These services offer mobility solutions, including public transit and specialized transportation for those in need.

- **Montebello Bus Lines:** Provides affordable and accessible public transportation throughout the city and surrounding areas.
- **Dial-A-Ride Services:** Offers transportation for elderly and disabled residents unable to use traditional transit.

Education Services

These institutions provide educational programs, literacy initiatives, and learning resources for all ages.

- **Montebello Unified School District (MUSD):** Offers educational resources and support programs for students in the city.
- **Montebello Public Library:** Provides access to literacy initiatives, digital resources, and community learning programs.

These organizations collectively contribute to the well-being of Montebello residents by addressing essential health, mental health, employment, food, transportation, and educational needs, while complementing services targeted to homeless individuals.

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.

In Montebello, several organizations and programs provide services and facilities to address the needs of homeless individuals and families, including chronically homeless persons, families with children, veterans and their families, and unaccompanied youth. Below is a categorized list of these services:

Emergency Shelters and Transitional Housing

- **Heart of Compassion Men's Recovery Home:** Offers a 12-month sober living program for men, providing shelter, community service opportunities, and support services aimed at recovery and reintegration.

- **Operation Stay Safe Tiny Homes:** Opened in May 2022, this facility provides 30 tiny home units with a local preference for Montebello community members experiencing homelessness. Amenities include on-site supportive services, daily meals, case management, and 24/7 security.

Supportive Services

- **Montebello Community Assistance Program (MCAP):** A field-based outreach program serving individuals with complex medical conditions, homelessness, and behavioral health issues. MCAP provides intensive case management, connecting participants with services such as mental health care referrals and housing assistance.
- **Montebello Mental Health Evaluation Team (MMHET):** Comprises a police officer and a licensed mental health clinician from the Los Angeles County Department of Mental Health. They offer intervention and case management services to individuals with mental illness, assisting in placing persons into facilities that can provide necessary mental health services or community resources.

Food and Basic Needs Assistance

- **Heart of Compassion (HOC) Distribution:** Founded in 1993, HOC is a food bank and social service organization located at 600 S. Maple Avenue, Montebello, CA 90640. HOC works to alleviate hunger and food insecurities, providing essential resources to those in need.

Health and Mental Health Services

- **Pacific Clinics:** Offers behavioral health, unhoused support services, social services, substance use treatment, and wellness programs for children, youth, adults, and families throughout California. Their comprehensive services address mental health and substance use issues, which are often underlying factors contributing to homelessness.

These organizations and programs collectively contribute to addressing the needs of homeless individuals and families in Montebello, providing essential services and facilities to support their well-being and transition towards stable housing.

MA-35 Special Needs Facilities and Services – 91.210(d)

Introduction

Montebello is dedicated to addressing the housing and supportive service needs of its most vulnerable populations, including the elderly and frail elderly, individuals with mental, physical, and developmental disabilities, persons recovering from substance use disorders, individuals living with HIV/AIDS and their families, and unaccompanied youth. The city recognizes the unique challenges these groups face, from securing affordable and accessible housing to accessing essential health and support services and focuses on creating solutions tailored to their diverse needs.

For elderly residents, the city prioritizes affordable housing options that offer proximity to healthcare and daily living assistance to maintain their independence. Persons with disabilities require accessible housing, transportation, and supportive services to enable stable and self-sufficient lives. Individuals recovering from substance use disorders benefit from housing that supports a structured and substance-free environment alongside access to counseling and employment resources. Those living with HIV/AIDS face the dual challenges of managing health and securing stable housing, necessitating integrated healthcare and supportive housing solutions. Unaccompanied youth often need transitional housing paired with educational resources and life skills training to achieve independence and stability.

Montebello also addresses the needs of individuals transitioning from institutional care, ensuring they receive appropriate supportive housing and access to the services needed for successful community reintegration. The city focuses on coordinating resources to provide stable housing, behavioral support, healthcare, and case management, aligning with best practices for long-term stability.

The city's strategy will continue to emphasize expanding affordable housing options, rehabilitating older housing stock, and improving public facilities to ensure accessibility for all residents. Additionally, Montebello aims to meet the needs of special populations by funding programs that provide supportive services, ensuring they have access to resources that promote stability, health, and well-being. These efforts reflect the city's commitment to fostering an inclusive and supportive community for all its residents.

Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs

Elderly: In Montebello, housing options for elderly residents include independent living, assisted living, nursing homes, and adult day care centers. Key considerations for elderly housing include affordability, proximity to healthcare services, and ease of maintenance. As seniors face increased health concerns with age, access to healthcare, assistance with daily activities (like meal preparation, shopping, and

housekeeping), and transportation is essential to maintaining their independence and quality of life. Safety is a significant concern, especially for elderly individuals living alone, and housing modifications, such as accessibility features, may be required to accommodate common aging-related disabilities.

Persons with Disabilities (Mental, Physical, Developmental): Montebello's population includes individuals with a range of disabilities, each requiring specific support levels to maintain a stable living environment. Many individuals with disabilities face limited income, restricting their housing options to affordable or subsidized units. Independent individuals often benefit from accessible subsidized housing, while those needing more intensive support might reside in publicly funded community homes or private care facilities. Key supportive needs include accessible transportation, case management, and assistance with daily living activities, which together help residents maintain their independence and improve their quality of life.

Persons with Alcohol or Drug Addictions: For individuals facing substance abuse challenges, supportive housing options are available, including sober living environments designed to provide a structured, substance-free setting crucial for recovery. Stable housing is often combined with employment support services, as a reliable income can contribute significantly to long-term sobriety. Additionally, close proximity to healthcare facilities ensures access to essential medical and psychological support. Connections to family and social networks can also provide necessary emotional support, helping to reduce relapse rates and promote recovery.

Persons with HIV/AIDS and Their Families: In Montebello, the need for stable, affordable housing for individuals living with HIV/AIDS is growing, as housing security significantly impacts health outcomes. Supportive housing that combines affordable living with healthcare access is vital, especially for those unable to afford market-rate housing. Additionally, housing must be designed to meet the healthcare needs of aging residents. Comprehensive community services are equally critical. These should include culturally competent healthcare, mental health support, substance use services, and case management to help individuals effectively manage their condition and provide targeted support to high-risk groups.

Unaccompanied Youth: Social service agencies offer emergency shelter and transitional housing for unaccompanied youth, paired with essential services such as education, job training, and counseling. To successfully transition to independent adulthood, many youth also require life skills training in areas like financial literacy, employment readiness, and health education. Supportive housing that integrates these educational and social services is critical for fostering stability and helping unaccompanied youth avoid long-term homelessness.

These supportive housing options aim to provide stable, accessible, and affordable environments that meet the unique needs of Montebello's most vulnerable residents, enhancing their ability to lead independent and healthy lives.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

Montebello has several programs and services that are designed to support individuals transitioning from mental and physical health institutions to community living, ensuring they receive appropriate supportive housing and related services.

1. **Montebello Community Assistance Program (MCAP):** MCAP is a field-based outreach initiative serving individuals with complex medical conditions, homelessness, and behavioral health issues. It provides intensive case management, connecting participants with services such as mental health care referrals and housing assistance. This program plays a crucial role in facilitating the transition from institutional care to community-based supportive housing.
2. **Montebello Mental Health Evaluation Team (MMHET):** MMHET comprises a police officer and a licensed mental health clinician from the Los Angeles County Department of Mental Health. They offer intervention and case management services to individuals with mental illness, assisting in placing persons into facilities that can provide necessary mental health services or community resources. This team ensures that individuals discharged from mental health institutions receive appropriate housing and support.
3. **Pacific Clinics:** Pacific Clinics offers behavioral health, unhoused support services, social services, substance use treatment, and wellness programs for children, youth, adults, and families throughout California. Their comprehensive services address mental health and substance use issues, which are often underlying factors contributing to homelessness. By providing these services, Pacific Clinics complements housing initiatives and supports individuals in achieving long-term stability.

These programs collectively contribute to a coordinated approach in Montebello, ensuring that individuals existing mental and physical health institutions receive the necessary support and housing to facilitate their successful reintegration into the community.

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

In the upcoming year, the City of Montebello plans to implement several activities to address the housing and supportive service needs of non-homeless individuals with special needs, including the elderly, persons with disabilities, and low-income families. These initiatives are outlined in the city's Annual Action Plan for Program Year 2025 in the AP-35.

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

Approximately 50% of the City's allocation for the Community Development Block Grant (CDBG) for the period of 2025-2029 will be dedicated to initiatives that support services for populations with special needs (please refer to AP-35 for a detailed list of specific activities). The City plans to fund public services aimed at promoting fair housing and to undertake improvements to public facilities.

In collaboration with the Continuum of Care (CoC) and the Los Angeles Homeless Services Authority (LAHSA), the City provides support for various homeless shelters and associated public services that offer food, shelter, clothing, and counseling within a 1 to 7-mile radius from the city. These services include the Salvation Army-Bell Shelter, Family Promise of San Gabriel Valley, Dolores Mission Church, Volunteers of America Los Angeles, Emmanuel Baptist Rescue Mission, East San Gabriel Valley Coalition for the Homeless, Whittier First Day, People Assisting the Homeless (PATH), The Whole Child, and Jovenes, Inc.

MA-40 Barriers to Affordable Housing – 91.210(e)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

The City of Montebello faces several barriers to the development, maintenance, and availability of affordable housing. These barriers include regulatory constraints, market conditions, financial limitations, and community opposition. The challenges, as outlined in recent reports and analyses, include the following:

- High Demand of affordable housing and/or homebuyer assistance (Housing)
- Necessary Owner/renter housing rehabilitation (Safe, decent, affordable housing and energy efficient)
- Promoting fair housing awareness
- Urgency for Public services (employment training, homeless, elderly, crime, park and recreation programs, etc.)
- Necessary Economic development (Commercial Facade, Workforce Development, etc.)
- Required Public facilities and infrastructure improvements (Street Improvements, Additional Street Lighting, and Historic Preservation)
- Need for Removal of slum and blight (Graffiti Removal)
- Land Use and Zoning Regulation Restrictions
- High Cost of Land and Construction
- Limited Availability of Funding for Housing Development
- Opposition to Affordable Housing
- Infrastructure and Environmental Constraints
- Economic Challenges and Wage Disparities

MA-45 Non-Housing Community Development Assets – 91.215 (f)

Introduction

This section provides an overview of Montebello's economic development, with a focus on key areas such as business sector employment, unemployment rates, commuting times, and education levels. The accompanying table outlines employment distribution across the city's business sectors. Additionally, the analysis delves into trends in unemployment, average commuting times for workers, and educational attainment, all of which play significant roles in shaping Montebello's economic landscape and future growth.

Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	141	30	0	0	0
Arts, Entertainment, Accommodations	3,195	2,046	10	9	-1
Construction	1,817	398	6	2	-4
Education and Health Care Services	6,871	6,251	22	28	6
Finance, Insurance, and Real Estate	1,670	752	5	3	-2
Information	407	51	1	0	-1
Manufacturing	2,968	2,679	10	12	2
Other Services	2,081	691	7	3	-4
Professional, Scientific, Management Services	2,825	2,523	9	11	2
Public Administration	1,149	581	4	3	-1
Retail Trade	3,678	3,691	12	16	4
Transportation and Warehousing	2,675	1,315	9	6	-3
Wholesale Trade	1,279	1,523	4	7	3
Total	30,756	22,531	--	--	--

Table 40 - Business Activity

Alternate Data Source Name:

2018-2022 ACS (Workers), 2021 Longitudinal Employ

Data Source Comments: 2018-2022 ACS (Workers), 2021 Longitudinal Employer-Household Dynamic (Jobs)

The above table highlights the distribution of workers and jobs across various sectors in Montebello. The city faces a significant job shortage relative to its local workforce, with 30,756 residents in the workforce compared to only 22,531 available jobs. This gap suggests that many residents likely commute outside the city for employment due to insufficient local opportunities. The Construction sector shows the largest disparity, with 1,419 more workers than jobs, followed closely by the "Other Services" sector and Transportation and Warehousing. Conversely, the Wholesale Trade sector is an exception, with 244 more jobs than local workers, indicating a slight surplus in this area. This highlights the need for a balanced approach to workforce development and job creation, ensuring that local employment opportunities match the skills and availability of Montebello's residents.

Labor Force

Total Population in the Civilian Labor Force	32,167
Civilian Employed Population 16 years and over	29,987
Unemployment Rate	5.10
Unemployment Rate for Ages 16-24	7.40
Unemployment Rate for Ages 25-65	4.30

Table 41 - Labor Force

Alternate Data Source Name:

2018-2022 ACS

Data Source Comments:

Unemployment

There are several methods for measuring unemployment, each with distinct advantages and limitations. The U.S. Census collects annual unemployment data by census tract, enabling geographic comparisons of unemployment rates across smaller areas. However, this data is typically two or more years old, making it less useful for real-time analysis. In contrast, the Bureau of Labor Statistics (BLS) provides monthly unemployment data, which is more current but only available at the citywide level, limiting its ability to reflect localized trends within specific neighborhoods or tracts. This section will analyze both sources to provide a comprehensive understanding of unemployment trends in Montebello.

Table 1 -Unemployment Rate in 2023, BLS-Montebello, CA

In 2023, Montebello's unemployment rate fluctuated throughout the year. The year began with an unemployment rate of 5.0% in January, which gradually declined to 4.5% in April. This was followed by an upward trend, peaking at 5.6% in August. After the peak, unemployment rates steadily decreased, ending the year at 4.9% in December. These trends highlight seasonal and economic factors impacting employment levels within Montebello throughout 2023.

Unemployment Rate

The following map illustrates unemployment rates across Montebello, highlighting variations at the census tract level. Most areas in the city report low unemployment rates, with the majority of tracts showing rates below 5%. However, a few tracts, particularly in central Montebello, exhibit significantly higher unemployment rates, with some areas exceeding 10% and one tract surpassing 20%. These localized disparities emphasize the need for targeted economic and employment initiatives in specific parts of the city to address concentrated unemployment challenges.

Occupations by Sector	Number of People
Management, business and financial	9,450
Farming, fisheries and forestry occupations	101

Occupations by Sector	Number of People
Service	5,244
Sales and office	6,934
Construction, extraction, maintenance and repair	2,627
Production, transportation and material moving	5,631

Table 42 – Occupations by Sector

Alternate Data Source Name:

2018-2022 ACS

Data Source Comments:

Occupations by Sector

The "Occupations by Sector" table illustrates the distribution of job types across various industries in Montebello, differing from a previous table that focused on the distribution of jobs within specific sectors. For instance, managerial positions, whether in corporate offices or retail, are classified under "Management, Business, and Financial" in this table but would be categorized by industry in the earlier table.

In Montebello, the largest occupational group is the Management, Business, and financial sector, with 9,450 jobs. The second largest group is the Sales and Office sector, comprising almost 7,000 jobs. These sectors encompass vital roles such as financial analysts, retail workers, administrative staff, and customer service representatives, emphasizing the importance of professional and office-related occupations in the city's workforce.

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	12,929	48%
30-59 Minutes	10,154	38%
60 or More Minutes	3,825	14%
Total	26,908	100%

Table 43 - Travel Time

Alternate Data Source Name:

2018-2022 ACS

Data Source Comments:

Commute Travel Time

In Montebello, most residents experience short to medium commutes. Approximately 48.0% of commuters, or 12,929 individuals, travel less than 30 minutes each way to work. Additionally, 37.7%, or 10,154 people, commute between 30 and 59 minutes. In contrast, only 14.2%, or 3,825 commuters, face

longer commutes of 60 minutes or more. This data highlights that the majority of Montebello's workforce enjoys relatively short travel times to their places of employment.

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	4,858	278	2,257
High school graduate (includes equivalency)	6,378	333	1,907
Some college or Associate's degree	7,145	517	1,833
Bachelor's degree or higher	6,192	248	1,114

Table 44 - Educational Attainment by Employment Status

Alternate Data Source Name:

2018-2022 ACS

Data Source Comments:

The table above details educational attainment by employment status for persons 16 years of age and older within the City. Unemployment is lower and labor force participation is generally higher for residents who have achieved a higher level of educational attainment.

Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	75	324	628	2,252	2,362
9th to 12th grade, no diploma	548	609	1,069	2,423	1,555
High school graduate, GED, or alternative	1,983	2,757	2,001	3,792	2,427
Some college, no degree	2,381	2,470	1,543	2,910	1,821
Associate's degree	224	965	557	956	624
Bachelor's degree	418	2,259	1,227	1,743	1,283
Graduate or professional degree	67	684	580	1,031	542

Table 45 - Educational Attainment by Age

Alternate Data Source Name:

2018-2022 ACS

Data Source Comments:

Educational Attainment by Age

The table above illustrates educational attainment by age for individuals 18 years and older in Montebello. Education levels show notable variation across age groups, with one consistent pattern: a below 9th-grade level of education is significantly more prevalent among older residents compared to younger age groups. This trend underscores generational differences in access to and attainment of formal education within the city.

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	30,014
High school graduate (includes equivalency)	32,967
Some college or Associate's degree	41,090
Bachelor's degree	56,063
Graduate or professional degree	84,494

Table 46 – Median Earnings in the Past 12 Months

Alternate Data Source Name:

2018-2022 ACS

Data Source Comments:

Median Earnings by Educational Attainment

Educational attainment plays a critical role in determining earning potential and financial stability in Montebello. Individuals with higher levels of education consistently earn significantly more than those with lower educational attainment. For example, a person with a bachelor's degree typically earns approximately 85% more than someone without a high school diploma. Similarly, individuals with a graduate or professional degree earn more than twice the income of those with only a high school education.

This disparity is even more pronounced over a lifetime. A person with a bachelor's degree working from age 23 to 62 can expect to earn around \$2.2 million, compared to \$1.3 million for someone with a high school diploma working from age 18 to 62 resulting in an earnings difference of approximately \$900,000. This gap significantly impacts wealth accumulation, as higher earnings often translate to increased opportunities for homeownership, investments, and retirement savings, further solidifying financial security for those with higher education levels.

Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?

In Montebello, the Education and Health Care Services sector is a significant contributor to the local economy, with 6,251 jobs available, which is slightly lower than the number of workers in this sector.

This represents 28% of all jobs in the city, highlighting the sector's vital role in providing stable employment and addressing community needs. The sector encompasses a variety of roles, ranging from healthcare services to educational positions, supporting the well-being of residents while bolstering the city's economic stability.

Describe the workforce and infrastructure needs of the business community:

The business community in Montebello has identified several key workforce and infrastructure needs to support economic growth and competitiveness through ongoing engagement between the city and the business community, including feedback collected via the Economic Development Division and the Montebello Chamber of Commerce. Regular consultations and surveys have highlighted the necessity for skilled labor and infrastructure enhancements to support business growth and operational efficiency.

Workforce Needs:

- **Skilled Labor Availability:** Businesses require a workforce proficient in technical skills, particularly in sectors like manufacturing and healthcare. The City of Montebello's Economic Development Division collaborates with local educational institutions to align training programs with industry demands, ensuring a pipeline of qualified workers.
- **Workforce Development Programs:** There is a need for initiatives that enhance employee skills and adaptability. The city partners with organizations such as the East L.A./West San Gabriel Valley America's Job Center of California (AJCC) to provide resources and training opportunities for both job seekers and employers.

Infrastructure Needs:

- **Transportation and Accessibility:** Efficient transportation networks are crucial for business operations. The city's Public Works Department is responsible for maintaining and improving infrastructure, including streets and traffic signals, to facilitate smooth logistics and commuter access.
- **Modernized Facilities:** Upgrading commercial and industrial facilities is essential to meet contemporary business requirements. The Economic Development Division assists businesses in navigating development processes and accessing resources for facility improvements.

By addressing these workforce and infrastructure needs, Montebello aims to create a conducive environment for business development and economic prosperity.

Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

Montebello is undergoing significant economic development over the next five years due to major public and private sector investments and initiatives. These changes are expected to impact job growth, business opportunities, and infrastructure needs within the city.

1. Eastside Transit Corridor Phase 2 Extension

The Los Angeles County Metropolitan Transportation Authority (Metro) is advancing the Eastside Transit Corridor Phase 2 project, which involves extending the E Line light rail through Montebello. This project aims to improve regional connectivity and stimulate local economic development by attracting businesses and increasing property values. Enhanced transit access is anticipated to create jobs and expand opportunities for residents and businesses throughout Montebello.

2. BLVD MRKT Development

The BLVD MRKT project, highlighted by California FreshWorks in 2023, is a community-focused initiative revitalizing downtown Montebello by providing a platform for local food vendors and entrepreneurs. This project supports cultural heritage and small business growth, fostering economic activity through job creation and increased visitor engagement. It serves as a model for urban development tailored to local needs.

3. Affordable Housing Projects

In 2023, The Cesar Chavez Foundation announced the development of a 132-unit affordable housing complex on Whittier Boulevard. According to The Real Deal, this project addresses critical housing shortages while supporting local economic stability by offering affordable living options for the workforce. This development is expected to strengthen Montebello's appeal as a place to live and work.

Emerging Needs

Workforce Development

Montebello faces an increased demand for workforce training programs to prepare residents for new opportunities in expanding industries. According to Montebello's Economic Development Division, collaborations with educational institutions and agencies like the East Los Angeles Workforce Development Board are vital for equipping residents with skills for sectors such as transit, hospitality, and retail.

Business Support

The Montebello Chamber of Commerce identified the need for enhanced small business support, including access to capital, mentorship programs, and marketing resources. As new developments like BLVD MRKT and expanded transit options take shape, small businesses will require these services to capitalize on growth opportunities.

Infrastructure Development

Montebello's Public Works Department highlighted the importance of updating transportation networks and utility systems to accommodate anticipated growth. With projects like the Eastside Transit Corridor Phase 2 extension, improvements in roads, traffic management, and public amenities are essential to support a growing population and business base.

Montebello's strategic investments and initiatives provide opportunities to address workforce, business, and infrastructure needs, fostering a sustainable and vibrant economic future.

How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?

In Montebello, the skills and education of the workforce align well with employment opportunities in sectors like retail trade and manufacturing, which together employ a significant portion of the population. These industries typically require lower educational attainment, making them accessible to the many residents whose highest level of education is a high school diploma or less. For example, manufacturing accounts for 12% of local jobs and offers positions well-suited for individuals with mid-level skills or vocational training. Likewise, the retail trade sector, comprising 16% of jobs, provides accessible employment opportunities for those without advanced degrees.

However, there are notable gaps between the workforce's education levels and opportunities in higher-skill sectors like professional, scientific, and management services, and healthcare, which often require bachelor's degrees or specialized certifications. While 28% of jobs are in the education and healthcare sector, access to these roles may be limited for residents with lower educational attainment. Addressing these disparities through workforce development programs and increased access to higher education will be critical in improving alignment between workforce skills and employment opportunities in Montebello.

Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.

Montebello is actively enhancing its workforce through various training initiatives supported by local organizations, community colleges, and Workforce Investment Boards. These programs aim to improve the city's livability, economy, and affordability by addressing the needs of residents and businesses.

1. **East L.A./West San Gabriel Valley America's Job Center of California (AJCC):** The East L.A./West San Gabriel Valley AJCC offers comprehensive employment services, including job search assistance, resume workshops, and vocational training programs tailored to local industry demands. By equipping residents with relevant skills, the AJCC enhances employability and supports local businesses in finding qualified candidates.

2. **County Department of Economic Opportunity: Youth at Work Elevate Program:** This program focuses on youth employment, providing paid internships, job readiness training, and career exploration opportunities for young residents. By engaging youth in meaningful work experiences, the program fosters economic self-sufficiency and prepares the future workforce to meet the evolving needs of Montebello's economy.
3. **Community College Partnerships:** Local community colleges collaborate with Montebello's Economic Development Division to offer customized training programs aligned with the city's economic goals. These partnerships ensure that educational curricula meet the specific needs of local industries, thereby enhancing the skill set of the workforce and supporting business growth.

By providing residents with access to quality education and training, Montebello enhances livability by improving individual career prospects and cultivating a more skilled and adaptable community. These efforts also drive economic growth, as a well-trained workforce attracts businesses seeking qualified employees, resulting in job creation and greater economic diversification within the city. Moreover, the employment opportunities generated by these programs empower residents to achieve financial stability, making life in Montebello more affordable while helping to reduce economic disparities.

Through these targeted workforce training initiatives, Montebello effectively addresses the needs of its citizens and businesses, building a resilient and prosperous community.

Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)?

No

If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.

The city does not participate in a CEDS, however, the Economic Development Division has developed the "Economic Prosperity Action Plan 2024-2027," which outlines strategic initiatives to enhance Montebello's economic growth and resilience. This plan aligns with the principles of a CEDS by engaging community leaders, leveraging private sector involvement, and establishing a strategic blueprint for regional collaboration.

Montebello's "Economic Prosperity Action Plan 2024-2027" outlines several initiatives aimed at enhancing economic development:

- **Business Attraction and Retention:** The city aims to attract new businesses and support existing ones through incentives and streamlined processes. This aligns with the Consolidated Plan's goals of economic revitalization and job creation.

- **Workforce Development:** Collaboration with educational institutions and training programs are planned to equip residents with skills matching local industry needs, addressing employment objectives in the Consolidated Plan.
- **Infrastructure Improvement:** Investments in transportation and utilities are proposed to support business operations and community development, complementing the Consolidated Plan's goals for infrastructure improvements.

Other Local/Regional Plans Impacting Economic Growth:

- **General Plan Update and Downtown Specific Plan:**

Montebello is actively updating its General Plan and developing a Downtown Specific Plan, as noted by the city's Planning Division in 2023. These plans aim to guide land use and economic policies, focusing on sustainable growth, revitalization, and enhanced livability within the city.

- **Eastside Transit Corridor Phase 2 Extension:**

The Los Angeles County Metropolitan Transportation Authority (Metro) is extending the E Line light rail through Montebello, as outlined in the California Environmental Quality Act (CEQA) Notice of Preparation published in May 2023. This project is expected to enhance regional connectivity, attract businesses, and stimulate economic growth in the city.

These initiatives collectively aim to create a conducive environment for economic growth, aligning with Montebello's strategic objectives.

Discussion

See Discussion Above.

MA-50 Needs and Market Analysis Discussion

**Are there areas where households with multiple housing problems are concentrated?
(include a definition of "concentration")**

HUD identifies four specific data points that constitute "housing problems": cost burden, overcrowding, lack of complete plumbing facilities and lack of complete kitchen facilities. In Montebello, housing problems are rare with the exception of cost burden.

For this analysis, "substantially higher" is based on the HUD provided standards set in the Needs Assessment. A tract with a housing problem rate of 10% higher than the citywide average is considered substantially higher. Areas of concentration are census tracts that have two or more housing problems that are substantially higher than the citywide average.

According to the 2018-2022 ACS 5-Year Estimates, the citywide rate of each is:

- Overcrowding: 11.8%
- Lack of Complete Plumbing Facilities: 1.4%
- Lack of Complete Kitchen Facilities: 1.0%
- Homeowner Cost Burden: 27.2%
- Renter Cost Burden: 60.0%

Substantial Rate

- Overcrowding: 21.8% Census Tract 5319.02 – 25.2% Census Tract 5321.01 – 21.8% Census Tract 5322 – 22.3% Lack of Complete Plumbing Facilities: 11.4% No Census Tracts with a concentration Lack of Complete Kitchen Facilities: 11.0% No Census Tracts with a concentration Homeowners Cost Burden: 37.2% Census Tract 5300.07 – 38.3% Census Tract 5301.01 – 37.2% Census Tract 5302.04 – 37.2% Renter Cost Burden: 70.0% Census Tract 5302.03 – 70.6% Census Tract 5321.01 – 72.2% Census Tract 5321.02 – 72.1%

Only one tract has multiple housing problems:

- Census Tract 5321.01
 - o Overcrowding
 - o Renter Cost Burden

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

For the purposes of this analysis a “racial or ethnic concentration” will be any census tract where a racial or ethnic minority group makes up 10 percent or more than the citywide rate. According to the 2018-2022 ACS 5-Year estimates the racial and ethnic breakdown of Montebello’s population is:

- Black, non-Hispanic: 0.7%
- American Indian and Alaska Native, non-Hispanic: 0.2%
- Asian, non-Hispanic: 13.3%
- Native Hawaiian and Other Pacific Islander, non-Hispanic: 0.0%
- Other Race, non-Hispanic: 0.4%
- Two or More Races, non-Hispanic: 0.5%
- Hispanic or Latino: 78.1%

Montebello exhibits notable racial and ethnic concentrations across its census tracts. The most significant concentration is among Hispanic/Latino households, who comprise the overwhelming majority of the population and are distributed throughout most of the city. Additionally, there are smaller but distinguishable concentrations of Asian households, reflecting the city's diversity.

Please see the following corresponding maps below which illustrate areas with concentrated populations by race and ethnicity, highlighting demographic patterns across the city. Maps are not provided for populations without a concentration.

What are the characteristics of the market in these areas/neighborhoods?

In Montebello, two racial/ethnic populations demonstrate concentrations: Asian households and Hispanic/Latino households. In the northern portions of the city, where Asian households are concentrated, there is a high prevalence of homeownership, coupled with income levels significantly above the poverty threshold and low unemployment rates. These areas reflect economic stability and access to resources. In contrast, Hispanic/Latino households constitute the overwhelming majority of Montebello’s population, resulting in varied characteristics across the areas they predominantly inhabit. These neighborhoods exhibit diverse socioeconomic conditions, including a mix of income levels, housing types, and employment rates.

Are there any community assets in these areas/neighborhoods?

Montebello offers a variety of community assets that enhance the quality of life for its residents. Notable facilities and services in or near these areas of racial/ethnic household concentrations include:

- **Grant Rea Park:** This park features the Montebello Barnyard Zoo, offering pony rides, train rides, and a miniature water park, providing recreational opportunities for families.

- **Montebello City Park:** As the city's oldest park, it includes a skateboard park and serves as a central gathering place for community events and activities.
- **Sanchez Adobe Park:** Home to the historic Juan Matias Sanchez Adobe, built in 1845, this park offers a glimpse of the area's rich history.
- **Montebello Women's Club:** A Spanish Colonial Revival single-story, wood-frame stucco finish clubhouse built in 1925.
- **Montebello Municipal Golf Course:** A 120-acre, 18-hole course founded in 1928, it provides golfing facilities along with hotels and a conference center, contributing to local tourism and recreation.
- **Montebello Bus Lines:** As the sixth largest public transit agency in Los Angeles County, it offers extensive bus services, enhancing mobility for residents and connecting them to neighboring communities.

These assets collectively contribute to the community's recreational, cultural, and transportation needs, enriching the living experience in Montebello.

Are there other strategic opportunities in any of these areas?

Montebello possesses several strategic opportunities that can enhance the well-being of its residents and stimulate economic growth. These opportunities leverage the city's unique attributes, including its location, cultural heritage, and existing infrastructure.

1. Strategic Location for Logistics and Commerce

Situated near major transportation corridors such as the I-5 and I-710 freeways, Montebello offers prime access to regional markets. This proximity positions the city as an attractive hub for logistics, warehousing, and distribution centers, potentially creating jobs and boosting local commerce. The city's Economic Development Division emphasizes the importance of leveraging this strategic location to attract businesses that can benefit from efficient transportation links.

2. Cultural Tourism and Heritage Sites

Montebello's rich cultural history, including landmarks like the Juan Matias Sanchez Adobe, presents opportunities for cultural tourism. Developing heritage trails, museums, and cultural festivals can attract visitors, celebrate the city's diverse heritage, and support local businesses. The city's Planning & Community Development Department recognizes the potential of these cultural assets in promoting tourism and community engagement.

3. Revitalization of Underutilized Commercial Areas

The city has identified several underutilized commercial zones that hold significant potential for transformation into vibrant economic hubs. Through strategic investments, these areas can be

repurposed to support economic growth and foster community engagement. A prime example is the BLVD MRKT, which successfully converted existing structures into a thriving food hall and business incubator. Projects like these not only boost the local economy but also create dynamic spaces for residents to gather and connect, contributing to a stronger sense of community.

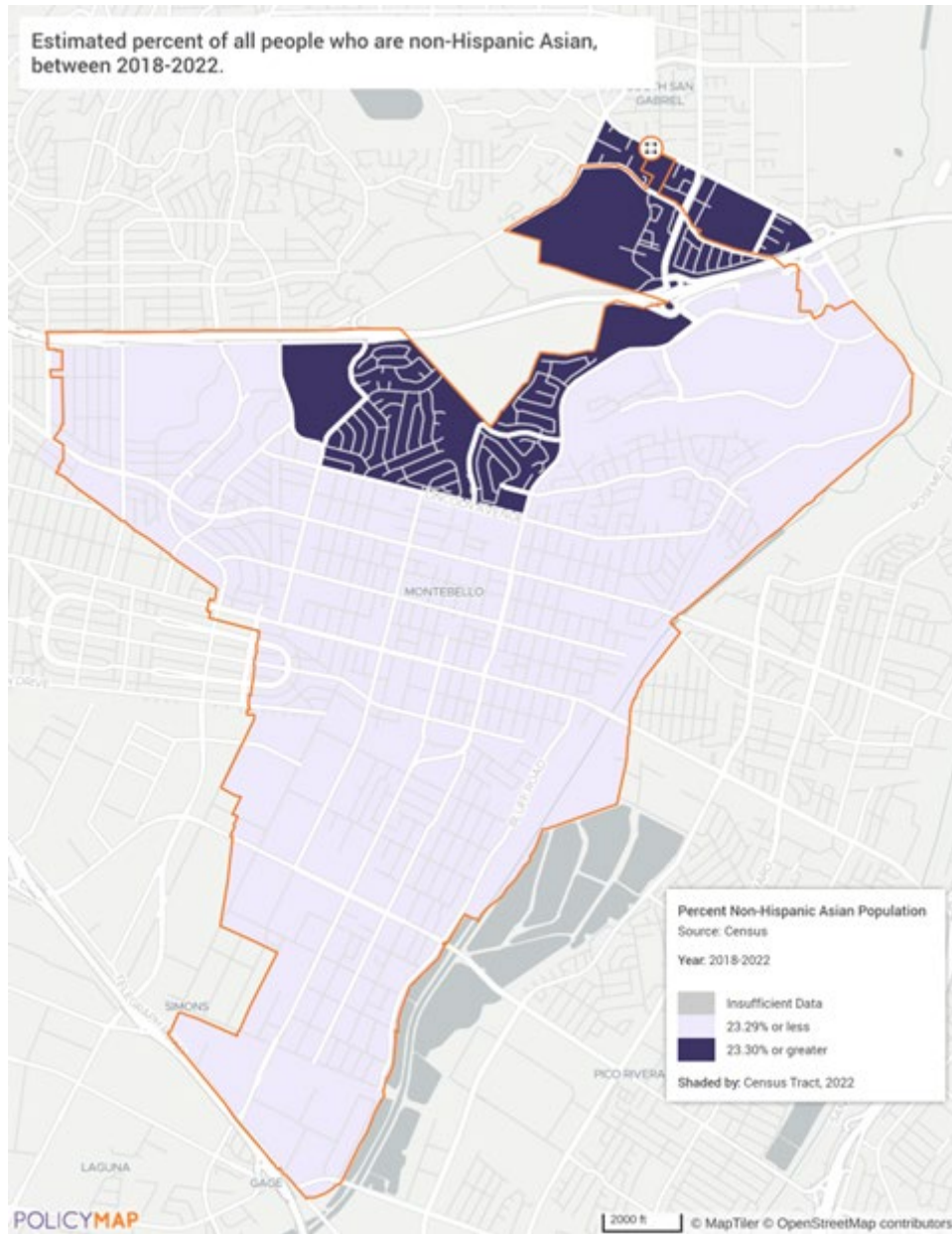
4. Expansion of Public Transit Infrastructure

Enhancing public transportation, including potential expansions of bus lines and connectivity to regional transit systems, can improve mobility for residents, reduce traffic congestion, and attract businesses seeking accessible locations. The city's Economic Development Division highlights the role of improved transit in supporting economic growth and quality of life.

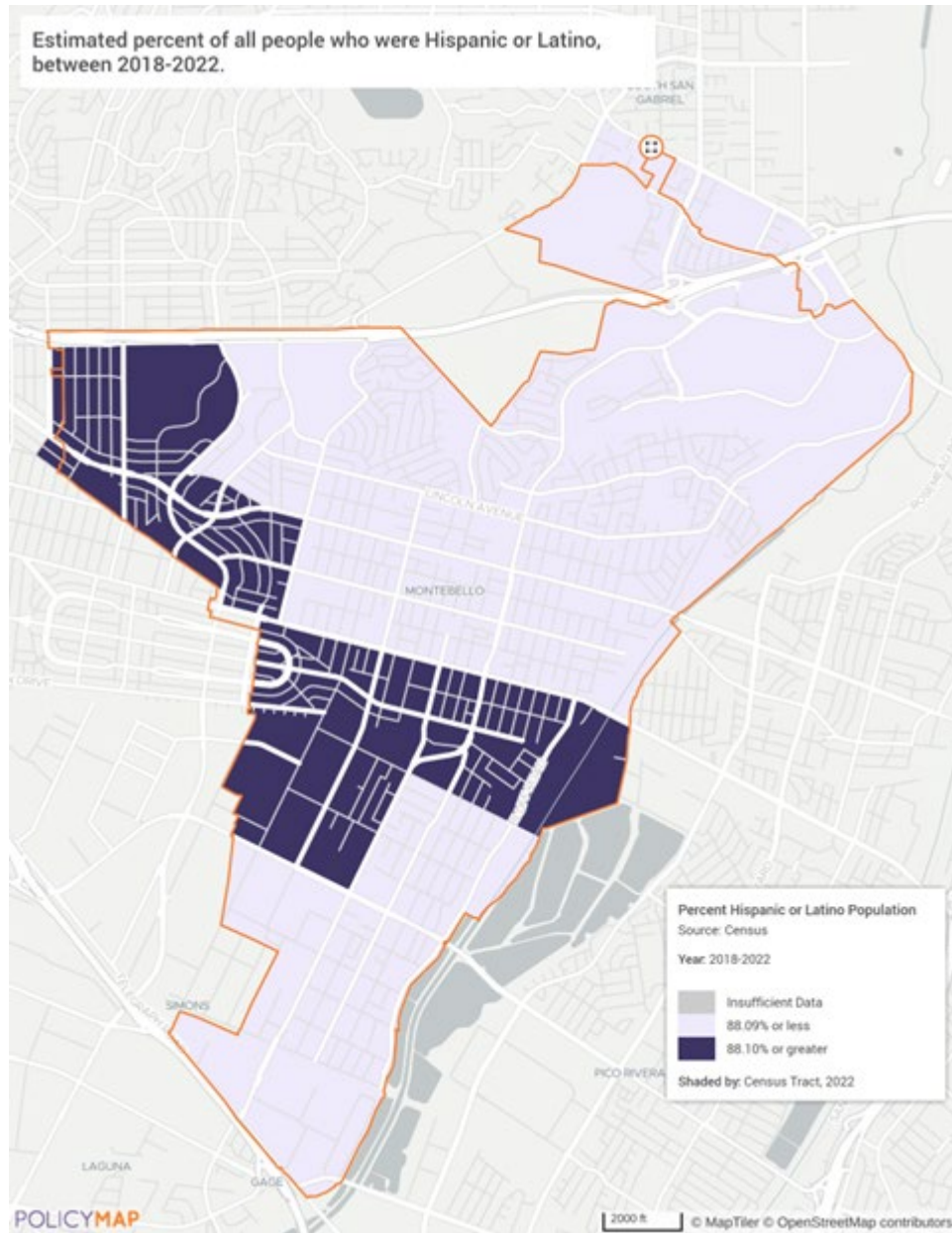
5. Development of Green Spaces and Recreational Facilities

Investing in parks and recreational facilities can improve residents' quality of life and attract families to the area. Green spaces contribute to environmental sustainability and provide venues for community events, promoting social cohesion. The Planning & Community Development Department emphasizes the importance of such developments in urban planning.

By capitalizing on these strategic opportunities, Montebello can foster a thriving, inclusive, and sustainable community that benefits all its residents.



Concentration of Asian (Non-Hispanic) Households over 23.3%



Concentration of Hispanic / Latino Households over 88.1%

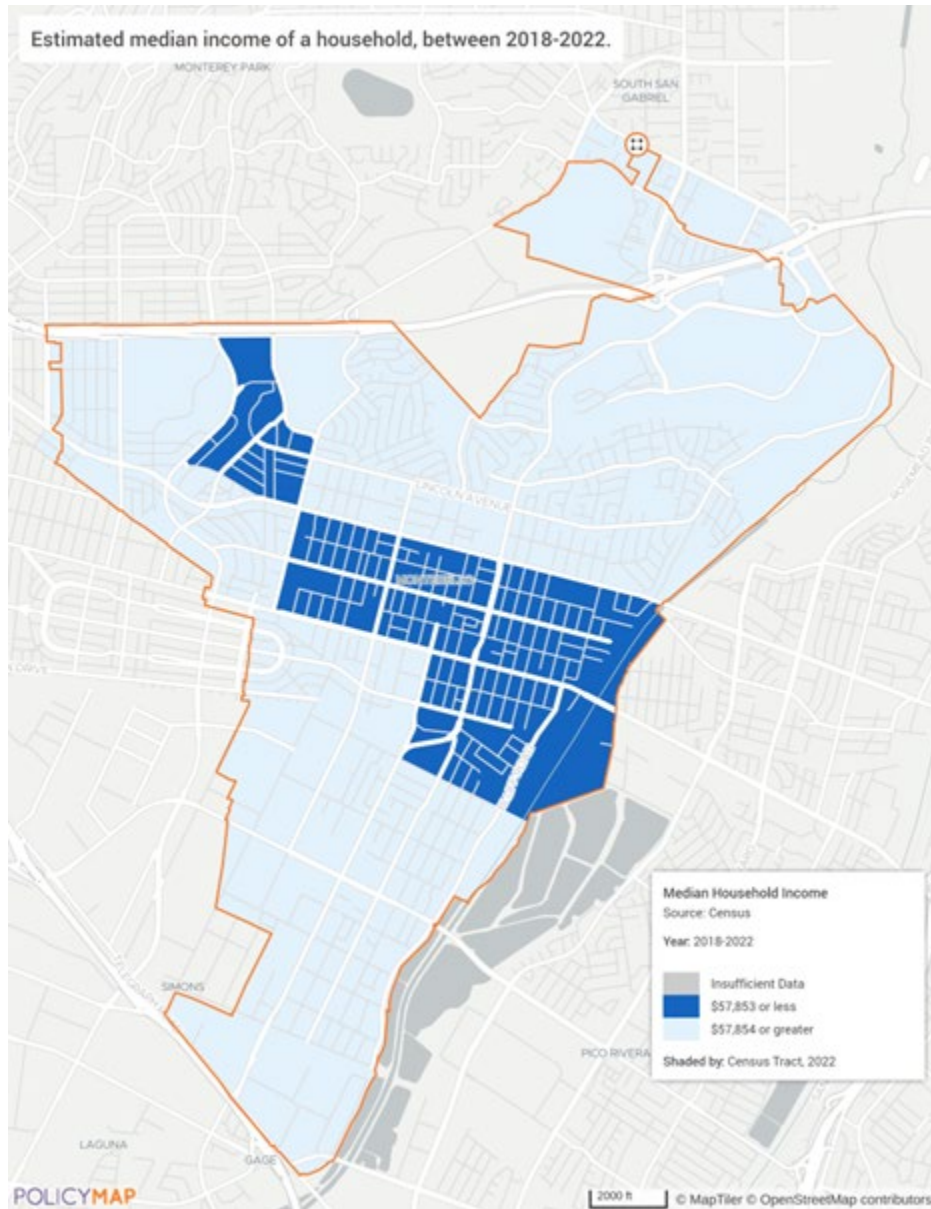
Low Income Households

Census Tract 5302.03

Census Tract 5301.02

Census Tract 5301.01

Census Tract 5321.01



Low Income Households Map

MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)

Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.

Internet access is a critical component of modern communication and information-sharing, enabling users to benefit from the growing interconnectedness of business, education, commerce, and everyday activities. Reliable internet connectivity has become essential for success in today's economic landscape. Communities without broadband access face significant challenges in keeping pace with the rest of the country. The lack of broadband infrastructure limits residents' ability to access educational and entrepreneurial opportunities, which is especially concerning in low- to moderate-income (LMI) areas where economic opportunities are often limited.

Research from the Pew Research Center underscores the vital role that high-speed internet plays in enhancing educational and employment opportunities, particularly in underserved communities. The center's studies have shown that individuals with reliable broadband access are more likely to engage in online learning, apply for jobs, and participate in economic activities that can improve their quality of life.

Similarly, reports from the Federal Communications Commission (FCC) highlight the direct correlation between broadband availability and economic development. The FCC's findings indicate that regions with robust internet infrastructure experience higher rates of job creation, educational attainment, and overall community growth.

Montebello, California enjoys comprehensive broadband coverage across residential areas, including LMI areas. The average Montebello household has access to two (2) broadband-quality internet service options. According to ISPReports.org, the city benefits from a variety of infrastructure options, including cable, fiber, fixed wireless, and DSL. However, only 83% of Montebello households have an internet connection despite having 99.88% availability. Of the households with internet connection, 67% have fiber, cable, or DSL, 8% have satellite, 0% are still on dial-up, and 2% of households have internet but don't pay for a subscription because it's subsidized by the Affordable Connectivity Program. The map below illustrates broadband availability throughout Montebello, defined as advertised internet speeds of 768 kilobits per second or higher.

See map: Broadband Access

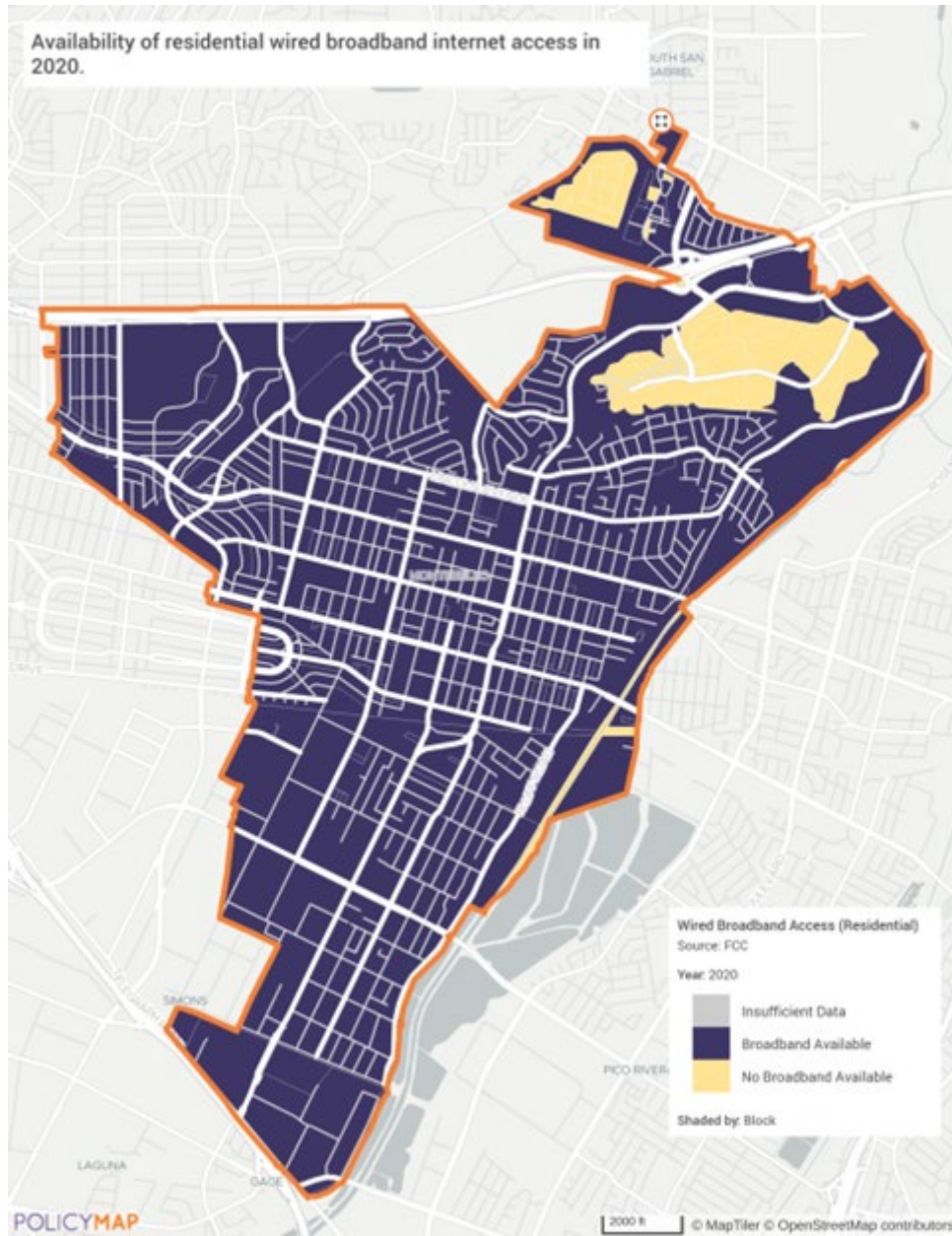
Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.

To ensure high-quality broadband service, it is crucial to foster competition among service providers. A lack of competition, where a single provider dominates an area, diminishes the incentive to deliver reliable and consistent services. According to ISPReports.org, Montebello is served by eleven (11) internet providers offering residential service. Among these, AT&T and Spectrum stand out as leading providers in terms of coverage and speed. Internet providers throughout the city include:

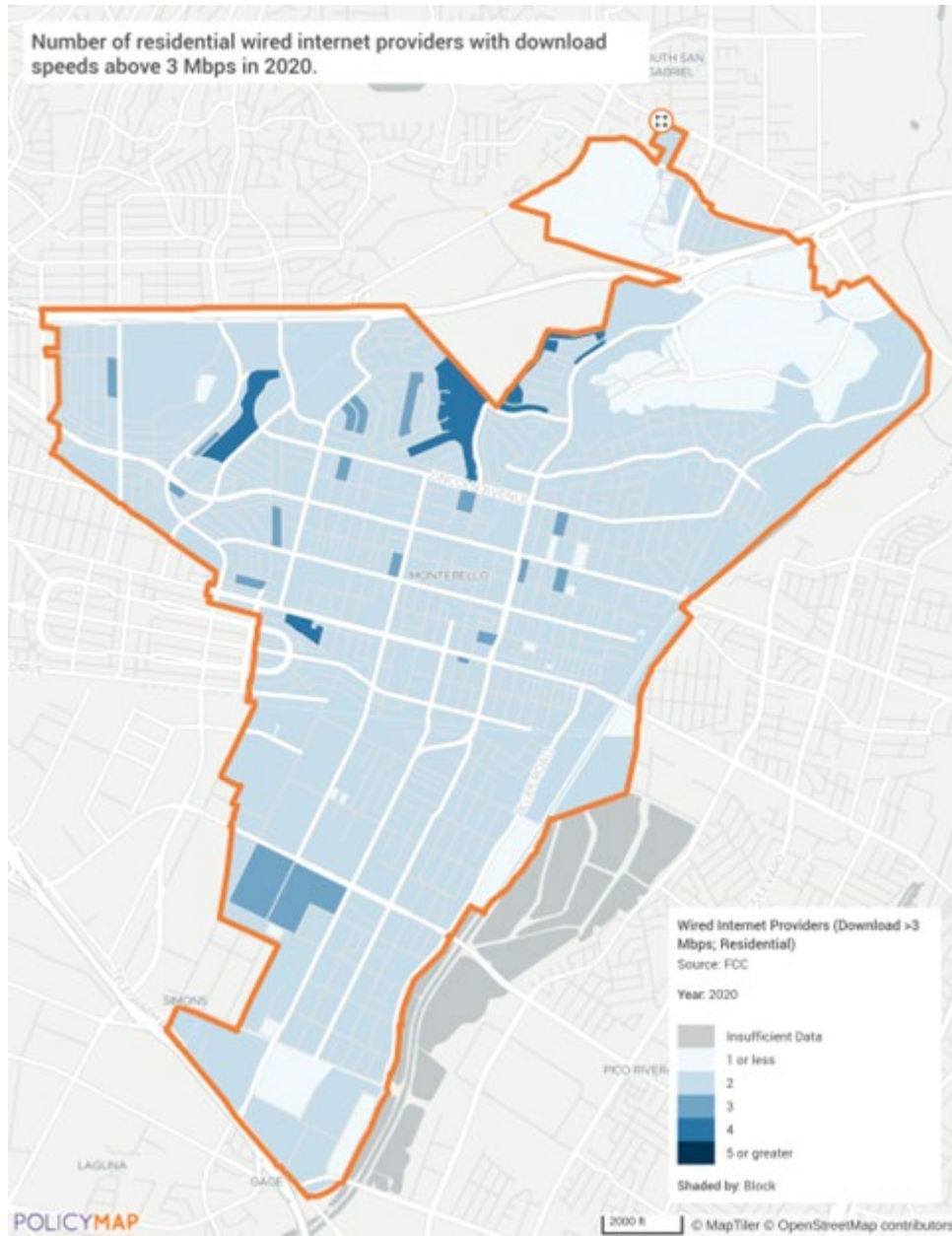
- Spectrum (Cable)
- EarthLink (Fiber, DSL, and Fixed Wireless)
- AT&T (Fiber, DSL, and Fixed Wireless)
- Frontier (Fiber)
- T-Mobile Home Internet (Fixed Wireless)
- Verizon (Fixed Wireless)
- DISH (Satellite)
- DirecTV (Satellite)
- Starlink (Satellite)
- Viasat (Satellite)
- HughesNet (Satellite)

The map below shows the number of broadband service providers by census tract. While most of Montebello offers two (2) high-speed internet options from competing providers, a broader range of choices could better enhance service reliability and affordability across the city. The limited variety of providers may be linked to the relatively low number of households with internet service, despite comprehensive availability, highlighting a potential barrier in ensuring widespread, affordable access.

See maps below:



Broadband Access



Highspeed Internet Providers

MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)

Describe the jurisdiction's increased natural hazard risks associated with climate change.

Montebello, CA has historically faced various natural hazard risks, including extreme heat, inland flooding, droughts, and earthquakes, as outlined in the 2020 County of Los Angeles All-Hazards Mitigation Plan (AHMP). Research from the AHMP indicates that extreme weather patterns are expected to become increasingly common over the next century. Average summer temperatures are projected to rise significantly, with inland areas experiencing a greater frequency of days exceeding 100°F and regional temperatures increasing by 2.5°F to 8°F. Drier conditions are expected to intensify the frequency and severity of wildfires. Furthermore, sea level rise poses a substantial threat to Los Angeles County, with 3 feet of rise anticipated to flood 2.25 square miles by 2050–2060 and 6 feet of rise projected to inundate 6.13 square miles by 2100. According to the FEMA National Risk Index, Los Angeles County, which encompasses Montebello, is particularly vulnerable to hazards such as earthquakes, heat waves, landslides, lightning, tornadoes, and wildfires.

While Montebello is considered an inland city, it may still experience indirect coastal effects. Rising sea levels and increased storm activity could lead to population displacement from coastal areas, and an influx of new residents to the city could drive up housing costs, reduce job availability, and strain local resources. As climate-related hazards pose greater threats to coastal regions, stable inland communities like Montebello may see an increase in climate migrants from more vulnerable areas, further impacting state infrastructure, housing, and resources.

The AHMP highlights that climate change will impact all residents and areas of Los Angeles County. It projects a significant increase in the number of extreme heat days, with inland areas experiencing temperatures exceeding 100°F more frequently. These extreme heat events can lead to heat-related illnesses, such as heat stroke, and exacerbate respiratory issues due to increased air pollution. Additionally, hotter and drier conditions are expected to intensify the frequency and severity of wildfires, particularly in High and Very High Fire Hazard Severity Zones (FHSZ). Wildfire poses substantial risks, including the destruction of homes, businesses, and critical infrastructure; disruption of transportation and utilities; and threats to human and animal life.

These factors reflect the broader impact of climate change on Montebello's natural hazard profile, affecting public health, infrastructure, and resource management. To counter these challenges, proactive measures are essential for fostering community resilience in an evolving climate landscape.

Montebello is involved in broader regional initiatives to address climate change. The California Department of Water Resources (DWR) addresses these issues with a Climate Action Plan focusing on mitigation and adaptation through greenhouse gas reduction, vulnerability assessments, and standardized climate analysis tools. Additionally, Governor Newsom is leading California's climate efforts

by committing to net-zero emissions by 2045, expanding carbon capture technology, and investing over \$48 billion in sustainable infrastructure, with a focus on equity and protecting vulnerable communities (SGC California) (Environmental Defense Fund).

Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.

Low- and moderate-income households, whether renting or owning, face heightened vulnerability to the impacts of climate change and natural disasters due to their limited financial resources. The 2024 America's Rental Housing Study from the Joint Center for Housing Studies at Harvard University underscores this growing threat, revealing that escalating insurance premiums and the withdrawal of coverage by providers in high-risk markets complicate efforts to secure adequate protection against weather- and climate-related losses. Additionally, the study highlights the obstacles property owners encounter when trying to invest in climate resilience measures, given the stagnation in operating income growth.

The 2021 EPA study on Climate Change and Social Vulnerability in the United States further illustrates these challenges, showing that low-income individuals are more likely to live in areas facing significant increases in mortality rates due to extreme temperature changes, as well as experiencing the highest rates of labor hour losses among weather-exposed workers. Rural communities are particularly disadvantaged, often lacking access to public support during emergencies and having fewer resources to repair or fortify their homes against climate-related damage.

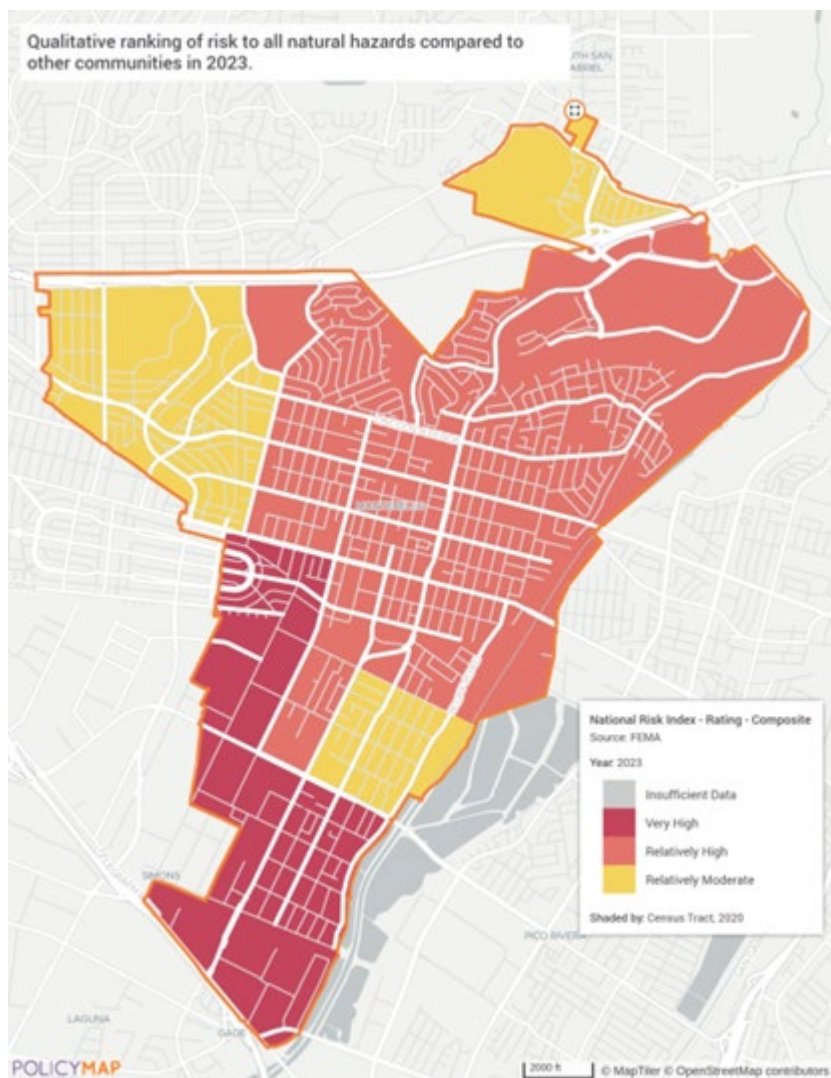
The AHMP for Los Angeles County identifies vulnerable populations within the county, including individuals who face challenges accessing medical care, maintaining independence, or require supervision. One of the most at-risk groups is people experiencing homelessness, with nearly 60,000 individuals affected in the region. The AHMP acknowledges that additional vulnerable groups will be recognized in future updates, particularly with new data from the 2020 U.S. Census on factors like socioeconomic status, disability, housing, and transportation.

FEMA's National Risk Index identifies Los Angeles County as having a very low level of community resilience, indicating that its residents have a very low ability to prepare for, adapt to, and recover from natural hazards. This assessment encompasses six broad categories: social, economic, community capital, institutional, infrastructural, and environmental factors at the county level. The map below illustrates FEMA's qualitative risk to natural hazards at the census tract level in Montebello, providing an intuitive way to gauge community risk based on Expected Annual Loss (EAL), Social Vulnerability, and Community Resilience scores.

Risk levels throughout the city vary with areas classified from "relatively moderate" to "very high" risk. This indicates that certain areas are more vulnerable and in need of targeted attention and resources to address specific hazards. However, focusing solely on localized risks may not be enough; a comprehensive approach is needed to effectively reduce the city's overall risk index. These two indexes

measure risk from different perspectives—FEMA’s risk index evaluates a community's ability to respond to hazards (resilience), while the city’s qualitative assessment concentrates on the likelihood and severity of those hazards. This dual approach ensures that resources are allocated where they are most needed, promoting both preparedness and targeted intervention.

Montebello is dedicated to educating and preparing the public for multi-hazard mitigation through a variety of channels. Additionally, the Los Angeles County Office of Emergency Management website provides vital information, such as emergency preparedness resources and Alert LA County Emergency Notification system. The Voluntary Organizations Active in Disaster (VOAD) for Los Angeles County also provides valuable resources to enhance community disaster resilience. To effectively tackle the increasing impacts of climate change, ongoing investment is crucial for maintaining and expanding these programs and resources.



Risk to all Natural Hazards

Strategic Plan

SP-05 Overview

Strategic Plan Overview

The Consolidated Plan outlines the goals and objectives of the city's Community Development Block Grant (CDBG) and HOME Investment Partnerships Programs (HOME), informed by the needs identified in the analysis section. The strategic plan builds on this by providing the framework necessary to achieve these goals and objectives. During the development of the consolidated plan for fiscal years 2025 to 2029, which serves as the foundation for establishing objectives and outcomes in the strategic plan and the five subsequent annual action plans, the following priority needs and objectives were identified:

Housing: Increase affordable housing opportunities by allocating resources toward the development of new affordable housing projects, enhancing energy efficiency in existing homes, and implementing programs aimed at rehabilitating homes for low- and moderate-income families.

Public Services: Provide supportive services for the city's growing moderate-income residents and individuals with special needs.

Economic Development: Address the economic development needs of low- and moderate-income individuals and targeted neighborhood areas.

Public Facilities and Infrastructure: Improve and expand infrastructure and public facilities that benefit low- and moderate-income neighborhoods and residents.

Fair Housing: Promote fair and equal housing choices for all individuals, ensure housing is accessible and usable by persons with disabilities, and comply with non-discrimination requirements outlined in various housing laws.

Planning and Administration: Facilitate administration and planning activities to develop housing and community development strategies and programs necessary to identify needs in the consolidated plan.

These priority needs serve as the foundation for allocating investments geographically within the jurisdiction over the next five years. The results of various community outreach efforts and consultation meetings conducted under the citizen participation process have guided this approach. The following strategic plan will outline the framework for implementing the city's 2025 to 2029 consolidated plan and subsequent annual action plans, detailing all processes, projects, and activities to be undertaken.

SP-10 Geographic Priorities – 91.215 (a)(1)

Geographic Area

Table 47 - Geographic Priority Areas

1	Area Name:	Citywide
	Area Type:	Local Target area
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	Other
	Other Revital Description:	Target Area
	Identify the neighborhood boundaries for this target area.	Montebello, located in southern California just 11 miles east of Los Angeles, covers an area of 8.37 square miles. The city is traversed by Routes 72, 60, and 5, which run east-west toward Los Angeles. Major transportation corridors within the city include Whittier Blvd, Beverly Blvd, Montebello Blvd, Washington Blvd, and Greenwood Ave.
	Include specific housing and commercial characteristics of this target area.	
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	
	Identify the needs in this target area.	
	What are the opportunities for improvement in this target area?	
	Are there barriers to improvement in this target area?	
2	Area Name:	Qualified Census Tracts
	Area Type:	Local Target area
	Other Target Area Description:	Local Target area
	HUD Approval Date:	
	% of Low/ Mod:	

	Revital Type:	
	Other Revital Description:	
	Identify the neighborhood boundaries for this target area.	Census tracts within the city where the percentage of low- and moderate-income residents is greater than 51 percent.
	Include specific housing and commercial characteristics of this target area.	Please see CDBG LMI Map.
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	Community feedback on the needs of low/moderate-income areas, households, and individuals was collected through a combination of meetings, a community-wide survey, and public meetings. This feedback was gathered from residents, local and regional social service agencies, and other nonprofits. The needs were identified during the consultation process, where information was documented, needs were prioritized, and recommendations were developed.

	Identify the needs in this target area.	In the course of preparing the Consolidated Plan, a Community Needs Survey was conducted in both English and Spanish, alongside interviews with various stakeholders. Below is a summary of the findings from the survey: • Energy Efficient Home Improvements • Affordable Rental Housing • Parks and Recreational Facilities • Homeless Prevention • Permanent Housing • Street Improvements • Graffiti Removal • Street Lighting • Community Programs and Services (crime prevention, children/youth programs, etc.) • Affordable Childcare • Public Services • Removal of slum and blight • Economic Development (Commercial Facade, Workforce Development, etc.) • Housing Rehabilitation • Promote Fair Housing Awareness
	What are the opportunities for improvement in this target area?	The City is steadfast in its commitment to revitalizing key corridors throughout the city. This includes enhancements to streets, sidewalks, and other streetscapes. Plans are in place for the development of housing which will continue to boost economic opportunities and generate new tax revenues for the City. Additionally, improvements to city parks is on the horizon.

	Are there barriers to improvement in this target area?	Developing eco-friendly communities requires additional financial resources beyond what is currently accessible. Although there are consistent attempts to preserve and upgrade essential infrastructure and community amenities, the City's public infrastructure is gradually deteriorating. It is important to set up thorough assessments and priorities for major construction projects.
--	--	--

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

The City typically does not distribute funds based on geographic considerations, with the exception of certain slum and blight areas designated for specific code enforcement activities. Financial resources are allocated to subrecipients that deliver housing resources and supportive services to low-income households. Annually, the City establishes priorities for the utilization of its Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funding, focusing on citywide housing and community development initiatives, which encompass housing, public services, fair housing, and a segment of code enforcement. Activities categorized under public services and aimed at special needs populations are made available on a citywide basis or where it is feasible to coordinate resources with existing facilities or services. Public improvements and facilities are deemed to benefit low- and moderate-income individuals.

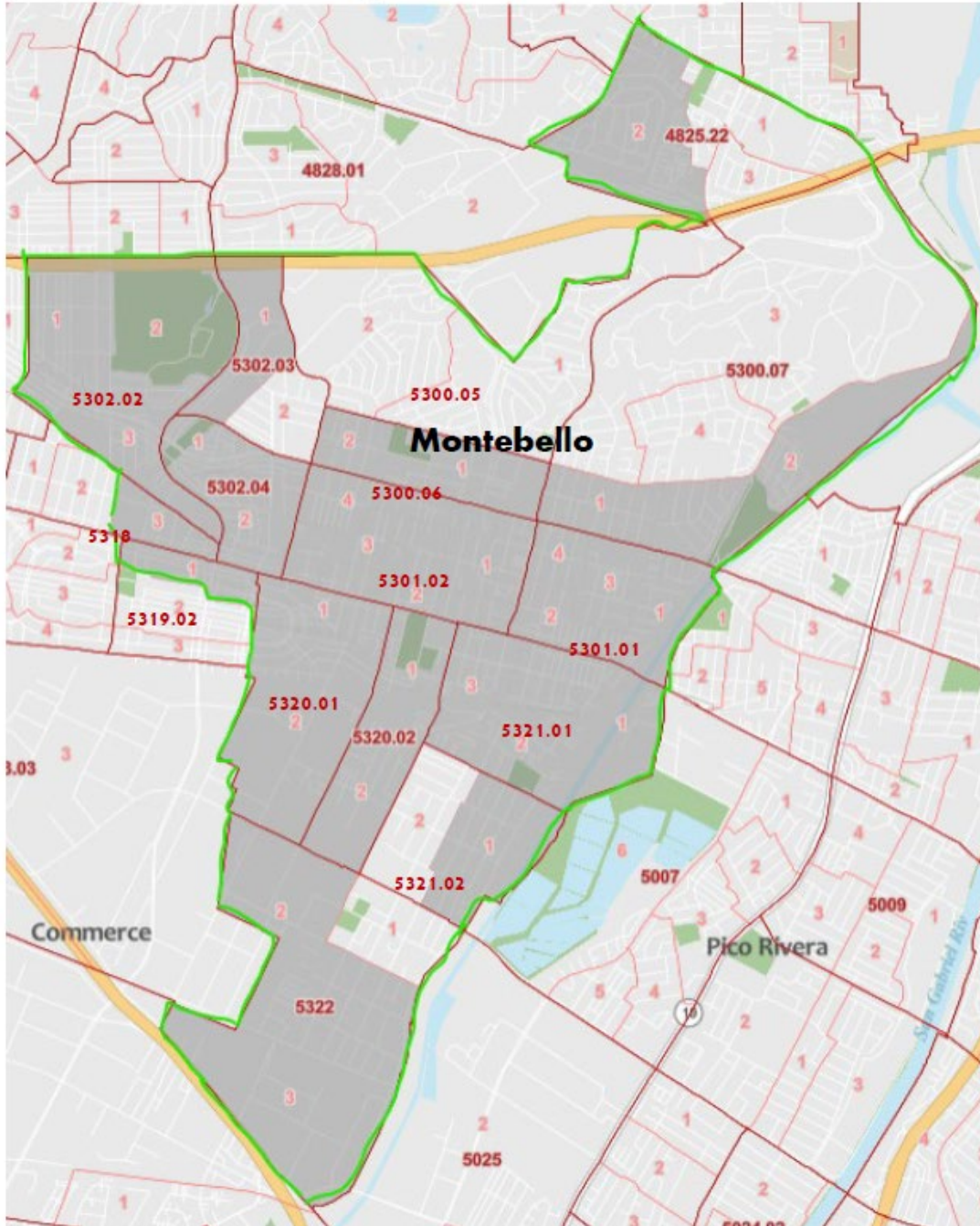
The areas eligible for Community Development Block Grant (CDBG) funding are delineated below by census tract/block group, percentage of pre-1980 housing units, and the proportion of low to moderate-income residents, specifically for cases meeting the Low-Moderate Income (LMI) National Objective. A significant portion of the beneficiaries of capital and community facilities projects consists of the City's primarily low- and moderate-income residents who inhabit the census tracts/block groups outlined in this Consolidated Plan. In the city of Montebello there are a total of 39 census block groups. Out of these 39 census block groups, 28 of them are low-and-moderate income block groups.

Historically, the City has allocated 70% or more of its CDBG resources to benefit these designated areas and/or to administer programs exclusively available to low- and moderate-income individuals, in contrast to the HUD regulations, which mandate a minimum of 70% low/mod benefit level for CDBG activities. To maintain this elevated ratio of low/mod benefits for its CDBG resources, and in light of the pressing need to support these targeted areas, the City will persist in directing CDBG resources towards these specific geographic locations.

CITY OF MONTEBELLO

Low and Moderate Income Area Map

Program Year 2025-2026



Source:
<https://hud.maps.arcgis.com/home/item.html?id=279eca0222754f8a954bbf8cf995a1a3#overview>

SP-25 Priority Needs - 91.215(a)(2)

Priority Needs

Table 48 – Priority Needs Summary

1	Priority Need Name	Housing: Provide Decent Housing
	Priority Level	High
	Population	Extremely Low Low Moderate Middle Large Families Families with Children Elderly Elderly
	Geographic Areas Affected	Citywide
	Associated Goals	Housing
	Description	Maintain decent and energy efficient housing stock. Assistance with energy efficient home improvements and other housing rehabilitation needs including persons with special needs. Affordable Housing opportunities including lower housing costs.
	Basis for Relative Priority	The basis of this priority is the community input through a survey format which was distributed to all Montbello Residents regarding Housing Needs in the city. This was rated as an extremely important priority for the Montebello community members.
2	Priority Need Name	Public Service: Provide Vital Public Services
	Priority Level	High

	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Individuals Elderly
	Geographic Areas Affected	Citywide
	Associated Goals	Public Services
	Description	Provide vital public services including but not limited to: food bank, homeless prevention services, providing job training and opportunities for more jobs to increase earning capacity for LMI families through youth employment opportunities and recreation scholarship programs.
	Basis for Relative Priority	The basis of this priority is the community input through a survey format which was distributed to all Montbello Residents regarding Housing Needs in the city. This was rated as an extremely important priority for the Montebello community members.
3	Priority Need Name	Economic Development: Creating Eco. Opportunities
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly
	Geographic Areas Affected	Citywide
	Associated Goals	Economic Development
	Description	Expanding Economic Opportunities such as repayment of section 108 loan, Commercial Facade Rehabilitation, Workforce Development and other economic opportunities.

	Basis for Relative Priority	The basis of this priority is the community input through a survey format which was distributed to all Montbello Residents regarding Housing Needs in the city. This was rated as an extremely important priority for the Montebello community members.
4	Priority Need Name	Public Facilities and Infrastructure Improvement
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly
	Geographic Areas Affected	Citywide Local Target area
	Associated Goals	Public Facilities and Infrastructure Improvement
	Description	Creating sustainable neighborhoods by enhancing public facilities and establishing programs for youth and seniors. Infrastructure Improvements for street improvements throughout eligible low- and moderate-income block groups. Rehabilitate Historic Preservation.
	Basis for Relative Priority	The basis of this priority is the community input through a survey format which was distributed to all Montbello Residents regarding Housing Needs in the city. This was rated as an extremely important priority for the Montebello community members.
5	Priority Need Name	Fair Housing: Expand fair housing choice/access
	Priority Level	High
	Population	Extremely Low Low Moderate Middle Large Families Families with Children Elderly Elderly Persons with Physical Disabilities Victims of Domestic Violence

	Geographic Areas Affected	Citywide
	Associated Goals	Fair Housing
	Description	Expand fair housing choice and access by promoting equitable and impartial housing options for all persons, advocate for housing that is accessible and functional for persons with disabilities, and adhere to the non-discrimination mandates outlined in the various Fair Housing laws.
	Basis for Relative Priority	The basis of this priority is the community input through a survey format which was distributed to all Montbello Residents regarding Housing Needs in the city. This was rated as an extremely important priority for the Montebello community members.
6	Priority Need Name	Planning and Administration
	Priority Level	High
	Population	Extremely Low Low Moderate
	Geographic Areas Affected	Citywide
	Associated Goals	Planning and Administration
	Description	Facilitate the administration and planning activities necessary to formulate housing and community development strategies and programs that effectively address the identified needs outlined in the Consolidated Plan. The objective categories will focus on ensuring a suitable living environment, as well as availability and accessibility, with the overarching goal of successfully administering the CDBG and HOME programs in accordance with HUD regulations.
	Basis for Relative Priority	Priority is designated as a high need, necessitating annual funding to implement the City's Five-Year Consolidated Plan projects and activities.

Narrative (Optional)

The priority needs and objectives outlined above have been established for the Consolidated Plan period spanning from 2025 to 2029. These needs serve as the foundation for the geographical allocation of

investments within the jurisdiction throughout the upcoming five-year period. They have been developed as a result of extensive community outreach efforts and consultation meetings conducted in accordance with the Citizen Participation process.

SP-30 Influence of Market Conditions – 91.215 (b)

Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	Montebello is allocated HOME funds; however, these funds will not be utilized to finance Tenant-Based Rental Assistance (TBRA).
TBRA for Non-Homeless Special Needs	Montebello is allocated HOME funds; however, these funds will not be utilized to finance Tenant-Based Rental Assistance (TBRA).
New Unit Production	According to the data presented in the Needs Assessment of the Consolidated Plan, the 2018–2022 Comprehensive Housing Affordability Strategy (CHAS) and American Community Survey (ACS) data indicate a rising cost burden for both owner-occupied and renter-occupied households. Opportunities for homeownership are particularly constrained, with a mere 0.8% of vacant properties designated for homeowners, in contrast to 1.9% of vacant properties for renters. This scarcity has a disproportionate impact on single-person households, senior residents, and low-income families, who encounter difficulties in securing stable housing and accessing essential services. According to an article by the Local Housing Solutions from 2024, it is identified that the "natural" vacancy rate is about 7 to 8 percent which indicates that there is a growing necessity for the ongoing preservation of the city's older housing stock in order to maintain the availability of these historic properties in the market. Considering these findings and the housing market analysis conducted as part of this plan, there is a demonstrable need for additional affordable housing units. A policy outlined in the Housing Element stipulates that the City will persist in pursuing programs and funding sources, as well as adopting policies that ensure the continued affordability of housing units. A recent example of this initiative is an affordable housing project developed by the Cesar Chavez Foundation that was completed in 2024, which successfully made 62 units available.

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Rehabilitation	The City of Montebello has recognized housing rehabilitation as a top priority to preserve and maintain its affordable housing inventory, including mobile homes. The city is committed to utilizing HOME funds to rehabilitate properties both within and outside designated target areas. Based on the information provided in the Needs Assessment of the Consolidated Plan, there exists a considerable number of residences, specifically 16,644 housing units, constructed prior to 1980. In light of this, it is imperative to implement home rehabilitation programs within the city. This initiative will be funded through HOME funds, which will be distributed as grants to eligible homeowners.
Acquisition, including preservation	Within the City of Montebello, the American Community Survey estimates that there were 716 vacant housing units in 2023 indicating that there is a need for preservation of housing units. The City of Montebello will continue to actively take steps to maintain the condition of housing units and prevent damage or decay, essentially acquiring if needed to ensure preservation.

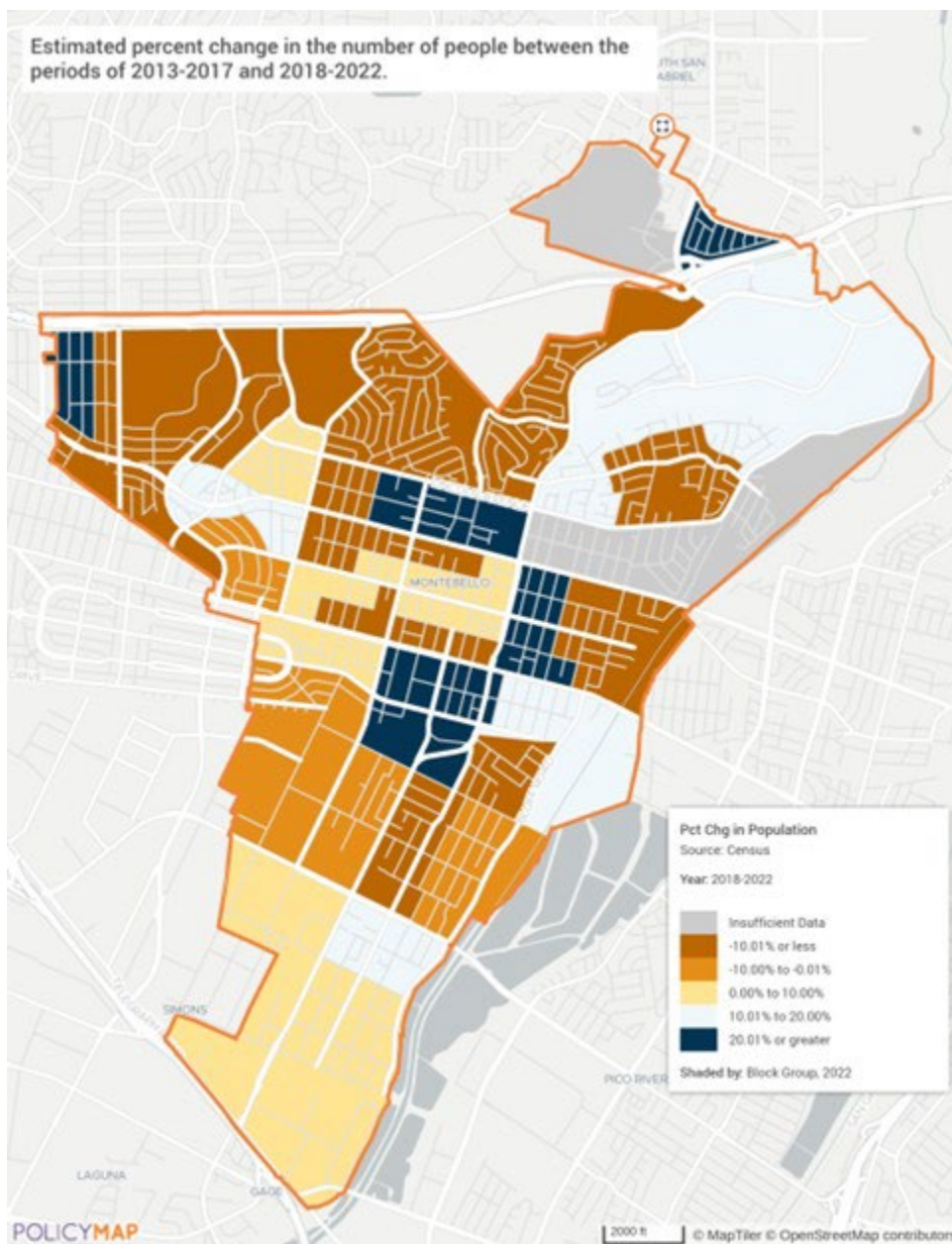
Table 49 – Influence of Market Conditions

Since 2012, Montebello's population has decreased by approximately 1.0%. Despite this slight decline, the number of households in the city has increased by 2.4%, indicating a reduction in the average household size. This trend suggests that while the overall population is shrinking, there remains a growing demand for housing, driven potentially by shifts in household composition. Such changes might include an increase in young adults or seniors living independently.

Over the same period, Montebello's Median Household Income (MHI) rose by 43.0%. While this growth surpasses inflation to some extent, the actual impact on purchasing power is limited. Using the Bureau of Labor Statistics (BLS) inflation calculator, a household earning \$50,581 in 2012 would need \$62,739 in 2022 to maintain the same purchasing power. With the actual MHI for 2022, the effective increase in purchasing power is approximately 15.3%, highlighting that income growth has only partially kept pace with inflation-adjusted economic demands.

Change in Population from 2017-2022

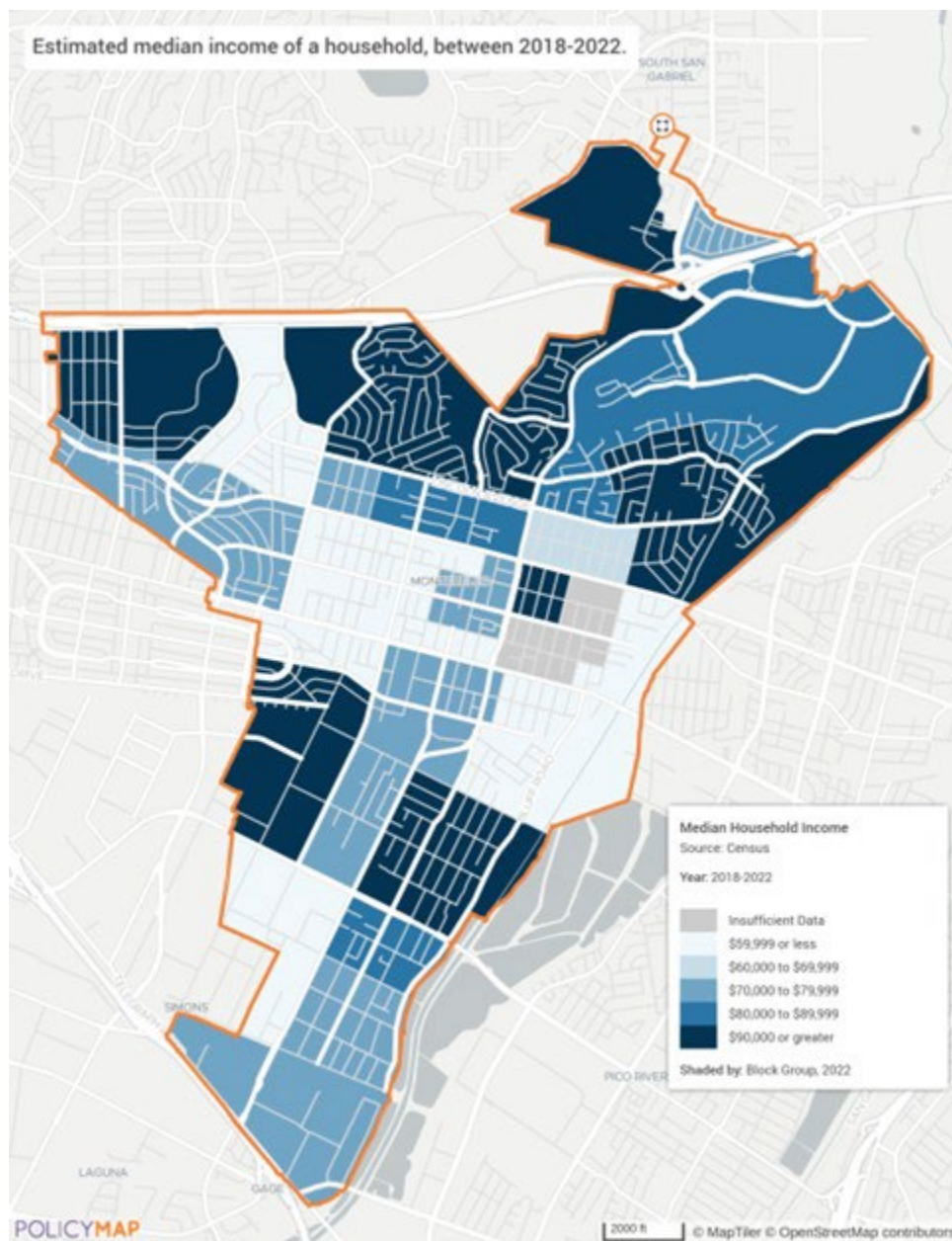
This map highlights population changes in Montebello between 2013-2017 and 2018-2022, illustrating significant demographic shifts across the city. Much of Montebello has experienced population declines, with reductions often exceeding 10% in many areas. However, certain sections, particularly near the city center, have seen substantial growth, with some areas reporting increases surpassing 20%. These trends reflect evolving population dynamics, which suggest shifts in residential density and changes in the composition of Montebello's communities over time.



Change in Population from 2017-2022 Map

Median Household Income

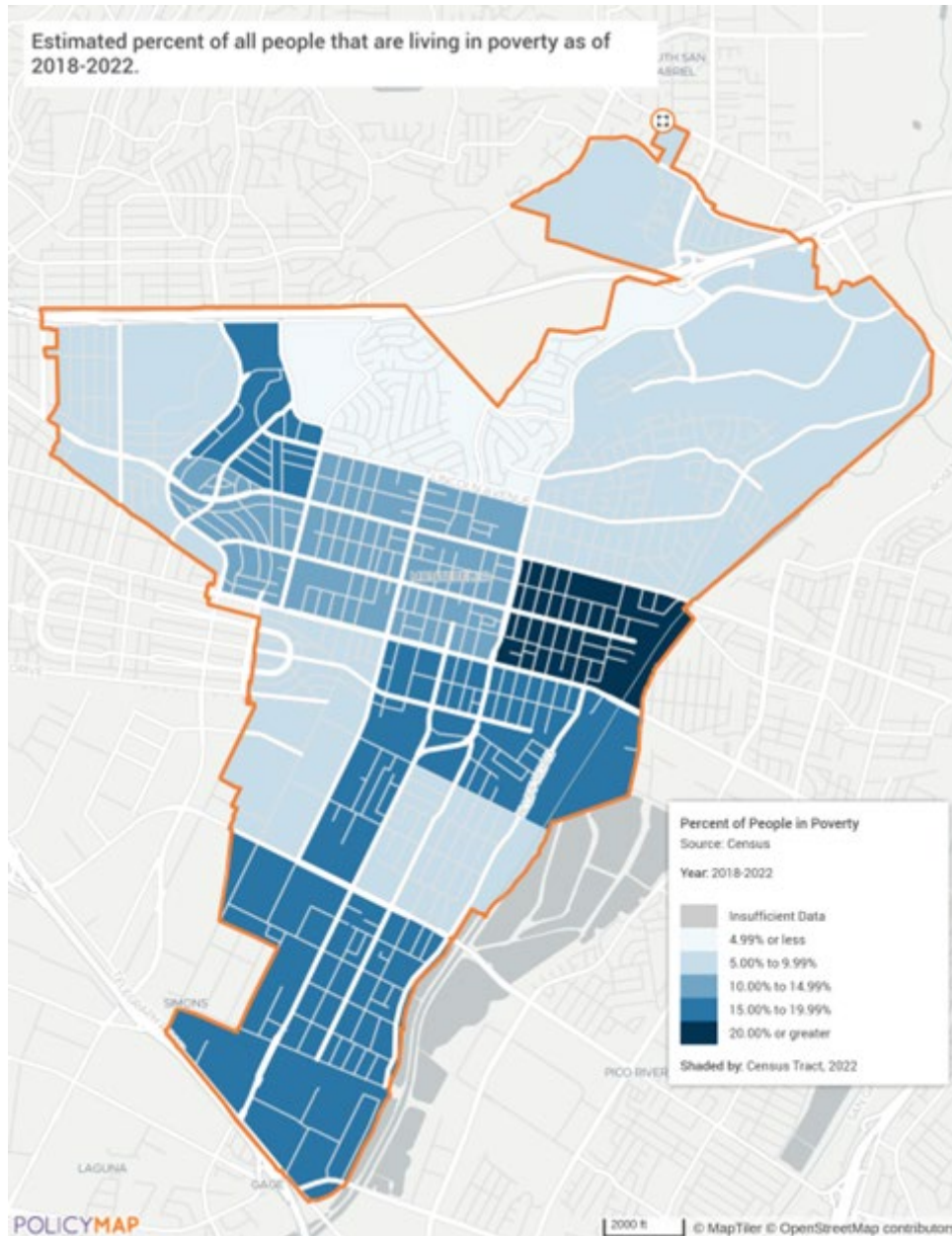
Montebello demonstrates a diverse range of income levels across its neighborhoods. Median household incomes (MHI) below \$60,000 are concentrated primarily in the central and southern portions of the city. In contrast, much of the northern region and select areas south of the city center report higher median incomes, with some neighborhoods exceeding \$90,000. This income distribution reflects significant economic variation within the city, highlighting disparities between different areas of Montebello.



Median Household Income Map

Poverty

The poverty map for Montebello highlights a significant concentration of poverty in the southern and central areas, with many parts of the city reporting rates exceeding 10%, and some surpassing 20%. In contrast, much of the northern portion of the city exhibits notably lower poverty rates, with many areas reporting rates below 10% and some below 5%. These disparities reflect a clear socioeconomic divide within Montebello, underscoring the need for targeted efforts to address poverty in the more affected regions.



Poverty Map

SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)

Introduction

The chart provided outlines the plan, which includes the Annual Allocation, Program Income, Prior Year Resources, and the Expected Amount Available for the remainder of the Consolidated Plan for each identified funding source (CDBG and HOME funds), as well as other resources from private, state, and local sources that are reasonably expected to be available to address the needs identified in the plan.

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	615,000	0	0	615,000	2,409,654	The City anticipates receiving a total of \$3,075,000 in Community Development Block Grant (CDBG) entitlement funds over the forthcoming five years, with an allocation of \$615,000 designated for Year 1. Any unencumbered funds from previous years will be directed towards enhancements of public facilities, economic development initiatives, and public service programs.

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: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	202,735	622,548	1,122,169	1,947,452.69	810,940	The City anticipates receiving a total of \$1,013,675 in HOME entitlement funds over the course of the next five years, with an allocation of \$202,735 designated for Year 1. Any unencumbered funds from previous years will be directed toward Housing Rehabilitation Grant programs.

Table 50 - Anticipated Resources

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 will continue to utilize state and local funds to leverage federal entitlement dollars, including, but not limited to:

- City General Funds
- In-kind Donations
- Partnerships with local banks for home buying assistance

The HOME program requires a local match that utilizes local funds. The HOME match requirement is as follows:

25% match on all expenditures except planning and admin, CHDO operating, CHDO capacity building, and CHDO project specific expenses when repayment is waived by the PJ under §92.301.

Over the next five years, the City anticipates assisting ten low- to moderate-income homeowners through the Owner-Occupied HOME Rehabilitation Grant Program. This program offers housing rehabilitation grants to eligible homeowners (earning up to 80% of the Median Family Income) using HOME funds.

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

The City of Montebello owns one property located within the jurisdiction that is used to address affordable housing needs as identifies in the Consolidated plan. The location of the property is as follows:

2917 Via Campo. Montebello, CA 90640.

Discussion

See discussion above.

SP-40 Institutional Delivery Structure – 91.215(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
City of Montebello	Other	Economic Development Ownership Planning neighborhood improvements public facilities public services	Jurisdiction
Cesar Chavez Foundation	Non-profit organizations	Economic Development Rental	Jurisdiction
Housing Rights Center	Subrecipient	public services	Jurisdiction
Youth Employment Program (YEP)	Subrecipient	public services	Jurisdiction
Los Angeles County Development Authority	PHA	Homelessness Public Housing Rental	Jurisdiction
Los Angeles Homeless Services Authority	PHA	Homelessness Public Housing Rental	Jurisdiction

Table 51 - Institutional Delivery Structure

Assess of Strengths and Gaps in the Institutional Delivery System

In general, the community development delivery framework of the City relies on the dedication of numerous agencies to achieve its objectives and, over the past year, has experienced improved collaboration among all agencies along with enhanced transparency in its operations. The City is increasingly prioritizing efforts to support families and address homelessness.

The table above illustrates the key agencies and organizations that will significantly contribute to the management of CDBG and HOME, based on collaborations with these entities. It is important to note that this is not an exhaustive list, as certain public service organizations may not be chosen for participation until after the plan receives approval.

The CDBG funds allocated to the City are managed by the Planning & Community Development Department's Housing Division, under the supervision of the Finance Department. The City depends on various government departments and agencies, alongside private, nonprofit organizations, and for-profit developers, to implement its housing and community development initiatives. The Planning and Community Development Department, which encompasses the Economic Development Division and the Housing Division, plays a crucial role in facilitating housing development. Housing developers are vital partners essential for both market-rate and affordable housing construction. Due to the high cost of land in the city, private developers often require government or other subsidies to build affordable units. The Public Works Department is tasked with the design, construction, maintenance, and operation of public facilities, as well as overseeing infrastructure projects. Los Angeles County Development Authority (LACDA) manages the HUD Section 8 Housing Choice Voucher Program and public housing, benefiting the city's low-income residents by providing publicly assisted rental options. Several nonprofit public service agencies offer emergency shelters, transitional and special needs housing, and services to assist the homeless population, as well as low- and moderate-income households.

City employees work with limited budgets and will continue to collaborate closely with these organizations to achieve housing and community development goals. The shortcomings in the institutional delivery system arise from a lack of adequate resources and city personnel required to implement initiatives for affordable housing, economic development, and infrastructure improvement. Efforts to coordinate among different agencies have increased to avoid overlapping services.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	X	X	X
Legal Assistance	X	X	X
Mortgage Assistance	X		
Rental Assistance	X	X	X
Utilities Assistance	X	X	X
Street Outreach Services			
Law Enforcement	X	X	
Mobile Clinics			
Other Street Outreach Services	X	X	
Supportive Services			
Alcohol & Drug Abuse	X	X	X
Child Care	X	X	
Education	X	X	
Employment and Employment Training	X		

Healthcare	X	X	X
HIV/AIDS	X	X	X
Life Skills	X	X	X
Mental Health Counseling	X	X	X
Transportation	X	X	X
Other			

Table 52 - Homeless Prevention Services Summary

Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)

The City is supported by Service Planning Area (SPA) 7, situated in the East Los Angeles region. This SPA includes 28 municipalities, with Montebello being one of them. The requirements of homeless individuals within the city and its nearby areas are addressed through a collaborative network of organizations and service providers such as LAHSA, the City, the Montebello Police Department, local school districts, and various social service organizations. Montebello actively participates in the Continuum of Care (CoC).

The City maintains a dynamic network for homelessness, leveraging resources and support from LAHSA along with other providers, including the San Gabriel Valley Coalition for the Homeless, Family Promise of San Gabriel Valley, and the Montebello Community Assistance Program. LAHSA's Emergency Response Teams (ERTs) are on standby to aid residents around the clock, every day of the week, via the 211 LA County helpline. These ERTs provide outreach to individuals residing in homeless encampments, offer emergency services and shelter connections for homeless families and unaccompanied adults and youth, as well as direct emergency assistance, transportation, and referrals to social service agencies for individuals in Los Angeles County who are experiencing homelessness or are at risk of becoming homeless.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

With the support of Service Planning Area (SPA) 7, through a collaborative network of organizations and service providers, the city possesses the capacity to address the needs of the homeless population and individuals with special needs within the community. Given that supportive services are regarded as a high priority within the Montebello community, the City will persist in funding various public service programs that will support its efforts to provide housing resources, food, and other essential supportive services.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

The city aims to seek additional funding sources to improve the institutional framework and service delivery system. Additionally, it will continue collaborating with various local organizations to ensure that services remain accessible to residents in need.

SP-45 Goals Summary – 91.215(a)(4)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Housing	2025	2029	Affordable Housing	Citywide	Housing: Provide Decent Housing	CDBG: \$0 HOME: \$1,752,707	Homeowner Housing Rehabilitated: 10 Household Housing Unit; CHDO
2	Public Services	2025	2029	Public Services	Citywide	Public Service: Provide Vital Public Services	CDBG: \$92,500 HOME: \$0	Public service activities other than Low/Moderate Income Housing Benefit: 100 Persons Assisted
3	Economic Development	2025	2029	Economic Development	Citywide Qualified Census Tracts	Economic Development: Creating Eco. Opportunities	CDBG: \$84,136 HOME: \$0	Other: 1 Other
4	Public Facilities and Infrastructure Improvement	2025	2029	Public Facilities	Citywide Qualified Census Tracts	Public Facilities and Infrastructure Improvement	CDBG: \$317,176 HOME: \$0	Other: 1 Other
5	Fair Housing	2025	2029	Fair Housing-Public Services	Citywide	Fair Housing: Expand fair housing choice/access	CDBG: \$20,000 HOME: \$0	Public service activities for Low/Moderate Income Housing Benefit: 700 Households Assisted
6	Planning and Administration	2025	2029	Planning and Administration	Citywide	Planning and Administration	CDBG: \$102,985 HOME: \$194,746	Other: 0 Other

Table 53 – Goals Summary

Consolidated Plan

MONTEBELLO

145

Goal Descriptions

1	Goal Name	Housing
	Goal Description	Increase affordable housing opportunities by allocating resources towards the development of new, affordable housing developments, enhancements to energy efficiency within existing homes, and/or programs aimed at rehabilitating homes for low and moderate-income families. Invest in housing initiatives that encompass programs designed to boost homeownership rates, improvements to housing for individuals with special needs, support for integrated housing solutions and plans, and the reduction of obstacles to accessing affordable housing.
2	Goal Name	Public Services
	Goal Description	Offer supportive services to the city's low- and moderate-income residents, as well as individuals with special needs, with the objective of assisting 100 individuals over a span of five years.
3	Goal Name	Economic Development
	Goal Description	Address the economic development requirements of individuals with low to moderate incomes, as well as designated neighborhood target areas. Also, complete the section 108 loan re-payment for the city.
4	Goal Name	Public Facilities and Infrastructure Improvement
	Goal Description	Improve and Expand infrastructure and public facilities that benefit low-and-moderate-income neighborhoods and residents. Provide funding for fire facilities and equipment. Provide funding for park facility improvements.
5	Goal Name	Fair Housing
	Goal Description	Expand fair housing choice and access by promoting equitable and impartial housing options for all persons, advocate for housing that is accessible and functional for persons with disabilities, and adhere to the non-discrimination mandates outlined in the various Fair Housing laws. The objective and outcome categories will be Decent Housing, Availability, and Accessibility, with a goal of assisting 700 individuals, which amounts to 140 individuals annually.

6	Goal Name	Planning and Administration
	Goal Description	Facilitate administration and planning activities to formulate housing and community development strategies and programs aimed at addressing the identified needs outlined in the Consolidated Plan. The objective and outcome categories will focus on creating a suitable living environment, ensuring availability and accessibility, with the ultimate goal of effectively administering the CDBG program in accordance with HUD regulations.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

The City is set to allocate funds for home improvements and rehabilitation projects for low-income families through HOME funds. It is projected to assist an average of 3 households or more per year over the next five years.

SP-50 Public Housing Accessibility and Involvement – 91.215(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

There is no need to increase the number of accessible units since the city does not own any public housing units. The City of Montebello is not a Public Housing Agency.

Activities to Increase Resident Involvements

The City of Montebello is not a Public Housing Agency however, the Los Angeles County Development Authority (LACDA) is a housing authority who serves the city of Montebello and provides Housing voucher assistance to its residents. The city will continue to provide support services as requested by LACDA.

Is the public housing agency designated as troubled under 24 CFR part 902?

N/A

Plan to remove the ‘troubled’ designation

Does not apply to the City of Montebello.

SP-55 Barriers to affordable housing – 91.215(h)

Barriers to Affordable Housing

The City of Montebello faces several barriers to the development, maintenance, and availability of affordable housing. These barriers include regulatory constraints, market conditions, financial limitations, and community opposition. The challenges, as outlined in recent reports and analyses, include the following:

- High Demand of affordable housing and/or homebuyer assistance (Housing)
- Necessary Owner/renter housing rehabilitation (Safe, decent, affordable housing and energy efficient)
- Promoting fair housing awareness
- Urgency for Public services (employment training, homeless, elderly, crime, park and recreation programs, etc.)
- Necessary Economic development (Commercial Facade, Workforce Development, etc.)
- Required Public facilities and infrastructure improvements (Street Improvements, Additional Street Lighting, and historical preservation)
- Need for Removal of slum and blight (Graffiti Removal)
- Land Use and Zoning Regulation Restrictions
- High Cost of Land and Construction
- Limited Availability of Funding for Housing Development
- Opposition to Affordable Housing
- Infrastructure and Environmental Constraints
- Economic Challenges and Wage Disparities

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

Zoning and Policy Reforms

- Implement zoning code updates to allow for increased density and mixed-use development.
- Streamline the permitting process for affordable housing projects.
- Encourage accessory dwelling units (ADUs) to increase affordable rental options.

Financial Incentives and Partnerships

- Expand access to funding sources, such as tax credits, and HOME Investment Partnerships Program (HOME).
- Leverage public-private partnerships to support affordable housing initiatives.

Community Engagement and Education

- Conduct outreach programs to address misconceptions about affordable housing.

Infrastructure and Land Use Planning

- Invest in infrastructure improvements to support new housing developments.
- Identify underutilized or publicly owned land for affordable housing projects.

Workforce Development and Economic Support

- Promote job training programs and workforce development to increase earning potential.
- Support housing resource and homebuyer programs to improve housing stability.

Conclusion

The City of Montebello is committed to addressing barriers to affordable housing through a combination of policy changes, financial incentives, and community collaboration. By implementing targeted strategies, the city aims to expand access to safe, affordable housing for all residents.

SP-60 Homelessness Strategy – 91.215(d)

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City collaborates with a range of nonprofit organizations and other agencies that provide shelter and supportive services designed to assist individuals facing homelessness and to prevent further instances of homelessness. The Los Angeles metropolitan area is served by LAHSA SPA 7, which includes the eastern portion of Los Angeles County, specifically Montebello. The raw count data from the Los Angeles Continuum of Care Point-in-Time count indicate that there were 160 homeless individuals counted in Montebello in January 2024, a decrease from 225 in the previous year. The city intends to maintain its financial support for organizations assisting seniors and the homeless to continue to see a decrease in homelessness, as well as for services that promote fair housing.

The City of Montebello addresses the issue of homelessness through active participation in the Los Angeles Continuum of Care and by maintaining a relationship with the East San Gabriel Valley Coalition for the Homeless. This coalition provides a comprehensive array of services to individuals experiencing homelessness or those at risk of becoming homeless, including transitional housing, motel vouchers, food assistance, and counseling. The City has diligently endeavored to provide shelter and support services for the homeless while continuing to coordinate housing initiatives with county and local public service organizations. These organizations include the Los Angeles County Department of Public Social Services, the Housing Rights Center, and the Montebello Community Assistance Program (MCAP), Heart of Compassion, in addition to various nonprofit and public service entities. Approximately 15% of the city's CDBG budget for the fiscal year 2025-2026 will be allocated to programs aimed at aiding low-income individuals with special needs.

The city recognizes the importance of adopting a comprehensive approach to support individuals experiencing homelessness and those at risk. This approach not only addresses immediate shelter needs but also provides transitional housing, support services, and job opportunities to help break the cycle of homelessness.

Addressing the emergency and transitional housing needs of homeless persons

The city collaborates with LAHSA which provides the city and its residents with shelter resources and information for all Service Planning Areas (SPAs), including SPA 7, of which Montebello is a part. Shelters are available for families, youth, and individuals. In SPA 7, adults seeking shelter can contact The Salvation Army in Bell, CA. Youth in need of shelter can reach out to Jovenes, a non-profit service provider located in Los Angeles, CA. SPA 7 also offers Interim Housing Supportive Services, designed to help individuals experiencing homelessness secure permanent housing. Each program provides regular meals, showers, case management, and a bed. The eligibility criteria and demographics will often determine which Crisis Housing or Bridge Housing program is the most suitable option.

Other housing and supportive services in SPA 7 are provided by Whittier First Day, Volunteers of America of Los Angeles, Catholic Charities of Los Angeles, and The Whole Child.

Additionally, the Winter Shelter Program is held annually to protect individuals experiencing homelessness during the colder months in Los Angeles. Winter Shelters are located throughout the County and operate 24 hours a day. Currently, there are a total of 332 beds available, with 11 of those located in SPA 7.

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 Montebello, through strategic resources and collaborations with various agencies, offers support to homeless individuals, including those who are chronically homeless, families with children, veterans and their families, as well as unaccompanied youth. The objective is to assist these individuals and families in transitioning to permanent housing and independent living. This support includes efforts to reduce the duration of homelessness experienced by individuals and families, enhance access to affordable housing units for those in need, and prevent recently homeless individuals and families from reverting to homelessness. This initiative is realized through the provision of affordable housing opportunities, essential public services, and by enhancing the capacity of low- and moderate-income families to generate income.

The following organizations provide essential supportive services designed to address the needs of individuals and families experiencing homelessness:

Whittier First Day: Whittier First Day offers a comprehensive array of services aimed at supporting individuals facing homelessness. Their programs include Interim Housing Sites, which provide safe and stable temporary accommodations; an Access Center that offers critical resources and support services to assist in the transition to permanent housing; and Regional Services that connect clients with vital community resources and long-term solutions to achieve self-sufficiency. These initiatives are designed to address immediate needs while fostering lasting stability and independence for individuals and families.

Volunteers of America of Los Angeles: This national organization provides assistance through transitional and emergency shelter, permanent housing, employment support, and comprehensive wrap-around services for at-risk and homeless veterans, all provided at no cost to the veteran.

Catholic Charities of Los Angeles: Through their emergency shelter and bridge and crisis housing programs, this organization provides homeless individuals with a safe haven and the necessary

resources to pursue self-sufficiency. Their homeless prevention programs, which typically encompass case management and financial assistance, enable at-risk individuals and families to regain stability in their current housing situations. Additionally, through counseling, educational opportunities, job training, and support services, those who have experienced homelessness are equipped to prepare for independent futures.

The Whole Child: This organization assists families who are either experiencing homelessness or are at risk of becoming homeless through their family housing program. They provide Crisis Housing, Permanent Housing, linkage to resources, a family access center, and parent enrichment services, all aimed at guiding families on their journey toward permanent housing and self-sufficiency.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

The city depends on agencies that collaborate with individuals transitioning from institutions and care systems, including the Los Angeles County Department of Children and Family Services, Department of Health Services, Department of Mental Health, California Department of Corrections and Rehabilitation, and the Los Angeles County Sheriff's Department, operate under mandates established by state legislation or county policies. These mandates require effective discharge planning and the formulation of a defined transition plan to ensure that individuals and families are not released into homelessness.

The County oversees facilities that facilitate the Long-Term Transitional Housing Program (THP). This program is specifically designed for long-term or life-term offenders seeking assistance and guidance following extended periods of incarceration. It provides meals, support services, resources, and programming within a secure, clean, and drug-free environment. THP offers services tailored to the unique needs of long-term offenders, including employment opportunities, job search and placement training, stress management, victim awareness, computer literacy, and essential life skills. Furthermore, educational resources on substance use and a certified 52-week domestic violence program are available for eligible parolees. THP also provides peer-driven support, assistance, and mentorship to recently released long-term offenders to facilitate their successful reintegration into the community.

The Los Angeles County Department of Children and Family Services (DCFS) operates with three principal objectives for the children under its care: Safety, Well-Being, and Permanency. DCFS is committed to ensuring that all children have access to nurturing and secure homes while equipping families with the resources necessary for their children's development. A comprehensive list of programs offered can be found on the following website:

<https://dcfs.lacounty.gov/about/what-we-do/dcfs-specialized-programs/>

The Department of Health Services (DHS) functions as an integrated system comprising providers, clinics, and hospitals that deliver continuous care for chronic medical conditions, adult and family medicine, emergency services, geriatric medicine, HIV/AIDS treatment, inpatient care, pediatrics, pharmacy services, rehabilitation medicine, specialty care, urgent care, and women's health.

SP-65 Lead based paint Hazards – 91.215(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

Homes constructed before 1980 constitute a housing stock that may require various forms of rehabilitation and may also present potential Lead-Based Paint hazards for tenants. As houses age to around 30-40 years and rehabilitation is postponed, their overall condition may deteriorate. Lead-based paint hazards are a significant concern for the city. According to data from the ACS and CHAS for 2023, 83.2% of the housing stock in the city was built in 1979 or earlier. This indicates that a substantial portion of the housing may require lead risk assessments and possibly abatement to enhance living conditions. To preserve the city's aging housing stock, the city has operated a Housing Rehabilitation and Preservation Program, now known as the HOME Rehabilitation Grant Program, for several years. This program mandates that lead-based paint assessments and abatement are essential components of the rehabilitation projects.

How are the actions listed above related to the extent of lead poisoning and hazards?

The City's HOME Rehabilitation Grant Program, funded by HOME, adheres to the stipulations set forth in the Lead Safe Housing Regulation 24 CFR Part 35, which became effective on September 15, 2000, along with the subsequent HUD transition assistance policy introduced in September 2000. When necessary, the City will engage state-certified inspectors and risk assessors specializing in lead-based paint to conduct testing and perform risk assessments on properties that yield positive results for lead paint. Additionally, certified contractors will be employed to undertake the removal and/or abatement of lead-based paint as required.

How are the actions listed above integrated into housing policies and procedures?

The city adheres to the lead-based paint requirements set forth in 24 CFR 570.608 in the administration of the HOME program. The strategy for addressing lead-based paint hazards, aimed at mitigating the risk of lead-based paint poisoning, is integrated into the procedures of the city's HOME Rehabilitation Grant Program (HRGP).

SP-70 Anti-Poverty Strategy – 91.215(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

According to the 2023 American Community Survey (ACS), an estimated 12.8% of the population in the City of Montebello lives below the poverty line. The City's anti-poverty strategy is multi-dimensional and encompasses both city programs and those operated by partner agencies also known as subrecipients. As outlined in AP-65, some programs that are federally funded provide direct assistance in the form of food, while others offer indirect assistance, such as housing resources, and referral services to other programs. Our resident's benefit from Los Angeles County's job training and social services programs, which enhance employment marketability, increase household income, and expand housing options. The city also collaborates with the Los Angeles County Development Authority to ensure the effective implementation of other initiatives, such as Housing Choice Vouchers and various related programs.

The city will continue in executing its strategy to assist low-income families in attaining economic independence and self-sufficiency by maintaining collaborations with various public service agencies that provide support services in the battle against poverty and special needs. The city will maintain its commitment to prioritizing the needs and objectives of the community when distributing federal funds to programs within its jurisdiction.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

This strategy aims to decrease, or facilitate the reduction of, the number of families living at or below the poverty level by enabling these families to effectively engage with the City's programs and achieve sustained economic independence and self-sufficiency. Additionally, the City's Youth Employment Program will persist in its efforts to generate and preserve employment opportunities for individuals with low to moderate incomes, which may contribute to a reduction in the overall number of individuals experiencing poverty.

SP-80 Monitoring – 91.230

Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

Federal funds allocated to the City of Montebello are managed by the Finance Department. The Planning and Community Development Department's Housing Division of the City of Montebello holds primary responsibility for the comprehensive monitoring and compliance of programs. The staff routinely oversees newly funded agencies and/or departments throughout the program year, performs annual desktop audits of each sub-recipient contract file, and conducts periodic on-site monitoring visits with each sub-recipient and/or department. Following each monitoring visit, a formal letter detailing the results is issued. Should any concerns or findings arise, the sub-recipient or department is allotted a period of 30 days to rectify the issue or submit a corrective action plan.

The city is committed to ensuring adherence to all Federal and City contracting regulations, which encompass procurement, Federal Labor Standards, Davis-Bacon provisions, and equal opportunity mandates. During the execution of construction projects, on-site compliance interviews are conducted with the workers. Furthermore, the Planning and Community Development Department's Housing Division guarantees compliance with the requirements set forth by the US Office of Management and Budget (OMB) for the conduct of single audits, while also fulfilling the reporting obligations mandated by HUD for accomplishments recorded in the Integrated Disbursement and Information System (IDIS).

Expected Resources

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

Introduction

The chart provided outlines the plan, which includes the Annual Allocation, Program Income, Prior Year Resources, and the Expected Amount Available for the remainder of the Consolidated Plan for each identified funding source (CDBG and HOME funds), as well as other resources from private, state, and local sources that are reasonably expected to be available to address the needs identified in the plan.

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	615,000.00	0.00	0.00	615,000.00	2,409,654.00	The City anticipates receiving a total of \$3,075,000 in Community Development Block Grant (CDBG) entitlement funds over the forthcoming five years, with an allocation of \$615,000 designated for Year 1. Any unencumbered funds from previous years will be directed towards enhancements of public facilities, economic development initiatives, and public service programs.

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: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	202,735	622,648	1,122,169	1,947,453	810,940	The City anticipates receiving a total of \$1,013,675 in HOME entitlement funds over the course of the next five years, with an allocation of \$202,735 designated for Year 1. Any unencumbered funds from previous years will be directed toward Housing Rehabilitation Grant programs.

Table 54 - 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 will continue to utilize state and local funds to leverage federal entitlement dollars, including, but not limited to:

- City General Funds
- In-kind Donations
- Partnerships with local banks for home buying assistance

The HOME program requires a local match that utilizes local funds. The HOME match requirement is as follows:

25% match on all expenditures except planning and admin, CHDO operating, CHDO capacity building, and CHDO project specific expenses when repayment is waived by the PJ under §92.301.

Over the next five years, the City anticipates assisting ten low- to moderate-income homeowners through the Owner-Occupied HOME Rehabilitation Grant Program. This program offers housing rehabilitation grants to eligible homeowners (earning up to 80% of the Median Family Income) using 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

The City of Montebello owns one property located within the jurisdiction that is used to address affordable housing needs as identified in the Consolidated plan. The location of the property is as follows:

2917 Via Campo. Montebello, CA 90640.

Discussion

See discussion above.

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	Housing	2025	2029	Affordable Housing	Citywide	Housing: Provide Decent Housing	CDBG: \$.00 HOME: \$1,752,707	Homeowner Housing Rehabilitated: 10 Household Housing Unit; CHDO
2	Public Services	2025	2029	Public Services	Citywide	Public Service: Provide Vital Public Services	CDBG: \$92,500.00 HOME: \$.00	Public service activities other than Low/Moderate Income Housing Benefit: 100 Persons Assisted
3	Economic Development	2025	2029	Economic Development	Citywide Qualified Census Tracts	Economic Development: Creating Eco. Opportunities	CDBG: \$84,136.27 HOME: \$.00	Other: 1 Other
4	Public Facilities and Infrastructure Improvement	2025	2029	Public Facilities	Citywide Qualified Census Tracts	Public Facilities and Infrastructure Improvement	CDBG: \$317,176.09 HOME: \$.00	Other: 1 Other
5	Fair Housing	2025	2029	Fair Housing- Public Services	Citywide	Fair Housing: Expand fair housing choice/access	CDBG: \$20,000.00 HOME: \$.00	Public service activities for Low/Moderate Income Housing Benefit: 140 Households Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Planning and Administration	2025	2029	Planning and Administration	Citywide	Planning and Administration	CDBG: \$102,985.00 HOME: \$194,745.69	Other: 0 Other

Table 55 – Goals Summary

Goal Descriptions

1	Goal Name	Housing
	Goal Description	Increase affordable housing opportunities by allocating resources towards the development of new, affordable housing developments, enhancements to energy efficiency within existing homes, and/or programs aimed at rehabilitating homes for low and moderate-income families. Invest in housing initiatives that encompass programs designed to boost homeownership rates, improvements to housing for individuals with special needs, support for integrated housing solutions and plans, and the reduction of obstacles to accessing affordable housing.
2	Goal Name	Public Services
	Goal Description	Offer supportive services to the city's low-and moderate-income residents, as well as individuals with special needs, with the objective of assisting 100 individuals over a span of five years through food distribution programs and youth employment programs.
3	Goal Name	Economic Development
	Goal Description	Address the economic development needs of persons with low to moderate incomes, as well as designated neighborhood target areas. Also, complete the section 108 loan re-payment for the city.

4	Goal Name	Public Facilities and Infrastructure Improvement
	Goal Description	Improve and Expand infrastructure and public facilities that benefit low-and-moderate-income neighborhoods and residents. Provide needed funding for fire facilities and fire equipment. Rehabilitation of Historical Preservation. Also, providing funding for park facility improvements.
5	Goal Name	Fair Housing
	Goal Description	Expand fair housing choice and access by promoting equitable and impartial housing options for all persons, advocate for housing that is accessible and functional for persons with disabilities, and adhere to the non-discrimination mandates outlined in the various Fair Housing laws. The objective and outcome categories will be Decent Housing, Availability, and Accessibility, with a goal of assisting 700 individuals, which amounts to 140 individuals annually.
6	Goal Name	Planning and Administration
	Goal Description	Facilitate administration and planning activities to formulate housing and community development strategies and programs aimed at addressing the identified needs outlined in the Consolidated Plan. The objective and outcome categories will focus on creating a suitable living environment, ensuring availability and accessibility, with the ultimate goal of effectively administering the CDBG program in accordance with HUD regulations.

Projects

AP-35 Projects – 91.220(d)

Introduction

The City of Montebello will undertake the following activities (projects) during the 2025-2026 Fiscal Year to address priority needs (Housing, Public Service, Economic Development, Public Facilities and Infrastructure Improvement, Fair Housing and Planning and Administration) and objectives (Creating a suitable living environment, providing decent housing, or creating economic opportunities):

Projects

#	Project Name
1	CDBG: PLANNING AND ADMINISTRATION
2	CDBG: HOUSING RIGHTS CENTER (P&A)
3	CDBG: SECTION 108 LOAN PAYMENT
4	CDBG: HEART OF COMPASSION
5	CDBG: YOUTH EMPLOYMENT PROGRAM
6	CDBG: PUBLIC FACILITIES AND IMPROVEMENTS- FIRE STATION/EQUIPMENT
7	HOME: PLANNING AND ADMINISTRATION
8	HOME: REHABILITATION GRANT PROGRAM
9	HOME: CHDO-ACQUISITION & NEW CONSTRUCTION

Table 56 – Project Information

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

The City of Montebello prioritizes funding based on a needs assessment, allocating resources to address affordable housing, homelessness, and community development, and identifies obstacles to meeting underserved needs in its Consolidated Plan.

AP-38 Project Summary

Project Summary Information

1	Project Name	CDBG: PLANNING AND ADMINISTRATION
	Target Area	Citywide
	Goals Supported	Planning and Administration
	Needs Addressed	Planning and Administration
	Funding	CDBG: \$102,985.00
	Description	The city will continue to provide the planning and administrative services essential for managing and operating the City's CDBG program. These funds will support the management of community development, housing, and economic development initiatives.
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	The entire community will benefit from the City's administration of the CDBG Grant; however, the primary beneficiaries of each funded activity will be low- and moderate-income residents.
	Location Description	1600 W. Beverly Blvd. Montebello, CA 90640.
	Planned Activities	CDBG Program Planning and Administration.
2	Project Name	CDBG: HOUSING RIGHTS CENTER (P&A)
	Target Area	Citywide
	Goals Supported	Fair Housing
	Needs Addressed	Fair Housing: Expand fair housing choice/access
	Funding	CDBG: \$20,000.00
	Description	The Housing Rights Center is committed to delivering fair housing services, managing fair housing cases, and providing education on housing rights.
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	140 households assisted. Two housing rights workshops are provided annually.
	Location Description	3255 Wilshire Blvd. Los Angeles, CA

	Planned Activities	Community Development Block Grant (CDBG) funds will be used to provide fair housing services to residents to help prevent discrimination. These services will include referrals, investigations, case management, litigation support, and the resolution of landlord-tenant disputes.
3	Project Name	CDBG: SECTION 108 LOAN PAYMENT
	Target Area	Citywide
	Goals Supported	Economic Development
	Needs Addressed	Economic Development: Creating Eco. Opportunities
	Funding	CDBG: \$84,136.27
	Description	Repayment for loans related to finished enhancements encompasses the replacement of walkways, curbs and gutters, street irrigation systems, lighting fixtures, water and sewage lines, sidewalk upgrades that adhere to the Americans with Disabilities Act, and landscaping.
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	Loan Repayment- Not Applicable.
	Location Description	1600 West Beverly Blvd. Montebello, CA
4	Planned Activities	Repayment for loans associated with completed improvements includes the replacement of pathways, curbs, and drainage systems, street watering systems, lighting installations, water and sewage pipes, sidewalk renovations that comply with the Americans with Disabilities Act, and landscaping.
	Project Name	CDBG: HEART OF COMPASSION
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Public Service: Provide Vital Public Services
	Funding	CDBG: \$52,500.00
	Description	Food Distribution for LMI Persons.
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	50 Households

	Location Description	600 S. Maple Ave. Montebello, CA 90640
	Planned Activities	Food Distribution
5	Project Name	CDBG: YOUTH EMPLOYMENT PROGRAM
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Public Service: Provide Vital Public Services
	Funding	CDBG: \$40,000.00
	Description	To create job opportunities for youth in the Montebello Community. The program is for youth ages 14-21 and provides paid employment/training, career development and professional skills.
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	10 families will benefit from this activity.
	Location Description	1600 W. Beverly Blvd. Montebello, CA 90640
	Planned Activities	Provide employment opportunities for low-income youth in the City of Montebello.
	Project Name	CDBG: PUBLIC FACILITIES AND IMPROVEMENTS- FIRE STATION/EQUIPMENT
	Target Area	Citywide
6	Goals Supported	Public Facilities and Infrastructure Improvement
	Needs Addressed	Public Facilities and Infrastructure Improvement
	Funding	CDBG: \$317,176.09
	Description	Purchase of Fire trucks/emergency response vehicle and/or emergency rescue apparatus.
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	Families and persons Citywide will benefit from this activity. In the City of Montebello, 28 out of 39 census blocks are LMI areas. The total LMI served would be 63.7%, which is above the minimum 51% threshold.
	Location Description	1166 S Greenwood Ave, Montebello, CA 90640 (Fire Station 56)
	Planned Activities	Purchase a Fire Emergency Response vehicle that will respond effectively to emergencies and fire hazard emergencies.

7	Project Name	HOME: PLANNING AND ADMINISTRATION
	Target Area	Citywide
	Goals Supported	Planning and Administration
	Needs Addressed	Planning and Administration
	Funding	HOME: \$194,745.69
	Description	Provide planning and administrative services necessary to manage and operate the City's HOME program. These funds will support the management of housing development, CHDO and Rehabilitation Grant initiatives.
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	The entire Montebello Community will benefit from this proposed activity.
	Location Description	1600 W. Beverly Blvd. Montebello, CA 90640.
	Planned Activities	HOME Program Planning and Administration.
8	Project Name	HOME: REHABILITATION GRANT PROGRAM
	Target Area	Citywide
	Goals Supported	Housing
	Needs Addressed	Housing: Provide Decent Housing
	Funding	HOME: \$1,052,707
	Description	Rehabilitation and Preservation of housing stock in the City of Montebello.
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	10 households will benefit from this activity.
	Location Description	Citywide

	Planned Activities	Provide non-repayable grants to eligible homeowners for the purposes of rehabilitation activities for properties within city limits, single-family housing with one to four dwelling units, Condominium unit (interior only), Townhome (Interior only), and Manufactured homes including mobile home (interior only).
9	Project Name	HOME: CHDO-ACQUISITION & NEW CONSTRUCTION
	Target Area	Citywide
	Goals Supported	Housing
	Needs Addressed	Housing: Provide Decent Housing
	Funding	HOME: \$700,000.00
	Description	Provide HOME funding to assist nonprofit Community Housing Development Organizations (CHDOs) to create and retain affordable housing.
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	Future Projects.
	Location Description	Citywide.
	Planned Activities	Acquisition and Rehabilitation of Housing for Low-Income Individuals

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

The city plans to allocate 100 percent of its entitlement funds to targeted areas, particularly those with high concentrations of low- and moderate-income residents and minorities. The city's low- and moderate-income neighborhoods, which comprise the majority of its residential areas, are the exclusive locations where HUD funds can be used for activities. The city of Montebello has 38 census tracts, 29 of those 38 are LMI. CDBG programs that focus on specific clientele will also benefit other parts of the city. For instance, if a person or household meets the program's eligibility criteria, they can access a federally funded program. Eligibility is typically determined based on household income and size. Funds from a CDBG program will be utilized according to its established criteria. Additionally, the administration of programs for qualified beneficiaries will include the city-wide delivery of public services and fair housing activities.

Geographic Distribution

Target Area	Percentage of Funds
Citywide	100
Qualified Census Tracts	0

Table 57 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City typically distributes funds across citywide target regions. Each year, the city emphasizes utilizing its CDBG funding for comprehensive housing and community development initiatives, which encompass housing, public services, and equitable housing opportunities. Initiatives categorized as public services and aimed at special needs groups are provided on a citywide scale and/or in conjunction with existing facilities or services where resources can be effectively aligned.

Discussion

See discussion above.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

For Fiscal Year 2025-2026, the City of Montebello will provide affordable housing through activities like production of new units, and rehabilitation of existing units using HOME Investment Partnership Program funds. CDBG funds will not be allocated for affordable housing, as these funds will instead be dedicated to supporting priority public service activities. City staff will continue to promote the HOME Rehabilitation Grant Program for eligible households within the city. The Non-Homeless and Special needs population are supported through the public service partners that are funded with CDBG funds.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	50
Special-Needs	50
Total	100

Table 58 - 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	51
Rehab of Existing Units	10
Acquisition of Existing Units	0
Total	54

Table 59 - One Year Goals for Affordable Housing by Support Type

Discussion

The City of Montebello will continue to share the ongoing availability of the HOME Rehabilitation Grant Program, which will offer new funding opportunities to qualified property owners for the improvement of the City's rental housing inventory that requires rehabilitation. This program is designed to guarantee safe, suitable, and sanitary living conditions for low-income families. Furthermore, the City is dedicated to maintaining current affordable housing by providing technical support to property owners. To enhance the growth of affordable housing options, the city will put into action the State's density bonus legislation, permitting density bonuses between 35% and 50%.

Funding for HOME activities within the city is derived from the previous fiscal year. Historically, the HOME Program provided loans for residential rehabilitation; however, this fiscal year, the city will transition to offering a grant program for residential rehabilitation instead. Furthermore, the city

provides funding for the construction and acquisition of affordable housing units. In accordance with HUD regulations and the HOME Final Program Rule, grantees are mandated to allocate at least 15% of their funds for projects and activities undertaken by Community Housing Development Organizations (CHDOs). This year, the City has allocated more than 15% of HOME funds specifically for the construction or acquisition of affordable housing in Montebello.

Traditionally, HOME funds have been utilized by the City to facilitate the development of affordable housing, and they will now also be available in the form of grants for owner-occupied single-family homes. In pursuit of affordable homeownership, the City must adhere to the HOME affordable homeownership limits established by HUD. Additionally, projects funded by HOME require that properties post-rehabilitation do not exceed 95% of the median purchase price in the neighborhood. According to the HOME Final Rule, the pricing for owner-occupied single-family housing can be determined in one of two ways:

1. HUD will establish limits for affordable housing at 95% of the area's median purchase price; OR
2. A local market survey will be conducted to ascertain the 95% limit on the median purchase price.

Cit staff has conducted a local market survey using HDL data and will submit its current HOME Homeownership Property Value Limit Survey results to HUD for approval. If approved by HUD, the new HOME Homeownership Property Value Limit will be \$831,250.

AP-60 Public Housing – 91.220(h)

Introduction

Although the City of Montebello does not own or manage any public housing, it collaborates with the Los Angeles County Housing Authority and other local non-profit organizations to ensure access to affordable housing and the programs available within the City.

Actions planned during the next year to address the needs to public housing

The City of Montebello will continue to undertake outreach initiatives over the coming year to evaluate the needs associated with public housing and ascertain the level of priority through the implementation of surveys and community meetings, thereby facilitating public input. The findings from these assessments will be utilized to formulate strategies for the development of the City's Consolidated Plan. Furthermore, the City maintains a robust partnership with the Los Angeles County Development Authority (LACDA), which assists low-income households through programs such as rental assistance and Section 8 housing vouchers.

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

While the City does not possess or manage any public housing, it does provide resources aimed at educating and informing its residents. The Los Angeles County Development Authority (LACDA) offers a Family Self-Sufficiency Program designed to facilitate homeownership opportunities for the residents of the city. Furthermore, the city of Montebello actively encourages its residents to engage more deeply in management and participate in homeownership initiatives by providing access to information regarding homeownership resources available to them. In addition, the Housing Rights Center conducts workshops for Montebello residents that concentrate on landlord-tenant rights, fair housing laws, and the identification of illegal housing practices.

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

LACDA has not been classified as a troubled Public Housing Authority (PHA).

Discussion

See Discussion Above.

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

Introduction

The City's objective for the upcoming year, aimed at reducing and ultimately eradicating homelessness, involves the continued provision of limited resources for individuals experiencing homelessness. This fiscal year, the City will be unable to allocate funds towards public services for the homeless and individuals with special needs, as resources will be directed towards addressing other priority needs using Community Development Block Grant (CDBG) funds. Nevertheless, city staff will continue offering assistance to the homeless population by referring them to local organizations that provide essential services, including shelters, supportive services, and transitional housing. It is important to note that CDBG funds are not designated for these limited resources. The city remains committed to making substantial efforts to deliver resources and support to the homeless community, despite the absence of funding through the CDBG program. Furthermore, the city will continue to seek out homeless organizations that may qualify for future CDBG funding to further assist the homeless population within the City. Below are the available services, which, while not funded through CDBG resources, remain accessible within the City:

1. Homeless Shelters:

Numerous nonprofit organizations provide shelter and services for the homeless in the city, contributing to the region's efforts to accommodate its homeless population. To aid individuals experiencing homelessness, the City has established the Montebello Community Assistance Program (MCAP), which offers emergency motels and food vouchers. Additionally, the city participates in the Los Angeles County Continuum of Care Community Forum, a collaborative initiative designed to identify the needs and gaps in housing and services for the homeless in the region.

2. Supportive and Transitional Housing:

The Los Angeles County Development Authority (LACDA) offers programs that facilitate supportive and transitional housing opportunities for the youth of Montebello, with the objective of assisting them in achieving independence. LACDA has also developed affordable housing units to support this initiative.

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

Homeless outreach programs have been established by the City to assist the homeless population in locating temporary shelter and securing permanent housing. Additionally, Montebello engages local providers to address and mitigate homelessness.

Los Angeles County is divided into eight Service Planning Areas (SPAs), numbered 1 through 8. This

division enables the Department of Public Health to more effectively target and monitor the needs of each area. The Montebello area is situated within SPA 7.

The LA Continuum of Care coordinates an annual Housing Inventory Count (HIC), which serves as a comprehensive inventory of service projects and a record of service utilization. This count includes individuals experiencing homelessness—such as those residing in emergency shelters, transitional housing, and safe havens—as well as those who have previously experienced homelessness but have now secured permanent housing. Currently, in the city of Montebello, there are 30 beds available at the Tiny Homes Village dedicated to serving individuals experiencing homelessness.

According to the 2024 Homeless Count Raw Data Totals report dated January 2024, there are 160 individuals identified as homeless in Montebello. This report is provided by LAHSA. The City is part of Service Planning Area (SPA) 7, which provides various resources and opportunities aimed at supporting the homeless population. SPA 7 offers several targeted programs for different groups within the homeless community.

As part of the program outlined below, homeless individuals undergo an assessment of their individual needs through the Coordinated Entry System (CES). In this system, regional providers collaborate to house chronically homeless individuals. An assessment tool is utilized to determine the most suitable housing options for individuals based on their specific needs. Furthermore, the CES coordinates resources from county and federal agencies, including the Department of Mental Health, the Department of Health Services, the Department of Housing, and the Department of Veterans Affairs.

Addressing the emergency shelter and transitional housing needs of homeless persons

A diverse range of housing facilities for individuals experiencing homelessness is offered within SPA 7, encompassing emergency shelters, transitional housing, and permanent supportive housing. A comprehensive list of housing resources available in SPA 7 can be accessed on the LAHSA website. The City of Montebello, along with agencies within SPA 7, prioritizes the need for emergency shelter services.

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

As part of the City's initiative to support homeless individuals, particular emphasis is placed on assisting chronically homeless individuals and families, families with children, veterans and their families, as well as unaccompanied youth. These groups are encouraged to transition to permanent housing and independent living. The overarching goal is to reduce homelessness among individuals and families,

facilitate access to affordable housing units for those experiencing homelessness, and prevent recidivism into homelessness after individuals and families have recently experienced it.

The Homeless Family Solutions System operates as a network of family homeless service providers, addressing the needs of homeless families or those at imminent risk of losing their homes. Through collaboration with partner organizations, this system aids families in developing housing and service plans.

The First 5 LA Supportive Housing Program offers needs-based assistance to families with children from birth to age five who are either homeless or at risk of becoming homeless. Many of these families have previously interacted with the County Department of Children and Family Services or are currently involved with it.

The Supportive Services for Veteran Families (SSVF) program is dedicated to re-housing homeless veterans and preventing homelessness among those at imminent risk due to housing crises. This initiative aims to achieve housing stability through targeted, short-term interventions. Adopting a housing-first model, the SSVF assists veterans and their families in finding and maintaining permanent rental housing without preconditions, while also facilitating access to services that support their efforts to remain housed.

The HUD-VASH Vouchers program, administered by the U.S. Department of Veterans Affairs, provides case management and clinical services alongside Housing Choice Vouchers for homeless veterans. Participants in this program can access these services at Veterans Affairs medical centers as well as through community-based outreach clinics.

For unaccompanied youth, various programs are available, including the Family Crisis Center, Hathaway-Sycamores: Independent Living Program, and Richstone Family Center: Transitional Housing Program, all aimed at meeting the unique needs of this demographic.

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

Entities and organizations engaged in the discharge process from institutions and care systems include the Los Angeles County Department of Children and Family Services, the Los Angeles County Department of Health Services, the Los Angeles County Department of Mental Health, and the Los Angeles County Sheriff's Department (LASD). Each of these bodies is governed by state or county regulations that mandate effective discharge planning, along with a specific transition plan aimed at preventing homelessness among individuals and families.

Furthermore, the City of Montebello has established an outreach initiative for homeless individuals known as the Montebello Community Assistance Program (MCAP). This program aims to support the homeless population within the City by offering emergency motel vouchers, food, hygiene kits, and assistance in accessing social services and permanent housing. It is noteworthy, however, that a Community Development Block Grant (CDBG) will not be allocated to MCAP for the current fiscal year.

Discussion

Programs such as those previously mentioned, which cater to the needs of individuals experiencing homelessness and specific subpopulations within this demographic, illustrate that addressing homelessness is a multifaceted challenge that necessitates cooperation among various agencies, departments, and nonprofit community service organizations. A collaborative network of these entities can offer housing and supportive services, complementing the limited Community Development Block Grant (CDBG) funds available to the City.

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

Introduction:

The City of Montebello faces several barriers to the development, maintenance, and availability of affordable housing. These barriers include regulatory constraints, market conditions, financial limitations, and community opposition. The challenges, as outlined in recent reports and analyses, include the following:

- High Demand of affordable housing and/or homebuyer assistance (Housing)
- Necessary Owner/renter housing rehabilitation (Safe, decent, affordable housing and energy efficient)
- Promoting fair housing awareness
- Urgency for Public services (employment training, homeless, elderly, crime, park and recreation programs, etc.)
- Necessary Economic development (Commercial Facade, Workforce Development, etc.)
- Required Public facilities and infrastructure improvements (Street Improvements and Additional Street Lighting)
- Need for Removal of slum and blight (Graffiti Removal)
- Land Use and Zoning Regulation Restrictions
- High Cost of Land and Construction
- Limited Availability of Funding for Housing Development
- Opposition to Affordable Housing
- Infrastructure and Environmental Constraints
- Economic Challenges and Wage Disparities

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

A comprehensive review and analysis of relevant data were essential in identifying the objectives of the plan and the actions associated with them. Engagement with various agencies, community outreach initiatives, and thorough data examination were requisite components of this process.

Several goals and actions have been delineated to facilitate the advancement of fair housing and affordable housing initiatives. To provide clearer guidance to City staff, the Council, and partnering agencies, suggestions and recommended actions were documented as part of the engagement process.

The goals to remove the negative effects of barriers to affordable housing are the following:

- Expand access to funding sources such as HOME Investment Partnership Program (HOME) Funds
- Increase affordable housing opportunities
- Community Outreach to raise awareness of fair housing laws for affordable housing
- Invest CDBG Funds on Public Services, Economic Development Projects, Public and Facilities Improvement Projects
- Promote job training programs and workforce development to increase earning potential
- Identify publicly owned land for affordable housing projects
- Implement Zoning code updates to allow for increased density and mixed-used development

In the 2025-2026 Annual Action Plan, the projects and programs aimed at alleviating barriers to affordable housing include:

- Acquisition for Affordable Housing
- Housing Rehabilitation Grants
- Fair Housing (HRC)

To eliminate or ameliorate the barriers to affordable housing, the city has adopted the following objectives as outlined in the approved 2021-2029 Housing Element:

- Conserve and enhance the condition of the existing affordable housing stock.
- Identify and address housing needs, encompassing housing goals, policies, and programs.
- Identify and address constraints related to housing maintenance, improvement, and development.
- Promote equal housing opportunities for all residents.

A recent update to the Montebello General Plan has been successfully completed by the city. Long-range planning documents, such as the General Plan, establish long-term goals and policies that will influence the City over the next two decades. Through the development of these policies, we can advance local and regional objectives, particularly those concerning housing accessibility and affordability, while ensuring compliance with state and regional housing regulations.

Discussion:

See Discussion Above.

AP-85 Other Actions – 91.220(k)

Introduction:

Limited funding poses a significant barrier to meeting the needs of low-income residents. Additionally, nonprofit service providers have encountered budget constraints due to economic challenges and reductions in grant funding.

Actions planned to address obstacles to meeting underserved needs

The City of Montebello recognizes the difficulties encountered by special needs populations, particularly those arising from low income and unique circumstances. Such challenges significantly elevate the risk of homelessness among these individuals. Consequently, the provision of supportive services and housing is deemed essential for populations with special needs. In alignment with its commitment to aiding these groups, the city prioritizes both supportive housing and supportive services. Moreover, considerable emphasis is placed on support services within the framework of the Continuum of Care. The city also collaborates with the Housing Rights Center, which offers housing resources to residents of Montebello. For the current Fiscal Year, funding for the Housing Rights Center will be sourced from Community Development Block Grant (CDBG) funds.

Actions planned to foster and maintain affordable housing

As part of its initiative funded by the Community Development Block Grant (CDBG), the City actively preserves its affordable housing inventory through the HOME Rehabilitation Grant Program, as well as the Section 8 Housing Voucher program. A combination of both Federal and non-Federal resources will be allocated to sustain existing affordable housing units while also generating new opportunities for affordable housing. The City aims to establish clear and precise development standards that align with the vision outlined in the General Plan, thereby facilitating predictable outcomes during the development review process. In order to ensure adherence to State housing regulations, it is imperative to review and amend the current housing regulations pertaining to accessory dwelling units (ADUs), mixed-use developments, transitional and supportive housing, single-room occupancy (SRO) units, and emergency shelters.

Actions planned to reduce lead-based paint hazards

HOME's Rehabilitation Grant Program will be required to comply with the Lead Safe Housing Regulation 24 CFR Part 35 effective September 15, 2000, as well as the HUD transition assistance policy effective September 20, 2000. Lead-based paint inspectors and risk assessors who are State of California certified will be used to test for lead paint and perform risk assessments when required. Lead paint abatement contractors will be used to remove and/or lead paint.

Actions planned to reduce the number of poverty-level families

In its ongoing dedication to expand economic opportunities for all community members, the City of Montebello continues to implement programs designed to support individuals facing challenging circumstances. As part of its strategic plan, the City has made it a priority to generate job opportunities for residents with low to moderate incomes through various initiatives, such as youth employment programs, recreational scholarships, capital improvement efforts, and the use of Section 108 loan funds. In addition, the County's rental assistance program, housing improvement efforts, and funding for affordable housing development have effectively aided in providing shelter for the homeless and improving living conditions for low-income families and seniors.

Individuals living at or below the poverty line are frequently affected by numerous factors, such as limited access to higher education, a deficiency in marketable skills, high unemployment or underemployment rates, lack of affordable childcare, inadequate transportation options, and a shortage of affordable housing. To significantly lower poverty rates, it is crucial to tackle these challenges. While the City does not have authority over most of these issues, it consistently offers referrals for those in poverty. Furthermore, information about public service agencies and resources for the homeless is readily accessible, along with connections to various social service organizations. The City also actively collaborates with nonprofit organizations, private developers, and government bodies that are committed to providing affordable housing and economic opportunities for low- and moderate-income residents.

Actions planned to develop institutional structure

The management of Community Development Block Grant (CDBG) funds allocated to the city falls under the purview of the Planning and Community Development Department, in conjunction with the Finance Department. To effectively implement affordable housing projects and collaborate with seniors, at-risk youth, and various community development initiatives, the city engages a multitude of governmental departments and agencies, as well as for-profit developers and nonprofit organizations.

- The functions of the City's Planning and Community Development Department have a direct impact on and facilitate the development of housing.
- The Public Works Department is entrusted with the design, construction, maintenance, and operation of public facilities, as well as the administration of infrastructure projects.
- The Los Angeles County Development Authority (LACDA) oversees the administration of the HUD Section 8 Housing Choice Voucher Program and public housing, thereby benefiting the city's low-income population through access to publicly assisted rental housing.
- Housing developers serve as crucial partners in the development of both market-rate and affordable housing. Given the high cost of land within the city, private developers often require government or other subsidies to construct affordable housing units.

The City's General Plan outlines clear and specific development standards that aim to yield predictable outcomes and enhance the efficiency of the development approval process, aligning with the overarching vision established in the General Plan. In compliance with state housing legislation, the

General Plan undergoes updates concerning regulations related to Accessory Dwelling Units (ADUs), mixed-use developments, transitional and supportive housing, single-room occupancy (SRO) facilities, emergency shelters, and zoning standards.

Furthermore, the HOME program serves as the primary funding source for affordable housing initiatives, in addition to covering associated administrative costs.

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

The Planning and Community Development Department, particularly the Housing Division, manages and coordinates these activities on behalf of the city. Working alongside other City departments and the community, the Department develops programs and initiatives designed to support low- and moderate-income neighborhoods in Montebello. The management of these program activities includes public and social service efforts, housing, improvements to infrastructure, and economic growth. The City partners with public agencies, for-profit businesses, and non-profit organizations to provide programming and services.

To meet the needs of the homeless population, the Montebello Fire Department supports the homeless population through the Montebello Community Assistance Program (MCAP). It is crucial to highlight that Public Service Community Development Block Grant (CDBG) funds will not be allocated for MCAP in the current fiscal year. In keeping with its dedication to improving community service, MCAP will maintain its collaboration with both private and public social service agencies.

Discussion:

See Discussion Above.

Program Specific Requirements

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

Introduction:

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	1,872
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
Total Program Income:	1,872

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(l)(2)

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

The City of Montebello will not consider any forms of investment beyond those specified in Section 92.205. Qualified homeowners can apply for a grant for property rehabilitation through the HOME Rehabilitation Program. If the title is transferred, the property is refinanced, or it is sold before all grant terms are met, the grant becomes due and payable. To qualify for rehabilitation assistance, the property must meet specific housing standards and be occupied by the owner. Applicants must have a household income of at least 80% of the area median income to be eligible. Pre-qualification for this program should be obtained from the Housing Division of the Planning and Community Development Department. Once pre-qualification criteria are met, the Housing Division will proceed with the qualification process. To qualify for the program, an application must be completed.

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:

As part of the HOME Program, the City shall continue to enforce the resale provisions applicable to existing loans. In accordance with the HOME resale provisions, the City is obligated to ensure that when a HOME-assisted homebuyer sells their property, whether voluntarily or involuntarily, during the affordability period, the following conditions are met: (1) the property is sold to another low-income homebuyer who intends to utilize it as their principal residence; (2) the original homebuyer receives a fair return on their investment, which includes their down payment and any improvements made to the property; and (3) the sale price remains affordable for a reasonable range of low-income buyers. These resale provisions must be applied when the City provides HOME assistance solely for the development of the unit, without utilizing HOME funds to reduce the purchase price from fair market value to an affordable level.

Throughout the initial purchase and during resale, the City will determine the homebuyer's fair return on investment using an objective standard or index that is publicly accessible and easily quantifiable. The Fair Return on Investment is determined as a percentage reflecting changes in median sales prices over the ownership period, in conjunction with the changes in area median income and the Consumer Price Index during that same timeframe. In instances of depreciation, losses on investments may be regarded as a fair return within depressed and declining markets. However, returns for homebuyers that are linked to the purchasing power of a specific family or defined group of low-income homebuyers shall not be considered fair returns and will not be accepted.

In the context of a resale provision, the original investment made by the buyer, along with certain

upgrades or enhancements that improve the property, will be factored into the calculation of fair return. Typically, the replacement of worn or outdated components, such as appliances or carpeting, will not be deemed an improvement that adds value. Furthermore, the provisions delineate the types of modifications that will or will not be included in this determination.

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:

In accordance with the agreement, the City will incorporate a provision detailing its approach to ensuring that housing remains affordable for low-income buyers in instances where the resale price required to yield a fair return is not accessible to subsequent purchasers. The presumption of affordability will facilitate the City's compliance with HOME resale requirements without necessitating specific enforcement measures. To ascertain affordability, the City will undertake a comprehensive market analysis encompassing a limited number of contiguous neighborhoods that share similar demographics, housing markets, and economic conditions. An examination of housing data will assist in determining whether home values are currently affordable and whether they will remain so over the average designated period of affordability.

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:

Currently, the City has no intentions to refinance existing debt associated with multifamily housing that has been rehabilitated utilizing HOME funds. The City refers to the HOME Policies and Procedures Manual to guarantee adherence to the requirements of the HOME Program.

5. If applicable to a planned HOME TBRA activity, a description of the preference for persons with special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)).

Not applicable.

6. If applicable to a planned HOME TBRA activity, a description of how the preference for a specific category of individuals with disabilities (e.g. persons with HIV/AIDS or chronic mental illness) will narrow the gap in benefits and the preference is needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2)(ii) and 91.220(l)(2)(vii)).

Not applicable.

7. If applicable, a description of any preference or limitation for rental housing projects. (See 24 CFR 92.253(d)(3) and CFR 91.220(l)(2)(vii)). Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a).

Not applicable.

See Discussion above.

Appendix - Alternate/Local Data Sources

1	Data Source Name South Montebello Neighborhood Area
	List the name of the organization or individual who originated the data set. Proposed Data Set on South Montebello Neighborhood Area
	Provide a brief summary of the data set. Demographic and Housing Data for Comparison with Citywide Data
	What was the purpose for developing this data set? Assessing special needs of the South Montebello Neighborhood Area
	How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population? Data is concentrated in one geographic area
	What time period (provide the year, and optionally month, or month and day) is covered by this data set? August 2014
	What is the status of the data set (complete, in progress, or planned)? Proposed Data Set
2	Data Source Name 2018-2022 ACS
	List the name of the organization or individual who originated the data set. Civitas
	Provide a brief summary of the data set. 2018-2022 American Community Survey (ACS)
	What was the purpose for developing this data set? To obtain necessary data for the Con Plan.
	Provide the year (and optionally month, or month and day) for when the data was collected. 2018-2022
	Briefly describe the methodology for the data collection. US Census Survey

	Describe the total population from which the sample was taken. 61,615
	Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed. See DP05ACS Demographic and Housing Estimates from the US Census Bureau website.
3	Data Source Name 2017-2021 CHAS
	List the name of the organization or individual who originated the data set. HUD's Office of Policy Development and Research (PD&R) provides the CHAS (Comprehensive Housing Affordability Strategy) data.
	Provide a brief summary of the data set. Each year, the U.S. Department of Housing and Urban Development (HUD) receives custom tabulations of American Community Survey (ACS) data from the U.S. Census Bureau. These data, known as the "CHAS" data (Comprehensive Housing Affordability Strategy), demonstrate the extent of housing problems and housing needs, particularly for low income households. The CHAS data are used by local governments to plan how to spend HUD funds and may also be used by HUD to distribute grant funds.
	What was the purpose for developing this data set? The primary purpose of the CHAS data is to demonstrate the number of households in need of housing assistance. This is estimated by the number of households that have certain housing problems and have income low enough to qualify for HUD's programs (primarily 30, 50, and 80 percent of median income). It is also important to consider the prevalence of housing problems among different types of households, such as the elderly, disabled, minorities, and different household types. The CHAS data provides counts of the numbers of households that fit these HUD-specified characteristics in HUD-specified geographic areas.
	Provide the year (and optionally month, or month and day) for when the data was collected. 2017-2021 CHAS.
	Briefly describe the methodology for the data collection. Tabulations of American Community Survey (ACS) data from the U.S. Census Bureau.
	Describe the total population from which the sample was taken. City of Montebello.
	Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed. See American Community Survey.

4	Data Source Name
	Housing Choice Voucher Data Dashboard 2024 (CA002)
	List the name of the organization or individual who originated the data set.
	U.S. Department of Housing and Urban Development
	Provide a brief summary of the data set.
	The Housing Choice Voucher (HCV) Data Dashboard (dashboard) shows budget and leasing trends, reserve balances, program admissions and attrition, per-unit cost and leasing potential for the program nationally and allows the user to drill down to the state and PHA-level. The dashboard also provides a current snapshot of utilization for HUD's special purpose voucher programs including the Mainstream, Family Unification (FUP) and Veterans Affairs Supportive Housing (VASH) programs. The dashboard is typically updated monthly with the most current and relevant data. However, it should be noted that much of HUD's data is received from PHAs and is aggregated resulting in an approximately 2-month delay between the reporting period and the data's availability.
	What was the purpose for developing this data set?
	HUD's special purpose voucher programs including the Mainstream, Family Unification (FUP) and Veterans Affairs Supportive Housing (VASH) programs.
Provide the year (and optionally month, or month and day) for when the data was collected.	
2024	
Briefly describe the methodology for the data collection.	
https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/dashboard	
Describe the total population from which the sample was taken.	
https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/dashboard	
Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.	
https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/dashboard	
5	Data Source Name
	2024 Greater Los Angeles Homeless Count (SPA 7)
	List the name of the organization or individual who originated the data set.
	Los Angeles Homeless Services Authority (LAHSA)
	County of Los Angeles

	Provide a brief summary of the data set. Data from the 2024 Greater Los Angeles Point-In-Time Count estimate the number and demographic characteristics of the homeless population on a single night in January 2024. Data presented reflect the estimated number of Persons unless labeled as a Household count.
	What was the purpose for developing this data set? Data from the 2024 Greater Los Angeles Point-In-Time Count estimate the number and demographic characteristics of the homeless population on a single night in January 2024. Data presented reflect the estimated number of Persons unless labeled as a Household count.
	Provide the year (and optionally month, or month and day) for when the data was collected. 2024
	Briefly describe the methodology for the data collection. Point in Time Count
	Describe the total population from which the sample was taken. Service Planning Area 7 which includes Montebello
	Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed. Approximately 5,899 units surveyed.
6	Data Source Name CoC: CA-600 Los Angeles City and County CoC List the name of the organization or individual who originated the data set. LACDA County of Los Angeles City of Los Angeles Provide a brief summary of the data set. Homeless count data What was the purpose for developing this data set? Obtain quantity and demographics of homeless persons Provide the year (and optionally month, or month and day) for when the data was collected. 2024 Briefly describe the methodology for the data collection. Point in time count

	Describe the total population from which the sample was taken. homeless population
	Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.
7	Data Source Name 2016-2020 CHAS
	List the name of the organization or individual who originated the data set. CHAS
	Provide a brief summary of the data set. CHAS
	What was the purpose for developing this data set? CHAS
	Provide the year (and optionally month, or month and day) for when the data was collected. N/A
	Briefly describe the methodology for the data collection. N/A
	Describe the total population from which the sample was taken. N/A
	Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed. N/A
8	Data Source Name 2018-2022 ACS (Workers), 2021 Longitudinal Employ
	List the name of the organization or individual who originated the data set. 2018-2022 ACS (Workers), 2021 Longitudinal Employer-Household Dynamic (Jobs)
	Provide a brief summary of the data set. 2018-2022 ACS (Workers), 2021 Longitudinal Employer-Household Dynamic (Jobs)
	What was the purpose for developing this data set? N/A

	Provide the year (and optionally month, or month and day) for when the data was collected. N/A
	Briefly describe the methodology for the data collection. N/A
	Describe the total population from which the sample was taken. N/A
	Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed. N/A

APPENDIX A

PUBLIC NOTIFICATIONS

CALIFORNIA NEWSPAPER SERVICE BUREAU

DAILY JOURNAL CORPORATION

Mailing Address : 915 E 1ST ST, LOS ANGELES, CA 90012
Telephone (213) 229-5300 / Fax (213) 229-5481
Visit us @ WWW.LEGALADSTORE.COM

SAMANTHA NEVAREZ
CITY OF MONTEBELLO/CITY CLERK (LEAD)
1600 W. BEVERLY BLVD
MONTEBELLO, CA 90640

CNS 3878828

COPY OF NOTICE

Notice Type: HRG NOTICE OF HEARING
Ad Description: Public Hearing Notice - 5-Year Consolidated Plan for the Allocation of CDBG and HOME Investment Partnership Funds

To the right is a copy of the notice you sent to us for publication in the WHITTIER DAILY NEWS. Please read this notice carefully and call us with any corrections. The Proof of Publication will be filed with the County Clerk, if required, and mailed to you after the last date below. Publication date(s) for this notice is (are):

12/19/2024

An invoice will be sent after the last date of publication. If you prepaid this order in full, you will not receive an invoice.

Daily Journal Corporation

Serving your legal advertising needs throughout California. Call your local

BUSINESS JOURNAL, RIVERSIDE	(951) 784-0111
DAILY COMMERCE, LOS ANGELES	(213) 229-5300
LOS ANGELES DAILY JOURNAL, LOS ANGELES	(213) 229-5300
ORANGE COUNTY REPORTER, SANTA ANA	(714) 543-2027
SAN FRANCISCO DAILY JOURNAL, SAN FRANCISCO	(800) 640-4829
SAN JOSE POST-RECORD, SAN JOSE	(408) 287-4866
THE DAILY RECORDER, SACRAMENTO	(916) 444-2355
THE DAILY TRANSCRIPT, SAN DIEGO	(619) 232-3486
THE INTER-CITY EXPRESS, OAKLAND	(510) 272-4747

PUBLIC NOTICE CITY OF MONTEBELLO PUBLIC COMMENT AND PUBLIC HEARING NOTICE

NOTICE IS HEREBY GIVEN that the City Council of the City of Montebello will conduct a public hearing to receive input and provide direction concerning the draft Five-Year Consolidated Plan for the allocation of Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) program funds, the draft Analysis of Impediments to Fair Housing Choice, the 2025-2029 Annual Action Plan, and the Citizen Participation Plan. As an entitlement jurisdiction, the City is required by the United States Department of Housing and Urban Development (HUD) to complete the Consolidated Plan and Analysis of Impediments to Fair Housing Choice every five years.

PUBLIC HEARING INFORMATION:
Hearing Date: Wednesday, January 8, 2025

Time: 6:30 p.m. or as soon thereafter as the matter may be heard
Place: City Hall Council Chambers, 1600 W. Beverly Blvd., Montebello, CA 90640

PROJECT DESCRIPTION:
Each year the U.S. Department of Housing and Urban Development (HUD) provides funding for housing and community development programs to the City of Montebello, specifically Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) Program funds. In order to receive these funds, the City must complete a report every three to five years called the Consolidated Plan (ConPlan). The purpose of the ConPlan is to identify Montebello's housing and community development needs, priorities, goals, and strategies and to stipulate how funds will be allocated to housing and community development activities over the next five years. The CDBG Program provides federal funds for local improvement projects and programs. Activities assisted with CDBG funds must meet one of the three national objectives: principally benefit low and moderate-income persons, aid in the prevention or elimination of slums and blight or meet other community development needs having particular urgency. The HOME Program provides formula grants - often in partnership with local nonprofit groups - to fund a wide range of activities including



building, buying, and/or rehabilitating affordable housing or providing direct rental assistance to low-income people. HOME is the largest Federal block grant to state and local governments designed exclusively to create affordable housing for low-income households.

The Consolidated Plan is a HUD required plan assessing affordable housing and community development needs for the next five-year 2025-2029 period. The Consolidated Plan determines how funds from the U.S. Department of Housing and Urban Development (HUD) are used.

The Analysis of Impediments to Fair Housing Choice is a review of policies, procedures, and practices within the community that affect the location, availability, and accessibility of housing and current residential patterns and conditions related to fair housing choice.

The Annual Action Plan is submitted to HUD on an annual basis and identifies how the City plans to use the federal money during the next fiscal year to meet the goals and objectives approved by the City Council in the Five-Year Consolidated Plan.

The Citizen Participation Plan sets forth the City of Montebello's policies and procedures for citizen participation in the development of the Consolidated Plan Documents and any subsequent amendments.

For Fiscal Year 2025-2026, the City expects to receive approximately \$614,925 in CDBG funds and approximately \$270,314 in HOME funds.

For more information, call Rosemary Perich, Housing Manager for the City of Montebello, Planning and Community Development Department at (323) 887-1200 Ext. 1454 or via e-mail rperich@montebelloca.gov.

ENVIRONMENTAL: The proposal is not considered a "Project" under the California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(4) for fiscal activities of the government which do not involve any commitment to any specific project which may result in a potentially significant physical impact; and is also exempt under the commonsense exemption pursuant CEQA Guidelines Section 15061(b)(3) as it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

In-Person: For those interested in participating during the Public Comment period(s) or public testimony period for Public

Hearings of the City Council meetings, you may address the City Council in person the day of the meeting. Speakers will be required to fill out a speaker card provided at the door and turn it into the Deputy City Clerk prior to each Public Comment announcement period. Staff will number and call each speaker card in the order received. Closed Session begins at 6:00 p.m. and Regular Session begins immediately thereafter; if there is no Closed Session, Regular Session will begin at 6:00 p.m.

Via Email: The public may also submit emailed comments via the City's email address: ccpubliccomment@montebelloca.gov up until the day of the meeting, Wednesday, January 8, 2025, by 3:00 p.m. These comments will be submitted to all members of the City Council and may not be read aloud but will be entered into the record of the proceedings to the extent they relate to matters listed on the posted agenda. Any requests to provide public comment which is submitted after the deadlines indicated above will not be submitted to the City Council.

Americans with Disabilities Act (ADA): The City of Montebello, in complying with the Americans with Disabilities Act (ADA), requests individuals who require special accommodations to access, attend and/or participate in the City meeting due to disability, to please contact the Housing Manager by email rperich@montebelloca.gov at least 6 hours prior to the scheduled special meeting to ensure assistance is provided.

Kimberly Guillen, Senior Deputy City Clerk

Dated: December 11, 2024

Date posted: December 19, 2024

12/19/24

CNS-3878826#

WHITTIER DAILY NEWS

CALIFORNIA NEWSPAPER SERVICE BUREAU

DAILY JOURNAL CORPORATION

Mailing Address : 915 E 1ST ST, LOS ANGELES, CA 90012
Telephone (213) 229-5300 / Fax (213) 229-5481
Visit us @ WWW.LEGALADSTORE.COM

SAMANTHA NEVAREZ
CITY OF MONTEBELLO/CITY CLERK (LEAD)
1600 W. BEVERLY BLVD
MONTEBELLO, CA 90640

COPY OF NOTICE

Notice Type: HRG NOTICE OF HEARING
Ad Description: NOTICE TO RECEIVE THE DRAFT 2025-2029
FIVE-YEAR CONSOLIDATED PLAN, COMMUNITY
DEVELOPMENT BLOCK GRANT, HOME INVESTMENT

To the right is a copy of the notice you sent to us for publication in the SAN GABRIEL VALLEY TRIBUNE. Please read this notice carefully and call us with any corrections. The Proof of Publication will be filed with the County Clerk, if required, and mailed to you after the last date below. Publication date(s) for this notice is (are):

04/14/2025

An invoice will be sent after the last date of publication. If you prepaid this order in full, you will not receive an invoice.

Daily Journal Corporation

Serving your legal advertising needs throughout California. Call your local

BUSINESS JOURNAL, RIVERSIDE	(951) 784-0111
DAILY COMMERCE, LOS ANGELES	(213) 229-5300
LOS ANGELES DAILY JOURNAL, LOS ANGELES	(213) 229-5300
ORANGE COUNTY REPORTER, SANTA ANA	(714) 543-2027
SAN FRANCISCO DAILY JOURNAL, SAN FRANCISCO	(800) 640-4829
SAN JOSE POST-RECORD, SAN JOSE	(408) 287-4866
THE DAILY RECORDER, SACRAMENTO	(916) 444-2355
THE DAILY TRANSCRIPT, SAN DIEGO	(619) 232-3486
THE INTER-CITY EXPRESS, OAKLAND	(510) 272-4747



CNS 3911884

NOTICE OF PUBLIC HEARING CITY OF MONTEBELLO CITY COUNCIL NOTICE TO RECEIVE THE DRAFT 2025-2029 FIVE-YEAR CONSOLIDATED PLAN, COMMUNITY DEVELOPMENT BLOCK GRANT, HOME INVESTMENT PARTNERSHIP PROGRAM, DRAFT 2025-2026 ANNUAL ACTION PLAN, AND CITIZEN PARTICIPATION PLAN

NOTICE IS HEREBY GIVEN that the City Council of the City of Montebello will conduct a public hearing to receive the draft 2025-2029 Five-Year Consolidated Plan for the allocation of Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) program funds, the draft 2025-2026 Annual Action Plan, and the Citizen Participation Plan. As an entitlement jurisdiction, the City is required by the United States Department of Housing and Urban Development (HUD) to complete the Consolidated Plan every five years.

PUBLIC HEARING INFORMATION:

Hearing Date: Wednesday, May 14, 2025
Time: 6:00 p.m. or as soon thereafter as the matter may be heard
Place: City Hall Council Chambers, 1600 W. Beverly Blvd., Montebello, CA 90640

PROJECT DESCRIPTION:

Each year the U.S. Department of Housing and Urban Development (HUD) provides funding for housing and community development programs to the City of Montebello, specifically Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) Program funds. In order to receive these funds, the City must complete a report every five years called the Consolidated Plan (ConPlan).

The purpose of the ConPlan is to identify Montebello's housing and community development needs, priorities, goals, and strategies and to stipulate how funds will be allocated to housing and community development activities over the next five years. The CDBG Program provides federal funds for local improvement projects and programs. Activities assisted with CDBG funds must meet one of the three national objectives: principally benefit low and moderate-income persons; aid in the prevention or elimination of slums and blight or meet other community development needs having particular urgency. The HOME Program provides formula grants - often in partnership with local nonprofit groups - to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing or providing direct rental assistance to low-income people. HOME is the largest Federal block grant to state and local governments designed exclusively to create affordable housing for low-income households.

On February 26, 2025, the Office of the Secretary of the U.S. Department of Housing and Urban Development (HUD) formally announced the termination of the Affirmatively Furthering Fair Housing Rule. Consequently, the city is no longer required to perform an Analysis of Impediments to Fair Housing Choice, as was previously mandated.

The following plans are part of the FY 2025-2029 Consolidated Plan:

□ The Consolidated Plan is a HUD required plan assessing affordable housing and community development needs for the next five-year 2025-2029 period. The Consolidated Plan determines how funds from the U.S. Department of Housing and Urban Development (HUD) are used.

□ The Annual Action Plan is submitted to HUD on an annual basis and identifies how the City plans to use the

federal money during the next fiscal year to meet the goals and objectives approved by the City Council in the Five-Year Consolidated Plan.

□ The Citizen Participation Plan sets forth the City of Montebello's policies and procedures for citizen participation in the development of the Consolidated Plan Documents and any subsequent amendments.

For Fiscal Year 2025-2026, the City expects to receive approximately \$614,925 in CDBG funds and approximately \$270,314 in HOME funds. This amount may be subject to change.

For more information, call Rosemary Perich, Housing Manager for the City of Montebello, Planning and Community Development Department at (323) 887-1200 Ext. 1454 or via e-mail rperich@montebelloca.gov.

ENVIRONMENTAL: The proposal is not considered a "Project" under the California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(4) for fiscal activities of the government which do not involve any commitment to any specific project which may result in a potentially significant physical impact; and is also exempt under the commonsense exemption pursuant CEQA Guidelines Section 15061(b)(3) as it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

In-Person: For those interested in participating during the Public Comment period(s) or public testimony period for Public Hearings of the City Council meetings, you may address the City Council in person the day of the meeting. Speakers will be required to fill out a speaker card provided at the door and turn it into the Deputy City Clerk prior to each Public Comment announcement period. Staff will number and call each speaker card in the order received. Closed Session begins at 6:00 p.m. and Regular Session begins immediately thereafter; if there is no Closed Session, Regular Session will begin at 6:00 p.m.

Via Email: The public may also submit emailed comments via the City's email address: ccpubliccomment@montebelloca.gov, up until the day of the meeting, Wednesday, May 14, 2025 by 3:00 p.m.

These comments will be submitted to all members of the City Council and may not be read aloud but will be entered into the record of the proceedings to the extent they relate to matters listed on the posted agenda. Any requests to provide public comment which is submitted after the deadlines indicated above will not be submitted to the City Council.

Americans with Disabilities Act (ADA): The City of Montebello, in complying with the Americans with Disabilities Act (ADA), requests individuals who require special accommodations to access, attend and/or participate in the City meeting due to disability, to please contact the Housing Manager by email rperich@montebelloca.gov at least 6 hours prior to the scheduled special meeting to ensure assistance is provided.

Dated: March 26, 2025

Date published: April 14, 2025

Kimberly Guillen, Senior Deputy Clerk

4/14/25

CNS-3911884#

SAN GABRIEL VALLEY TRIBUNE

APPENDIX B

COMMUNITY ENGAGEMENT SUMMARY

2025



Community Engagement Summary

CITY OF MONTEBELLO 2025-2029 CONSOLIDATED PLAN
CITY OF MONTEBELLO 2025-2026 ANNUAL ACTION
PLAN

DRAFT MAY 14, 2025

The City of Montebello prepared for the 2025-2029 Consolidated Plan (ConPlan) and the 2025-2026 Annual Action Plan by implementing various community engagement methods to gather input on community and resident services, housing issues, and the future use of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) and HOME funds. The following engagement methods were utilized:

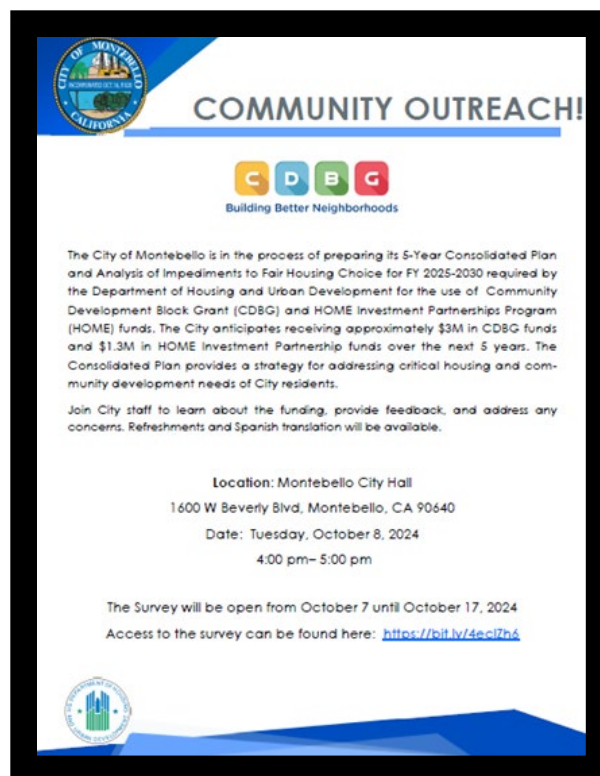
- Community Needs Survey
- Stakeholder Interviews
- Social Service Consultation

COMMUNITY NEEDS SURVEY:

An online Community Needs Survey was made accessible for residents and social services to provide their input. The link to the survey was disseminated through flyers, as well as being posted on the City's social media platforms and website to encourage community participation.

Approximately 3,000 English and Spanish language flyers were developed and distributed to five (5) Montebello elementary schools. The flyers invited residents to participate in the outreach process and complete the online survey for the development of the CONPLAN. Bundles were distributed to each classroom and teachers were instructed to send a Flyer home with each student. Results of the survey are in Appendix A. Schools participating in the distribution included:

Fremont Elementary - 200 Madison Ave, Montebello, CA 90640 (601 students)
Greenwood Elementary - 900 S Greenwood Avenue, Montebello, CA 90640 (379 students)
La Merced Elementary - 724 N Poplar Avenue, Montebello, CA 90640 (806 students)
Washington Elementary - 1400 W Madison Avenue, Montebello, CA 90640 (487 Students)
Wilcox Elementary - 816 Donna Way, Montebello, CA 90640 (627 students)



Highlights of the Community Needs Survey include: (in priority order)

Please note that 72 surveys were received from the community

Housing Needs:

- Energy Efficient Home Improvements
- Affordable Rental Housing
- Homeownership Downpayment Assistance

Community Facility Needs:

- Parks and Recreational Facilities
- Neighborhood community center
- Youth center

Homeless Housing Needs:

- Homeless Prevention
- Permanent Housing

Neighborhood Improvement Needs:

- Street Improvements
- Graffiti Removal
- Additional Street Lighting

Community Programs and Service's Needs:

- Neighborhood Crime Prevention Programs
- Park and Recreation Programs
- Children after-school/summer camp programs & services
- Programs for at-risk youth

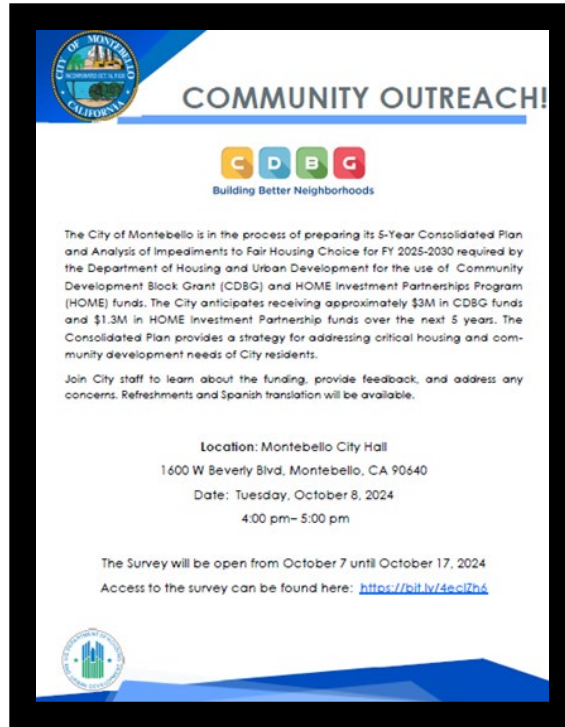
The community also included responses for the following:

- 66 % of the respondents have never been discriminated against.
- 65% of the respondents identified that the most pressing challenge of maintaining a home is the "Cost of Maintenance."
- 86% of respondents identified that "single family homes" is the type of housing that is needed here in the city.

- 96% of respondents have broadband internet in the city.
- 52% of the respondents believe that housing is vulnerable to increased natural hazards due to environmental conditions.
- 53% of the respondents used FCC.gov to obtain broadband or resilience data.

COMMUNITY MEETINGS

One (1) community meeting in the City Hall Council Chambers on Tuesday October 8, 2024, from 4:00pm to 5:00pm. Approximately Seven people attended the meeting to learn about the process. A Power Point was presented. The meeting agenda included a description of the ConPlan as well as the engagement process. The following is the flyer used to promote the meeting and in which a link for the community survey was provided.



An additional two (2) Community public hearing meetings were held at City Hall Council Chambers. The meeting notices were published in the San Gabriel Valley Tribune on December 19, 2024, and April 14, 2025. The meetings were On January 8, 2025, and May 14, 2025. *Any public comments made during the meetings will be documented here.*

Additionally, English and Spanish language flyers were posted at public counters along with the link to the survey. The proof of publications for the two public hearing meetings are available upon request.

AGENCY CONSULTATION

Extensive coordination was established with public and faith-based organizations, educational institutions, housing services, and social service agencies. This includes organizations that provide assistance to homeless individuals and families, persons with HIV/AIDS, victims of domestic violence, senior citizens, and extremely low- to moderate-income populations. Surveys were sent to outside organizations as well as City staff and elected officials. Stakeholders were also interviewed using survey questions. Staff completed the following stakeholder interviews in October 2024 through January 2025. The interviews and outreach included the following stakeholders:

Los Angeles Homeless Services Authority (LAHSA): LAHSA serves as the principal agency within the Los Angeles Continuum of Care, which acts as the regional planning entity responsible for the coordination of housing and services for homeless families and individuals throughout Los Angeles County. LAHSA was engaged in discussions regarding the Homeless Count, specifically addressing unsheltered individuals, which includes those residing on the streets, in vans, RVs, campers, makeshift shelters, and other outdoor locations. Additionally, the data encompasses sheltered individuals, specifically those living in transitional housing situated in Montebello.

LAHSA was consulted on the top five greatest unmet needs that they have encountered. The unmet needs concerns raised were as follows:

- Affordable Housing
- Support Services for low-income
- Grant/Loan assistance for non-profits
- Accessibility (ADA) improvements to public buildings/community amenities
- Job Training Programs

Los Angeles Community Development Authority (LACDA): LACDA is an agency that is part of the County family, but an independent agency and not a County Department. LACDA serves as an affordable housing, and community and economic development agency. The agency's wide-ranging programs benefit the unincorporated Los Angeles County areas and various incorporated participating cities. LACDA serves as a vital participant in the Homeless Initiative established in February 2015, aimed at addressing the ongoing homelessness that afflicts the region. It provides approximately 598 Housing Vouchers to Montebello residents. LACDA was consulted regarding the community needs they identified as most significant. The three most important needs highlighted were as follows:

- Safe, decent, affordable housing (new/rehab, owner occupied rental property, energy efficient, etc.)
- Homeless support and homelessness prevention (outreach, supportive services, counseling)
- Housing for special needs populations (elderly/disabled/persons w HIV/AIDS/victims of domestic abuse)

Cesar Chavez Foundation (CCF): CCF is a 501c (3) community-based non-profit corporation serving the housing needs of Montebello and Los Angeles County residents. The CCF goal is to increase housing opportunities for the underserved. The MHDC is a non-profit that receives state, federal and local funds with the purpose of developing affordable housing for low to moderate income families. The CCF was contacted by e-mails and by phone to participate in a questionnaire. CCF was consulted on the top five greatest unmet needs that they have encountered. The unmet needs concerns raised were as follows:

- Affordable Housing
- Affordable Childcare
- Infrastructure for high speed/broadband Internet access
- Access to Internet for low-income residents
- Access to affordable, efficient and reliable public transportation for all city neighborhoods

Montebello Housing Development Corporation (MHDC) is a 501(c)(3) community-based non-profit organization located in the City of Montebello, dedicated to addressing the housing needs of Los Angeles County. The primary objective of MHDC is to enhance housing opportunities for underserved populations. As a HUD-certified agency, their mission encompasses the development of financing strategies and housing stability plans aimed at supporting low and moderate-income families. The MHDC was consulted through e-mails and phone calls to participate. MHDC was consulted on the top five greatest unmet needs that they have encountered. The unmet needs concerns raised were as follows:

- Affordable Housing
- Street Lighting
- Help for Non-Profits—Identifying loan/grant opportunities
- Low-cost loans for small businesses, start-ups, and non-profits
- Support services for low-income residents

Housing Rights Center (HRC): The Housing Rights Center's mission is to actively support and promote fair Housing through education, advocacy, and litigation, to the end that all persons have the opportunity to secure the housing they desire and can afford, without discrimination based on their race, color, religion, gender, sexual orientation, gender identity, gender expression, national origin, familial status, marital status, disability, genetic information, ancestry, age, source of income or other characteristics protected by law. The Housing Rights Center was consulted through e-mails and phone calls to participate. HRC was consulted on the top five greatest unmet needs that they have encountered. The unmet needs concerns raised were as follows:

- Affordable Housing
- Affordable Childcare
- Accessibility (ADA) improvements to public buildings/community amenities
- Infrastructure for high speed/broadband Internet access
- Access to Internet for low-income residents

Heart of Compassion: Heart of Compassion (HOC) is a 501(c)(3) food bank and social service that works to alleviate hunger, food insecurities, and the suffering of those who have fallen into hard times. The input was obtained by e-mail, website, and through a questionnaire survey. HOC was consulted on the top five greatest unmet needs that they have encountered. The unmet needs concerns raised were as follows:

- Support services for low-income residents
- Access to affordable, efficient and reliable public transportation for seniors
- Help for Non-Profits—Identifying loan/grant opportunities
- Sidewalks
- Job Training Programs

YMCA: The YMCA is a 501 (c)(3) who makes a positive impact in the City of Montebello. The YMCA has established a partnership with the city to offer assistance in various areas for low- and moderate-income households through its strategic priorities, which include food Insecurity, sports, Youth and Teen Programs, Education and Healthy Living. YMCA was consulted on the top five greatest unmet needs that they have encountered. The unmet needs concerns raised were as follows:

- Senior Center
- Help for Non-Profits—Identifying loan/grant opportunities
- Support services for low-income residents
- Youth activities
- Affordable Childcare

The San Gabriel Valley Regional Housing Trust (SGVRHT): The SGVRHT is a Joint Powers Authority (JPA) to fund and finance the planning and construction of affordable and homeless housing; SGVRHT can provide funding for extremely low, very low, and low-income housing projects (up to 80% Area Median Income). The SGVRHT is governed by a nine-member Board of Directors composed of elected officials from seven cities that are members of the SGVRHT and two housing and homelessness experts. SGVRHT currently boasts 25 member cities. To date SGVRHT has funded nearly 800 units of affordable housing and 130 units of interim shelter. The agency was consulted through e-mails and review of published annual reports. SGVRHT was consulted on the top funding for the community. The top funding priorities that were mentioned were as follows:

- Public services (employment training, homeless, elderly, crime, etc.)

- Creation of affordable housing and/or homebuyer assistance
- Public facilities and infrastructure improvements
- Owner/renter housing rehabilitation
- Economic development (Commercial Facade, Workforce Development, etc.)

STAKEHOLDER INTERVIEWS/SURVEYS

Stakeholder interview meetings were conducted at individual sites, by email or by direct phone contact with the following:

Joseph Palombi, Director of Planning and Community Development	Cesar Roldan, Director of Public Works
Heart of Compassion	Housing Rights Center
Cesar Chavez Foundation	The San Gabriel Valley Regional Housing Trust
Los Angeles Housing Service Authority (LAHSA)	Los Angeles County Development Authority (LACDA)
YMCA	Montebello Housing Development Corporation
Scarlett Peralta, Council Member	Andrew Kim, Senior Management Analyst for Fire Department
Montebello Women's Club	

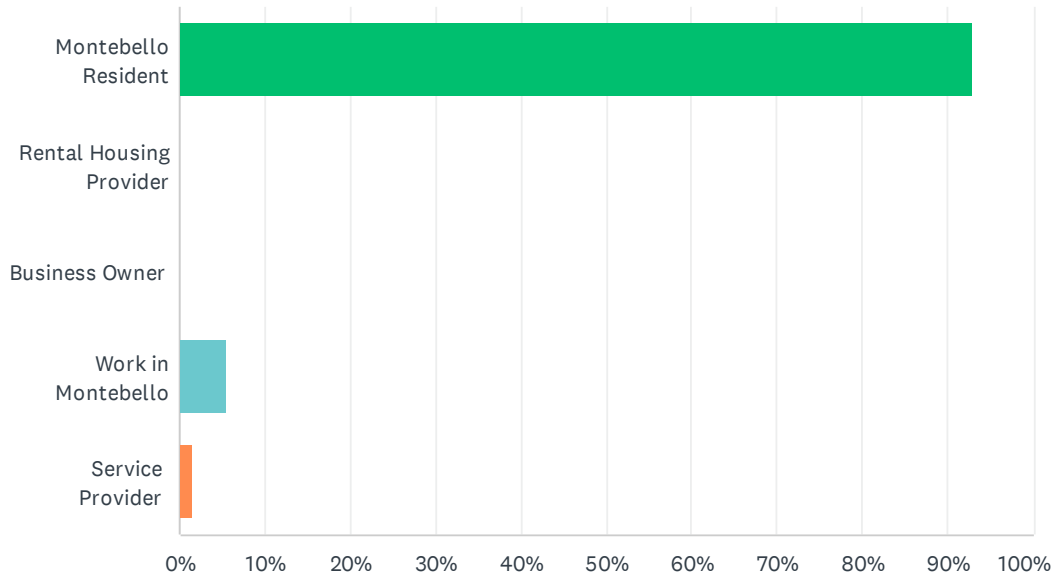
STAKEHOLDER OUTREACH MAJOR THEMES:	ISSUES AND NEEDS:
General Community Needs	• Safe, decent, affordable housing (new/rehab, owner occupied rental property, energy efficient, etc.) • Crime prevention (neighborhood programs to deter crime) • Park and Recreation Programs • Children after-school/summer camp programs & services • Programs for at-risk youth • Street Improvements • Graffiti Removal • Additional Street Lighting • Historic Preservation
Unmet Community Development Needs	• Affordable Housing • Energy Efficient Home Improvements • Affordable Rental Housing • Homeownership Downpayment Assistance • Affordable Childcare • Support services for low-income residents • Help for Non-Profits—Identifying loan/grant opportunities

	• Senior Center • Youth Activities • Homeless Prevention • Permanent Housing
Priorities for Funding	• Creation of affordable housing and/or homebuyer assistance • Public services (employment training, homeless, elderly, crime, etc.) • Removal of slum and blight • Economic development (Commercial Facade, Workforce Development, etc.) • Public facilities and infrastructure improvements (Historic Preservation) • Owner/renter housing rehabilitation • Promote fair housing awareness
Broadband Access	• Private sector investment in infrastructure needed • Developers should provide plans to provide access to broadband • Implementing aerial service access instead of high-cost underground access • Broadband providers can partner with the city to provide accessibility to those in need of services
Natural Hazards Vulnerabilities	• 52% of community survey respondents believe that their housing is vulnerable to increased natural hazards due to environmental conditions
Public Works	• Areas where road/sidewalk rehabilitation are needed most: Sidewalk missing on the south side of Ferguson Drive from Hornby Street to Vail Avenue, Birch Street between Sycamore Street and Elm Street, 4th Street between Sycamore Street and Elm Street, Carob Way between Sycamore Street and Elm Street, Cedar Street between Sycamore Street and Elm Street, Montebello Boulevard between Sycamore Street and Elm Street, and S. Spruce Street between Sycamore Street and Elm Street • Areas that need revitalization: Ferguson Drive from Hornby Street to Vail Avenue, Birch Street between Sycamore Street and Elm Street, 4th Street between Sycamore Street and Elm Street, Carob Way between Sycamore Street and Elm Street, Cedar Street between Sycamore Street and Elm Street, Montebello Boulevard between Sycamore Street and Elm Street, and S. Spruce Street between Sycamore Street and Elm Street

	• Upgrades to existing infrastructure needed: Whittier Boulevard between Montebello Boulevard, Los Angeles Avenue, Cleveland Avenue and Bluff Road • Planned upgrades to existing wastewater or water treatment facilities: Environmental and structural upgrades to the sanitary sewer system within the area encompassing Whittier Boulevard between Montebello Boulevard, Los Angeles Avenue, Cleveland Avenue and Bluff Road • Planned upgrades: All city park restrooms
Fire	• Specialized equipment, such as an Emergency Response Vehicle, to improve our ability to respond swiftly and efficiently to medical emergencies and hazardous materials incidents • Upgrade and maintain fire stations, equipment, and technology to ensure the department is prepared to handle growing demands and potential large-scale emergencies • Enhancing emergency response capabilities, such as acquiring specialized vehicles and equipment for the fire and police departments, improving disaster preparedness, and supporting community risk Reduction programs. • Strengthening public safety infrastructure, particularly in high-risk areas.
Historic Preservation	• Rehabilitation for the Historic Preservation of the Montebello Women's Club

Q1 Are you a:

Answered: 72 Skipped: 0

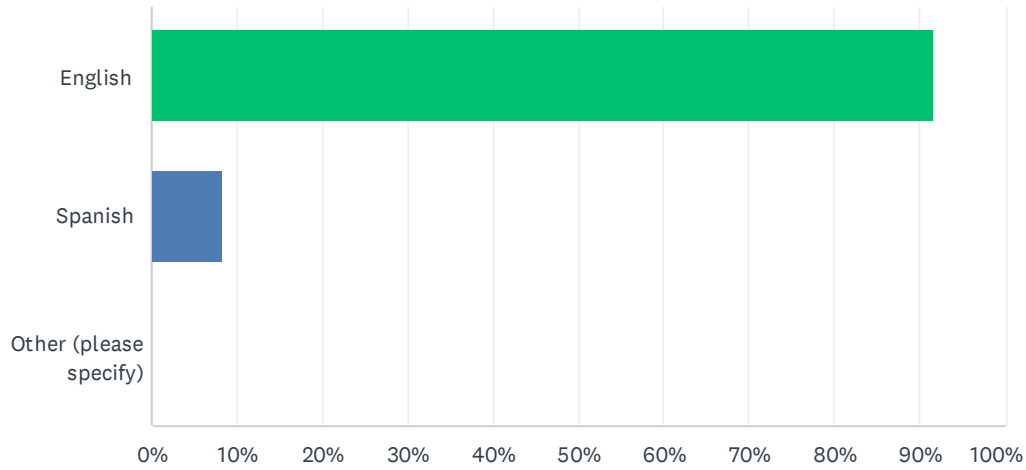


ANSWER CHOICES		RESPONSES	
Montebello Resident		93.06%	67
Rental Housing Provider		0.00%	0
Business Owner		0.00%	0
Work in Montebello		5.56%	4
Service Provider		1.39%	1
TOTAL			72

#	OTHER (PLEASE SPECIFY)	DATE
1	Homless	10/8/2024 3:05 PM

Q2 What is the primary language you speak at home?

Answered: 72 Skipped: 0

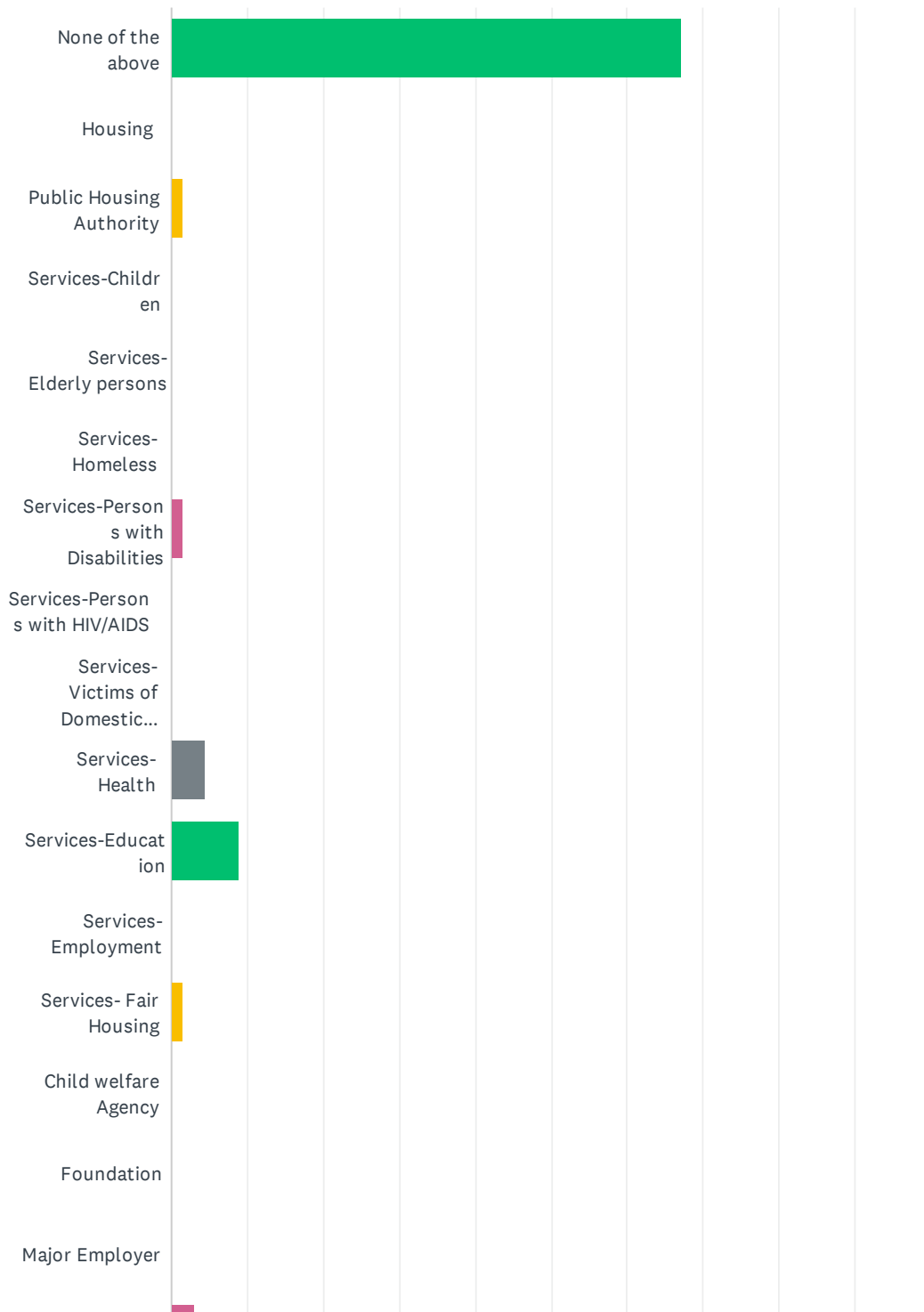


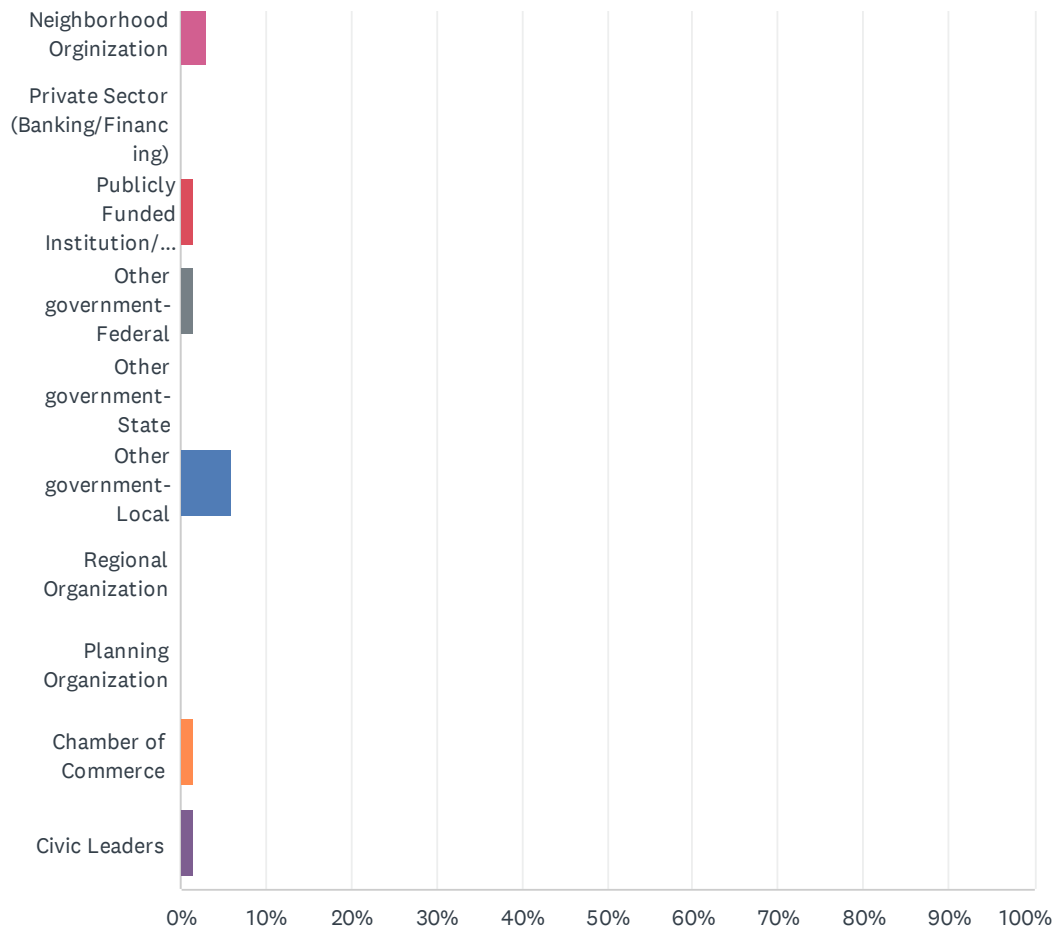
ANSWER CHOICES		RESPONSES
English		91.67% 66
Spanish		8.33% 6
Other (please specify)		0.00% 0
TOTAL		72

#	OTHER (PLEASE SPECIFY)	DATE
	There are no responses.	

Q3 Please indicate if you are affiliated with any of the organization types listed below. If other, please specify.*Organizations that may discharge persons into homelessness, such as health-care facilities, mental health facilities, foster care, and other youth facilities, and corrections programs and institutions

Answered: 67 Skipped: 5





ANSWER CHOICES	RESPONSES	
None of the above	67.16%	45
Housing	0.00%	0
Public Housing Authority	1.49%	1
Services-Children	0.00%	0
Services- Elderly persons	0.00%	0
Services- Homeless	0.00%	0
Services-Persons with Disabilities	1.49%	1
Services-Persons with HIV/AIDS	0.00%	0
Services- Victims of Domestic Violence	0.00%	0
Services- Health	4.48%	3
Services-Education	8.96%	6
Services- Employment	0.00%	0
Services- Fair Housing	1.49%	1
Child welfare Agency	0.00%	0
Foundation	0.00%	0
Major Employer	0.00%	0
Neighborhood Organization	2.99%	2
Private Sector (Banking/Financing)	0.00%	0
Publicly Funded Institution/System of Care*	1.49%	1
Other government- Federal	1.49%	1
Other government- State	0.00%	0
Other government- Local	5.97%	4
Regional Organization	0.00%	0
Planning Organization	0.00%	0
Chamber of Commerce	1.49%	1
Civic Leaders	1.49%	1
TOTAL		67

Q4 About how long have you lived in the City of Montebello?

Answered: 69 Skipped: 3

ANSWER CHOICES	RESPONSES	
Years	100.00%	69
Months	40.58%	28

#	YEARS	DATE
1	1	10/17/2024 5:08 PM
2	17	10/17/2024 4:46 PM
3	20	10/17/2024 4:39 PM
4	47	10/17/2024 4:32 PM
5	1	10/17/2024 4:30 PM
6	32	10/17/2024 4:05 PM
7	61	10/17/2024 3:51 PM
8	35	10/17/2024 3:32 PM
9	24	10/17/2024 3:01 PM
10	46	10/17/2024 2:52 PM
11	15	10/17/2024 2:49 PM
12	30	10/17/2024 2:46 PM
13	40	10/17/2024 2:38 PM
14	30	10/17/2024 2:34 PM
15	15	10/17/2024 2:29 PM
16	41	10/17/2024 2:25 PM
17	32	10/17/2024 2:24 PM
18	47	10/17/2024 2:10 PM
19	35	10/17/2024 1:54 PM
20	37	10/17/2024 1:41 PM
21	15	10/17/2024 1:11 PM
22	8	10/17/2024 1:01 PM
23	34	10/17/2024 12:58 PM
24	23	10/17/2024 12:51 PM
25	7	10/17/2024 12:36 PM
26	9	10/17/2024 12:08 PM
27	2	10/17/2024 12:01 PM
28	43	10/17/2024 11:44 AM
29	15	10/17/2024 11:28 AM

CITY OF MONTEBELLO 2025-2029 Consolidated Plan 2025-2026 Annual
Action Plan Community Survey

SurveyMonkey

30	20	10/17/2024 11:25 AM
31	52	10/17/2024 11:18 AM
32	25	10/17/2024 11:16 AM
33	61	10/17/2024 11:10 AM
34	4	10/17/2024 11:08 AM
35	58	10/17/2024 10:54 AM
36	31	10/17/2024 10:36 AM
37	50	10/17/2024 10:27 AM
38	16	10/17/2024 10:27 AM
39	11	10/17/2024 10:26 AM
40	10	10/17/2024 10:26 AM
41	40	10/17/2024 10:21 AM
42	35	10/17/2024 10:17 AM
43	7	10/17/2024 10:15 AM
44	24	10/17/2024 10:10 AM
45	30	10/17/2024 10:08 AM
46	37	10/17/2024 10:04 AM
47	2	10/17/2024 10:03 AM
48	25	10/17/2024 10:02 AM
49	12	10/17/2024 10:00 AM
50	36	10/17/2024 9:56 AM
51	72	10/17/2024 9:49 AM
52	28	10/17/2024 9:43 AM
53	25	10/16/2024 8:55 PM
54	66	10/16/2024 2:05 PM
55	44	10/16/2024 12:59 PM
56	52	10/16/2024 12:16 PM
57	0	10/16/2024 10:51 AM
58	44	10/16/2024 7:30 AM
59	3	10/14/2024 9:27 AM
60	28	10/10/2024 11:13 AM
61	4	10/9/2024 1:35 PM
62	2	10/8/2024 6:34 PM
63	18	10/8/2024 4:04 PM
64	15	10/8/2024 3:29 PM
65	34	10/8/2024 3:05 PM
66	43	10/7/2024 12:48 PM
67	5	9/29/2024 11:02 PM

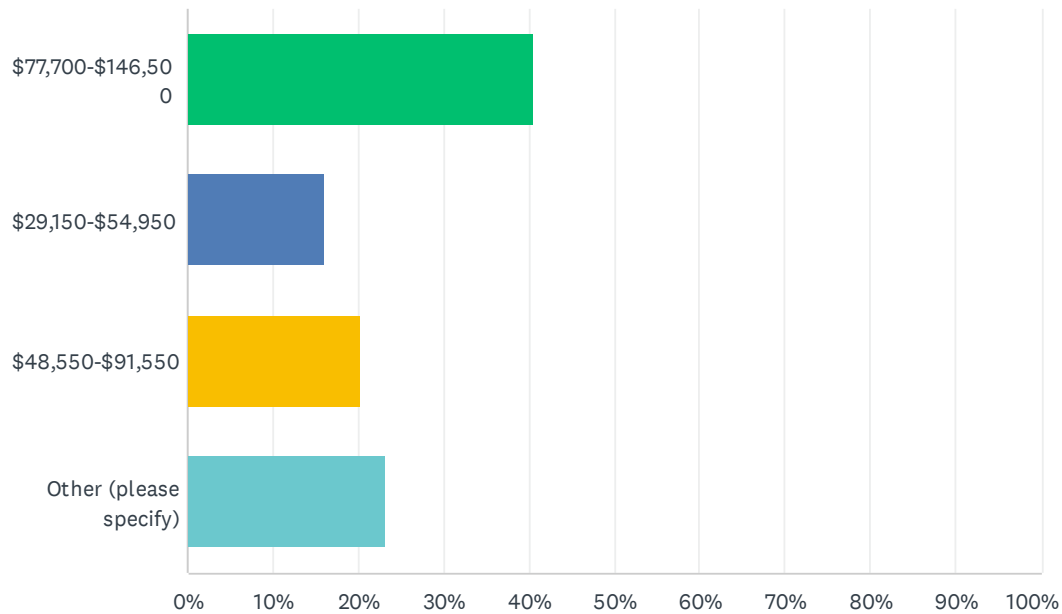
CITY OF MONTEBELLO 2025-2029 Consolidated Plan 2025-2026 Annual
Action Plan Community Survey

SurveyMonkey

68	4	9/26/2024 4:54 PM
69	7	9/26/2024 2:57 PM
#	MONTHS	DATE
1	7	10/17/2024 5:08 PM
2	2	10/17/2024 4:46 PM
3	6	10/17/2024 4:32 PM
4	7	10/17/2024 4:30 PM
5	0	10/17/2024 3:51 PM
6	0	10/17/2024 3:01 PM
7	6	10/17/2024 2:29 PM
8	4	10/17/2024 1:54 PM
9	2	10/17/2024 1:01 PM
10	10	10/17/2024 12:51 PM
11	11	10/17/2024 11:44 AM
12	2	10/17/2024 11:16 AM
13	0	10/17/2024 10:54 AM
14	0	10/17/2024 10:27 AM
15	10	10/17/2024 10:26 AM
16	5	10/17/2024 10:10 AM
17	0	10/17/2024 10:08 AM
18	5	10/17/2024 10:03 AM
19	4	10/17/2024 10:00 AM
20	9	10/16/2024 2:05 PM
21	1	10/16/2024 12:16 PM
22	0	10/16/2024 10:51 AM
23	9	10/16/2024 7:30 AM
24	3	10/8/2024 6:34 PM
25	5	10/8/2024 4:04 PM
26	0	10/8/2024 3:05 PM
27	4	10/7/2024 12:48 PM
28	0	9/29/2024 11:02 PM

Q5 What is your household income level?

Answered: 69 Skipped: 3



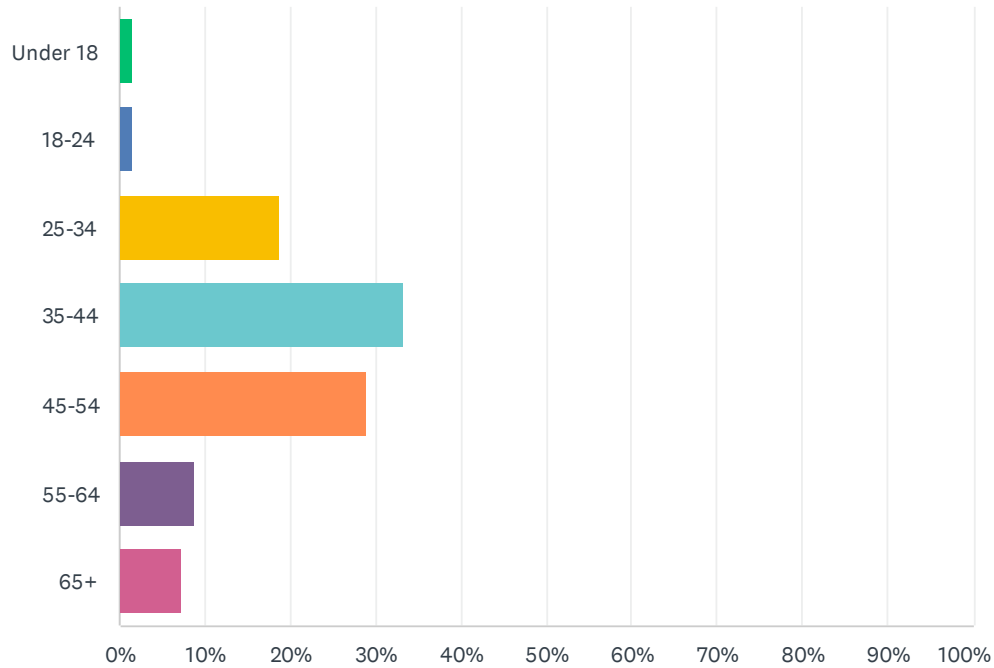
ANSWER CHOICES	RESPONSES	
\$77,700-\$146,500	40.58%	28
\$29,150-\$54,950	15.94%	11
\$48,550-\$91,550	20.29%	14
Other (please specify)	23.19%	16
TOTAL		69

#	OTHER (PLEASE SPECIFY)	DATE
1	Over \$145000	10/17/2024 4:05 PM
2	Right under \$200k	10/17/2024 2:46 PM
3	10,000-20,000	10/17/2024 2:38 PM
4	230,000	10/17/2024 12:08 PM
5	22,000	10/17/2024 11:10 AM
6	+100K	10/17/2024 10:27 AM
7	300,000	10/17/2024 10:27 AM
8	200000	10/17/2024 10:15 AM
9	Over 200,000	10/17/2024 10:03 AM
10	35,000	10/17/2024 10:02 AM
11	N/a	10/16/2024 12:59 PM

12	40,000.00	10/16/2024 11:35 AM
13	n/a	10/16/2024 7:30 AM
14	20,000	10/10/2024 11:13 AM
15	12.000	10/8/2024 3:05 PM
16	10,000-18,000	9/26/2024 2:57 PM

Q6 Please choose your age range:

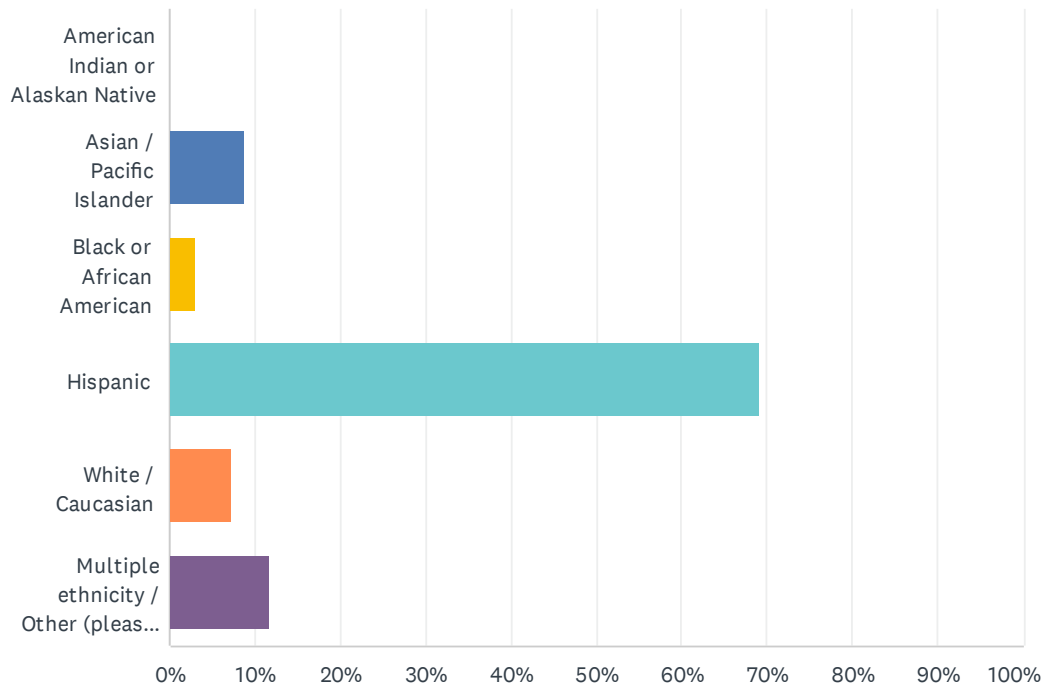
Answered: 69 Skipped: 3



ANSWER CHOICES	RESPONSES	
Under 18	1.45%	1
18-24	1.45%	1
25-34	18.84%	13
35-44	33.33%	23
45-54	28.99%	20
55-64	8.70%	6
65+	7.25%	5
TOTAL		69

Q7 Which race/ethnicity best describes you? (Please choose only one.)

Answered: 68 Skipped: 4

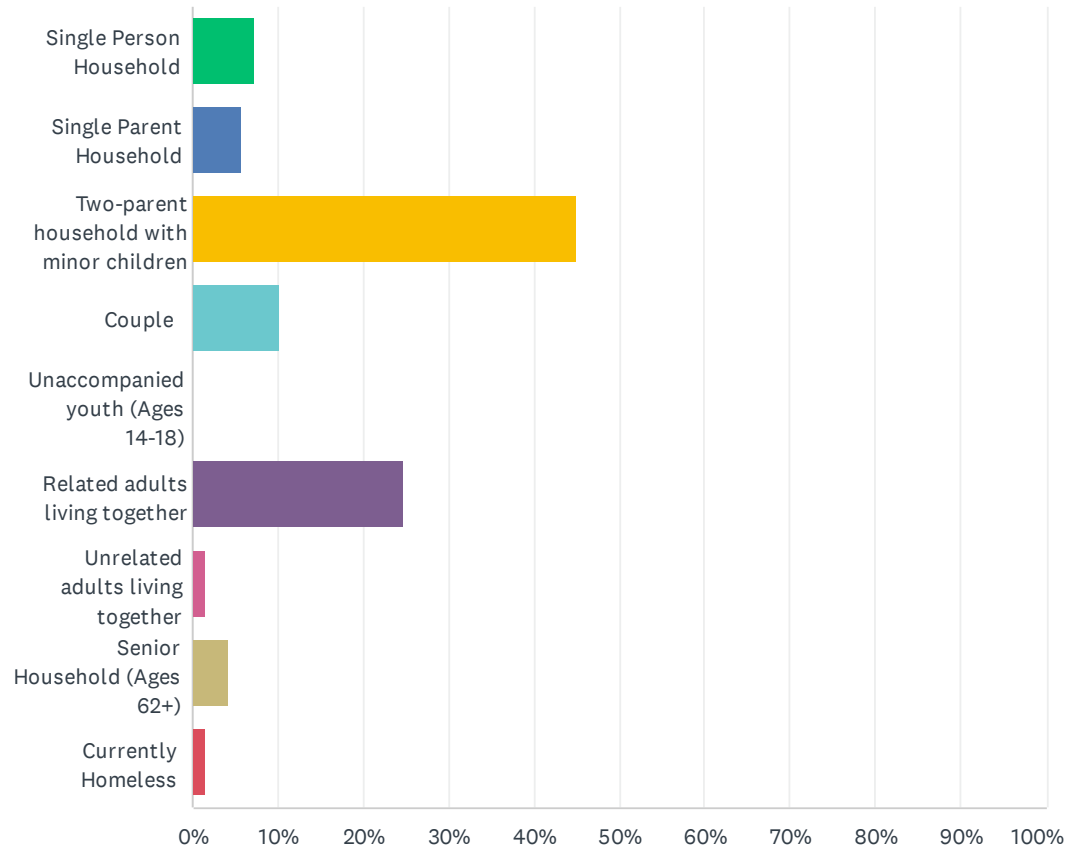


ANSWER CHOICES	RESPONSES	
American Indian or Alaskan Native	0.00%	0
Asian / Pacific Islander	8.82%	6
Black or African American	2.94%	2
Hispanic	69.12%	47
White / Caucasian	7.35%	5
Multiple ethnicity / Other (please specify)	11.76%	8
TOTAL		68

#	MULTIPLE ETHNICITY / OTHER (PLEASE SPECIFY)	DATE
1	Multiple ethnicity	10/17/2024 4:46 PM
2	White/Caucasian & Spanish	10/17/2024 11:28 AM
3	Mexican	10/17/2024 11:25 AM
4	Armenian	10/17/2024 10:08 AM
5	Armenian	10/16/2024 8:55 PM
6	Armenian	10/16/2024 2:05 PM
7	N/A	10/10/2024 11:13 AM
8	black/mexican	10/7/2024 12:48 PM

Q8 What is your household type?

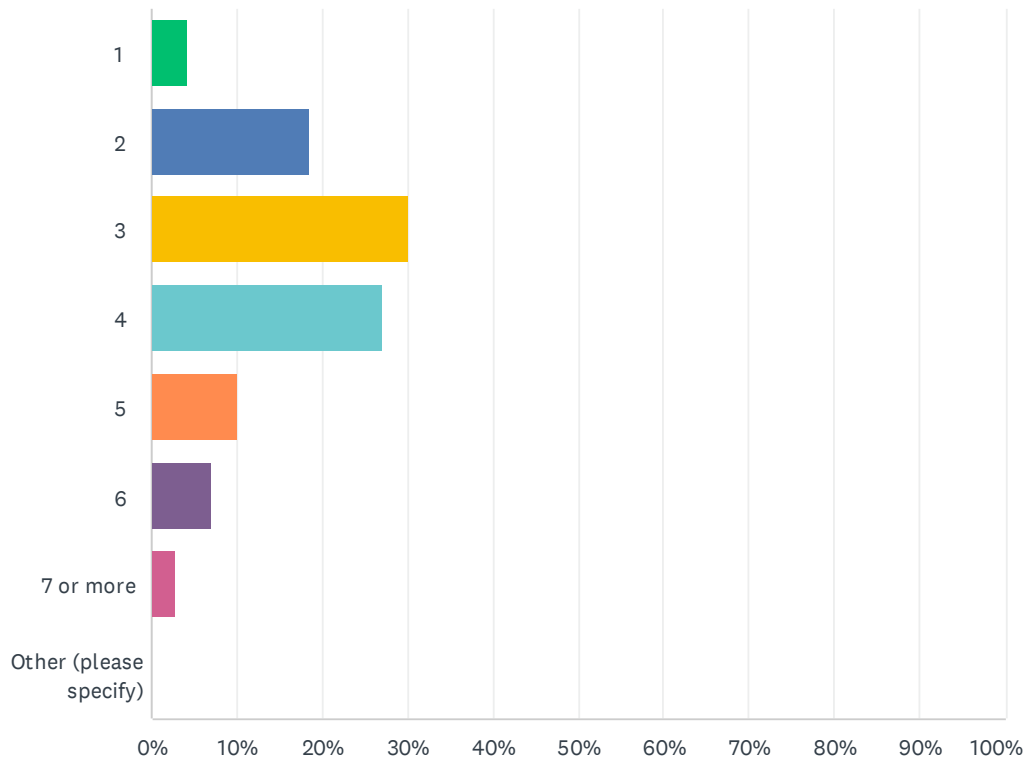
Answered: 69 Skipped: 3



ANSWER CHOICES	RESPONSES	
Single Person Household	7.25%	5
Single Parent Household	5.80%	4
Two-parent household with minor children	44.93%	31
Couple	10.14%	7
Unaccompanied youth (Ages 14-18)	0.00%	0
Related adults living together	24.64%	17
Unrelated adults living together	1.45%	1
Senior Household (Ages 62+)	4.35%	3
Currently Homeless	1.45%	1
TOTAL		69

Q9 What is your household size?

Answered: 70 Skipped: 2

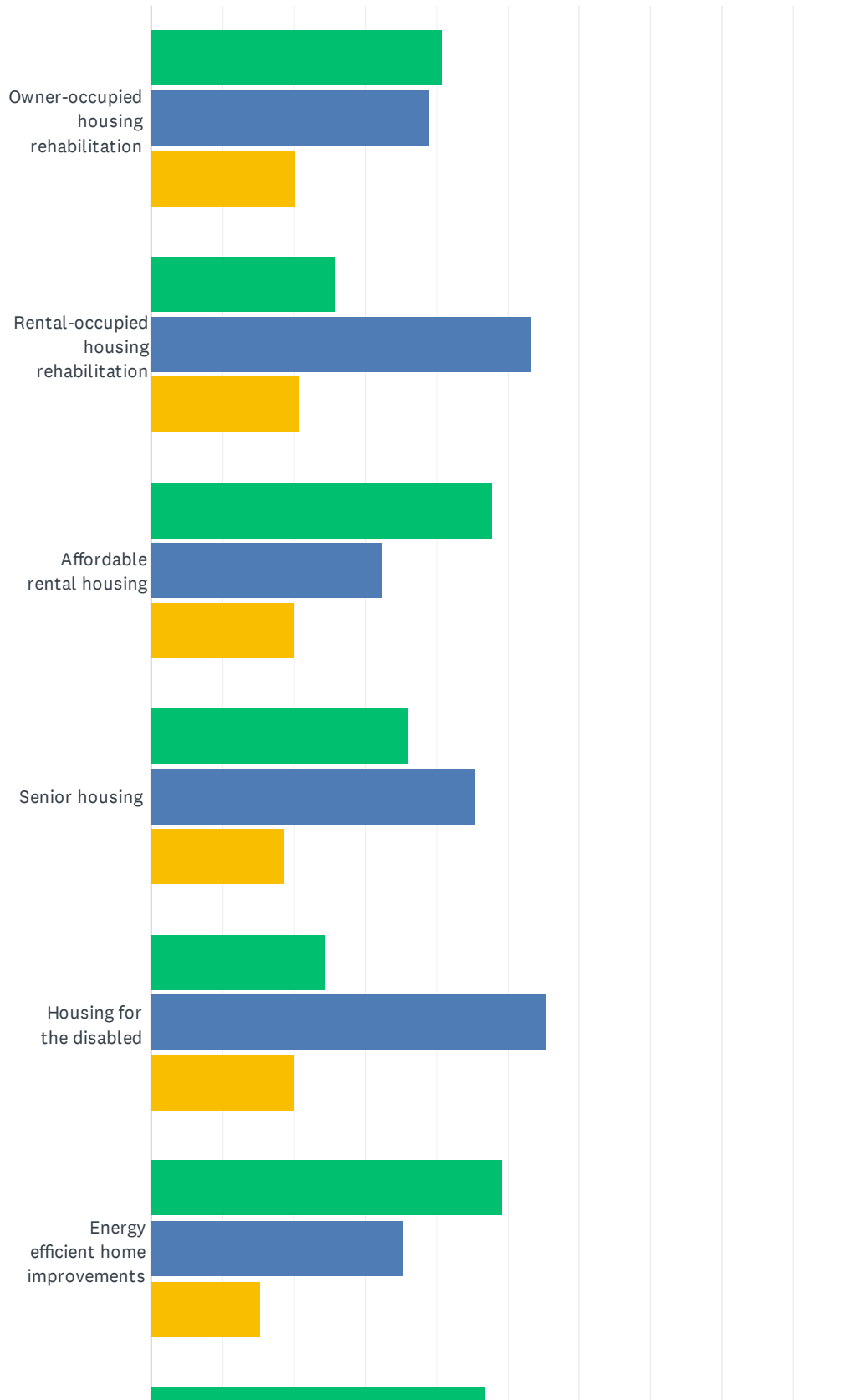


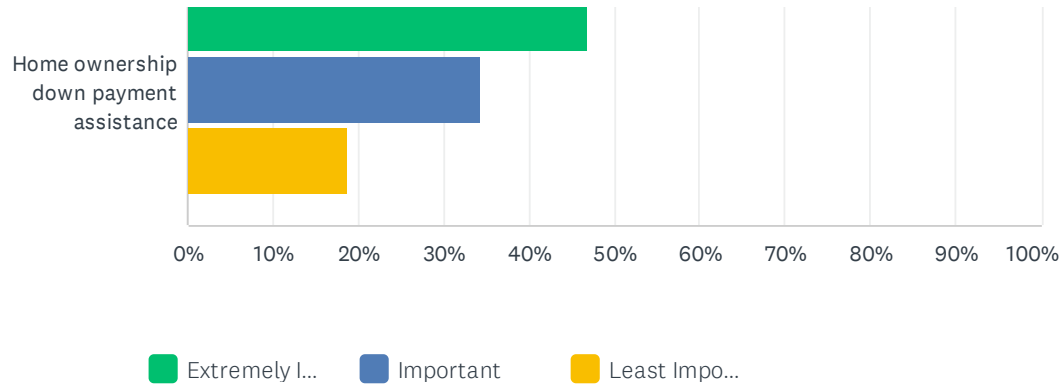
ANSWER CHOICES	RESPONSES	
1	4.29%	3
2	18.57%	13
3	30.00%	21
4	27.14%	19
5	10.00%	7
6	7.14%	5
7 or more	2.86%	2
Other (please specify)	0.00%	0
TOTAL		70

#	OTHER (PLEASE SPECIFY)	DATE
	There are no responses.	

Q10 HOUSING NEEDS

Answered: 65 Skipped: 7



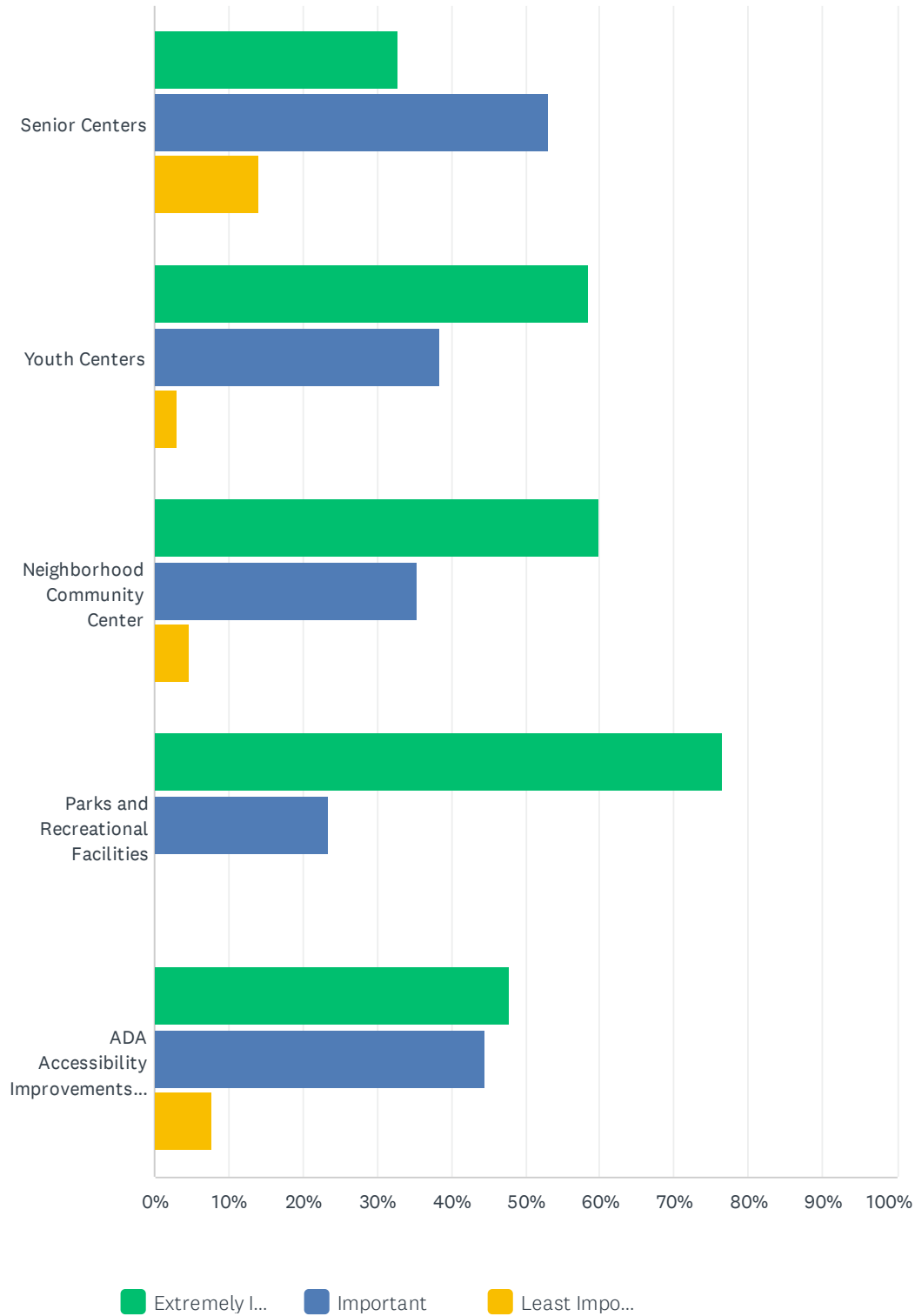


	EXTREMELY IMPORTANT	IMPORTANT	LEAST IMPORTANT	TOTAL	WEIGHTED AVERAGE
Owner-occupied housing rehabilitation	40.63% 26	39.06% 25	20.31% 13	64	1.80
Rental-occupied housing rehabilitation	25.81% 16	53.23% 33	20.97% 13	62	1.95
Affordable rental housing	47.69% 31	32.31% 21	20.00% 13	65	1.72
Senior housing	35.94% 23	45.31% 29	18.75% 12	64	1.83
Housing for the disabled	24.62% 16	55.38% 36	20.00% 13	65	1.95
Energy efficient home improvements	49.23% 32	35.38% 23	15.38% 10	65	1.66
Home ownership down payment assistance	46.88% 30	34.38% 22	18.75% 12	64	1.72

#	OTHER (PLEASE SPECIFY)	DATE
1	Homeless in the area increasing	10/17/2024 11:36 AM

Q11 COMMUNITY FACILITIES NEEDS

Answered: 65 Skipped: 7

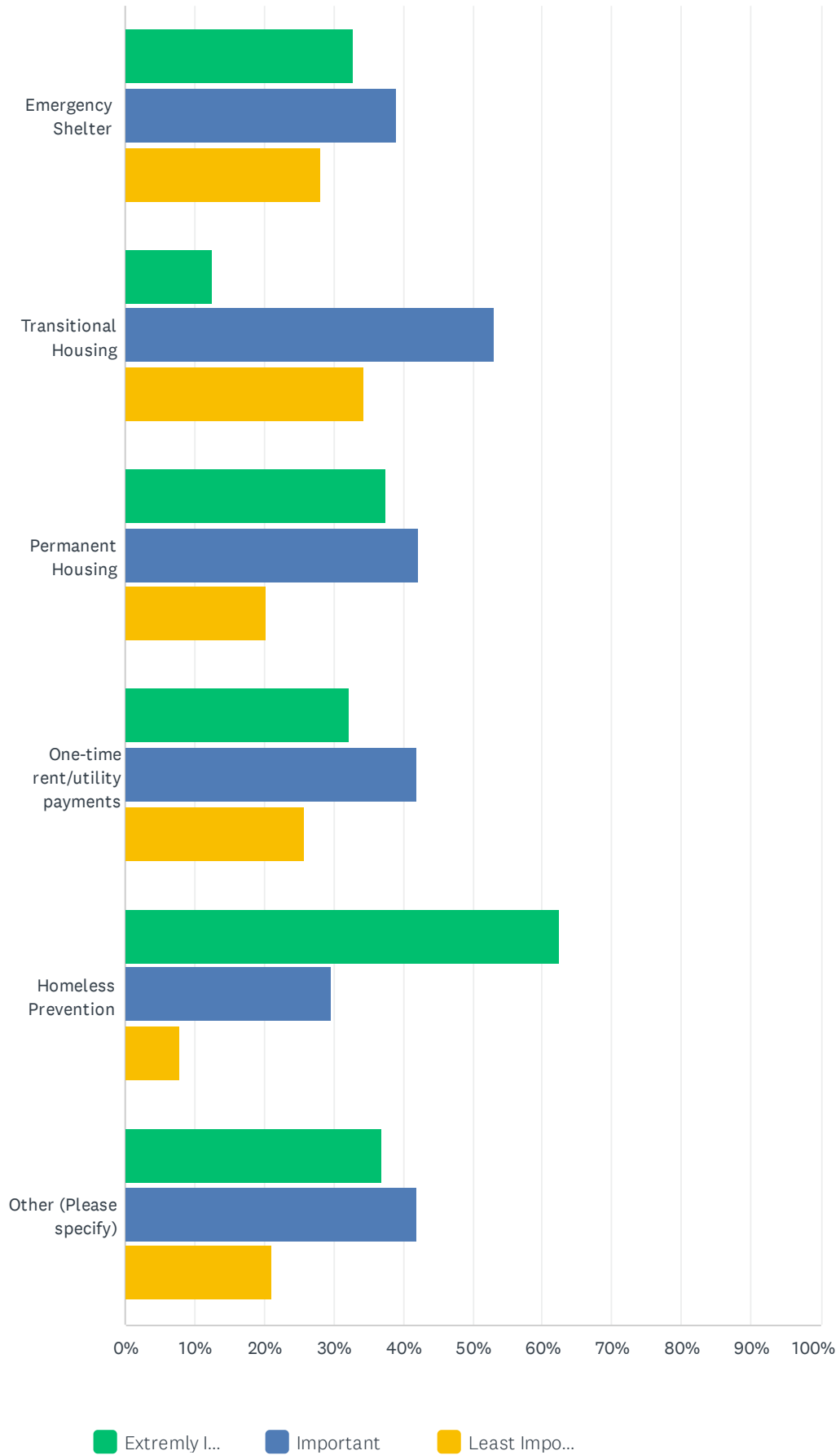


	EXTREMELY IMPORTANT	IMPORTANT	LEAST IMPORTANT	TOTAL	WEIGHTED AVERAGE
Senior Centers	32.81% 21	53.13% 34	14.06% 9	64	1.81
Youth Centers	58.46% 38	38.46% 25	3.08% 2	65	1.45
Neighborhood Community Center	60.00% 39	35.38% 23	4.62% 3	65	1.45
Parks and Recreational Facilities	76.56% 49	23.44% 15	0.00% 0	64	1.23
ADA Accessibility Improvements to public roads/facilities	47.69% 31	44.62% 29	7.69% 5	65	1.60

#	OTHER (PLEASE SPECIFY)	DATE
1	Fix the roads!	10/17/2024 11:19 AM
2	cultural center	10/17/2024 10:29 AM
3	Areas and programs for teens to socialize.	10/16/2024 9:05 PM

Q12 HOMELESS HOUSING NEEDS

Answered: 64 Skipped: 8

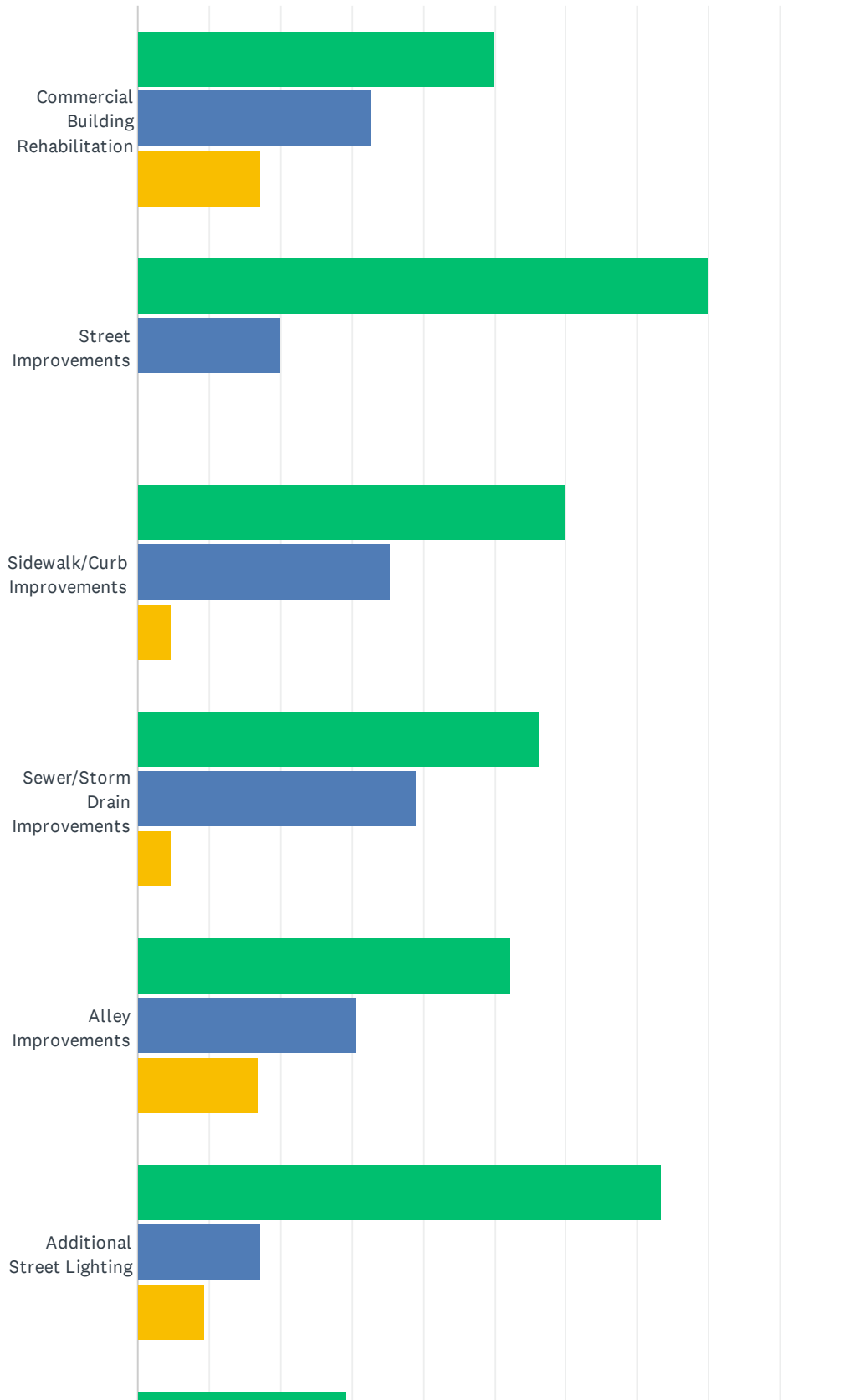


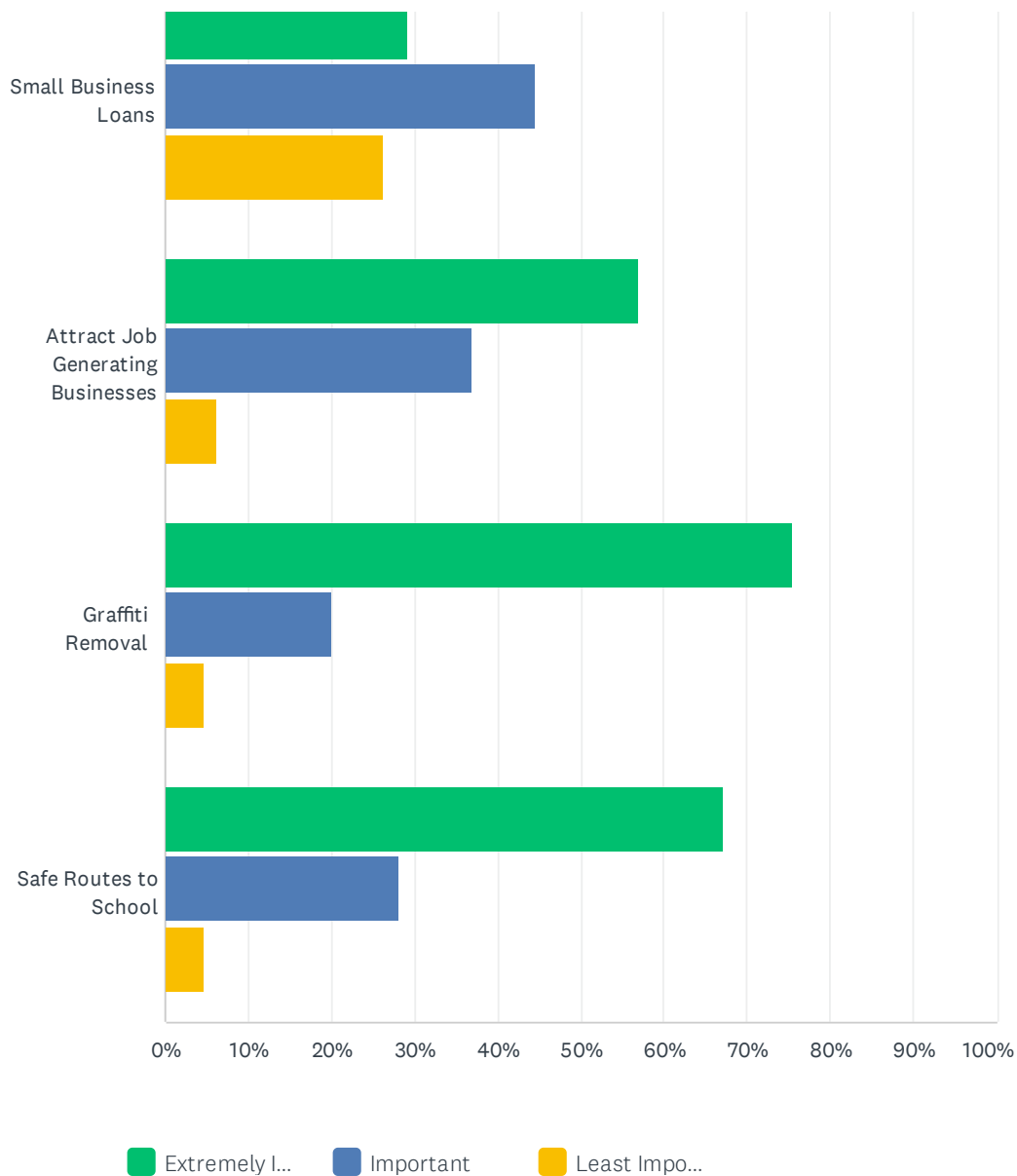
	EXTREMELY IMPORTANT	IMPORTANT	LEAST IMPORTANT	TOTAL	WEIGHTED AVERAGE
Emergency Shelter	32.81% 21	39.06% 25	28.13% 18	64	1.95
Transitional Housing	12.50% 8	53.13% 34	34.38% 22	64	2.22
Permanent Housing	37.50% 24	42.19% 27	20.31% 13	64	1.83
One-time rent/utility payments	32.26% 20	41.94% 26	25.81% 16	62	1.94
Homeless Prevention	62.50% 40	29.69% 19	7.81% 5	64	1.45
Other (Please specify)	36.84% 7	42.11% 8	21.05% 4	19	1.84

#	OTHER (PLEASE SPECIFY)	DATE
1	These homeless need to get out they are destroying out neighborhoods, making it unsafe for our families!	10/17/2024 3:52 PM
2	Street improvement on Southside mines	10/17/2024 2:12 PM
3	Montebello can help w/homelessness; however we cannot have all of L.A. County sending or dropping them off in Montebello	10/17/2024 11:36 AM
4	Ability for Montebello residents to be home owners first	10/17/2024 10:22 AM
5	Road improvements on the Southside	10/17/2024 10:05 AM
6	ADU	10/16/2024 7:32 AM

Q13 NEIGHBORHOOD IMPROVEMENT NEEDS

Answered: 65 Skipped: 7



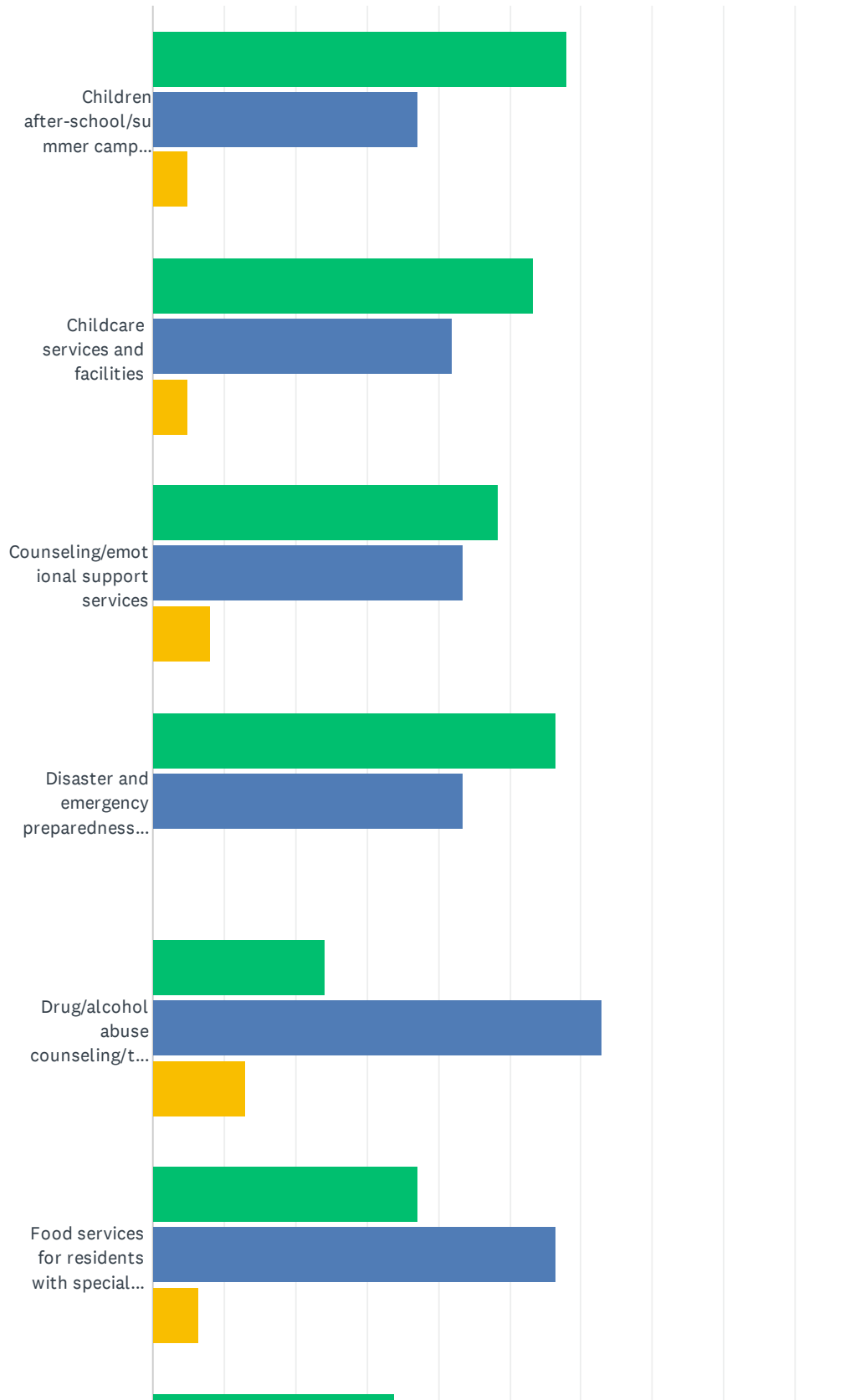


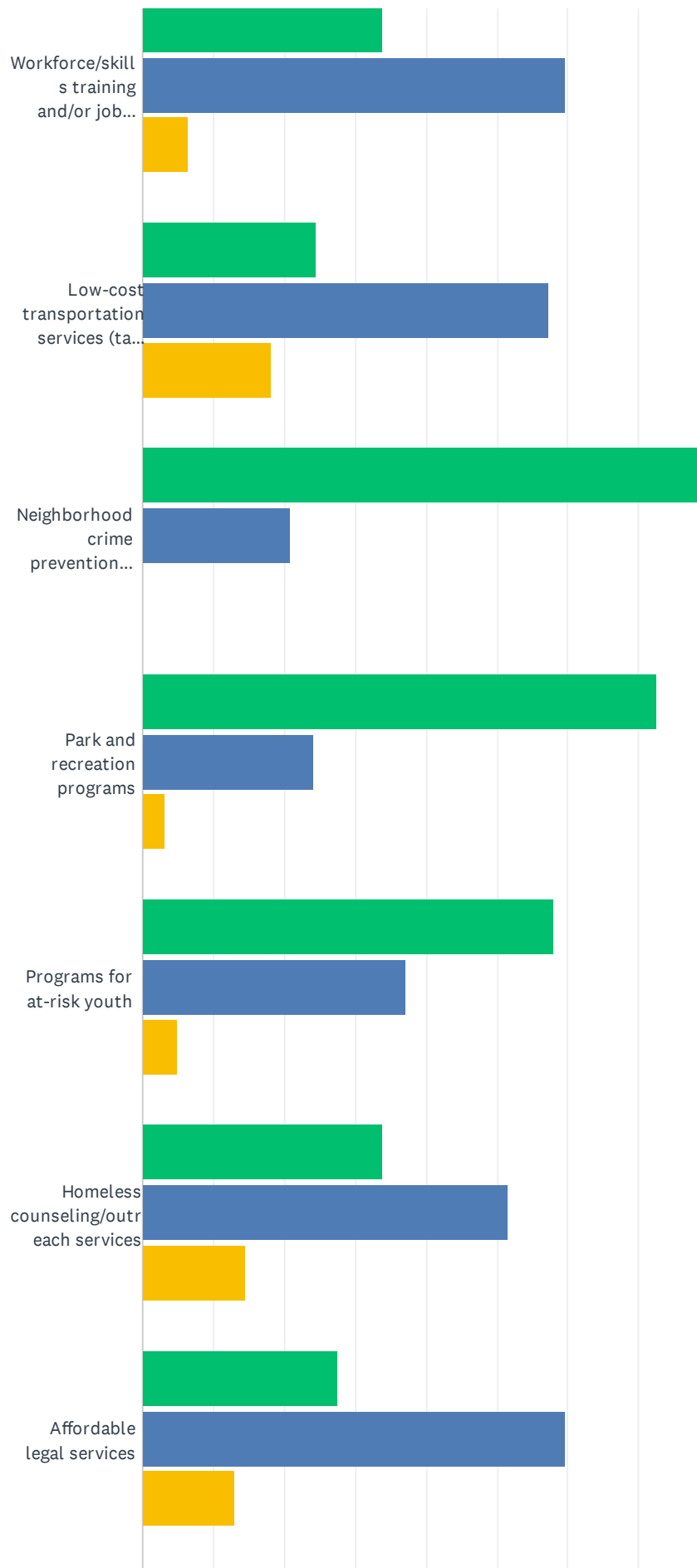
	EXTREMELY IMPORTANT	IMPORTANT	LEAST IMPORTANT	TOTAL	WEIGHTED AVERAGE
Commercial Building Rehabilitation	50.00% 32	32.81% 21	17.19% 11	64	1.67
Street Improvements	80.00% 52	20.00% 13	0.00% 0	65	1.20
Sidewalk/Curb Improvements	60.00% 39	35.38% 23	4.62% 3	65	1.45
Sewer/Storm Drain Improvements	56.25% 36	39.06% 25	4.69% 3	64	1.48
Alley Improvements	52.31% 34	30.77% 20	16.92% 11	65	1.65
Additional Street Lighting	73.44% 47	17.19% 11	9.38% 6	64	1.36
Small Business Loans	29.23% 19	44.62% 29	26.15% 17	65	1.97
Attract Job Generating Businesses	56.92% 37	36.92% 24	6.15% 4	65	1.49
Graffiti Removal	75.38% 49	20.00% 13	4.62% 3	65	1.29
Safe Routes to School	67.19% 43	28.13% 18	4.69% 3	64	1.38

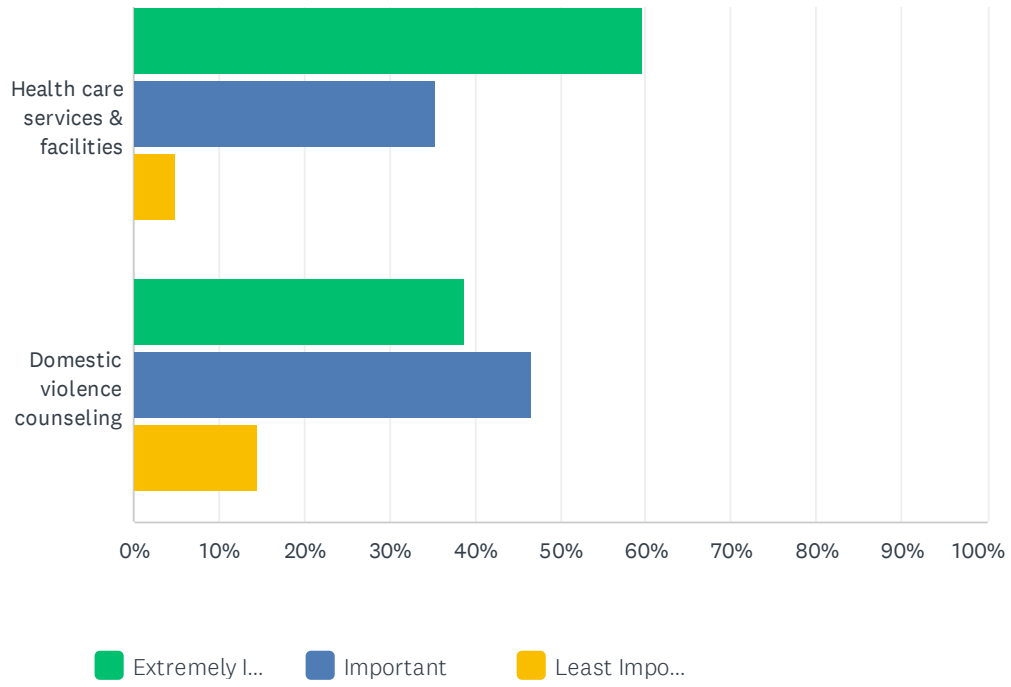
#	OTHER (PLEASE SPECIFY)	DATE
1	Need to attract businesses that bring revenue to the City	10/17/2024 11:36 AM
2	residential rental rehabs	10/17/2024 10:29 AM
3	Safe neighborhoods, crime, parking,	10/17/2024 10:18 AM
4	There are so many empty businesses. Fill the storefronts with businesses and help them stay in business.	10/16/2024 9:05 PM
5	Street maintenance: trash removal, debris removal, tree trimming, more neighborhood trash cans	10/8/2024 3:37 PM

Q14 COMMUNITY PROGRAMS AND SERVICES NEEDS

Answered: 62 Skipped: 10





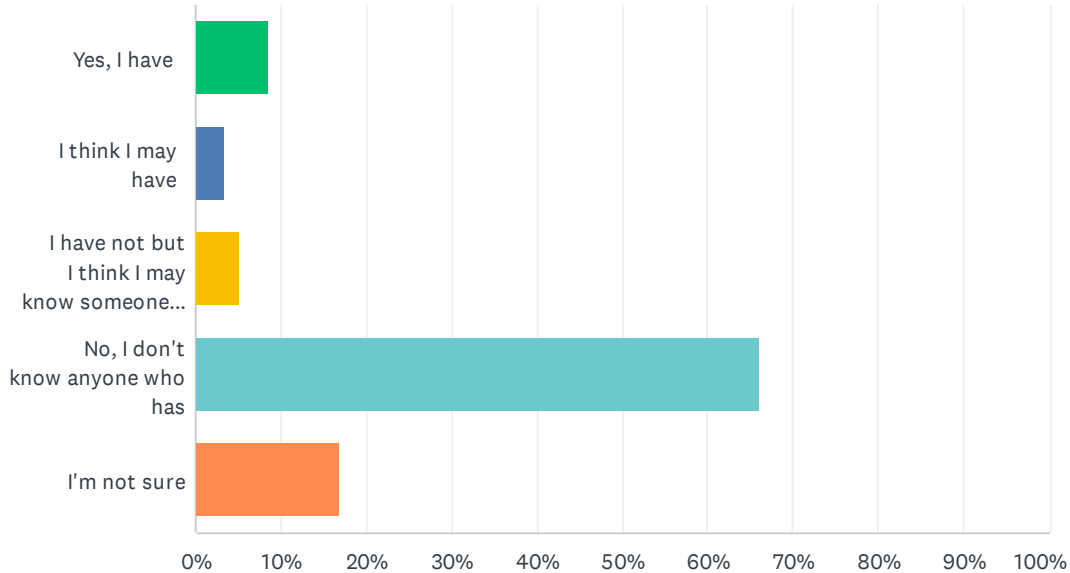


	EXTREMELY IMPORTANT	IMPORTANT	LEAST IMPORTANT	TOTAL	WEIGHTED AVERAGE
Children after-school/summer camp programs & services	58.06% 36	37.10% 23	4.84% 3	62	1.47
Childcare services and facilities	53.23% 33	41.94% 26	4.84% 3	62	1.52
Counseling/emotional support services	48.39% 30	43.55% 27	8.06% 5	62	1.60
Disaster and emergency preparedness services	56.45% 35	43.55% 27	0.00% 0	62	1.44
Drug/alcohol abuse counseling/treatment	24.19% 15	62.90% 39	12.90% 8	62	1.89
Food services for residents with special needs	37.10% 23	56.45% 35	6.45% 4	62	1.69
Workforce/skills training and/or job placement	33.87% 21	59.68% 37	6.45% 4	62	1.73
Low-cost transportation services (taxi coupons and Dial-A-Ride)	24.59% 15	57.38% 35	18.03% 11	61	1.93
Neighborhood crime prevention programs	79.03% 49	20.97% 13	0.00% 0	62	1.21
Park and recreation programs	72.58% 45	24.19% 15	3.23% 2	62	1.31
Programs for at-risk youth	58.06% 36	37.10% 23	4.84% 3	62	1.47
Homeless counseling/outreach services	33.87% 21	51.61% 32	14.52% 9	62	1.81
Affordable legal services	27.42% 17	59.68% 37	12.90% 8	62	1.85
Health care services & facilities	59.68% 37	35.48% 22	4.84% 3	62	1.45
Domestic violence counseling	38.71% 24	46.77% 29	14.52% 9	62	1.76

#	OTHER (PLEASE SPECIFY)	DATE
1	The city needs to partner with the school district to ensure that the needs of youth are being addressed.	10/16/2024 9:19 PM
2	More open spaces that are safe for children, i.e. parks, hiking trails as well as well as indoor play areas	10/8/2024 3:42 PM

Q15 Have you or someone you know ever encountered any of the forms of housing discrimination described above?

Answered: 59 Skipped: 13



ANSWER CHOICES	RESPONSES	
Yes, I have	8.47%	5
I think I may have	3.39%	2
I have not but I think I may know someone who has	5.08%	3
No, I don't know anyone who has	66.10%	39
I'm not sure	16.95%	10
TOTAL		59

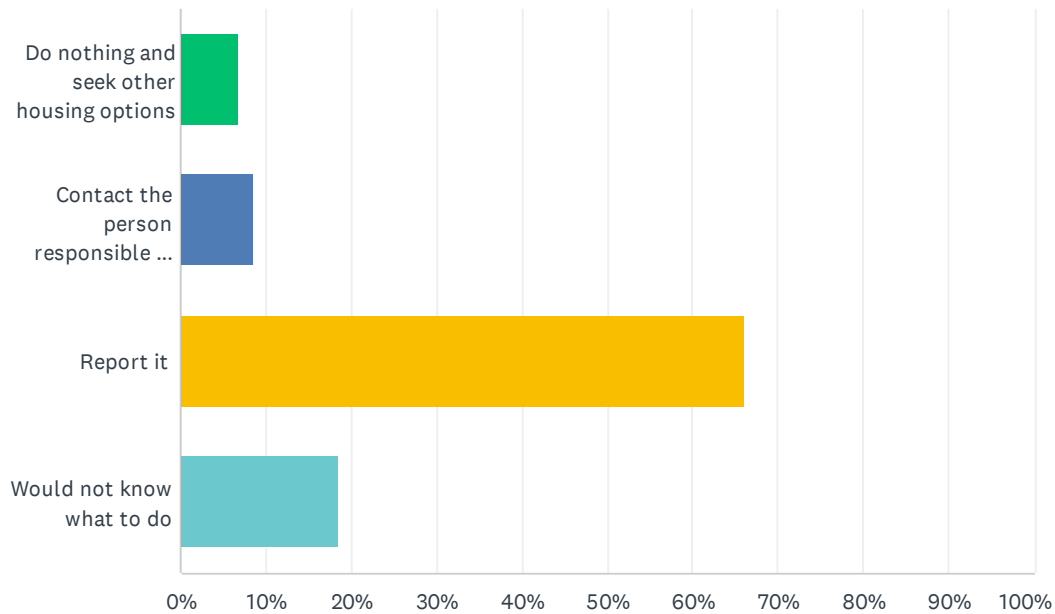
Q16 If you believe you or someone you know has encountered housing discrimination, please describe.

Answered: 3 Skipped: 69

#	RESPONSES	DATE
1	Many landlords discriminate when it comes to families with children.	10/17/2024 10:44 AM
2	Owner raised rent so that low income tenant could not afford rent. The tenant also had cancer and lost job	10/17/2024 10:32 AM
3	Not being able to rent at one place because they make to little and going to another place and getting rejected because they make to much	10/16/2024 10:55 AM

Q17 What would you do if you encountered housing discrimination?

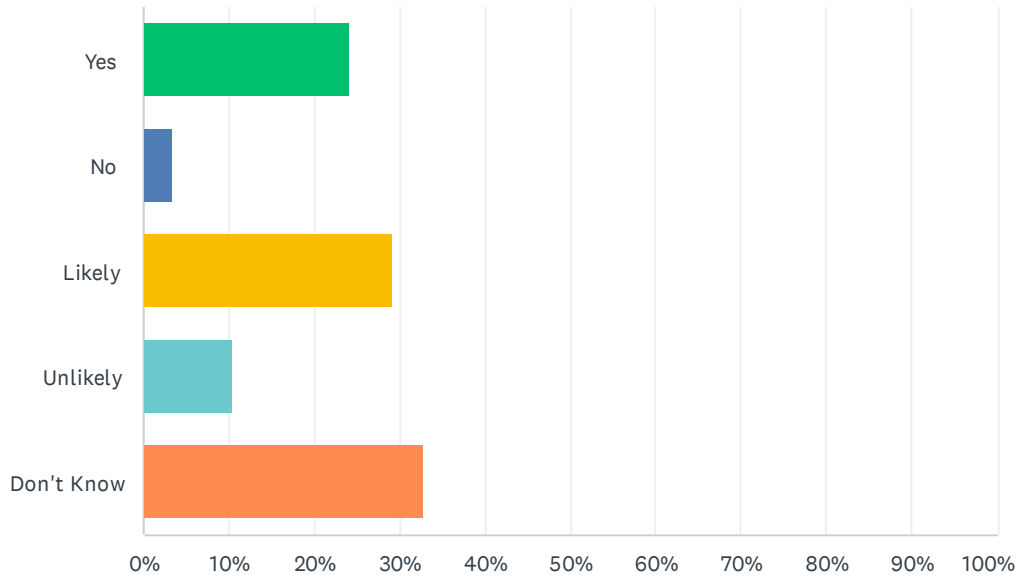
Answered: 59 Skipped: 13



ANSWER CHOICES	RESPONSES	
Do nothing and seek other housing options	6.78%	4
Contact the person responsible and let them know they are discriminating	8.47%	5
Report it	66.10%	39
Would not know what to do	18.64%	11
TOTAL		59

Q18 Do you believe housing discrimination occurs in Montebello?

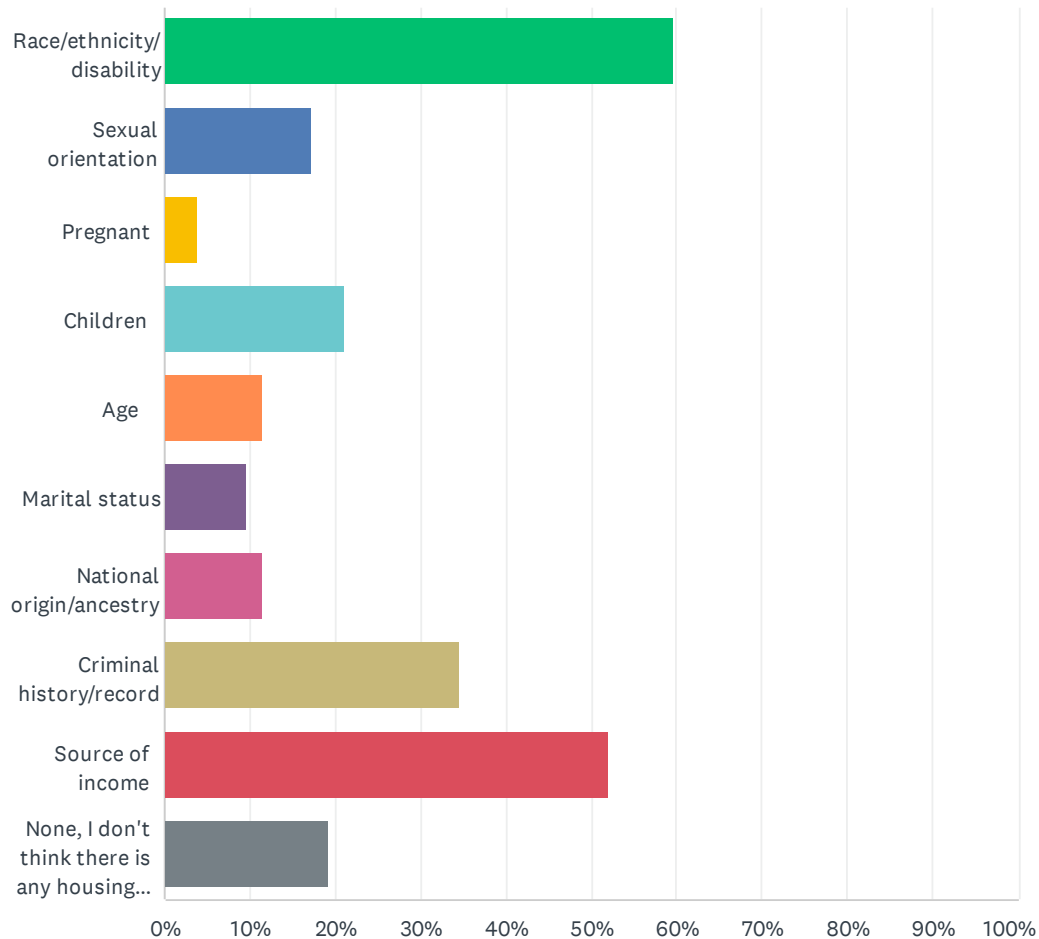
Answered: 58 Skipped: 14



ANSWER CHOICES	RESPONSES	
Yes	24.14%	14
No	3.45%	2
Likely	29.31%	17
Unlikely	10.34%	6
Don't Know	32.76%	19
TOTAL		58

Q19 If you think housing discrimination is occurring, what types of discrimination do you think are most prevalent? (Please select all that apply)

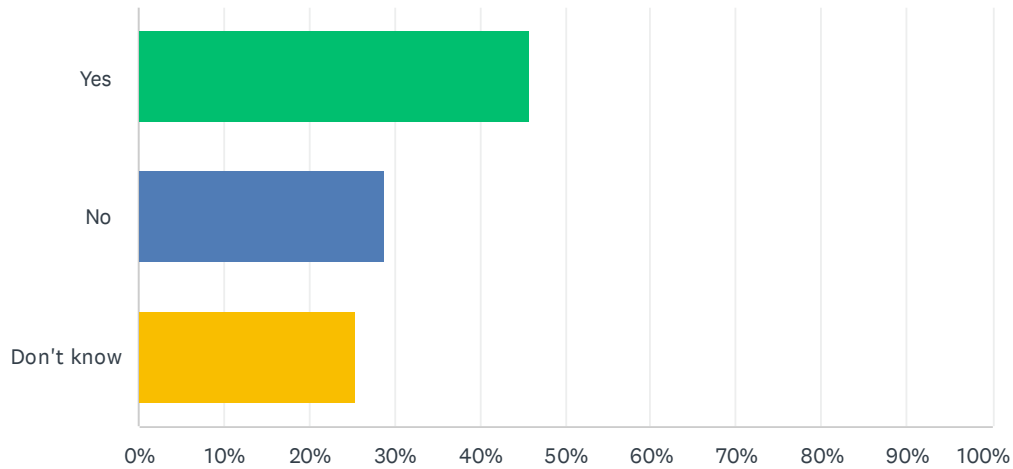
Answered: 52 Skipped: 20



ANSWER CHOICES	RESPONSES	
Race/ethnicity/disability	59.62%	31
Sexual orientation	17.31%	9
Pregnant	3.85%	2
Children	21.15%	11
Age	11.54%	6
Marital status	9.62%	5
National origin/ancestry	11.54%	6
Criminal history/record	34.62%	18
Source of income	51.92%	27
None, I don't think there is any housing discrimination	19.23%	10
Total Respondents: 52		

Q20 Are you aware of a tenant's right to request, from a landlord, a physical change to make a home more accessible if necessary due to a disability (called "reasonable accommodation"?)

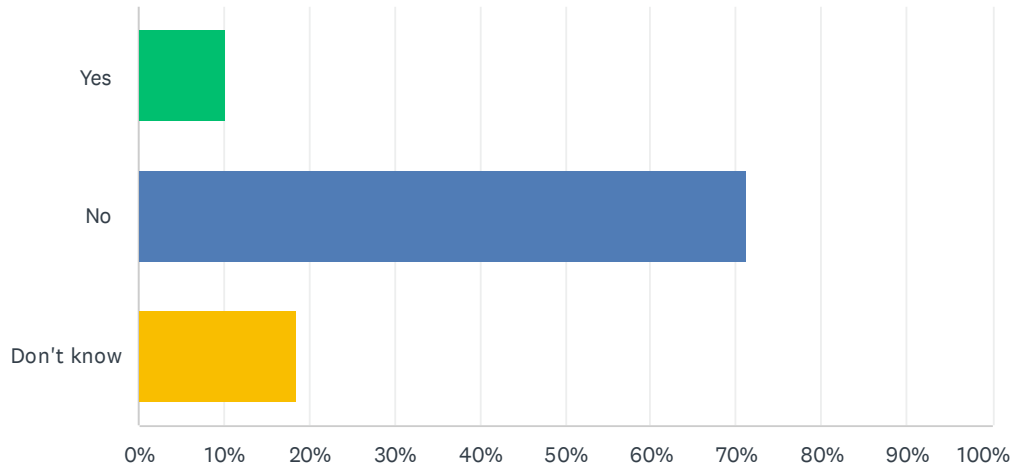
Answered: 59 Skipped: 13



ANSWER CHOICES	RESPONSES	
Yes	45.76%	27
No	28.81%	17
Don't know	25.42%	15
TOTAL		59

Q21 Have you, or someone you know, ever made a request for a reasonable accommodation?

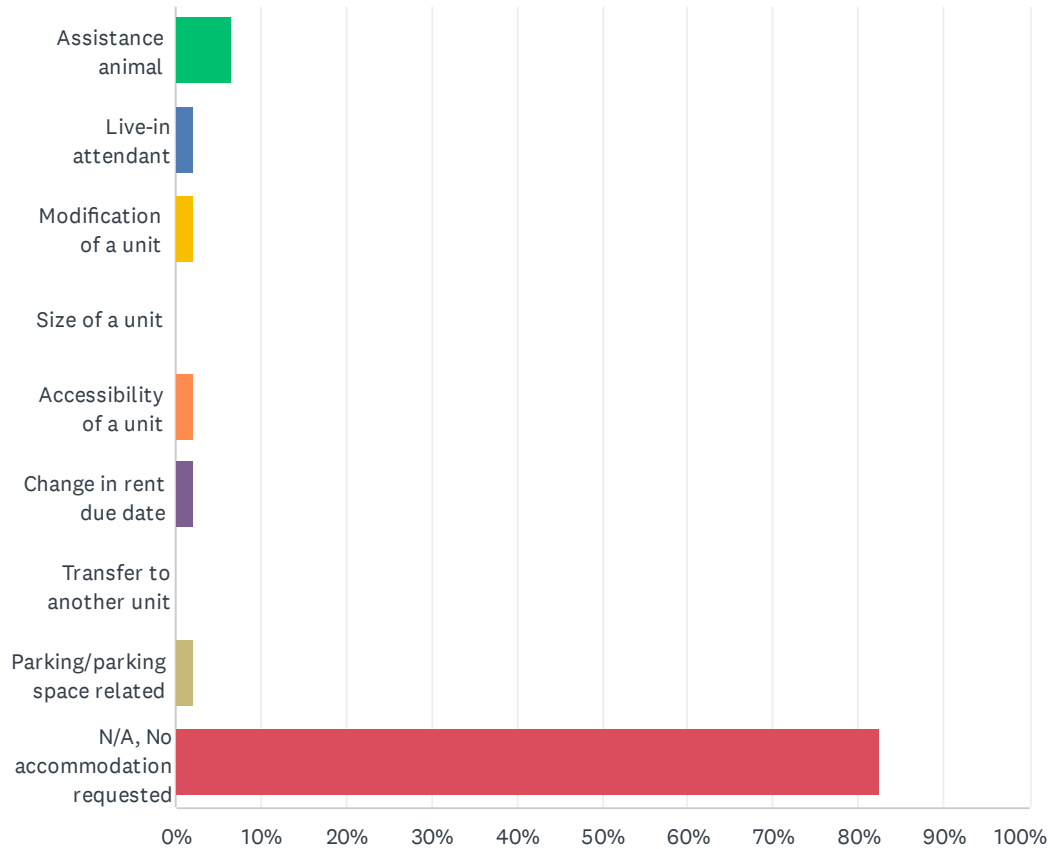
Answered: 59 Skipped: 13



ANSWER CHOICES	RESPONSES	
Yes	10.17%	6
No	71.19%	42
Don't know	18.64%	11
TOTAL		59

Q22 If yes, what type of accommodation and/or modification did you or the person you know request?

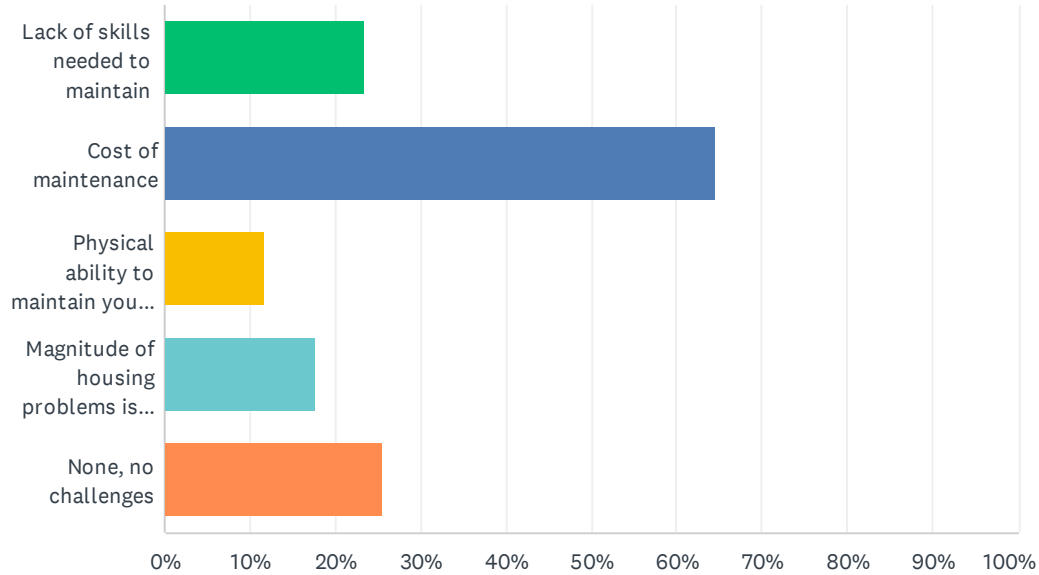
Answered: 46 Skipped: 26



ANSWER CHOICES	RESPONSES	
Assistance animal	6.52%	3
Live-in attendant	2.17%	1
Modification of a unit	2.17%	1
Size of a unit	0.00%	0
Accessibility of a unit	2.17%	1
Change in rent due date	2.17%	1
Transfer to another unit	0.00%	0
Parking/parking space related	2.17%	1
N/A, No accommodation requested	82.61%	38
TOTAL		46

Q23 What are the most pressing challenges you have with maintaining your home? (Select no more than two)

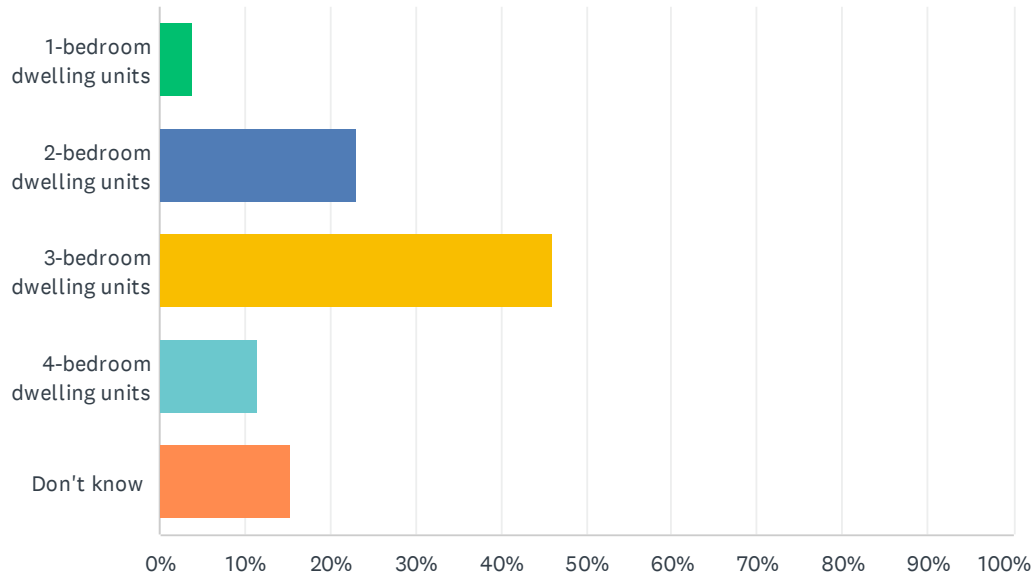
Answered: 51 Skipped: 21



ANSWER CHOICES	RESPONSES	
Lack of skills needed to maintain	23.53%	12
Cost of maintenance	64.71%	33
Physical ability to maintain your home	11.76%	6
Magnitude of housing problems is overwhelming	17.65%	9
None, no challenges	25.49%	13
Total Respondents: 51		

Q24 What size of housing units are most needed in the City of Montebello?

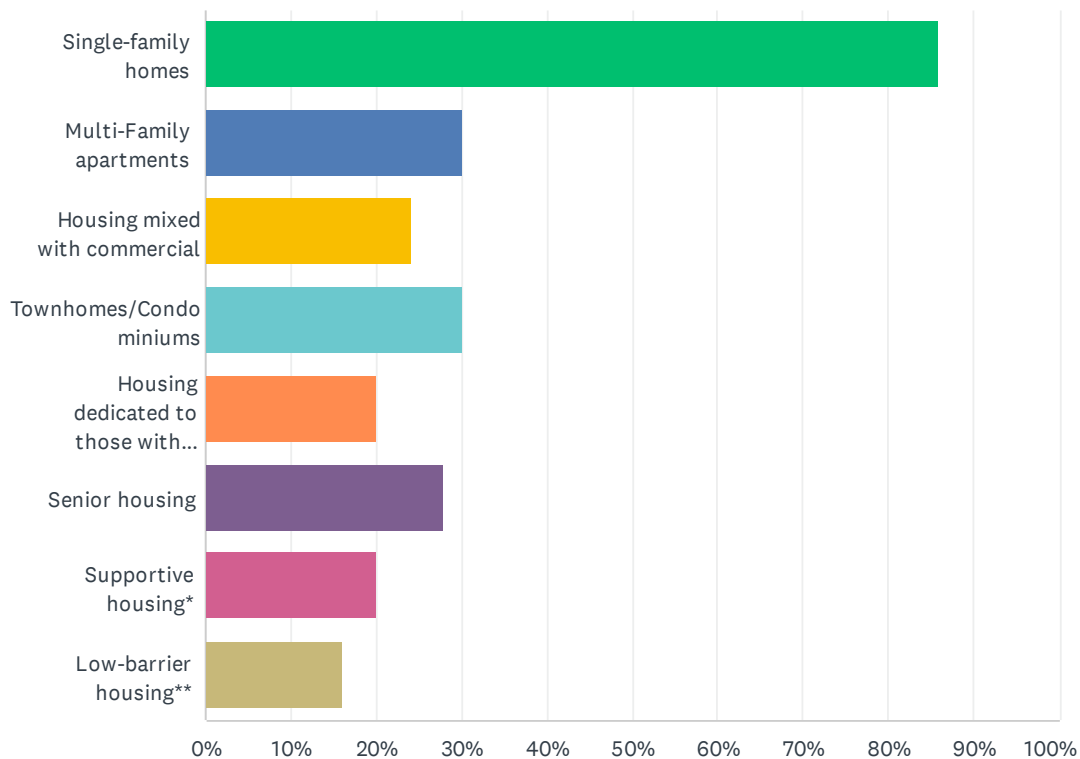
Answered: 52 Skipped: 20



ANSWER CHOICES	RESPONSES	
1-bedroom dwelling units	3.85%	2
2-bedroom dwelling units	23.08%	12
3-bedroom dwelling units	46.15%	24
4-bedroom dwelling units	11.54%	6
Don't know	15.38%	8
TOTAL		52

Q25 What type of housing is most needed in the City of Montebello?
(Select all that apply)*Supportive housing assists homeless persons in the transition from homelessness by providing housing with services to enable them to live as independently as possible.** Low-barrier housing is housing where a minimum number of expectations are placed on people who wish to live there. The aim is to have as few barriers as possible to allow more people access to services.

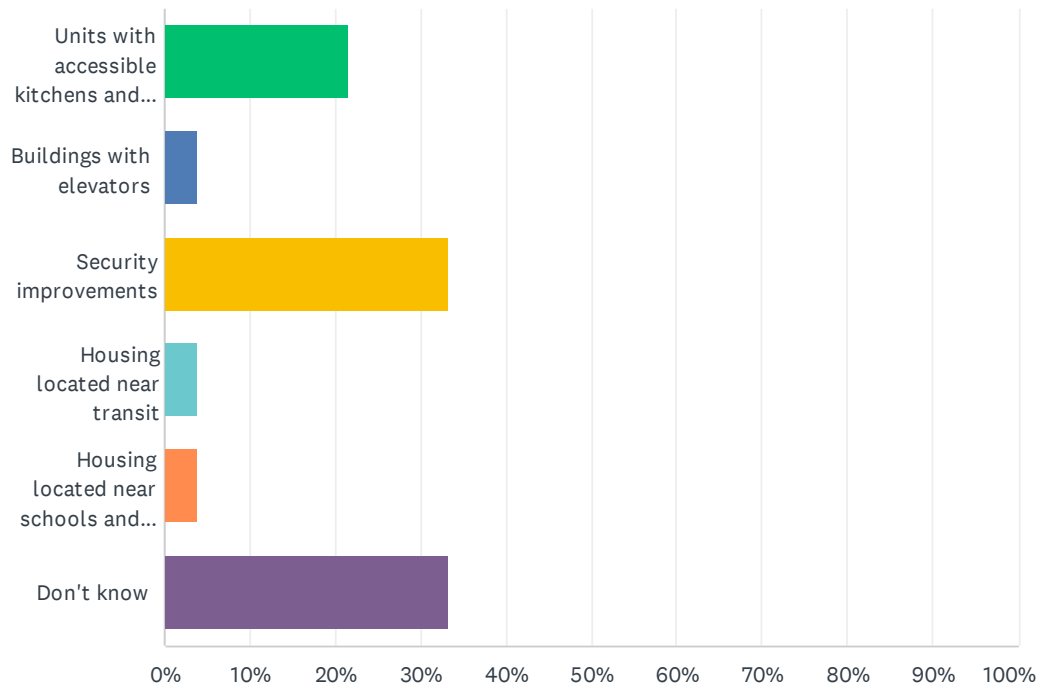
Answered: 50 Skipped: 22



ANSWER CHOICES	RESPONSES	
Single-family homes	86.00%	43
Multi-Family apartments	30.00%	15
Housing mixed with commercial	24.00%	12
Townhomes/Condominiums	30.00%	15
Housing dedicated to those with mental and physical disabilities	20.00%	10
Senior housing	28.00%	14
Supportive housing*	20.00%	10
Low-barrier housing**	16.00%	8
Total Respondents: 50		

Q26 What housing amenities do you think are needed in Montebello?

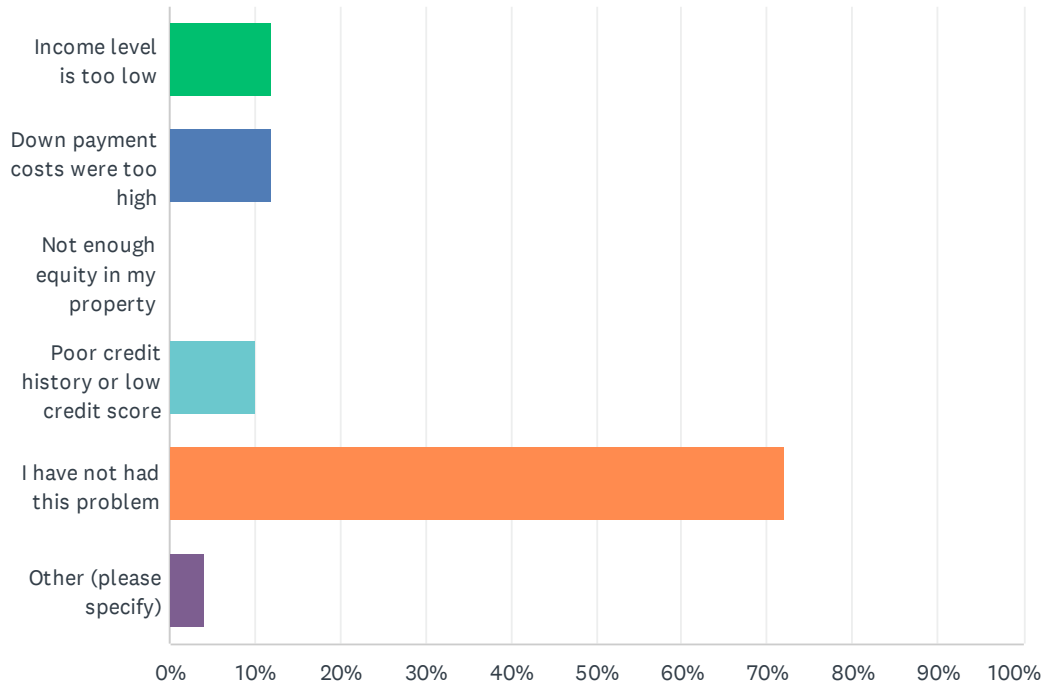
Answered: 51 Skipped: 21



ANSWER CHOICES	RESPONSES	
Units with accessible kitchens and bathrooms	21.57%	11
Buildings with elevators	3.92%	2
Security improvements	33.33%	17
Housing located near transit	3.92%	2
Housing located near schools and parks	3.92%	2
Don't know	33.33%	17
TOTAL		51

Q27 If you have ever applied for a home loan and your application was NOT approved, which of the following reasons were you given?

Answered: 50 Skipped: 22

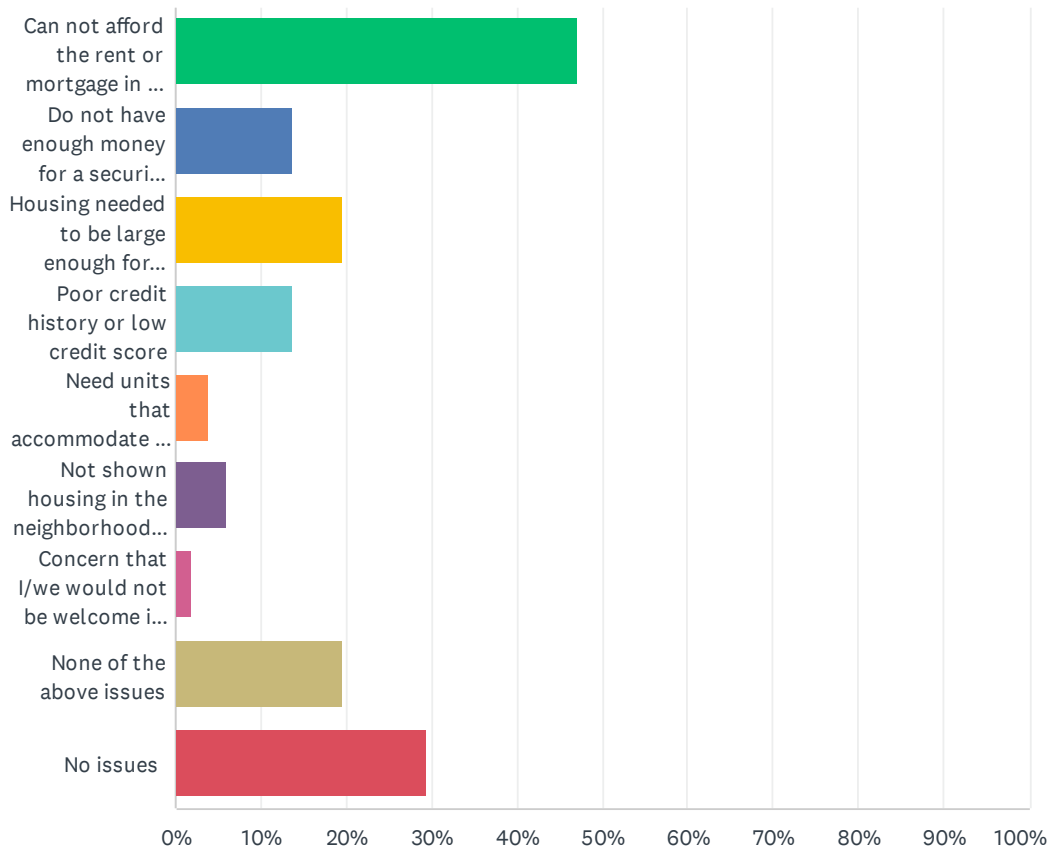


ANSWER CHOICES	RESPONSES	
Income level is too low	12.00%	6
Down payment costs were too high	12.00%	6
Not enough equity in my property	0.00%	0
Poor credit history or low credit score	10.00%	5
I have not had this problem	72.00%	36
Other (please specify)	4.00%	2
Total Respondents: 50		

#	OTHER (PLEASE SPECIFY)	DATE
1	have not	10/16/2024 10:57 AM
2	N/A	10/16/2024 7:41 AM

Q28 Which of the following issues, if any, have limited your housing options in a preferred neighborhood or area in Montebello? (Please select no more than 3)

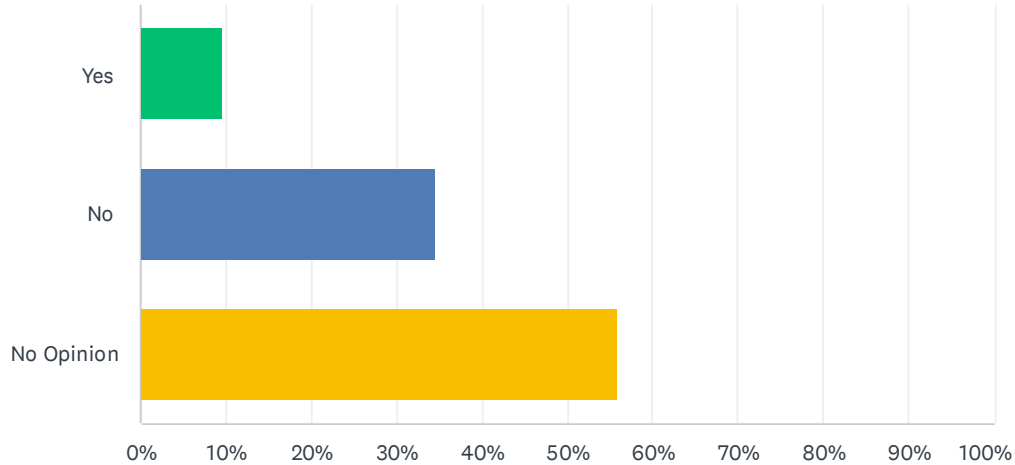
Answered: 51 Skipped: 21



ANSWER CHOICES	RESPONSES	
Can not afford the rent or mortgage in a preferred neighborhood	47.06%	24
Do not have enough money for a security deposit	13.73%	7
Housing needed to be large enough for my/our household	19.61%	10
Poor credit history or low credit score	13.73%	7
Need units that accommodate a disability (i.e. wheelchair accessible)	3.92%	2
Not shown housing in the neighborhood(s) I/we wanted to move to	5.88%	3
Concern that I/we would not be welcome in the neighborhood	1.96%	1
None of the above issues	19.61%	10
No issues	29.41%	15
Total Respondents: 51		

Q29 Do you feel local land use regulations support the development of affordable housing?

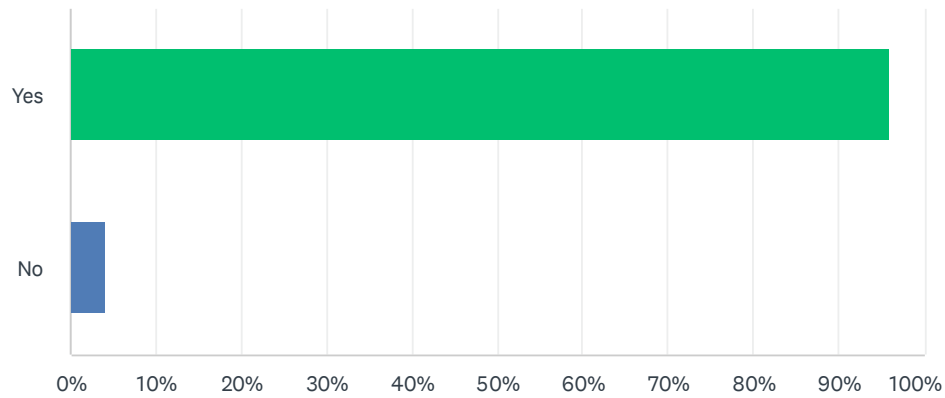
Answered: 52 Skipped: 20



ANSWER CHOICES		RESPONSES	
Yes		9.62%	5
No		34.62%	18
No Opinion		55.77%	29
TOTAL			52

Q30 As a Montebello resident, do you have broadband internet access?

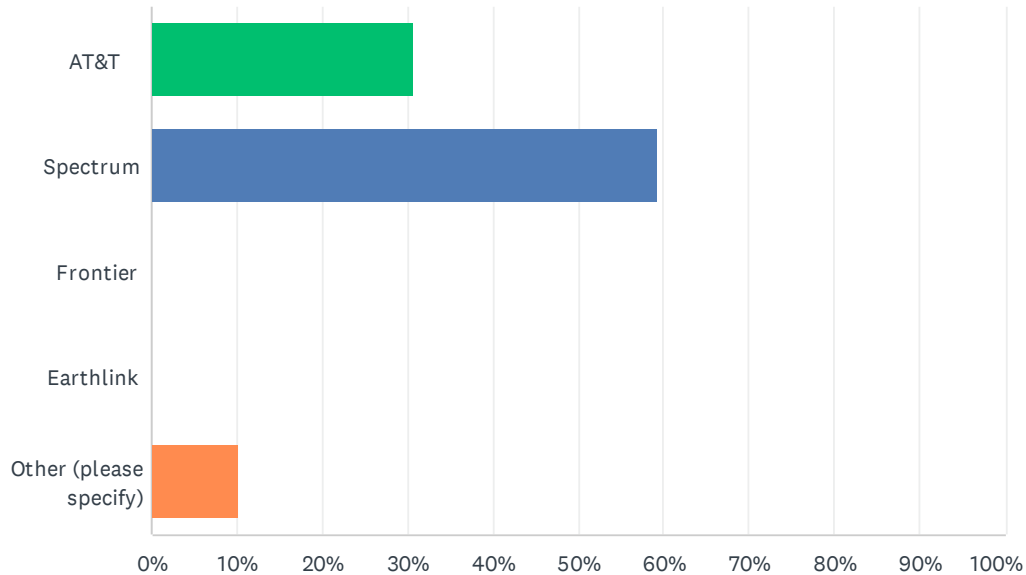
Answered: 50 Skipped: 22



ANSWER CHOICES	RESPONSES	
Yes	96.00%	48
No	4.00%	2
TOTAL		50

Q31 If you have broadband internet access, please indicate who your internet provider is.

Answered: 49 Skipped: 23

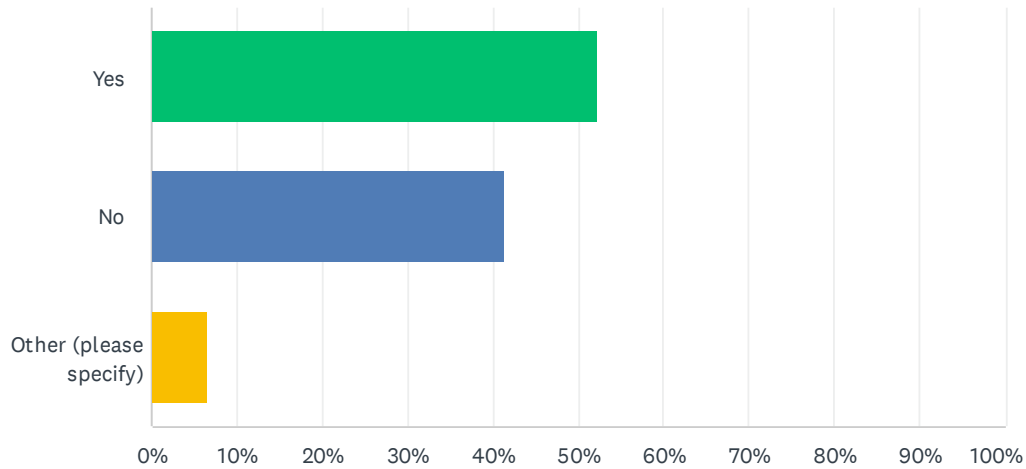


ANSWER CHOICES	RESPONSES	
AT&T	30.61%	15
Spectrum	59.18%	29
Frontier	0.00%	0
Earthlink	0.00%	0
Other (please specify)	10.20%	5
TOTAL		49

#	OTHER (PLEASE SPECIFY)	DATE
1	T-mobile	10/17/2024 2:31 PM
2	Verizon	10/17/2024 10:16 AM
3	Verizon	10/17/2024 10:15 AM
4	N/A	10/16/2024 7:48 AM
5	Verizon	10/10/2024 11:16 AM

Q32 As a low- and moderate-income household, do you believe that your housing is vulnerable to increased natural hazards due to environmental conditions?

Answered: 46 Skipped: 26

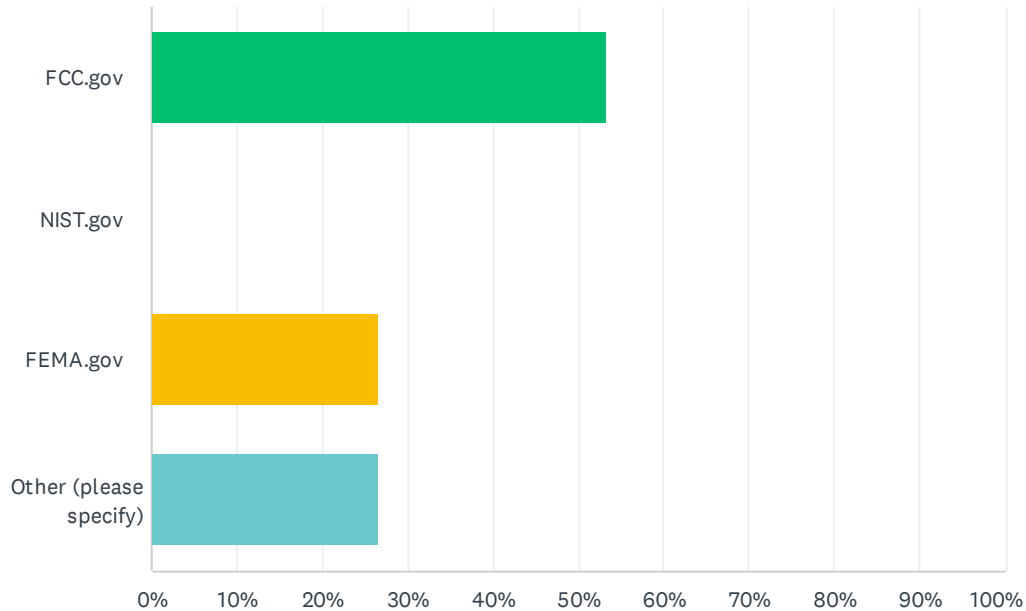


ANSWER CHOICES	RESPONSES
Yes	52.17% 24
No	41.30% 19
Other (please specify)	6.52% 3
TOTAL	46

#	OTHER (PLEASE SPECIFY)	DATE
1	I'm	10/17/2024 11:44 AM
2	n/a	10/17/2024 10:33 AM
3	Maybe	10/8/2024 3:51 PM

Q33 Please select any websites below that you have used to obtain broadband or resilience data:

Answered: 15 Skipped: 57



ANSWER CHOICES	RESPONSES
FCC.gov	53.33% 8
NIST.gov	0.00% 0
FEMA.gov	26.67% 4
Other (please specify)	26.67% 4
Total Respondents: 15	

#	OTHER (PLEASE SPECIFY)	DATE
1	LA County Emergency Meetings	10/17/2024 2:35 PM
2	None	10/17/2024 10:36 AM
3	n/a	10/17/2024 10:33 AM
4	N/A	10/16/2024 7:48 AM

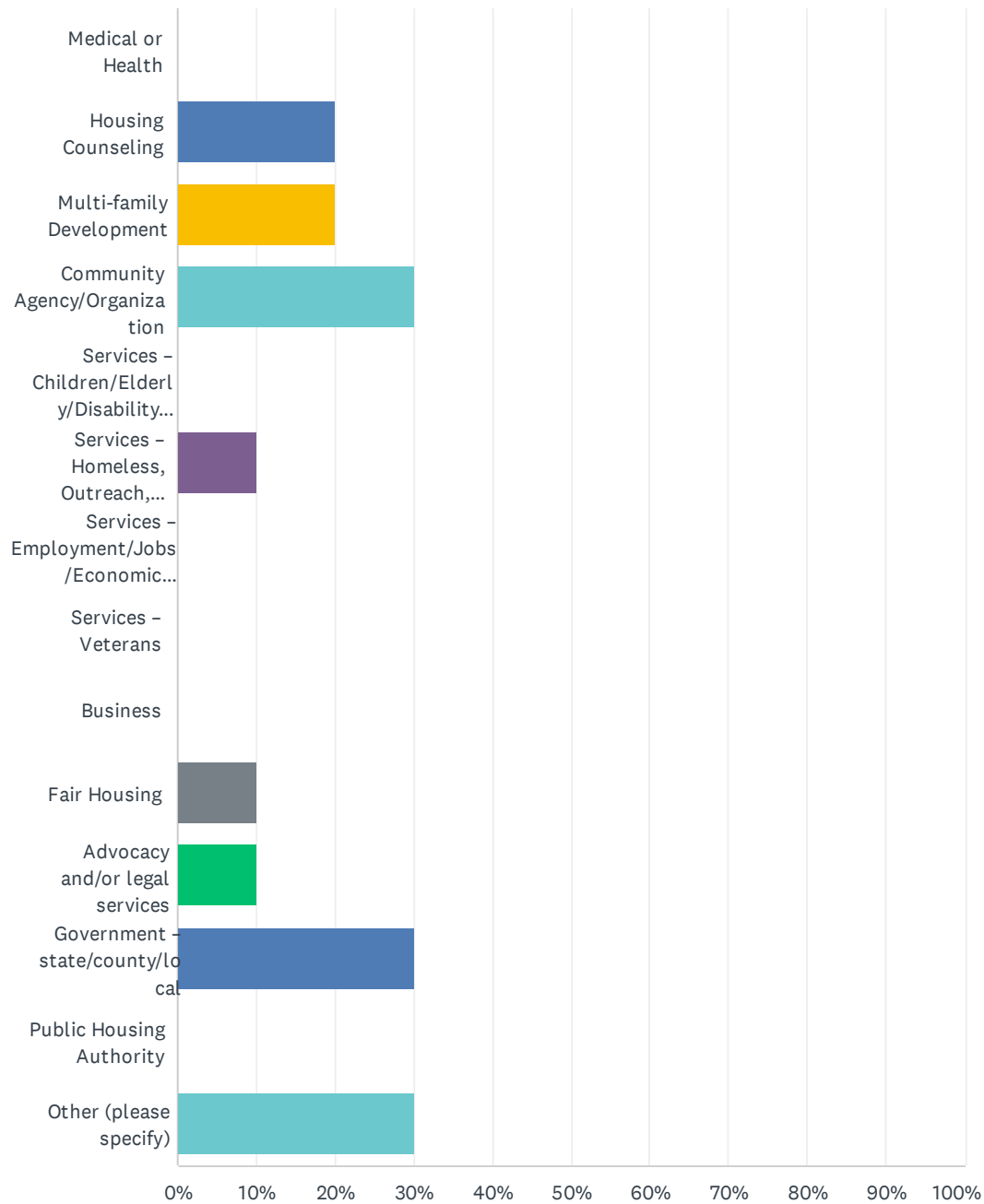
Q1 Please type in the name of your organization.

Answered: 11 Skipped: 0

#	RESPONSES	DATE
1	Montebello Woman's Club	4/14/2025 2:40 PM
2	Montebello Housing Development Corporation	2/4/2025 1:54 PM
3	Los Angeles Homeless Services Authority	11/21/2024 5:00 PM
4	Los Angeles County Development Authority	11/18/2024 4:07 PM
5	City of Montebello Planning and Community Development Department	10/30/2024 3:20 PM
6	Cesar Chavez Foundation	10/23/2024 7:40 AM
7	Cesar Chavez Foundation	10/22/2024 2:16 PM
8	Heart of Compassion Distribution	10/11/2024 2:11 PM
9	Housing Rights Center	10/9/2024 6:06 PM
10	Montebello-Commerce YMCA	10/9/2024 2:56 PM
11	San Gabriel Valley Regional Housing Trust	10/9/2024 9:57 AM

Q2 Please select your organization type:

Answered: 10 Skipped: 1

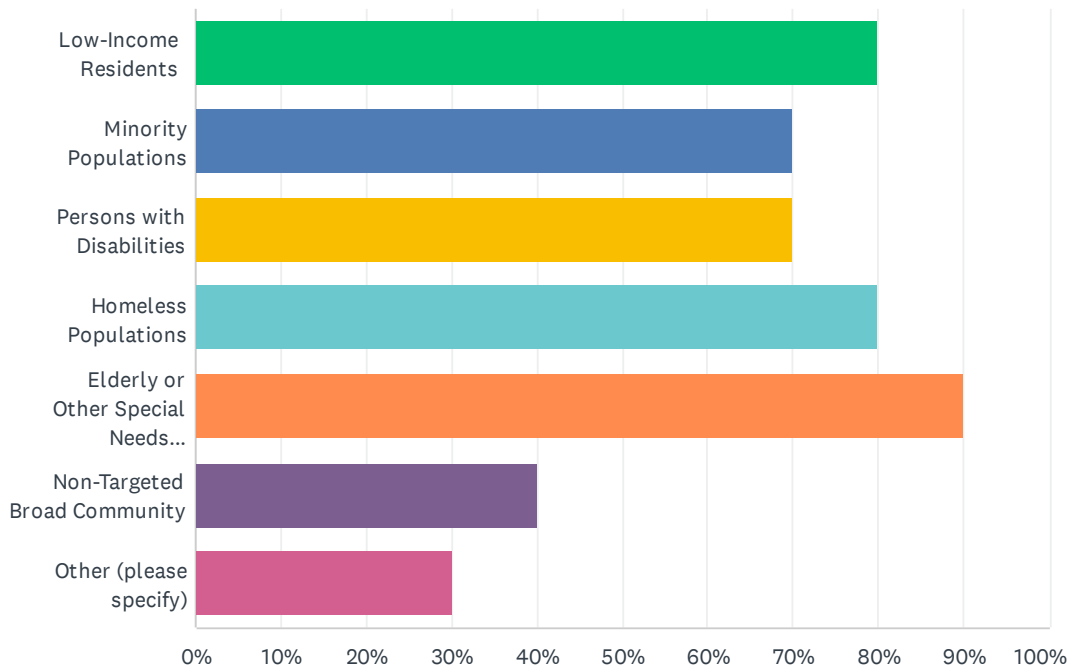


ANSWER CHOICES	RESPONSES	
Medical or Health	0.00%	0
Housing Counseling	20.00%	2
Multi-family Development	20.00%	2
Community Agency/Organization	30.00%	3
Services – Children/Elderly/Disability/Persons with HIV or AIDS/Victims of Domestic Violence	0.00%	0
Services – Homeless, Outreach, Shelter	10.00%	1
Services – Employment/Jobs/Economic Development	0.00%	0
Services – Veterans	0.00%	0
Business	0.00%	0
Fair Housing	10.00%	1
Advocacy and/or legal services	10.00%	1
Government – state/county/local	30.00%	3
Public Housing Authority	0.00%	0
Other (please specify)	30.00%	3
Total Respondents: 10		

#	OTHER (PLEASE SPECIFY)	DATE
1	Non-profit Community Organization	4/14/2025 2:40 PM
2	Education and Housing Counseling, Financial Literacy	2/4/2025 1:54 PM
3	Joint Powers Authority	11/21/2024 5:00 PM

Q3 What population do you service? Please select all that apply.

Answered: 10 Skipped: 1



ANSWER CHOICES	RESPONSES	
Low-Income Residents	80.00%	8
Minority Populations	70.00%	7
Persons with Disabilities	70.00%	7
Homeless Populations	80.00%	8
Elderly or Other Special Needs Populations	90.00%	9
Non-Targeted Broad Community	40.00%	4
Other (please specify)	30.00%	3
Total Respondents: 10		

#	OTHER (PLEASE SPECIFY)	DATE
1	General Public	4/14/2025 2:40 PM
2	General Public	10/30/2024 3:20 PM
3	Survivors of Domestic Violence	10/23/2024 7:40 AM

Q4 Please describe some of your agency/organization's outcomes and accomplishments in the past year in your area of service.

Answered: 10 Skipped: 1

#	RESPONSES	DATE
1	Awarded several scholarships to local high school seniors; Made H.O.B.Y. awards available to a student at each of our high schools, celebrated the 100th Anniversary of the opening our our building	4/14/2025 2:40 PM
2	Montebello Housing Development Corporation (MHDC) is a 501(c)(3) non-profit housing organization that provides homebuyer education and housing counseling services to individuals and families with limited financial resources. We are a HUD-approved housing agency, maintaining the highest ethical standards while offering safe, sanitary, quality, affordable housing for low- and moderate-income families. MHDC serves the San Gabriel Valley region and is the only housing agency in Los Angeles County. Its services are crucial to many neighborhoods experiencing gentrification. The organization offers services in both English and Spanish, catering to the majority of low-income clients, including those who do not have access to technology at home and may not speak English. MHDC allows clients to come to our offices to use a laptop, printer, and scanner to complete applications. The primary goal of MHDC is to provide these families with viable options and financial resources to improve their homeownership prospects by making better use of their available financial means. Low-income clients face numerous obstacles to homeownership, such as inadequate credit history, challenges in obtaining down payment assistance, self-employment issues, Limited English Proficiency (LEP), and Social Security requirements. Consequently, MHDC believes educating and preparing homebuyers is vital to overcoming these barriers and achieving their homeownership goals. In 2024, MHDC assisted over 500 households annually by providing homebuyer education, financial coaching, counseling services, down payment assistance, financial capability training, and post-purchase coaching as part of a 12-month follow-up process for borrowers. Approximately 16% of our clients go on to qualify for loans and successfully purchase homes. In 2025, we plan to assist even more clients, especially in financial coaching, literacy, and budgeting. We are also offering disaster counseling for fire victims. We are ready to collaborate with other local agencies to provide both short-term and long-term housing for fire victims until their properties are rebuilt in the Altadena and Pacific Palisades areas. We are also planning development projects in the San Bernardino area that will provide housing for low- to moderate-income families. Additionally, the organization collaborates with California Mortgage Relief to guide clients through the application process and help them successfully catch up on past-due mortgage payments. Montebello Housing is very active in the surrounding communities. It constantly participates in community events, Chamber of Commerce meetings, and Montebello Rotary activities. It also provides mini-housing workshops and a Housing Expo in Pico Rivera in the fall of 2025.	2/4/2025 1:54 PM
3	Los Angeles County's Homeless Count Point-in-Time (PIT) estimate declined by 0.27% to 75,312, while the City of Los Angeles' PIT estimate declined by 2.2% to 45,252. The estimate for unsheltered homelessness in the County of Los Angeles decreased by approximately 5.1% to 52,365 compared with last year, while the shelter count increased by 12.7% to 22,947. The City of Los Angeles saw its unsheltered homelessness estimate decline to 29,275 or 10.4%, while the City's shelter count increased by 15,977 or 17.7%. In 2023, the rehousing system recorded an all-time high number of permanent housing placements (27,300). The effects of the encampment resolutions led to a 9.17% decrease in makeshift shelters. From 2022-2023, year over year, LA County increased street to interim housing placements through outreach by almost 50%. Additionally, in the same timeframe, the number of people moving from interim housing to permanent housing increased by 25%.	11/21/2024 5:00 PM
4	Comprehensive General Plan Update; approved Downtown Specific Plan and Bicycle Master Plan.	10/30/2024 3:20 PM
5	Invest and develop over 300 units in the City	10/23/2024 7:40 AM
6	In the past year CCF has worked on constructing a 63-unit affordable housing development,	10/22/2024 2:16 PM

worked on establishing relationships in the community by getting involved with nearby churches, schools and businesses. We also acquired land in Downtown Montebello of small businesses that will one day be affordable and/or workforces housing. Business owners currently located on this land will also be properly relocated with relocation benefits. We've also worked with the city to develop a promotional video for the city to use in conventions throughout the country to bring business and people to Montebello.

7	During 2023, we provided	10/11/2024 2:11 PM
8	In the fiscal year 2023-2024, Housing Rights Center served a total of 16,174 callers on various housing issues including landlord/tenant issues and fair housing discrimination. Of the 16, 174 callers, 2,308 called on issues involving fair housing issues in which 312 became discrimination cases. The remaining 13,866 callers inquired on various landlord/tenant issues and general housing concerns.	10/9/2024 6:06 PM
9	Improved the health and well-being of over 1600 households in our community through our youth development, healthy living and social impact programs and activities. We built self-confidence among youth by teaching over 1,700 children water safety skills and swim lessons, over 700 seniors remained active and healthy through exercise and social opportunities to address feelings of loneliness and isolation, and over 500 teens built connections and improved their mental and physical health at the Y, just to name a few.	10/9/2024 2:56 PM
10	supported interim housing at Operation Stay Safe; provided predevelopment loan to the BLVD which will provide 81 units of affordable housing in Montebello	10/9/2024 9:57 AM

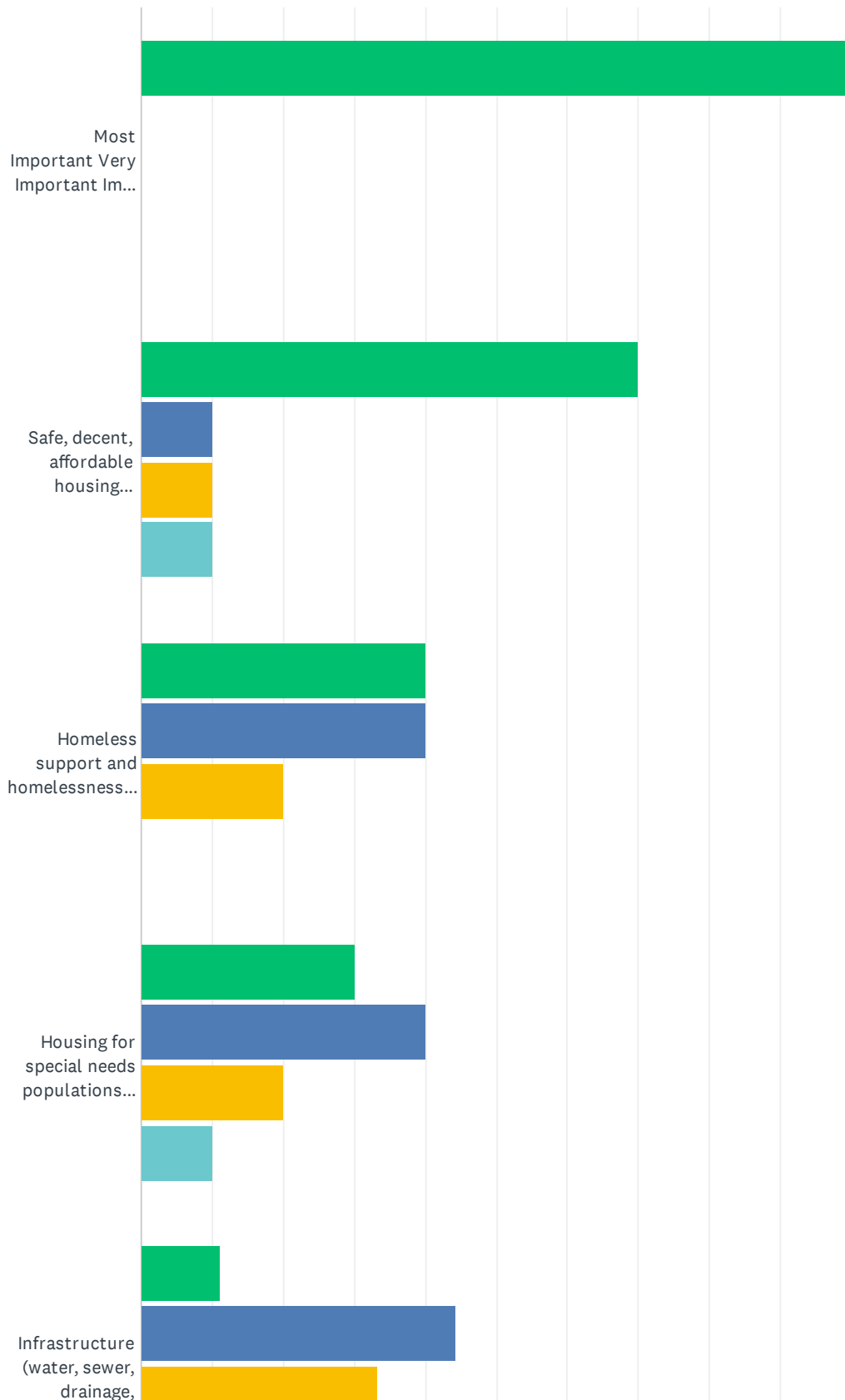
Q5 Please provide contact information for further feedback, if needed. (NAME, TITLE, AGENCY NAME, EMAIL ADDRESS, PHONE NUMBER, AGENCY WEBSITE)

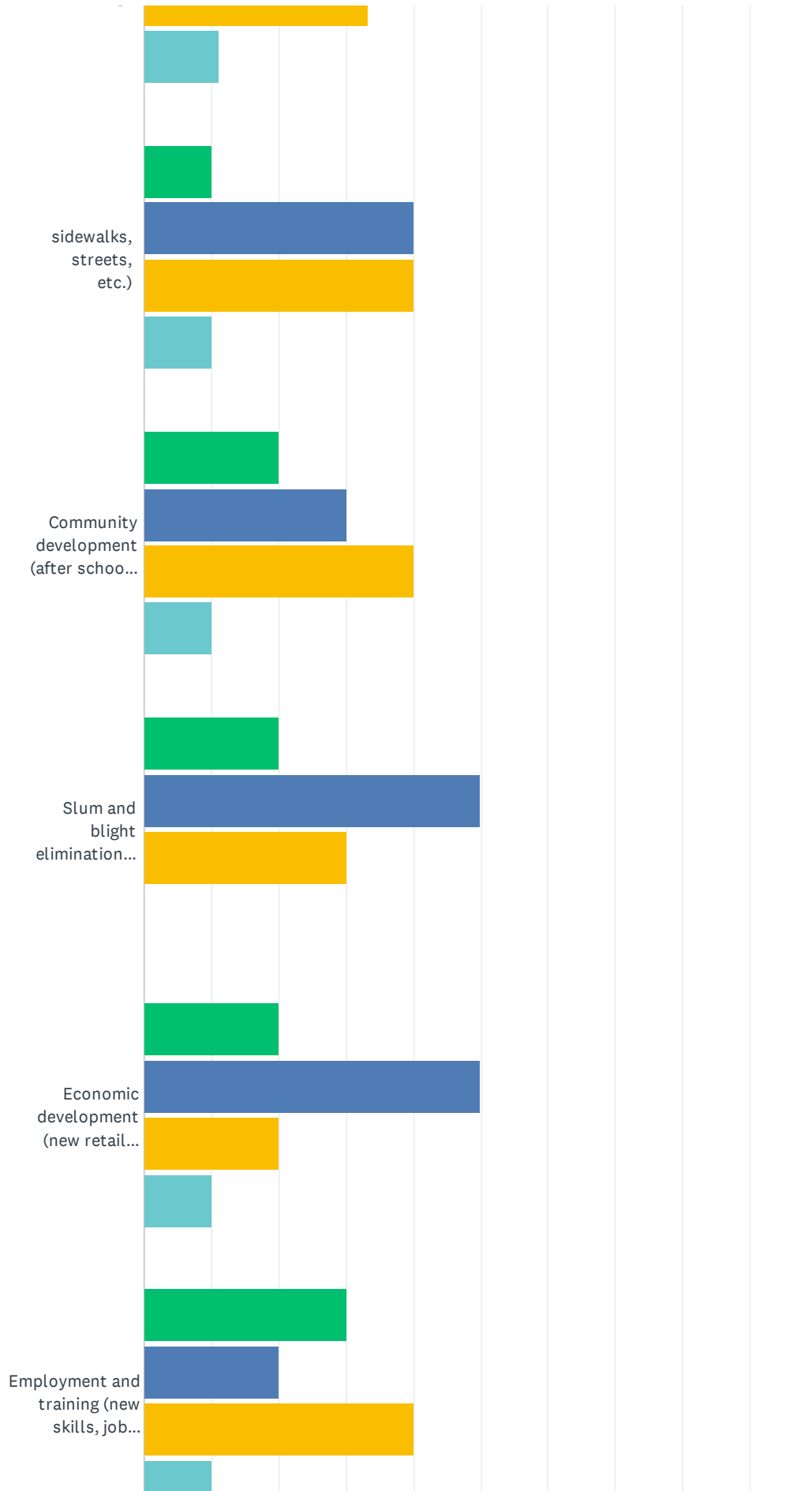
Answered: 10 Skipped: 1

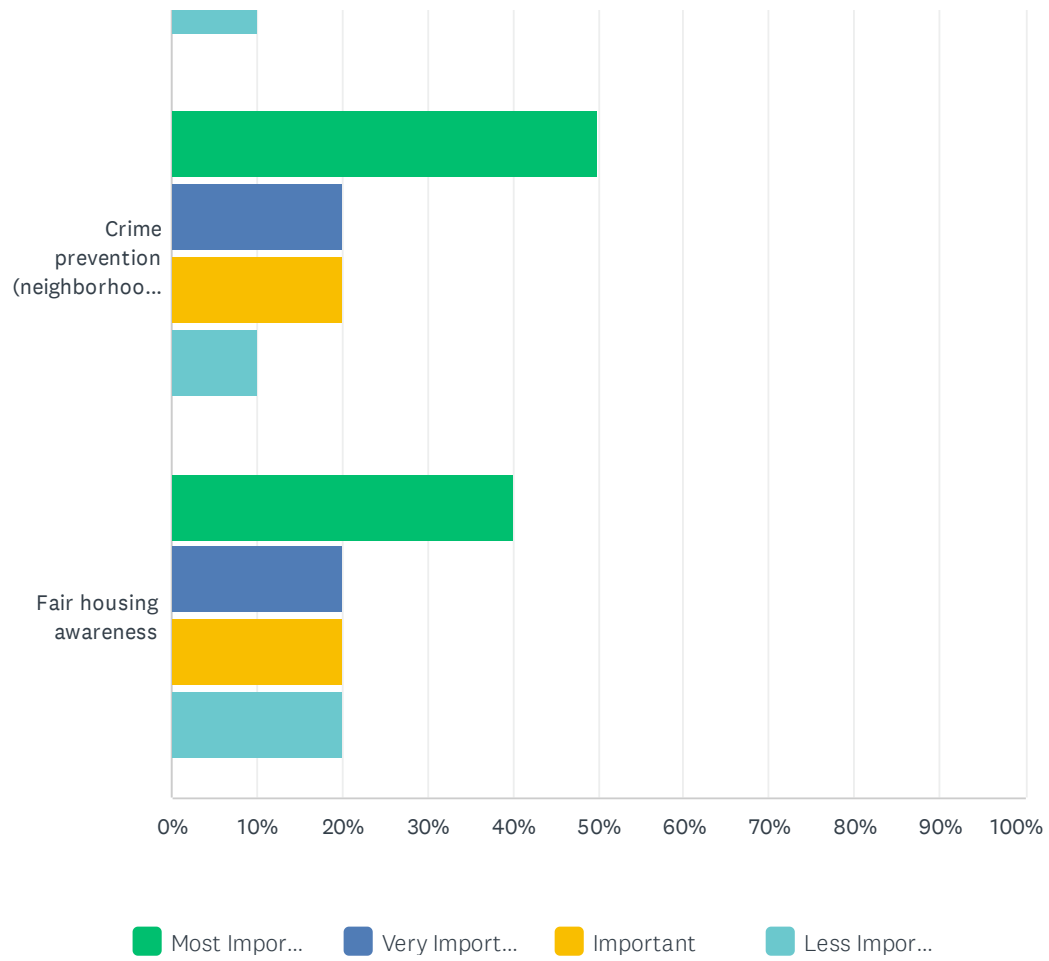
#	RESPONSES	DATE
1	Jerry Ryan, General Manager elkjerry916@gmail.com 323/252-5337	4/14/2025 2:40 PM
2	Montebello Housing Development Corporation (MHDC) 1619 Paramount Blvd, Montebello, CA 90640 (323) 722-3955 www.MHDCCA.org Robert Monzon, President - bob1monzon@gmail.com Anne Vilagut, Operations Manager - avilagut@mhdcca.org	2/4/2025 1:54 PM
3	Joseph Botelho, Manager, CoC Planning, Los Angeles Homeless Services Authority, jbotelho@lahsa.org, 213-549-1014, www.lahsa.org	11/21/2024 5:00 PM
4	Joseph Palombi 1600 W. Beverly Blvd., Montebello, California 90660 Email: JPalombi@montebelloca.gov Telephone: (323) 887-1200 ext. 1598	10/30/2024 3:20 PM
5	Steve Hernandez, Director of Business Development, steveh@chavezfoundation.org, 562-743-5121	10/23/2024 7:40 AM
6	Sofia Mier, Project Manager smier@chavezfoundation.org (714)272-0873 Cesar Chavez Foundation	10/22/2024 2:16 PM
7	Melissa Lomenzo, Admin, Heart of Compassion Distribution, socialmedia@heartofcompassionca.org, 323-727-7997, www.heartofcompassionca.org	10/11/2024 2:11 PM
8	Javier Beltran, Deputy Director, Housing Rights Center, jbeltran@housingrightscenter.org, 323-610-5668, https://www.housingrightscenter.org/	10/9/2024 6:06 PM
9	John Loussararian, Senior Executive Director, Montebello-Commerce YMCA, JohnLoussararian@ymcaLA.org, 323-427-2900, www.ymcaLA.org	10/9/2024 2:56 PM
10	Brielle Salazar, bsalazar@sgvrht.org	10/9/2024 9:57 AM

Q6 Please rate the importance of the following general community needs.

Answered: 10 Skipped: 1







	MOST IMPORTANT	VERY IMPORTANT	IMPORTANT	LESS IMPORTANT	TOTAL	WEIGHTED AVERAGE
Most Important Very Important Important Less Important	100.00% 2	0.00% 0	0.00% 0	0.00% 0	2	1.00
Safe, decent, affordable housing (new/rehab, owner occupied rental property, energy efficient, etc.)	70.00% 7	10.00% 1	10.00% 1	10.00% 1	10	1.60
Homeless support and homelessness prevention (outreach, supportive services, counseling)	40.00% 4	40.00% 4	20.00% 2	0.00% 0	10	1.80
Housing for special needs populations (elderly/disabled/persons w HIV/AIDS/victims of domestic abuse)	30.00% 3	40.00% 4	20.00% 2	10.00% 1	10	2.10
Infrastructure (water, sewer, drainage, sidewalks, streets, etc.)	11.11% 1	44.44% 4	33.33% 3	11.11% 1	9	2.44
Community development (after school programs, prevention, community and rec centers, parks, etc.)	10.00% 1	40.00% 4	40.00% 4	10.00% 1	10	2.50
Slum and blight elimination (demolition of dilapidated buildings, code enforcement, redevelopment etc.)	20.00% 2	30.00% 3	40.00% 4	10.00% 1	10	2.40
Slum and blight elimination (demolition of dilapidated buildings, code enforcement, redevelopment etc.)	20.00% 2	50.00% 5	30.00% 3	0.00% 0	10	2.10
Economic development (new retail centers, business creation, etc.)	20.00% 2	50.00% 5	20.00% 2	10.00% 1	10	2.20
Employment and training (new skills, job skills, technology, etc.)	30.00% 3	20.00% 2	40.00% 4	10.00% 1	10	2.30
Crime prevention (neighborhood programs to deter crime)	50.00% 5	20.00% 2	20.00% 2	10.00% 1	10	1.90
Fair housing awareness	40.00% 4	20.00% 2	20.00% 2	20.00% 2	10	2.20

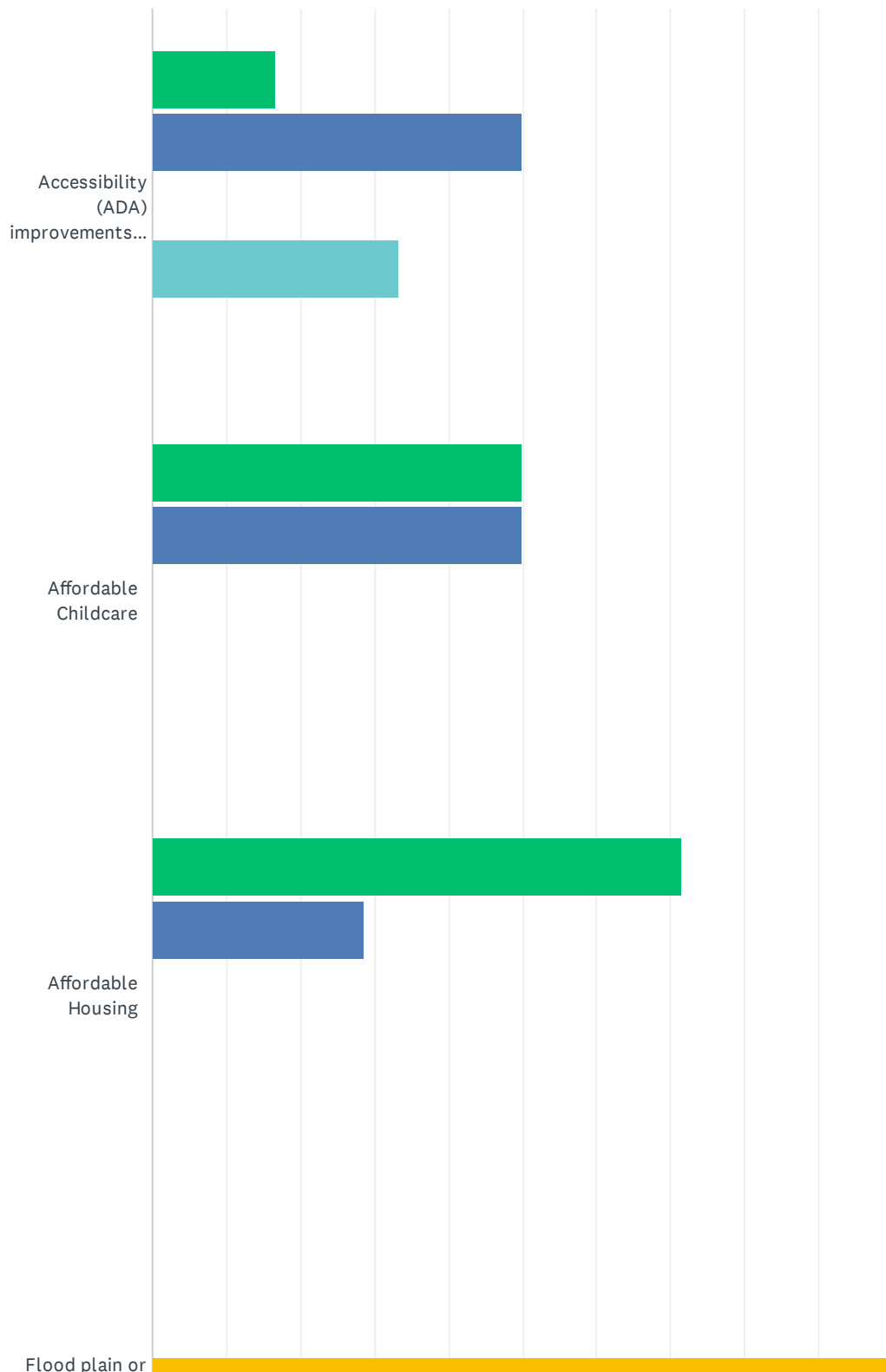
Q7 Where are some areas in the City that are most affected by these issues? (Provide location and issue)

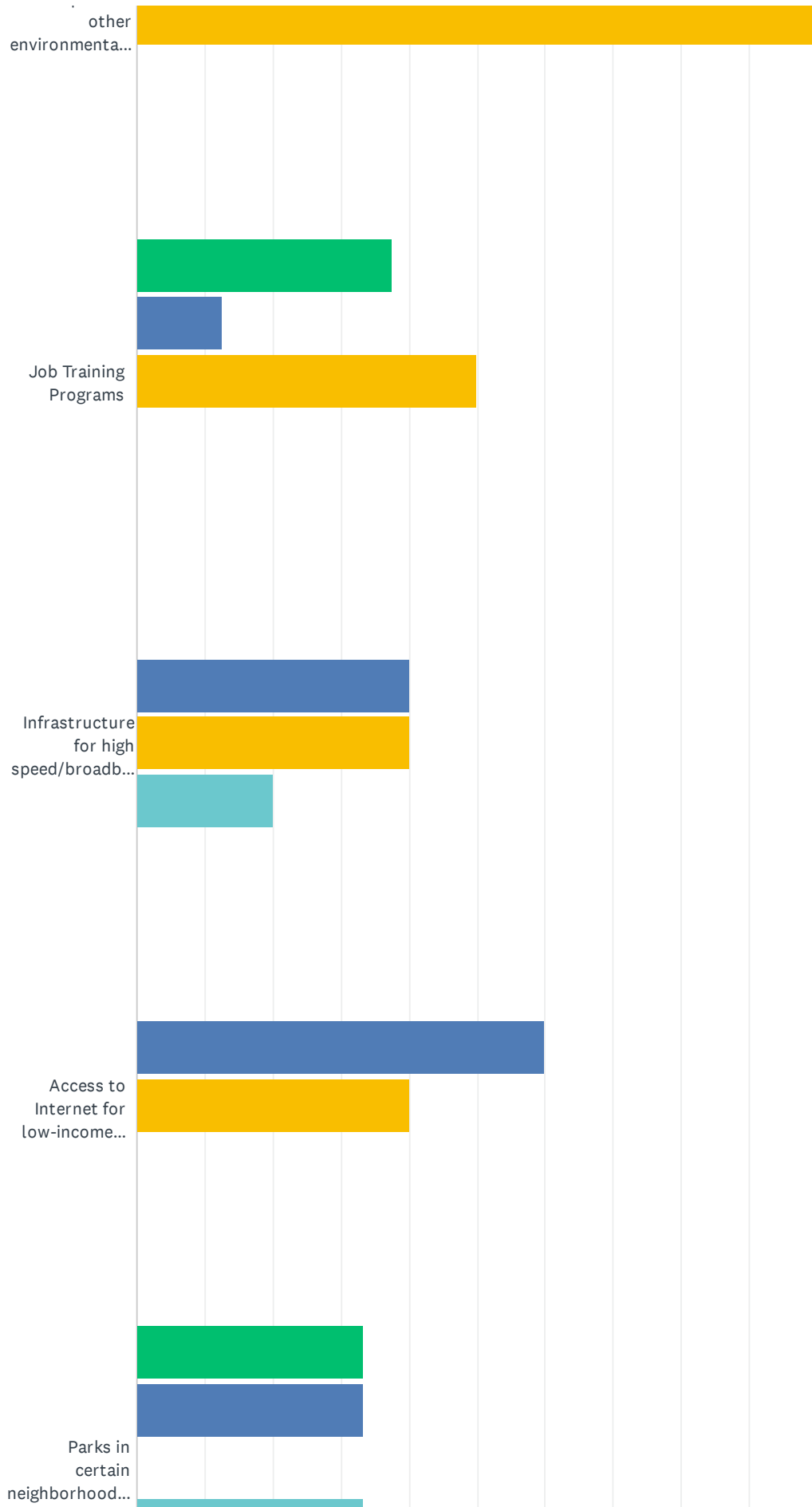
Answered: 7 Skipped: 4

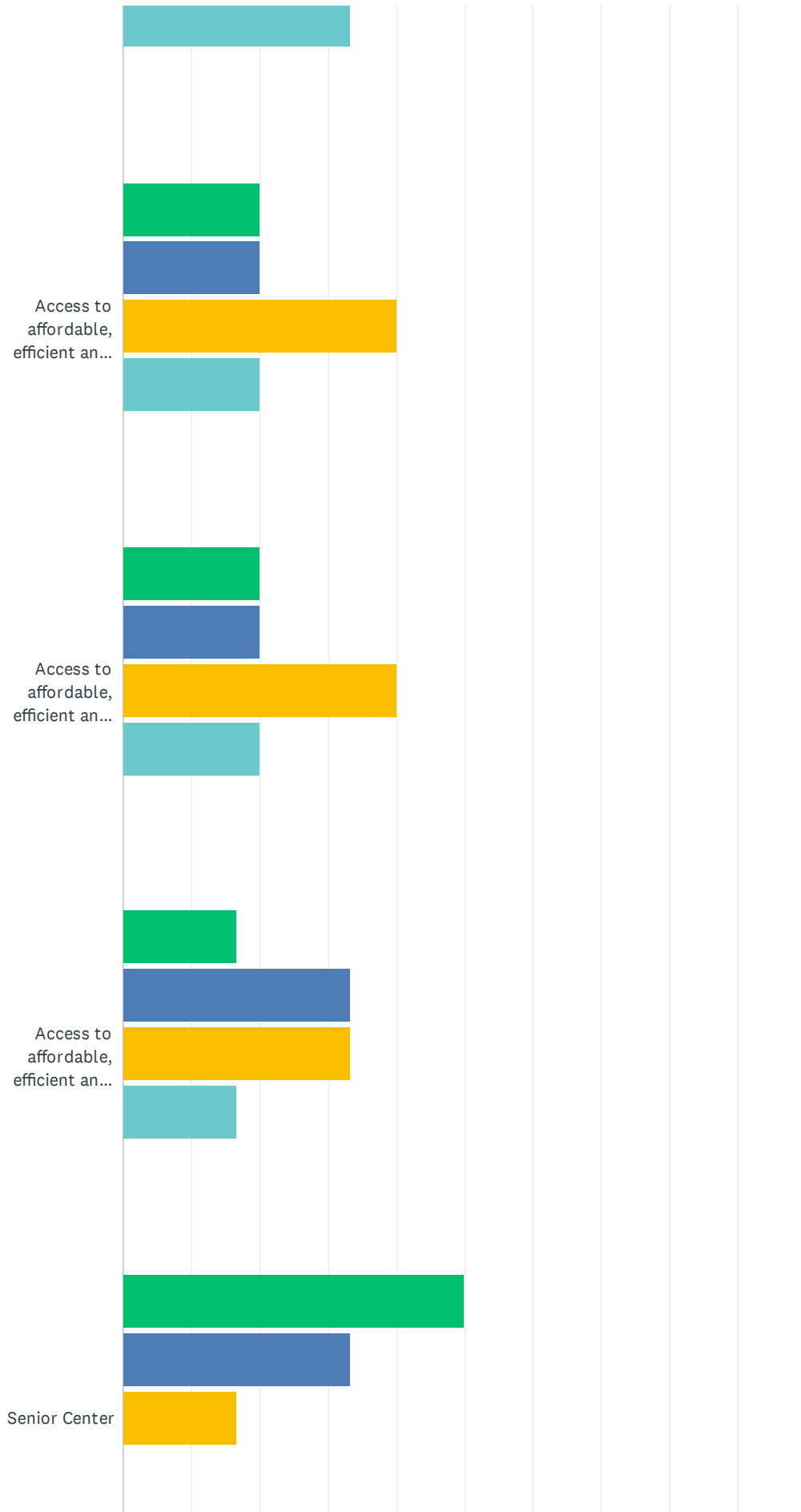
#	RESPONSES	DATE
1	The areas most affected are South Montebello, where finding affordable rentals and housing is challenging.	2/4/2025 1:54 PM
2	Washington and Greenwood and areas in the southern portion of Montebello.	10/30/2024 3:20 PM
3	City Center Downtown and South Side	10/23/2024 7:40 AM
4	Specifically in the Downtown Area, we have noticed lots of graffiti to our buildings, numerous break-ins, and a large need for housing. Even those that are business owners let us know how difficult it is to find affordable housing. When we eventually opened our lottery for the community, we were surprised to see that more than 1500 individuals applied to live in our building where we only have 30 units available.	10/22/2024 2:16 PM
5	Graffiti in multiple areas of Montebello.	10/11/2024 2:11 PM
6	We see housing issues throughout the city of Montebello that affect all residents.	10/9/2024 6:06 PM
7	South of Whittier Blvd.	10/9/2024 2:56 PM

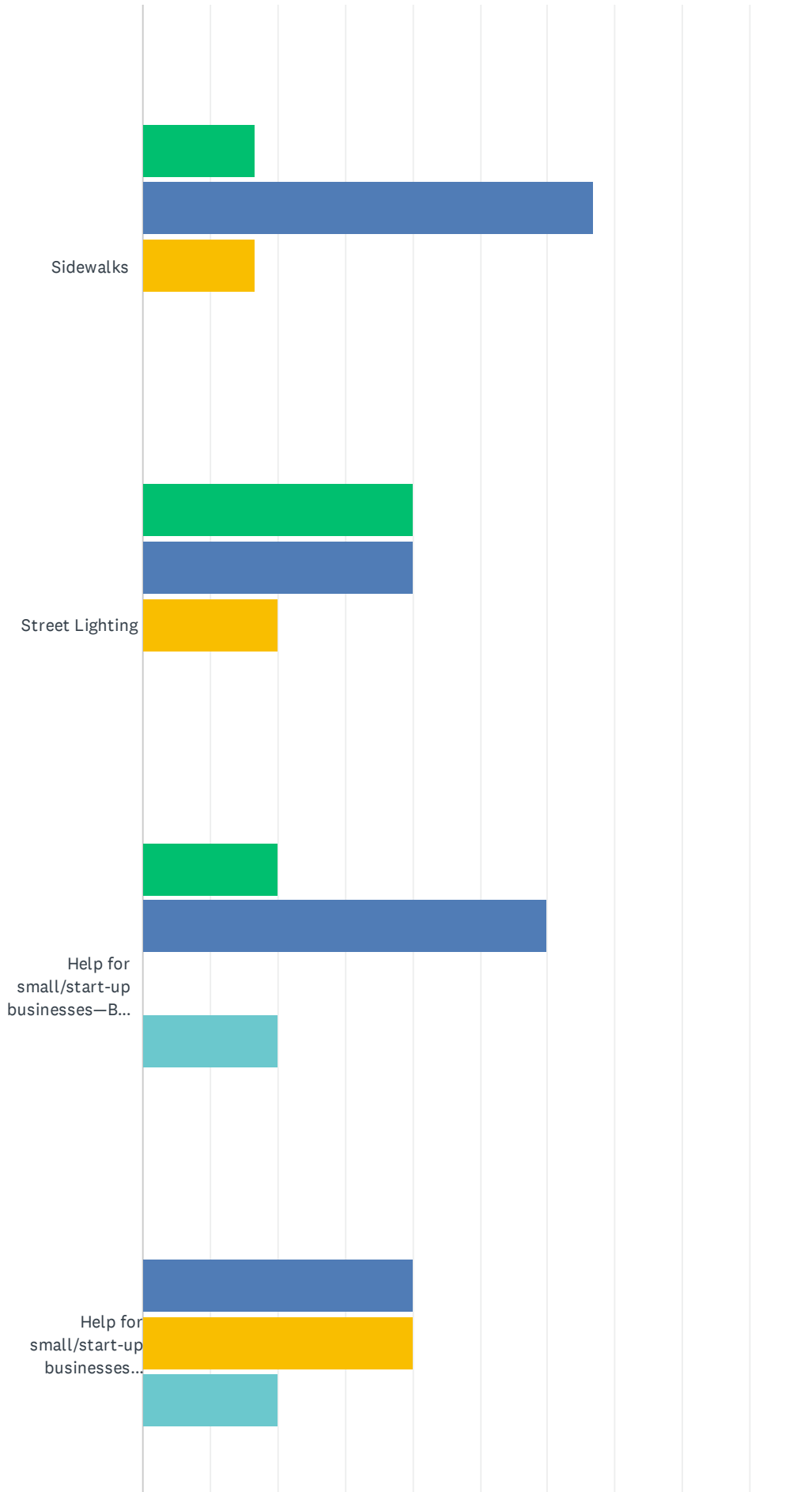
Q8 As it relates to Low- to Moderate-income (LMI) households, what are the top five greatest unmet community development needs in the City?
Please choose only five options.

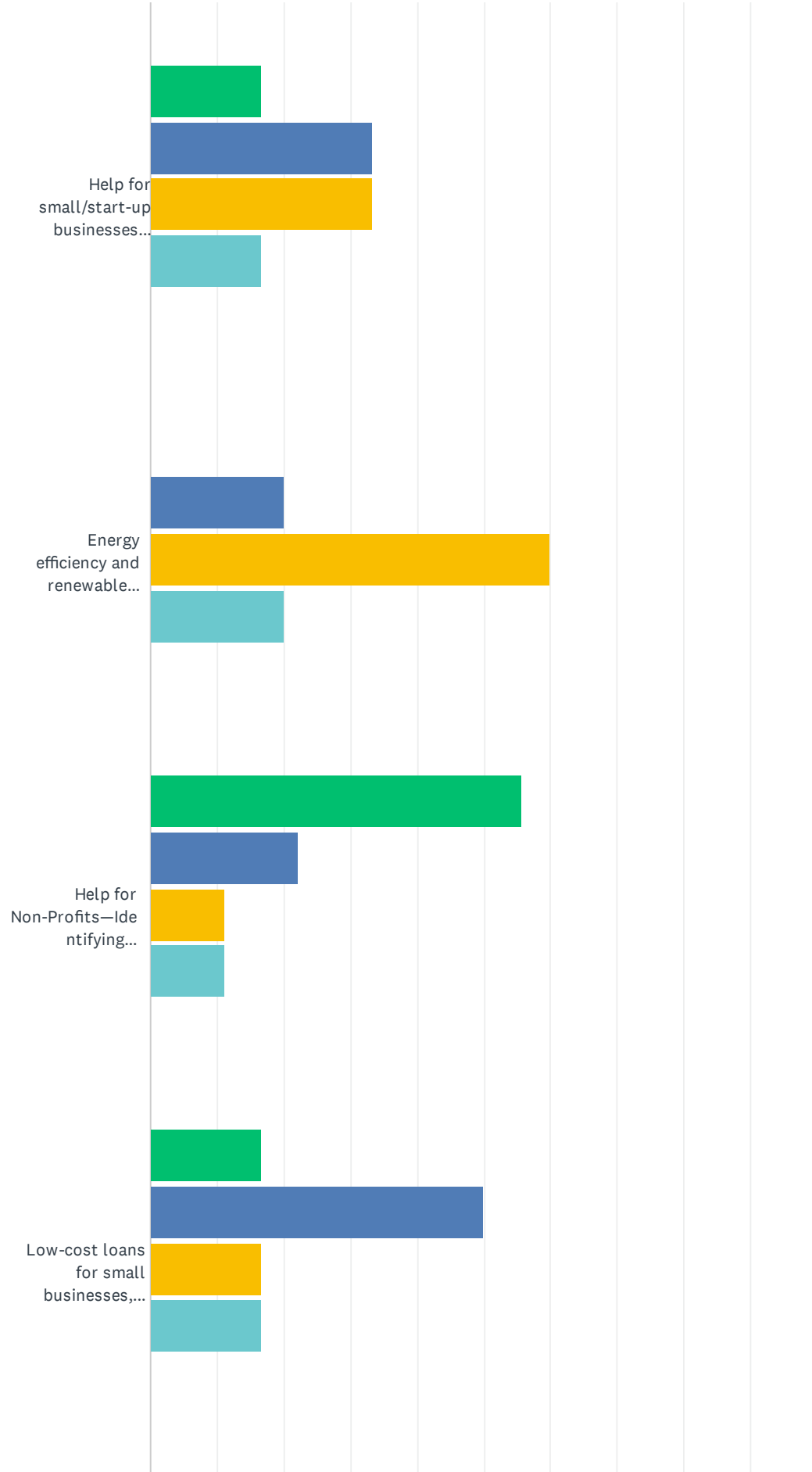
Answered: 9 Skipped: 2

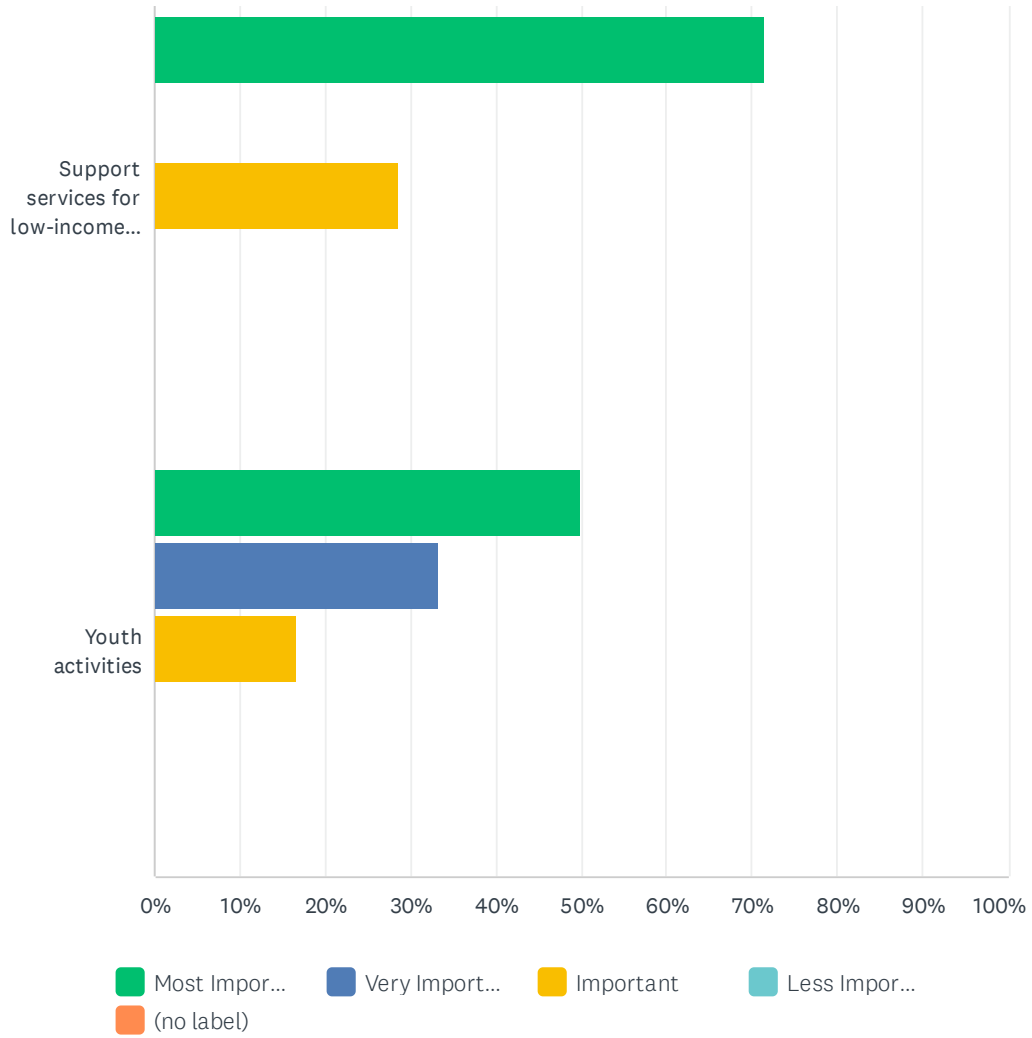












CITY OF MONTEBELLO 2025-2029 Consolidated Plan 2025-2026 Annual
Action Plan Stakeholder Survey

SurveyMonkey

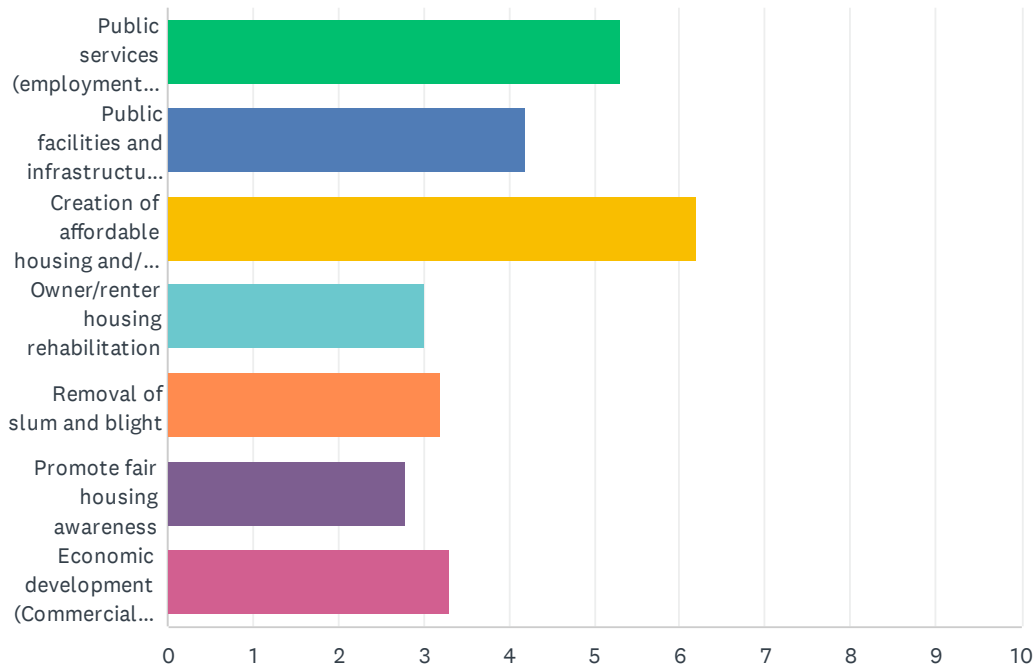
	MOST IMPORTANT	VERY IMPORTANT	IMPORTANT	LESS IMPORTANT	(NO LABEL)	TOTAL	WEIGHTED AVERAGE
Accessibility (ADA) improvements to public buildings/community amenities (e.g., parks, trails)	16.67% 1	50.00% 3	0.00% 0	33.33% 2	0.00% 0	6	2.50
Affordable Childcare	50.00% 3	50.00% 3	0.00% 0	0.00% 0	0.00% 0	6	1.50
Affordable Housing	71.43% 5	28.57% 2	0.00% 0	0.00% 0	0.00% 0	7	1.29
Flood plain or other environmental hazard mitigation (specify hazards in the Additional Details Box below)	0.00% 0	0.00% 0	100.00% 5	0.00% 0	0.00% 0	5	3.00
Job Training Programs	37.50% 3	12.50% 1	50.00% 4	0.00% 0	0.00% 0	8	2.13
Infrastructure for high speed/broadband Internet access	0.00% 0	40.00% 2	40.00% 2	20.00% 1	0.00% 0	5	2.80
Access to Internet for low-income residents	0.00% 0	60.00% 3	40.00% 2	0.00% 0	0.00% 0	5	2.40
Parks in certain neighborhoods (specify in the Additional Details Box below)	33.33% 2	33.33% 2	0.00% 0	33.33% 2	0.00% 0	6	2.33
Access to affordable, efficient and reliable public transportation for all city neighborhoods	20.00% 1	20.00% 1	40.00% 2	20.00% 1	0.00% 0	5	2.60
Access to affordable, efficient and reliable public transportation for persons with disabilities	20.00% 1	20.00% 1	40.00% 2	20.00% 1	0.00% 0	5	2.60
Access to affordable, efficient and reliable public transportation for seniors	16.67% 1	33.33% 2	33.33% 2	16.67% 1	0.00% 0	6	2.50
Senior Center	50.00% 3	33.33% 2	16.67% 1	0.00% 0	0.00% 0	6	1.67
Sidewalks	16.67% 1	66.67% 4	16.67% 1	0.00% 0	0.00% 0	6	2.00
Street Lighting	40.00% 2	40.00% 2	20.00% 1	0.00% 0	0.00% 0	5	1.80
Help for small/start-up businesses—Business plan development, entrepreneurship training	20.00% 1	60.00% 3	0.00% 0	20.00% 1	0.00% 0	5	2.20
Help for small/start-up businesses —Business skills development (e.g., accounting software training)	0.00% 0	40.00% 2	40.00% 2	20.00% 1	0.00% 0	5	2.80
Help for small/start-up businesses —Market research and competitive intelligence, and internet and social media	16.67% 1	33.33% 2	33.33% 2	16.67% 1	0.00% 0	6	2.50

strategy/search engine
optimization

Energy efficiency and renewable energy services	0.00% 0	20.00% 1	60.00% 3	20.00% 1	0.00% 0	5	3.00
Help for Non-Profits—Identifying loan/grant opportunities	55.56% 5	22.22% 2	11.11% 1	11.11% 1	0.00% 0	9	1.78
Low-cost loans for small businesses, start-ups, and non-profits	16.67% 1	50.00% 3	16.67% 1	16.67% 1	0.00% 0	6	2.33
Support services for low-income residents (specify in the Additional Details Box below)	71.43% 5	0.00% 0	28.57% 2	0.00% 0	0.00% 0	7	1.57
Youth activities	50.00% 3	33.33% 2	16.67% 1	0.00% 0	0.00% 0	6	1.67

Q9 Please rank the following priorities for funding from one (1) to seven (7) in order of importance to the community. (1 being the most important and 7 being the least important)

Answered: 10 Skipped: 1



	1	2	3	4	5	6	7	TOTAL	SCORE
Public services (employment training, homeless, elderly, crime, etc.)	30.00% 3	30.00% 3	10.00% 1	10.00% 1	10.00% 1	10.00% 1	0.00% 0	10	5.30
Public facilities and infrastructure improvements	10.00% 1	10.00% 1	30.00% 3	20.00% 2	10.00% 1	10.00% 1	10.00% 1	10	4.20
Creation of affordable housing and/or homebuyer assistance	40.00% 4	50.00% 5	0.00% 0	10.00% 1	0.00% 0	0.00% 0	0.00% 0	10	6.20
Owner/renter housing rehabilitation	0.00% 0	0.00% 0	10.00% 1	20.00% 2	40.00% 4	20.00% 2	10.00% 1	10	3.00
Removal of slum and blight	10.00% 1	10.00% 1	10.00% 1	0.00% 0	20.00% 2	30.00% 3	20.00% 2	10	3.20
Promote fair housing awareness	10.00% 1	0.00% 0	10.00% 1	20.00% 2	10.00% 1	0.00% 0	50.00% 5	10	2.80
Economic development (Commercial Facade, Workforce Development, etc.)	0.00% 0	0.00% 0	30.00% 3	20.00% 2	10.00% 1	30.00% 3	10.00% 1	10	3.30

Q10 What advice do you have for the City to be able to increase the effectiveness of its community development programs?

Answered: 7 Skipped: 4

#	RESPONSES	DATE
1	1) Building trust and transparency with the community is essential as these elements serve as the foundation for successful community programs. 2) Engaging community members in the planning process through surveys and town halls enhances collaboration and input. 3) Focusing on affordable housing and economic mobility is important, as housing and employment contribute significantly to community well-being. Collaboration with developers and stakeholders can lead to the creation of incentives for affordable housing.	2/4/2025 1:54 PM
2	Plan for the future.	10/30/2024 3:20 PM
3	Try to leverage the limited city funding through partnerships with regional, county, state, federal and private funding mechanisms.	10/23/2024 7:40 AM
4	Creation of Affordable Housing - city funding dedicated to these projects, land donations, help finding locations near amenities Facade grants - removal of slum and blight	10/22/2024 2:16 PM
5	More funding for programming.	10/11/2024 2:11 PM
6	Have meetings with the general public to obtain feedback from city residents.	10/9/2024 6:06 PM
7	The importance of collaboration and partnerships in improving the quality of life for Montebello residence. For too long the City, Schools, Hospital and Community organizations have been operating in their own silos. We all need to work in concert with one another to truly deepen one another's impact. We're all serving the same families, rather than viewing one another as competition we should leverage one another's strengths and work together.	10/9/2024 2:56 PM

Q11 What advice do you have for the City to be able to increase the effectiveness of its housing programs?

Answered: 6 Skipped: 5

#	RESPONSES	DATE
1	1) Enhance education and outreach by informing residents about available housing programs, their requirements, and how to apply. 2) Support homeownership programs and refer individuals to housing agencies that can assist with down payment assistance programs. 3) Collaborate with banks and credit unions to offer loans with lower interest rates and more flexible terms, helping individuals qualify for these programs.	2/4/2025 1:54 PM
2	Establish regulations to incentivize housing construction.	10/30/2024 3:20 PM
3	Go all in and prioritize projects, ensure they fit your overall plan, have them provide a value add to the overall community aside from housing, support funding applications with city programs.	10/23/2024 7:40 AM
4	Encourage affordable housing developers to develop in various areas of Montebello and not just Downtown, work with developers to receive additional funding by providing letters of support or city funding	10/22/2024 2:16 PM
5	Provide more outreach and education programs to inform city residents regarding existing housing programs and resources.	10/9/2024 6:06 PM
6	Provide more funding to those organizations who are best positioned to make the most meaningful impact with those funds, relative to community needs.	10/9/2024 2:56 PM

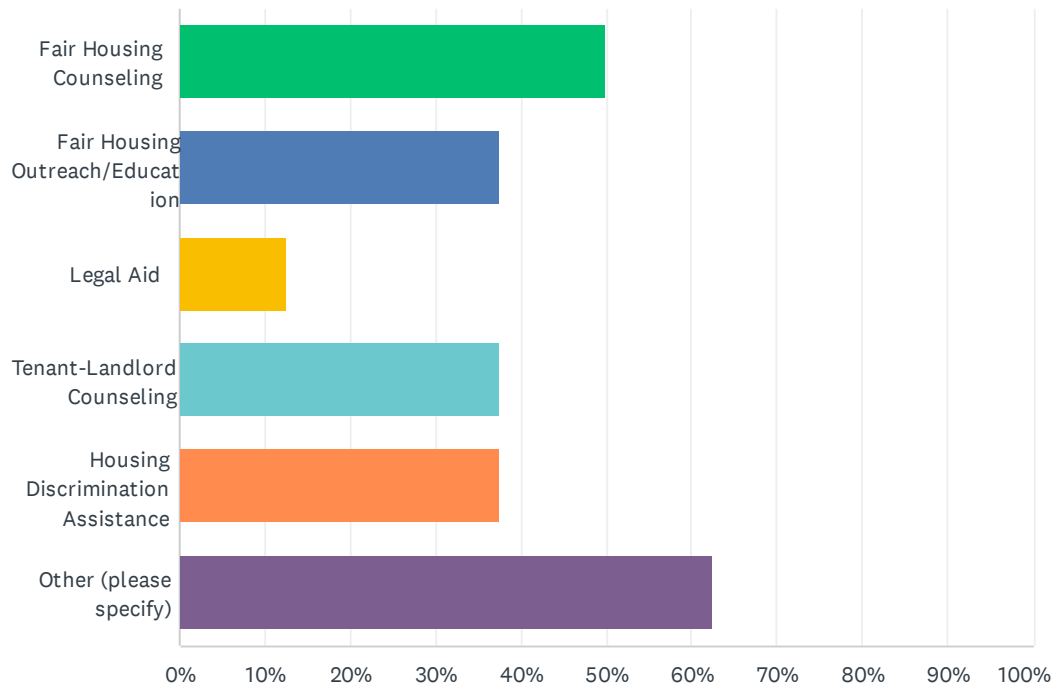
Q12 Please expand on your insights and feedback as it relates to the community needs and priorities that are eligible under this program.

Answered: 6 Skipped: 5

#	RESPONSES	DATE
1	Highlight the importance of increasing affordable housing options for low- to moderate-income residents. This could be achieved through rental assistance programs or by building new affordable units.	2/4/2025 1:54 PM
2	Unknown	10/30/2024 3:20 PM
3	Recommend not spreading yourself too thin. Focus on two or three things and do them well. You cannot please everyone and do everything, but you can make true impacts if you focus on a couple of things really well.	10/23/2024 7:40 AM
4	CDBG - build more parks (soccer futsal courts), affordable housing, youth programs (arts and dance) HOME - affordable housing, vouchers for affordable housing	10/22/2024 2:16 PM
5	Having opportunities for affordable housing within the city. In addition, provide additional resources for tenant protections along with knowing their rights under landlord/tenant laws.	10/9/2024 6:06 PM
6	We conducted our own community needs assessment earlier this year, and one of the overarching themes we learned is our young families, seniors and teens are feeling a lack of connectedness, loneliness, and isolated. There needs to be a focus on bringing people together, and intentionally build relationships among stakeholders in the same chapter of life. In other words, cultivate a sense of doing life TOGETHER, rather than in isolation.	10/9/2024 2:56 PM

Q13 What fair housing services do you provide? (select all that apply)

Answered: 8 Skipped: 3

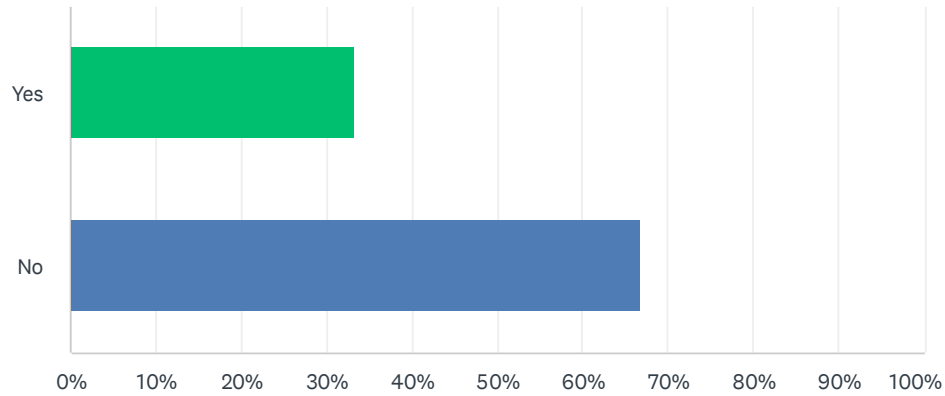


ANSWER CHOICES	RESPONSES
Fair Housing Counseling	50.00% 4
Fair Housing Outreach/Education	37.50% 3
Legal Aid	12.50% 1
Tenant-Landlord Counseling	37.50% 3
Housing Discrimination Assistance	37.50% 3
Other (please specify)	62.50% 5
Total Respondents: 8	

#	OTHER (PLEASE SPECIFY)	DATE
1	Mortgage Default counseling and Financial Literacy. Assistance for Disaster Counseling for Fire Victims	2/4/2025 1:54 PM
2	Our partner agencies provide a continuum of programs ranging from outreach, access centers, emergency shelters, safe havens, transitional and permanent housing, and prevention, along with the necessary supportive services designed to provide the tools and skills required to attain a stable housing environment.	11/21/2024 5:00 PM
3	Fair Housing via Housing Resource Center	11/18/2024 4:07 PM
4	Affordable Housing with Social Services	10/22/2024 2:16 PM
5	Food and shelter.	10/11/2024 2:11 PM

Q14 Do you believe housing discrimination exists in your service area?

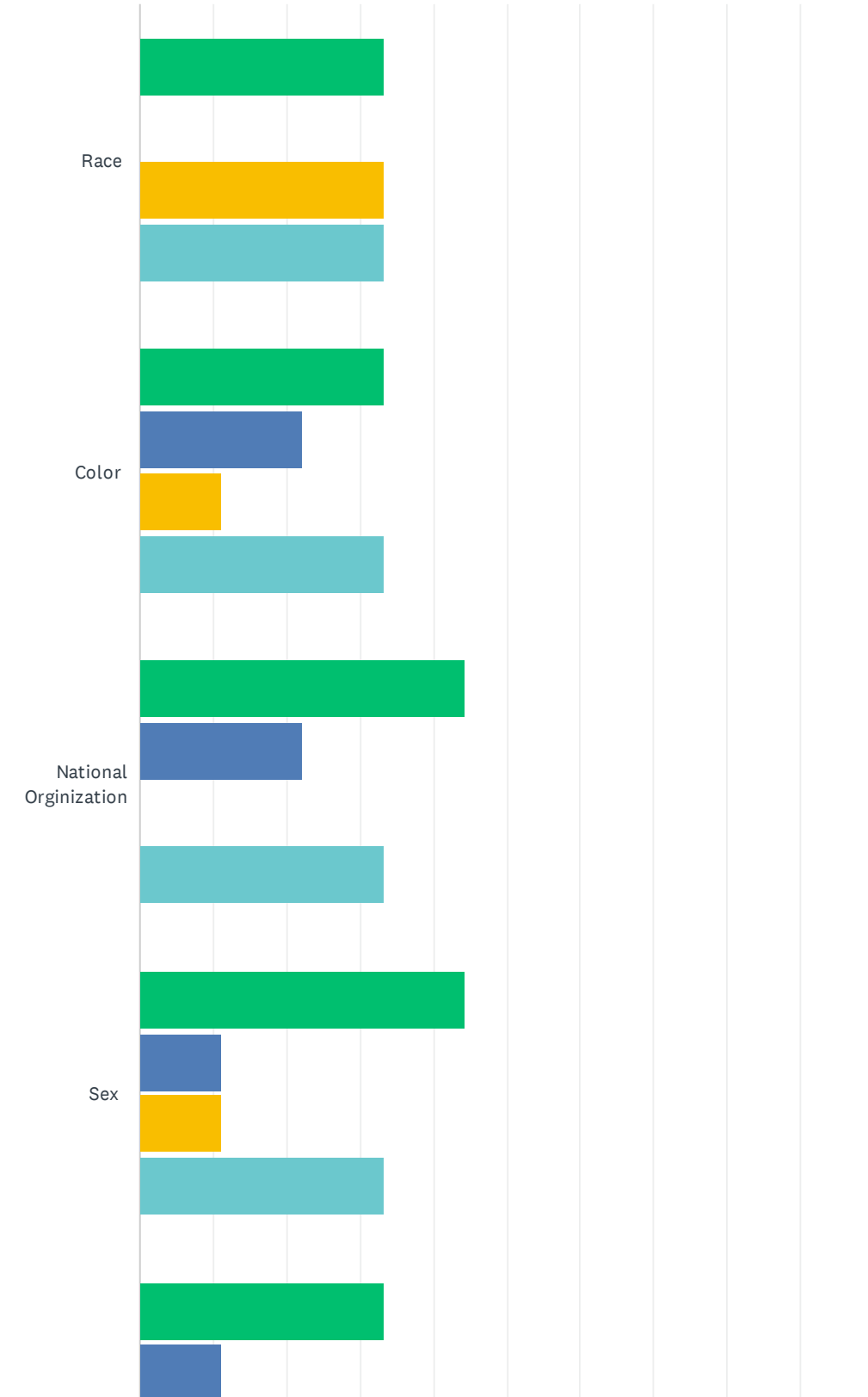
Answered: 9 Skipped: 2

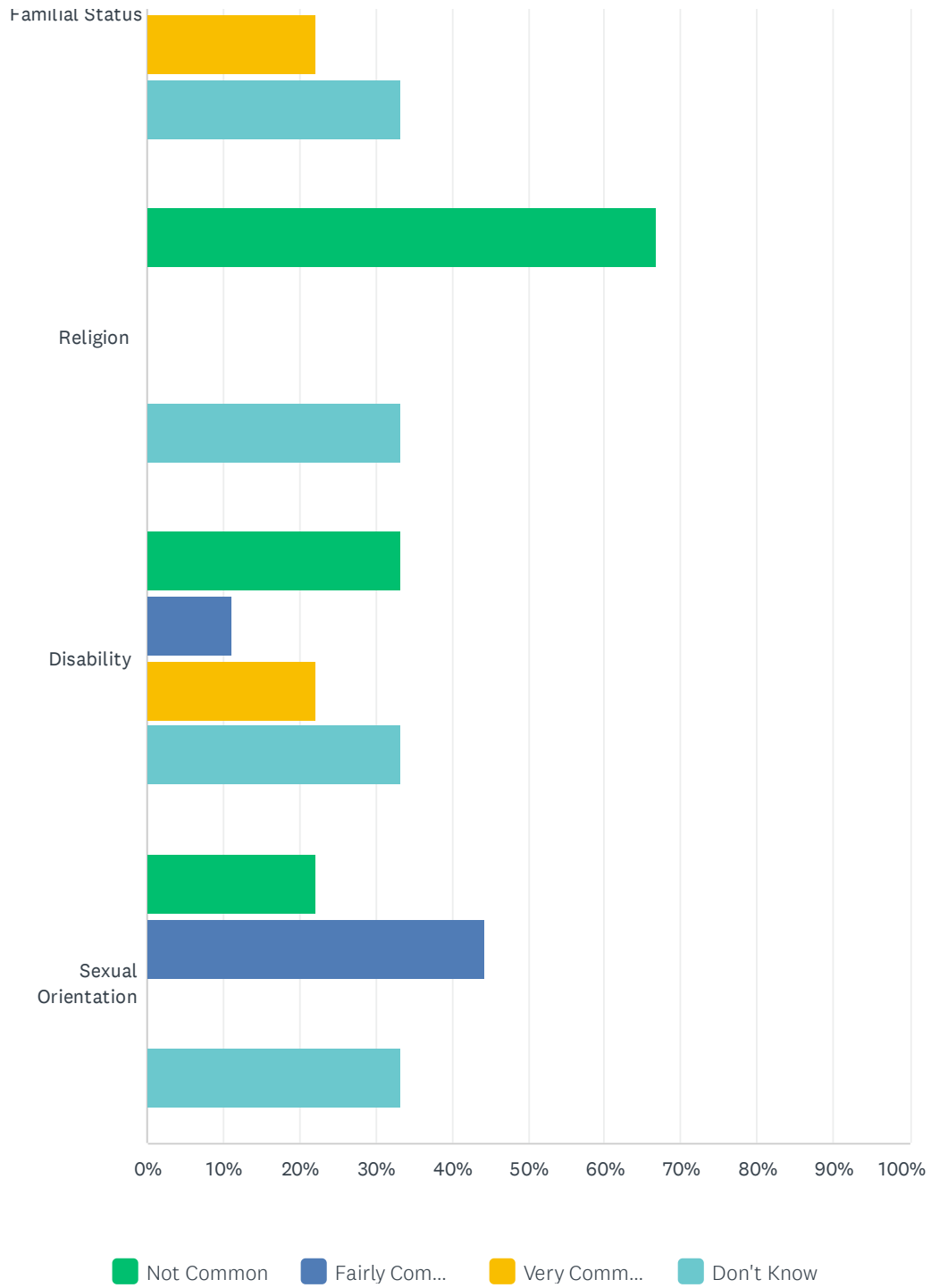


ANSWER CHOICES	RESPONSES	
Yes	33.33%	3
No	66.67%	6
TOTAL		9

Q15 Please rate the following types of housing discrimination based on how common you think they occur in your community.

Answered: 9 Skipped: 2





	NOT COMMON	FAIRLY COMMON	VERY COMMON	DON'T KNOW	TOTAL	WEIGHTED AVERAGE
Race	33.33% 3	0.00% 0	33.33% 3	33.33% 3	9	2.67
Color	33.33% 3	22.22% 2	11.11% 1	33.33% 3	9	2.44
National Organization	44.44% 4	22.22% 2	0.00% 0	33.33% 3	9	2.22
Sex	44.44% 4	11.11% 1	11.11% 1	33.33% 3	9	2.33
Familial Status	33.33% 3	11.11% 1	22.22% 2	33.33% 3	9	2.56
Religion	66.67% 6	0.00% 0	0.00% 0	33.33% 3	9	2.00
Disability	33.33% 3	11.11% 1	22.22% 2	33.33% 3	9	2.56
Sexual Orientation	22.22% 2	44.44% 4	0.00% 0	33.33% 3	9	2.44

Q16 What do you feel is needed most to improve broadband access to areas that do not have adequate access currently?

Answered: 7 Skipped: 4

#	RESPONSES	DATE
1	By expanding the infrastructure through partnerships with local companies and utilizing state funding, the city could establish public-private collaborations to install broadband in hard-to-reach areas. This would include providing Wi-Fi hubs in libraries and community centers. Educate	2/4/2025 1:54 PM
2	Private sector investment in infrastructure.	10/30/2024 3:20 PM
3	A plan for service to reach these areas. Try above aerial service (starlink or routers on high buildings) access instead of underground which is expensive	10/23/2024 7:40 AM
4	Public-Partner Partnerships with Service Providers	10/22/2024 2:16 PM
5	N/A	10/11/2024 2:11 PM
6	Provide all city residents with low cost or no cost Wi-Fi services in order for all residents to have access.	10/9/2024 6:06 PM
7	Partner with providers to encourage low-cost options.	10/9/2024 2:56 PM

Q17 Do you feel there is local support for broadband access and tech literacy? If not, why?

Answered: 7 Skipped: 4

#	RESPONSES	DATE
1	Yes.	2/4/2025 1:54 PM
2	Yes.	10/30/2024 3:20 PM
3	Yes	10/23/2024 7:40 AM
4	Tech literacy no, lots of businesses are still out dated in terms of payments and can be working more efficiently or receive more business	10/22/2024 2:16 PM
5	No.	10/11/2024 2:11 PM
6	Yes.	10/9/2024 6:06 PM
7	Yes. Connectivity and technology are increasingly interwoven throughout all aspects of our lives. Without access, residents are unable to remain relevant and competitive with others professionally and personally.	10/9/2024 2:56 PM

Q18 Is there a need for broadband wiring and for connection to broadband service in household units, affordable housing units, and/or in certain areas of the city?

Answered: 7 Skipped: 4

#	RESPONSES	DATE
1	Yes.	2/4/2025 1:54 PM
2	Unknown.	10/30/2024 3:20 PM
3	Make all new developments wire for connection in their developments or have a plan for residents to access if requested.	10/23/2024 7:40 AM
4	Yes - our affordable housing units come with Internet Connectivity	10/22/2024 2:16 PM
5	No.	10/11/2024 2:11 PM
6	Yes.	10/9/2024 6:06 PM
7	I'm unaware. Someone more intimately involved in this topic would be best respond.	10/9/2024 2:56 PM

Q19 Do you believe that housing in the city is vulnerable to increased natural hazards due to environmental conditions? Why or Why not?

Answered: 7 Skipped: 4

#	RESPONSES	DATE
1	There may be a disaster, such as an earthquake because the city is near the San Andreas Fault. There could also be winds and fires, especially after the Altadena fire, which is only 10 miles from Montebello. The city must be prepared and educate the residents on disaster preparedness.	2/4/2025 1:54 PM
2	I believe Montebello is well balanced and capable of addressing natural hazards.	10/30/2024 3:20 PM
3	Not sure	10/23/2024 7:40 AM
4	New Developments in the hills can be vulnerable to Fires in the Summer months and areas below the hills can be vulnerable to mudslides or landslides in the Winter months	10/22/2024 2:16 PM
5	No.	10/11/2024 2:11 PM
6	I do not have enough information to answer this question.	10/9/2024 6:06 PM
7	My assumption is there is a small percentage of households vulnerable. However, this question would be best asked of realtors or the like as they would be better equipped to comment.	10/9/2024 2:56 PM

Q20 Please provide any additional information you would like to share related to fair housing discrimination in the city.

Answered: 5 Skipped: 6

#	RESPONSES	DATE
1	I would suggest that the California Department of Housing and Community Development review its policies which allow single-family homes to be converted into multi-unit dwellings with not affordable requirements which has driven the housing market to increase in such a way that it is extremely unaffordable for all.	10/30/2024 3:20 PM
2	City Staff is doing a great job	10/23/2024 7:40 AM
3	Affordable housing abides to Fair housing laws, continuing to build affordable housing will help the community be treated fairly and keep those who have been here for years from moving	10/22/2024 2:16 PM
4	Fair housing discrimination continues to be prevalent throughout LA County which why we advocate for a great need to inform tenants and landlords of such discriminatory practices in order to educate landlords and tenants.	10/9/2024 6:06 PM
5	Thank you for the opportunity to share my perspective. I am excited for the future of Montebello, and look forward to serving as a conduit that brings our community organizations together to improve the quality of life for our residents.	10/9/2024 2:56 PM



MONTEBELLO

CITIZEN PARTICIPATION PLAN

CITY OF MONTEBELLO

City of Montebello
Planning and Community Development Department
Housing Division

MAY 14, 2025

Table of Contents

Introduction.....	3
Public Hearings.....	3
Comments & Complaints	5
Citizen Participation Plan	6
Consolidated Plan.....	7
City Staff	7
City Council.....	7
Public Engagement	8
Amendment(s) to the Consolidated Plan.....	9
Annual Action Plan	10
Amendment(s) to the Annual Action Plan	11
Consolidated Annual Performance and Evaluation Report (CAPER)	12
Anti-Displacement.....	12
Technical Assistance	11
Bilingual Opportunities	11
Contingency Plan in the Event of an Emergency/Disaster	11
Access to Records	11

Introduction

The Citizen Participation Plan is designed to enhance communication between the City and its residents regarding the use of Federal Grant funding from the U.S. Department of Housing and Urban Development (HUD). This plan aims to increase awareness of Montebello's Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) programs. It actively involves citizens in the development of the Consolidated Plan, Annual Action Plan, substantial amendments, and the Consolidated Annual Performance Evaluation Report (CAPER). Additionally, it promotes active citizen engagement in neighborhood improvement initiatives and ensures that all segments of the population are equitably represented.

Citizen involvement will be encouraged in various aspects such as application development, program implementation, performance assessment, submission of views and proposals, consideration of objections to applications, complaints, technical assistance, provision of adequate information, public hearings, bilingual dissemination (when appropriate), and program amendments.

The City promotes the participation of all groups, including low- and moderate-income individuals—especially those residing in slum and blighted areas—members of minority groups, non-English speaking individuals, persons with mobility, visual, or hearing impairments, residents of areas experiencing significant activity or proposals, the elderly, and the business community, along with civic groups concerned about the community.

While the City values and recognizes the importance of citizen involvement, the City Council of Montebello retains ultimate authority and responsibility for all aspects of the City's Community Development programs.

It is important to note that on February 26, 2025, the Office of the Secretary of the U.S. Department of Housing and Urban Development (HUD) formally announced the termination of the Affirmatively Furthering Fair Housing Rule. Consequently, the city is no longer required to perform an Analysis of Impediments to Fair Housing Choice, as was previously mandated.

Public Hearings

The City will hold public hearings at locations and times that are convenient for the public, particularly for those affected by program resources. All locations will be ADA accessible. Public hearings and meetings will take place at City Hall, in the Council Chambers located at 1600 W. Beverly Blvd., Montebello, CA 90640, unless a different location and/or time is announced in advance. Requests for translation services will be available at all public hearings if made to the City Clerk's office at least 24 hours before the meeting begins. Other requests for reasonable accommodations must be submitted 48 hours prior to the hearing date; the City will provide appropriate assistance as feasible. For special assistance, you may also contact the Building Official at (323) 887-1497. Public Hearing Notices for City Council meetings are posted at the following locations at least 72 hours before any hearing:

- **Montebello City Hall**
1600 W Beverly Blvd
Montebello, CA 90640
- **Montebello City Website**
www.montebellocal.ca.gov
- **Montebello Public Library**
1550 W Beverly Blvd
Montebello, CA 90640
- **Chet Holifield Library**
1060 S Greenwood Ave
Montebello, CA 90640
- **Montebello Senior Center**
115 S Taylor Ave
Montebello, CA 90640

Comments & Complaints

Citizens, local governments, and agencies providing services to the community are invited to submit comments. They are encouraged to express their opinions during the development of the Consolidated Plan and any amendments to these documents. Written and verbal comments received at public hearings or during designated comment periods will be considered, summarized, and included as an attachment to the final Plans. Written comments should be addressed to:

City of Montebello
Housing Division
1600 W Beverly Blvd.
Montebello, CA 90640

A written response will be made to all written comments within fourteen (14) days, acknowledging the letter and identifying a plan of action, if necessary.

The city will accept written complaints provided they specify the following:

- The description of the objection and supporting facts and data.
- Name, address, telephone number, and date.

A record will be maintained of all complaints received that will include the nature of the complaint, research by staff of facts and evidence, referrals made, and the final outcome.

Citizens may contact HUD directly if they wish to object to any part of the Consolidated Plan, Annual Action Plan, CAPER, and/or any other federally funded programs.

Citizen Participation Plan

The Citizen Participation Plan (CPP) aims to engage the residents of Montebello and social services agencies in the creation and approval of the Consolidated Plan, Annual Action Plan, substantial amendments, and the Consolidated Annual Performance Evaluation Report (CAPER). All aspects of the City's citizen participation initiatives will be conducted transparently, ensuring that all interested individuals have access. The Citizen Participation Plan includes several elements designed to facilitate community involvement as outlined in each section of the plan.

The city will revise its current Citizen Participation Plan whenever there is a proposed change to the public participation process as described in this plan. Before adopting the Citizen Participation Plan, the following procedures for public comment, review, and adoption will ensure that all citizens have the opportunity to engage in the development and/or amendment of the plan. The city will provide a notice of the 30-day public review period and public hearing on the CPP. The notice will be appropriately advertised to coincide with the 30-day public comment period. At times, due to extenuating circumstances (i.e. natural disasters, emergencies, pandemic), HUD allows for flexibilities for public review periods, comment periods, and noticing. In such scenarios the city may opt to follow HUD's guidance and limit the noticing and public comment periods.

The proposed CPP will be available for public review at the locations:

- **Montebello City Hall** 1600 W Beverly Blvd Montebello, CA 90640
- **Montebello City Website** www.montebellocal.gov
- **Montebello Public Library** 1550 W Beverly Blvd Montebello, CA 90640
- **Chet Holifield Library** 1060 S Greenwood Ave Montebello, CA 90640
- **Montebello Senior Center** 115 S Taylor Ave Montebello, CA 90640

Upon written request, the Plan will be made available in an alternative format for persons needing reasonable accommodations.

The City Council will adopt the draft plan at a designated meeting that is publicly announced. Following the adoption, the Citizen Participation Plan (CPP) will include a summary of public comments as well as a summary of any comments that were not accepted, along with the reasons for their rejection. All of this information will be attached to the final CPP. The city of Montebello is required to adhere to its CPP.

The City of Montebello must follow its Citizen Participation Plan.

Consolidated Plan

The consolidated plan is a comprehensive document that combines a program and funding implementation strategy, outlining the City of Montebello's goals and objectives for housing, community planning, and development.

Typically covering a five-year period, the consolidated plan serves as a strategic approach to address the unmet public service and housing needs of low-income individuals and families within the city. Each year, an annual action plan is created to prepare for the upcoming grant year, detailing specific activities, goals, and funding allocations.

The process of developing the consolidated plan involves collaboration between City staff and the City Council.

City Staff

City Staff will act in an advisory capacity to the City Council regarding the planning, implementing, and assessing of the CDBG programs and when needed, other federally funded activities through the following:

- Collecting input and/or needs requested by residents of Montebello.
- Preparing a prioritized list of neighborhood/community needs for review by City Council.
- Preparing project and activity recommendations for review by City Council for funding approval.
- Reviewing project and activity progress.

City Council

City staff will make recommendations and provide information to the City Council regarding the allocation of CDBG activities, expenditure of HUD funds, and the administration of the CDBG programs based on the needs of the community. City Council meetings are open to the public. The public and residents of Montebello are invited to attend and participate in the discussion of the policy. All public hearings shall be appropriately advertised as noted in this plan.

City Council will fulfill its role by carrying out the procedures established in the Citizen Participation Plan. The City Council makes the final decision regarding funding allocations.

Public Engagement

The following procedures will ensure that all citizens will have a chance to make recommendations to the final draft of the 5-Year Consolidated Plan. Specifically, staff will:

- Publish a notice announcing the 30-day public review period and public hearings of the draft 5-Year Consolidated Plan. The notice will be appropriately advertised in a newspaper of general circulation and will include a summary of the draft that describes the contents, purpose, and a list of the locations where copies of the draft may be reviewed. The notice will be appropriately advertised to correlate with the 30-day. At times, due to extenuating circumstances (i.e. natural disasters, emergencies, pandemic), HUD allows for flexibility for public review periods, comment periods, and noticing. In such scenarios the city may opt to follow HUD's guidance and limit the noticing and public comment periods.

The proposed Consolidated Plan will be available for public review at the locations:

- **Montebello City Hall** 1600 W Beverly Blvd Montebello, CA 90640
- **Montebello City Website** www.montebellocal.gov
- **Montebello Public Library** 1550 W Beverly Blvd Montebello, CA 90640
- **Chet Holifield Library** 1060 S Greenwood Ave Montebello, CA 90640
- **Montebello Senior Center** 115 S Taylor Ave Montebello, CA 90640

Upon written request, the Plan will be made available in an alternative format for persons needing reasonable accommodations.

Pursuant to HUD regulations, at least two public meetings/hearings during the development of the Consolidated Plan development. City Staff will conduct the first public hearing/meeting to accept public input on community needs during the development stage of the Draft Consolidated Plan. The City Council will then conduct a second public hearing/meeting to accept comments on the Draft Consolidated Plan which will be provided for public review for a 30-day period. At times, due to extenuating circumstances (i.e. natural disasters, emergencies, pandemic), HUD allows for flexibility for public review periods, comment periods, and noticing. In such scenarios the city may opt to follow HUD's guidance and limit the noticing and public comment periods.

After the adoption of the Plan, the final 5-Year Consolidated Plan will be submitted to HUD. The final Plan will include a summary of public comments all which will be attached to the final Plan.

Amendment(s) to the Consolidated Plan

HUD regulations state that a grantee shall amend its 5-Year Consolidated Plan submission whenever it decides:

- Not to carry out an activity described in the 5-Year Consolidated Plan
- To carry out an activity not previously described in the Plan, or
- To substantially change the purpose, scope, location, or beneficiaries of an activity

The City will amend its approved 5-Year Consolidated Plan whenever a decision is made to propose a substantial change in the allocation priorities. The substantial change criteria utilized by the City of Montebello is determine by a change in an activity which had been initiated through the CDBG Program and in which the change would exceed:

- 50% of the original allocation; and/or
- The description of the activity is modified to the extent whereby the public would consider it to be a new activity for that particular program year.

Changes in funding priority not amounting to more than 50% of a program year will not be considered a substantial change to the Consolidated Plan; no formal amendment to the plan requiring public review and comment will be warranted. City Council approval of the priority changes will still be required.

The City shall provide for citizen participation in any required substantial amendment to the approved Consolidated Plan. The notice will be appropriately advertised to coincide with the 30-day comment/review period. The proposed amendment will be available for public review for 30 days. At times, due to extenuating circumstances (i.e. natural disasters, emergencies, pandemic), HUD allows for flexibility for public review periods, comment periods, and noticing. In such scenarios the city may opt to follow HUD's guidance and limit the noticing and public comment periods.

The proposed substantial amendment to the Consolidated Plan will be available for public review at the following locations:

- **Montebello City Hall** 1600 W Beverly Blvd Montebello, CA 90640
- **Montebello City Website** www.montebellocal.gov
- **Montebello Public Library** 1550 W Beverly Blvd Montebello, CA 90640
- **Chet Holifield Library** 1060 S Greenwood Ave Montebello, CA 90640
- **Montebello Senior Center** 115 S Taylor Ave Montebello, CA 90640

Upon written request, the Plan will be made available in an alternative format for persons needing reasonable accommodations.

At the end of the review period, the City Council will consider adoption of the amendment. The City will consider any written or oral comments received. A summary of these comments and a summary of any comments not accepted and the reasons, therefore, shall be attached to the substantial amendment of the Consolidated Plan.

Annual Action Plan

The City will invite residents, City staff, and public and private agencies that provide services related to health, economic development, public housing, and social services for children, elderly, disabled, homeless, persons with AIDS, to provide input in the development of the Annual Action Plan (AAP).

Each year the City will send out a Notice of Funding Availability (NOFA) to cooperating departments and non-profit agencies advising them that the planning cycle has begun for CDBG funds and that the City is accepting project proposals, provided funds are available. The City will conduct an eligibility analysis on all project proposals submitted and review the eligible proposals for service provider grants for funding consideration.

The Draft Action Plan incorporating the City's proposed uses of CDBG funds will be made available for public review for a 30-day period. At times, due to extenuating circumstances (i.e. natural disasters, emergencies, pandemic), HUD allows for flexibility for public review periods, comment periods, and noticing. In such scenarios the city may opt to follow HUD's guidance and limit the noticing and public comment periods.

The proposed Annual Action Plan will be available for public review at the following locations:

- **Montebello City Hall** 1600 W Beverly Blvd Montebello, CA 90640
- **Montebello City Website** www.montebellocal.gov
- **Montebello Public Library**
1550 W Beverly Blvd Montebello, CA 90640
- **Chet Holifield Library** 1060 S Greenwood Ave Montebello, CA 90640
- **Montebello Senior Center** 115 S Taylor Ave Montebello, CA 90640

Upon written request, the Plan will be made available in an alternative format for persons needing reasonable accommodations.

The City will properly notice a 30-day comment for the draft Annual Action Plan. At the end of the review period the City Council will hold a public hearing to accept comments and community input on the draft Annual Action Plan and consider the adoption of the plan.

A summary of comments received, and a summary of any comments not accepted and the reasons, therefore, shall be attached to the Annual Action Plan.

Amendment(s) to the Annual Action Plan

The City will formally amend its approved Action Plan whenever a decision is made to propose a substantial change to the Plan, either by:

- Carrying out an activity not previously described in the Action Plan;
- Canceling an activity previously described in the Action Plan;
- Increasing or decreasing the amount to be expended on an activity from the amount stated in the Action Plan by more than 50 percent of the City's annual allocation; or
- Substantially changing the purpose, scope, location, or beneficiaries of an activity.

Changes in funding priority not amounting to more than 50% of a program year will not be considered a substantial change to the Annual Action Plan; no formal amendment to the Action Plan requiring public review and comment will be required. However, City Council approval of the activity funding changes will still be required.

The City shall provide for citizen participation in any required substantial amendment to the approved Consolidated Plan. The proposed amendment will be available for public review for 30 days. At times, due to extenuating circumstances (i.e. natural disasters, emergencies, pandemic), HUD allows for flexibility for public review periods, comment periods, and noticing. In such scenarios the city may opt to follow HUD's guidance and limit the noticing and public comment periods.

The proposed substantial amendment to the Action Plan will be available for public review at the following locations:

- **Montebello City Hall** 1600 W Beverly Blvd Montebello, CA 90640
- **Montebello City Website** www.montebellocal.gov
- **Montebello Public Library** 1550 W Beverly Blvd Montebello, CA 90640
- **Chet Holifield Library** 1060 S Greenwood Ave Montebello, CA 90640
- **Montebello Senior Center**
115 S Taylor Ave
Montebello, CA 90640

Upon written request, the Plan will be made available in an alternative format for persons needing reasonable accommodations.

At the end of the review period, the City Council will consider adoption of the amendment. The city will consider any written or oral comments received. A summary of these comments and a summary of any comments not accepted and the reasons, therefore, shall be attached to the substantial amendment of the Consolidated Plan.

Consolidated Annual Performance and Evaluation Report (CAPER)

A reasonable notice and opportunity to comment on the Consolidated Annual Performance and Evaluation Report (CAPER) shall be given to citizens. A notice will be appropriately advertised for a minimum of ten (10) days prior to the start of the comment period. The CAPER will be available for public review for 15 days. At times, due to extenuating circumstances (i.e. natural disasters, emergencies, pandemic), HUD allows for flexibility for public review periods, comment periods, and noticing. In such scenarios the city may opt to follow HUD's guidance and limit the noticing and public comment periods.

- Copies of the CAPER will be available for public review at the following locations:
 - **Montebello City Hall** 1600 W Beverly Blvd Montebello, CA 90640
 - **Montebello City Website** www.montebellocal.ca.gov
 - **Montebello Public Library** 1550 W Beverly Blvd Montebello, CA 90640
 - **Chet Holifield Library** 1060 S Greenwood Ave Montebello, CA 90640
 - **Montebello Senior Center** 115 S Taylor Ave Montebello, CA 90640

Upon written request, the Plan will be made available in an alternative format for persons needing reasonable accommodations.

A public review and comment period of no less than fifteen (15) days shall be provided to receive comments on the Performance Report prior to its submission to HUD. A summary of the comments shall be attached to the CAPER.

A public hearing will be conducted to receive public input on annual accomplishments contained in the CAPER.

Anti-Displacement

The Citizen Participation Plan must, as required by 24 CFR Part 91, Section 91.105, "set forth the jurisdiction's plans to minimize displacement of persons and to assist any persons displaced."

In the event that any residential displacement and relocation must take place in order to carry out a program activity, the City of Montebello ensures that it will develop an Anti-displacement and Relocation Plan in connection with that project as applicable per Federal regulations.

In the event that any acquisition and relocation must take place in order to carry out a program activity, the City of Montebello will also comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations of 49 CFP part 24.

Technical Assistance

Upon request, staff will provide technical assistance to groups representing extremely low, low and moderate income persons to develop funding requests for CDBG eligible activities. Technical assistance will be provided as follows:

- Answer, in writing or verbally, all inquiries received from citizens or representative groups relating to funding requests.
- Meet with groups or individuals as appropriate, to assist in identifying specific needs and to assist in preparing requests/applications for assistance.
- Provide bilingual translation on an as-needed basis.

Bilingual Opportunities

Translation services will be provided upon advance request, to the extent feasible. Translation services at public hearings and meetings will be provided in Spanish or other languages if translation services are requested at least three (3) days prior to the meeting date. All advertisements for public hearings will note that arrangements for an interpreter can be made by contacting the City of Montebello's Housing Division.

Contingency Plan in the Event of an Emergency/Disaster

In the event of an emergency or disaster that presents a serious and immediate threat to the health and welfare of the citizens of the City, the noticing requirements for public hearings shall be reduced to five (5) calendar days.

Reprogramming funds in the event of such an emergency will require approval by the City Council when they are in session or ratification of the reallocation when the City Council is in recess.

Access to Records

The city will offer residents, public organizations, and other interested individuals reasonable and prompt access to information and records related to the Consolidated Plan documents and the utilization of assistance over the past five years.

During all operating hours of City Hall, all details concerning the HUD programs will be accessible upon request. This includes the Federal Regulations that govern the CDBG and HOME programs, an annual breakdown of program expenditures and any other significant documents concerning HUD program requirements.

Throughout the planning phase for each program year, information will be made available to the public and will encompass details such as the total funds allocated to Montebello, the types of activities that can be funded with these resources, the steps involved in drafting and approving Montebello's application, the involvement of Montebello's residents in the CDBG and HOME programs, and any additional information necessary for citizens to engage fully in the process. Notifications regarding the use of CDBG and HOME funds will be published in newspapers. Proof of Publishing will be available upon request.

Requests for information and records should be submitted to the City of Montebello in writing. Staff will address these requests within 30 working days or as soon as possible thereafter.

City of Montebello

HOME Investment Partnerships Program POLICIES AND PROCEDURES MANUAL

City of Montebello
Planning and Community Development Department
1600 W. Beverly Boulevard
Montebello, CA 90640

May 2025 Edition

TABLE OF CONTENTS

TABLE OF CONTENTS	ERROR! BOOKMARK NOT DEFINED.
CHAPTER 1: OVERVIEW OF THE HOME PROGRAM	5
<i>Introduction</i>	<i>5</i>
<i>Purposes and Goals.....</i>	<i>5</i>
<i>Allocation of Funds (92.50 and 92.102)</i>	<i>7</i>
<i>HOME-Funded Activities</i>	<i>8</i>
<i>Obligations (24 CFR 92.218-92.222)</i>	<i>9</i>
<i>Conflict Resolution</i>	<i>10</i>
CHAPTER 2: HOME PROGRAM RULES	11
PART 1: GENERAL PROGRAM RULES	11
<i>Definition of a Project</i>	<i>11</i>
<i>Subsidy</i>	<i>11</i>
<i>Securing of Funds.....</i>	<i>15</i>
<i>Eligible Costs</i>	<i>16</i>
<i>Prohibited Activities</i>	<i>18</i>
<i>Hierarchy of the use of funds</i>	<i>20</i>
<i>Eligible Repairs and Rehabilitation</i>	<i>20</i>
<i>Property</i>	<i>22</i>
<i>Applicants and Beneficiaries</i>	<i>26</i>
<i>Long-Term Affordability.....</i>	<i>28</i>
PART 2: COST ALLOCATION AND SUBSIDY LAYERING	30
<i>Cost Allocation</i>	<i>31</i>
<i>Subsidy Layering</i>	<i>32</i>
<i>Underwriting.....</i>	<i>34</i>
<i>Other Requirements.....</i>	<i>35</i>
<i>Termination or Denial of Program Assistance</i>	<i>35</i>
<i>Additional Funds</i>	<i>36</i>
<i>Death of Applicant.....</i>	<i>37</i>
<i>Repayment.....</i>	<i>37</i>
<i>Assumption</i>	<i>38</i>
<i>Subordination</i>	<i>38</i>
<i>Monitoring.....</i>	<i>39</i>
CHAPTER 3: CHDO REQUIREMENTS AND ACTIVITIES	40
PART 1: HOME PROGRAM REQUIREMENTS.....	40
<i>CHDO Set-Aside Requirement</i>	<i>40</i>
<i>CHDO Qualifying Criteria</i>	<i>40</i>
<i>CHDOs Set-Aside Roles: Owner, Developer, and Sponsor</i>	<i>50</i>
<i>CHDO Eligible Uses.....</i>	<i>52</i>
<i>CHDO Special Assistance.....</i>	<i>53</i>
PART 2: PROGRAM DESIGN AND IMPLEMENTATION	54
<i>CHDO Capability.....</i>	<i>55</i>
<i>Types of Projects</i>	<i>55</i>
<i>Application Period.....</i>	<i>55</i>
<i>Pre-Application for CHDO Status</i>	<i>56</i>
<i>CHDO Determination Worksheet.....</i>	<i>60</i>
<i>CHDO Checklist</i>	<i>62</i>

<i>Project Application</i>	65
<i>Projects</i>	65
<i>CHDO Proceeds</i>	67
<i>CHDO Certification</i>	69
<i>Monitoring of CHDO by City Staff</i>	70
<i>Default</i>	71
<i>Income Eligibility Documentation</i>	72
CHAPTER 4: HOMEOWNER REHABILITATION ACTIVITIES	73
PART 1: HOME PROGRAM REQUIREMENTS (GENERAL)	73
<i>Eligible Activities</i>	73
<i>Forms of Finance Assistance</i>	74
<i>Eligible Costs</i>	75
<i>The Property</i>	75
<i>The Applicant/Beneficiary</i>	77
<i>Other Federal Requirements</i>	77
PART 2: PROGRAM DESIGN AND IMPLEMENTATION	82
<i>Objectives</i>	82
<i>HOME Rehabilitation Grant Program (HRGP) Description</i>	83
<i>Form of Assistance</i>	83
<i>Eligible Applicant</i>	85
<i>Qualifying Households</i>	86
<i>Application Intake/Screening/Determination of Household Adjusted Gross Income</i>	87
<i>Qualifying Properties</i>	88
<i>Eligible Costs</i>	88
<i>Staffing Plan</i>	89
CHAPTER 5: PROCESSING PROCEDURES	96
PART 1: APPLICATION PROCESS	96
PART 2: APPLICATION INTAKE	97
PART 3: PROCUREMENT	109
<i>Construction Management</i>	115
<i>Environmental Requirements and Procedures</i>	144
CHAPTER 6: ADMINISTRATIVE REQUIREMENTS	183
PART 1: GENERAL REQUIREMENTS	183
<i>Eligible Administrative and Planning Costs</i>	183
<i>Uniform Administrative Requirements</i>	184
<i>Written Agreements</i>	185
<i>Conflict of Interest</i>	193
<i>Religious Organizations</i>	195
<i>HOME Investment Trust Fund Account</i>	195
<i>HOME Program Income</i>	197
<i>Pre-Award Costs</i>	198
<i>HOME Program Draws</i>	198
PART 2: FINANCIAL MANAGEMENT	199
<i>Policies Regarding Cash Management</i>	199
<i>Procedures for Reflecting Prior Period Adjustments and Accruals</i>	200
<i>Policy Regarding Rebates, Refunds and Credits to HUD CPD Programs</i>	201
<i>Procedures for Evaluating Travel and Training Costs Charged to the HOME Program</i>	201
<i>Procedures for Allocating and Documenting Personnel Costs Charged to HOME Admin Account</i>	201
<i>Procedures for Allocating and Documenting Personnel Costs Charged to HRGP Account</i>	201

<i>Process for Approval of Reimbursement Requests for Consultant Services</i>	202
<i>Process for Approval of Payments and Reimbursement Requests</i>	203
FINANCIAL REPORTING	204
<i>FFATA Reports</i>	204
<i>Open Balance Review</i>	204
<i>Monthly Reconciliation</i>	204
<i>Federal Cash Transactions Report</i>	204
<i>Schedule of Federal Expenditures</i>	205
<i>Program Income</i>	206
<i>Reimbursement Process in IDIS</i>	207
TIMELINESS REVIEW.....	207
<i>Internal Controls</i>	207
<i>Record-Keeping</i>	208
<i>Reporting Requirements</i>	212
<i>Monitoring</i>	213
DESK REVIEWS.....	219
ON-SITE MONITORING	219
PRE-SITE VISIT PREPARATION IS PREPARED BY HOME	219
<i>Integrated Disbursement and Information System (IDIS)</i>	236
CHAPTER 7: OTHER FEDERAL REQUIREMENTS	238
<i>Non-Discrimination and Equal Access</i>	241
<i>Employment and Contractor</i>	245
<i>Section 3</i>	248
<i>Site and Neighborhood Standards</i>	251
<i>Lead-Based Paint Safe Housing Rule</i>	251
<i>Build America, Buy America Act (BABA)</i>	254
CHAPTER 8: HOMEBUYER ASSISTANCE PROGRAM	255
PROGRAM OBJECTIVES	255
ELIGIBLE ACTIVITIES	255
INELIGIBLE ACTIVITIES	255
HOMEBUYER APPLICANT.....	255
LIMITATIONS OF HOMEBUYER ASSISTANCE PROGRAM	260
PROPERTY AND OCCUPANCY.....	261
OCCUPANCY STANDARD.....	262
FEDERAL REQUIREMENTS.....	262
FILE REQUIREMENTS	263
POLICY MODIFICATIONS	264
PROGRAM OUTREACH AND MARKETING.....	264
MONITORING	265
<i>Requirements for Committing HOME Funds</i>	265
<i>Four Year Completion timeline Requirement</i>	266
<i>Documenting Income Eligibility</i>	266
GLOSSARY OF HOME TERMS	268
CITY OF MONTEBELLO LIST OF FORMS	276
CITY OF MONTEBELLO LIST OF EXHIBITS	278

CHAPTER 1: OVERVIEW OF THE HOME PROGRAM

Introduction

The HOME Program is a federal block grant program directed by the U.S. Department of Housing and Urban Development (HUD) and is designed to create affordable housing for low-income households. The City of Montebello is responsible for the administration of its HOME Program.

The purposes of the HOME Program include expanding the supply of affordable housing for low- and very low-income persons; improving the means of state and local governments to implement strategies to achieve adequate supplies of decent, affordable housing; and providing both financial and technical assistance to participants to develop model programs for affordable, low-income housing.

HOME grants are awarded each year through a competitive application process to construct, acquire and/or rehabilitate housing, or develop new housing for homeownership. Successful grant applicants have included Community Housing Development Organizations (CHDOs).

Purposes and Goals

The HOME Program purposes and goals are:

1. Expanding the supply of decent, safe, sanitary, and affordable housing for very low-income and low-income families in Montebello (those at or below 80 percent of area median income).
2. Mobilizing and strengthening the abilities of units of local governments, public housing authorities, and community housing development organizations to implement strategies for achieving an adequate supply of decent, safe, sanitary, and affordable housing.
3. Providing participating entities, on a coordinated basis, with various forms of federal housing assistance.

The City of Montebello will focus on the following purposes and goals:

1. Assisting in preserving existing or constructing decent, safe, sanitary, and affordable housing in areas of greatest demonstrated need in the community in the City of Montebello, ensuring geographic distribution, where and when possible, taking into consideration the historical information of the property and area, the current housing market, and the prospects for future demand.
2. In areas where the greatest need is identified, giving preference to those projects which provide the greatest number of qualified, affordable units relative to the

HOME funds allocated, while giving consideration to serving lower-income families in Montebello.

3. Making sure units are affordable to households for the applicable period of affordability.
4. Allocating only the minimum amount of HOME funds that the City of Montebello determines to be necessary for the financial feasibility of the project and its viability as a qualified, affordable housing project throughout the period of affordability.
5. Assisting in providing housing to meet the needs and priorities outlined in the City's Consolidated Plan and its corresponding Annual Action Plan.
6. Providing opportunities for CHDOs to access the HOME Program on behalf of low- and very low-income residents.
7. Encouraging innovative approaches in planning, designing, constructing, enhancing energy efficiency, and financing that are cost-effective in providing affordable housing.
8. Giving preference to those applications that show a greater degree of readiness to proceed with the development.
9. Allowing applicants the ability to self-monitor their capabilities based on geographic area, population, need and capacity.
10. Maximizing the investment of private capital to leverage HOME funds and use existing agencies and private sector mortgage financial institution resources, while retaining the affordability of housing with local and private investment.

In accordance with these stated purposes and goals, the City of Montebello **will not process** any application that is not consistent with the purposes and goals of the City's Consolidated Plan. The City of Montebello will consider the capacity of its management team, and the availability of contractors and subcontractors in assessing the viability of each proposed project.

DISCLAIMER

This manual is a tool created for City of Montebello Planning & Community Development Department staff, participants and/or any related parties as a support and practical guidance related to the HOME Program.

This manual is not intended to change, enlarge, or restrict any requirement found in the contracts, HUD Final Rule, City of Montebello rules and policies, and/or any related federal or state rule governing this program.

This manual is not meant to be a substitute for HOME Program regulations, but as a supplement to them. It is not exhaustive regarding all considerations affecting the use of HOME Program funds. While careful consideration and due care has been used in developing the manual, HOME Program participants are encouraged to consult with the City of Montebello HOME Program staff to ensure correct interpretation of policies, regulations, and procedures. The City of Montebello reserves the right to implement additional policies as needed.

Allocation of Funds (92.50 and 92.102)

HOME funds are allocated annually by formula to State and local governments by HUD. The City of Montebello receives funds through this formula and the Economic Development Department is the lead agency that administers those funds. Under the HOME Program, the City of Montebello is designated as a "Participating Jurisdiction" (PJ).

The City of Montebello is subject to several HOME Program requirements when allocating funds to other entities. These requirements affect the way the City of Montebello and its recipient's run its HOME Program.

Timeframes

The City of Montebello has 24 months to enter into written agreements with developers, owners, contractors, Subrecipients, and CHDOs to commit HOME funds and 4 years to complete the HOME funded project. If the City does not meet these timeframes, it risks losing the allocated HOME funds.

The City of Montebello has 4 years of the date of commitment of funds to complete a project. If the City does not meet this timeframe, the project is considered to be terminated and the City must repay all funds invested in the project to the City's HOME Investment Trust Fund in accordance with 92.503(b). The City of Montebello may request a one-year extension of this deadline in writing by submitting information about the status of the project, steps being taken to overcome any obstacles to completion, proof of adequate funding to complete the project, and a schedule with milestones for completion of the project for HUD's review and approval.

Use of Funds

The HOME Program places the following limits on the "use" of funds:

1. **Planning and Administration (92.207):** The City of Montebello may use up to 10 percent of their HOME Program allocation and program income received for eligible and reasonable planning and administration costs.

2. **CHDOS:** The City of Montebello must reserve a minimum of 15 percent of its annual allocation for activities undertaken by qualified Community Housing Development Organizations (CHDOs).

HOME-Funded Activities

The City's HOME funds may be used to support the following general affordable housing activities:

1. **Homeowner rehabilitation:** HOME funds may be used to assist existing owner-occupants with the repair, rehabilitation, or reconstruction of their homes.
2. **Homebuyer activities:** HOME funds can be used to finance the acquisition and/or rehabilitation or new construction of homes for homebuyers.
3. **Rental housing:** Affordable rental housing may be acquired, rehabilitated, and/or constructed. The City's HOME funds do not currently support rental housing.

HOME Program Roles and Relationships

The City of Montebello may rely on numerous partners to create affordable housing under its HOME program. Partners play different roles at different times, depending upon the project or activity being undertaken. Defined below are some of the types of partners:

1. **CHDOs:** A CHDO is a private, nonprofit organization that meets a series of qualifications prescribed in the HOME regulations. The City of Montebello must use a minimum of 15 percent of its annual allocation for housing owned, developed, or sponsored by CHDOs. The City will evaluate the organizations' qualifications and designate them as CHDOs. CHDOs also may be involved in the program as Subrecipients, but the use of HOME funds in this capacity is not counted toward the 15 percent set-aside.
2. **Subrecipient:** A Subrecipient is a public agency or nonprofit organization that may be selected by the City to administer all or a portion of the City's HOME Program. It may or may not also qualify as a CHDO. A public agency or nonprofit organization that receives HOME funds solely as a developer or owner of housing is not considered a Subrecipient.
3. **Developers, Owners, and Sponsors:** Individuals, for-profit entities and nonprofits can participate in the HOME Program as owners, developers, or sponsors of housing. When CHDOs use HOME funds as owners, developers or sponsors, this use of HOME funds counts toward the 15 percent CHDO set-aside.

4. **Private Lenders:** One of the goals of the HOME Program is to establish strong public/private partnerships. The City is required to make all reasonable efforts to maximize participation by private lenders and other members of the private sector. The Community Reinvestment Act (CRA) requirements provide an incentive to private lending institutions to become involved in HOME Program activities.
5. **Faith-Based Organizations:** Faith-based or religious organizations are now able to compete on an equal footing with other organizations for HUD funding. Funding may be provided directly to any Recipient, as long as those funds are not used to support inherently religious activities. As of the September 30, 2003 Final Rule for 24 CFR Part 92, HUD identified regulations for eight programs, including the HOME Program, to eliminate barriers and ensure that these programs are open to all qualified organizations regardless of their religious character.
6. **Third-Party Contractors:** The City may contract with a private for-profit contractor to administer all or part of its HOME Program. Unlike public agencies or nonprofits, contractors must be procured through a competitive process in accordance with applicable Office of Management and Budget (OMB) procurement requirements. These requirements are found in 24 CFR Part 85 (for PJs) and Part 84 (for nonprofits).

Obligations (24 CFR 92.218-92.222)

Generally, the City must make contributions to housing that qualifies as affordable housing under the HOME program throughout a fiscal year. The contributions must total not less than 25 percent of the funds drawn from the City's HOME Investment Trust Fund Treasury account in that fiscal year. However, as of 2019, the City of Montebello has a 50% match obligation.

Recordkeeping, Reporting, and Monitoring (992.508 and 92.509)

1. Program staff is to establish and maintain a permanent "master file" for each application. Master files are to be kept for five years for all programs and legal loan files an additional five years after a loan has been paid in full. Applications that were given a program number and were denied, withdrawn, or canceled will be kept for five years. Applications that were submitted, without all proper information and were canceled, information will be inputted into the database and kept for a one year. Master files are to be stored according to the type of program: grant, rebate, loan, legal file, or paid.
2. The City of Montebello is required to keep records that enable HUD to determine whether they have met program and project requirements. The City is also responsible for enforcing these requirements with all its HOME Program Recipients. Monitoring and record-keeping requirements are outlined in Chapter 6; Part II: Recordkeeping, Reporting, and Monitoring of this manual.

3. The City of Montebello must also submit an annual performance report to HUD known as the Consolidated Annual Performance and Evaluation Report (CAPER.) The City requires that all Recipients (including CHDOs) meet certain reporting obligations to assist with this annual responsibility. (See Chapter 6: Recordkeeping, Reporting, and Monitoring for further information on reporting requirements.)

Conflict Resolution

The City of Montebello meets all the requirements of 24.CFR, PART 570 (CDBG) and 24.CFR, PART 92.350 of HOME final rule, as amended 2013. Whenever a relationship is declared between applicants, contractor, and program staff, the Program Administrator must submit a memo to the Director explaining the nature of the relationship and asking for directive in the assignment of the case to appropriate staff. Ordinarily the case is to be assigned to staff that do not have preexisting relationships with the applicant. A preexisting relationship will not disqualify an applicant from participating in the program, provided the applicant meets all eligibility criteria.

No member of the City government, other City officials, employees, or agent of the City who exercise policy, decision-making functions, or responsibilities in connection with the planning and implementation of the program shall directly or indirectly be eligible for this program unless the application for assistance has been reviewed and approved according to applicable HUD policies. This ineligibility remains for one year after an individual's relationship with the City ends.

CHAPTER 2: HOME PROGRAM RULES

PART 1: GENERAL PROGRAM RULES

The City of Montebello allocates funds to develop eligible HOME projects. The HOME program contains a number of basic rules that apply to all program activities. These rules involve:

1. The definition of a project;
2. The form and amount of subsidy;
3. Eligible costs;
4. The property;
5. The applicant or beneficiary;
6. The long-term affordability of the project; and
7. Applicability of other federal requirements.

The following two definitions are critical to understanding the requirements that are outlined in the following sections.

Definition of a Project

Project: A site or sites together with any building (including manufactured housing unit) or buildings located on the site(s) under common ownership, management, and financing, to be assisted with HOME funds as a single undertaking. The “project” includes all of the activities associated with the site and building.

HOME-Assisted Units: The HOME Program distinguishes between the units in a project that have been assisted with HOME funds and those that have not -- hence the term HOME-assisted unit. This distinction between HOME-assisted and unassisted units allows HOME funds to be spent on mixed-income projects while still targeting HOME dollars only to income-eligible households.

Subsidy

Eligible Forms of Subsidy

HOME allows virtually any form of financial assistance, or subsidy, to be provided for eligible projects and to eligible beneficiaries through the City.

The HOME regulation lists the following forms of subsidy as eligible:

1. **Interest-bearing loans or advances:** These loans are amortizing loans. Repayment is expected on a regular basis, usually monthly, so that over a fixed period of time, all of the principal and interest is repaid.

- a. Such loans may have interest rates at or below the prevailing market rate. Often, very low-interest rates (i.e., one to three percent) can make monthly payments affordable to the borrower.
 - b. The property or some other assets are used as collateral.
 - c. The term of the loan may vary. For home purchase, a term of up to 30 years is common while rehabilitation and construction loans tend to have terms of 15 years.
2. **Non-interest-bearing loans or advances:** The principal amounts of such loans are paid back on a regular basis over time, but no interest is charged.

As with interest-bearing loans, these loans will use the property or other assets as collateral and the term of the loan will vary depending on the nature of the activity funded. Such loans are made when the borrower is able to make regular payments but even a small amount of interest is not affordable.

3. **Deferred loans (forgivable or repayable):** These loans are not fully amortized. Instead, some, or even all, principal and interest payments are deferred to some point in the future. Deferred loans can be structured in many different ways.
 - a. Deferred payment loans can be forgivable or repayable.
 - b. If forgivable, the forgiveness might be structured to occur at one point in time (such as at the end of the affordability period), or forgiven incrementally (such as forgiving one-fifth of the loan each year over five years).
 - c. If repayable, repayment might be required at the sale or transfer of the property or at the end of a fixed period of time.
 - d. Like the amortizing loans discussed above, these loans can accrue interest or be non-interest bearing.
 - e. Deferred payment loans require the property or some other form of collateral to be used as security for repayments.
 - f. Deferred payment loans are also referred to as “soft seconds.” They are increasingly being used to leverage private first mortgage financing in homeownership. They may also be used to help rental projects by allowing deferral of loan payments for the first few years until the project becomes stable.
4. **Grants: Grants are provided with no requirement or expectation of repayment.**
 - a. Grants require no liens on the property or other assets.
 - b. Grants are most commonly used for down payment and closing cost assistance in homebuyer programs or to provide assistance to very low-income owner-occupants for rehabilitation.
5. **Interest Subsidies:** This is usually an up-front discounted payment to a private lender in exchange for a lower interest rate on a loan. An interest subsidy may also be a deposit in an interest-bearing account from which monthly subsidies are drawn and paid to a lender along with the homeowner’s monthly payment.

6. **Equity Investments:** An equity investment is an investment made in return for a share of ownership. Under this form of subsidy, the City acquires a financial stake in the assisted property and is paid a monetary return on the investment if money is left after expenses and loans are paid.
7. **Loan Guarantees and Loan Guarantee Accounts:** HOME funds may be pledged to guarantee loans or to capitalize a loan guarantee account. A loan guarantee or a loan guarantee account ensures payment of a loan in case of default.
 - a. A loan guarantee is a written promise to pay the lender some percentage of the outstanding principal balance of a loan in the event the borrower defaults. It may be held for a specified period of time or reduced by a specific amount over time as the loan principal is repaid.
 - b. A loan guarantee account is a loan loss reserve held by the lender in an amount equal to some percentage of the outstanding principal.
 - c. The lender holding the loan guarantee account may require a minimum balance, as well as a percentage of the principal amount of the loan. The percentage of the loan amount held as guarantee may vary from loan to loan, or from program to program.

HOME rules require that the amount of money in a loan guarantee account must be based on a reasonable estimate of the default rate on the guaranteed loans and may not exceed 20 percent of the total outstanding principal guaranteed, except that the account may include a reasonable minimum balance.

8. **Other forms approved by HUD:** Other forms of assistance require HUD approval. If the City intends to use a form of assistance not listed above, the City's Consolidated Plan or Action Plan should describe the proposed form of assistance. Once approved by HUD as part of the Plan, no other HUD approval is required.

Project Subsidy Limits

The HOME Program has established a minimum subsidy amount of \$1,000 and a maximum subsidy of up to \$316,236. **The subsidy limits are published by HUD each year.** However, the City has the option to set-up different limits, as long as they comply with those limits established by the HOME Program. Therefore, the City has set the following parameters for the Program.

1. **Minimum HOME investment:** The minimum amount of HOME funds is an average of \$1,000, multiplied by the number of HOME-assisted units in the project.
 - a. The minimum **only** relates to the HOME funds, and **not** to any other funds that might be used for project costs.
 - b. The minimum HOME investment does not apply to TBRA.

2. **Maximum HOME Investment:** The maximum per-unit HOME subsidy limit varies by PJ. HUD determines the maximum amounts, which are based on the City's Section 221(d)(3) program limits for the metropolitan area each year. In all instances, the loan amount must be in accordance with the loan-to-value ratios explained below.

The Loan Committee has the authority to approve projects that exceed the standard maximum loan amount when the standard maximum loan limit is not sufficient to bring the unit into code compliance and/or a health and safety standard conditions. These special approvals are to be recommended on an "as needed" basis and are subject to the maximum subsidy limits for the HOME Program.

3. **Loan to Value (LTV) Ratio:** Total indebtedness on the property cannot exceed 80% of the "after rehabilitation" value of the property.

4. **Maximum per-unit subsidy limit is:**

- a. 100 percent of the dollar limits for a Section 221(d)(3) nonprofit sponsor, indexed for base city high cost areas, and adjusted for the number of bedrooms.

5. **Actual HOME Investment:** The actual subsidy provided will depend on the following factors:

- a. The proportion of the total project cost that is HOME-eligible -- some planned project costs may not be eligible expenses under the HOME Program.
- b. The number of units in the project is HOME-assisted -- projects may have a mix of HOME- and non-HOME-assisted units.
- c. The financial needs of the project -- HOME projects may not receive more subsidy than is required to make them financially feasible.

6. Costs in excess of the Program amounts may be supplemented with personal funds.

7. **Affordability Percentage:** Monthly housing costs should not be more than 30% of total income. HUD has developed the Housing Affordability Data System (HADS) to provide consistent measures of affordability over a long period of time. The HADS system analyzes the affordability of housing from several perspectives, including the fraction of income that a household spends on housing each month. HADS uses the standard assumption that a unit is affordable if the household spends no more than 30% of its income on housing. In this context, "housing" includes utility payments and, for owner-occupied housing, real estate taxes, hazard insurance, and fees such as condo fees or homeowner's association fees.

(<https://www.huduser.gov/portal/datasets/hads/hads.html>)

The American Housing Survey (AHS), released by HUD and the US Census Bureau every two years, determines monthly housing costs by “summing, when applicable, utility costs, real estate taxes, cost of homeowner insurance, condominium/homeowner’s association fees, land/site rent, other mortgage charges, other required mortgage fees, mortgage payments, routine maintenance costs, and rent payments”. (<https://www.census.gov/programs-surveys/ahs.html>)

PROCEDURE: To determine what is required and reasonable, the City of Montebello will complete a cost allocation and subsidy layering analysis. HOME project awards are based on the completed cost allocation and subsidy layering analysis.

Cost allocation and subsidy layering are impacted by any changes in the number of HOME-assisted units, total number of units in the project, development cost, and/or financing sources.

NOTE: Because of these requirements, all of the City of Montebello HOME Recipients are obligated to contact the City as soon as there are any changes in project size, scope, cost, or financing sources.

Securing of Funds

Before committing funds to a project, the City of Montebello will evaluate the project in accordance with guidelines that it has adopted to ensure that the City does not invest any more HOME funds than are necessary to provide affordable housing.

1. The City of Montebello will prepare and/or review a Sources/Uses of Funds statement. This statement should reflect the project development budget and should list:
 - a. All proposed sources (both private and public) of funds and the dollar amounts for each respective source; and
 - b. All uses of funds (including acquisition costs, rehabilitation and/or construction costs, financing costs, and professional fees) associated with the project.
2. The City of Montebello will gather the following types of documentation necessary to verify the sources of funds indicated in the statement:
 - a. Commitment letters with all terms and conditions for all mortgages, grants, subordination agreements, bridge (interim) loans and investment tax credits (historical, low-income, if applicable); and

- b. A copy of the partnership agreement, if applicable, which will indicate the case contributions by the general partner(s) and/or limited partners.
- 3. The City of Montebello will gather the following types of documentation necessary to verify the uses of funds indicated in the statement:
 - a. Earnest money agreement, option or closing statement for land and/or building(s);
 - b. Construction cost estimate;
 - c. Construction contract or preliminary bid(s);
 - d. Agreements governing the various reserves which are capitalized at closing (to verify that the reserves cannot be withdrawn later as fees or distributions);
 - e. Appraisal (to substantiate the value of the land and the value of the property after rehabilitation or the structure being built); and
 - f. If low-income housing tax credits are utilized, documentation on the syndication costs (legal, accounting, tax opinion, etc.) from the organization/individual who will syndicate and sell the offering to ensure that the project can support the fees necessary to syndicate/fund the project.

Eligible Costs

Eligible costs depend on the nature of the program activity. A general list of eligible costs includes the following:

- 1. **New construction:** HOME funds may be used for new construction of both rental and ownership housing. Any project that includes the addition of dwelling units outside the existing walls of a structure is considered new construction.
- 2. **Rehabilitation:** This includes the alteration, improvement, or modification of an existing structure. It also includes moving an existing structure to a foundation constructed with HOME funds. Rehabilitation may include adding rooms outside the existing walls of a structure but adding a housing unit is considered new construction.
- 3. **Reconstruction:** This refers to rebuilding a structure on the same lot where housing is standing at the time of project commitment. HOME funds may be used to build a new foundation or repair an existing foundation. Reconstruction also includes replacing a substandard manufactured house with a new manufactured house. During reconstruction, the number of rooms per unit may change, but the number of units may not.

4. **Reconstruction and Environmental Review (24 CFR Part 58):** Reconstruction may take place anywhere on the lot; however, reconstruction of a single-family unit in a new location on the lot is classified as new construction for purposes of environmental review. Reconstruction of multi-family is viewed as new construction for the purposes of environmental review if the number of units is increased or decreased by more than 20 percent and/or the cost of reconstruction is more than 75 percent of the total estimated cost of the replacement after the work is completed.
5. **Conversion:** Conversion of an existing structure from another use to affordable residential housing is usually classified as rehabilitation. If conversion involves additional units beyond the walls (envelope) of an existing structure, the entire project will be deemed new construction. Conversion of a structure to commercial use is prohibited.
6. **Site improvements:** Site improvements must be in keeping with improvements to surrounding standard projects. They include new, on-site improvements (sidewalks, utility connections, sewer and water lines, etc.) where none are present. They are essential to the development or repair of existing improvements. Building new, off-site utility connections to an adjacent street are also eligible. Off-site infrastructure is not eligible as a HOME expense but may be eligible for match credit.

Example: Infrastructure, such as sewer and water lines in a public street in front of a HOME-assisted property, cannot be paid for with HOME funds. However, the connections that run from the HOME-assisted property to the street are eligible HOME costs since they are essential to the property.

7. **Acquisition of property:** Acquisition of existing standard property, or substandard property in need of rehabilitation, is eligible as part of either a homebuyer program or a rental housing project. After acquisition, rental units must meet HOME rental occupancy, affordability, and lease requirements.
8. **Acquisition of vacant land:** HOME funds may be used for acquisition of vacant land only if construction will begin on a HOME project within 12 months of purchase. Land banking is prohibited.
9. **Demolition:** Demolition of an existing structure may be funded through HOME only if construction will begin on the HOME project within 12 months.
10. **Relocation costs:** The Uniform Relocation Act and Section 104(d) (also known as the Barney Frank Amendments; see the appendix for detailed information on these requirements) apply to all HOME-assisted properties. Both permanent and temporary relocation assistance are eligible costs. Staff and overhead costs associated with relocation assistance are also eligible.

11. Project-related soft costs: These costs must be reasonable and necessary. Examples of eligible project soft costs include:

- a. Finance-related costs;
- b. Building and planning permits;
- c. Plans and specifications;
- d. Fees – property assessment; recording and filing; and private lender processing;
- e. Reports – termite inspection; soils; geologic; and credit;
- f. Lead-related costs – testing; assessment; hazard reduction work; relocation; clearance
 - i. Lead-related costs, such as testing/assessment, hazard reduction work, relocation, and clearance will be paid as a lead grant. Lead testing and assessment must be in conjunction with other rehabilitation work. Stabilization/removal is limited to the items as specified in the work write up to comply with the lead regulations.
- g. Architectural, engineering and related professional services;
- h. Tenant and homebuyer counseling, provided the recipient of counseling ultimately becomes the tenant or owner of a HOME-assisted unit;
- i. Project audit costs;
- j. Affirmative marketing and fair housing services to prospective tenants or owners of an assisted project; and
- k. PJ staff costs directly related to projects (not including TBRA).

Project-related soft costs, such as title reports, appraisal costs, cost of third-party verifications, recording fees, etc., will be paid by the City as project delivery cost and will be not be included as part of the loan, grant or rebate, provided the applicant follow through with the program. If homeowner cancels assistance or fails to meet provisions, they may be subject to reimburse the City for these costs. Exception for reimbursement would be loss of job, illness of homeowner or family member residing in the home.

Prohibited Activities

The HOME Program regulations explicitly prohibit certain activities, including:

1. **Project reserve accounts:** HOME funds may not be used to provide project reserve accounts (except for initial operating deficit reserves) or to pay for operating subsidies.
2. **Tenant-based rental assistance for certain purposes:** HOME funds may not be used as rental assistance in conjunction with the federal Rental Rehabilitation Program

(Section 17) to prevent displacements. They also may not be used for certain mandated existing Section 8 Program uses, such as Section 8 rent subsidies for troubled HUD-insured projects.

3. **Match for other programs:** HOME Program funds may not be used as the “nonfederal” match for other federal programs except to match McKinney Act funds
4. **Development, operations, or modernization of public housing:** HOME Program funds may not be used to provide assistance authorized under section 9 of the 1937 Act (Public Housing Capital and Operating Funds).
5. **Properties receiving assistance under 24 CFR Part 248 (Prepayment of Low-Income Housing Mortgages):** Properties receiving assistance through the Low-Income Housing Preservation and Resident Homeownership Act (LIHPRHA) or the Emergency Low Income Preservation Act (ELIHPA) are not eligible for HOME assistance except if the HOME assistance is provided to priority purchasers. These programs are no longer funded.
6. **Double-dipping:** During the first year after project completion, the City may commit additional funds to a project. After the first year, no additional HOME funds may be provided to a HOME-assisted project during the relevant period of affordability, except for:
 - a. Rental assistance to families may be renewed.
 - b. Rental assistance may be provided to families that will occupy housing previously assisted with HOME funds.
 - c. A homebuyer may be assisted with HOME funds to acquire a unit that was previously assisted with HOME funds.
7. **Acquisition of a City-owned property:** The City may not use HOME Program funds to reimburse itself for property in its inventory or property purchased for another purpose. However, in anticipation of a HOME project, the City may use HOME funds to:
 - a. Acquire property.
 - b. Reimburse itself for property acquired specifically for a HOME project with other funds.
8. **Project-based rental assistance:** HOME funds may not be used for rental assistance if receipt of the funds is tied to occupancy in a particular project. Funds from another source, such as Section 8, may be used for this type of project-based assistance in a

HOME assisted unit. Further, HOME funds may be used for other eligible costs, such as rehabilitation, in units receiving project-based assistance from another source -- for example, Section 8 or state-funded project-based assistance.

9. **Pay for delinquent taxes, fees, or charges:** HOME funds may not be used to pay delinquent taxes, fees, or charges on properties to be assisted with HOME funds.

Hierarchy of the use of funds

Program funds must be used in the following order of priority:

1. Life-Threatening or Safety Repairs.
2. Health and Safety Hazards.
3. Livability Improvements.
4. Non-critical Improvements.
5. Other eligible general property rehabilitation work.

Eligible Repairs and Rehabilitation

Program funds are to be used for the rehabilitation of homes occupied by eligible owners/occupants. Rehabilitation means repairing or improving deteriorated or outdated houses. Deteriorated materials and components must be replaced with like materials. No luxury upgrades are allowed. Eligible repairs and improvements include:

1. Repairs that rectify the most urgent health and safety hazards, such as:
 - a. Unsafe structural parts of a house, which are likely to collapse in the immediate future if not supported. (e.g. porch, roof, stairways)
 - b. Electrical conditions that is likely to result in a fire or threaten human life in the immediate future. (e.g. overloaded circuits, and hazardous fixtures, switches, outlets, or wiring.)
 - c. Plumbing and septic systems repairs, which involve exposed sewage, leaking supply lines, and inoperable water heaters.
 - d. Mechanical system repairs that create conditions likely to result in a fire or leakage of gas or fumes.
 - e. Other conditions determined by staff that could result in a life-threatening situation in the immediate future.

Incipient means that the fixture or system is functional now, but it is likely to fail in a few years.

2. Repairs that improve deteriorated or inadequate features of the structure that pose no immediate threat to life but will damage the dwelling if ignored, such as:
 - a. Defects in electrical, plumbing, and mechanical fixtures
 - b. Unsafe entrances and exits
 - c. Lack of smoke detector or similar device
 - d. Deteriorating or inadequate structural conditions (e.g. crumbling foundations, dry rot, and termite damage)
 - e. Roofing
 - f. Heat exchanger in the furnace may become inoperative or hazardous
 - g. Flooring
 - h. Driveway
 - i. Fumigation
 - j. Modifications that aid the mobility of the elderly and physically disabled.
 - k. Other California Building Code deficiencies.
3. Improvements intended to improve the quality of life for dwellings, such as:
 - a. Overcrowding
 - b. Addition or renovation of bedrooms or bathrooms. (See Item 6 below.)
 - c. Renovation of kitchen
 - d. Addition or renovation of laundry facility
 - e. Lack of energy or water-saving devices (replacement of existing items only)
 - f. Heater
4. Improvements that do not address life-threatening or quality of life issues but are eligible, provided that items a and b listed below are in conjunction with work performed:
 - a. Sandblasting/stucco
 - b. Painting
5. Rehabilitation work not related to rectifying life-threatening and urgent safety issues, fixing health and safety hazards, improving livability, and improving non-critical conditions is considered general property rehabilitation.

General property improvements for reconstruction would allow for the construction of a garage and/or a driveway.

6. The construction of additional bedrooms and bathrooms is allowed if the need can be demonstrated per the guidelines listed below. The accepted standard definition of overcrowding is more than 1.5 people per room or more than 2 people per bedroom. The program will not fund additions to a home for a den or family room.

GUIDELINES FOR ROOM AND BATHROOM ADDITIONS

Maximum No. of Persons in the Household	Number of Bedrooms	Number of Bathrooms
1	0	1
1-2	1	1
3-4	2	2
5-6	3	2
7-8	4	2
9-10	5	3
11-12	6	3

The following costs are **not eligible** for the use of proceeds for the City of Montebello HOME program:

1. Materials, fixtures, equipment, or landscaping of a type and quality that exceeds adequate service, or that is not customarily used for properties in the same general area. No luxury upgrades are allowed
2. Appliances
3. Construction, rehabilitation or modification to detached garages or structures under HOME program
4. Recreational items such as barbecues, bathhouses, greenhouses, swimming pools, saunas, television antennae, and tennis courts
5. Acquisition of land
6. Room or bathroom additions, except for addressing overcrowding conditions
7. Property taxes
8. Reimbursement of costs incurred prior to the approval of assistance
9. Assistance related costs
10. Repairs related to outstanding insurance claims or claims already paid

Property

The HOME Program rules concerning the type and value of properties eligible for assistance are:

1. Property Types

- a. Property must be a single-family home, condominium (interior only), and townhome (interior only)
- b. Property must be owner-occupied
- c. Property must have a fee simple title (clear title) or a 99-year leasehold interest
- d. There must be sufficient equity in the property to ensure compliance of the loan-to-value requirements
- e. Property must be located within City boundaries
- f. Property must contain a legal residential structure intended for continued residential occupancy
- g. The after-rehabilitation value of the property cannot exceed the HOME Homeownership Value Limits, or those established by a local market survey conducted by the City and approved by HUD (applies to HOME program)
- h. All taxes and assessments currently due or in arrears on the real estate must be paid before project can be considered eligible
- i. Property cannot be located in a 100-year storm flood hazard area as identified on the effective Flood Insurance Rate Map (FIRM) in accordance with 43 CFR 6030. If property is located in AO flood zone, then flood zone insurance will be required

2. Property Value

For owner-occupied and homebuyer properties, HOME limits the value or purchase price of the property. In summary, the price or, in the case of rehabilitated properties, the value may not exceed 95 percent of the area median purchase price.

3. Property Standards

City-owned rental projects are to be maintained in compliance with HUD regulations during the affordability period. These policies and procedures will be distributed to property management firms to ensure they comply and conduct regular inspections to avoid future deterioration of the properties and keep them in a healthy, livable condition.

HOME-funded properties must meet the following minimum property standards (MPS):

1. **State and local standards:** State and local codes and ordinances apply to any HOME funded project regardless of whether the project involves acquisition, rehabilitation, or new construction.
2. **Model codes:** For rehabilitation or new construction projects where there are no state or local building codes, the City must enforce national model code.
3. **Housing quality standards:** For acquisition-only projects, if there are no state or local codes or standards, the City must enforce Section 8 Housing Quality Standards (HQS).
4. **Rehabilitation standards:** The City is required to develop written rehabilitation standards to apply to all HOME-funded rehabilitation work. These standards are similar to work specifications, and generally describe the methods and materials to be used when performing rehabilitation activities.
5. **International Energy Conservation Code:** New construction requires compliance with the International Energy Conservation Code.
6. **Handicapped accessibility:** In some cases, handicapped accessibility requirements apply Section (504).
7. **Site and neighborhood standards:** The site and neighborhood standards of 24 CFR 983.6(b) applies only to the new construction of rental housing.
8. **Universal Design standards:** The City of Montebello requires units to adhere to the City of Montebello Rehabilitation Standards for Housing:
 - a. The applicable standards vary by the type of activity. Exhibit 1 explains the minimum property standards that apply to each type of HOME activity.
 - b. All *new* manufactured housing units must meet the construction and safety standards of 24 CFR 3280. New manufactured housing units must be installed according to state or local codes or the manufacturer's written instructions.

EXHIBIT 1 MINIMUM PROPERTY STANDARDS BY ACTIVITY TYPE	
ACTIVITY	MINIMUM PROPERTY STANDARD TO BE MET
Acquisition of Existing Housing (no rehabilitation or construction)	Applicable state or local housing quality standards and code requirements. If no local standards/codes apply, Section 8 HQS.
Rehabilitation of Housing	Local written rehabilitation standards. AND State and local code requirements. If no local codes apply, one of the following national model codes: Uniform Building Code (ICBO) National Building Code (BOCA) Standard Building Code (SBCCI) OR Council of America Building Official one- or two-family code (CABO) OR Minimum Property Standards at 24 CFR 200.925 or 200.926 (FHA) AND Handicapped accessibility requirements, where applicable
New Construction of Housing	State and local code requirements. If no state and local codes apply, one of the following national model codes: Uniform Building Code (ICBO) National Building Code (BOCA) Standard Building Code (SBCCI) OR Council of America Building Official one- or two-family code (CABO) OR Minimum Property Standards (FHS) at 24 CFR 200.925 (for multi-family) or 200.926 (for one- and two-unit dwellings) AND Handicapped accessibility requirements, where applicable.

New construction of rental housing must meet site and neighborhood standards at 24 CFR 893.6(b)

Note: The City of Montebello using MPS may rely on inspections performed by a qualified person.

Applicants and Beneficiaries

The HOME Program is designed to provide affordable housing to low-income and very-low-income families and individuals. Therefore, the program has rules about targeting program resources and establishing applicant eligibility.

1. Program Targeting:

The City of Montebello will use 100 percent of its HOME funds to assist families with incomes below 80 percent of the area median income.

2. Rental Housing or TBRA:

If the City elects to use HOME funds for rental housing or for TBRA, additional targeting requirements apply:

- a. For each annual HOME allocation, the City of Montebello will require that 90 percent of the occupants of HOME-assisted rental units and households assisted with HOME-funded TBRA must have incomes that are 60 percent or less of the area median.
- b. 20 percent of the units in each rental housing project containing five or more units must be occupied by tenant families with incomes at or below 50 percent of median income.
- c. Owners must adopt written tenant selection policies and procedures.

3. Applicant Income Eligibility

- a. **Income eligibility:** Beneficiaries of HOME funds (homebuyers, homeowners, or tenants) must be low-income or very-low-income. Their income eligibility is determined based on their annual income. The income limits are published by HUD each year. All homeowners must certify that they meet the household income eligibility requirements and have their household income documented. The income limits in place at the time of approval will apply when determining applicant income eligibility. Income documentation must

be the most recent available and at least within six months of the approval date.

- b. **Annual income:** Annual income is the gross amount of income anticipated by all adult household members during the 12 months following the effective date of the determination.

NOTE: *Annual income is sometimes referred to as gross income or annual (gross) income.*

Definition of Annual Income

In accordance with 2013 HOME Final Rule, the City of Montebello has selected a single definition of income for each of its HOME-assisted programs (e.g. 0% Deferred Loan, Homebuyer Assistance Program, etc.) administered by the City.

Annual income will be determined by examining at least 2 months of source documents evidencing annual income (e.g., wage statement, interest statement, unemployment compensation statement) for the family. Furthermore, when determining whether a family is income-eligible, the City will use the following definition of “annual income”:

- (1) Annual income as defined at 24 CFR 5.609 will be utilized while applying exclusions from income established at 24 CFR 5.611 as further required by the 2013 HOME Final Rule.

The City will calculate the annual income of the family by projecting the prevailing rate of income of the family at the time that the City determines that the family is income eligible. Annual income will include income from all persons in the household and income or asset enhancement derived from the HOME-assisted project will not be considered in the calculation.

The City will not re-examine the family’s income at the time the HOME assistance is provided, unless more than six months has elapsed since the City determined that the family qualified as income-eligible.

Note: The definition listed above provides guidance on what items to include in annual income calculation (for example, wages, salaries, tips, etc.). They do not affect the method in which income is verified (discussed under “Income Verifications” below).

Income Verification

- 1. **Initial Verification:** To determine if program applicants are income-eligible, Recipients must verify their income using source documentation such as wage statements, interest statements, and unemployment compensation statements.

- a. Income eligibility is based on anticipated income. When collecting income verification documentation, also consider any likely changes in income.

Note: A last year's tax return does not establish anticipated income; nor is it adequate source documentation.

- b. Once initial income verification is completed, a Recipient is not required to re-examine the applicant's income unless six months has elapsed before assistance is provided.

- 2. Annual Re-examinations:** For rental programs, annual re-certifications of income are required. While the HOME Program regulations require that income must be verified with source documentation every five years, the City of Montebello requires income be verified with source documentation annually.

Long-Term Affordability

To ensure that HOME investments yield affordable housing over the long term, HOME imposes rent and occupancy requirements over the length of an affordability period.

Affordability Periods

For homebuyer and rental projects, the length of the affordability period depends on the amount of the HOME investment in the property and the nature of the activity funded. Exhibit 2 below provides the affordability periods.

EXHIBIT 2 HOME INVESTMENT PER UNIT		LENGTH OF THE AFFORDABILITY PERIOD
LESS THAN \$15,000		5 YEARS
\$15,000 - \$40,000		10 YEARS
MORE THAN \$40,000		15 YEARS
NEW CONSTRUCTION OF RENTAL HOUSING		20 YEARS
REFINANCING OF RENTAL HOUSING		15 YEARS

Occupancy

Throughout the affordability period, the HOME-assisted housing must be occupied by income-eligible households.

- 1. Rental housing:** When units become vacant during the affordability period, subsequent tenants must be income-eligible and must be charged the applicable HOME rent. (See Chapter 6 for more information.)

2. **Homebuyer assistance:** If a home purchased with HOME assistance is sold during the affordability period, resale or recapture provisions apply to ensure the continued provision of affordable homeownership.

Property and Occupancy Eligibility Requirements

1. Property must be a single-family home, condominium (interior only), and townhome (interior only).
2. Property must be owner-occupied.
3. Property must have a fee simple title (clear title) or a 99-year leasehold interest.
4. There must be sufficient equity in the property to ensure compliance with the loan-to-value requirements.
5. Property must be located within City boundaries.
6. Property must contain a legal residential structure intended for continued residential occupancy.
7. The after-rehabilitation value of the property cannot exceed the HOME Homeownership Value Limits, or those established by a local market survey conducted by the City and approved by HUD (applies to HOME program).
8. All taxes and assessments currently due or in arrears on the real estate must be paid before a project can be considered eligible
9. Property cannot be located in a 100-year storm flood hazard area as identified on the effective Flood Insurance Rate Map (FIRM) in accordance with 43 CFR 6030. If property is located in AO flood zone, then flood zone insurance will be required.

Homeownership Exceptions

Homeownership means ownership in fee simple title in a one- to four-unit dwelling or in a condominium unit or 99-year leasehold interest except:

1. Housing located in insular areas must have a ground lease for at least 40 years.
2. Housing located on land owned by a community land trust for at least 50 years.

Ownership interest must be in good, marketable title, subject to only certain restrictions. The following situations also meet the ownership definition subject to only certain conditions:

1. Inherited property with multiple owners. This provision is for housing for which title has passed, by inheritance, to several heirs, not all of whom reside in the housing. This most often occurs when siblings inherit a family home that is occupied by one sibling. Rehabilitation assistance will be provided to the owner-occupant when he/she: (a) is low- income, (b) occupies the housing as his or her principal residence, and (c) pays all the costs associated with ownership and maintenance of the housing (e.g., mortgage, taxes, insurance, utilities).
2. Life Estate. Under a life estate, the occupant of the property has the right to live in the housing for the remainder of his or her life and does not pay rent. This might be a situation where a disabled adult occupies a dwelling owned by another family member under a life estate, or in which a deceased spouse leaves a property to the children of a previous marriage but permits the other spouse to occupy the property for the remainder of his or her life. Rehabilitation assistance may be provided to the person holding the life estate, provided the person is low-income and occupies the housing as his or her principal residence.
3. Inter vivos trust, also known as living trust. A living trust is created when the owner of property conveys his or her property to a trust for his or her own benefit or for that of a third party (the beneficiaries). The trust holds legal title and the beneficiary holds equitable title. The trustee is under a fiduciary responsibility to hold and manage the trust assets for the beneficiary. This is a common estate planning tool. Rehabilitation assistance may be provided to a property if all beneficiaries of the trust qualify as a low- income family and occupy the property as their principal residence. The contingent beneficiaries, who receive no benefit from the trust and have no control over the trust assets until the beneficiary is deceased, need not be low-income. The trust must be valid and enforceable and must ensure that each beneficiary has the legal right to occupy the property for the remainder of his or her life.
4. Beneficiary Deed. A beneficiary deed conveys an interest in real property, including any debt secured by a lien on real property, to a grantee beneficiary designated by the owner and that expressly states that the deed is effective on the death of the owner. Upon the death of the owner, the grantee beneficiary receives ownership in the property, subject to all conveyances, assignments, contracts, mortgages, deeds of trust, liens, security pledges, and other encumbrances made by the owner or to which the owner was subject during the owner's lifetime. Rehabilitation assistance may be provided to the owner if he or she qualifies as low-income and occupies the property as his or her principal residence.

PART 2: COST ALLOCATION AND SUBSIDY LAYERING

The City of Montebello performs a cost allocation and subsidy layering review of HOME projects to determine the appropriate subsidy amount to the project. The actual HOME Investment in a project depends on:

1. The proportion of the total project cost that is HOME-eligible -- some planned project costs may not be eligible expenses under the HOME Program.
2. How many of the units in the project are HOME-assisted -- Projects may have a mix of HOME- and non-HOME-assisted units.
3. The financial needs of the project -- HOME projects may not receive more subsidy than is required to make them financially feasible.
4. Cost allocation and subsidy layering are impacted by any changes in the proportion of the HOME-assisted unit to total units in the project, development cost, or financing sources.
5. Because of these requirements, CHDOs, developers or sub-recipients must contact the City of Montebello as soon as there are any changes in project size, scope, cost, or financing sources at any point during the development of the project.

Cost Allocation

The HOME Program distinguishes between the units in a project that have been assisted with HOME funds and those that have not resulting in the term HOME-assisted unit. The distinction between HOME-assisted and unassisted units allows HOME funds to be spent on mixed-income projects while still targeting HOME dollars only to income-eligible households.

Determining a HOME Assisted Unit

HOME rules create a floor (minimum) for the number of HOME-assisted units a project must-have. This floor is based on the proportional share of total eligible costs to be paid with HOME funds.

1. Before determining the allowable HOME subsidy amount, the City will establish the total HOME-eligible cost for the project.
2. Once the total HOME-eligible costs are established for the project, the City must allocate costs across units.
3. If both the assisted and non-assisted units are comparable in size, features, and number of bedrooms, the HOME-eligible costs can be pro-rated across units. (Since floating units, by definition, must be comparable, costs should always be pro-rated.)

4. If the assisted and non-assisted units are not comparable, the actual costs must be determined and allocated unit-by-unit. The specific units identified to “receive” HOME funds must be fixed -- that is, designated as HOME-assisted.

Subsidy Layering

HUD establishes limits on the amount of HOME funds that may be invested in affordable housing on a per-unit basis for specific areas as specified below:

1. Before committing funds to a project that combines the use of any other local, State or Federal assistance, the City of Montebello will evaluate the project in accordance with guidelines that it has adopted, to ensure that the City does not invest any more HOME funds than are necessary to provide affordable housing.
2. The City of Montebello will conduct a subsidy layering review in accordance with the guidelines presented in HUD Notice CPD-98-01. These guidelines include review of the following project documents:
 - c. Sources/Uses of Funds - This statement should reflect the project development budget and should list:
 - i. All proposed sources (both private and public) of funds and the dollar amounts for each respective source; and
 - ii. All uses of funds (including acquisition costs, rehabilitation and/or construction costs, financing costs, and professional fees) associated with the project.

The City of Montebello will identify the types of documentation necessary to verify the sources and uses of funds indicated in the statement. This listing of documentation will be provided to any CHDO/Developer/Subrecipient so that the documentation can be submitted along with the Sources/Uses of Funds Statement in their application for HOME funds.

- d. Sources of Funds - The City of Montebello will request the following documentation:
 - i. Commitment letters with all terms and conditions for all mortgages, grants, subordination agreements, bridge (interim) loans and investment tax credits (historical, low-income, if applicable); and
 - ii. A copy of the partnership agreement, if applicable, which will indicate the case contributions by the general partner(s) and/or limited partners.
- e. Uses of Funds - The City of Montebello will request the following documentation:

- i. Earnest money agreement, option or closing statement for land and/or building(s);
 - ii. Construction cost estimate;
 - iii. Construction contract or preliminary bid(s);
 - iv. Agreements governing the various reserves which are capitalized at closing (to verify that the reserves cannot be withdrawn later as fees or distributions);
 - v. Appraisal (to substantiate the value of the land and the value of the property after rehabilitation or the structure being built); and
 - vi. If low-income housing tax credits are utilized, documentation on the syndication costs (legal, accounting, tax opinion, etc.) from the organization/individual who will syndicate and sell the offering to ensure that the project can support the fees necessary to syndicate/fund the project.
- f. CHDOs/Developers/Subrecipients are required to provide the City of Montebello a Sources/Uses of Funds statement for a proposed project with supportive documentation.
- g. Certification of governmental assistance: CHDOs/Developers/Subrecipients must provide a formal certification as to whether or not additional governmental assistance will be provided to the project, and if so, what kind of assistance.
- h. Project development budget: CHDOs/Developers/Subrecipients must provide the City of Montebello the project development budget so that the City can determine whether the development costs are necessary and reasonable. The budget should include all costs associated with the development of the project, regardless of the funding sources.
- i. "Reasonableness" of costs will be based on all of the following three factors:
 - i. Costs of comparable projects in the same geographical area;
 - ii. Qualifications of the cost estimators that developed the various budget line items; and
 - iii. Comparable costs published by recognized industry cost index services.
- j. Proforma: The City of Montebello will determine the reasonableness of the rate of return on an equity investment by looking at the CHDOs/Developers/Subrecipients proforma (project income and expense statement).
 - i. The proforma should include achievable operating expenses.

- ii. It should also specify the consequences of tax benefits, if any, and any other assumptions used in calculating the project cash flow.
- iii. The proforma should represent, at a minimum, the term of the HOME affordability requirements, or longer if other funding sources require longer affordability terms.

Underwriting

Underwriting involves the analysis of project assumptions and risks to determine if the public investment is reasonable and the project can be expected to meet all applicable program requirements during the period of affordability. As discussed in the section above, Subsidy layering is a component of project underwriting. The following policies and procedures must be followed regarding underwriting and subsidy layering:

- An examination of the sources and uses of funds for the proposed project and a determination that all project costs are reasonable;
- An assessment of the current market demand in the area where the project will be located;
- An assessment of the experience and the financial capacity of the developer or rental project owner; and,
- An assessment of the firm written financial commitments for the project.

City Staff is required to evaluate a project using its underwriting and subsidy layering guidelines before committing HOME funds and is responsible ensuring that underwriting is revised in response to any changes that may occur in the project budget. The City must demonstrate it has independently evaluated the project budget, financing and development schedule. To confirm that this has occurred, the City is required to certify in HUD's Integrated Disbursement and Information System (IDIS) that it has followed its underwriting and subsidy layering standards before making a commitment of HOME funds. It is important for city staff to recheck and update or revise the project underwriting at:

- Initial Closing or construction start, since construction costs at the time of project application typically are estimates instead of firm bids and contracts; Before HOME funds, in addition to the original commitment, are awarded to the project during development (e.g. in response to a change order or other changes in project costs).
- Construction completion or final draw, when final sources and uses can be verified; While a PJ is ultimately responsible for the project underwriting, it may permit a subrecipient, State recipient or contractor working for the PJ to perform underwriting functions or services. However, the PJ must retain full review authority and must certify in IDIS to the use of its underwriting standards. The use of subrecipients, State recipients, or contractors does not relieve the PJ of its responsibility to provide for proper levels and types of investment with HOME funds.

For further guidance regarding underwriting, staff can refer to the following link:

[Requirements for the Development and Implementation of HOME Underwriting and Subsidy Layering Guidelines \(hud.gov\)](https://www.hud.gov/program_offices/affordable_housing/pj/pj_guidelines)

Other Requirements

1. Property owners must submit an application and obtain approval prior to beginning repairs. Costs of repairs completed prior to assistance approval are not eligible for reimbursement.
2. 100% of financial assistance must be used to rehabilitate the home. No cash is provided to homeowner.
3. The loan is to be recorded as a trust deed on the property and cannot be lower than 2nd position. Open lines of credit must be closed prior to loan approval.
4. There is a maximum of \$100,000 asset limitation in order to apply for the program. The value of homeowner's permanent residence not to be included as part of assets. Income derived from assets must be included in the income calculation.
5. Fire insurance: The homeowner must maintain fire insurance on the property for the duration of the program loan(s). This insurance must be an amount adequate to cover all encumbrances on the property. The insurer must identify the City as Loss Payee for the amount of the program loan(s). A binder must be provided to the City and maintained in the project master file.
6. Flood insurance: For homes in a 100-year flood zone, the homeowner must maintain flood insurance in an amount adequate to secure the Program loan and all other encumbrances. This policy must designate the City as Loss Payee and a binder must be provided to the City and maintained in the project master file.

Termination or Denial of Program Assistance

Applicants may be terminated from Program or denied assistance for the following reasons. This is not a complete list. It only includes those areas for which the applicant has direct control.

1. Terminated from a federal, state, or local program, such as Section 8.
2. If applicant owes any money to the City or any housing authority under any program. If there is a repayment agreement, applicant can be terminated for not honoring the terms of the agreement.
3. False or withholding information.
4. Lack of proper paperwork.

5. The value of cash and investments exceeds \$100,000, except under the following circumstances:
 - a. The account is a qualified retirement account (IRA, annuity, deferred compensation)
 - b. The account is used for regular retirement income as shown over a 2-year history, and
 - c. Balance in the account does not exceed \$300,000, and
 - d. The monthly disbursement is the largest source of monthly income
6. If any member of the family commits fraud, bribery or other corrupt or criminal act in connection with any federal, state or local housing and assistance programs.
7. Not following procedures.
8. Un-permitted structures that are not eligible improvements and will not be addressed as part of the project.
9. Lack of maintenance of previously program funded improvements.
10. If applicant participated in the Program in the past, cannot reapply within seven years after the case close date for the grant and or loan program.
11. If any member of the family engages in or threatened abusive or violent behavior toward City staff.
12. If any member refuses to sign or submit any forms.

Termination Procedures:

- a. Notify applicant in writing
- b. Informal hearing meeting with Economic Development Director
- c. If applicant wishes to appeal the termination, the case will be submitted to the Loan Committee for further review and final decision.

Additional Funds

Loans—Due to unforeseen expenses during construction, which exceed the allocated contingency fund, it may be necessary to lend additional monies to complete the project. This is possible as long as the additional funds will not cause the loan to exceed the maximum loan amount, and the

maximum LTV. The homeowner must execute a new Deed of Trust and Promissory Note prior to receiving additional funds.

Grants—Any funds that will not be covered by the program and will be the homeowner's responsibility, must be paid directly to the contractor in a form of a cashier's check or money order made out to the contractor. The proof of payment is to be submitted to the City at the completion of the project.

Death of Applicant

1. If an applicant passes away during the process of the application and no other persons are on the title, and no work has started, assistance will be terminated
2. If other person(s) are on title and reside in the property, assistance will continue so long as household remains income eligible.
3. Additional titleholders that do not reside in the property and property is not occupied; assistance will be terminated.
4. If work has started and applicant passes away and no one else is on title or resides at the property:
 - a. Continue with assistance, Executor to repay the program from trust
 - b. Continue with assistance, establish a repayment plan
5. If work has started and other person(s) are on title, but do not reside in the property:
 - a. Continue with assistance, property to be occupied by additional title holder as specified in the agreement and will be considered owner-occupied.
 - b. Continue with assistance, if the property is not owner-occupied, assistance is to be repaid based on repayment plan.

Repayment

Loans and grants are to be paid in full if the property is not maintained. All loans must be repaid according to terms.

All loans are subject to the following acceleration clause:

The City loan plus all accrued interest becomes due and immediately payable if any of the following occurs:

1. Sale or transfer of the property, including lease, exchange or other disposition of the property, whether voluntary or involuntary.
2. The refinancing of existing first deed of trust for a loan amount in excess of the then-current loan balance. Refer to Subordination Requirements.
3. When the borrower is in default of any other obligation under the Loan Agreement.
4. When the borrower no longer occupies the property as the principal residence.
5. Death of borrower. The loan is due and payable within three (3) months of the date of death.
6. Lack of maintenance on the property.

The City will be the receiver of loan payments and must maintain a financial record-keeping system to record payments and file statements on payment status. Payments must be deposited and accounted for in the City's appropriate Program Income Account, as required by HUD. The City will accept loan payments from borrowers prepaying deferred loans, and from borrowers making payments in full upon sale or transfer of the property. The City may at its discretion, enter into an agreement with a third party to collect and distribute payments and/or complete all loan servicing aspects of the Program.

Assumption

Loans are not assumable, in whole or in part. In the event that a homeowner sells, transfers title, or discontinues residence in the rehabilitated property for any reason, the loan becomes due and payable. Original borrowers can be deleted from title, but no additional persons can be added.

Subordination

A subordination request may be approved, at the City's sole discretion, only if it meets the following terms and conditions:

1. Property to become part of a Trust under original borrower(s).
2. Refinancing
 - a. The new loan must reduce the overall housing expenses.
 - b. No cash-out is permitted, which means that new loan proceeds must be used only to pay off the existing senior debt and reasonable closing costs. Cash-out for debt consolidation, vacations, etc. is not allowed.
 - c. The total LTV ratio cannot exceed 80% of the property-appraised value.
 - d. The new loan must have a lower fixed interest from the current.
 - e. The new loan shall include an impound account for property taxes and insurance.
 - f. The new loan must be amortized over at least 15 years.
 - g. The City loan's position must not be diminished from its original position; for example, if the City loan is a second trust deed, the City will not subordinate to a third position.

- h. No lender prepayment penalties are allowed.
- i. A complete subordination package must be submitted to the City for review of compliance, and recommendation. The subordination package must include:
 - i. Letter of explanation for the subordination request
 - ii. Copy of new loan application
 - iii. Copy of new lender approval
 - iv. Copy of underwriting and transmittal summary
 - v. Copy of certified escrow instructions
 - vi. Copy of estimated closing statement (estimated HUD-1)
 - vii. Copy of preliminary title report
 - viii. Copy of current property appraisal (no older than 6 months)
 - ix. Copy of most recent mortgage statement

Monitoring

Continued residency will be monitored each year for the term of the loan. For loans, the homeowner must submit an annual certification that the property continues to be their principal place of residence, and attach appropriate verification of residency, such as utility bill and insurance renewal that evidences owner-occupancy.

CHAPTER 3: CHDO REQUIREMENTS AND ACTIVITIES

Part I of this chapter details the CHDO set-aside requirements, the qualifications of a CHDO, CHDO set-aside roles, and the types of assistance the City of Montebello may provide CHDOs while Part II of this chapter covers the City's CHDO selection process.

PART 1: HOME PROGRAM REQUIREMENTS

A Community Housing Development Organization (CHDO) is a private nonprofit, community-based service organization that has obtained or intends to obtain staff with the capacity to develop affordable housing for the community it serves.

The City of Montebello is committed to support City-approved certified Community Housing Development Organizations (CHDOs) that have the appropriate capacity and consent to develop quality affordable housing throughout the City of Montebello. Therefore, the City of Montebello continues to encourage qualified nonprofit organizations to apply for certification as a CHDO.

CHDO Set-Aside Requirement

Reservation of Set-Aside of Funds for CHDOs:

1. The City of Montebello has up to 24 months from after the last day of the month in which HUD signs the HOME Investment Partnerships Agreement transmittal letter to identify and designate the CHDOs they plan to work with, and to reserve funds for the CHDOs' use.
2. The City of Montebello may set aside 15 percent of their funds for housing owned, developed, or sponsored by CHDOs.
3. CHDOs may engage in other HOME-eligible activities in which they are not the owners, developers, or sponsors of the housing. However, the HOME funds committed to those activities will not count toward the set-aside.
4. The CHDO reservation of funds can be made by the City before specific projects are identified.

CHDO Qualifying Criteria

The City of Montebello will certify a nonprofit agency as a CHDO to qualify for the CHDO set-aside. As such, the City of Montebello will accept applications for certification on a continuous basis and the certification is valid for one (1) year.

A **CHDO** is a specific type of private nonprofit entity. CHDOs must meet certain requirements pertaining to their:

1. Legal status;
2. Organizational structure; and
3. Capacity and experience.

(HUD Notice CPD 97-11 details these requirements).

1. Legal Status

- a. Organized under State/local law:** CHDOs must be organized under State and local law.
- b. Purpose of organization:** Provision of decent housing that is affordable to low- and moderate-income persons must be among the purposes of the organization. This commitment must be evidenced in the CHDO's:
 - i. Charter;
 - ii. Articles of incorporation;
 - iii. By-laws; or
 - iv. A resolution of the CHDO's board of directors.
- c. No individual benefit:** No part of the CHDO's earnings (profits) may benefit any members, founders, contributors, or individuals.
- d. Clearly defined service area:** A CHDO should have a clearly defined geographic service area.
 - i. CHDOs do not need to represent a single neighborhood.
 - ii. For urban areas, a CHDO may include in its service area a neighborhood or neighborhoods, city, county, or metropolitan area.
 - iii. For rural areas, a CHDO may include in its service area a neighborhood or neighborhoods, town, village, county or multi-county area (but not the entire State.)
 - iv. Nonprofits serving special populations must also define the geographic boundaries of their service areas in order to qualify as CHDOs.
- e. Nonprofit status**
 - i. A CHDO must have received a tax-exempt ruling from the IRS under Section 501(c)(3) of the Internal Revenue Code of 1986 in order to be designated by the PJ as a CHDO.

- ii. There are many incorporation options under Section 501(c), depending on the type and purpose of the organization seeking the designation for tax-exemption.

f. The 501(c) designation status:

The 501(c) designation status permissible under HOME is:

- i. 9 501(c)(3) -- a charitable, nonprofit corporation;
- ii. 9 501(c)(4) -- a community or civic organization;
- iii. 9 Section 905 -- a subordinate organization of a 501(c) organization.

g. IRS standards for granting a 501(c)(3):

- i. Designation for housing development organizations are narrowly applied, lengthening the time it can take to receive a 501(c)(3) designations.
- ii. Designation can take 9 to 24 months.
- iii. The timeframe varies by IRS region.

h. Conditional designation:

- i. The IRS will usually grant new applicants a conditional designation of 501(c) status, valid for a specified period of time (usually three years.)
- ii. During that period of time, the organizations may operate legally as 501(c) organizations, with all benefits pursuant to that designation, while the IRS monitors their operations.

i. Final designation:

Assuming the CHDO operates in compliance with applicable regulations during this period, the IRS will grant them final 501(c) designation.

NOTE: The City of Montebello requirement for a 501(c) designation can only be fulfilled by having a final designation from the IRS.

NOTE: Pending 501(c) Status Documentation that the CHDO has an application for 501(c) status pending at the IRS will not suffice to fulfill the nonprofit status requirement.

2. Organizational Structure

The City's requirement for a CHDOs organization structure is:

-
- a. The structure of the board of directors of a CHDO is viewed as the main indicator of community control over the CHDO. With that, a CHDOs Board of Directors must be composed of the following:
 - i. At least one-third must be representatives of the low-income community.
 - ii. No more than one-third may be public officials or employees of the City.
 - iii. The balance is unrestricted and may include people such as human and social service providers, lenders, individuals with access to philanthropic resources, or others willing to contribute their professional expertise.
 - iv. There are also maximum limits on representation and control by a for-profit entity when the CHDO is sponsored by a for-profit entity.
 - b. Low-income community representation: As noted above, a minimum of one-third of the board must consist of representatives of the low-income community. There are three ways to meet this requirement:
 - i. Residents of low-income neighborhoods in the community.
 - Low-income neighborhoods are defined as neighborhoods where 51 percent or more of the residents are low-income.
 - Residents of low-income neighborhoods on CHDO boards do not have to be low income themselves.

and/or
 - ii. Low-income residents of the community.
 - In urban areas, "community" is not necessarily limited to a single neighborhood, but may include several neighborhoods, the city, county or metropolitan area.
 - In rural areas, "community" may also cover a multi-county area (but not the whole state). The board need not include low-income residents from each county in the multi-county area.
 - Low-income residents of low-income neighborhoods in the community do not need to submit proof of their income.
 - If low-income residents of the community who do not live in low-income neighborhoods are necessary to meet this threshold, the

CHDO must obtain a certification from the resident that the resident does qualify as low-income.

and/or

- iii. Elected representatives of low-income neighborhood organizations.
 - A low-income neighborhood organization is an organization composed primarily of residents of a low-income neighborhood.
 - The primary purpose of the organization must be to serve the interests of the neighborhood residents.
 - Block groups, town watch organizations, civic associations, neighborhood church groups, and NeighborWorks organizations can be examples of low-income neighborhood organizations.
 - The governing body of the low-income neighborhood organization may elect the representative(s) to serve on the CHDO board.
- c. Low-income input: Input from the low-income community is not met solely by having low-income representation on the board. The CHDO must meet the requirements as follows:
 - i. The CHDO must also provide a formal process for low-income program beneficiaries to advise the CHDO on design, location of sites, development, and management of the organization's by-laws or a board resolution.
 - ii. This requirement is especially important for CHDOs serving a large geographic area, where it may not be possible for a CHDO to have low-income board representation from every neighborhood in which the CHDO will develop, own, or sponsor housing.
 - iii. CHDOs should establish systems for community involvement in parts of their service areas where housing will be developed, but which are not represented on their boards. Such systems might include special committees of neighbors of a proposed development site, neighborhood advisory councils, or open town meetings.
- d. Public-sector limits: A maximum of one-third of the governing board may consist of representatives of the public sector.
- e. This limitation is intended to ensure that separation exists between the City and CHDOs, and that CHDOs are indeed community-based and community-controlled organizations.

- i. A member of the governing board of a CHDO would be considered a representative of the public sector if he or she is a public official, including:
 - ii. Elected officials of the City of Montebello - council members, aldermen, commissioners, state legislators, members of a school board, etc.
 - iii. Appointed public officials - members of a board or State commission or of any other regulatory and/or advisory boards or commissions that are appointed by the State.
 - iv. Public employees of the City - all employees of public agencies (including the schools) or departments of the local government (e.g., a clerk in the water and sewer department, a public facility janitor or a secretary in the tax assessment office); or
 - v. Appointed by a City official - any individual who is not necessarily a public official, but who has been appointed by a City official to serve on the CHDO board
 - vi. Members of the board appointed by public officials cannot select other members of the board.
- f. If the public official is low-income: Public officials and/or appointees who themselves are either low-income community residents or residents of a low-income neighborhood count against the one-third maximum limit of public sector representatives. However, they do not count toward the one-third minimum requirement of community representatives.
- g. Cities, public bodies, or instrumentalities: Cities, public bodies or instrumentalities of public bodies cannot be considered CHDOs. Examples of instrumentalities of public bodies include public housing authorities (PHAs), urban renewal agencies, redevelopment authorities, and downtown development authorities.
 - i. The limits on public-sector representation on CHDO boards only serve to define CHDOs. There are other (not specific to HOME) restrictions on the participation of public officials on the boards of nonprofit organizations seeking public funds. The City should observe their conflict-of-interest guidelines in this regard as well.

- h. Sponsored CHDOs: Nonprofits that have been sponsored by other nonprofits, charities, religious organizations, local or state government, public agencies, or for-profit corporations may qualify as CHDOs, but certain additional requirements and board limitations can apply.
- i. Nonprofit and charity sponsors:
 - i. There are no limits on the proportion of the board that may be appointed by nonprofit or charity sponsors, as long as the minimum one-third community representation is met and the maximum one-third public representation is not exceeded.
 - ii. A one-year minimum history of service to the community by the sponsoring nonprofit or charity may help a new nonprofit to qualify as a CHDO.
- j. Religious organization sponsors:
 - i. Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the HOME Program. Government entities are not to discriminate against an organization on the basis of the organization's religious character or affiliation.
 - ii. However, organizations directly funded under HOME may not engage in inherently religious activities. If the organization conducts such activities, they must be offered separately and participation must be voluntary for the beneficiaries of the assistance provided.

Additional guidance regarding religious or faith-based organizations is provided in 24 CFR 92.2.57 of the HOME final rule.

- k. Local, state government and public agency sponsors:
 - i. A local or state government and/or a public agency cannot qualify as a CHDO but may sponsor the creation of CHDOs.
 - ii. Government officials and appointees of the government cannot exceed one-third of the members of the board.
 - iii. All other CHDO rules and requirements also apply.
- l. For-profit corporate sponsors:

- i. A CHDO cannot be controlled by, nor be under the direction of, for-profit entities or individuals seeking profit from the organization.
- ii. CHDOs may be sponsored or organized by a for-profit if:
 - The primary purpose of the for-profit sponsor is not the development or management of housing (that is, a builder, developer or real estate management firm may not spin off a CHDO);
 - The for-profit appoints no more than one-third of the CHDO's governing board and the board members appointed by the for-profit do not appoint the remaining members of the board; and
 - The CHDO is free to contract for goods and services from any vendors it selects.

3. Experience and Capacity

- a. CHDO experience: A CHDO must demonstrate that it has at least *one year* of experience serving the community where it intends to develop the HOME-assisted housing.
 - i. Newly created organizations wishing to become CHDOs can meet this requirement if the parent (or sponsoring) organization is a nonprofit and has provided services to the community for at least one year.
 - ii. The year of service does not have to be directly related to housing.
 - iii. Prior service to the community cannot consist of a for-profit organization's work in that community.
- b. CHDO capacity: A CHDO must demonstrate the capacity of their key staff to carry out the HOME-assisted activities they are planning. This means that CHDOs must have:
 - i. Experienced key staff who have successfully completed projects similar to those proposed by the CHDO; or
 - ii. Key staff with limited or no experience, and who will use experienced consultants for the planning and development activities, as long as there is a plan in place for the consultant to train the key staff.
- c. Differences in required experience and capacity: There are significant differences in the type of experience and capacity that is required to carry out the variety of housing development activities eligible under the HOME

program. Therefore, "experience in having completed similar projects" is different for development/management of rental housing and development/sale of housing for homebuyers.

- i. Because the purpose of the CHDO capacity requirement is to build staff expertise, CHDOs must have their own professional staffs. This means that the key staff required to demonstrate CHDO capacity cannot be:
 - ✓ Municipal, county or state employees; or
 - ✓ Consultants (paid or volunteer) not planning to train the CHDO's key staff.

4. Financial and Accounting Systems

- a. **Financial standards:** CHDOs must have financial accountability standards that conform to 24 CFR 84.21, "Standards for Financial Management Systems."
 - i. If a CHDO or nonprofit is in the role of a subrecipient, it must comply with certain provisions of 24 CFR Part 84 and OMB Circular A-122 "Cost Principles for Non-Profit Organizations." Both publications are included in the appendices.
 - ii. If a CHDO is acting as an owner, sponsor, or developer of HUD HOME assisted housing, the requirements at 24 CFR 84.21, "Standards for Financial Management Systems" apply. This means the CHDO must relate financial data to performance data and develop unit cost information.

The systems include the following:

- Accurate, current, and complete financial results;
- Records that identify the sources and uses of the funds;
- Control over and accountability of all funds and assets;
- Comparison of actual expenditures against budgets;
- Written procedures to minimize time between the transfer of funds in and the payment of funds out;
- Written procedures for determining reasonableness, allocability, and allowability of costs; and
- Accounting records including cost accounting records supported by source documents.

-
- b. **Accounting systems:** CHDOs/Nonprofits should establish accounting systems that include at a minimum the following reporting reports:
- i. A chart of accounts that includes
 - ✓ The categories of accounts;
 - ✓ The name of the account;
 - ✓ The number of the account;
 - ii. Cash receipts journal that includes
 - ✓ The date the funds were received listed in chronological order;
 - ✓ The amount received;
 - ✓ The source of the funds;
 - ✓ The purpose of the funds;
 - iii. Cash disbursements journal that includes
 - ✓ The date funds were paid out listed in chronological order;
 - ✓ The date the expense was incurred;
 - ✓ The purpose of the expense;
 - ✓ The amount paid;
 - ✓ To whom it was paid;
 - iv. Payroll journal that includes
 - ✓ A listing of employees;
 - ✓ Amounts paid to the employees;
 - ✓ Benefit expenses paid;
 - v. General ledger that includes
 - ✓ A summary of all account activities listed in chronological order; and
 - ✓ The financial status of all the accounts of the organization.
- c. **Source documentation:** Costs charged against the HOME program must be supported by source documentation that shows that the costs were:
- i. Incurred during the effective period of the agreement;
 - ii. Actually paid out;
 - iii. Expended on eligible items and activities; and
 - iv. Approved by the appropriate officials of the organization.

CHDOs Set-Aside Roles: Owner, Developer, and Sponsor

The City of Montebello provides CHDO set-aside funds to CHDOs acting as owners, developers, and sponsors of projects that create new units of affordable housing in their communities. To qualify for the set-aside funds, the CHDO must have effective decision-making authority.

CHDO set-aside funds may be used by CHDOs for those HOME activities where the CHDO acts as the owner, developer, or sponsor of the housing.

- 1. Owner:** The CHDO is an “owner” when it holds valid legal title to or has a long-term (99-year minimum) leasehold interest in a rental property. The CHDO may be an owner with one or more individuals, corporations, partnerships or other legal entities.
 - a. The CHDO may be the owner and developer of its own project.
 - b. The CHDO may own a property in partnership with either a majority or minority interest. However, the CHDO -- in partnership with a wholly owned for-profit or nonprofit subsidiary -- must be the managing general partner with effective control.
- 2. Developer:** A CHDO is a “developer” when it either owns a property and develops a project, or has a contractual obligation to a property owner to develop a project.
 - a. If the CHDO owns the property, it must obtain financing and rehabilitate or construct the project.
 - i. For HOME-assisted rental housing: At project completion, the CHDO may maintain ownership and manage the project over the long-term, or it may transfer the project to another entity for long-term ownership and management.
 - ii. For HOME-assisted homebuyer project: The CHDO transfers title of the property and the HOME obligations to an eligible homebuyer within a specified timeframe of project completion.
 - b. If the CHDO does not own the property, it must be under a contractual obligation with the owner to obtain financing and rehabilitate or construct the project. Under this scenario, the CHDO assumes all of the risks and rewards associated with being the **most** detail the CHDO’s specific obligations.
 - iii. For HOME-assisted rental housing: The CHDO may, at project completion, manage the project for the owner.

- iv. For homebuyer housing: The owner must transfer title of the property and the HOME obligations to eligible homebuyers within a specified timeframe of project completion.
 - c. If the CHDO develops the property for an owner pursuant to a written or other agreement with the City, the CHDO is acting in the capacity of a subrecipient.
- 3. Sponsor:** A CHDO is a “sponsor” for HOME-assisted rental or homebuyer housing according to the circumstances outlined below.
- a. For HOME-assisted rental housing: The CHDO develops a project that it solely or partially owns and agrees to convey ownership to a second nonprofit organization at a predetermined time. The conveyance may take place prior to, during, or upon completion of the development phase.
 - b. The HOME funds are invested in the project owned by the CHDO sponsor.
 - c. The CHDO sponsor identifies the particular nonprofit organization that will obtain ownership of the property prior to commitment of HOME funds.
 - d. The other nonprofit will assume from the CHDO at a specified time all HOME obligations (including repayment of loans and tenant and rent requirements) for the project. If the property is not transferred to the nonprofit organization, the CHDO sponsor will remain liable for the HOME obligations.
 - e. The other nonprofit organization must be financially and legally separate from the CHDO sponsor. (The second nonprofit may have been created by the CHDO; nevertheless, it is a separate entity from the CHDO.)
 - f. The CHDO sponsor must provide sufficient resources to the nonprofit organization to ensure the completion of development and long-term operation of the project.
- 4. Similar roles:** The developer and sponsor roles are similar in many ways.
- a. In both the developer and sponsor roles, the CHDO carries out some or all of the principal project development activities -- such as acquisition, financing, construction management and putting together a capable development team -- to bring project from conception to completion.
 - b. However, as developer, the CHDO need not own the property.

- c. As sponsor, the CHDO must own the property and shift the responsibility from the CHDO to another specific nonprofit at some specified time in the development process. Transfer could occur, for example, at:
 - i. Initiation of the construction;
 - ii. Completion of the construction; or
 - iii. Issuance of the certificate of occupancy.

The HOME long-term affordability requirements for the project are the responsibility of the owner or subsequent owners of the property.

5. CHDOs vs. Subrecipients

A community-based nonprofit organization may meet all of the regulatory requirements to be designated as a CHDO. However, in order for CHDO activities to count toward the CHDO set-aside, the CHDO must be the developer, sponsor and/or owner of the HOME-assisted housing.

6. CHDO as a Subrecipient:

CHDOs may play the role of a "subrecipient" undertaking all other HOME-eligible activities, even if these activities do not count toward the CHDO set-aside.

- a. A HOME subrecipient is an entity selected by the City to administer aspects of a HOME program (that is, screen projects, market activities, review and certify tenant income, counsel potential homebuyers) or an entire HOME activity (review requests for HOME funds for the rental housing production set-aside.).
 - i. Restrictions: When a CHDO is acting in the capacity of a HOME subrecipient, it may not also receive HOME funds to develop, sponsor or own housing funded through the subrecipient activity the CHDO administers. Doing so would constitute a conflict-of-interest for the CHDO.

CHDO Eligible Uses

With the City of Montebello approval, CHDOs may use HOME funds for **all** eligible HOME activities. However, only certain types of activities count toward the minimum 15 percent set-aside.

1. Eligible Uses:

Eligible set-aside activities include the following when carried out by a CHDO acting as an **owner, developer or sponsor**:

- a. Acquisition and/or rehabilitation of rental housing;
- b. New construction of rental housing;
- c. Acquisition and/or rehabilitation of homebuyer properties;
- d. New construction of homebuyer properties; and
- e. Direct financial assistance to purchasers of HOME-assisted housing sponsored or developed by a CHDO with HOME funds.

2. Ineligible Uses:

The following activities are ineligible set-aside activities, but may be carried out by the CHDO as a **subrecipient**:

- a. Tenant-based rental assistance;
- b. Homeowner rehabilitation; and
- c. Brokering or other real estate transaction.

CHDO Special Assistance

The City of Montebello may use HOME funds to provide special assistance to CHDOs that include:

- 1. Project pre-development loans;
- 2. Use of HOME project proceeds; and
- 3. Capacity-building assistance.

NOTE: In contrast to the 15 percent set-aside, which is mandated, the City has total discretion over whether to provide these special forms of assistance.

- 1. **Project Pre-development:** The City of Montebello *may* set-aside a portion of CHDO set-aside funds to be provided to the CHDO for project-specific pre-development assistance (see Part II: Program and Design).
 - a. The project specific pre-development assistance is intended to assure that CHDOs have access to funds for up-front, eligible project expenditures. This assistance provides a form of project feasibility "line of credit" that many nonprofit developers need, but often have difficulty obtaining from private sources.

- b. All costs must be related to a specific project which, if deemed feasible, would receive HOME funds for development.
 - c. Project pre-development costs may not exceed customary and reasonable project preparation costs.
- 2. **Types of pre-development assistance:** The two primary types of project pre-development assistance are:
 - 1. Technical assistance and site control loans, and
 - 2. Seed money loans.

PART 2: PROGRAM DESIGN AND IMPLEMENTATION

This section discusses the City's CHDO program design and implementation procedures.

PROCEDURES (General)

- 1. City of Montebello CHDO applicants must request a specific amount in the Project Application.
- 2. All pre-development loans must be repaid or rolled over into the permanent subsidy at on construction close.

Operating Assistance

- 3. The City of Montebello permits CHDO proceeds and pre-development loans but does not provide CHDO operating expenses.
- 4. Applicants requesting pre-development loans must complete both the CHDO Pre-Application and the Project Application as defined below before a loan can be considered or authorized.

Eligibility Determination

- 1. Once the CHDO candidates are identified, the City of Montebello will determine whether organizations meet the CHDO qualifications outlined in the HOME regulations.

a. Eligible Applicant

The only eligible applicant for the city's HOME CHDO Program is a Community Housing Development Organization ("CHDO") as defined by the HOME Investment Partnerships Act and the regulations adopted by the US Department of Housing and Urban Development (HUD) is a private

nonprofit, community-based organization that meets the definition at 24 CFR 92.2. The governing law and regulations may be found at 24 CFR 92.2 and 92.300-303, and in CPD Notice 97-11, CPD Notice 97-09, and HUD CPD Notice 96-09.

To assist the City of Montebello in determining the qualifications and capacity of a CHDO organization the City designed a CHDO Determination Worksheet (see Exhibit 3). The worksheet is designed to assist the City in processing a CHDO application in the minimum time necessary. Each section is a table which can be filled out and the table will adjust to the length of the CHDO's response.

CHDO Capability

1. Once an organization has been determined eligible as a CHDO, the City of Montebello will establish whether the CHDO is actually capable of carrying out the responsibilities of a CHDO by assessing the CHDOs capacity. Determining the CHDOs capacity assists the City to determine which organization(s) are qualified and capable of carrying out CHDO-eligible activities, and which ones need to make changes or build capacity to quality.

Types of Projects

1. The City permits CHDOs to bring any type of project which is an eligible CHDO activity as follows:
 - a. Acquisition and/or rehabilitation of rental housing;
 - b. New construction of rental housing;
 - c. Acquisition and rehabilitation of homebuyer properties for resale to eligible, qualified buyers;
 - d. New construction of homebuyer properties for sale to eligible, qualified buyers; and
 - e. Direct financial assistance to purchasers of HOME-assisted housing sponsored or developed by a CHDO with HOME funds.
2. The City permits CHDO proceeds and pre-development loans, but does not provide CHDO operation expenses. Applicants requesting a pre-development loan must complete both the CHDO Pre-Application and the Project Application as defined below before a loan can be considered or authorized.

Application Period

1. The City of Montebello welcomes applicants for CHDO status at any time during the calendar year.

Pre-Application for CHDO Status

1. The City of Montebello pre-application process procedures require the applicant to meet ALL of the requirements of being a CHDO as defined by the “CHDO Determination Worksheet” provided by the City.
2. All documentation necessary for meeting the requirements contained in the CHDO Determination Worksheet must accompany the pre-application form. The documents necessary for determination include:
 - a. The CHDO Determination Worksheet;
 - b. A copy of the Articles of Incorporation;
 - c. A copy of the By-Laws;
 - d. A copy of the Conflict of Interest Policy;
 - e. Any applicable signed Board Minutes or resolutions required by the CHDO Determination Worksheet;
 - f. A Board Form for each Board member, signed and dated by the Board member
 - g. A current financial statement and the most recent annual audit; and
 - h. A statement of the applicant’s capacity to undertake a project of the scope and size proposed;
 - i. Including staff resumes
3. The City will review the application for compliance, completeness, and capacity.
4. The Pre-Application Process results in Pre-Qualification letter from the City HOME Program Administrator to the CHDO advising the CHDO to submit a qualifying CHDO project within 180 days of the date of the Pre-Qualification letter.
5. The City certifies CHDO’s only at the point where the CHDO has an approved City CHDO project.
6. Completion of the pre-application process for CHDO status does not guarantee funding by the City.
7. In the event any of the items contained in the CHDO Determination Worksheet change between the time of the Pre-Qualification letter and the submission of a CHDO project, the CHDO must notify the City in writing of the change (at the time of project application) and provide the documentation necessary to assess whether or not the CHDO remains compliant with the CHDO requirements.

8. Changes in the Board of Directors require the CHDO submit the Board Form for any new Board member and identify any Board members who have left the CHDO at the time of project application and again at the HOME closing.

RECAPTURED AND RESALE FUNDS

As discussed in the City's Annual Action Plan, the following requirements relate to *CHDOs only*. *This is not required for rental or homebuyer programs.*

RECAPTURED FUNDS (24 CFR 92.254(a)(5)(ii)(A)(4))

Recapture is defined as the recovery of HOME funds upon the sale or transfer, rental or lease, refinancing, or the Borrower(s) no longer being a physical occupant of the property.

GENERAL PROVISIONS

- a. Any amount repaid as a result of a homebuyer property being sold within the affordability period.
- b. The recaptured provisions must be stated in written agreements between Recipients and the income of any eligible homebuyers.
- c. Recaptured funds are a return of the original HOME investment and are technically not program income.
- d. Therefore, unlike program income, 10 percent of recaptured funds **cannot** be used for planning and administrative costs and must be returned to the City.

PROCEDURE

- a. The City of Montebello will impose HOME recapture provisions on any property sold by a Community Housing Development Organization (CHDO) to a homebuyer when the City provides a direct subsidy for down payment and or closing costs to the homebuyer.
- b. The balance of the loan shall be due and payable upon sale or transfer, rental or lease, refinancing, or the Borrower(s) no longer being a physical occupant of the property.
- c. This recapture provision shall remain in force from the date the legal documents are executed at loan closing until the expiration of the affordability period.
- d. Net Proceeds from Sale for the purpose of Recapture are defined as follows:

- i. Sales Price
 - ii. Less Seller's Closing Costs
 - iii. Less First Mortgage Balance
 - iv. Less documented Capital Improvements in excess of \$500
 - v. Less Down payment and closing costs paid from the Homebuyer's cash at purchase
 - vi. Equals Net Proceeds from Sale
- e. The City shall recapture from the net proceeds from sale, the remaining Development, and/or Homebuyer direct subsidy and return the recaptured funds to the HOME Investment Trust.
 - f. Funds remaining after Recapture shall accrue to the Homebuyer.
 - g. If there are no Net Proceeds from Sale, then the City shall forgive the remaining balance of the loan.

RESALE PROVISIONS [24 CFR 92.254(a)(5)(ii)(5)]

PROCEDURE

- a. The City of Montebello will impose HOME resale provisions on any property sold by a Community Housing Development Organization (CHDO) or any other entity receiving a HOME development subsidy from the City, to a homebuyer when the City does not provide a direct subsidy for down payment and or closing costs to the homebuyer.
- b. Resale is defined as the recovery of HOME funds upon the sale or transfer, rental or lease, refinancing, or the homebuyer(s) no longer being a physical occupant(s) of the property:
 - i) In instances where the home has been rented or leased, refinanced, or the Borrower(s) are no longer are physical occupant(s) of the property the total outstanding balance of the HOME loan shall be immediately due and payable to the City;
 - ii) In instances where the Homebuyer's home is sold to a qualified low-income buyer at an affordable price, the HOME loan balance shall be transferred to the subsequent qualified buyer and the affordability period shall remain in force;
- a. The resale provision shall remain in force from the date the legal documents are executed at loan closing until the expiration of the affordability period defined in the Written Agreement between the City and the homebuyer(s).

- b. Resale requires the homeowner to sell the home to a low-income family and at an affordable price as defined below:
 - i) A low-income family is defined as a family whose income at the time of purchase from the homebuyer is no greater than 80% of the area median income as defined by HUD under the Part V income definition.
- (1) The contract for sale of the home must include a provision requiring the family acquiring the home to be qualified by the City prior to acquiring the property.
 - ii) The affordable sales price of the HOME assisted property shall be determined as follows:
 - (1) The City shall determine 80% of area median income (AMI) for:
 - (a) A family of two (2) if the unit is a one (1) bedroom unit
 - (b) A family of three (3) if the unit is a two (2) bedroom unit
 - (c) A family of four (4) if the unit is a three (3) bedroom unit
 - (d) A family of six (6) if the unit is a four (4) bedroom unit
 - (2) The applicable AMI shall be multiplied by twenty-five percent (25%) to determine the annual housing expense ("HE") and divided by twelve (12) to determine the monthly HE.
 - (3) The mortgage interest rate shall be the average fixed rate, thirty (30) year mortgage interest rate as published by the Federal Housing Administration (FHA) at the time of determination.
 - (4) The term shall be thirty (30) years.
 - (5) The present value of an affordable mortgage shall be calculated utilizing the monthly HE, the determined interest rate, and the term.
 - (6) The present value shall be divided by 95 and multiplied by 100. The result shall be the affordable sales price.
 - iii) The homeowner must list the property at or below the City determined affordable price.

1. Fair Return and Appreciated Value [24 CFR 92.254(a)(5)(i)]

a) Determination of Fair Return

- i) Fair Return shall be the sum of:
 - (1) Down payment and closing costs paid from the buyer's cash at purchase.
 - (2) Seller's (homeowner's) closing costs at sale.
 - (3) Principal payments only made by the buyer in excess of the amount required by the loan.
 - (4) Documented capital improvements in excess of \$500.
- b) Fair Return is paid to the buyer at sale once first mortgage debt is paid and all other conditions of this agreement are met.
 - i) In the event there are no funds for fair return, then fair return does not exist.
 - ii) In the event there are partial funds for fair return, then fair return shall remain in force.
- c) Appreciated value is:
 - i) The Affordable Sales Price
 - ii) Less first mortgage debt
 - iii) Less Fair Return
 - iv) Equals appreciated value.
 - (1) If appreciated value is zero, or less than zero, then no appreciated value exists.
- d) Appreciated Value is shared with the homebuyer based on the City's initial investment of HOME funds as follows:
 - i) The homeowner's initial investment of down payment and closing costs divided by the City of HOME investment equals the percentage of appreciated value that shall be paid to the homeowner.
 - ii) The balance of appreciated value shall be paid to the City.

CHDO Determination Worksheet

The CHDO Determination Worksheet is designed to assist the City in processing your CHDO application in the minimum time necessary. Each section is a table which can be filled out and will adjust to the length of the CHDOS response. Please remember to save this document as (Acronym of the CHDO) CHDO Application.

EXHIBIT 3
CHDO DETERMINATION WORKSHEET
APPLICANT INFORMATION

Applicant Name				
Applicant Address				
City		State		Zip
Contact Person			Office Phone	
Cell Phone			E-mail	

BOARD OF DIRECTORS LIST

CHAIR	Name			
Home Address				
City/State		Zip		
Telephone		E-mail		
PRESIDENT	Name			
Home Address				
City/State		Zip		
Telephone		E-mail		
VICE-PRESIDENT	Name			
Home Address				
City/State		Zip		
Telephone		E-mail		
TREASURER	Name			
Home Address				
City/State		Zip		
Telephone		E-mail		
SECRETARY	Name			
Home Address				
City/State		Zip		
Telephone		E-mail		
BOARD MEMBER	Name			
Home Address				
City/State		Zip		
Telephone		E-mail		
BOARD MEMBER	Name			

Home Address			
City/State		Zip	
Telephone		E-mail	
BOARD MEMBER	Name		
Home Address			
City/State		Zip	
Telephone		E-mail	
BOARD MEMBER	Name		
Home Address			
City/State		Zip	
Telephone		E-mail	
BOARD MEMBER	Name		
Home Address			
City/State		Zip	
Telephone		E-mail	
BOARD MEMBER	Name		
Home Address			
City/State		Zip	
Telephone		E-mail	

CHDO Checklist

The information contained in the CHDO Checklist refers to the definition of Community Housing Development Organizations (CHDOs) in Subpart A, 92.2 of the HOME Rule.

9. The City of Montebello requires the CHDO to fill the Checklist out completely stating where the response to each requirement may be found in the accompanying documentation.

I. LEGAL STATUS	
A. The nonprofit organization is organized under State or local laws, as evidenced by either Charter (Articles of Incorporation) or By-Laws	

B. No part of its net earnings inures to the benefit of any member, founder, contributor, or individual, as evidenced by:	
C. Has a tax exemption ruling from the Internal Revenue Service (IRS) under Section 501(c)(3) or (4) of the Internal Revenue Code of 1986, as evidenced by a 501(c)(3) or (4) Certificate from the IRS. OR Is classified as a subordinate of a central organization non-profit under section 905 of the Internal Revenue code, as evidenced by a group exemption letter from the IRS that includes the CHDO.	
D. Has among its purposes the provision of decent housing that is affordable to low- and moderate-income people, as evidenced by an organization statement:	
II. CAPACITY	
A. Conforms to the financial accountability standards of 24 CFR 84.21, "Standards for Financial Management Systems", as evidenced by a notarized statement by either the president or chief financial officer of the organization; OR a certification from a Certified Public Accountant, OR a HUD approved audit summary.	
B. Has a demonstrated capacity for carrying out activities assisted with HOME funds, as evidenced by either resumes and/or statements that describe the experience of key staff members who have successfully completed projects similar to those to be assisted with HOME funds, OR contract(s) with consultant firms or individuals who have housing experience similar to projects to be assisted with HOME funds, to train appropriate key staff of the organization.	
C. Has a history of serving the community within which housing to be assisted with HOME funds is to be located, as evidenced by either a statement that documents at least one year of experience in serving the community, OR for newly created organizations formed by local churches, service or community organizations, a statement that documents that its parent organization has at least one year of experience in serving the community. The CHDO or its parent organization must be able to show one year of serving the community prior to the date the participating jurisdiction provides HOME funds to the organization. In the statement, the organization must describe its history (or its parent organization's history) of serving the community by describing activities which it provided (or its parent organization provided), such as, developing new housing, rehabilitating existing stock	

and managing housing stock, or delivering non-housing services that have had lasting benefits for the community, such as counseling, food relief, or childcare facilities. The statement must be signed by the president or other official of the organization.	
D. A defined service area which includes or overlaps the City of Montebello as evidenced by: A resolution of the Board of Directors; the Charter, or the By-Laws	
E. A current financial statement of the CHDO	
III. ORGANIZATIONAL STRUCTURE	
A. Maintains at least one-third of its governing board's membership for residents of low-income neighborhoods, other low-income community residents, or elected representatives of low-income neighborhood organizations as evidenced by the Organization's By-Laws, Charter, OR Articles of Incorporation.	
B. Provides a formal process for low-income, program beneficiaries to advise the organization in all of its decisions regarding the design, siting, development, and management of affordable housing projects, as evidenced by: the organization's By-laws, a resolution of the Board of Directors, OR a written statement of operating procedures approved by the governing body.	
C. A CHDO may be chartered by a State or local government, but the following restrictions apply: (1) the State or local government may not appoint more than one-third of the membership of the organization's governing body; (2) the board members appointed by the State or local government may not, in turn, appoint the remaining two-thirds of the board members; and (3) no more than one-third of the governing board members are public officials (including any employees of the PJ), as evidenced by the organization's: By-laws, Charter, OR Articles of Incorporation.	
LOCAL REQUIREMENT: A Board Information Form must be submitted for each Board member	
D. If the CHDO is sponsored or created by a for-profit entity, the for-profit entity may not appoint more than one-third of the membership of the CHDO's governing body, and the board members appointed by the for-profit entity may not, in turn, appoint the remaining two-thirds of the board members, as evidenced by the CHDO's: By-laws, Charter, OR Articles of Incorporation.	

IV. RELATIONSHIP WITH FOR-PROFIT ENTITIES		
A. The CHDO is not controlled, nor receives directions from individuals, or entities seeking profit from the organization, as evidenced by the organization's By-laws, OR a Memorandum of Understanding (MOU).		
B. A Community Housing Development Organization may be sponsored or created by a for-profit entity, however: (1) the for-profit entity's primary purpose does not include the development or management of housing, as evidenced in the for-profit organization's By-laws		
(2) the CHDO is free to contract for goods and services from vendor(s) of its own choosing, as evidenced in the CHDO's By-laws, Charter, OR Articles of Incorporation		
V. OTHER FEDERAL REQUIREMENTS		
(1) Has a conflict of interest policy for Board of Directors and Staff that meets the requirements of 24 CFR Part 92.356 of the HOME Regulations		

Project Application

10. Once the City has provided the CHDO with a Pre-Qualification letter, the CHDO applicant **must** submit a viable, compliant CHDO project to the City within **180 days**.

Projects

The following describes the required submissions for various types' projects allowed by the City:

Single Family

Single Family program applicants are required to submit a complete program description that Defines:

1. The buyer(s) to be served;
 - a. By family size and household income
2. The type of program activity:
 - b. Acquisition/Rehabilitation/Sale
 - c. New Construction
 - d. Other

3. The project timeframe and timeline
4. The total project costs
 - a. Including all Sources and Uses
5. The total subsidy per buyer
 - a. The City does not offer a separate down payment and closing costs assistance program. The applicant must define what portion of the funds requested will be a development subsidy and what portion of the subsidy will be down payment and closing cost assistance to the buyer.

Multifamily

Multifamily program applicants are required to submit a site-specific project, including:

1. A development and operating pro forma.
2. The type of program activity:
 - a. Acquisition/Operation
 - b. Acquisition/Rehabilitation/Operation
 - c. New Construction
 - d. Special Needs
3. The project timeframe and timeline.
4. The total project cost:
 - a. Including all Sources and Uses for the development.
 - b. The total HOME subsidy requested.
5. An operating pro forma showing all income and expenses for the entire HOME required compliance period:
 - a. Rents must be compliant with the HUD allowable rents for the Los Angeles MSA.
 - b. Escalation rates must be 5 percent for expenses and 3 percent for income.
 - c. The project must have a positive cash flow for the entire HOME compliance period.

CHDO Proceeds

CHDO Proceeds result from the sale of a single family or multifamily property financed by the City through the HOME program. Proceeds include both HOME funds and any other funds from any source which are realized by the sale of property assisted in any form or fashion with HOME funds.

1. In single family sales, the total HOME funds provided by the City to the CHDO for any specific project under the HOME contract, less the actual expenses for the project, the buyer's down payment, the buyer's contribution, and any non-HOME or non-CDBG mortgages are defined as CHDO Proceeds, or Proceeds.
2. In multifamily sales, the total HOME funds provided by the City to the CHDO for any specific project under the HOME contract, less the actual expenses of the project, the buyer's down payment, the buyer's contribution, and any non-HOME or non-CDBG mortgages are defined as CHDO Proceeds, or Proceeds.
3. Allowable Uses of CHDO Proceeds:

An eligible activity defined by either the HOME program regulations or this agreement that directly supports the creation of affordable housing in our community shall be collectively known as an "allowable use." Allowable uses are further defined and limited by this agreement as follows:

- a. Any eligible use of HOME funds, as defined in 24 CFR Parts 91 and 92 of the Final HOME Rule shall be an allowable use under this contract, so long as the allowable use results in or supports the creation of new units of affordable single-family housing for purchase by HOME qualified buyers or for rent by HOME qualified tenants

4. Prohibited Uses

- a. Proceeds may not be used to fund, finance or pay for a loan counseling, debt counseling or homebuyer counseling programs or efforts as long as the City provides funding to any other organization or entity to provide these services.
- b. Proceeds may not be used to fund any operating reserves of the CHDO.
- c. Proceeds may not be utilized to make repairs, reconstruct, or rebuild any unit previously financed with HOME funds without the express written permission of the City.

5. Governing Law and Regulation

- a. Final HOME Rule: 24 CFR Parts 91 and 92;
- b. CPD Notice 97-9; and
- c. The City's Contract with the CHDO

6. Accounting for Proceeds

- a. The CHDO shall retain proceeds in a separate bank account and shall provide an accounting of the use of proceeds to the City on a quarterly basis.
- b. The accounting shall designate the project and show the flow of funds into and out of the project account until all funds in the account are expended in accordance with the CHDO Contract and the CHDO Proceeds Addendum
- c. To facilitate proper accounting for the proceeds, the CHDO shall utilize the spreadsheet designated by the City and included here by reference.
- d. The auditor of the CHDO shall, at each annual audit, review the CHDO proceeds account of the CHDO and shall include in the annual audit specific language stating whether or not the CHDO has complied with the terms of the CHDO Proceeds Addendum to the Contract between the City and the CHDO.

7. Allocation and Use of Proceeds

- a. Under the CHDO's contract with the City, the City provides the CHDO with a development subsidy to assist in the development of either multifamily or single-family housing within the City;
- b. The development subsidy is expended by the CHDO;
- c. Proceeds are realized upon the sale of the completed property to a qualified buyer as defined by the City's contract with the CHDO.
- d. Proceeds are realized on the date of the close of the property to the end owner.
- e. At the close of each project which yields proceeds to the CHDO, the CHDO shall allocate proceeds as follows:
 - i. If proceeds are less than \$5,000, then all proceeds from the associated property account shall be allocated by the CHDO to the general administration (salaries, benefits and/or administrative costs) of the CHDO for the support of the development of affordable housing.
 - ii. If proceeds are more than \$5,000, then:
 - 1. Ten percent (10 percent) of proceeds shall be immediately allocated to the general administration (salaries, benefits and/or administrative costs) of the CHDO for the support of the development of affordable housing;

2. Ninety percent (90 percent) of proceeds shall be allocated to land acquisition, site development, and/or construction financing.
 3. Each subsequent return of proceeds shall follow the same methodology until the proceeds are less than \$5,000, at which time the proceeds account for the project shall be closed.
 - iii. To facilitate the quick rollover and expenditure of proceeds, the CHDO will invest proceeds in the next available project as soon as the proceeds are realized, and before a request for additional funds for development activity from the City.
8. Draw Requests
- a. Requests to the City for disbursement of funds for land acquisition, site development and/or construction financing on any subsequent project under this contract, shall include the following:
 - i. The full amount of the requested disbursement;
 - ii. The amount drawn from proceeds
 - iii. Including the project name or names, the amount is drawn from.
 - iv. The net amount of the requested disbursement.
9. CHDO proceeds must be specifically requested in the CHDO's Project Application.
10. The City of Montebello **will not** assign staff to a CHDO on either a full or a part-time basis in order to fulfill the CHDOs capacity requirement.
11. Allow CHDOs pay the City of Montebello for any technical assistance and/or training that the City provides.

CHDO Certification

CHDO Certification/Recertification Requirements:

Certified CHDOs or organizations that wish to be certified as a City of Montebello CHDO **must** use the City's application to apply for certification. Certified CHDOs must be **re-certified** on an annual basis, providing all documentation required for initial certification is up to date and accurate. Agencies meeting the CHDO certification requirements as indicated in the CHDO section of these operating procedures will be recommended by the City of Montebello staff for certification.

A City of Montebello CHDO seeking recertification or an agency seeking certification as a City of Montebello CHDO must **currently** demonstrate **capacity** to carry out HOME assisted activities either with:

- a. Experienced staff who have successfully completed similar projects, that draws a distinction between development, management of rental housing and development, sale of housing for first-time homebuyers,
OR
- b. Key staff with limited or no experience who will utilize experienced consultants (if consultants are in charge of development, there must be a written plan submitted yearly to the City of Montebello indicating how the consultant will train key staff during that funded year).

Monitoring of CHDO by City Staff

The City of Montebello will monitor the performance of the CHDO to assist the City to identify:

- Strengths and weaknesses in CHDO operations and the support systems necessary for CHDOs to operate and for the HOME program to succeed.
- Identifying what needs to be changed, and for securing the appropriate technical assistance and training needed to do so.
- Determining the level, type, and areas of need will vary from CHDO to CHDO, and, within CHDOs, from year to year.

Monitoring CHDO performance will include a review of the following factors:

1. Compliance with HOME requirements;
2. A risk assessment of the CHDO;
3. Completion of funded projects;
4. Completion of income eligibility documentation (CHDO will be required to obtain final approval by City Staff regarding these documents prior to receiving funds);
5. Timeliness and ability to complete projects within established budget parameters;
6. Human resources;
7. Adequate financial resources;
8. Ability to leverage other resources;
9. Adequate financial systems;
10. Board operations;
11. Strategic plans;
12. Organizational work plans;
13. Record-keeping;
14. Compliance with HOME targeting requirements;

15. Board composition and operations; and
16. Hard Copies of each file that include income eligibility documentation have been provided to and maintained by the City.

PROCEDURE:

1. The City will issue a letter ninety (90) days in advance of monitoring specifying a set of files, policies, procedures, and accounts the City will require the CHDO deliver to the City on a date certain;
 - a. Each year, within 120 days of the close of the CHDO's fiscal year, the CHDO shall deliver an audit by a certified public accountant to the City;
 - i. The audit shall contain the CHDO Proceeds provision noted under accounting, if applicable;
2. After the CHDO has submitted the required documents the City will conduct a desk review to insure compliance with the HOME and local requirements;
3. Upon completion of the desk review the City will establish a mutually acceptable date for the on-site monitoring;
4. The City will specify, at its' sole discretion, the items the City will review on-site.
5. The City will conduct on the on-site monitoring.
6. Within thirty (30) days of the on-site monitoring, the City will issue a Monitoring Report delineating any deficiencies found;
7. The CHDO shall have thirty (30) days to address or correct those deficiencies identified in the monitoring report.

Default

Any of the following conditions shall result in default by the CHDO:

1. Failure by the CHDO to deliver the audit within the prescribed period;
2. Failure by the CHDO to submit the required quarterly reports;

3. Failure by the CHDO to segregate the CHDO Proceeds in a separate account, or to properly account for the Proceeds to the standard provided by this agreement (if applicable);
4. Failure by the CHDO to meet the development or program benchmarks contained in the City's Contract with the CHDO.
5. Any action of the staff or Board of Directors which violates the laws and regulations of the United States; the laws and regulations of the State of California; and/or the laws and regulations of the City.

NOTE: If the CHDO defaults as defined herein, the City, may, at the City's sole discretion, end or suspend the Contract between the City and the CHDO.

Income Eligibility Documentation

The HOME income determination and recordkeeping requirements are important and necessary to ensure that HOME funds are invested in dwelling units that are occupied by households that qualify as low-income families.

City staff will ensure proper controls to review and provide final approval for income eligibility documentation, particularly if a HOME assisted project is managed by a third party such as a subrecipient or a Community Development Housing Development Organization (CHDO).

CHAPTER 4: HOMEOWNER REHABILITATION ACTIVITIES

This chapter describes how HOME funds may be used to assist owners in the rehabilitation of owner-occupied housing. Eligible activities, forms of assistance and property types are covered in this chapter.

This chapter is divided into two parts: General HOME Program requirements, and the City of Montebello program design and implementation procedures focusing on how to determine 95 percent of median value, as well as subsidy type, and selection.

PART 1: HOME PROGRAM REQUIREMENTS (GENERAL)

General HOME Program requirements include: eligible Homeowner Rehabilitation Activities, applicant eligibility requirements, forms of financial assistance, and property standards and value. A summary of the key homeowner rehabilitation rules and how to document compliance with these rules is provided as Exhibit 4.

Eligible Activities

HOME funds may be used to assist existing homeowners with the repair, rehabilitation, or reconstruction of owner-occupied units.

Whenever HOME funds are used for rehabilitation, the work must be performed according to the City's written rehabilitation standards and the unit(s) must be brought up to the applicable state or local code. If a state or local code does not exist, the unit may be brought up to the standards of the national model codes.

This means that the City may **not** undertake some forms of special purpose homeowner repair programs, such as:

1. Weatherization programs;
2. Emergency repair programs; or
3. Handicapped accessibility programs.

However, these types of programs may be undertaken, if the property meets or will be brought up to the applicable HOME property standards.

1. The City's HOME funds will be used to assist existing homeowners with the repair, rehabilitation, or reconstruction of owner-occupied units.
2. HOME funds that are used for rehabilitation must be performed according to the City's written rehabilitation standards and the unit must be brought up to the applicable state or local code.

Forms of Finance Assistance

The City of Montebello may structure HOME assistance for owner-occupied rehabilitation using any of the following forms of assistance:

1. Grants;
2. Deferred-payment loans;
3. Non-interest-bearing loans; and
4. Interest-bearing loans.

There are several other less common forms of financial assistance that may be used in homeowner rehabilitation programs. These forms include interest subsidies and loan guarantees. Both methods enable the City to use small amounts of HOME funds to leverage private money for rehabilitation. They include:

5. Interest subsidies: Interest subsidies, also referred to as interest reduction grants or interest rate buy downs, are similar to principal reduction grants or loans except that the HOME funds are used to “buy down” the interest rate to an affordable level. In this case, the HOME subsidy is paid directly to the lender and not provided to the homeowner.
6. Loan guarantees: Loan guarantees are another way to leverage HOME funds for homeowner rehabilitation. A loan guarantee could be used as a credit enhancement when a borrower otherwise eligible for a private loan is denied because of a real or perceived risk factor. In these cases, the City could provide a loan guarantee that would ensure payment, thus making an otherwise risky loan acceptable to a private lender.

Subsidy Limits

1. **Minimum HOME investment:** The minimum amount of HOME funds is an average of \$1,000, multiplied by the number of HOME-assisted units in the project.
 - a. The minimum **only** relates to the HOME funds, and **not** to any other funds that might be used for project costs.
2. **Maximum HOME investment:** The standard maximum loan amount is \$50,000.

The Loan Committee has the authority to approve projects that exceed the standard maximum loan amount, when the standard maximum loan limit is not sufficient to bring the unit into code compliance and/or a health and safety standard conditions. These special approvals are to be recommended on an “as needed” basis, and are subject to the maximum subsidy limits for the HOME Program.

Costs in excess of the Program amounts may be supplemented with personal funds.

In all instances, the loan amount must be in accordance with the loan-to-value ratios

3. The maximum per-unit HOME subsidy limit varies by PJ. HUD determines the maximum amounts, which are based on the City's Section 221(d)(3) program limits for the metropolitan area, each year. An economist in a local HUD field office can provide these limits.

The maximum per-unit subsidy limit is \$50,000. This amount is the standard maximum loan amount.

Eligible Costs

Under HOME, both the actual cost of rehabilitating the housing and related soft costs are eligible. Exhibit 4 lays out the specific eligible HOME costs under a homeowner rehabilitation program.

EXHIBIT 4 HOME-ELIGIBLE HOMEOWNER REHABILITATION COSTS

HARD COSTS

- Meeting the rehabilitation standards
- Meeting applicable codes, standards and ordinances
- Essential improvements
- Energy-related improvements
- Lead-based paint hazard reduction*
- Accessibility for disabled persons
- Repair or replacement of major housing systems
- Incipient repairs and general property improvements of a non-luxury nature
- Site improvements and utility connections

**Note: Lead hazard reduction costs are not counted as hard costs for the purposes of determining the level of assistance under 24 CFR Part 35 (the Lead Safe Housing Rule).*

SOFT COSTS

- Financing fees
- Credit reports
- Title binders and insurance
- Recordation fees, transaction taxes
- Legal and accounting fees
- Appraisals
- Architectural/engineering fees, including specifications and job progress inspections
- Project costs incurred by the PJ that are directly related to a specific project
- Refinancing of secured existing debt if the housing is owner-occupied and refinancing allows the overall costs of borrower to be reduced and the housing is made more affordable

The Property

Eligible Property Types

1. To be eligible for HOME assistance, a property must be:
 - a. Occupied by an income-eligible homeowner; and
 - b. The owner's principal residence.
2. The following property types may be included under the program:
 - a. Traditional single-family housing that is owned fee simple (current policy allows only one dwelling unit);
 - b. A townhouse unit;
 - c. A condominium unit;
 - d. A cooperative unit or unit in a mutual housing project (if state law recognizes these as forms of homeownership); or
 - e. A manufactured home, including mobile home (program currently inactive).
3. If HOME funds are used to assist the rental units in a two- to-four-unit residence, the HOME rental requirements apply--including provisions regarding tenant occupancy, initial rent levels, and long-term affordability.
4. If HOME funds are used to rehabilitate only the owner-occupied unit in a two-to-four-unit residence, the rental housing rules do not apply.

Maximum Property Value

To use HOME funds, the value of the HOME assisted property **after rehabilitation** must not exceed 95 percent of the median purchase price for the area, as published by HUD, or, in accordance with the Final Rule, as determined locally through market analysis.

1. **Determining after-rehabilitation value:** To establish project eligibility, after-rehabilitation value must be established prior to any work being performed. The after-rehabilitation value may be established by one or more of the following methods:
 - a. Estimates of value: Estimates of value by the City or subrecipient may be used. Project files must contain the estimate of value and document the basis for the value estimates.
 - b. Appraisals: Appraisals, whether prepared by a licensed fee appraiser or by a staff appraiser of the City, may be used. Project files must document the appraised value and the appraisal approach used.
2. Tax assessments: Tax assessments for a comparable property located in the same neighborhood may be used to establish the after-rehabilitation value **if** the assessment is current and accurately reflects market value **after** rehabilitation.

Determining the 95 Percent of Median Purchase Price Limit

The Final Rule offers the City two options for determining the 95 percent of median purchase price limit for owner-occupied single-family housing.

The City may either perform a:

1. A local market survey, or
2. Use the figures published by FHA for its 203(b) program. (The national cap established by the 203(b) program does not apply.)

Property Standards

As with all HOME-assisted properties, properties that are rehabilitated with HOME funds must meet certain standards.

The City is required to have written rehabilitation standards describing the methods and materials to be used when performing rehabilitation. All HOME-assisted rehabilitation projects must meet the City's written rehabilitation standards.

The Applicant/Beneficiary**Principal residence**

Loan documents or other forms of written agreement between the purchaser and the City must incorporate this requirement. This includes:

1. Owning or having a membership in a cooperative or mutual housing project that constitutes homeownership under state law; or
2. Maintaining an equivalent form of ownership approved by HUD.
3. Life estates and land contracts/contracts for deeds are not approved by HUD as eligible forms of ownership.

Other Federal Requirements

Exhibit 5 identifies the other federal requirements that must be followed when HOME is used for rehabilitation of homeowner properties, while Exhibit 6 identifies rules on how to document a homeowner rehabilitation program. These exhibits are meant to serve as checklists only.

**EXHIBIT 5
OTHER FEDERAL REQUIREMENTS**

Other Federal Requirements	Apply to Homeowner Rehabilitation?	Special/Issues/Considerations	Regulatory Citations and References
<i>Non-Discrimination and Equal Access Rules</i>			
Fair Housing and Equal Opportunity	Yes. Must affirmatively further Fair Housing.		➤ 92.202 and 92.250 ➤ Title VI of Civil Rights Act of 1964 (42 U.S.C. 2000d et. seq.) ➤ Fair Housing Act (42 U.S.C. 3601-3620) ➤ Executive Order 11063 (amended by Executive Order 12259) ➤ Age Discrimination Act of 1975, as amended (42 U.S.C. 6101) ➤ 24 CFR 5.105(a)
Affirmative Marketing	No		➤ 92.251
Handicapped Accessibility	No. (Note: Accessibility improvements are eligible costs.)		➤ Section 504 of the Rehabilitation Act of 1973 (implemented at 24 CFR Part 8) ➤ For multi-family buildings only, 24 CFR 100.205 (implements the Fair Housing Act)
<i>Employment and Contracting Rules</i>			
Equal Opportunity Employment	Yes	Small projects offer opportunities for minority and resident-contractors.	➤ Executive Order 11246 (implemented at 41 CFR Part 60)
Section 3 Economic Opportunity	Yes, if amount of assistance exceeds \$200,000 OR contract or subcontract exceeds \$100,000.	Include Section 3 clause in contracts and subcontracts.	➤ Section 3 of the Housing and Urban Development Act of 1968 (implemented at 24 CFR Part 135)
Minority/Women Employment	Yes	Must develop procedures and	➤ Executive Orders 11625, 12432 and 12138 ➤ 24 CFR 85.36(e)

		include in contracts and subcontracts.	
Davis-Bacon	No		➤ 92.354 ➤ Davis-Bacon Act (40 U.S.C. 276 276a-5) ➤ 24 CFR Part 70 (volunteers) ➤ Copeland Anti-Kickback Act (40 U.S.C. 276c)
Conflict of Interest	Yes		➤ 92.356 ➤ 24 CFR 85.36 ➤ 24 CFR 84.42
Debarred Contractors	Yes	Check HUD's list of debarred contractors.	➤ 24 CFR Part 5
Other Federal Requirements			
Environmental Reviews	Yes	➤ Neighborhood reviews may facilitate targeted programs, but individual checklist still required for each project site ➤ Special attention should be paid to flood insurance and historic requirements.	➤ 92.352 ➤ 24 CFR Part 58.35 a(4) ➤ National Environmental Policy Act (NEPA) of 1969
Flood Insurance	Yes for PJs that are cities/counties. No for state programs.	Must obtain flood insurance if located in a FEMA designated 100-year flood plain. Community must be participating in FEMA's flood insurance program.	➤ Section 202 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106)
Site and Neighborhood Standards	No.	24 CFR 893.6(b)	➤ Site and Neighborhood Standards
Lead-Based Paint	Yes for pre-1978 units.	Notices to owners. ➤ Paint testing of surfaces to be disturbed.	➤ 92.355 ➤ Lead Based Paint Poisoning Prevention Act of 1971 (42 U.S.C. 4821 et.seq.) ➤ 24 CFR Part 35

		➤ Risk assessment, if applicable, based on level of rehabilitation assistance. ➤ Safe work practices and clearance. ➤ Provisions included in all contracts and subcontracts.	➤ 982.401 (j) [except paragraph 982.401 (j)(1)(i)]
Relocation	Yes	Relocation is required if tenants are living in the other units. Relocation is not required for owner-occupied units.	➤ 92.353 ➤ Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. 4201-4655) ➤ 49 CFR Part 24 ➤ 24 CFR Part 42 (subpart B) ➤ Section 104(d) "Barney Frank Amendments"

EXHIBIT 6**SUMMARY OF HOMEOWNER REHABILITATION RULES AND HOW TO DOCUMENT**

Key HOME Requirement		Documentation
Eligible Participants		
Owner Income	➤ Gross income <80 percent of median income based on the upcoming 12 months. ➤ Income is defined by one of three options: Section 8 annual income; annual income under Census long form; or adjusted gross income under IRS Form 1040.	➤ Completed application in the project file. ➤ Source documentation (wage statements, interest statements) in the project file.
Owner Occupancy	➤ Applicant must occupy unit as his/her principal residence.	➤ Client must sign a clause on the application form certifying that the property is the principal residence.
Ownership of	➤ Applicant must have ownership of the property through: ▪ free simple title,	➤ Title check documentation in project file. ➤ Copy of deed or other ownership document in the project file.

	▪ 99-year leasehold interest (50 years on trust or restricted Indian lands), or ▪ ownership/membership in a cooperative or mutual housing project.	
Homeowner's Insurance Endorsement	➤ Applicant must have evidence of homeowner's insurance	➤ Homeowner's Insurance Endorsement
Eligible Property		
Property Type	➤ Eligible property types include: ▪ one-to-four-unit property; ▪ condominium unit; ▪ cooperative or mutual housing unit, if recognized by state law; or ▪ manufactured or mobile home.	➤ If two-to-four units, indicate status of non-owner-occupied units in the application. ➤ If non-owner units were assisted with HOME funds, provide agreement with homeowner regarding rental requirements and reference to the property's rental monitoring file.
Property Location	➤ Property must be located within geographic area of the PJ.	➤ Application should include address in PJ's geographic area.
HOME Minimum	➤ A minimum of \$1,000 in HOME funds must be invested in each assisted unit. ➤ The maximum per-unit subsidy limit is determined by HUD.	➤ Maintain records in project file demonstrating that the per-unit HOME investment exceeded \$1,000. ➤ Maintain records in the project file indicated total HOME subsidy did not exceed maximums provided by HUD.
Property Value	➤ After-rehabilitation value must not exceed 95 percent of the area median purchase price. ➤ Use 203(b) limits; OR ➤ Establish local limits and obtain HUD approval	➤ If using local value limits, document data used to determine limits as well as evidence of HUD approval in the program file. ➤ Document method for determining value in the project file. ➤ Copy of value estimate held in project file.
Property Standards	➤ Property must meet PJ's written rehabilitation standards. ➤ Property must meet applicable codes (state or local	➤ Document local code or model code used in program files ➤ Maintain written rehabilitation standards in program files.

	codes/standards or one of three nationally accepted codes/standards).	➤ Include inspection report or certification by inspector in project file.
		➤ Keep inspection checklist and work write-up in project file.
Eligible Activities	➤ Rehabilitation, reconstruction.	➤ Document all expenditures.

PART 2: PROGRAM DESIGN AND IMPLEMENTATION

Objectives

The City of Montebello receives an annual allocation of HOME funds from the U.S. Department of Housing and Urban Development (HUD). HOME funds are designed to provide or preserve affordable housing for families at or below eighty (80 percent) percent of the Area Median Income (“AMI”). The City is included in the Los Angeles Metropolitan Statistical Area (“LA MSA”).

Under the HOME Program, the City of Montebello has elected to design and implement a homeowner rehabilitation program referred to as the HOME HOMEOWNER REHABILITATION ACTIVITIES. This program is designed to meet the following objectives:

1. Implement a City-wide program designed to serve very-low and low-income households,
2. Provide a valuable service to qualified homeowners and residents,
3. Preserve existing single-family homes, either detached, or attached, within the City limits.

GOALS

The City's Homeowner Rehabilitation Activities goals include:

1. Utilizing project selection criteria to establish criteria for determining which projects are chosen (i.e., the level of needed repair or ability of the owner to leverage other funds).
2. Assertively marketing the Homeowner Rehabilitation Activities to ensure the program information is widely and fairly distributed.

ADMINISTRATIVE PLAN

Under the supervision of the Planning and Community Development Director, the City's Housing Manager and HOME program Consultant will implement the Homeowner Rehabilitation Activities tasks including:

1. Implementing the methods and criteria for selecting applicants;

2. Administrating and tracking the waiting list (how it will be administered);
3. Utilizing and updating the appropriate forms for assistance and criteria in determining

HOME Rehabilitation Grant Program (HRGP) Description

1. The HRGP provides up to \$50,000 for the rehabilitation of owner-occupied single-family homes or condominiums to the City's residential code ("Code") and the City's Rehabilitation Standards ("Standards"). Rehabilitation of the Code and Standards are required.
2. Rehabilitation of a condominium unit for an owner(s) is limited to the unit itself, and may not include common areas, or areas that are the responsibility of the Homeowners' Association ("HOA");
3. Should areas which are common areas or areas that are the responsibility of the HOA not meet code, then the condominium unit shall be ineligible for rehabilitation unless the common area or items of HOA responsibility are corrected prior to or during rehabilitation funded by HOME funds;
4. Rehabilitation of a single-family unit is limited to the unit itself and does not include outbuildings. Outbuildings which do not meet code must be rehabilitated by the owner at the owner's expense prior to or during rehabilitation funded by HOME or be demolished by the City;
5. Non-conforming additions or structures must be demolished during rehabilitation with HOME funds. If permitted by local codes, the non-conforming structure or addition may be rebuilt using HOME funds.

Form of Assistance

The City has carefully designed the HRGP to both meet community needs and the program goals.

1. HRGP provides a grant that will not require repayment with affordability period requirements secured by a promissory note and Deed of Trust.
2. The Grant will not require repayment; however, an Owner Occupancy "Affordability Period" provision will be required for assisted properties through a legal Deed of Trust, Affordability Covenant or similar recordable mechanism.
3. The entire grant is due and payable to the City if any of the following conditions occur within the affordability period applicable to the grant amount:
 - a. The property is sold;

- b. The property is foreclosed on;
- c. The property is refinanced;
- d. The property is leased;
- e. The applicant(s) fail(s) to occupy the property as their primary residence;
- f. In the event that one of the Joint Tenants listed in the Deed of Trust dies, ownership as stipulated by California Real Estate Law, transfers to the surviving individual. This procedure is not a transfer of title. Consequently, the remaining joint tenant will assume the grant pursuant to the original terms of the grant.

GRANT CONDITIONS

Both the City and the Applicant adhere to certain grant conditions as follows:

The City

1. The City will comply with the Fair Credit Reporting Act that stipulates and guarantees the applicant's privacy and right to have all information regarding the grant transaction kept in a confidential manner;
2. The City shall not discriminate upon the basis of sex, age, race, creed, color, class, national origin, or ancestry in the awarding of financial assistance;

The Applicant(s)

1. The Applicant shall use the grant to pay for the cost of rehabilitation as detailed on the work write-up or scope of work submitted by the program inspector;
2. The Applicant shall permit City inspections of the property to be renovated for compliance with all Federal, State, and City building standards;
3. The Applicant shall not award any contract for rehabilitation work to be paid in whole or in part with the proceeds of the grant to any general contractor who, at the time, is not on the City's approved contractors' list;
4. The Applicant shall allow no member of the City who exercises any function of responsibility in connection with the administration of the HOME funds to have any interest, direct or indirect, in the proceeds of the loan, or in any contract entered

into by the applicant for the performance of work financed, in whole or in part, with the proceeds of the grant;

5. The Applicant shall not pay any bonus, commission or fee for the purpose of obtaining approval of the grant application;
6. The Applicant shall occupy and maintain the housing unit for the term of grant affordability period;

NOTE: The Applicant shall maintain fire, liability, and hazard insurance coverage on the housing unit in an amount that is at least the value of the after rehabilitation appraised value of the property.

7. The Applicant shall cause the City to be named a co-insured party on the fire, liability, and hazard insurance coverage.
8. The Applicant shall keep property taxes current for the term of the grant;
9. The Applicant shall not discriminate upon the basis of sex, age, race, creed, color, class, national origin, or ancestry in the awarding of the construction contract; and
10. The Applicant shall utilize funds within sixty (60) days of loan closing unless granted a written time extension by the City.

DEFAULT

In the event that the Applicant fails to adhere to the conditions and restrictions contained within the Written Agreement between the Applicant and the City, the City reserves the right to terminate the individual's participation in the HOME Program and/or demand full repayment of the grant.

Eligible Applicant

The HRGP is open to all applicants who meet the eligible household requirements provided above. The City, in recognition of the high proportion of elderly and special needs families that reside in substandard housing within the City, will provide a priority to owner occupants that are elderly and/or disabled.

An Applicant(s) owns and occupies the property where proof of ownership is established through a legal Deed of Trust. Assistance from the City shall be available only to Applicants who:

1. Have the capacity and authority to competently enter into financial and contractual agreements;

2. Whose household income that does not exceed 80% of the area median income adjusted by family size (See Qualifying Households);
3. Whose monthly housing costs are not and will not be more than 30% of income
4. Agree to comply with any and all applicable permits, codes, and/or other City regulations;
5. Agree to sign and abide by the Written Agreement and Promissory Note between the City and the Applicant(s); and
6. Agree to vacate the property during the rehabilitation period at their own expense

NOTE: Elderly is defined as being above 55 years of age. Disabled is defined as having a recognized disability under the Americans Disabilities Act.

Qualifying Households

1. The HRGP is targeted at owner-occupant households who have resided in their home for at least two (2) years, and
2. That are at or below 80 percent of the LA MSA AMI

The income limits for the grant are:

Family Size	One Person	Two Person	Three Person	Four Person	Five Person	Six Person
Maximum Income to Qualify	\$77,700	\$88,800	\$99,900	\$110,950	\$119,850	\$128,750

NOTE: Income limits are adjusted annually.

1. Owner-Occupants are all persons listed on the deed.
2. A household includes all persons living in the unit at the time of application, except persons who are paid caregivers of elderly or handicapped individuals.
3. All members of the Household must be U.S. Citizens or Resident Aliens.
4. Each member of the household must provide a social security number at the time of application.

Application Intake/Screening/Determination of Household Adjusted Gross Income

The City utilizes the Part V definition of Adjusted Gross Income as defined in the Technical Guide to Determining Income and Allowances for the HOME Program (Third Edition, January 2005).

In calculating adjusted gross income, the applicant's income and that of all other household members at the time of application shall be considered. The income of household members under eighteen (18) years of age will be excluded. The income of any persons who are paid caregivers of elderly or handicapped individuals will be excluded.

A household member is any person residing in the household at the time of application.

Income is defined as follows:

1. The full amount before any payroll deductions of wages and salaries, overtime pay, commissions, fees, tips, bonuses, and other compensation for personal services;
2. The net income from an operation of a business or profession, as calculated by averaging the net income as reported in their Federal Income Taxes for the past three years;
3. Interest, dividends, and other net income of any type from the real or personal property (where the family assets are in excess of \$50,000, excluding property, adjusted gross income shall include the greater of the actual income derived from all assets or percentage of such assets based on the current passbook savings rate);
4. The full amount of periodic payments received from social security, annuities, insurance policies, retirements funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum payment for the delayed start of a periodic payment;
5. Payment in lieu of earnings, such as unemployment, workers' compensation, severance pay, welfare assistance (NOTE: Such payments may be excluded by the lending institutions providing the first mortgage for purposes of underwriting, but shall be included in eligibility determinations for this Program);
6. Periodic and determinable allowances, such as alimony and child support payment, and regular contributions or gifts received from persons not residing in the dwelling to the extent that such payments are reasonably expected to continue;
7. All regular pay, special pay, and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is the head of the family, spouse, or other person whose dependents are residing in the unit;

8. Any earned income tax credit to the extent it exceeds income tax liability;
9. Any other income that must be reported for Federal and State income tax purposes; and,
10. Gross Self-Employed income as reported on Schedule C, IRS 1040, will be adjusted to reflect deductions for necessary and reasonable business expense.

Qualifying Properties

In order to qualify for the HRGP, properties must be:

1. Located within the City limits;
2. Be held in fee simple by the applicant(s) as defined herein;
 - a. Properties held in a life estate, cooperative units or properties that include residential or commercial rental property are not eligible for the grant.
3. The property shall be free of negative encumbrances on title.
 - a. All trustees must sign all the appropriate documentation required by the City.
4. Property taxes must be current on the property;
5. The property must have a rehabilitation cost that does not exceed seventy-five percent (75%) of the after rehabilitation value of the property as determined by the City;
6. Total debt on the property, including the HRGP grant, may not exceed 100% of the after rehabilitation appraised value of the property.

Eligible Costs

The HOME Grant funds are available for the cost of improvements that are physically attached and permanent in nature within the following scope of work:

1. Appropriate remediation of Lead Based Paint, as required;
2. The correction of all code violations to the City Code;
3. The correction of any deficiencies to meet the City's Rehabilitation Standard;
4. The correction of incipient code violations;
 - a. An incipient code violation is defined as a condition that is likely to occur within the first ten years of the loan term. For example, a fifteen (15) year old roof will

need to be replaced in year five (5) of the grant term, and is therefore an incipient code violation.

5. The addition of disability features to a property currently occupied by a disabled person or persons; and
6. Improvements to the overall energy efficiency of the property.

INELIGIBLE COSTS

1. The repair, purchase or installation of appliances that are designed and manufactured to be freestanding;
2. The repair, purchase or installation of recreational items such as barbecues, bathhouses, greenhouses, swimming pools, saunas, television antennae, tennis courts;
3. The repair, purchase or installation of luxury items such as burglar alarms, burglar protection bars, dumbwaiters, kennels, murals, ceiling fans, flower boxes, awnings, patios, decks and storage sheds/workshops;
4. The repair, purchase, or installation of other items deemed ineligible by the Director of Economic Development or his designated representative; and
5. The relocation of family members during rehabilitation of the property.

Staffing Plan

It is the intention of the City to administer the majority of the HRGP through its consultant. However, to the extent necessary the City *may* utilize staff or other agencies including, consultants, and private lenders.

City of Montebello Organization Roles and Responsibilities

For questions concerning the HOME Program, individuals may contact the Housing Division staff directly by telephone, or e-mail. The mailing address is:

Housing Division
1600 West Beverly Boulevard,
Montebello, CA 90640-3932.

Exhibit 7, on the following page summarizes the City of Montebello staff roles and responsibilities in administering the City's HOME Program.

City of Montebello Staffing Plan		
Staff Members Name, Title Program Responsibilities	Phone Number	E-Mail Address
Raul Alvarez, City Manager Overall Program Management Oversight	323-887-1200	ralvarez@montebelloca.gov
Michael Solarzo, Finance Director Overall Financial Management Oversight	323-887-1200	msolarzo@montebelloca.gov
Joseph Palombi, Planning & Community Development Director CDBG and HOME Program Administrative Oversight	323-887-1200	jpalombi@montebelloca.gov
Kevin Saycocie, Deputy Finance Director Oversees Program Financial Operations	323-887-1200	ksaycocie@montebelloca.gov
Rosemary Perich, Housing Manager CDBG and HOME Program Manager	323-887-1200	rperich@montebelloca.gov
Lissette Montoya, CDBG and HOME Program Consultant	(909) 979-6587	lmontoya@agi.com.co

City Manager – Responsible for overall program management and evaluation of the operation of the program, facilitate the adoption of program policies and procedures and assign the necessary staff resources to carry out the program. As the City of Montebello’s certifying officer, signs CDBG and HOME Program certifications, grant documents, loan agreements, and wiring requests.

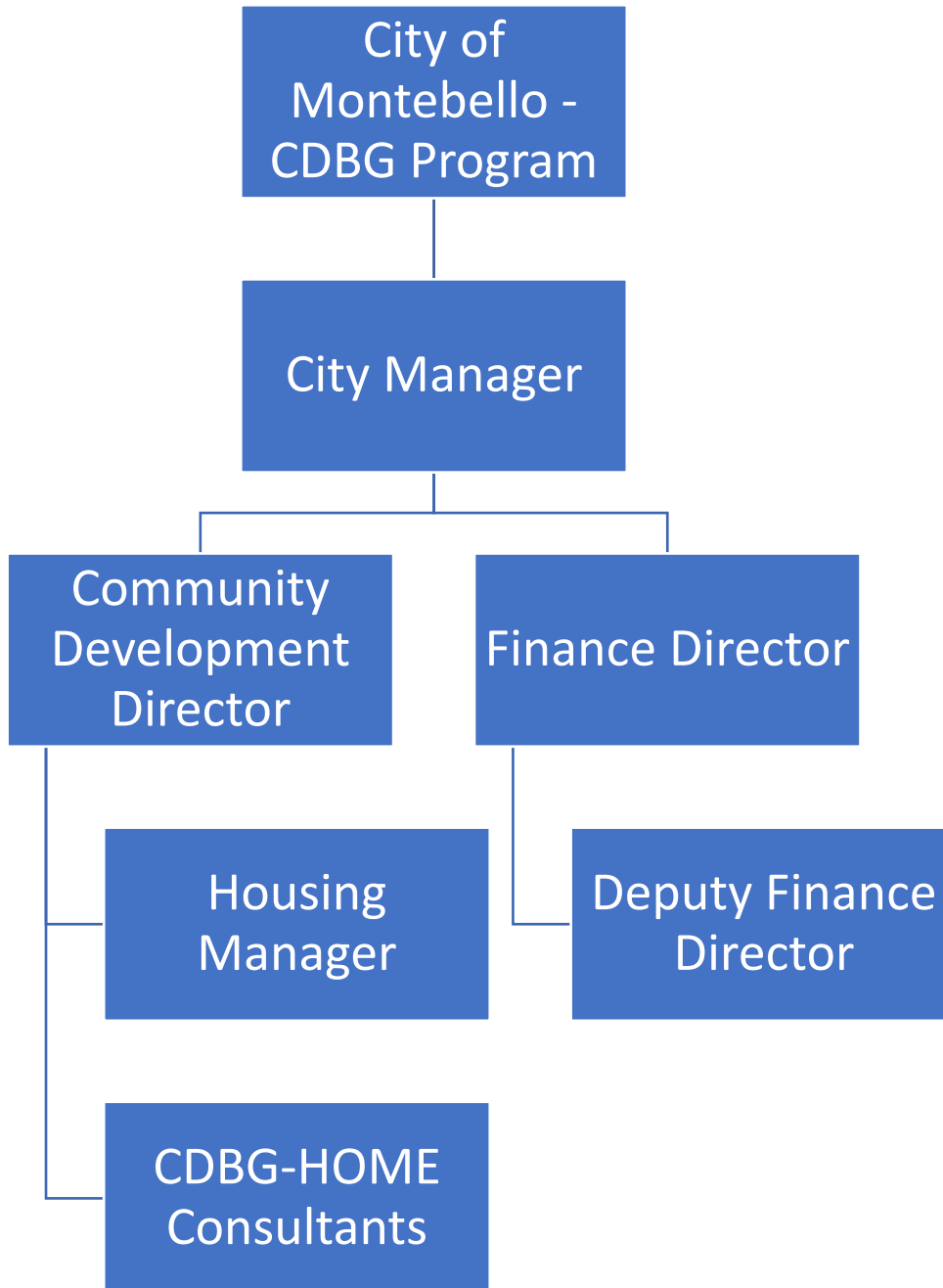
Finance Director – Key City staff member responsible for overall financial operations of the City and serving to evaluate and make recommendations on program financial operations such as the City's HOME Program.

Planning & Community Development Director – Responsible for the CDBG and HOME program administrative oversight, including managing program consultants to ensure programs are being carried out in compliance with CDBG and HOME program requirements. Oversees and assists with the preparation of required reports and IDIS voucher preparation. Assists with the implementation of housing and community development programs including the implementation of CDBG and HOME projects. Working with program consultants, is responsible for selection of program applicants, monitoring of the programs for regulatory compliance, program marketing/outreach.

Deputy Finance Director – Responsible for approving IDIS drawdowns, evaluating/approving financial requisitions and supporting documentation, works with the City Manager, Finance Director, Planning & Community Development Director, Housing Manager and consulting staff to implement financial operations related to the CDBG and HOME program and works with auditors for the completion of City audits.

Housing Manager- Responsible for the CDBG and HOME program administrative oversight, including managing program consultants to ensure programs are being carried out in compliance with program requirements. Oversees and assists with the preparation of required reports and IDIS voucher preparation. Assists with the implementation of housing and community development programs including the implementation of projects. Working with the CDBG and HOME Program Consultant, the Housing Manager is responsible for selection of program applicants, monitoring of the programs for regulatory compliance, and program marketing/ outreach.

CDBG and HOME Program Consultants - Responsible for ensuring the administration and implementation of the CDBG and HOME programs is being carried out in compliance with program requirements. Assists, as assigned, with the preparation of required reports. Sets up activities in IDIS and prepares vouchers. Reviews the program to ensure compliance with CDBG and HOME regulatory commitment and expenditure requirements; ensures file documentation is maintained. Assists with the implementation of CDBG and HOME activities.



HOME REHABILITATION GRANT PROGRAM PROCEDURES

The Housing Manager with assistance from the CDBG and HOME Program Consultant will complete the following procedures:

1. Provide the Applicant with the HOME Rehabilitation Grant Program (HRGP) application and other forms required by the Guidelines for participation in the Program.
 - a. The HRGP Application Form shall be completed by everyone who lives in the home to be rehabilitated (single family).
 - b. The application for multifamily shall include rental property household member information forms and appropriate release of information forms.
2. Complete a title search to identify all persons on title.
3. Verify of Income of every member of the household above the age of 18 (unless enrolled full time in school) who earns any income.
4. Verify benefits and employment and make sure the forms are signed by the borrower(s).
5. Obtain the borrower's signatures on the grant application and all other appropriate application forms.
6. Review the borrower's most recent property tax information and identifying parcel number.
7. Verify borrower signature on Fair Lending Notice.
8. Verify borrower signature on Statement of Understanding (if applicable).
9. Obtain a credit report for all persons on the title.
10. Obtain a Limited Coverage policy of title insurance prior to closing any Program grant from a title insurance company doing business in Los Angeles County for all HOME grants/loans.
11. Obtain a standard CLTA Lender Guarantee policy of title insurance from such title company for all Owner-Investor grants/loans.
12. Prior to closing a Program loan, the Housing Manager or Program Consultant shall review the condition of title and, based on that review, close the loan only if the title exception(s) disclosed do not materially affect the collateral given to secure the loan.

13. The Program Consultant shall prepare an Environmental Review in the form approved by the City. Said Review shall describe any adverse environmental effects of the grant-funded improvements that are likely to occur.
14. The completed Environmental Review will be submitted to the City's Planning and Community Development Director for its review and approval prior to obtaining the grant.
 - a. The Housing Manager or Program Consultant will not approve any proposed loan if the loan funded improvements are likely to have a significant adverse impact on the environmental, as defined by the National Environmental Policy Act (NEPA).

APPLICATION REVIEW

1. The Housing Manager or Consultant will review all loan application documents and based on the documents shall make a determination of eligibility consistent with the HRGP Guidelines.
2. If additional information or documentation is required to evaluate the proposed loan, the Housing Manager or Consultant shall request additional information from the borrower.
3. The Housing Manager will maintain confidentiality with respect to all financial information received from the borrower to the maximum extent permitted by law.
4. Once the application package is complete, and provided the borrower, the property and the proposed improvements meet all the eligibility requirements set forth in the HRGP Guidelines, the Housing Manager will prepare a summary analysis of the loan request and make a recommendation to the Planning and Community Development Director.
5. These recommendations will be reviewed by the Director of Planning and Community Development based on the following criteria:
 - a. Priority will be determined:
 - i. according to the City's HRGP waiting list;
 - ii. "first come, first serve" basis;
 - iii. immediate need;
 - iv. project readiness basis;
 - b. The borrower, property, and proposed improvements meet all eligibility requirements contained in Section 3 of these Guidelines.
 - c. The proposed loan meets the Loan Criteria contained in the HOME Guidelines.
 - d. The proposed loan meets all HOME loan underwriting conditions.
 - e. The proposed improvements comply with all local, state, and federal regulations, including but not limited to:

- i. Land Use Zoning;
 - ii. Design Review;
 - iii. Building Permits;
 - iv. California Environmental Quality Act (CEQA);
 - v. National Environmental Policy Act [NEPA];
 - vi. Davis Bacon Prevailing Wage; and
 - vii. Other regulations which may be applicable.
- f. No borrower shall be excluded or discriminated against because of race, color, religion, ancestry, sex, age, national origin, physical handicap, or any other legally prohibited basis.

EXCEPTION/SPECIAL CIRCUMSTANCES

The following procedures shall be used when considering any action which would depart from policy and procedures developed in the HOME Guidelines:

1. Consideration of exceptional/special circumstances may be initiated by either the borrower, Housing Manager, or the Director of Planning and Community Development.
2. A report will be prepared by the Housing Manager or Director of Community Planning and Development that will be included in the borrower's loan application file, along with all other loan documents.
 - a. This report will contain a narrative, including relevant information provided by the borrower and the recommended course of action.
3. The City's Director of Planning and Community Development or his/her designated representative will review the report and make a determination regarding the exception/special circumstances.
4. The recommendation shall consider use of, HOME Program HRGP funds, Community Development Block Grant (CDBG), or other potential funding sources which may be used to address the exception/special circumstances.

APPEAL

1. A borrower may appeal in writing the decision of the City with respect to the approval or denial of a HRGP loan to the City Manager within 30 days of the decision.
2. The City Manager will review the matter and decide the appeal which shall be the final decision of the City and there shall be no further appeal from that decision.

CHAPTER 5: PROCESSING PROCEDURES

PART 1: APPLICATION PROCESS

During the application process the program staff or Consultant must:

1. Certify income eligibility.
2. Verify property ownership.
3. Verify property is in the City of Montebello.
4. Verify that property is owner-occupied.
5. Verify that mortgage, property taxes, and insurance are paid up-to-date.
6. Re-calculate the LTV.
7. Verify the type of mortgage is held in first positions.
8. Create a file for each application, organized in the order provided in the File Checklist form. The file must be properly labeled.
9. Log application database.

All forms must be fully completed and signed accordingly. All supporting documentation must be current (no older than 3 months). The following is a list of the required supporting documentation:

1. Verification of dependent children living at home.
2. Proof of full-time student status for dependents 18+ of age.
3. Complete bank statements for the last two (2) months
4. Asset/investment statements for the last two months.
5. Complete federal and state income tax returns (including W-2's, 1099's etc.). For loans and self-employed the most recent 2 years.
6. If self-employed, most recent certified quarterly financial report.
7. Documentation evidencing eligibility of other program requirements, such as ownership, occupancy, and property location.

8. EDD Notice for adult household members who do not receive income.
9. When available, a copy of current appraisal report (dated within 3 months).

PART 2: APPLICATION INTAKE

The purpose of the intake is to establish eligibility of the applicant. The Director of Planning and Community Development or designee conducts the intake. The intake is completed by the applicant submitting a complete application with supporting documentation. Non-complete applications will be returned to applicant with list of necessary items to process application.

It is crucial for the Program staff or consultant to estimate household income, LTV, the property preliminary after rehabilitation value, and the types of encumbrances on the property to determine eligibility. The income and LTV analysis completed during the intake process is not verified until further documentation is obtained to validate. Calculations are based on the review of proper documentation. LTV only applies to loans.

Verification of Property Ownership and Status

In addition to income documentation, Program staff or Consultant must obtain supporting documentation to determine eligibility for other program requirements.

Eligibility Requirement	Must verify with at least one of the following:
Verification of ownership: The property must be owned by the applicants	• Copy of grant deed or, quitclaim deed, • Title report or insurance issued within the last year, which verifies the vesting to be the applicants' name(s)
Verification that property is owner-occupied: The property must be the owner's principal place of residence.	• Copy of current property tax bill that shows homeowner's exemption and the subject property as the mailing address
Verification that mortgage payment is current: Assistance cannot be provided if payment is not current.	• Copy of most recent mortgage statement that shows payment is current • Mortgage history printout
Verification of type of first mortgage: No reverse mortgages, negative amortizations for loans. Reverse mortgages, negative amortizations are acceptable for grants only.	• Copy of most current mortgage statement • Copy of note specifying terms of repayment and interest rate

Verification that property taxes are up- to-date: Assistance cannot be provided if taxes are not current.	• Printout from the Los Angeles County Tax Collector's website that shows the tax as current. Website at http://ttax.co.la.ca.us/ • Receipt of payment (if payment has been recently made and website has not been updated) • Copy of payment arrangements from tax collector for delinquent tax
Verification that insurance is up-to- date.	• Copy of current evidence of insurance or policy. It must show the expiration date, or specify that it is continuous
Verification of Loan-to-Value (LTV) (loan program)	• Copy of most current mortgage statement(s) • Copy of note(s) specifying loan amount

Property encumbrances: The Program Staff or Consultant must verify the types of loans of the existing debt. Fixed rate loans are preferred. However, variable rates, and interest-only loans are acceptable. Properties with reverse mortgages, and negatively amortized loans are not eligible for loans, but are acceptable for grants.

Income Calculation

The Program utilizes the annual income definition as defined in 24 CFR 5.609 (Part 5 annual income) to determine household income eligibility. Households must have income at or below 80% AMI, adjusted for family size, to be eligible for the program. The latest published income limits provided by HUD will be used.

During the Intake, the Program Staff or Consultant must calculate household income earnings of all adult household members based on the requirements.

The preliminary income calculation must include income derived from:

- a. Employment (wages, salary, overtime, tips, bonuses, etc.)
- b. Self-employment / Business income
- c. Social security benefits
- d. Child and/or family support, alimony
- e. Rents
- f. Public assistance
- g. Income from assets or investment (interest, dividends, royalties, annuities, etc.)
- h. Pensions
- i. Unemployment, disability, or worker's compensation
- j. Union benefits
- k. Other sources of income not specified above

Income may be certified based on information obtained from third party verifications and the review of documents provided at the time of application. The income certification is valid for a period of six months (validation period). It will not be required to re-certify income unless six months have lapsed from the time of certification and no expenditures have been incurred for the project. Funds must be expended or committed to project prior to the expiration of the validation period.

The Program Staff or Consultant is responsible for obtaining all the required income documentation for all the sources of income. The sources of income can be determined by:

1. The Income, Asset and Employment Disclosure portion of the application.
2. Tax returns may sometimes reveal relevant income sources, such as interest income, capital gains, dividends, etc., which may not have been disclosed in the loan forms that may require additional documentation.

Eligibility can be established by examining documentation on the different sources of income for the household. Applicants must supply at least 2 months of source documentation (e.g., wage statements, interest statements, or unemployment compensation). The following is a list of income sources, and examples of acceptable documentation:

Type of Income	Documentation Source – not older than 3 months
Gross employment income: - Wages - Salary - Overtime - Tips - Commissions - Bonuses	- Employment verification from employer - Paycheck stubs (copies of the most recent 2 months of paycheck stubs) - Certified copies of tax returns and W-2's if within the first quarter of the new calendar year, requires a signed 4506 form - Copy of employment contract, which must specify the earnings amount and expiration date
Net self-employment or business income	- Certified copies of tax returns, with signed 4506 form for the previous 2 years (including all attachments, specifically Schedule "C") - Audited financial statement - Latest quarterly financial statement
Social security benefits - Including SSI payments - Including anticipated Cost of Living Adjustments (COLAs)	- Written verification from the Social Security Administration - Copy of award letter stipulating the benefit amount - Copy of bank statement verifying the direct deposit of the benefit amount

Periodic determinable allowances: • Child support • Alimony	• Copy of court decree that establishes amount of support • 2 months of statements from State office that verifies the amount of support • Affidavit of support with supporting documents (subject to proof that the foregoing methods of documents are not available). • If absent parent is incarcerated, provide proof of incarceration
Regular contributions received from organizations or persons not residing in the dwelling	• Notarized affidavit of support and amount shown on bank deposits.
Net rental income	• Tax returns, including schedule "E" • Copies of rental agreements/leases, along with a breakdown of monthly expenses to determine net income including mortgage statement
Welfare assistance: • Payments under CalWORKs • Welfare or General relief	• Benefit award letter specifying the amount of the cash aid and/or food stamps • Verification from case worker stating the benefit amount • Copy of checks
Income from assets: • Savings account(s) • Checking account(s) • Investments	• Bank statements showing the last 3 months of interest • Savings passbook • Verification of deposit • Most recent income tax returns showing the interest earned • Investment statements showing the dividends earned and/or anticipated earnings
Gross amount of payments in lieu of earnings: • Unemployment • Disability compensation • Worker's compensation	• Benefit award letter showing monthly benefit • Copy of checks (2 months)
Gross amount of periodic payment: • Annuities • Pensions/Retirement • Disability benefits • Death benefits	• Statement of benefits • Benefit award letter • Verification from awarding agency/entity

Other sources of income: • Union benefits • Adoption Assistance • Other income not specified above	• Statement of benefit award that evidences benefit amount • Documentation to support declaration of other income • Check stubs (2 months)
No income:	• EDD Notice of Benefits • Verification of previous employment • Verification from IRS • Statement of Non-Earnings form
No tax returns:	• Affidavit pertaining to household income

Assets of an Absent Spouse will be taken into consideration, the value to be determined.

Income Exclusions

The list of sources of income that should not be included in the income calculation is specified in 24 CFR Part 5.

Assessing Information and Computing Income

The Program Staff or Consultant must calculate the household income based on the documentation obtained, and complete an Anticipated Income Determination form for each household.

When assessing the documentation, it is important to determine:

- The basis on which employees are paid, such as hourly, weekly, monthly, with or without overtime, etc.
- In the case of overtime, it is crucial to determine whether the overtime is irregular or a predictable part of the person's income.
- If the household member will continue to earn overtime pay on a regular basis, then the Program Staff or Consultant must calculate the average amount of overtime pay earned over the period used to calculate income eligibility, and the average amount of overtime earnings must be included in the income projection for the household.
- If overtime work is not constant and will not be constant in the next 12 months, the Program Staff must request detailed overtime information from the employer in the Verification of Employment, and use the information supplied by the employer to determine how overtime is to be calculated.

Formulas used to determine annual income:

Frequency	Formula
Weekly	Multiply gross income by 52 weeks
Biweekly	Multiply gross income by 26 weeks
Twice-a-month	Multiply gross income by 24 weeks

Monthly	Multiply gross income by 12 months
---------	------------------------------------

Refer to the Technical Guide for Determining Income and Allowances for the HOME Program for household members who have variations in pay.

If the Program staff or Consultant has verification that the household member has been employed by the same employer from the beginning of the calendar year, then the monthly income can be calculated by dividing the year-to-date (YTD) annual earnings by the number of paychecks received. For example, if the paycheck stub indicates that the individual is paid bi-weekly and the pay date was June 28, 2016, and the YTD is \$18,500, then you divide \$18,500 by 13 paychecks, and annualize the calculated monthly earnings by multiplying the result by 26.

$\$18,500 \div 13 = \$1,423.08$ per pay period
 $\$1,423.08 \times 26 = \$37,000.08$ per year

The above method will only work if staff has verified that the household member has worked for that same employer since the beginning of the calendar year, and if the paycheck stub reflects the year-to-date earnings that include all overtime, bonuses, etc.

Special Circumstances

If income cannot be calculated by using the documentation described above, then the income calculation must be handled on a case-by-case basis, as appropriate for the situation. For example: If the income is derived from the sale of recyclable materials, it will be necessary to provide enough documentation (i.e. sales receipts) to reasonably determine annual income. The documentation must be in a form acceptable to the Program staff. Self-certifications of income are not allowed.

Income shall be re-examined for eligibility if more than six (6) months have lapsed between the date the family was last qualified as income eligible and the first expenditure.

Household Size

Since income limits are adjusted by household size, it is crucial to accurately determine the size of the applicant's household.

For income purposes, all household members' income is to be counted regardless of relationship. This includes tenants, borders, permanent live-in caretakers, and non-eligible occupants. Foster children are not to be included as part of the total household members when determining the eligibility for the addition of bedrooms and bathrooms.

Undocumented (i.e. illegal residents) household members are not counted in determining household size unless they can provide a valid foreign government issued ID with sufficient proof of address.

A child who is subject to shared-custody may be counted as part of the household if the child resides with the household at least 50% of the time. Program Staff or Consultant must obtain verification of dependent children living at home, such as copy of birth certificate, court order awarding child custody, school records, or other documentation that will verify the dependent of part of the household.

Unborn children are not considered part of the household.

The Program Staff or Consultant must review the “breakdown of household members” portion of the application, which is where the borrower discloses all the members of the household. The Program Staff or Consultant must also look for “red flags” that indicate discrepancies in the household size disclosed by the applicant. For example, if the applicant claims that he has 3 dependent children, but the tax returns only show 2 children. In this case, the Program Staff must obtain more information and additional documentation to support the 3rd dependent child, such as a copy of the birth certificate for a newborn, a court order that grants custody of the child, or school records for the additional dependent.

For household members of 18 years of age and older who are full-time students, the Program Staff or Consultant must obtain verification of full-time student status, such as school records, registration, or other documentation that will evidence student status.

Verification of Dependents	• Copy of birth certificate(s) • Copy of school records • Court order warding custody • Adoption documents • Proof of full-time student status for dependents 18+ years of age
-----------------------------------	--

Comparing Household Income to Income Limits

Once the household size and anticipated household income has been determined, the information must be compared to the Income Limits issued by HUD to verify eligibility. The Program Staff or Consultant must make sure to use the most recent income limits chart.

Households must have incomes at or below 80% AMI, adjusted for family size, to be eligible for the Program.

Monthly Housing Costs

Monthly housing costs should not be more than 30% of household income.

The Housing Affordability Data System (HADS) developed by HUD provides consistent measures of affordability over a long period of time. The HADS system analyzes the affordability of housing from several perspectives, including the fraction of income that a household spends on housing each month. HADS uses the standard assumption that a unit is affordable if the household spends no more than 30% of its income on housing. In this context, “housing” includes utility payments and, for owner-occupied housing, real estate taxes, hazard insurance, and fees such as condo fees or homeowner’s association fees. More information here:

https://www.huduser.gov/portal/publications/pdf/Trends_hsg_costs_85-2005.pdf

In addition, the American Housing Survey (AHS) released by HUD and the US Census Bureau every two years determines monthly housing costs by “summing, when applicable, utility costs, real estate taxes, cost of homeowner insurance, condominium/homeowner’s association fee, land/site rent, other mortgage charges, other required mortgage fees, mortgage payments, routine maintenance costs, and rent payments”. More information here:

https://www.census.gov/content/dam/Census/programs-surveys/ahs/tech-documentation/AHS_Codebook.pdf

Title Report

California Title Association or a third-party contractor will order a title investigation report through a Policy of Insurance of Record Title (PIRT) for loans. This report must be ordered on each loan application within five (5) business days from the time eligibility has been established. The PIRT will identify all deeds, liens, covenants, and other documents recorded against the subject property.

Credit Reports

All occupants 18 and older are to complete the Authorization for Release of Information form. Credit reports will be ordered for all adult members of the household. Upon receipt of credit reports, they are to be reviewed to insure they coincide with reported income.

Lead-Based Paint Assessment

Order lead testing assessment (when applicable) to comply with HUD’s Lead Safe Housing Rule, a certified Environmental Company must perform a lead inspection to test surfaces to be disturbed during rehabilitation activities on properties built prior to 1978. A post lead clearance is also required. Refer to Appendix C: Lead- Based Paint Hazard Reduction Requirements.

Preliminary Loan to Value (LTV)

The Program Staff or Consultant must verify the LTV in order to remain in compliance of maximum LTV requirements. The LTV is calculated by adding all of the indebtedness against the subject property, and the proposed Program loan. The total is then divided by the estimated value of the property. Total LTV not to exceed 80%.

Example/Scenario of LTV calculation:

\$125,000	1st mortgage
\$ 35,000	Proposed Program loan

\$155,000	Total indebtedness
 \$425,000	 Estimated property value
 \$155,000 ÷ \$425,000 = 36%	

Preliminary After Rehabilitation Value

The U.S. Department of Housing and Urban Development (HUD) requires documentation of the after-rehabilitation value (ARV) to show such housing is within Section 203(b) program limits.

In accordance with 24 CFR 92.254(b), housing currently owned by a family (i.e., owner-occupied housing) only qualifies as affordable housing under the HOME Program if the estimated value of the property, after rehabilitation, does not exceed 95 percent of the median purchase price for the area (as established by HUD). The City must maintain files showing how ARV was determined and found to be within the applicable program limits. Property value must be determined prior to the provision of HRGP assistance. The value will be established by appraisals prepared by a licensed fee appraiser. Project files must document the post rehabilitation appraised value and clearly indicate it in the appraisal report. This requires the City to provide the appraiser the written work write-up that includes the proposed rehabilitation for the subject property. An estimate of value also reflects the value of a standard property; this corresponds to the estimated post-rehabilitation value of the subject property, based on the proposed rehabilitation. The form called 95% Property Value Limit must be completed for each project.

Application – Follow-up

As needed, request all required third party verifications, such as verifications of mortgage, employment, benefits, or deposit.

Upon receipt and review of documentation (income, property information, and credit report) the Program Staff or Consultant will notify the applicants of their eligibility or request additional documents for clarification. The homeowner will be notified in writing of the additional documentation and will be given (30) days to submit.

If the homeowner does not respond within the (30) calendar day deadline specified in the correspondence, the Program Staff or Consultant will cancel the file. If the file is canceled, the

homeowner will not be eligible to re-apply for the program until a year from the closing of the file.

The City will only permit a file to be re-instated due to illness, hospitalization or death in the immediate family

Request for the re-instatement has to be done in writing within 30 calendar days of the cancellation of the file.

The Program Staff or Consultant must keep a calendar for timely follow-up after the initial intake.

Denial of Application

If during the application intake the Program Staff or Consultant determines that the applicant does not qualify for the Program, a denial letter must be mailed, indicating the reason for denial. The applicant will be given a 30-day period to appeal the denial.

Approval of Application

After the applicant's eligibility is established, the Program Staff or Consultant will notify applicant in writing of their eligibility for the program and indicate the assistance to be provided.

Initial Property Inspection

Program staff will schedule an initial property inspection with the property owner. The initial inspection will allow the property to be evaluated and determine which repair items will be addressed. In addition, after the inspection a determination will be made as to whether or not lead-based paint stabilization or abatement will be required. To facilitate the inspection the following steps should be taken:

1. Coordinate inspection with Building and Safety Inspector (if necessary).
2. In conducting the inspection, schedule a time with the property owner to conduct the formal property inspection. At the time of the inspection, the Program Staff should:
 - a. Review the property
 - b. Obtain a list of general property improvements desired by the homeowner
 - c. Check the dwelling for structural deficiencies. Physically walk through the dwelling identifying every substandard feature that may be observed and note all improvements necessary to bring the dwelling up to Code. (Un-permitted structures that do not meet program guidelines must be permitted before assistance can continue).
 - d. Inform the homeowner of deficiencies identified
 - e. Obtain homeowner preferences regarding options for correcting deficiencies.

- f. Take thorough pre-construction photos of each area in which rehabilitation or repairs will occur. Additionally, if necessary for historical purposes, take photos of the subject property, property to the right and left and across the street.
3. When reviewing inspection notes the Program Staff or Consultant shall take into account the following:
 - a. Overcrowded conditions. If it's determined that overcrowded conditions exist and there is a request for the construction of an additional bedroom/bathroom an explanation will be included in the file. Such report shall include the number of occupants in household, the age and gender of occupants in household, the age and gender of occupants in household, and the existing number of size of sleeping quarters.
 - b. Rehabilitation Feasibility. Program Staff shall make a determination on the rehabilitation feasibility of the property with the following factors taken into account:
 - i. Location of structure
 - ii. Excessive rehabilitation costs
 - iii. Type of improvements
 - iv. Type of structure
 - v. Condition of structure
 - vi. Homeowner's needs
4. Order termite inspection reports for all loans. Program Staff or Consultant must request at least three (3) qualified termite companies and keep the confirmation in the loan master file.

If the property has been inspected and treated for termites within the last 12 months, a new termite report is not required. In which case, the Program Staff or Consultant must request a copy of the Notice of Work Completed from the homeowners.

Copies of Lead report/assessment and termite report must be provided to the homeowner. The Program Staff must also take into consideration the reports when preparing the work write-up.

Historic Preservation

Historic preservation requirements apply to properties that are 50 years old or older. Historic properties are residential properties listed in or eligible to be listed in the National Register of Historic Places, state or local inventory of historic places, designated as a historic landmark, or designated as contributing to a historic district by local law or ordinance. Refer to Appendix G – Historic Preservation Forms. The Program Staff or Consultant must determine if the property is subject to historic preservation requirements, as follows:

1. Verify the age of the property with a property profile. If the property is not 50 years old or older, then no further historic process is required.
2. If the subject property is 50 years old or older and the rehabilitation work will involve exterior work, the Program Staff or Consultant must submit a Historic Eligibility Determination to State Historic Preservation Office (SHPO) via regular mail. This consultation with SHPO is only for projects that will include exterior work. SHPO clearance is not needed for projects that will only address interior rehabilitation, or for properties that are not 50 years old or older. The consultation letter must include:
 - a. Photographs of the property as required by the State.
 - b. A list of the proposed rehabilitation.
 - c. Relevant information regarding the historic significance of the property.
3. SHPO must respond within 30 days. If no response is received, then rehabilitation work may proceed.
4. Complete of Historic and Architectural Assessment Form.
 - a. If the proposed rehabilitation involves only interior work or if the subject property is less than 50 years old, only Part A of the Historic and Architectural Assessment Form is necessary.
 - b. If the proposed rehabilitation involves exterior work to a property that is 50 years old or older, verify that proper consultation was submitted to SHPO. If no response is received from SHPO within 30 days, then project is able to proceed.
 - c. Complete Part B of the Historic and Architectural Assessment Form for projects that involve exterior rehabilitation of properties 50 years old and older.

Environmental Requirements

An Environmental Assessment to be completed for all properties. The Program Staff or Consultant must complete the Environmental Finding Report during the property inspection; it must be signed by the Planning and Community Development Director or his/her designee.

Relocation

In accordance with the Uniform Relocation Act, if the project will prevent the homeowner from accessing heat, bathroom facilities, or the kitchen, then the homeowner may request relocation assistance. The City will provide up to \$500 to assist in covering the costs of relocation advisory services to displaced tenants and owner occupants, moving expenses, and temporary living arrangements. Relocation costs incurred by the City are eligible for reimbursement through HUD. Written notice must be provided to the tenant or owner occupant a minimum of 90 days prior to the required date of the move.

Work Write-up

The Program Staff or Consultant must prepare the Work Write-up, which is the set of instructions specifying the proposed rehabilitation work and will also serve as part of the contract. The Work Write-Up must describe and address any code violations, health and safety deficiencies, and lead hazards in a manner that is sufficiently detailed to serve as the basis for obtaining bids from contractors.

PART 3: PROCUREMENT

This section provides an overview of the HUD standards for Federal procurement requirements 24 CFR Part 85.36, 24 CFR Part 84.40-48.

The City of Montebello needs to ensure that all applicable Federal requirements are followed throughout the process. While the City has its own procurement and contracting requirements, the use of Federal funding requires compliance with Federal regulations at a minimum. The primary purpose of the procurement procedure is to assure free and open competition is achieved.

The City of Montebello and its Recipients must follow procurement procedures as they pertain to the HOME Program:

1. **OMB Standards** - Materials shall be procured in accordance with the requirements of 24 CFR 84.40-48 and the procurement standards set forth in OMB Circular A-110, and shall subsequently follow the property standards, covering utilization and disposal of property, set forth in OMB Circular A-110.
2. **Use and Reversion of Assets** - The use and disposition of real property and equipment must be in compliance with the requirements of 24 CFR Part 84 and CFR 570.502, 570.503, 570.504, and HERA as applicable, which include but are not limited to the following:
3. Any HOME Program funds on hand and any accounts receivable attributable to the use of funds shall be transferred to the City of Montebello at the time of expiration, cancellation, or termination of the Agreement.

Real property under the "Recipients" control that was acquired or improved, in whole or in part, with funds under the Agreement shall be used to meet one of the HOME Program Activities.

PROCUREMENT TYPES

1st Procurement Method: Competitive Sealed Bids (formal Advertising)

The sealed bid method is required for procuring all construction contracts or for goods costing more than \$100,000. The only exceptions to this rule are single family housing rehabilitation projects where the total cost does not exceed \$100,000. These projects may be conducted under the Small Purchases Method. During this process, bids are publicly solicited and a firm fixed-price contract is awarded to the responsible bidder whose bid, conforming to all the material terms and conditions of the invitation for bids, is the lowest in price.

In order for sealed bidding to be feasible, the following conditions should be present:

1. A complete, adequate, and realistic specification or purchase description is available;
2. Two or more responsible bidders are willing and able to compete effectively for the business; and
3. The procurement lends itself to a firm-fixed-price contract and the selection of the successful bidder can be made principally on the basis of price.

When sealed bids are used, the following requirements apply:

1. Publication Period: The invitation for bids will be publicly advertised and bids shall be solicited from an adequate number of known suppliers, providing them sufficient time prior to the date set for opening the bids;
2. Federal Funding Advertised: The advertisement should indicate that the project is being funded with HOME funds and that federal requirements will apply to the contracts.
2. Clear Definition: The invitation of bids, which will include any specifications and pertinent attachments, shall define the items or services in order for the bidder to properly respond;
3. Itemized Costs: Bids must show the quantity and cost of each line item. Lump sum bids and/or bid items that are not specifically identified or are generally grouped as miscellaneous or contingency are not allowed.
4. Public Opening: All bids will be publicly opened at the time and place prescribed in the invitation for bids;
5. Selection and Contracting: A firm fixed-price contract award will be made in writing to the lowest responsive and responsible bidder; and
6. Rejection of all Bids: Any or all bids may be rejected if there is a sound documented reason.

Negotiations after Unsuccessful Competitive Sealed Bidding: Negotiations are permitted within the following guidelines, which consider that time or other circumstances will not permit a re-solicitation of competitive sealed bids.

Bids Over Construction Budget by 10 percent or Less: When bids are received and the low bid exceeds available funds and it is determined in writing from the procuring agency that time or other circumstances will not permit the delay required to re-solicit competitive sealed bids, a contract may be negotiated with the lowest responsive and responsible bidder, provided that the lowest base bid does not exceed available funds by an amount greater than five percent of the construction budget established for that portion of work. The procuring agency may change

the scope of the work (with prior approval from the Authority) to reduce the cost to be within the established construction budget.

Bids Over Construction Budget by more than 10 Percent: When bids are received and the low bid exceeds available funds by more than 10 percent of the construction budget and it is determined in writing from the procuring agency that time or other circumstances will not permit the delay required to re-solicit competitive sealed bids, a contract may be negotiated provided that:

- a. Each responsible bidder who submitted a bid under the original solicitation is notified of the determination and is given reasonable opportunity to negotiate.
- b. The negotiated price is lower than the lowest rejected bid by any responsible and responsive bidder under the original solicitation.
- c. The negotiated price is the lowest negotiated price offered by any reasonable and responsible offeror.
- d. If the scope of services originally addressed has been significantly changed, prior Authority approval is required and a project amendment may be necessary.

2nd Procurement Method: Competitive Sealed Proposals (RFPs/RFQs)

Competitive sealed proposals are used in two instances:

1. The acquisition of any engineering or architecture services, or
2. The purchase of other professional services where the total cost will exceed \$100,000.

Under this procurement method, the Recipient must publish a written request for submissions and then review these submissions based on established selection criteria. This method of procurement differs from the small purchases method in that the solicitation must be published and cannot be restricted to a smaller or limited number of bidders. Under this approach, there are two possible methods of soliciting proposals:

1. A **Request for Proposals** asks that officers submit both qualifications and cost information.
2. A **Request for Qualifications** only asks for information on the offeror's expertise/experience and not on cost.

When acquiring any service that is not architecture or engineering, the full RFP process must be used. For example, if the City were to hire a for-profit HOME Program contract administrator and that contract exceeded \$100,000, an RFP would be required.

When acquiring architectural or engineering services, either a RFP or a RFQ may be used. The City recommends the use of an RFP process when feasible or practical, since it provides the recipient additional information.

Request for Proposals (RFP): When a RFP process is required, the City must develop a written document outlining the scope of the services and the selection criteria. The scope must be sufficiently detailed so that potential bidders are able to develop effective pricing proposals and submit appropriate qualifications.

Request for Qualifications (RFQ): The RFQ process may only be used in two instances:

1. For complicated architectural or engineering services, or
2. When the RFQ is used to narrow a pool of potential bidders and a formal RFP will follow. In any other competitive proposal instance, the RFP must be used. The RFQ process does not request cost information at the time of solicitation.

3rd Procurement Method: Small Purchase Procedures

The Small Purchase Procedures Method allows acquiring goods and services totaling no more than \$100,000, without publishing a formal request for proposals or invitation for bids. This method of procurement is typically used to purchase commodities such as equipment or other materials. In the highly unlikely event materials are purchased that will exceed \$100,000, they must use the Sealed Competitive Bid Method.

The Small Purchases Method can also be used to acquire eligible types of services, such as professional consulting, environmental review, or planning. This method cannot be used if the services contract will exceed \$100,000 in value. If the services contract will exceed \$100,000, an RFP must be issued under the competitive proposals approach. Note that engineering architectural and construction services cannot be procured using the small purchase method and must always be acquired using the competitive proposal approach. These acquisitions must occur under the competitive sealed bid method. In general, the small purchase procedure should not be used to acquire construction contractors. The only exception to this is when the City is contracting for single family rehabilitation, where the total cost of the rehabilitation will not exceed \$100,000.

4th Procurement Method: Noncompetitive Proposals

Procurement by noncompetitive proposals is procurement through solicitations of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate.

Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids, or competitive proposals and one of the following circumstances applies:

- a. The item is available only from a single source;
- b. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- c. The City authorizes noncompetitive proposals; or
- d. After solicitation of a number of sources, competition is determined inadequate.

OTHER CONSIDERATIONS

Aside from selecting the method of procurement, there are several other considerations the City of Montebello adhere to when procuring goods or services with Federal funds including:

Conflict of Interest

1. A written code of conduct must be maintained to help prevent conflicts of interest in procurement.
2. The written code of conduct must apply to all employees, officers, agents of the City or its Recipient, and members of their immediate family, and partners.
3. The code shall prevent financial interest or other benefits earned for any of these persons due to a HOME Program-related procurement action. These persons also cannot solicit or accept gratuities, favors or other items of monetary value from contractors.
4. The City of Montebello adheres to its Conflict of Interest Federal guidelines which identify that Employees, officers, board members, or agents of the City of Montebello are prohibited from participating in the selection, award, or administration of contracts or sub-agreements supported by federal funds if a real or apparent conflict of interest exists. City employees are required to disclose any potential conflicts of interest and adhere to the Conflict of Interest Guidelines.

Excluded Parties

1. The City must adhere to the prohibitions in 2 CFR Part 2424 on the use of debarred, suspended, or ineligible contractors. A person who is debarred or suspended shall be excluded from Federal financial and non-financial assistance and benefits under Federal programs and activities.
2. Federal funds may not be used to directly or indirectly employ, award contracts to, or otherwise engage the services of any contractor during any period of debarment, suspension, or placement on ineligibility status.
3. The City should regularly check all contractors, subcontractors, and lower-tier contractors against the Federal publication that lists debarred, suspended, and ineligible contractors.
4. In addition, the City should check this list before signing any contract with contractors or subcontractors.

5. Information on parties excluded from Federal procurement and non-procurement programs is available at www.sam.gov.

Minority/Woman Business Enterprises (MBE/WBE)

1. The City of Montebello is required by Federal law to ensure that minority and women-owned business have information about and the opportunity to bid on federally funded competitive contracts.
2. The City is required by law to use minority and women's businesses whenever possible.

Disadvantaged Business Enterprises (DBE)

1. The City of Montebello complies with Federal regulations concerning Disadvantaged Business Enterprise (DBE). Disadvantaged Business Enterprise (DBE) and Small Business Enterprise (SBE) firms are strongly encouraged to participate in the City of Montebello's contract opportunities.
2. City projects funded in whole or in part with federal funding sources are subject to DBE requirements set forth in [Title 49 of the Code of Federal Regulations \(CFR\), Part 26](#), and the State of California Department of Transportation DBE Program Plan, as well as other Caltrans guidelines. For these projects, specific DBE requirements and project goals are detailed in the project's bid specifications.
3. To search for certified DBEs, staff may visit the following website [California Unified Certification Program \(dbesystem.com\)](http://California Unified Certification Program (dbesystem.com))

Solid Waste Disposal Act (200.322)

1. The City of Montebello adheres to the Federal Regulations of the Solid Waste Disposal Act (Sec. 6002).
2. In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable.
3. For transactions that exceed \$10,000 or for contract where the value of items purchased in the prior fiscal year exceeded \$10,000, staff or consultant will review the requirements to utilize recovered materials at the highest percentage possible while maintaining a satisfactory level of competition.
4. Staff or consultant will also procure solid waste management services in a manner that maximizes energy and resource recovery.

5. Staff or consultant will review these requirements for goods that are typically procured as recycled (paper), for other goods that can be normally procured as recycled, or for recycling/waste service.

Construction Management

In order to ensure HOME Program compliance and the overall success of projects, there are a wide number of critical tasks that the City must undertake to properly manage HOME-funded construction, including tasks such as formulating effective standards, managing inspections for quality, and the proper approaches to change orders, contingency funding, and periodic reporting by partners.

Part I of this section covers the applicable standards and codes while Part II addresses the City's HOME requirements related to the construction process and the procedures that the City has developed to effectively manage construction activities.

Part I: STANDARDS AND CODES RELATED TO CONSTRUCTION

PROPERTY STANDARDS (24 CFR 92.251)

Property standards are required in the HOME Program to achieve two major purposes:

1. Set a minimum standard for habitability/functionality, for purposes of inspecting and specifying necessary improvements listed in the scope of work; and
2. Establish materials, methods, and standards for any work to be performed.

The property standards that are applicable to the City's HOME Program are described briefly below.

Housing Codes/Standards

1. Housing codes/standards specify the basic living and structural conditions for existing properties. They are used to determine if an existing residence is habitable and identify health and safety conditions.
2. Housing codes/standards are used as the basis for initial inspections of existing properties to identify needed repairs and appropriate improvements. Their purpose is to ensure that existing housing is not occupied unless it is decent, safe, and sanitary.
3. Waivers can be requested for rehabilitation developments if structural constraints prohibit adherence to the minimum design standards. Waiver requirements are detailed as part of the City's Minimum Design Standards.

Building Codes

1. Building codes are a series of requirements that specify how new construction or rehabilitation work is to be carried out. They inform contractors about how to do the work and are used by inspectors to check completed work.
 - a. The City of Montebello building codes are mandatory citywide. The City requires that, owners, and developers comply with the building codes adopted in the City's jurisdiction.
2. A number of related codes, such as the fire code and plumbing code, are incorporated into the City building codes.
3. Most work governed by building codes requires that licensed contractors obtain permits prior to starting the work.
4. A building permit alerts building officials and inspectors to the fact that certain types of construction are about to begin and completed work must be inspected to determine if it meets requirements.

Rehabilitation Codes

1. Rehabilitation codes provide specific guidance about applying building codes to guide repair, remodeling, and rehabilitation of existing structures. Appendix J of the International Residential Code provides the minimum requirements for existing structures being rehabilitated.
2. They serve the same purpose as building codes but are moderated to be reasonable approaches to existing conditions because it would be very expensive (perhaps impossible) to renovate an existing older building to meet the same standards for new constructed buildings.

Rehabilitation Standards

1. A rehabilitation standard defines the quality of materials and workmanship that must be used when a particular repair is made. Rehabilitation standards (sometimes called construction standards) speak to the quality, durability, and aesthetics of the end product.
2. They define what methods and materials are eligible for HOME payment.
3. The City of Montebello has adopted written rehabilitation standards for rehabilitation of owner-occupied units, single-family and multi-family, whether the work is done by contractors, or nonprofits.

EXHIBIT 8 – City of Montebello Rehabilitation Standards

SECTION I: SITE IMPROVEMENTS

NOTE: All work requires review by the Building Division regarding need for plans/permits.

SITE IMPROVEMENTS – OUTBUILDINGS

REHABILITATION STANDARD: 75% or more salvageable

Minimum Life: 5 Years

Unsafe, illegal or unapproved structures, including outbuildings, additions and patio covers will be removed if it is not financially feasible (up to \$5,000) to complete rehabilitation required to make them structurally sound, leak free and building and zoning code legal.

REPLACEMENT STANDARD: No outbuilding shall be provided.

SITE IMPROVEMENTS – PAVING AND WALKS

NOTE: Any work may require a permit from the Engineering Division.

REHABILITATION STANDARD:

Minimum Life: 15 Years

Badly deteriorated, essential paving, such as front sidewalks, will be replaced to match. Deteriorated paving may be removed or replaced.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

Essential walks and drives shall be replaced with 4" thick, 4% air entrained, and 3000 PSI concrete with metal reinforcement.

SITE IMPROVEMENTS – LANDSCAPING

REHABILITATION STANDARD:

Site shall be graded to direct water to run away from foundation. Trees that are too close to the structure shall be removed.

REPLACEMENT STANDARD:

Only for-sale homes' front yards may be landscaped with a \$500 maximum allowance.

SITE IMPROVEMENTS – FENCING/GATES

REHABILITATION STANDARD:

Minimum Life: 5 Years

Fencing shall be rehabilitated to meet the local code.

REPLACEMENT STANDARD:

When funding is sufficient for nonessential improvement, additional wood or wrought iron fencing may be installed to create defensible space in conformance with neighborhood/homeownership association requirements.

SITE IMPROVEMENTS – SWIMMING POOLS/HOT TUBS

REHABILITATION STANDARD:

Minimum Life: 3 Years

Beyond scope of federal financing. Pools may be filled.

REPLACEMENT STANDARD: N/A

SECTION II: EXTERIOR SURFACES

NOTE: All work requires review by the Building Division regarding need for plans/permits.

EXTERIOR SURFACES – EXTERIOR CLADDING

REHABILITATION STANDARD:

Minimum Life: 10 Years

Siding and trim will be intact and weatherproof. All exterior wood components will have a minimum of one continuous coat of paint, and no exterior painted surface will have any deteriorated paint.

REPLACEMENT STANDARD:

Minimum Life: 25 Years

Historically sensitive vinyl siding with 45-year material warranty.

EXTERIOR SURFACES – EXTERIOR PORCHES/BALCONIES

REHABILITATION STANDARD:

Minimum Life: 10 Years

Unsafe or unsightly porches and balconies will be rehabilitated to conform closely with porches in the neighborhood. Porch rehabilitation will be structurally sound, with smooth and even decking surfaces.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

Deteriorated porches and balconies shall be replaced with preservative treated structural lumber and tongue and groove pine or synthetic deck material. Replace with concrete if economically possible.

EXTERIOR SURFACES – EXTERIOR RAILINGS

REHABILITATION STANDARD: None

REPLACEMENT STANDARD:

Minimum Life: 20 Years

Railings that do not meet the current code shall be removed and replaced with wrought iron or synthetic wood.

EXTERIOR SURFACES – EXTERIOR STEPS AND PATIOS

REHABILITATION STANDARD:

Minimum Life: 10 Years

Steps, stairs and decks shall, be structurally upgraded to adopted building code; free from all significant deterioration.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

Any replacement patio, deck or stoop shall be of a minimum functional size, design and construction.

SECTION III: FOUNDATIONS & STRUCTURE

NOTE: All work requires review by the Building Division regarding need for plans/permits.

FOUNDATIONS & STRUCTURE – FIREWALLS

REHABILITATION STANDARD:

Minimum Life: 15 Years

Party walls and garage ceilings shall be maintained without cracks and plaster deterioration and upgraded with 5/8" type X gypsum, glued and screwed to structure.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

All party walls shall conform to the 2010 edition of the California Building Code's new construction requirements for fire separation at both walls and roofs.

FOUNDATIONS AND STRUCTURE – FOUNDATIONS

REHABILITATION STANDARD:

Minimum Life: 20 Years

Foundations shall be rehabilitated to be sound and water resistant if financially feasible.

REPLACEMENT STANDARD:

Foundation replacements above 25% are beyond the scope of the program and usually indicate an infeasible project.

FOUNDATIONS & STRUCTURE – STRUCTURAL WALLS

REHABILITATION STANDARD:

Minimum Life: 20 Years

All structural members shall be free from deterioration, rot and termite damage and be sized in conformance to building code. Any member not in conformance with code shall be re-supported as determined by a structural engineer.

REPLACEMENT STANDARD:

Minimum Life: 40 Years

Walls shall be 2" x 4", 16" on center with at least R-19 insulation and solid sheathing to match existing.

SECTION IV: WINDOWS AND DOORS

WINDOWS AND DOORS – INTERIOR DOORS PLACEMENT

REHABILITATION STANDARD:

Minimum Life: 10 Years

All bedrooms, baths and closets shall have operating doors. Privacy locksets on bath and master bedroom. All other doors shall have passage locks. Recycle doors when possible.

REPLACEMENT STANDARD:

Minimum Life: 15 Years

Doors may be solid core or composite in paint grade jambs.

WINDOWS AND DOORS – EXTERIOR DOORS

REHABILITATION STANDARD:

Minimum Life: 10 Years

Exterior doors shall be 1 ¾ inch thick, solid core, insulated to minimum R-6, weather stripped, operate smoothly, including a peep sight, a dead bolt, and an entrance lock set. Rod iron installations require review by the Building Division.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

All replacement doors at the front of the property will be neighborhood sensitive, Energy Star, steel or fiberglass solid core doors with peep sight and deadbolt. Garage/house doors shall be 20-minute fire rated with self-closing hinges. Energy Star, solid core doors with peep sight, dead bolt, and entrance locksets shall be installed at entrances not visible from the front street. Garage doors shall be R-5, embossed metal with a lockable assembly.

WINDOWS AND DOORS – WINDOW PLACEMENT

REHABILITATION/REPLACEMENT STANDARD: Bedrooms shall have all operable windows with a screen and meet egress requirements (one per room) per California Building Code.

WINDOWS AND DOORS – WINDOWS & SLIDING GLASS DOORS

REHABILITATION STANDARD:

Minimum Life: 10 Years

All windows and sliding glass doors shall be weather tight, include a locking device, and where required for egress, be fully functioning/operational.

REPLACEMENT STANDARD: Energy Star

Minimum Life: 20 Years

Double glazed, PVC or fiberglass, a minimum R-value of 2.8 (U=.33), SHGC of 0.30 and DP of 45.

SECTION V: ROOFING**ROOFING – FLAT AND LOW SLOPE ROOFING**

REHABILITATION STANDARD:

Minimum Life: 10 Years

Rehabilitate roofing when cost is less than 30% of total replacement cost.

Built-up roofing, flashing and accessories shall be rehabilitated per California Building Code 2010 wherever a 5-year leak free warranty is available from a certified roofing company.

REPLACEMENT STANDARD:

Minimum Life: 15 Years

The most cost effective Energy Star certified roof of: 3 ply hot built-up, T.P.O. or EPDM per California Building Code 2010.

ROOFING – PITCHED ROOFS

REHABILITATION STANDARD:

Minimum Life: 10 years with warranty

Rehabilitate when cost is less than or equal to 5% of total replacement cost.

Missing and leaking shingles and flashing shall be rehabilitated on otherwise functional roofs per California Building Code 2010. Concrete, metal and tile roofs shall be rehabilitated when at all possible. Antennae and communication disks shall be permanently removed.

REPLACEMENT STANDARD:

Moderate: Minimum Life: 30 Years

Fiberglass, asphalt, 3 tab, class a shingle weighing at least 235 and up to 270 lbs., architectural grade, 30-year warranty with ridge ventilation system per California Building Code 2010.

SECTION VI: INSULATION AND VENTILATION

INSULATION AND VENTILATION – ATTIC VENTILATION

NOTE: All new work requires permits from the Building Division.

REHABILITATION STANDARD:

Minimum Life: 5-Year

Any pre-installed ventilation shall be maintained or if powered and not functioning, replaced.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

Attics will be ventilated with a minimum of one (1) square foot of free vent for each 150 square feet of roof area or be redesigned for integration with new insulation system. Solar powered roof vents may be used when possible.

INSULATION AND VENTILATION – BATH VENTILATION

REHABILITATION STANDARD: None

REPLACEMENT STANDARD:

Minimum Life: 10 Years

Energy Star, exterior ducted, 70 CFM, max 20 sones and separate switch or humidistat in all full and three quarter baths.

INSULATION AND VENTILATION – INFILTRATION

REHABILITATION/REPLACEMENT STANDARD:

Minimum Life: 5 Years

All exterior doors and attic hatches shall be weather stripped. All visible cracks shall be caulked.

INSULATION AND VENTILATION – INSULATION

REHABILITATION STANDARD: Not Applicable

REPLACEMENT STANDARD:

Minimum Life: 15 Years

Attic insulation goal is R-30, crawls spaces R19. New walls will be insulated to capacity with blown cellulose, fiberglass or closed cell foam to cavity capacity. Attic access panel must be insulated to R-30 with rigid foam.

INSULATION AND VENTILATION – KITCHEN VENTILATION

REHABILITATION STANDARD: N/A

REPLACEMENT STANDARD:

Minimum Life: 5 Years

Energy Star, exterior ducted range hoods or exhaust fans with less than 10 sones, at least 120 CFM and capped with a functional back draft.

SECTION VII: INTERIOR STANDARDS

INTERIOR STANDARDS – INTERIOR RAILINGS

REHABILITATION STANDARD:

Minimum Life: 10 Years

Handrails will be present on one side of all interior steps or stairways with more than two risers and around platforms over 30" above floor level with adequate structural attachment, in compliance with the California Building Code 2010.

REPLACEMENT STANDARD:

Minimum Life: 15 Years

Hand and guardrails shall be replaced with universal design standard material and construction in compliance with the California Building Code 2010.

INTERIOR STANDARDS – INTERIOR WALLS AND CEILINGS

REHABILITATION STANDARD:

Minimum Life: 5 Years

Walls shall be stripped of wallpaper, holes, cracks and deteriorated surfaces. All visual surfaces shall be patched and sanded as to create a smooth surface and recoated using premium, low VOC, vinyl acrylic paint.

REPLACEMENT STANDARD:

Minimum Life: 10 Years

Walls shall be plumb, ceiling level with a smooth finish on at least 1/2" gypsum with water resistant board in wet areas. 5/8" Type X over 16" on center studs installed per the American Gypsum Association. Kitchen tile backsplashes and wainscot in ceramic tile baths.

INTERIOR STANDARDS – HAZMAT TESTING AND TREATMENT

REHABILITATION STANDARD:

SAFE PRACTICES

Low: Minimum Life: 3 Months

Asbestos and lead paint hazards, when previously identified, shall be addressed in conformance with applicable local, state, and federal laws. Rehabilitated properties shall be cleaned to pass a Lead Dust clearance test to the levels prescribed by HUD regulations.

Moderate: Minimum Life: 1 Year

All properties shall be visually inspected for asbestos and lead suspect materials. No friable asbestos and all interior and exterior lead suspect surfaces shall be repainted using premium acrylic latex. Properties shall pass HUD lead dust clearance standards prior to occupancy.

High: Minimum Life: 1 Year

All properties shall undergo visual "Risk Evaluations" by rehab supervisors and be treated with the most affordable interior, exterior and site clean-up to clearance standards.

REPLACEMENT STANDARD: IN PLACE MANAGEMENT & ABATEMENT

High: Minimum Life: 20 Years

After an inspection by an EPA Certified Inspector, all hazardous material shall be removed from all moving parts, floors and mouthable surfaces. Encapsulates and enclosures may be used.

INTERIOR STANDARDS – CLOSETS

REHABILITATION STANDARD:

Minimum Life: 10 Years

Existing closets will be maintained.

REPLACEMENT STANDARD:

Minimum Life: 10 Years

All bedrooms shall have a closet with a door, clothes rod, and shelf. Baths must include linen storage and coat hooks must be near the front door.

INTERIOR STANDARDS – FLOORING

REHABILITATION STANDARD:

Minimum Life: 10 Years

Ceramic tile flooring may be rehabilitated and wood floors sanded and refinished. Salvageable carpet may be cleaned. Minimum life for carpet is 5 years.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

Stone, tile or vinyl flooring may be installed over reinforced cement underlayment in baths. Wood or laminate flooring may be installed in living and dining rooms and halls. Kitchen and utility to be ceramic tile. FHA approved carpet over 6 lb. rebound underlayment is allowed in bedrooms when economically feasible.

INTERIOR STANDARDS – APPLIANCES

Assessment of existing appliances shall be made to determine if replacement is necessary.

REPLACEMENT STANDARD: Energy Star and Water Sense. The following appliances are eligible to be installed only when funding allows:

- Dishwasher: Energy Star rated;
- Washing Machine: Energy Star rated (required);
- Dryer: 7 CF with sensor dry system;
- Refrigerator: Energy Star rated (required);
- Range – Gas or electric, 4 burner;
- Garbage disposal – 1/2 hp, with minimum 3 year warranty;
- Microwave/Hood combination (if replacing current equipment); and
- Built-in Oven (to match) Energy Star rated.

INTERIOR STANDARDS – MINIMUM KITCHEN DESIGN

REHABILITATION/REPLACEMENT STANDARD:

Cabinet Storage: 2 bedroom – 8' minimum; 3 bedroom – 10' minimum; 4 bedroom – 12' minimum.

SECTION VIII: ELECTRIC

NOTE: All electrical work requires permits from the Building Division.

ELECTRIC – SPECIALIZED CIRCUITS

REHABILITATION STANDARD: Rehabilitate existing devices to operate.

REPLACEMENT STANDARD:

Minimum Life: 15 Years

Kitchen receptacles within 6 feet of a sink, all bath receptacles and at least one exterior receptacle shall be protected by a GFCI. Arc fault receptacles shall be installed in all bedrooms, family, dining, and living rooms, closets, hall walls, and recreation rooms per National Electric Code 2008.

ELECTRIC – KITCHEN ELECTRIC DISTRIBUTION

REHABILITATION STANDARD:

Minimum Life: 15 Years

Electric service may be supplied to trash compactors, microwave ovens, double ovens, range grills, and any appliance proposed for installation.

REPLACEMENT STANDARD:

Minimum Life: 15 Years

Permanently installed or proposed stoves, refrigerators, freezers, dishwashers and disposals, washer and dryers shall have separate circuits sized to N.E.C. Two separate 20 amp counter circuits are required with each kitchen area.

ELECTRIC – FIXTURES

REHABILITATION STANDARD: None

REPLACEMENT STANDARD:

Minimum Life: 20 Years

All halls, rooms necessary to cross to other rooms and stairways must be well lighted and controlled by a 3-way switch using concealed wiring. Attics must have utility fixtures. All fixtures shall be Energy Star. Replace all incandescent bulbs with fluorescent or LED bulbs. Exterior door lighting shall provide 100 lumens at ground level (motion detectors allowed). Garage doors shall be equipped with electric openers with laser safety devices. Bedrooms and living areas may receive Energy Star ceiling fans.

ELECTRIC – ALARMS

REHABILITATION STANDARD:

Minimum Life: 5 Year

Existing fire and smoke, CO shall be rehabilitated to operating condition. Security system may be rehabilitated as needed. Exterior doors shall be alarmed when pools are present.

REPLACEMENT STANDARD:

Minimum Life: 15 Years

Directly wired, battery back-up smoke detectors are required on each dwelling floor. Interconnected smoke detectors are required for special needs and wheelchair users' homes. CO detectors are required with all fuel burning furnaces. Security systems may be installed at 1st floor doors and windows when economically feasible.

ELECTRIC – INTERIOR DISTRIBUTION

REHABILITATION STANDARD: None

REPLACEMENT STANDARD:

Minimum Life: 20 Years

All rooms shall be rewired to the 2008 Edition of the National Electric Code using affordable fixture allowances and Energy Star fixtures. Minimum of one 20-amp circuit per room.

ELECTRIC – SERVICE AND PANEL

REHABILITATION STANDARD:

Minimum Life: 15 Years

Distribution panels shall have a main disconnect, at least 10 circuit breaker protected circuits, a 100-amp minimum capacity and be adequate to safely supply existing and proposed devices.

Electrical panel shall be replaced if not properly grounded, to local codes. All panel upgrades require approval by Southern California Edison.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

Single Family: 200-amp service with a 24-circuit panel is allowed for homes of up to 1,800 SF. Homes larger than 1,800 SF or all electric require 200 amp service with a main disconnect panel containing at least 30 circuit breaker positions.

Two-Four Family: 100-150-amp service to each unit with a main disconnect panel containing at least 20-24 circuit breaker positions. All panel upgrades require approval by Southern California Edison.

SECTION IX: PLUMBING SYSTEM

NOTE: All plumbing work requires permits from the Building Division.

PLUMBING SYSTEM – DRAIN, WASTE, VENT LINES

REPLACEMENT STANDARD:

Minimum Life: 20 Years

ABS replacement lines shall be installed in accordance with the most recently approved version of the State of Illinois plumbing code.

PLUMBING SYSTEM – PLUMBING FIXTURES

REHABILITATION STANDARD:

Minimum Life: 5 Years

All fixtures and faucets when replaced will be retrofitted with low flow aerators: kitchen faucets with a maximum flow rate of 2.0 gal/min; bath faucets with a maximum flow rate of 1.5 gal/min. Tub and shower valves shall have thermostatic or pressure balance valves.

REPLACEMENT STANDARD: California Water Sense

Minimum Life: 20 Years

Single lever, low flow, 2.0 gal/min kitchen and 1.6 gal/min bath, metal faucets and 2.5 gal/min maximum shower diverters with lifetime drip-free warranty. White ceramic, 1.1 GPF ultra low flow toilets, double bowl stainless steel or porcelain kitchen sinks, fiberglass tubs and surrounds and steel or porcelain enameled 5' tubs. Tub and shower valves shall have thermostatic or pressure balance valves.

PLUMBING SYSTEM – PLUMBING MINIMUM EQUIPMENT

REHABILITATION STANDARD: None

REPLACEMENT STANDARD:

Minimum Life: 10 Years

Every dwelling shall contain a double or single bowl kitchen sink, and a 3-piece bath.

PLUMBING SYSTEM – FIRE SPRINKLERS

REHABILITATION STANDARD: Rehabilitate all.

REPLACEMENT STANDARD: Required in homes for wheelchair bound populations when economically feasible.

PLUMBING SYSTEM – WATER HEATERS

REHABILITATION STANDARD:

Minimum Life: 5 Years

The minimum capacity for units with two bedrooms or less shall be 30 gallons, larger units shall have a minimum capacity of 40 gallons. Water heaters shall have pressure relief valves with drip legs that extend to within one foot of the exterior ground, in copper pipe. All water heaters shall have seismic strapping.

REPLACEMENT STANDARD:

Minimum Life: 12 Years

Energy Star, high efficiency, pilotless, Energy Star, gas fired or dual element electric (0.97) water heaters with at least R-7 insulation and a 12-year replacement warranty. 40 gallons electric for 1 and 2-bedroom units and 40 gallons gas or 52 gallons electric for 3- and 4-bedroom units. Install heat pump water heaters when feasible. All water heaters shall have seismic strapping.

PLUMBING SYSTEM – WATER SUPPLY

NOTE: No pipe, plumbing, fixture, fitting, or faucet intended to convey drinking or cooking water shall contain no more than .25 percent lead (AB 1953).

REHABILITATION STANDARD: 10 Years

Minimum Life:

All homes shall be tested to identify and eliminate all leaks. All fixtures must be supplied with 2 gallons per minute water flow and shut off valves must operate. Lead and galvanized pipe shall be replaced with copper, PVC or PEX, if local code allowed. All accessible hot water lines shall be insulated; maximum static pressure is 60 psi.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

All fixtures shall have brass shut off valves. Exterior hose bibs with air gap are required.

SECTION X: HVAC

NOTE: All work requires permits from the Building Division.

HVAC – CHIMNEY/FIREPLACE REHABILITATION

REHABILITATION STANDARD:

Minimum Life: 20 Years

Unsound chimneys shall be rehabilitated or removed. When chimneys must be used for combustion ventilation, they shall be replaced.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

Replacement furnace flues when required shall be metal double or triple walled as recommended by the equipment manufacturer.

If the service life of the chimney is comparable to service life of heating plant, then no replacement is necessary. If the chimney needs replacing or a new liner, the chimney will be eliminated and replaced with a high efficiency, power vented unit.

HVAC – DISTRIBUTION/VENTILATION SYSTEM

REHABILITATION STANDARD:

Minimum Life: 5 Year

Central air conditioning shall be inspected, serviced and refurbished per diagnostic testing of unit and distribution system – per (BPI) technical standards for air conditioning and heat pump specialist as described in Chapter 6 of the Saturn Mechanical Systems Field Guide, 2006. Must meet 2008 Title-24 Standards.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

All ductwork shall be insulated to R-4, seams sealed with Mastic and run in conditioned space within the building envelope. Air leakage and ventilation may be brought into conformance to Chapter 4 of HPSWC. Must meet Title-24 Standards.

HVAC – CENTRAL EQUIPMENT

REHABILITATION STANDARD:

Minimum Life: 5 Years

Heating plants that are less than 5 years old and rated 65 AFUE efficiency or better shall be tested and tuned-upper BPI. Energy Star setback thermostats are required.

REPLACEMENT STANDARD:

Minimum Life: 20 years

Condensing gas furnaces rated over 86 AFUE and heat pumps over 13.5 SEER with 10-year warranty on parts and 5 years labor. Air to air heat exchangers are eligible for this program. HVAC system shall be sized to maintain 68°F measured 36" off the floor when the outside temperature is 84°F

(the average yearly maximum), in all habitable and essential rooms. Interior design temperature used for heating and cooling load calculations per Title-24.

SECTION XI: SPECIAL CONSTRUCTION

SPECIAL CONSTRUCTION – ACCESSIBILITY FOR SPECIAL NEEDS CLIENTS

One of the following levels of accessibility shall be met dependent upon the clients' physical needs and financial resources:

Accessibility:

1. No-Step Entry;
2. Adequate Doorways; and
3. Usable Bathroom.

Usable Home: If requested by a physically disabled tenant, home shall meet this level of accessibility when funding is available:

1. Accessible Route into and through the Dwelling Unit;
2. Accessible Switches, Outlets & Controls;
3. Reinforced Walls for Grab Bar Installation;
4. Usable Kitchens; and
5. Ground Floor Bedroom.

Full Accessibility:

1. Wheelchair turning space in kitchen, bath and hall areas;
2. Doors – maximize space and lever hardware throughout;
3. Kitchen – accessible to wheelchair bound;
4. Bathroom fixtures per universal design standard;
5. Accessible controls in all areas; and
6. Communication devices in bath and at front and rear door.

SPECIAL CONSTRUCTION – LEAD SAFE REGULATIONS

REHABILITATION STANDARD / REPLACEMENT STANDARD

In all federally-funded projects, the City shall follow the requirements listed on the attached "Summary of Lead-Based Paint Requirements.

International Energy Conservation Code

1. All new construction work must also conform to the International Energy Conservation Code (IECC) and applicable state or local energy conservation codes.

2. Additionally, the City requires that all new building construction complies with the State of California Energy Code.

Section 504 and Fair Housing

1. Section 504 and Fair Housing rules impact the design of your project by setting standards for the appropriate number and characteristics of accessible units in your project. The applicability of these standards depends on the size and type of the project.

CONSTRUCTION PROCESS REQUIREMENTS

In addition to the requirements related to property standards discussed in Part I above, the City of Montebello HOME program has requirements that relate to the following aspects of the construction process itself:

1. Inspection protocols;
2. Screening contractors;
3. Construction Scheduling;
4. Pre-construction conferences: who is included, what is covered;
5. Processing and tracking payments;
6. Change order management and payment processes; and
7. Monitoring reports from partner organizations

INSPECTIONS AND SPECIFICATIONS

The City shall follow inspection procedures as described below to ensure that all work is being completed on time and within stated quality guidelines.

1. **Initial inspections:** establish scope of work and must be allotted sufficient time for interviewing the owner or others, delving into the properties functional characteristics, and to develop thorough, articulate scopes specific to the job inspected.
 - a. The specifications must include detailed drawings and reference material as needed to fully explain all aspects of the scope, especially special conditions requiring unusual steps in the repair.
2. **Final approval of plans and specifications:** The City requires that plans and specifications are submitted for final review and approval. The following must be addressed prior to approval:
 - a. The final plans and specifications must be consistent with the scope of work defined in the Recipient's agreement with the City.

- b. Note that advertisements for construction contract bids may not be published until plans and specifications for such contract have been unconditionally approved by the City.
- c. Final construction cost estimates, including deductive alternatives, must be provided. Estimates for line item bids must include estimated quantities, unit costs, and total costs.

3. Progress inspections:

- a. The City and HUD requires that inspections be documented and include the signature of the inspector and the date.
- b. An inspection will determine if work completed corresponds to the work write-up, the construction contract, and the schedule before payment is made to the contractor;
- c. It may address a need for a change order and intervene in owner/contractor disputes in a rehabilitation project;
- d. It ensures that safety and security measures are being taken and that all necessary code inspections have occurred;
- e. It allows the inspector to view the project at key construction points.

4. Timing of inspections: The construction schedule will determine the expected times for progress inspections.

- a. Key points in the construction process would include inspections by qualified persons before work is concealed to determine that it is satisfactory and meets the work specifications and contract.
- b. An inspection should occur when reinforcing bars are installed; wiring, plumbing, and insulation are in place.
- c. An unscheduled inspection may reveal a great deal about work quality and progress, as well as answer concerns a property owner may have.
- d. It may be necessary when a dispute arises between the parties involved.

5. Final inspection: A final inspection must be made by the appropriate professional and work must pass this inspection before the retainage is released to the contractor.

6. Logistics: Upon substantial completion of the project, the City must confirm that a final inspection is requested.

- a. The City will schedule a final inspection to be attended by the owner, project administrator/consultant, contractor, and the City of Montebello Housing Inspector.
- b. Notice of this inspection must be scheduled with the City at least 3-5 days prior to the scheduled date.
- c. The final inspection shall consist of a field inspection to confirm that the project has been completed.

The following documents must be available at the final inspection:

- a. Punch List(s);
 - b. Certificate(s) of Final Inspection; and
 - c. Release of Lien Form for each contractor
 - d. General items of discussion at the final inspection include
 - e. Acceptance of work by all parties;
 - f. Transfer of insurance coverage to the owner;
 - g. Utility considerations;
 - h. Establishment of warranty period; and
 - i. Final payment (Disbursed by the City of Montebello 30 days from a successfully completed Final Inspection.)
7. **Punch list and close out:** Although a few punch list items may be pending at the time of the final inspection, all major problems should be resolved and a Certificate of Final Inspection should be issued at this time.
- a. The City requires that the project inspector and architect, if applicable, conduct a pre-final inspection to ensure that a comprehensive punch list is developed and that the project will be substantially complete at the time of the City's Final Inspection.
 - b. A schedule for completing these items should be negotiated with the contractor, and a corresponding percentage of the cost, plus retainage, should be held back until the punch list items are completed.
 - c. If an architect was used, he or she will issue a notice of substantial completion.
 - d. This notice verifies that the structure may be used for its intended purpose.
 - e. The notice of substantial completion may be issued either before or after punch list items are completed, depending on the situation and the extent of remaining items. In all cases, the Certificate of Final Inspection must be signed by the City prior to release of final retainage payment.
 - f. Even when an architect signs off on work, the city will conduct its own inspection to verify that work is complete and complies with programmatic and other federal requirements.
 - g. The final inspection must be performed by the City of Montebello Economic Development staff.
 - h. After completion of the punch list items, and (if appropriate) the architect's notice, the City should see that the contractor provides:
 - i. Cost certifications;
 - ii. Warranties of work performed;
 - iii. Operations manuals (for furnaces and other systems);
 - iv. Guarantees from manufacturers of materials and systems installed; and
 - v. Release of liens by suppliers, all subcontractors, and the general contractor.
 - i. No final payment will be made until all documents are received and lien releases are verified.

- j. An IDIS completion report must be completed to close out the project.
8. **Warranty inspection:** A one-year warranty period must be instituted for each contract completed to ensure that the workmanship and materials of the contractor(s) and subcontractor(s) have been sufficient. Copies of warranties or a certification from the contractor that no warranties were issued for the project are to be kept in project files.
- a. A final warranty inspection must be conducted by the City of Montebello staff eleven months after the initiation of the warranty period to finalize any adjustments needed to correct covered deficiencies.
 - b. Any such deficiencies shall be noted by the City or architect, if applicable, and provided to the contractor in writing and corrected.

EXHIBIT 9 – Timing and Purpose of Property Inspections

When to Inspect:	Purpose
Preliminary – before work begins	✓ Check existing conditions against drawings (for new construction) or against work write up/approve specification; ✓ Review applicable codes and standards
During Construction	✓ Determine adequacy of work completed; ✓ Assess compliance with approved drawings or specifications; ✓ Assess completed work against construction schedule; ✓ Determine completed work that is eligible for payment; ✓ Resolve any disputes among parties.
Final	✓ Go over items in “punch list” to determine completion; ✓ Document compliance with codes and standards.
Warranty Inspection	✓ Assess workmanship and materials used; ✓ Document deficiencies

SCREENING CONTRACTORS: BIDDING AND CONTRACT AWARD PROCESS

The City of Montebello is expected pre-screen contractors and to use applications, bidding documents, agreements, and pre-bid/preconstruction conferences for screening contractors. In general, performance standards and consequences to meet them must be part of every construction program and must be covered in sufficient detail in bidding documents and the pre-construction conference. The City's specific requirements for the bidding and contract award process are detailed below:

Debarment and Suspension Policy (24 CFR 85.35).

The City of Montebello complies by the debarment and suspension policy pursuant to 24 CFR, 85.35 Part 5.

PROCEDURE

1. The City will verify that they and any or all persons, contractors, consultants, businesses, sub-recipients, etc., that are conducting business with the City are not presently debarred, proposed for debarment, suspended, declared ineligible, or voluntarily excluded from participation in the covered transaction or in any proposal submitted in connection with the covered transaction.
2. The City will check the Excluded Parties Listing System, print and maintain evidence of the search results. In the event that the search results indicate, a prior or current debarment or suspension of the contractor, the City will include the printout in the application.
3. The City will certify that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any entity from a federally funded transaction. Any contractor that remains in a debarred or suspended condition will be prohibited from participation in the City of Montebello HOME Program as long as they are classified in this manner.
4. The City will **not** award any HOME Program funds to applicants that are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation from the covered transaction.

The City takes the following steps to assure a contractor is qualified to work based on the California State Labor Board (CSLB) and the HUD debarment List:

1. If the contractor is NOT on the debarment list, the City makes a copy of the Debarment List and encloses the list in the contractor package.
 2. If the contractor IS found on the debarment list, the contractor is disqualified further consideration.
1. **Advertisements for construction contract bids.** The City of Montebello policy requires publication of advertisement for bids in a newspaper of citywide circulation one time in at least one newspaper of greatest general circulation in the City of Montebello (Montebello Comet) or posting by electronic media.

PROCEDURE

- a. The date of publication of the notice shall not be less than five (5) days nor more than 30 days before the date established for the receipt of bids.

- b. In addition to citywide newspaper advertisement, the City may directly solicit prospective bidders and advertise in construction industry trade journals.
 - c. Note that advertisements may not be published until plans and specifications for such contract have been unconditionally approved by applicable agencies.
 - d. Additionally, wage determinations, if applicable, must be included as part of the contract documents for the project. The City requires to be contacted 10 days prior to the bid opening date.
2. **Interpretations of plans and specifications.** All questions regarding interpretation of the plans, specifications, drawings, and other contract documents should be addressed only to the design architect. Questions specific to the content of the Sample Bid Package for City of Montebello funded projects should also be addressed to:

City of Montebello
Attn: Planning & Community Development
Home & CDBG Division
1600 W. Beverly Blvd., Montebello CA, 90640

- a. Any inquiry or other action requiring written interpretation or instruction from the architect that will modify the plans and specifications and affect bidders (e.g., modified wage determination, redesigns, etc.) must be done so by addendum.

NOTE: An addendum is written instruction issued prior to the opening of construction bids that modifies or interprets contract documents, drawings, and specifications by additions, deletions, clarifications, or corrections. All addenda must be approved by the City prior to issuance.

- b. An Addendum must be issued ***by certified mail at least five days prior to the date of bid opening***. Failure to attain approval may result in disallowance of affected costs.
3. **Receipt of all sealed bids** will be documented by date and time of receipt and the name of the submitting contractor. Bids received after the established deadline shall not be accepted.
4. **Bids in excess of project budget.** If the lowest base bid exceeds the amount of funds appropriated for project budget, then the application of deductive alternatives in numerical order will commence until the bid is within the appropriated amount.
5. **Apparent low bidder.** Once the apparent low bidder is identified, the City will determine if he/she is responsible.

NOTE: All prime contractors are responsible for ensuring that the subcontractors they employ are not debarred or suspended.

6. **Notification of bid award.** Once the apparent lowest responsive, responsible bidder(s) for each contract(s) is determined, the City will notify all bidders whether or not they were successful.
 - a. Successful bidders must be notified of acceptance of their bid within the time frame specified in the contract documents.
 - b. Such notification shall be made through issuance of a Notice of Award which requests the contractor to provide acceptable payment and performance bond(s) and certificates of insurance within 10 calendar days.
 - c. Upon reception of these documents, the City must determine if:
7. The contractor has **sufficient bonding and insurance**. The insured amounts must be consistent with requirements of state law as specified in the contract documents, e.g., 100 percent payment and 100 percent performance bond(s) coverage and sufficient liability coverage amounts.
 - d. Contracts must be awarded within the time frame specified in the contract documents.
 - e. If the contract has not been awarded within 90 days of bid opening, the Recipient must notify the City's Planning and Development Department to determine if the wage determination (if applicable) is still valid. Any applicable modified or superseded wage determinations will apply to the project.

Note: Licensing and underwriting limitations of insurance companies in the State of California can be checked by referencing U.S. Department of the Treasury, Circular 570 Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies as updated in the Federal Register.

8. **Post award requirements.** After all contract documents have been executed and sufficient bonding and insurance is confirmed, a fully executed set of contract documents must be submitted by the City of Montebello.

Pre-construction Conferences

A pre-construction conference can be valuable in providing direction to the parties involved and prevent potential misunderstandings.

PROCEDURE

1. The HOME Program Consultant or Housing Manager shall coordinate scheduling the preconstruction conference with all applicable parties.
2. At a minimum, the City shall give 10 days' notice to persons who must attend the preconstruction conference, including:

- a. City representative, if applicable
 - b. Executive Director of nonprofit entity, if applicable;
 - c. Developer/Owner,
 - d. Prime Contractors;
 - e. If applicable, the architect (especially the person representing the firm and the resident observer);
3. The preconstruction conference will be conducted in accordance with a Preconstruction Agenda and Report.
 4. Signed copies of the report, with an attached attendance list, must be distributed to each of the parties identified above within five calendar days of the conference.
 5. Location of the conference:

Working with Contractors

PROCEDURE

The HOME Program Consultant or Housing Manager will:

1. Retain a qualified person in charge of the work who understands the business and the constraints faced by those in the building trades.
2. Clearly inform contractors about work expectations, program requirements as they impact the project, about the payment process, and seek their feedback after project completion.
 - a. Timing of a pre-construction conference will take place after an Environmental Review and Release of Funds (ROF) have been completed, and
3. Distribute communicate of the project to all team members on his or her role and responsibilities;
4. Identify deadlines and critical phases of the work;
5. Review the scope of work and schedule to prevent future problems;
6. Explain basic operating procedures, including reports, meetings and other communications required and expected during construction;
7. Review applicable programmatic and federal requirements, such as Davis-Bacon, labor standards, and Lead Safe Housing Rules;
8. Review procedures for:
 - a. Inspections – when they must occur and who initiates them;
 - b. Warranties – copies of warranties or a certification from the contractor that no warranties were issued for the project shall be kept in project files;
 - c. Payment requests – when they should be submitted, who receives them, what they must include, when payment will be made if satisfactory;
 - d. Change orders – the process for requesting one; what would/ would not be considered in weighing the request;
 - e. Lien releases – the process and who is involved;

- f. Monitoring of progress and reporting;
 - g. Dispute resolution; and
 - h. Closing out the project.
9. Review the construction contract and ensure all parties have read, understood, and signed it;
 10. Confirm that subcontractors' names, addresses, and phone numbers are accurately listed;
 11. For occupied structures:
 - a. Discuss the handling of service shut-offs and restricting access to bathrooms, kitchens, etc. during lead-paint work as well as other relevant rehabilitation work;
 - b. Define moving and relocation roles and schedules; and
 - c. Review/discuss safety and security measures during construction.
 12. At the conclusion of the pre-construction conference and after the contractor has executed the construction contract, the City will issue a notice to proceed with work.
 13. Construction should commence no later than 10 days after receipt of this Notice.

Construction Schedule

PROCEDURES

The HOME Program Consultant and/or the Housing Manager will:

1. Maintain access to many information sources and have an understanding of construction methods, trades involved, and the sequence of tasks that must occur;
2. Retain knowledge of:
 - a. The building materials required for the project, ordering and delivery methods and protocols;
 - b. The various applicable building codes and standards.
 - c. Anticipate the key points at which an inspection is required;
 - d. Determine how weather variations can impact construction progress;
 - e. Understand each development team member's roles and responsibilities; and
 - f. Understand the development budget;
 - g. costs can be paid from each source;
 - h. When funds are available;
 - i. How to request payment (including the form that will be used to request payments and the documentation to be provided.);
 - j. Document each step in the process and list them sequentially, recognizing that some steps must occur simultaneously.

Timeliness and the Construction Schedule

PROCEDURE

1. Assure that construction will start within twelve months from the date of property or land acquisition;
2. Assure that project is completed within the required four-year timeframe of the allocation;
3. Maintain a construction schedule that is realistic – and enforceable.
4. If a project is behind schedule, the City may attempt one of the following options:
 - a. Eliminate or redesign the critical path activities (which may reduce the scope of the project);
 - b. Rearrange critical path activities so that some are performed simultaneously; or
 - c. Reduce the duration of critical activities (if the critical path is shortened, other activity paths through the network may become critical.)
 - d. If none of these options can be accomplished, the project completion date must be adjusted; this will most likely have cost or timeliness ramifications and is highly undesirable.
5. Comply with timelines in the construction schedule to avoid severe consequences to the project:
6. Ensure that timelines are met, or that there is ample recourse to pursue if they are not, schedules must be enforceable including:
 - a. Reference the schedule in the written agreement between the City and the developer;
 - b. Reference the schedule in the contract with the general contractor and all subcontracts;
 - c. Reference it in the architect's contract.
7. Cover the schedule and stress its importance during the pre-construction conference.

Change Orders

PROCEDURE

1. Any changes to construction documents must be reviewed and approved by the City.
2. Contractors must submit change orders when there is:
 - a. A change to the project design or work specification;
 - b. An alteration, addition, or deletion to the approved scope of work;
 - c. An addition or change to the work schedule; or
 - d. A change in cost for any reason.
3. Change orders must be written and address its completeness and appropriateness and its effect on budget, timeframe to the City.
4. The City requires that a Written Change Order is submitted any time that contract documents are changed, including additions, deletions, modifications, and time extensions after bid opening.
5. In addition, all change orders must be reviewed and approved by the City prior to issuance.
6. Changes that have no cost implications (or reductions in costs) require a change order.
7. Change orders will be evaluated for their impact on the project cost, schedule, and scope of work before they are approved by the City.

Managing Payments

PROCEDURE

1. Payments will be reviewed by:
 - a. The City, the property owner and the contractor prior to signing a rehabilitation contract;
 - b. The developer and contractor for smaller, uncomplicated new construction projects at the pre-construction conference; or
 - c. The entire development team for larger new construction projects at the pre-construction conference.
2. For all projects, a portion of all payments will be retained at 10 - 15 percent until 30 days after completion of the work or satisfactory completion of the final punch list items.
3. The draw schedule will include in the overall construction schedule to establish clear expectations for when the contractor may request and can expect payments.
4. Payment requests for housing rehabilitation projects will be submitted to the City by the general contractor at the completion of each stage of the schedule.
5. Payment requests will be provided to the City's Program Staff or Program Consultant, and the property owner.
6. The property owner will sign off on the request before the City processes it.
7. For new construction projects, the developer assembles the draw requests for both hard and soft costs from the general contractor and other professionals involved in the project. The invoice should include:
 - a. Total budget obligated;
 - b. Amount of previous payments received to date;
 - c. Cost for materials stored;
 - d. Costs incurred during the particular pay period;
 - e. Total costs incurred to date (includes previous and current expenses);
 - f. Percentage of work completed to date;
 - g. Remaining budget; and
 - h. Amount of payment retained until project completion.
 - i. No payment should be made when there have been changes to the original contract or scope of work without approval of a relevant change order.
8. All payment request documentation will be logged in as soon as it is received and recorded as soon as it is released.
9. The City's Planning and Community Development Director and Finance Department will review payment requests and approve them.
10. The documentation that must accompany a payment request, includes:
 - a. For all projects, an inspection report that supports satisfactory completion of work according to the work write-up, specifications, and/or construction schedule;
 - b. Lien waivers as appropriate;
 - c. If needed, approved change orders;
 - d. For projects subject to Davis-Bacon requirements, signed certifications that demonstrate compliance.
 - e. Once a payment request has been approved by the City, it should be paid promptly in accordance with the agreed-upon schedule.

- f. If payment delays occur from participating in public programs and if payment is delayed according to the construction schedule (through no fault of the contractor), the contractor is allowed to stop work.
- 11. Final payment and release of retainage less any liquidated damages shall be made to the contractor after:
 - a. Final inspection is completed;
 - b. A Certificate of Final Inspection is signed;
 - c. Certificate of Plumbing, Certificate of Electrical, Certificate of HVAC are signed;
 - d. Release of Liens are received, if applicable;
 - e. Receipt of copies of warranties or a certification from the contractor that no warranties were issued for the project;
 - f. All punch list items are resolved; and
 - g. Final payrolls and equal employment opportunity data are accepted by the City, if applicable.
- 12. Contingency funds may be set aside for a project for which there is no known specific use at the beginning for unforeseen problems that may require funds.
 - a. These funds may not be drawn or expended unless an appropriate written change order is executed.
 - b. Funding must be established at the beginning of project for unforeseen circumstances.
 - c. Set up is allowed but only work performed and documented through written change orders is paid.

Periodic Reporting

PROCEDURE

- 1. During the construction period, the City's HOME Program Consultant or Housing Manager will require periodic status reports from partners such as contractors, private developers, and property owners.
- 2. The City will maintain a reporting system to track progress of meeting larger program goals, as well as tracking progress for individual projects.
 - a. The City's reporting system includes:
 - b. milestones that need to be measured in the construction process and the draws against the contract;
 - c. When the milestones need to be measured (e.g., the critical points in a housing rehabilitation or development project); and
 - d. Measure and review the milestones.
- 3. Request essential information to track including:
 - a. Performance milestones in the construction schedule or written agreement; or
 - b. Required documentation for IDIS or the CAPER reporting.

- c. Provide clear, detailed report forms and instructions to those responsible for initiating the report.
4. Take immediate action if reports are late, inaccurate, or incomplete.
5. Inform partners that the information provided in reports is useful for:
 - a. Preparing reports for City of Montebello;
 - b. Identify performance and timeliness issues early;
 - c. Plan on-site monitoring visits;
 - d. Making future funding decisions; and
 - e. Developing descriptions of projects for elected officials and citizens.
6. Measure progress in individual projects; or
7. Compare progress in similar projects to identify slower performers and take further action.
8. Examine funding requests to evaluate the fiscal aspects of performance against the construction schedule or written agreement.
9. Identify any missed milestones and which projects have or may put the City at risk of failing to meet timeliness requirements in the HOME program.

Exhibit 10**Rehabilitation of Owner-Occupied Progress Reporting**

What to Track	How Often to report	How to Analyze information
Date of application	At application	Look for demand (or lack) by targeted population
Date of requested income verifications; date received	When requested	Check for follow up activity if not received
Date of proof of ownership established	At time of proof	Check for determination of eligibility for assistance
Date of initial inspection	At time of initial inspection	Look for "fail" items and LBP
Date, name of contractor selected	At time of selection	Check for compliance with City's approved system
Date of Pre-construction conference	At time of conference	Look for subjects covered, who were present, notes taken
Date of Proceed Order	At time of order	Check against approved procedures
Date of initial progress Inspection	At time of inspection	Note items passed or failed
Pass/fail items in inspection	Same as above	Note for payment requests or change orders
Date of initial payment request; subsequent payments requested	Date of requests	Check for adequate documentation to support request

Date payments made	Date payments made	Check for time elapsed; is it late or on time
Date of final inspection	Date of inspection	Check against inspector's report of satisfactory work
Punch list items completed	Date of punch list	Check for completed work
Final release of liens received	Release date	Look for presence of all releases
Final payment	Date of payment	Check for timing; adequate documentation
Project closed	Date of close-out	Check for completion report and Interim reports in IDIS

Grievances Between Participants and Construction Contractor

Contracts signed by the contractor and the participant include the following clause, which provides a procedure for resolution of grievances:

Any controversy arising out of or relating to this Contract, or breach thereof, shall be submitted to binding arbitration in accordance with the provisions of the California Arbitration Law, Code of Civil Procedure 1280 et seq., and the Rules of the American Arbitration Association. The arbitrator shall have the final authority to order work performed, to order the payment from one party to another, and to order who shall bear the costs of arbitration. Costs to initiate arbitration shall be paid by the party seeking arbitration. Notwithstanding, the party prevailing in any arbitration proceeding shall be entitled to recover from the other all attorney's fees and costs of arbitration.

Environmental Requirements and Procedures

OVERVIEW

The purpose of this chapter is to provide guidance on the environmental review process required under federal HOME regulations. These regulations (24 CFR §92.352) require a formal assessment of possible environmental effects for each activity carried out with HOME funds. This assessment must be done according to requirements found in 24 CFR Part 58. This chapter provides current rule requirements and clarifies review responsibilities of the City of Montebello, and Community Housing Development Organizations (CHDOs), with regard to the environmental review process.

The U.S. Department of Housing & Urban Development (HUD) places restrictions on project activities in accordance with 24 CFR §58.22, *Limitations on activities pending clearance*. Completion of the environmental review process is mandatory *before* taking physical action on a site or making a commitment or expenditure of HOME or non-HOME funds for property acquisition (purchase), rehabilitation, conversion, lease, repair, or construction activities. "Non-HOME funds" means *any* Federal, state, local, private, or other funds.

Since funds for a project will not be released until the environmental review has been completed and approved, the City will begin the environmental review process at the earliest possible time so that potential conflicts between program procedures and environmental requirements are identified at an early stage.

The Environmental Checklist in the Uniform Application submitted, as part of a competitive HOME grant application does **not** meet HUD requirements for an environmental review. The purpose of the checklist is to assist the City to initially evaluate environmental circumstances that may affect the proposed project and to raise awareness of possible problems if the grant is awarded.

This chapter details the HUD environmental review rules and related Federal laws and authorities that are applicable to all projects and activities receiving HOME assistance. It describes:

1. The roles and responsibilities of the City of Montebello and its Recipients, who have the primary responsibility for conducting environmental reviews;
2. The role of CHDO's and nonprofit organizations as project partners in the environmental review process;
3. The primary procedures and operating principles that guide the environmental review process; and
4. The categories of environmental review that are required for various HOME funded activities and projects.

Roles and Responsibilities of City of Montebello

As outlined in 24 CFR Part 58, units of local government are required to assume Federal environmental review responsibilities for compliance with the National Environmental Policy Act (NEPA), and related Federal laws and authorities. HUD's environmental review regulations identify states and units of general local government as the "responsible entity" (RE) ---those entities having legal authority to assume this role because they exercise control over planning, permitting, and supplying infrastructure to support HUD-assisted projects for their jurisdictions. For the HOME Program, the City receives a formula allocation of HOME funds directly from HUD. In addition, through a written agreement with the City of Montebello, assumes responsibility for compliance with NEPA and Part 58.

In cases where the City of Montebello does not have the technical capacity or administrative capability (§ 58.12) to assume the role of RE or an applicant (e.g., CHDO, or nonprofit or for profit organization) has applied directly to the City for HOME grant assistance, then the City of Montebello will take on this role of RE. In most cases the City of Montebello assumes the RE role.

In the role of responsible entity (RE), the City not only assumes the responsibility for environmental review, decision-making, documentation, and mitigation (if necessary), but also the legal

responsibility for compliance with NEPA and all other applicable laws, regulations, and authorizations.

Whenever Recipients have assumed the role of RE, then the City is responsible for overseeing compliance with HUD's environmental review procedures, as well as providing assistance to those Recipients in meeting their compliance responsibilities under Part 58. The City's role in this capacity is to conduct post-review monitoring of the Recipient's Environmental Review Records (ERR); enforcing violations of Part 58; receiving certifications of compliance from the Recipients; accepting objections from the public or other agencies; and other responsibilities related to the release of funds process (§ 58.18 and Subpart H).

When the City assumes the role of RE, then HUD performs the oversight responsibilities described in the paragraph above (24 CFR 58, Subpart H).

A. Environmental Review Process

The City must ensure that activities or projects that are funded by HOME assistance, in total or in part, are in compliance with NEPA and Part 58 requirements. This means creating a written environmental review record (ERR) for every activity and project regardless of the level of review (§ 58.38). Later in this chapter, more details will be provided as to the appropriate levels of environmental review for every type of HOME assisted activity or project.

The ERR is a type of "environmental diary" that the City uses to substantiate its decisions and conclusions concerning protection and enhancement of the environment as a result of approving the project. Keeping good records and having complete documentation is necessary to fulfill the City's environmental review obligations. This is a public record. Legal challenges to a project's environmental compliance may be won or lost over how complete or incomplete the City's ERR documentation is; therefore, this administrative record is important.

The City of Montebello will periodically monitor the content of the environmental records to determine whether corrective actions or sanctions are necessary. In addition, the HUD Field Office will conduct a monitoring review of the City's project ERRs.

The City is required to maintain technical capacity and administrative capability to ensure compliance with NEPA and Part 58 is achieved (§ 58.12). With regard to technical capacity, the City staff needs to have sufficient knowledge of the Federal laws and authorities, as well as an understanding of Part 58 requirements in order to make informed decisions about whether:

1. The appropriate level of review has been completed;
2. Compliance with NEPA and Federal laws and authorities has been achieved;

3. The public notification requirements have been met (if required); and
4. When HUD approval is necessary.

This is true whether environmental reviews are completed by City staff, prepared by program partners, or a consultant is hired to perform the review. The City is still responsible for the content of the ERR and must make an independent evaluation of the environmental issues, take responsibility for scope and content of the compliance findings, and make the final environmental decision concerning project approval.

With regard to administrative capability, City staff should have sufficient knowledge about the Part 58 procedures to understand when funds may be committed and spent, the time periods for the public notification and release of funds process, and the minimum content of the ERR.

B. Environmental Decision-Making

For purposes of compliance with NEPA and Part 58, the chief executive officer of the City, or its formal designee, is the certifying officer (CO) (§ 288 of the Act). The certifying officer is recognized as the “responsible Federal official under NEPA” (§ 58.13, 40 CFR 1508.12) and, therefore, the decision-maker as to whether a project is approved or rejected on the basis of the environmental review findings. This is a Federal legal responsibility. As such, if someone other than the chief executive officer for the City is designated to fulfill this role, HUD requires there be a formal designation by the governing body identifying this officer.

The CO represents the City in Federal court if there is legal challenge to the content of the environmental review record and the City's decision based upon that record [§ 58.13(a)].

The CO is also the only person with the legal authority to sign the Request for Release of Funds and Certification (HUD form 7015.15.).

Other responsibilities required of the certifying officer are:

1. To ensure that the City reviews and comments on all EIS document prepared for Federal projects that may have an impact on the City of Montebello HOME program [§ 58.13(b)];
2. Making health and safety decisions related to whether or not to approve residential construction projects that are exposed to high levels or noise from major roadways, railroads, and/or military or civilian airports [HUD regulation on Noise Abatement and Control, 24 CFR 51.104(a)(2) and (b)(2)]; and
3. Making health and safety decisions related to the construction, rehabilitation, or conversion of buildings exposed to blast overpressure or thermal radiation from aboveground storage tanks within line-of-site

of the project (HUD regulation on placement of HUD- assisted projects in the vicinity of explosive or flammable operations, 24 CFR 51.206.).

C. Environmental Action

The City of Montebello is also responsible for ensuring that any environmental conditions or safeguards resulting from completion and approval of the environmental review document are implemented. With that, the City has developed a monitoring plan to ensure conditions that are identified as necessary for protecting and enhancing environmental quality or minimizing adverse environmental impacts are included in agreements or other relevant documents, and implemented during completion of the project.

In addition, the City must re-evaluate its environmental findings and decision if:

1. Substantial changes in the nature, magnitude, or extent of the project are proposed by the project proponent (e.g., new activities not anticipated in the original project scope);
2. New circumstances and environmental conditions arise that were not previously considered or evaluated for effect (e. g, conditions discovered during implementation of the project, such as archeological resources, asbestos containing materials, endangered species, underground storage tanks, dry wells, etc.); or
3. The project proponent proposes selection of an alternative not previously considered.

Upon re-evaluating its original findings and conclusions, the City must decide whether or not its original determination is still valid, or that a new environmental review document must be prepared instead. If the original findings are still valid, document this in the ERR in writing.

Role of CHDO's and Nonprofit Organizations as Project Partners

Any other individuals and entities that utilize HOME program assistance fall into the category of project *participants* with regard to compliance with Part 58 (§ 58.22). This includes CHDOs, public or private nonprofit or for-profit entities, contractors, and individual borrowers receiving HOME grants and loans.

These partners must:

1. Not acquire, repair, rehabilitate, convert, demolish, or lease properties or undertaking construction prior to receiving approval from the City of Montebello;

2. Not commit non-HUD funds to project activities that would have an adverse environmental impact or limit the choice of project alternatives;
3. Carry out any mitigation and/or conditions associated with approval of the project;
4. Provide the City with information about the project.

The City may require by executed agreement that CHDOs or developers supply available, relevant information necessary for the City to perform the environmental compliance review. This could mean:

1. The CHDO or developer submits certain types of information to the City, or
2. The CHDO or developer prepares the environmental compliance review for submission to the City for its review and adoption, or
3. The CHDO or developer may decide to hire a consultant to prepare the environmental review for the City's review and adoption.

D. Environmental Review Procedures

Actions Triggering the Requirements of Part 58

Once a project participant (i.e., CHDO's, developers, owners, sponsors of housing, and third-party contractors) has submitted an application for HOME funds to the City or the City has designated funds for a specific project in its Consolidated Plan or Annual Action Plan ("AAP"), Part 58 requirements are applicable to the project. At this point, the City *must* request the participant to:

1. Cease all project activity until the environmental review (ER) has been completed. Part 58 prohibits further project activities and actions from being undertaken prior to completion of the ER and the determination of environmental clearance. Projects in violation of this prohibition risk the denial of HOME funds.

Where a project participant has begun a project in good faith as a private project, the City is not precluded from considering a later application for Federal assistance for the project, but must request the third-party applicant to:

2. Cease further actions on the project until the environmental review process is completed. Project participants may proceed with the project upon receiving approval from the City, after the environmental review process has been completed for the project.

There are certain kinds of activities that may be undertaken without risking a violation of requirements of Part 58. For example, the act of either hiring a consultant to prepare a Phase I Environmental Site Assessment (an investigative

study for environmental hazards) or hiring a consultant to complete an engineering design study or plan, or a study of soil and geological conditions.

Activities that have physical impacts or which limit the choice of alternatives cannot be undertaken, even with the project participant's own funds, prior to obtaining environmental clearance to use HUD funds. This process may include public notification and approval from HUD. If prohibited activities are undertaken prior to receiving approval from the City, the applicant is at risk for the denial of HOME assistance. Such actions include:

1. Purchasing real estate;
2. Demolishing structures or buildings;
3. Excavating or dredging soils;
4. Placing fill dirt on the site;
5. Rehabilitation or converting a new building; and
6. New construction.

NOTE: Undertaking any of these actions interfere with the City's ability to comply with NEPA and Part 58. If prohibited actions are taken prior to environmental clearance, then environmental impacts may have occurred in violation of the Federal laws and authorities and the standard review procedures that ensure compliance. Below is further discussion of issue under the heading, "Limitations Pending Environmental Clearance."

Limitations Pending Environmental Clearance

According to the NEPA (40 CFR 1500-1508) and Part 58, the City is required to ensure that environmental information is available before decisions are made and before actions are taken. The City may not commit or expend resources, either public or private funds (HUD, other Federal, or non-Federal funds), or execute a legally binding agreement for property acquisition, rehabilitation, conversion, repair or construction pertaining to a specific site until environmental clearance has been achieved. In other words, the City must avoid any and all actions that would preclude the selection of alternative choices before a final decision is made---that decision being based upon an understanding of the environmental consequences, and actions that can protect, restore, and enhance the human environment (i.e., the natural, physical, social, and economic environment.)

In order to achieve this objective, Part 58 prohibits the commitment of HOME funds by the City of Montebello until the environmental review process has been completed by the City and HUD approves the release of funds.

NOTE: until the City has completed the environmental review process (including receipt of HUD approval), neither the City nor project participant may commit non-HUD funds or

undertake an activity if that action would have an adverse environmental impact or limit the choice of reasonable alternatives.

For the purposes of the environmental review process, “commitment of funds” includes:

1. Execution of a legally binding agreement;
2. Expenditure of HOME funds;
3. Use of non-HUD funds on actions that would have an adverse impact - e.g., demolition, dredging, filling, excavating; and
4. Use of non-HUD funds on actions that would be “choice limiting”-e.g., acquisition of real property; leasing property; rehabilitation, demolition, construction of buildings or structures; relocating buildings or structures, conversion of land or buildings/structures.

NOTE: The standard for what constitutes a commitment of HOME funds for compliance with Part 58 is different from the HOME funds commitment and the CHDO reservation deadlines applicable under the HOME Program regulations in 24 CFR Part 92.

Prior to completion of the environmental review process and receiving HUD approval, the City may enter into a non-binding agreement to conditionally commit HOME funds--i.e., a contractual agreement between the City and project participant to use a specific amount of HOME funds to produce affordable housing, or an executed written agreement reserving a specific amount of funds to a CHDO. The conditional commitment must incorporate language that will ensure the project participant does not have a legal claim to any amount of HOME funds to be used for the specific project or site until the environmental review process is satisfactorily completed. In addition, the agreement must explicitly state that the agreement to provide funds to the project is conditioned on the City's determination to proceed with, modify, or cancel the project based on the results of a subsequent environmental review. (See CPD Notice 01-11, page 10 for suggested agreement language.)

Other types of actions that are not considered a commitment of funds for purposes of Part 58 compliance are statements of funding reservation, e.g., approval of Consolidated Plan or Annual Action Plan or planning for and reserving non-HUD funds, including tax credits for the project for HUD funding.

If the City is considering an application from a prospective participant and is aware that the participant is about to take an action within the jurisdiction that is prohibited by Part 58, then the City must take appropriate action to ensure that its objectives and procedures of NEPA and Part 58 are achieved [§ 58.22(c)].

The City of Montebello has established internal controls to enforce compliance with NEPA and Part 58.

“CONTEMPLATE” AND “COMMITMENT” DEFINITION FOR THE ENVIRONMENTAL REVIEW

Once the City *contemplates* assisting a project or activity with HUD funds, (§ 58.32), neither HUD funds nor non-HUD funds may be *committed* (§ 58.22) until compliance with Part 58 has been achieved and documented. The following guidance is provided to clarify the meaning of the terms *contemplate* and *commitment* as these apply to the environmental review process.

Contemplated HUD assisted action:

1. The City is considering an application from a prospective owner or beneficiary.
2. The City has identified a specific activity or project in its application.

Commitment of funds:

1. Execution of a legally binding agreement—e.g., awarding construction contracts, entering into project agreements with developer, etc.
2. Expenditure of HUD funds—e.g., purchase of materials by a force account crew, hiring a consultant to prepare a Phase I Environmental Site Assessment, etc.
3. Use of HUD funds or non-HUD funds on “choice limiting actions”:
 - a. Actions having an adverse impact-e.g., demolition, dredging, filling, excavation.
 - b. Actions limiting the choice of reasonable alternatives---e.g., real property acquisition, leasing, rehabilitation, demolition, related site improvements, relocating buildings or structures, conversion of land or buildings/structures.

A commitment of funds ***is not***:

1. Statements of funding reservation---e.g., approval of an application, CHDO reservations, planning for and reservation of non-HUD funds (including tax credits for the project for HUD funding.)
2. Non-legally binding agreements---e.g. An agreement with language such as, “Notwithstanding any provision of this Agreement, the parties hereto agree and acknowledge that this Agreement does not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of environmental review and receipt by Recipient’s determination to proceed with, modify or cancel the project based on the results of a subsequent environmental review.

AGGREGATION OF PROJECT ACTIVITIES

To determine the appropriate level of environmental review for a project, the City must group together (aggregate) all related project activities, whether or not the project is funded entirely by HOME funds, or only certain portions of the project will be funded by HOME funds. An environmental review must evaluate all activities that are geographically or functionally related, or part of a multi-year project. The appropriate level of environmental review for an aggregated project will be determined by whichever activity or activities being undertaken by the City or its partners will have the greatest environmental impact. For example, real property acquisition will have less of a physical impact on the human environment than newly constructing 30 units of affordable housing.

Geographically related project activities, for example, might include a proposal to acquire four units for rehabilitation and resale to first time homebuyers. All the related activities are occurring on a single site. In aggregation, all these activities must be evaluated in a single review, regardless of the fact that HOME funds may only be used for rehabilitation. One activity cannot occur without the others, and therefore all the associated environmental impacts must be evaluated together. The environmental review for the acquisition of the properties cannot be separated from the environmental review for the rehabilitation of the properties.

Multi-year aggregation is a process that addresses phased project activities. For instance, consider a three-year project, during which, real property will be acquired in the first year, infrastructure improvements will be installed in years two and three, along with several phases of affordable housing construction. Again, a single environmental review must be completed for all phases of the project before any of the activities may be undertaken. Only one request for release of funds (covering all project phases) needs to be submitted to HUD for approval. After HUD approval is received, no other approval or environmental action is required, unless circumstances arise that require the City to re-evaluate its original environmental findings.

SOURCE DOCUMENTATION FOR ENVIRONMENTAL REVIEWS

FIELD OBSERVATION – A visit to the project site to make observations of the general site conditions.

1. There should be written documentation of the conditions observed.
2. Include the name and title of the observer and the date of the site visit.

PERSONAL CONTACT – Personal contacts are useful only when the individual contacted is an accepted authority on the subject or subjects. Documentation should include:

1. The name and title of the person contacted,
2. The date of the conversation, and brief notes of the key points.

3. Whenever the person that was contacted cites reports, records, or other document, the title, date, and source of the report should be noted.
4. Contacts can include staff experienced in a particular area (e.g., engineer, planner, historian, etc.).

PRINTED MATERIALS – Printed materials that are useful sources of detailed information may include:

1. Comprehensive land use plans, maps, statistical surveys, and studies are useful sources of detailed information.
2. The material must be current and reflect accepted methodologies.
3. Complete citations for all material must be included.

REVIEWER'S EXPERIENCE – Professional judgment by City staff is acceptable if their expertise is relevant to the compliance issue. For example, a reviewer's knowledge may include:

1. Reviewing previous projects in the same area.
2. Professional finding of the reviewer in subjects where he or she has the background to make judgments about a specific factor, or
3. Reviewers that have the expertise to evaluate soil conditions, while others will need to consult an engineer or other specialist.

SPECIAL STUDY – This is a study conducted for a particular project performed by qualified personnel using accepted methodologies. Some tests are relatively simple to perform but others may require elaborate equipment or personnel with additional expertise. The reviewer is responsible for obtaining assistance from others in order to have the appropriate tests or studies conducted. Examples of tests and/or studies include:

1. Archeological reconnaissance surveys,
2. biological assessment concerning threatened and endangered species, or
3. Phase I Site Assessments to determine site contamination.

Sources of Compliance Documentation

There are several types of resources necessary to demonstrating compliance with NEPA and the Federal laws and authorities. These resources provide written documentation in the environmental review record that is credible, traceable, and supportive of the conclusions reached by the RE.

E. Categories of Environmental Review

One of the primary purposes that the environmental review process serves is to require the City to include environmental impacts as part of the overall deliberation process surrounding proposed projects.

The HUD environmental review requirements at Part 58 were written so as to best strike a balance between the imposition of reasonable requirements upon the City (i.e., expediting the decision process for activities that clearly have no physical impact and requiring sufficient analysis for those that will alter environmental conditions), while ensuring that project decisions are well-documented.

Therefore, the environmental review requirements are divided on the basis of the level of impact that a proposed project might be anticipated.

There are four (4) levels of environmental review identified in Part 58. The criteria for these levels span the range of possible impacts, from none whatsoever to significant physical impact. The levels under Part 58 include:

1. Exempt (§ 58.34);
2. A. Categorically Excluded *subject* to (§ 58.35);
B. Categorically Excluded *not* subject to § 58.5
3. Environmental Assessment (§ 58.36 and Subpart E); and
4. Environmental Impact Statement (§ 58.37 and Subparts F and G).

NEPA and the implementing regulations at 40 CFR 1500-1508 establish direction for these review levels. The bases for these review levels, and categorizing various HOME-funded activities into the review levels is to determine if there is potential to cause significant impact on the human environment (i.e., natural resources, ecosystems, aesthetic, historic, cultural, social, economic, health, etc.).

1. Exempt

HUD has determined that exempt activities will have neither a physical impact, nor potential for altering any environmental conditions. Therefore, these actions are exempt from compliance with NEPA and the Federal laws and authorities cited at § 58.5.

According to 24 CFR 58.34, the following types of activities have been categorized as exempt from NEPA and other environmental laws and authorities:

- a. Environmental and other studies, resource identification, and the development of plans and strategies;
- b. Information and financial services;
- c. Administrative and management activities;
- d. Public services that will not have a physical impact or result in any physical changes, including but not limited to services concerned with employment,

- crime prevention, child care, health, drug abuse, education, counseling, energy conservation, and welfare or recreation needs;
- e. Inspections and testing of properties for hazards or defects;
- f. Purchase of insurance;
- g. Engineering or design costs;
- h. Assistance for temporary or permanent improvements that do not alter environmental conditions and are limited to protection, repair, or restoration activities necessary only to control or arrest the effects from disasters or imminent threat to public safety including those resulting from physical deterioration; and
- i. Any of the categorical exclusions listed in § 58.35(a) provided there are no circumstances that require compliance with any other Federal laws and authorities cited in § 58.5.

NOTE: Under HOME program rules, 24 CFR 92, in order to qualify as project costs, these activities must be associated with a specific project. Otherwise, they are considered administrative costs.

Content of ERR – Exempt Activities

1. The City must document in writing its determination that an activity meets the conditions for exemption. The City does not have to issue a public notice or request release of funds (RROF) [§ 58.34(b)].
2. In addition to making a written determination of exemption, the City must also determine whether the activity triggers any of the other requirements at 24 CFR 58.6, which are the Flood Disaster Protection Act; the Coastal Barriers Resources Act; and HUD's requirement for disclosure of properties located in airport runway clear zones.

2. Categorical Exclusions

This term refers to a category of actions that do not individually or cumulatively have potential for significant effect on the human environment (40 CFR 1508.4). Therefore, neither an environmental assessment (EA) nor environmental impact statement (EIS) is required to comply with NEPA.

Although these actions are categorically excluded under NEPA, a determination must still be made as to whether they would alter any environmental conditions that would require a review or compliance determination under the Federal laws and authorities cited in § 58.5.

The laws and authorities cited in § 58.5 are freestanding from NEPA, such as the National Historic Preservation Act of 1966, the Executive Orders on Floodplain Management and Wetlands Protection, and several regulations specific to HUD concerning the health and safety of project occupants, to name a few.

The City *must* certify that it has complied with the requirements under these laws and consider the criteria, standards, policies, and regulations of these laws and authorities. The section on “Compliance with NEPA and Related Federal Laws and Authorities” provides guidance on this.

However, HUD has determined that certain kinds of categorical exclusions, because of the nature of the actions, would never alter any environmental conditions to create circumstances requiring compliance with these laws and authorities. Therefore, §58.35 identify two types of categorical exclusions:

1. Categorical exclusions subject to §58.5, and
2. Categorical exclusions not subject to § 58.5.

3. Categorical Exclusions subject to §58.5.

Categorical exclusions *subject* to §58.5 are excluded from compliance with NEPA, but must comply with the other related Federal laws and authorities cited in §58.5. It is generally evident from the nature and magnitude of such activities they do not have potential to have a significant impact on the human environment however, these types of activities are physical in nature and will alter environmental conditions that could, for example, affect historic properties, floodplains, wetland areas, and endangered species. Actions in this category include:

1. Acquisition, repair, improvement, reconstruction, or rehabilitation of public facilities (other than buildings)-e.g., replacement of water or sewer lines where the capacity is not changed more than 20 percent, reconstruction of curbs and sidewalks, and repaving of streets;
2. Removal of material and architectural barriers restricting the mobility of and accessibility to elderly and disabled persons;
3. Rehabilitation and improvement of single family (one-to-four unit) dwellings provided:
 - a. The unit density is not increased beyond four units,
 - b. The land use is not changed, and the footprint of the building is not increased in a floodplain or wetland;
4. Rehabilitation and improvement of multifamily dwellings provided:
 - a. the unit density is not increased more than 20 percent,
 - b. it does not change residential use to non-residential use,

- c. and the estimated cost of rehabilitation is less than 75 percent of the replacement cost;
- 5. An individual action on one to four dwelling units where there is a maximum of four units on any one site. The term “individual action” refers to new construction, development, demolition, acquisition, disposition, or refinancing;
- 6. An individual action on five or more housing units developed on scattered sites when the sites are more than 2,000 feet apart and there are not more than four units on any one site;
- 7. Acquisition (including leasing) or disposition of, or equity loans on, an existing structure provided the structure acquired, financed, or disposed of will be retained for the same use; and
- 8. Any combinations of the above activities.

Content of ERR – Categorical exclusions subject to § 58.5

The City of Montebello will complete the *Certification of Categorical Exclusion (subject to 58.5)* and the *Statutory Checklist* forms to document its environmental findings. Such documentation must support the City's determinations related to compliance with the Federal laws and authorities cited in § 58.5. (Guidance on compliance is provided below in “Compliance with NEPA and Related Federal Laws and Authorities”.)

Upon completion of the checklist, the City will make one of three environmental findings in writing:

- 1. The project converts to exempt and *does not* require public notification or approval from the City [§ 58.34(a)(12)];
- 2. The project invokes compliance with one or more of the laws and/or authorities and, therefore, *requires* public notification and approval from the City before funds are committed or spent; or
- 3. The unusual circumstances of the project may result in a significant environmental impact and, therefore, compliance with NEPA is required. Therefore, an environmental assessment (EA) must be completed.

The ERR must also contain:

- 4. Supporting documentation used to prepare the review (See Source Documentation for Environmental Reviews).
- 5. If the project did not convert to exempt, a copy of public Notice of Intent to Request Release of Funds that was issued.
- 6. Copy of the Request for Release of Funds and Certification (HUD form 7015.15); and
- 7. Copy of Authority to Use Grant Funds (HUD form 7015.16), issued by the City of Montebello (or HUD).

In addition to making a written determination of categorical exclusion, subject to § 58.5, the City must also determine whether the activity triggers any of the other requirements at 24 CFR 58.6, which are the Flood Disaster Protection Act; the Coastal Barriers Resources Act; and HUD's requirement for disclosure of properties located in airport runway clear zones. [See *Compliance Documentation Checklist (58.6)* form and discussion in "Other Requirements (§ 58.6)"].

4. Categorical Exclusions not subject to § 58.5.

The activities that are categorically excluded *not subject to § 58.5* have been determined by HUD not to have potential for altering any environmental conditions where a review or determination of compliance with the Federal laws and authorities would be required. Actions in this category include:

1. Tenant-based rental assistance;
2. Activities to assist homebuyers to purchase existing dwelling units or dwelling units under construction---e.g., closing costs, down payment assistance, interest buy downs, and similar activities that result in the transfer of title;
3. Affordable housing pre-development costs with no physical impact---e.g., legal consulting, developer and other costs related to obtaining site options, project financing, administrative costs and fees for loan commitments, zoning approvals, and other related activities which do not have a physical impact; and
4. Approval of supplemental assistance (including insurance or guarantee) to a project previously approved under Part 58, if the approval is made by the same RE that conducted the environmental review on the original project and re-evaluation of the environmental findings is not required under § 58.47.

Content of ERR – Categorical exclusion not subject to § 58.5

The City will document in writing its determination that an activity meets the conditions for categorical exclusion not subject to § 58.5, and complete the *Certification of Categorical Exclusion (not subject to 58.5)* form to document designation of a HOME project or activity in this category. The City does not have to issue a public notice or request release of funds (RROF) [§ 58.34(b)].

In addition to making a written determination of categorical exclusion, subject to § 58.5, the City *must* also determine whether the activity triggers any of the other requirements at 24 CFR 58.6, which are the Flood Disaster Protection Act; the Coastal Barriers Resources Act; and HUD's requirement for disclosure of properties located in airport runway clear zones. [See *Certification of Categorical Exclusion (not subject to 58.5)* form and discussion in "Other Requirements (§ 58.6)"]

5. Environmental Assessment.

Environmental Assessment (EA) refers to a category of actions which, either individually or cumulatively, have potential for significant effect on the human environment (40 CFR 1508.4). Therefore, the potential environmental impacts on the human environment resulting from the proposed activity must be analyzed and evaluated according to NEPA procedures, as well as the other Federal laws and authorities cited at §58.5.

The environmental assessment (EA) is a public record that, upon completion, documents the City's findings and conclusions about environmental effects, and the reasons for its decision concerning those effects, as well as compliance with Federal laws and authorities.

Actions that may be funded by HOME and that fall into the category requiring an Environmental Assessment (EA) would include, but are not limited to:

1. New construction of five or more residential units on a single site;
2. New construction of five or more single family units on scattered sites that are less than 2,000 feet apart;
3. Major rehabilitation or reconstruction of residential units that increases or decreases the unit density more than 20 percent;
4. Expanding the footprint of a single-family unit into the floodplain or wetland area;
5. Conversion of a non-residential structure to create a residential use;
6. Acquisition of land for development of a housing subdivision; and
7. Categorical exclusions with "extraordinary circumstances"-i.e., actions that are unique or without precedent, actions that are substantially similar to those that normally require an Environmental Impact Statement (EIS), actions that are likely to alter existing HUD policy or HUD mandates, or action that, due to unusual physical conditions on the site or in the vicinity, have the potential for a significant impact on the environment or in which the environment could have a significant impact on users of the facility.

Content of ERR – Environmental Assessment (EA)

The City will complete a written determination that the project falls within this category. The EA includes the following information and analysis, according to NEPA regulations (40 CFR 1500-1508):

1. Determination of existing conditions;
2. Identification, analysis, and evaluation of all potential impacts on the human environment (i.e., social, economic and natural resources);
3. Examination and recommendation of feasible ways to eliminate or minimize adverse environmental impacts;
4. Examination of alternatives to the proposed action;

5. Compliance determination for all other Federal laws and authorities cited in §58.5; And Determination as to a finding of no significant impact (FONSI) or a finding of significant impact (FSI), which requires the execution of an Environmental Impact Statement (EIS).

The City will use the *Environmental Assessment* form in evidence of compliance with NEPA and the Federal laws and authorities cited in § 58.5.

Upon completion of the environmental assessment, the City will make either a finding of no significant impact (FONSI), or a finding of significant impact (FOSI) determination. In the event that a FONSI is made, the City *must* issue *two* public notices, submit a release of funds request and certification to HUD, and receive a release of funds from HUD before funds are committed or spent.

The ERR must also contain:

1. Supporting documentation used to prepare the review.
2. Copy of public Notice of Intent to Request Release of Funds, if project did not convert to exempt.
3. Copy of the *Request for Release of Funds and Certification* (HUD form 7015.15); and
4. Copy of the *Authority to Use Grant Funds* (HUD form 7015.16) issued by the City of Montebello (or HUD.)

In addition, the City *must* also determine whether the project triggers any of the other requirements at 24 CFR 58.6, which are the Flood Disaster Protection Act; the Coastal Barriers Resources Act; and HUD's requirement for disclosure of properties located in airport runway clear zones.

6. Environmental Impact Statement (EIS)

It is not typical for a HOME project to trigger the Environmental Impact Statement requirements. If the City believes that a project it is contemplating as a possible HOME project may in fact trigger these requirements, it should consult with HUD immediately before taking any further action.

COMPLIANCE WITH NEPA AND RELATED FEDERAL LAWS AND AUTHORITIES

The following section provides guidance to assist the City in compliance with NEPA and the related Federal laws and authorities cited at § 58.5.

1. Historic Preservation (36 CFR Part 800)

Section 106 of the National Historic Preservation Act requires the City to:

- a. Consider the effects of their undertakings on historic properties; and
- b. Provide the Advisory Council on Historic Preservation with a reasonable opportunity to comment with regard to such undertakings.

Compliance with Section 106 is achieved by initiating procedures the Advisory Council on Historic Preservation has outlined at 36 CFR Part 800. Section 800.2(a) recognizes the City's certifying officer as having authority to carry out these procedural responsibilities.

The focus of Part 800 is on the City making a determination whether a proposed project will affect buildings, structures, or places that are listed on or are eligible for listing on the National Register of Historic Places (NR). In making this determination, the City *must* follow a detailed review process in consultation with the State Historic Preservation Officer (SHPO). This process also provides an opportunity for interested persons, agencies, and Indian tribes to be part of the City's decision concerning historic properties that may be affected.

It is important to remember that before approval is given to proceed with HOME-funded projects, the environmental review record *must* show the Part 800 consultation process was completed.

Basic steps for compliance with the Section 106 Review Process (36 CFR Part 800) include:

1. Determine whether the project is an undertaking, or has no potential to cause effects on historic properties;
2. Define the area of potential effects (APE) for the undertaking;
3. Identify and evaluate historic properties in the APE;
4. Determine the effect of the undertaking;
5. Assess the effects on listed and/or eligible properties; and
6. Resolve any adverse effects.

Compliance Documentation Required – Historic Preservation

The ERR should contain one of these types of documentation:

1. Letter from SHPO that *no historic properties* will be affected;
2. The City adequately documented its finding of *no historic properties affected* and SHPO does not object within 30 days;
3. City documents that the project meets stipulations of a *Programmatic Agreement* executed with the SHPO; or

4. *Memorandum of Agreement* has been executed between the City and SHPO regarding mitigations measures that will be implemented to resolve adverse effects.

2. Floodplain Management (Executive Order 11988 and 24 CFR Part 55)

The purpose of Executive Order 11988 is to require the City to consider alternatives to developing projects in floodplains when other alternatives are available that achieve the same objective. This is to avoid risking lives and loss of property that results from occupying a floodplain, and to avoid losing the beneficial values of floodplains. Naturally vegetated floodplains can provide a broad area to spread and slow floodwaters, thereby reducing velocities and flood peaks. Slower floodwaters help maintain water quality because the slowed runoff allows sediments to be deposited. Floodplains are also important for recharging groundwater. Rainwater and surface water infiltrate through the generally porous soil of the floodplain into the groundwater.

The City of Montebello is required to avoid floodplain development whenever there are *practicable alternatives* to development in the floodplain. According to HUD regulation 24 CFR Part 55, floodplains are those land areas identified on maps published by FEMA as 100-year floodplain (Zones A or V). If the project is a “critical action,” the regulation also applies to areas in the 500-year floodplain (Zone B). Coastal high hazard areas are subject to high velocity waters, such as hurricane wave wash. FEMA maps designate these as Zones V1-30, VE, or V.

Most, if not all, communities in the U.S. have been mapped by FEMA. However, if a community has not been mapped by FEMA, the City must establish whether or not the area is subject to one percent or greater chance of flooding in any given year [Section 6(c) of the Executive Order]. The City *must* research the best available information to determine whether buildings or structures could be damaged by floodwaters because of their location.

The City may contract to have a special study completed or, use the following sources of information:

1. U.S. Corps of Engineers,
2. Community Flood Administrators;
3. U.S. Geological Survey Maps;
4. U.S.D.A. Natural Resources Conservation Service (formerly Soil Conservation Service); state departments of water resources;
5. county public works; or
6. Local flood control or levee districts.

The City of Montebello *must* follow and *comply* with the Basic steps for compliance with floodplain management requirements located at Section 55.20, which identifies the “eight-step” decision making process.

Executive Order 11988:

- Step 1 Determine whether the proposed action is located in a 100-year floodplain;
- Step 2 If the project is in a floodplain, publish notice of the proposal to consider an action in the floodplain (15 calendar day comment period);
- Step 3 Evaluate practicable alternatives to locating the proposed action in a floodplain (“Practicable” means capable of being done within existing constraints);
- Step 4 Identify the potential impacts associated with occupancy and modification of the floodplain;
- Step 5 Design or modify the action to minimize adverse impacts and preserve the beneficial values of the floodplain;
- Step 6 Reevaluate whether the proposed action is practicable;
- Step 7 If the RE decides to proceed with the project, it must publish a notice of the decision, addressing why there is “no practicable alternative”, the alternatives that were considered, and the mitigation measures being adopted. (Seven calendar day comment period.); and
- Step 8 Implement the proposed action with mitigation measures.

HUD has determined that certain activities are ***excluded*** from the 8-step decision-making process, including:

1. HUD assistance for purchasing,
2. mortgaging or refinancing one-to four family properties, and
3. minor repairs or improvements on one-to four-family properties [§ 55.12].

NOTE: Part 55 is not applicable if FEMA has issued a Letter of Map Revision (LOMR) or Letter of Map Amendment (LOMA) for the subject site in a floodplain.

Compliance Documentation Required – Floodplain Management

The ERR should contain one of these types of documentation:

1. Evidence the proposed action is not within a special flood hazard area mapped by FEMA (i.e., 100-year floodplain or 500-year floodplain for critical actions);
2. Documentation of the decision-making process is not applicable (§ 55.12); or
3. The 8-step decision making process was completed and a decision made that there is *no practicable alternative*

3. Wetlands Protection (Executive Order 11990)

The purpose of the Executive Order 11990 (Wetlands Protection, May 24, 1977) is to:

1. Avoid, if possible, any long and short-term adverse impacts associated with destruction or modification of wetlands; and
2. To avoid direct or indirect support of new construction in wetlands whenever there is a practicable alternative.

Compliance Requirements for Wetlands Protection

1. If new construction or conversion of vacant land is being proposed in a designated wetland, the RE should follow the decision-making process in § 55.20 (24 CFR Part 55) and conclude whether there is a practicable alternative to destroying or modifying the wetland.

NOTE: A permit from the U.S. Army Corps of Engineers *is required* if the wetland is within or adjacent to navigable waters of the U.S. or within the jurisdiction of the Corps.

Compliance Documentation Required – Wetlands Protection

The ERR should contain one of these types of documentation:

1. The proposed action does not include new construction or expanding the footprint of a building;
2. Evidence the new construction will not occur in a designated wetland or expand the footprint of a building into a wetland; or
3. There is *no practicable alternative*, according to the completed 8-step decision making process. (U.S. Army Corps of Engineers has issued a permit where they have wetland jurisdiction.)

4. Endangered Species (Endangered Species Act and 50 CFR 402)

Section 7 of the Endangered Species Act requires that, when Federal assistance is used for a project, a determination must be made whether continued existence of *Federally-listed* endangered or threatened species is likely to be affected, and whether it will result in their Critical Habitats being destroyed or adversely modified. The regulation implementing compliance with the Act is 50 CFR 402, issued by the Departments of Interior (U.S. Fish and Wildlife Service) and Commerce (U.S. National Marine Fisheries). The regulation also covers species or critical habitat that is *proposed for Federal-listing* and is likely to be jeopardized by the project.

Compliance Documentation Required – Endangered Species

The ERR should contain one of these types of documentation:

1. Evidence the habitat will not be altered or species affected.
2. If the proposed action may affect species or their habitat, there is evidence the USFWS or NMFS has reviewed the biological assessment and agrees with the findings of *no effect*.
3. If the proposed action will likely adversely affect species or their habitat, the USFWS or NMFS has issued either a “no jeopardy” or “jeopardy” biological opinion.

5. Coastal Zone Management Act

If the City chooses to use HOME funds for physical changes to properties or land within or adjacent to the coastal zone, the City *must* make a determination whether the project is *consistent* with the state’s approved coastal management program.

Compliance Documentation Required – Coastal Zone Management

1. The ERR should contain a general location map or statement establishing there are no coastal zone management areas in the community or State of California, or use other documentation that may be available.

6. Sole Source Aquifers

Aquifers are underground geological formations that yield a significant amount of water to a well or spring. The regulations at 40 CFR Part 149 requires the City to:

1. Determine whether a project is within a Critical Aquifer Protection Area designated by EPA; and
2. Whether project activities have the potential to contaminate the aquifer. For example, drilling water wells and constructing water treatment and industrial facilities have the potential of contaminating aquifers.

Compliance Documentation Required – Sole Source Aquifers

The ERR should contain one of these types of documentation:

1. Documentation the proposed action is not within the boundaries of an EPA designated SSA;
2. Documentation the action is not a regulated activity within the boundaries of a SSA; or
3. Documentation that EPA has reviewed and commented on the proposed action within a SSA.

7. Wild and Scenic Rivers Act

Entire river systems or portions of rivers may be designated wild, scenic, or recreational and included in the National Wild and Scenic Rivers System (NWSRS) either by Act of Congress, or may be designated by a state or states if the U.S. Secretary of Interior finds it meets the criteria established by the Act.

In order to be in compliance with this Act, the City must:

1. Determine whether any river listed in the NWSRS, or that is designated for inclusion in the NWSRS, would be directly and adversely affected by development activities associated with the project; and
2. If the project is located above or below a listed river, the City must determine whether the project will impact the river management area or could unreasonably diminish the scenic, recreational, and fish and wildlife values present in the area.

Compliance Documentation Required – Wild and Scenic Rivers

The ERR should contain one of these types of documentation:

1. Evidence the proposed action is not within *one mile* of a designated Wild, Scenic, or Recreational River (<http://www.nps.gov/rivers/wildriverslist.html>); or
2. Documentation that contact was made with the Federal (or State) agency that has administrative responsibility for management of the river and that the proposed action will not affect river designation.

8. Clean Air Act

The Clean Air Act is a Federal law; however, the states do much of the work to carry out most of the Act. Each state develops state implementation plans (SIP) that contain its objectives and regulations for carrying out the Clean Air Act.

The purpose of an implementation plan is to ensure that ambient concentrations of any of six air pollutants are within the established levels of the National Ambient Air Quality Standards (NAAQS). The six pollutants are:

1. ozone,
2. carbon monoxide,
3. particulate matter,
4. sulfur dioxide,
5. lead, and
6. nitrogen

Sources for pollutants include transportation vehicles, industrial facilities, and farming operations.

Asbestos removal and abatement is a part of the Clean Air Act. Refer to 40 CFR 61, Subpart M, National Emission Standards for Hazardous Air Pollutants (NESHAP.)

Compliance Documentation Required – Clean Air Act

The ERR should contain one of these types of documentation:

1. A resource expert has determined the proposed action is not of a type that would contribute air pollution;
2. The proposed action is within an area in *attainment* with the NAAQS for all six pollutants; or
3. The proposed action is within a *non-attainment* area for one or more of the pollutants but is in conformance with the State Implementation Plan (SIP).

9. Farmland Protection Policy Act (7 CFR Part 658)

The purpose of the Farmland Protection Policy Act is to minimize the effect of Federal programs on the unnecessary and irreversible conversion of farmland to nonagricultural uses. The Act does not apply to lands already in, or committed to, urban development (i.e., 30 structures per 40 acres or water impoundment). However, land that meets the definition of prime or unique farmlands or is determined to be of statewide or local significance (with concurrence by the U.S. Secretary of Agriculture) is subject to the Act.

If the City cannot determine whether or not the land is classified as prime or unique, it should request the USDA Natural Resources Conservation Service (NRCS) to make the determination by submitting Form AD-1006, the Farmland Conversion Impact Rating form. These forms are available at NRCS offices.

Compliance Documentation Required – Farmland Protection

The ERR should contain one of these types of documentation:

1. Evidence the current zoning classification is not for farmland use (i.e., residential use, commercial use, etc.);
2. Information from NRCS that shows the site is not prime or unique farmland; or
3. Evidence from NRCS shows the site is classified prime or unique agricultural land, and the RE completed and submitted form AD-1006 to NRCS and received its comments.

10. Environmental Justice (Executive Order 12898)

The Executive Order on Environmental Justice directs each Federal agency, and in the case of Part 58 the RE, to make achieving environmental justice part of its mission by "identifying and addressing as appropriate disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority populations and low-income populations." Presently, there aren't any regulations for implementing the Executive Order. However, HUD has issued a Strategy Plan for Implementing Environmental Justice, which it uses as guiding principle in deciding whether the project could result in disproportionate high and adverse effects on these populations.

During the environmental review process, health and environmental issues may arise concerning the suitability of the project site for its intended use, particularly its suitability for human habitation. The City should document how the Executive Order was given consideration in its final decision.

Compliance Documentation Required – Environmental Justice

The ERR should contain ALL these types of documentation:

1. The proposed action is compatible with surrounding land uses;
2. The site or surrounding neighborhood does not suffer from adverse environmental conditions;
3. The proposed action would not create a negative environmental impact or aggravate an existing impact.

11. Site Contamination from Hazardous and/or Radioactive Materials [§ 58.5(i)(2)]

Section 58.5(i)(2) states that all properties receiving HUD assistance must be free of hazardous materials, contamination, toxic chemicals and gases, and radioactive substances that *"could affect the health and safety of the occupants of conflict with the intended utilization of the property."*

Properties having clear health risks for the occupants or inhabitants should be rejected. For multifamily housing (5 or more dwelling units) compliance with this policy requires efforts to identify any hazardous substances and radioactive materials that may be on site or off site that could harm inhabitants, as well as an evaluation of previous uses of the properties.

Compliance Documentation Required – Site Contamination

The ERR should contain one of these types of documentation:

1. Evidence the site is not contaminated (For multifamily housing projects this includes on-site and off-site contamination and previous uses of the site);

2. Evidence supporting a determination the hazard will not affect health and safety of the occupants or conflict with the intended use of the site

12. Explosive/Flammable Operations (24 CFR 51, Subpart C)

The purpose of this HUD regulation is to ensure there is an *acceptable separation distance* between people and buildings from stationary aboveground storage tanks more than 100 gallons in size and that contain materials that are explosive or flammable in nature (e.g., gasoline, fuel oil, kerosene, crude oil, propane). This is to prevent injury to people and damage to property from industrial accidents.

The City *must* determine if there are hazardous liquids and gases being stored ***within one mile of the project***, and ***within line-of sight of the project***.

The regulation does not apply to rehabilitation of buildings that will not increase residential densities, convert buildings for habitation, or makes vacant buildings habitable (§ 51.201).

Neither does the regulation apply to individual fuel supply for one to four family housing units (Memorandum from Office of Environment and Energy, HUD, October 3, 1992).

Compliance Documentation Required – Stationary Aboveground Storage Tanks

The ERR should contain one of these types of documentation:

1. Document the proposed action does not meet the definition of a “HUD assisted project” (§ 51.201);
2. Field review documentation or aerial photos show no aboveground tanks within *one mile*;
3. If tanks are within one mile:
4. There’s an effective barrier;
5. There’s an *acceptable separation distance* for people and buildings;
6. The people and buildings can be protected with mitigation measures.
7. Noise Abatement and Control (24 CFR 51, Subpart B)

13. Noise Abatement and Control (24 CFR 51, Subpart B)

The purpose of this HUD regulation is to encourage suitable separation between noise sensitive lands uses, particularly housing, and major noise sources (i.e., roadways, railroads, and military and civilian airports).

The City must determine whether there are any major roadways with 1,000 feet, railroads within 3,000 feet, and military or civilian airports (regulated by the Federal Aviation Administration) that are within 15 miles of the project.

HUD's noise standards are based on the Day-Night Average (DNL) Sound Level System--a system of calculating noise exposure instead of measuring it with instruments. This system is a 24-hour average sound level (expressed in decibels), with an additional 10 decibels added for nighttime noise. The calculation is based upon projected conditions that are expected at least 10 years beyond the project approval date.

Noise is considered *Acceptable* when the exterior noise level is *65 DNL or less*. Otherwise, attenuation measures must be incorporated into construction plans (*66-75 DNL, Normally Unacceptable*). If the exterior noise level is *above 75 DNL* (Unacceptable), the project requires special approval from the certifying officer, or it should be disapproved [24 CFR 51.104(a)(2)].

The City *must* determine whether the exterior noise level at the project site is within HUD's standard for acceptability, or whether noise attenuation is required or another site should be selected for the project. Making this determination may require completing a noise calculation for roadways, railroads, and/or airports according to guidelines provided in The Noise Guidebook [HUD-953-CPD (1)]. This guidebook is issued by and available from HUD online.

Compliance Documentation Required – Noise Abatement and Control

The ERR should contain one of these types of documentation:

1. Documentation the proposed action is not:
2. A *noise sensitive land use*, according to [§ 51. 101(a)(2)] (i.e., housing);
3. Within 1000 feet of a major roadway, 3,000 feet of a railroad, or 15 miles of a military of FAA-regulated civil airfield.
4. If within those distances, documentation shows there's an effective noise barrier;
5. If within those distances, documentation shows the noise level is *Acceptable* (at or below 65 DNL);
6. Documentation shows the noise generated by the noise source(s) is *Normally Unacceptable*, and noise attenuation requirements are identified and will bring the interior noise level to 45 DNL and/or exterior noise level to 65 DNL.

14. Airport Clear Zones (24 CFR 51, Subpart D)

Clear Zones, Runway Clear Zones, and Accident Potential Zones are designated areas at the end of airport runways where the greatest number of airplane accidents occur (about 75 percent). This HUD regulation prohibits using HUD assistance for:

1. New construction; and

2. Major or substantial rehabilitation and modernization activities if projects are located within a Clear Zone or Runway Clear Zone.

It also prohibits using HUD assistance for these activities in an Accident Potential Zone, if such activities would:

1. Change the current use of the facility;
2. Significantly increase the density or number of people at the site; or
3. Introduce explosive, flammable, or toxic materials to the area.

However, this prohibition does not apply to the purchase, sale, or rental of existing properties, nor to minor rehabilitation/modernization or emergency assistance activities.

NOTE: (Minor rehabilitation/modernization would mean, for Clear Zones and Runway Clear Zones, it does not significantly prolong the physical or economic life of a building. for Accident Potential Zones, it does not change its use, increase density, or introduce explosive, flammable, or toxic materials. See § 51.302.)

Compliance Documentation Required – Airport Clear Zones

The ERR should contain one of these types of documentation:

1. Documentation there are no FAA-regulated airports within 2500 feet and/or Department of Defense airfields within 15,000 feet (about 2.8 miles) of the proposed project;
2. There's documentation the rule is not applicable to the proposed project (i.e., acquisition of an existing building, "minor" rehabilitation, or emergency action);
3. The project is within the specified distances, but the map of the airport/airfield shows the proposed action is not located within a Runway Clear Zone, Clear Zone, or Accident Potential Zone.

Compliance with NEPA

The focus of NEPA is on addressing potential impacts related to the human environment (i.e., social, economic and natural resources). So, not only must the Environmental Assessment (EA) address compliance with the Federal laws and authorities (§ 58.5) that were previously discussed in this chapter, but the City must also address additional environmental factors.

The City *must* determine the effects of the proposed project on the character, features and resources of the project area. Determinations of impact should be based on:

1. site observations,

2. information from relevant documents and reports,
3. special studies, or
4. Correspondence with the appropriate government agencies.

The City of Montebello will visit the project site to assess or determine the presence/absence of the following factors included in the *Environmental Assessment Checklist* that includes:

1. Unique and natural features;
2. Site suitability, access, and compatibility with the surrounding environment;
3. Soil stability, erosion, and drainage;
4. Nuisances and hazards (manmade or built); and
5. Commercial/retail and transportation.

The City *must* contact the appropriate local agencies to assess the impact that the project will have on the areas listed in the checklist. Detailed guidance is provided in the HUD publication entitled *Environmental Review Guide for Community Development Block Grant Programs under Title I of the Housing and Community Development Act of 1974, as Amended (HUD-CPD-782(2), September 1991)*.

A summary of some of this guidance is includes:

1. **Unique and natural features.** To supplement the determination of unique and natural features, contact your state agency that deals with natural resources to determine if any designated Natural Areas or Rare Species Habitats will be affected by the project.
2. **Site suitability, access, and compatibility with the surrounding environment.** To supplement the determination of site suitability, accesses, and compatibility with the surrounding environment, contact the local planning agency or board.
3. **Soil stability, erosion, and drainage.** To supplement the determination of soil stability, erosion and drainage, refer to the Natural Resource Conservation Service (NRCS) County Soil Survey to determine if engineering restraints are indicated. The Soil Survey may be obtained by contacting the local NRCS office. Provide comments from the site engineer or local development department if engineering restraints are indicated based on the Soil Survey. Where applicable, a review of a geologic map produced by the state geological surveys may be required.
4. **Water supply/sanitary sewers.** To assess water supply/sanitary sewers, contact the local public works department.

5. **Solid waste disposal.** To assess solid waste disposal, contact the local public works department.
6. **School services.** To assess school services, contact the local school board.
7. **Parks, recreation, and social services.** To assess parks, recreation, and social services contact the local planning department, parks and recreation department, and social services department.
8. **Emergency health care, fire and police services.** To assess emergency health care, fire, and police services contact the local fire department, police department, and emergency management organization.
9. **Transportation.** To assess transportation, contact the state or city transportation department.

Once determinations have been made, the appropriate impact code must be entered from the list provided in the EA that signifies:

1. No impact anticipated;
2. Potentially beneficial;
3. Potentially adverse;
4. Requires mitigation; and
5. Requires project modification.

The City *must* note names, dates of contact, telephone numbers and page references as well as any mitigation measures required. Attach additional source documentation to the EA as appropriate.

1. OTHER REQUIREMENTS (§ 58.6)

The following section outlines other Environmental Review requirements.

A. Flood Insurance

Section 202 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106) requires that Federal funds shall not be provided to an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazard areas unless:

1. The community is participating in the National Flood Insurance Program, or it has been less than a year since the community was designated as having special hazards; and
2. Flood insurance is obtained.

The City of Montebello is responsible for ensuring that property owners receiving HOME assistance take flood insurance on properties located in a 100-year floodplain. Flood insurance must be taken for the life of a loan, or the useful life of an improvement funded by a grant.

B. Coastal Barriers

HUD Assistance may **not** be used for HOME assisted activities proposed in the Coastal Barrier Resource System. The Act prohibits Federal assistance for development or improvement of barrier islands that are subject to frequent damage by hurricanes and high storm surges.

C. Runway Clear Zone or Clear Zone

1. The City *must* advise buyers of existing property whether the property is located in a runway clear zone or clear zone.
2. The City *must* inform the buyer of the implications of such a location, and that there is a possibility that the property may, at a later date, or be acquired by the airport operator.
3. The buyer *must* sign a statement acknowledging receipt of this information. (A copy of this disclosure statement, *Notice to Prospective Buyers of Properties Located in Runway Clear Zones and Clear Zones/Accident Potential Zones*, is contained in the EA form.)

2. RELEASE OF FUNDS AND APPROVAL PROCESS

The City of Montebello will adhere to the following steps related to the release of funds and approval process.

Public Notification

The public notification process is an integral part of the environmental review process that allows the public, interested persons, and agencies to voice their opinions about the project's potential environmental impact and the City's environmental findings.

Public notices are required when the City determines that:

1. a project which is categorically excluded subject to § 58.5 cannot convert to exempt, or
2. when the City prepares an environmental assessment (EA) or environmental impact statement (EIS).

A. Categorical Exclusions That Cannot Convert to Exempt

The City *must* issue a *Notice of Intent to Request Release of Funds* if:

1. the proposed activity triggers compliance with any of the Federal laws and authorities, and
2. There is documentation supporting the finding, Publish or post/mail a *Notice of Intent to Request Release of Funds* (NOI/RROF), according to §§ 58.45 and 58.70.

Public Comment

1. A minimum of 7 calendar days must be allowed for public comment if the notice is published in a newspaper of general circulation in the affected community, or
2. A minimum of 10 calendar days if the notice is posted and/or mailed, according to established citizen participation procedures.

NOTE: If the notice is published, it only needs to appear once in the newspaper and does not have to be published again for each of the 7 days of the comment period. If posted, the notice must be maintained in place until after the public comment period has expired.

3. The public comment period begins at 12:01 a.m. local time on the day following the publication or posting/mailing date of the notice (§ 58.21).

The City must consider and respond to any comments received, and resolve any outstanding issues before signing and submitting a *Request for Release of Funds and Certification* to HUD.

4. A copy of the public notice *must* accompany this request.
5. HUD has 15 calendar days from the date it receives the City's request (or 15 days from the date that it appears in the notice, whichever is later) before it may approve release of funds, (*Authority to Use Grant Funds* is issued).

Additionally, the City *must* when publishing or posting/mailing the notice, at minimum distributes a copy of the notice, to:

1. individuals and groups known to be interested in the project/activities,
2. to the local news media,
3. to the appropriate tribal,
4. local, state and Federal agencies, and
5. Regional Office of the Environmental Protection Agency having jurisdiction, and to HUD (§ 58.45).

Environmental Assessments

Upon completion of the EA, the City will make either:

1. A finding of no significant impact (FONSI), or
2. A finding of significant impact (FOSI) determination.

In the event that a FONSI is made, the City *must* issue two public notices:

1. *Finding of No Significant Impact (FONSI)* and
2. *Notice of Intent to Request Release of Funds (NOI/RROF)*.

NOTE: These notices may be published concurrently.

When there is a combined FONSI/NOI-RROF notice:

1. A minimum of 15 calendar days must be allowed for public comment if the notice is published in a newspaper of general circulation in the affected community, or
2. A minimum of 18 calendar days if the notice is posted and/or mailed, according to established citizen participation procedures.

NOTE: If the notice is published, it only needs to appear once in the newspaper and does not have to be published again for each of the 15 days of the comment period. If the notice is posted, it must be maintained in place until after the public comment period has expired.

The public comment period begins at 12:01 a.m. local time on the day following the publication or posting/mailing date of the notice (§ 58.21).

1. The City *must* consider and respond to any comments received and resolve any outstanding issues before signing and submitting a *Request for Release of Funds and Certification* to HUD.
2. A copy of the public notice must accompany this request.
3. HUD has 15 calendar days from the date it receives the City's request (or 15 days from the date that appears in the notice, whichever is later) before it may approve release of funds, (*Authority to Use Grant Funds* is issued.)

In the event that a FOSI is made:

1. The City *must* initiate an Environmental Impact Statement (EIS) in accordance with Subparts F and G of Part 58.

An EIS has additional public involvement and notification requirements.

Additionally, the City must at minimum when publishing or posting/mailing the notice distribute a copy of the notice, to:

1. Individuals and groups known to be interested in the project/activities, to the local news media,
2. To the appropriate tribal,
3. Local, state, and Federal agencies,
4. To Regional Office of the Environmental Protection Agency having jurisdiction, and to HUD (§ 58.45).

NOTE: All projects involving the rehabilitation of existing buildings or structures must be free of friable asbestos. Testing by a state-certified asbestos testing company or individual for the presence of friable asbestos must be conducted before HOME assistance can be approved.

EXHIBIT 11—SUMMARY OF ENVIRONMENTAL REVIEW ACTION BY ACTIVITY			
Activity	Action	Documentation/Form	Notes
Administration	Exempt § 58.34 (a)	Complete <i>Certification of Exemption</i>	Under HOME rules, funds must be associated with a specific project to be considered a project cost rather than an administration cost.
TBRA	Cat. Ex. <i>Not subject to</i> § 58.5 § 58.35 (b)(1)	Complete <i>Certification of Categorical Exclusion (not subject to § 58.5)</i>	Public notification and HUD approval is not required.
Homeowner-Rehabilitation	Cat. Ex. <i>Subject to</i> § 58.5 § 58.35 (a)(3)(i)	Complete <i>Certification of Categorical Exclusion (subject to 58.5), Statutory Checklist, and Compliance Documentation Checklist (58.6)</i>	If project does not convert to exempt, public notification and HUD approval is required prior to committing and expending funds.
Homeowner-Reconstruction	Cat. Ex. <i>Subject to</i> § 58.5 § 58.35 (a)(4)(ii)	Complete <i>Certification of Categorical Exclusion (subject to 58.5), Statutory Checklist, and Compliance Documentation Checklist (58.6)</i>	If project does not convert to exempt, public notification and HUD approval is required prior to committing and expending funds.

Homebuyer Acquisition existing unit	Cat. Ex. <i>Subject to § 58.5</i> § 58.35 (a)(5)	<i>Complete Certification of Categorical Exclusion (subject to 58.5), Statutory Checklist, and Compliance Documentation Checklist (58.6)</i>	If project does not convert to exempt, public notification and HUD approval is required prior to committing and expending funds.
Homeowner-New Construction development (single family 1-4 units)	Cat. Ex. <i>Subject to § 58.5</i>	<i>Complete Certification of Categorical Exclusion (subject to 58.5), Statutory Checklist, and Compliance Documentation Checklist (58.6)</i>	If project does not convert to exempt, public notification and HUD approval is required prior to committing and expending funds.
New Construction development (5 or more single-family units on scattered sites: • The scattered sites are <i>more than 2,000 feet apart, and</i> • No more than 4 units per site	Cat. Ex. <i>Subject to § 58.5</i> § 58.35 (a)(4)(ii)	<i>Complete Certification of Categorical Exclusion (subject to 58.5), Statutory Checklist, and Compliance Documentation Checklist (58.6)</i>	If project does not convert to exempt, public notification and HUD approval is required prior to committing and expending funds.
Acquisition, Rehabilitation and Resale (single family 1- 4 units)	Cat. Ex. <i>Subject to § 58.5</i>	<i>Complete Certification of Categorical Exclusion (subject to 58.5), Statutory Checklist, and Compliance Documentation Checklist (58.6)</i>	If project does not convert to exempt, public notification and HUD Approval is required prior to committing and expending funds.
Rental Acquisition existing building (single family 1-4 units or multifamily)	Categorically Excluded <i>Subject to § 58.5</i>	<i>Complete Certification of Categorical Exclusion (subject to 58.5), Statutory Checklist, and Compliance Documentation Checklist (58.6)</i>	If project does not convert to exempt, public notification and HUD approval is required prior to committing and expending funds.
Rental Rehabilitation (multi-family 5 or more units): ✓ Unit density will not change more	Categorically Excluded <i>subject to § 58.5</i>	<i>Complete Certification of Categorical Exclusion (subject to 58.5), Statutory Checklist, and Compliance</i>	If project does not convert to exempt, public notification and HUD approval is required

than 20% as a result of rehab; ✓ Current use will not change from residential to nonresidential; and/or ✓ Estimated cost of rehab is less than 75% of replacement cost after rehab		Documentation Checklist (58.6)	prior to committing and expending funds.
Vacant Land Acquisition for New Construction (Rental or Single Family, 5 or more units on a site)	Environmental Assessment	Complete <i>Environmental Assessment</i> (which includes NEPA and related Federal laws and authorities at § 58.5, as well as § 58.6 requirements)	Public notification and HUD approval is required prior to committing and expending funds
New Construction development (5 or more single-family units on scattered sites): ✓ The scattered sites are <i>less than 2,000</i> feet apart, and/or ✓ There are more than 4 units per site	Environmental Assessment	Complete <i>Environmental Assessment</i> (which includes NEPA and related Federal laws and authorities at § 58.5, as well as § 58.6 requirements)	Public notification and HUD approval is required prior to committing and expending funds
Homeowner-Rehabilitation ✓ Footprint of building is increased in a floodplain or wetland.	Environmental Assessment	Complete <i>Environmental Assessment</i> (which includes NEPA and related Federal laws and authorities at § 58.5, as well as § 58.6 requirements)	Public notification and HUD approval is required prior to committing and expending funds
Rental Rehabilitation (multi-family 5 or more units): ✓ Unit density is changed more than 20% as a result of rehab;	Environmental Assessment	Complete <i>Environmental Assessment</i> (which includes NEPA and related Federal laws and authorities at § 58.5, as well as § 58.6 requirements)	Public notification and HUD approval is required prior to committing and expending funds

- ✓ **Current use will be changed from residential to nonresidential or vice versa; and/or**
- ✓ **Estimated cost of rehab is more than 75% of replacement cost after rehab**

NOTE: Except for administrative costs, combinations of activities above that make up a project must be evaluated in a single environmental review. Whichever of the project activities requires the highest level of review dictates the type of review required for the entire project.

PROCEDURE

1. The City of Montebello City Manager is the designated Certifying Official. The City Manager will sign all appropriate HUD certifications and the like.
2. The City's environmental review process will be completed by the Planning and Community Development Department Director and/or his/her designator.
3. The City will ensure the proper classification, completeness, and accuracy of the environmental review preparation.
4. The HOME Program Consultant or Housing Manager will execute the request of release of funds (RROF), and submitting it to HUD, which issues the environmental clearance, if applicable.
5. By the City's Certifying Official (CO) signing the RROF, he/she is certifying the City:
 - a. *Request of Release of Funds and Certification*—has carried out its responsibilities for environmental review, decision-making and action pertaining to the proposed HOME-funded project
 - b. Has assumed responsibility for and complied with and will continue to comply with, the National Environmental Policy Act of 1969 (NEPA), as amended, and the environmental procedures, permit requirements and statutory obligations of the laws cited in 24 CFR §58.5; and also agrees to comply with the authorities in 24 CFR §58.6 and applicable State and local laws.
 - c. Has, after considering the type and degree of environmental effects identified by the environmental review completed for the proposed project, found that the proposal did not require the preparation and dissemination

of an environmental impact statement (EIS). (Note: If it is an EIS is needed, contact the HOME Program immediately for further guidance.)

NOTE: In certain limited instances, a project that is considered Categorically Excluded, and Subject to 24 CFR Part 58.5, may convert to exempt after the Statutory Checklist has been completed. For more information, go to

<http://housing.mt.gov/content/HM/docs/HMAdminManual/Chap2/2011/HMChap02Exh2G2CESTInstruct.doc>

- d. Has disseminated and/or published in the manner prescribed by 24 CFR §§58.43 and 58.55 a notice to the public in accordance with 24 CFR §58.70 and evidenced by the copy (copies) or evidence of posting and mailing procedure attached to the environmental review package submitted to the HOME Program.
- e. Is in compliance with procedures and requirements of 24 CFR Part 58 relating to the dates for all statutory and regulatory time periods for review, comment, or other action.
- f. Has, in accordance with 24 CFR §58.71(b), advised the recipient (if different from the responsible entity) of any special environmental conditions that must be adhered to in carrying out the project.
- g. As the duly designated certifying official of the responsible entity, the CO is also certifying that:
 - i. He/she is authorized to and consents to assume the status of Federal official under the National Environmental Policy Act of 1969 and each provision of law designated in the 24 CFR §58.5 list of NEPA-related authorities insofar as the provisions of these laws apply to the HUD responsibilities for environmental review, decision-making, and action that have been assumed by the responsible entity.
 - ii. He/she is authorized to and accepts on behalf of the recipient personally, the jurisdiction of the Federal courts for the enforcement of all these responsibilities, in his/her capacity as certifying officer of the responsible entity.

CHAPTER 6: ADMINISTRATIVE REQUIREMENTS

PART 1: GENERAL REQUIREMENTS

Eligible Administrative and Planning Costs

The City of Montebello will implement the following general administrative procedures:

1. Charge no more than the allowed maximum of 10 percent of the HOME allocation for reasonable administrative and planning costs including staff costs as well as other administrative costs.
2. Charge no more than the 10 percent cap for certain soft costs incurred that is project-related.
 - a. If a consultant is used, the consultant fee, if any, must be included in an amount not to exceed ten percent (10 percent) of the requested HOME Program allocation in the proposed development budget.
 - b. If a consultant is not used the amount must not exceed ten percent (10 percent) of the requested HOME Program allocation as reimbursement of project delivery costs.
 - c. The HOME Program allocation may not include both a consultant fee and a project delivery cost reimbursement.
3. Utilize ONLY one of the two following options when charging eligible administrative and planning costs that include expenditures for salaries, wages, and related costs of City staff responsible for the HOME Program administration:

Option 1: Include the entire salary, wages, and related costs of each person whose primary responsibility involves program administration assignments.

OR

Option 2: Determine the pro rata share of salary, wages, and related costs of each person whose job includes any program administration assignments for each person.
4. Restrict charging other planning and administrative costs to include:
 - a. Goods and services necessary for administration (utilities, office supplies, etc.);
 - b. Administrative services under third party agreements (e.g., legal services);
 - c. Providing public information;
 - d. Fair housing activities;

- e. Indirect costs under a cost allocation plan prepared in accordance with applicable Office of Management and Budget (OMB) Circular requirements and approved by the City of Montebello; and
 - f. Complying with other Federal requirements.
5. Restrict charges of eligible project-related soft costs to include Staff and overhead costs: incurred by the City or a third-party contractor that are directly related to carrying out specific HOME **projects** that include:
- a. Appraisals;
 - b. Preparation of work specifications;
 - c. Loan processing and underwriting;
 - d. Construction inspections and oversight;
 - e. Inspections for the presence of lead hazards or defective paint;
 - f. Advisory and other relocation services;
 - g. Project-specific environmental reviews; and
6. Administrative costs charged to the project will not be included in the loan to the project owner.
7. If the project does not go forward, project costs must be charged as administrative costs.

Uniform Administrative Requirements

Sub-part K (24 CFR 92.500 - 92.509)

The City of Montebello will comply with the following administrative requirements pertaining to the financial management and audit standards.

1. OMB Circular A-87 "Cost Principles for State, Local, and Indian Tribal Governments": This circular establishes principles and standards to provide a uniform approach for determining allowable costs under Federal grants and other agreements with states and local governments and Indian tribal governments.
2. Certain provisions in 24 CFR Part 85: These regulations set forth uniform requirements for financial management systems, procurement, reports and records, and grant close-outs for Recipients of Federal grant funding.
3. OMB Circular A-133 (Audit Requirements): Audit thresholds and requirements are outlined in OMB Circular A-133.
4. OMB Circular A-122, "Cost Principles for Non-Profit Organizations," or, for institutions of higher education, OMB Circular A-21 "Cost Principles for Educational Institutions": This circular establishes principles for determining allowable costs under grants, contracts and other agreements with nonprofit organizations.

5. Certain provisions of 24 CFR Part 84: The regulations at 24 CFR Part 84 implement OMB Circular A-110 and set forth uniform requirements for nonprofit organizations, including financial management systems, property standards, procurement standards, reporting and record-keeping. Attachment 3-1 lists the applicable provisions.
6. The requirements at 24 CFR 84.21, “Standards for Financial Management Systems” applies to CHDOs who are acting as an owner, developer or sponsor of HOME assisted housing.

Written Agreements

Written agreements are important legal documents that assist the City of Montebello to protect investments and enforce HOME Program rules, for verifying compliance and monitoring performance, and methods of enforcing program requirements.

The City of Montebello’s written agreement will serve as a concise statement of the relationship between the City and a funded entity/beneficiary of HOME funds. It will also clearly state the conditions under which the HOME funds are provided.

1. Required provisions

The City of Montebello HOME agreements will include at minimum provisions based on the Final Rule (24 CFR Part 92) that details the specific HOME provisions that must be included in written agreements for beneficiaries that may receive HOME funds. The provisions are:

- a. **Use of funds:** Description of tasks to be performed, schedule for completing tasks, a budget in sufficient detail to effectively monitor performance and the period of the agreement. (For nonprofit and for-profit housing owner, sponsor, or developers, the duration of the agreement will be in a separate clause.)
- b. **Reversion of assets/program income requirements:** States whether program income, unexpended funds, or other assets will be returned to the City.
- c. **Uniform administrative requirements:** Compliance with applicable Federal administrative requirements (OMB Circular A-87 and applicable provisions of 24 CFR Part 85 for governmental entities, or OMB Circular A-122 and applicable provisions of 24 CFR Part 84 for non-profit entities).
- d. **Other Federal requirements:** Requirements regarding non-discrimination and equal opportunity; affirmative marketing and minority outreach; environmental review; displacement, relocation and acquisition; labor standards; lead-based paint; and conflict-of-interest.

- e. **Affirmative marketing:** Requirements for affirmative marketing in projects of five or more HOME-assisted units.
- f. **Requests for disbursements of funds:** Requirement that HOME funds may not be requested until funds are needed for payment of eligible costs. The amount of each request must be limited to the amount needed. Program income must be returned to the City of Montebello before any new funding requests will be provided.
- g. **Records and reports:** Enumeration of records that must be maintained, and information and reports that must be submitted.
- h. **Enforcement of the agreement:** This provision is in the agreement with all parties, including owners, and is the means of enforcing the provisions of the written agreement.

2. Template agreements

- a. The City's template contracts, agreements and other legal documents as provided by the City's Planning and Community Development staff must be used.

3. Duration of agreements

- a. The agreement must specify the duration of the agreement. If the housing assisted under the agreement is rental housing, the agreement must be in effect through the affordability period required by the City of Montebello. If the housing assisted under this agreement is homeownership housing, the agreement must be in effect at least until the completion of the project and transfer of ownership to a low-income family.

4. Amending the documents

Written agreements may be amended by mutual agreement of the parties when regulations and requirements change, or when adjustments to funding levels or other conditions related to a specific project are needed.

EXHIBIT 12

WRITTEN AGREEMENT REQUIRED PROVISIONS

REQUIRED PROVISION (§92.504)	SUBRECIPIENTS	OWNERS, SPONSORS, DEVELOPERS (CHDOS)	CONTRACTORS	HOME OWNERS
Use of HOME Funds	✓	✓	✓	✓

Affordability (§92.252 or §92.254)		✓	
Program Income	✓		
Uniform Administration requirements (§92.505)	✓		
Project requirements (as applicable in Subpart F)		✓	2.254 (b) only
Property Standards (§92.251 and §92.355)		✓	
Other Program Requirements (Subpart H except (§92.252 and §92.357)	✓	✓	Except 92.505, 92.506, 92.352
Affirmative Marketing ((§92.351)	✓	✓	
Requests for Disbursement of Funds	✓	✓	
Reversion of Assets	✓	✓	
Records and Reports	✓	✓	
Enforcement of the Agreement (§92.252 and 24 CFR Part 85 as applicable)	✓	✓	
Duration of the Agreement		✓	✓
CHDO Provisions ((§92.300 and §92.301)		✓	
Suggested Provisions (not HOME Requirements)		✓	
Roles and Responsibilities	✓	✓	
Description of the Project	✓	✓	
Performance Standards	✓	✓	
Conflict of Interest	✓	✓	✓
Monitoring	✓	✓	
Close-out Requirements	✓	✓	
Non-Compliance	✓	✓	✓

PROCEDURE:

1. ***Before any City of Montebello HOME funds are committed or disbursed*** the City will enter into a written agreement.
2. For all development activities, the City of Montebello will select and/or approve a closing entity to provide closing services for all HOME Program transactions using the City's approved documents.

3. The City of Montebello Planning and Community Development staff will provide closing instructions for all HOME Program funded transactions to the closing entity.
4. The City of Montebello will be responsible for payment of costs associated with closing the HOME Program portion of the transaction on both homeowner and rental activities.

The City's HRGP Agreement is detailed on the following page (Exhibit 13):

EXHIBIT 13**HOME PROGRAM AGREEMENT AND CITY AFFORDABILITY AGREEMENT BETWEEN THE CITY OF MONTEBELLO AND THE APPLICANT FOR THE OWNER-OCCUPIED HOUSING REHABILITATION PROGRAM**

HOMEOWNER NAME(S) & PHONE NO.:	PROPERTY ADDRESS:	CONTRACTOR NAME, ADDRESS, PHONE NO.:

This HOME Investment Partnerships Program Housing Rehabilitation Agreement (“Agreement”) is entered into by the City of Montebello, California (“the City”) and _____ (hereinafter called “Homeowner” whether one or more persons). This Agreement applies only to the Homeowner and dwelling unit (“Property”), as identified above. This Agreement describes the HOME Program rules and the City affordability requirements that pertain to the assistance provided through the City’s HOME Housing Preservation Program (HHPP). The duration of the HOME portion of this Agreement is thirty (30) days from the date of completion of rehabilitation work as defined herein. The duration of the City’s affordability period and the deed of trust shall continue until a change in title occurs, as defined herein.

By initialing the items listed below, Homeowner and Contractor confirm that each item has been read and Homeowner and Contractor understand and agree to comply with each item, as applicable:

1. USE OF HOME PROGRAM FUNDING

- _____ The City will provide HOME Program funding in the amount of \$ _____ as a deferred loan with a HOME compliance period of thirty (30) days;
- _____ A City imposed affordability period will run concurrent to the HOME compliance period and extend forward until there is a transfer of title for any of the following reasons: The property is sold; the property is foreclosed on; the property is refinanced; the property is leased; the applicant(s) fail(s) to occupy the property as their primary residence;
- _____ In the event that one of the Homeowner’s dies, ownership as stipulated by California Real Estate law transfers to the surviving individual. This procedure is not a transfer of title. Consequently, the remaining Homeowner will assume the loan pursuant to the original terms of the loan.
- _____ At the time Homeowner is approved for HOME Program assistance, Homeowner has an ownership interest in and occupies the Property to be rehabilitated as his/her principal residence. Homeowner agrees to continue to occupy the Property as his/her principal residence for the HOME Compliance Period and the City’s Affordability Period.

- _____ At the time Homeowner is approved for the HOME Program assistance, the Homeowner qualifies as a low-income household with a gross household income that does not exceed 80% of the area median income as established by the U.S. Department of Housing and Urban Development for the Los Angeles MSA adjusted for household size, and as updated annually.
- _____ The City Affordability Period will be secured by a promissory note and recorded subordinate deed of trust (no lower than second position). Monthly payments will not be required on this portion of the assistance. This assistance will be provided at 0% interest,
- _____ If, during the City's Affordability Period, the Homeowner sells or transfers title to the Property, rents or leases the Property, refinances the Property, or if Homeowner no longer lives in the Property as his/her principal residence, all of the deferred payment loan will be due and payable to the City. However, in the event the Homeowner sells the Property, and the net proceeds after repayment of the first mortgage and the costs of sale of the Property are less than the amount of City's loan, the amount due shall be reduced to the amount available.
- _____ Housing rehabilitation work will provide general rehabilitation necessary to bring the structure into compliance with the City's applicable building codes; the City's adopted property standards (if applicable); the City's housing rehabilitation program standards; and applicable lead-based paint (LBP) regulations (24 CFR 92.251 & 92.355). Rehabilitation work to be completed will only be as specified in the approved written work specification for the Property and fully executed and approved change orders. All codes, standards, and regulations noted are incorporated herein by reference.
- _____ The maximum after-rehab value of Property must not exceed the current 203(b) FHA Mortgage Limits for a single unit structure in the Los Angeles Metropolitan Statistical Area. The estimated after-rehab value is: \$ _____
The 203(b) Mortgage limit is: \$ _____ as of (Insert Date) _____
Estimated Start Date: _____
Estimated Completion Date: _____
- _____ After the notice to proceed is issued by the City, the Homeowner has a three (3) day Right of Rescission Period. If Homeowner does not exercise their Right of Rescission, the Contractor has ten (10) calendar days to begin work;
- _____ Upon completion of rehabilitation work, the Contractor shall furnish warranties as fully described in Section XV of the Housing Rehabilitation Program Policies (incorporated herein by reference).

2. DISBURSEMENT OF FUNDS

- _____ Funds will be disbursed on a reimbursement basis and only.
- _____ During the course of the work if any partial or in-progress payments are made, the Contractor shall furnish fully executed and dated lien releases/waivers for the specified amount(s) paid to himself/herself AND from all subcontractors receiving proceeds from such partial or in-progress payments.

-
- _____ Upon completion of the rehabilitation work, final inspections, and a qualified building official inspection, the Contractor will submit a written invoice for the amount of the contract, plus change orders, less ten percent (10%) retainage.
 - _____ Upon completion of rehabilitation work, the Contractor shall furnish fully executed and dated lien releases/waivers for the specified amount(s) paid to himself/herself AND from all subcontractors receiving proceeds from the final payment/draw.
 - _____ Retainage funds will be held for twenty (20) days. After twenty (20) days, the Contractor will submit a written invoice for the final payment accompanied by the required *Bill Paid Affidavit* and a fully executed *Release of Lien* for his/her ten percent (10%) retainage. Upon approval by the City and the Homeowner the final ten percent (10%), payment will be made to the Contractor.

3. ROLES AND RESPONSIBILITIES

- _____ Roles and responsibilities of the Homeowner include, but are not limited to: Submission of true and accurate financial and other eligibility documentation; selection of the contractor; review and execution of the work write-up, contract, and associated documents; and accommodating the schedules of the Contractor and the City to facilitate timely completion of rehabilitation work and inspections.
- _____ Roles and responsibilities of the Contractor include, but are not limited to: Communicating with Homeowner and the City regarding status of the work during the construction period; notifying the City, in writing, including a justification delineating and supporting the need for any change orders (including itemized cost information); completing any items identified on the final inspection prior to *execution of the Certificate of Completion*; and *providing and adhering to warranty agreements in a timely manner*.
- _____ Roles and responsibilities of the City, include, but are not limited to: Ensuring payment to Contractor as set forth in the rehabilitation contract; communicating with the Homeowner and Contractor regarding all administrative procedures that affect completion of rehabilitation work; advising the Homeowner regarding city property standards, building code requirements, local property standards and housing rehabilitation standards which may affect the prioritization of work items; and documenting project files in compliance with all applicable HUD regulations.
- _____ Roles and responsibilities of the City, the Homeowner, and the Contractor are more specifically outlined in the City's HOME Policies and Procedures, incorporated herein by reference.
- _____ Homeowner has responsibility to select the contractor to complete the rehabilitation work from any eligible bid, as long as the price quoted is within a range of no more than ten percent (10%) below or ten percent (10%) above the cost estimate of scope of rehabilitation work prepared by the City. Eligible bids may be obtained from a list of City pre-approved contractors or other contractors selected by Owner. The selected Contractor and his/her subsequently selected subcontractors must not be debarred or suspended from the Housing Rehabilitation Program, federally funded programs, or state funded programs; must carry the required insurance; submit or have submitted a completed Contractor Information Form to the City and a statement of non-use of lead-based paint; pass a

criminal background check; and all other program requirements of the HRGP as outlined in the program policy, incorporated herein by reference.

4. PROPERTY STANDARDS

- _____ All rehabilitation work will be completed in compliance with the Housing Rehabilitation Program's locally written and adopted property standards and all applicable written local building and property codes and standards.
- _____ Housing rehabilitation assistance will only be provided to cover the cost of rehabilitation necessary to bring the property in compliance with locally adopted, written building and property standards, Rehabilitation Program standards and, applicable Federal and State building and property standards.

5. WRITTEN AGREEMENT PROVISIONS

- _____ Homeowner will enter into a written agreement with the Homeowner-selected, qualified Contractor for the completion of rehabilitation work. The written agreement shall include the scope of work, the cost of the work to be completed, and the time frame during which the scope of work must be completed, all of which have been reviewed and approved by Homeowner, City, and Contractor at the preconstruction conference. Said written agreement, work specifications, and any subsequent change orders are incorporated herein by reference.
- _____ Except for the purpose of affording protection against any emergency endangering life or property, no modification of the written agreement shall be made except by written instrument, signed by the Contractor, approved by Homeowner, and accepted and dated in writing by City. Change orders may be authorized for necessary work items that were initially overlooked or which could not be determined until the course of the rehabilitation or reconstruction work had already begun. Change orders must be requested prior to commencement of the proposed changed work in order for such costs to be reimbursable.
- _____ Homeowners or Contractors with concerns about the administration or operation of the Housing Rehabilitation Program should communicate these concerns to the City, if concerns cannot be negotiated or resolved successfully between the parties, they may file an appeal with the ("INSERT APPROPRIATE LOCAL AUTHORITY").
- _____ Homeowner agrees to abide by the HOME regulations as set forth in 24 CFR Part 92 which is incorporated as a part of this agreement by reference.

By signing below, Homeowner and Contractor acknowledge receipt of this document and understanding of its contents.

Homeowner

Date

Homeowner

Date

Contractor

Date

Director of Community Development

Date

Conflict of Interest

The City of Montebello will comply with the following conflict-of-interest provisions:

1. 24 CFR Parts 84 and 85, and CFR 85.36 and 24 CFR 84.42.
2. Provisions not covered by 24 CFR Parts 84 and 85, set forth in the HOME regulations. Additionally, the HOME regulations include conflict of interest provisions for nonprofit, for-profit owners/developers/sponsors and CHDOs.
3. No employee, officer, agent of the city shall participate in the selection, award or administration of a contract supported by HOME if a conflict-of interest, either real or apparent, would be involved;
4. City employees, officers and agents not accept gratuities, favors or anything of monetary value from contractors, potential contractors or parties to sub-agreements; and
5. Enforce provisions for penalties, sanctions or other disciplinary actions for violations of standards.
6. No person who exercises or has exercised any functions or responsibilities with respect to HOME activities or who is in a position to participate in decisions or gain inside information:
 - a. May obtain a financial interest or benefit from a HOME activity; or the City of Montebello HOME Program Operations;
 - b. Have an interest in any contract, subcontract, or agreement for themselves or for persons with business or family ties.

NOTE: This requirement applies to covered persons during their tenure and for one year after leaving the Recipient entity.

7. Include the conflict-of-interest provision in written agreements and other documents with owners, developers, and sponsors.
8. Monitoring of projects will include necessary actions to ensure that the conflict of interest provision is adhered to.

HOME Provisions for Nonprofit and For-Profit Owners, Developers, CHDOs, and Sponsors

The City of Montebello will comply with the HOME Final Rule that includes a conflict-of-interest provision applicable to for-profit and nonprofit owners, developers, and sponsors of HOME-assisted housing. This provision states that:

1. No owner, developer, or sponsor of HOME-assisted housing, including their officers, employees, agents, consultants, or elected or appointed officials, may occupy a HOME-assisted unit in a development.

NOTE: This provision **does not** apply to:

- a. An individual receiving HOME funds to acquire or rehabilitate his/her principal residence, or,
- b. An individual living in a HOME-assisted rental housing development where he/she is a project manager or a maintenance worker in that development.

Exceptions: Exceptions to this conflict-of-interest provision (governing owners, developer, and sponsors of HOME-assisted housing) may be granted by the City after obtaining a waiver from HUD on a case-by-case basis based on the following factors as set forth in the regulations:

- a. Whether the person receiving the benefit is a member of a group or class of low-income persons intended to be the beneficiaries of assisted housing, and the exception will permit him or her to receive generally the same interests or benefits as are being made available or provided to the group as a whole;
- b. Whether the person has withdrawn from his or her functions or responsibilities, or the decision-making process with respect to the specific assisted housing in question;
- c. Whether the tenant protection requirements of CFR 92.253 (prohibited lease terms, termination of tenancy and tenant selection) are being observed;
- d. Whether the affirmative marketing requirements are being observed and followed; and
- e. Any other factor relevant to the City's determination, including the timing of the requested exception.

Religious Organizations

HOME funds **may** be provided to primarily religious organizations for any activity, excluding inherently religious activities.

1. As of the September 30, 2003 Final Rule for 24 CFR Part 92, HUD identified regulations for eight programs, including the HOME Program, to eliminate barriers and ensure that these programs are open to all qualified organizations regardless of their religious character.

HOME Investment Trust Fund Account

The HOME Investment Trust Fund Account is the account established by the U.S. Treasury and managed through HUD's Integrated Disbursement and Information System for the Program.

1. Establishment

The Secretary shall establish for each participating jurisdiction a HOME Investment Trust Fund, which shall be an account (or accounts as provided in section [12749\(c\)](#) of this title) for use solely to invest in affordable housing within the participating jurisdiction's boundaries or within the boundaries of contiguous jurisdictions in joint projects which serve residents from both jurisdictions in accordance with the provisions of this part.

2. Line of credit

The Secretary shall establish a line of credit in the HOME Investment Trust Fund of each participating jurisdiction, which line of credit shall include:

- a. funds allocated or reallocated to the participating jurisdiction under section 12747 of this title, and
- b. any payment or repayment made pursuant to section 12749 of this title.

3. Reductions

A participating jurisdiction's line of credit shall be reduced by:

- a. funds drawn from the HOME Investment Trust Fund by the participating jurisdiction,
- b. funds expiring under subsection (g) of this section, and
- c. any penalties assessed by the Secretary under section 12754 of this title.

4. Certification

A participating jurisdiction may draw funds from its HOME Investment Trust Fund, but not to exceed the remaining line of credit, only after providing certification that the funds shall be used pursuant to the participating jurisdiction's approved housing strategy and in

compliance with all requirements of this subchapter. When such certification is received, the Secretary shall immediately disburse such funds in accordance with the form of the assistance determined by the participating jurisdiction.

5. Investment within 15 days

The participating jurisdiction shall, not later than 15 days after funds are drawn from the jurisdiction's HOME Investment Trust Fund, invest such funds, together with any interest earned thereon, in the affordable housing for which the funds were withdrawn.

6. No interest or fees

The Secretary shall not charge any interest or levy any other fee with regard to funds in a HOME Investment Trust Fund.

7. Expiration of right to draw funds

If any funds becoming available to a participating jurisdiction under this subchapter are not placed under binding commitment to affordable housing within 24 months after the last day of the month in which such funds are deposited in the jurisdiction's HOME Investment Trust Fund, the jurisdiction's right to draw such funds from the HOME Investment Trust Fund shall expire. The Secretary shall reduce the line of credit in the participating jurisdiction's HOME Investment Trust Fund by the expiring amount and shall reallocate the funds by formula in accordance with section 12747(d) of this title.

8. Administrative Provision

The Secretary shall keep each participating jurisdiction informed of the status of its HOME Investment Trust Fund, including the status of amounts under various stages of commitment.

a. In general

Any repayment of funds drawn from a jurisdiction's HOME Investment Trust Fund, and any payment of interest or other return on the investment of such funds, shall be deposited in such jurisdiction's HOME Investment Trust Fund, except that, if the jurisdiction is not a participating jurisdiction when such payment or repayment is made, the amount of such payment or repayment shall be reallocated in accordance with section 12747(d) of this title.

b. Assurance of repayment

Each participating jurisdiction shall enter into an agreement with the Secretary ensuring that funds invested in affordable housing under this part are repayable

when the housing no longer qualifies as affordable housing. Any repayment under the previous sentence shall be for deposit in the HOME Investment Trust Fund of the jurisdiction making the investment; except that if such jurisdiction is not a participating jurisdiction when such repayment is made, the amount of such repayment shall be reallocated in accordance with section 12747(d) of this title.

c. Availability

The Secretary shall take such actions as are necessary to ensure that any repayments deposited in a HOME Investment Trust Fund in accordance with this section shall be immediately available to the participating jurisdiction for investment subject to the provisions of this part that apply to funds that are allocated under section 12747 of this title. Actions authorized under the preceding sentence may include authorizing the establishment for a participating jurisdiction of a HOME Investment Trust Fund account outside of the Federal Government that, under arrangements satisfactory to the Secretary, shall be used solely to invest in affordable housing within the participating jurisdiction's boundaries in accordance with the provisions of this subchapter. Such accounts shall be established in such a manner that repayments are not receipts or collections of the Federal Government.

HOME Program Income

Program income is defined as any revenue received by the City directly generated from the use of HOME funds or matching contributions. Program income includes, but is not limited to:

1. Proceeds from the sale or long-term lease of real property acquired, rehabilitated or constructed with HOME funds or matching contributions;
2. Income from the use or rental of real property owned by a Recipient that was acquired, rehabilitated or constructed with HOME funds or matching contributions, minus the costs incidental to generating that income;
3. Payments of principal and interest on loans made with HOME or matching funds, and proceeds from the sale of loans or obligations secured by loans made with HOME or matching contributions;
4. Interest on program income; and
5. Any other interest or return on the investment of HOME and matching funds.

Note: The City of Montebello requires that all program income is returned to the City.

Pre-Award Costs

With the publication of the Final Rule, the City may incur eligible costs prior to the effective date of its annual HOME Investment Partnerships Agreement, subject to certain conditions:

1. Both administrative/planning and project costs may be incurred. Only costs eligible under the HOME Program rules in effect at the time the costs are incurred are included.
2. Expenditures must meet all regulatory requirements, including environmental review regulations.

HOME Program Draws

HOME funds are available on a reimbursement basis only based on documentation of incurring the expense and payment of the expense.

PROCEDURE

1. The City of Montebello will reimburse funds based upon information submitted by the Recipient. Any expenditures occurring after the effective date of the contractual agreement between the City of Montebello and the Recipient are eligible for reimbursement.
2. Expenditures must be consistent with the approved budget as stated in the contractual agreement between the City of Montebello and the Recipient. Only eligible expenses will be reimbursed.
3. Payments will be adjusted by the City in accordance with program income balances available in sub-recipient accounts, if applicable.
4. In order to ensure accurate billing and fund management sub-recipients should keep track of the following information for activities funded:
 - a. Funds budgeted.
 - b. Funds received in City of Montebello.
 - c. Reimbursements to-date.
 - d. Funds obligated in the most recent period and to-date.
 - e. Funds expended in the most recent period and to-date.
 - f. Cash on hand (including program income identified as such), *if applicable*.
 - g. Previous reimbursements requested but not yet received, *if applicable*.
5. All requests for final reimbursements must be submitted to the Planning and Community Development Department Division within 15 days after the last date of the contract.

To request reimbursement:

1. The "Reimbursement Request" form must be completed and signed by either the Planning and Community Development Director or another authorized personnel.
2. Provide original invoices for all expenditures to be reimbursed.
3. Payment receipts, copies of checks, and/or all documentation proving that payment has been made prior to requesting reimbursement.
4. For salary reimbursement, time sheets must include total time worked and a breakdown of funding sources covering the salary and benefits associated.

All reimbursements will be made within thirty (30) days of receipt of the request, if proper documentation has been submitted. Please be advised that the City of Montebello will not provide reimbursements if quarterly reports have not been submitted within the time limits stated in the contractual agreement between the City of Montebello and the Recipient.

PART 2: FINANCIAL MANAGEMENT

Policies Regarding Cash Management

All payments under City of Montebello's Federal programs will be on a reimbursement basis, AFTER costs have been incurred. No cash advances will be allowed. Reimbursements will not exceed actual cash outlays

All payments to subrecipients and for in-house activities will be monitored for compliance with federal regulations and applicable OMB circulars. Prior to payment, subrecipient requests for program funds shall be properly evaluated. The following will be monitored:

- a. Bi-weekly employee timesheets
- b. Payroll records
- c. Cost per capita served
- d. Portion of clientele served that is low-income
- e. Eligibility of activity
- f. Allowable costs
- g. Non-Federal funds leveraged (if applicable)
- h. Proper allocation of costs to City of Montebello

Drawdown of federal funds through federal reporting system is subject to review and approval by Finance staff. Variances between expected and actual cash disbursements of federal awards and drawdowns of federal funds are reported to an appropriate level of management.

Since federal funds will only be provided on a reimbursement basis, it is anticipated that no interest earnings will accrue to the City or to subrecipients. In the unlikely event interest earnings on federal funds are accrued, they must be paid back to that federal department.

Program income funds will be generated primarily by housing rehab loan repayments and occasionally, housing development activities. Program income received by the City must be deducted from reimbursement requests before drawing down entitlement grant funds.

The federal financial reporting system is capable of scheduling payments for accounts payable and requests for funds from Treasury that enables the City to avoid a time lapse between draw down of funds and the actual disbursement of funds. Montebello's accounting program, shall be reconciled by the following steps:

- 1) Invoices are received by Finance Department via email, mail, etc.
- 2) Twice per month, invoices are coded by purchase order accounting number (account waiting for the money so accounts payable will know where to take it from), where money has been allocated to those activities; codes by stamping invoice with stamp that includes: vendor number, PO # dollar; after filling out info on stamp, it goes to finance;
- 3) At the end of the month all expenditures are totaled and drawdowns for the particular activities are reported to the Government agency; Finance and City staff review drawdowns for accuracy and compiles data in a spreadsheet
- 4) The Housing Manager inputs drawdowns into IDIS
- 5) The Director of Finance (or Designee) approves vouchers in federal system

Staff will carry out periodic independent evaluation (e.g., by internal audit, top management) of entity cash management, budget and actual results, repayments of excess interest earnings, and federal drawdown.

Procedures for Reflecting Prior Period Adjustments and Accruals

In preparation of the CAPER, City staff review the following reports:

- PR09- Program Income Details by Fiscal Year and Program (report generated by IDIS)
- PR26- CDBG Financial Summary Report (report generated by IDIS)
- Analysis of CDBG Funds- City of Montebello Sources & Uses of Funds spreadsheet (report generated by the Housing Manager)

Director of Finance or Designee reconciles discrepancies between the IDIS reports and the City's Budget and makes the necessary adjustments in the PR26 report. These adjustments are explained as Notes to the PR26, which is included as an appendix to the CAPER. Adjustments may occur when recording is delayed and projects are closed out later in the year for actual costs that occurred in the previous program year.

Policy Regarding Rebates, Refunds and Credits to HUD CPD Programs

All rebates, refunds, and credits to HUD CPD programs will be properly reported. Bid bond forfeiture funds that are not offset by additional costs to select another bidder will be credited to HUD CPD programs at their pro-rata share.

Procedures for Evaluating Travel and Training Costs Charged to the HOME Program

All travel and training expenses charged to the HUD programs must be approved by the Community Development Manager or a Department Director. Prior to approval, travel and training expenses are evaluated based on the following criteria:

- Compliance with 2 CFR 200.472
- Applicability/relevance to CDBG/HOME program goals and objectives
- Eligibility under Federal programs
- Within the allocated budget for that program

Procedures for Allocating and Documenting Personnel Costs Charged to HOME Admin Account

1. Personnel costs charged to HUD programs will follow Section 200.430, of 2 CFR 200. Prior to the beginning of the fiscal year, City of Montebello Staff and the Planning and Community Development Director will evaluate available funding as well as the Admin workload, scope of work and staffing assignments. This evaluation will produce an estimate of staffing needed including an estimate of each Admin staff member's time dedicated to HUD Programs. These estimates will be noted on the employee's action form and transmittal to the City Payroll Department for the affected employee. Compensation (including salary and benefits, if eligible) will be charged accordingly to the Admin account based on actual time spent performing eligible activities.
2. All employees whose compensation is charged to Admin will maintain bi-weekly timecards documenting the number of hours charged to various programs. Time cards will represent an after-the-fact distribution of the actual activity of each employee and will account for the total activity for which the employee is compensated. Time cards will be signed by the employee and approved by their Supervisor.
3. Admin staff will conduct a quarterly reconciliation to confirm that employee time cards are consistent with actual time charged to HUD-funded programs. If inconsistencies are found, the costs charged to HUD-funded programs will be adjusted.

Procedures for Allocating and Documenting Personnel Costs Charged to HRGP Account

1. Personnel costs charged to the HRGP will follow Section 200.430, of 2 CFR 200 (including CFDA 14.218 Part III)

2. Prior to the beginning of the fiscal year, City of Montebello staff and the Planning and Community Development Director will evaluate available funding as well as the Rehab work loan, scope of work and staffing assignments. This evaluation will produce an estimate of staffing needed including an estimate of each Rehab staff member's time dedicated to Rehab activities. These estimates factors will be noted on the employee's action form and transmittal to the City Payroll Department for the affected employee. Compensation (including salary and benefits) will be charged accordingly to the HRGP account based on actual time spent performing eligible activities.
3. All employees whose compensation is charged to HRGP will maintain bi-weekly timecards documenting the number of hours charged to various programs. Time cards will represent an after-the-fact distribution of the actual activity of each employee and will account for the total activity for which the employee is compensated. Time cards will be signed by the employee and approved by their Supervisor.
4. HRGP staff will conduct a quarterly reconciliation to confirm that employee time cards are consistent with actual time charged to HRGP. If inconsistencies are found, the costs charged to HUD-HRGP will be adjusted.

Process for Approval of Reimbursement Requests for Consultant Services

Based on the terms of the written agreement with the contractor, city staff reviews reimbursement requests for allowability, eligibility, and reasonableness. All reimbursement requests by the contractor shall include a summary detailing expenses and the amount being charged to the City's HUD programs.

The table below outlines what supporting documentation must accompany reimbursement requests.

COST ITEM	SUPPORTING DOCUMENTS
Salaries	Requests for reimbursement shall include a summary of the position(s) billed to the contract, the dates that services were provided, total number of hours billed by each position per day, and the hourly billing rate of each position charged to the City of Montebello activity.
Materials and Supplies	Copies of invoices/receipts
Other expenses	Copies of invoices/receipts/billing statements

Process for Approval of Payments and Reimbursement Requests

Step	Department	Person/Position
Project Set Up		
AAP Approved	Administration	City Council
Agreements Executed	Administration	City Manager
PO established	Planning & Community Dev	Housing Manager
Payment and Reimbursement Process		
Invoice intake	Finance	Account Payable (under direction of Deputy Director of Finance)
Invoice Review for eligibility	Planning & Community Development	Housing Manager
Invoice Approved – Signature	Planning & Community Development	Planning & Community Development Director
Updated in New World System (PO/Acct number assigned)	Planning & Community Development	Housing Manager
Signed Invoice back to Finance	Finance	Accounts Payable
Check Run and Mailed	Finance	Accounts Payable
Warrant Register Approved	Administration	City Council

FINANCIAL REPORTING

In addition to the budgeting, payment processing, and oversight actions described in other sections, the City will undertake the following actions to ensure accurate, current, and complete disclosure of the financial results of HUD-assisted activities in accordance with the financial reporting requirements of the CDBG and HOME Programs.

FFATA Reports

At the end of each month, the Deputy Finance Director will report on all awards in excess of \$25,000 using the FFATA subaward reporting system (FSRS) in order to comply with the Federal Funding Accountability and Transparency Act of 2006. For guidance on data entry, refer to the guidance material on www.onecpd.info entitled “FFATA Subaward Reporting System Webinar for CDBG Grantees”.

Open Balance Review

On a quarterly basis, the Planning and Community Development Director, Housing Manager and Deputy Finance Director will review the Annual Expenditure Work Plan with IDIS PR 08 to identify slow moving projects. The review will include an assessment of the project’s progress and its effectiveness of meeting its objectives. If a project is not on schedule or not effective, staff will develop a workplan and timeline for corrective actions.

Monthly Reconciliation

At the close of each month, the Deputy Finance Director will work with the Housing Manager to reconcile General Ledger expenditures and IDIS drawdowns for all HUD accounts. The information in IDIS, the PR07 Drawdown by Voucher Number, will also be compared to the local Project Report to ensure the IDIS system accurately reflects expenditures and cash balances. All discrepancies will be reported directly to the Finance Director and Planning and Community Development Director who will jointly oversee corrective action.

Federal Cash Transactions Report

Semi-annually, the Housing Manager will prepare and submit the Federal Cash Transactions Report SF-425. The Grant Administrator will take the following steps to reconcile IDIS with the City’s local internal financial records:

STEP 1: DETERMINE DRAWS PER IDIS

1. From IDIS, generate the **PR07 Drawdown by Voucher Number Submitted to LOCCS**. Limit the report to the time period in question (i.e. Initial Date: 01/01/2014 and End Date: 06/30/2014 for Q2 of 2014).

2. Import the report into Excel.
3. Filter the report to show Entitlement Draws (EN Fund Type) with a Complete Status.
4. Verify the total amount of Entitlement funds drawn during the quarter by totaling all line items. This is the amount to enter on Line 10a. Cash Receipts of the SF-425.
5. If it is requested by the local HUD field office, the Federal Financial Report attachment can be used to report the amount disbursed from each grant allocation. Sort the PR07 report by the Grant Number field to determine the amount disbursed from each allocation.

STEP 2: DETERMINE EXPENDITURES PER LOCAL SYSTEM

1. From City's Accounting System, generate the **Accounts Payable Invoice Report** for the CDBG Fund. When selecting the date range, include the three months prior to the quarter in question. The City works on a reimbursement basis, meaning a draw that occurred in the current quarter may have been paid in the previous quarter.
2. For each drawdown listed on the PR07, identify the corresponding record on the Accounts Payable Invoice Report and initial the line item. Please note that it will not always be a one to one relationship. One IDIS draw could represent several claims and vice versa. To help with the identification process, reference the Voucher for IDIS Drawdown forms processed during the quarter.
3. Verify that each draw has a corresponding claim. If so, enter the same amount from 10a. on line 10b. of the SF-425 report and enter 0 on line 10c. If there is a discrepancy, report the matter to the the Finance Director for correction.

STEP 3: FILING

1. Complete the remainder of the SF-425 Report and submit it to the local HUD Field Office within 15 days of the close of the quarter.
2. Maintain a copy of the completed and signed SF-425 Report, the PR07 Report, the Accounts Payable Invoice Report, and any notes or related correspondence in a folder labeled Federal Financial Reports.

Schedule of Federal Expenditures

The Finance Department is responsible for preparing, based on information provided by the Community Development Department, the Schedule of Federal Expenditures (SEFA) as part of the annual auditing process. Regarding HOME, the following procedures will be followed to ensure that the SEFA is reconciled:

1. Department of Finance staff will prepare the SEFA in preparation for the annual audit. Expenditures shall be determined using the following guidelines:
 - a. Use the same accounting basis as the City's Financial Statements.
 - b. Include all expenditures of federal awards for the year, including but not limited to

- i. transactions associated with grants, cost-reimbursement contracts, cooperative agreements, and direct appropriations;
 - ii. federal awards received directly from a federal agency and indirectly from a state agency;
 - iii. disbursement of funds passed through to sub-recipients;
 - iv. receipt of loan proceeds under loan and loan guarantee programs; receipt of federal property and surplus property;
 - v. receipt and use of program income.
 - c. List all financial assistance from the same federal agency together on the schedule.
 - d. Within each federal agency section, list all direct awards first followed by indirect awards.
 - e. Provide subtotals for programs with the same Catalog of Federal Domestic Assistance (CFDA) number.
 - f. Provide subtotals for assistance received directly and assistance received indirectly.
 - g. Provide a total for each federal agency.
2. Deputy Finance Director will provide any and all underlying records, claims, and vouchers needed to verify HOME expenditures and draws.
 3. Director of Finance or his designee will review the draft SEFA for:
 - a. reported expenditures against information from the Eden system;
 - b. the correct CDFA and agency information is provided, including identification of pass-through entities.
 - c. that the draft version presents the minimum data elements required by 2 CFR 200 Subpart F.
 4. Director of Finance will provide the draft SEFA to the outside auditing firm for review.
 5. Director of Finance will work with staff and outside auditing firm to address any errors, omissions or weaknesses.

Program Income

Drawdowns of funds through IDIS will occur at least monthly. It is anticipated that monthly IDIS drawdowns of expenditures will greatly exceed monthly program income. Interest earnings on program income that are not offset by monthly expenditures will be credited to the appropriate program.

There are currently two sources of HOME program income.

Program income from the previous HOME Loan program. The loan servicer receives loan repayments and creates a monthly report to the City. The repayments are forwarded to the City and deposited into different accounts used for loan repayments. As described above, this program income is drawn down first when funds are drawn down for any appropriate activity.

Program income from housing activity. A few housing development projects received funds and loan repayments are made when there is surplus cash or residual receipts at the end of the year, as evidenced by the developments' annual financial audits. The amount of program income is determined by the loan terms indicated in the promissory note or appropriate funding agreement. The Planning and Community Development Director records the loan repayment and forwards it to Finance to deposit. As above, the program income is drawn down first when funds are drawn down for any appropriately funded activity.

Reimbursement Process in IDIS

The City will adhere to the following procedure to pay HOME-related claims monthly:

- Within IDIS, the Accountant creates program income receipts based on monies received since the last drawdown
- Accountant reconciles Invoice Report with Draw Schedule and alerts the Finance Department to any discrepancies
- Within IDIS, the Housing Manager will create IDIS draw voucher based on the actual expenditures incurred by the City. Once the drawdown voucher is created, the Housing Manager will print a screenshot of the voucher creation screen from IDIS, record the Voucher Number on the Departmental Budget, and alert the Finance Department that the drawdown is ready for approval
- Finance Director approves drawdown voucher in IDIS. Funds will wire transfer to City designated account in two to three business days
- Upon receipt of wire transfer from the U.S. Treasury, the Finance Department Accountant will alert the Finance Director of receipt by forwarding the report with the HOME disbursements identified. The General Fund will be reimbursed for the HOME costs that were advanced

TIMELINESS REVIEW

On a monthly basis, the Housing Manager will generate and review with Finance Director, the CDBG Timeliness Report and evaluate the timeliness of HOME expenditures.

Internal Controls

The City of Montebello internal controls include a combination of procedures, specified job responsibilities, qualified personnel, and records that together create accountability in an organization's financial system and safeguard its cash, property, and other assets. The City's internal controls make sure that:

1. Resources are used for authorized purposes and in a manner consistent with applicable laws, regulations, and policies,
2. Resources are protected against waste, mismanagement, or loss, and
3. Reliable information on source, amount, and use of resources are secured up-to-date, and recorded.

Additionally, internal controls will ensure that no single individual has authority of an entire financial transaction.

Specifically, that the City has a separation of power for the following three responsibilities:

1. Authorization to execute a transaction,
2. Recording of the transaction, and
3. Custody of assets involved in the transaction. This type of separation of responsibilities will create a system of checks and balances for grant and general organization expenditures.
4. The City will periodically reconcile its financial records to actual assets and liabilities which will safeguard resources as well as detect instances of fraud or misuse.

Record-Keeping

OVERVIEW

The HOME Program has recordkeeping and reporting requirements to document that HOME funds are used appropriately and that HOME Program objectives are being met.

Under the HOME Program regulations, the City of Montebello is required to meet certain record-keeping and reporting requirements that are designed to:

- a. Ensure consistency with HOME program requirements;
- b. Clarify the record retention periods; and
- c. Include new records that exercise any of the three new options allowed in the Final Rule (i.e., multi-family refinancing, presumption of affordability for homebuyer assistance, and locally-established 95 percent of area median purchase price limits).

PROCEDURE

1. The City of Montebello will maintain records that include:
 - a. Program records;
 - b. Project records;
 - c. CHDO records;
 - d. Financial records;
 - e. Program administration records; and
 - f. Records concerning other Federal requirements.

2. Maintain PROGRAM RECORDS that include:

- a. Written agreement with the City of Montebello and documentation of compliance with the written agreement;
- b. A copy of the application originally submitted to the City of Montebello;
- c. Forms of assistance used;
- d. Procedures for establishing 95 percent of median value;

3. Maintain Project Records that include:

- a. Location (with a map),
- b. Form of assistance,
- c. Number and identification of units or tenants associated with HOME.
- d. Source and application of funds;
- e. Compliance with maximum per-unit subsidy limits and subsidy layering guidelines;
- f. Compliance with property standards and lead-based paint requirements;
- g. Compliance with income-eligibility requirements;
- h. For rental projects, compliance with income targeting, affordability and lease requirements;
- i. If multi-family or single-family refinancing is provided, compliance with established guidelines and/or requirements;
- j. If multi-family new construction, results of the site and neighborhood standards review conducted;
- k. For homeownership projects, compliance with maximum property value and affordability requirements; and
- l. If pre-award costs, compliance with applicable requirements.

4. Maintain CHDO records that include:

- a. Written agreement with the City of Montebello;

- b. Documentation of qualification as a CHDO, including:
 - i. Documentation of nonprofit status;
 - ii. Current board list that identifies low-income representation;
 - iii. Documentation of low-income community input (e.g. minutes from community meeting);
 - iv. Documentation of organizational capacity (e.g. resumes of staff members);
- c. Documentation of uses of CHDO set-aside funds, including funds for capacity-building (if applicable); and
- d. Current project descriptions.

5. Maintain Financial Records that include:

- a. Source and application of funds;
- b. Treasury and local HOME accounts;
- c. Source and application of program income, repayments and recaptured funds; and
- d. Budget control measures, including periodic account reconciliations.

6. Maintain Program Administration Records that include:

- a. Compliance with written agreements;
- b. Compliance with applicable uniform administrative requirements; and
- c. Inspections, monitoring reviews and audits, and resolution of any findings or concerns.

7. Maintain Documentation Records that include:

- a. Equal opportunity and fair housing;
- b. Affirmative marketing and minority/women's business outreach;
- c. Environmental review;
- d. Acquisition, relocation, displacement, and replacement of housing;
- e. Labor standards;

- f. Lead-based paint;
- g. Conflict-of-interest; and
- h. Debarment and suspension.

8. **RETAIN RECORDS** FOR a period is five (5) years including:

a. **Housing Rehabilitation:**

- i. General records must be kept for five years after project completion

b. **Rental:** For rental housing records:

- i. General records must be kept for five years after project completion; and
- ii. Tenant income, rent and inspection information must be kept for the most recent five years, until five years after the affordability period ends.

c. **Homeownership:** Homeownership records must be kept for:

- i. Five years after project completion; and
- ii. For resale/recapture records, five years after the affordability period ends.

d. **Written agreements:** Generally, all written agreements must be maintained for five years after the agreement ends.

e. **Displacement and acquisition:** Displacement and acquisition records must be kept for five years after final payment to displacees.

9. **ACCESS TO RECORDS**

- a. Provide citizens and other interested parties with reasonable access to records. Access will be consistent with applicable state and local laws regarding privacy and obligations of confidentiality.
- b. Provide citizens, public agencies and other interested parties with reasonable and timely access to information and records relating to the City's Consolidated Plan and the use of assistance under the programs covered by the Consolidated Plan.
- c. Provide access to HUD and the Comptroller General of the United States, or any of their representatives, to any records for auditing, excerpt, or transcript purposes.

Reporting Requirements

OVERVIEW

HOME Program regulations require the City of Montebello to submit an annual report, called the Consolidated Annual Performance and Evaluation Report (CAPER), to HUD within 90 days of the close of City's program year. This is in accordance with the Consolidated Plan regulations at 24 CFR Part 91. The CAPER incorporates not only HOME Program information, but also the reporting requirements for the Community Development Block Grant (CDBG) program.

1. The City of Montebello HOME Program is required to meet certain reporting requirements, which are outlined below, in order to support the City in meeting its annual HOME Program reporting requirements.
2. The CAPER must include:
 - a. A summary of resources and programmatic accomplishments; and
 - b. The status of actions taken during the year to implement the overall strategy, which includes a self-evaluation of progress during the past year in addressing priority needs and specific objectives.

PROCEDURE

1. The HOME Program Consultant or Community Development Staff will complete a Semi-Annual Status Report as well as Project Set Up and Completion Reports for all projects.
2. The HOME Program Consultant or Community Development Staff will complete a Semi-Annual Status Report for all open projects. This report will include, at a minimum, the following sections:
 - a. Narrative. A narrative section outlining project milestones achieved;
 - b. Funding. A funding status update including all draws; and
 - c. Issues/Concerns. The report should outline any issues or concerns that may require the assistance.
3. The HOME Program Consultant or Community Development Staff will complete a Project Setup and Completion Form with request for retainage payment. The forms used differ by activity (Homeowner Rehab, Rental, and/or Homebuyer).
4. The HOME Program Consultant or Community Development Staff will enter the data into the IDIS system and report completed projects to HUD.

Monitoring

OVERVIEW

To meet reporting requirements, the City must monitor its HOME Program activities for compliance and document the results.

PROCEDURE

The HOME Program Consultant or Community Development Staff will maintain and implement the following:

1. Maintain monitoring reports in each project file.
2. Monitor the HOME Program based on the individual activity.
 - a. Owner Occupied Projects (Homeowner Rehabilitation and Homebuyer (if applicable): the City's loan service provider will monitor owner occupied projects for principal residency throughout the affordability period.
 - b. Rental Projects (if applicable): the City will monitor rental projects for the following factors:
 - i. Occupancy (income requirements);
 - ii. HOME Rents; and
 - iii. Property standards (units must meet HQS.)
 - iv. Rental property owners must submit an annual Rental Compliance Report to the City to be reviewed.
 - c. For rental projects, on-site inspections of HOME properties will occur according to the total number of units in a project as follows:
 - i. 1-4 units – every 3 years
 - ii. 5-25 units – every 2 years
 - iii. 26 or more units – annually
 - d. Sampling Units: large projects only require a sufficient sample to be inspected annually, at least 15-20% of the HOME-assisted units in a project and a minimum of one unit in every building.

HOME PROGRAM RISK ANALYSIS, MONITORING PROCESS, AND PLAN

The Risk Analysis and Monitoring Process

It is the policy of the City of Montebello HOME Program to monitor all HOME-projects for risk analysis, program compliance, and long-term sustainability. The City's Monitoring plan will address three HOME components:

1. The structures and infrastructures financed with HOME funds;
2. The actual beneficiaries of HOME program expenditures; and
3. The actual documentation that describes the actions and intentions of program participants (whether subrecipient, developer, or contractor).

PROCEDURE

The City's Monitoring Procedure will include the review of three general areas:

1. Administrative and Financial Monitoring
This monitoring will address program compliance and cross-cutting requirements;
2. Program Monitoring
This monitoring will address overall HOME program performance;
3. Project Monitoring
This monitoring will address specific HOME project compliance.

The goal of the City's monitoring process is to conduct a risk analysis to determine which program areas and specific HOME-funded projects should receive intensive monitoring in a given year. While attention will be paid to "higher risk" projects, the HOME Program will, at a minimum, conduct a "desk monitoring review" of all funded HOME projects on an annual basis.

To the greatest degree possible, the City's monitoring checklists will incorporate the questions and concerns outlined in the CPD Monitoring Handbook 6509.2, Rev-6, Chapter 7 Program exhibits on the following page:

CPD Monitoring Handbook 6509.2, Rev-6, Chapter 7:

Exhibit 7 - 1	HOME Participating Jurisdiction Pre-Monitoring Information Sheet
Exhibit 7 - 2	Guide for Review of Overall Management Systems
Exhibit 7 - 3	Guide for Review of Homeowner Rehabilitation Projects
Exhibit 7 - 4	Guide for Review of Homeowner Rehabilitation Programs
Exhibit 7 - 5	Guide for Review of Homebuyer Projects
Exhibit 7 - 6	Guide for Review of Homebuyer Programs
Exhibit 7 - 7	Guide for Review of Rental Projects
Exhibit 7 - 8	Guide for Review of Rental Programs
Exhibit 7 - 11	Guide for Review of Community Housing Development Organization (CHDO) Qualifications and Activities
Exhibit 7 - 12	12 Guide for Review of Community Housing and Development Organization (CHDO) Procedures
Exhibit 7 - 13	Guide for Review of Match Requirements

Exhibit 7 - 14	Guide for Review of Beneficiary Written Agreements
Exhibit 7 - 15	Guide for Review of Contractor Written Agreements
Exhibit 7 - 16	Guide for Review of Owner, Developer, Sponsor Written Agreements
Exhibit 7 - 17	Guide for Review of State Recipient Written Agreements
Exhibit 7 - 18	Guide for Review of Subrecipient Written Agreements
Exhibit 7 - 19	Guide for Review of Subrecipient Management
Exhibit 7 - 20	Guide for Review of Financial Management Attachment: Attachment to Exhibit 7-20 Reviewer's Guide for Financial Management Review of HOME Participating Jurisdictions (PJs)
Exhibit 7 - 21	Guide for Review of Cost Allowability
Exhibit 7 - 22	Guide for Review of Procurement
Exhibit 7 - 23	Guide for Review of Equipment and Equipment Disposition

PROCEDURE

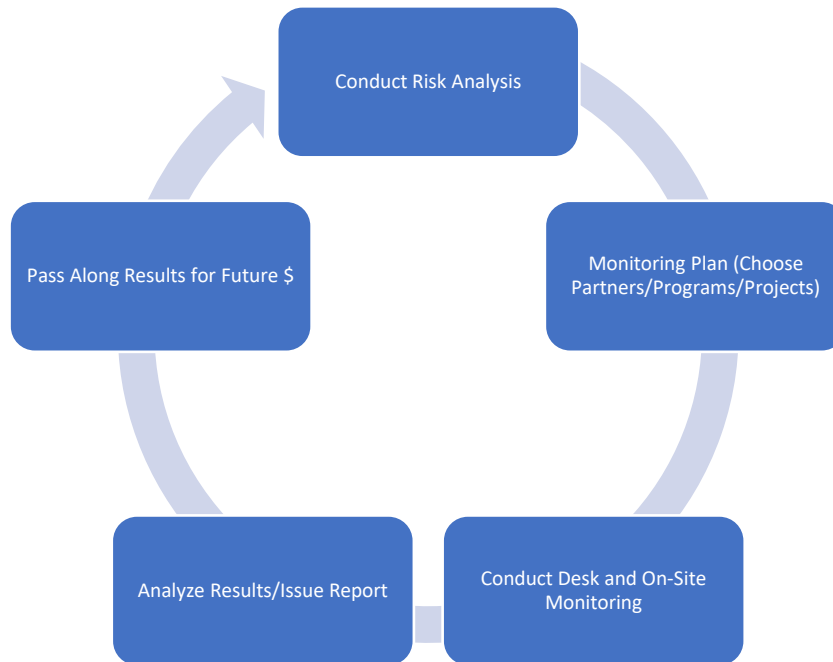
Note: While the City of Montebello does not operate all HOME program activities, they are listed here in the possibility that the City of Montebello may decide to operate such in the future.

A. Timing of HOME Monitoring

It is the policy of City of Montebello to conduct HOME monitoring as an ongoing process. The City will conduct on-going monitoring in three phases:

1. Initial review, analysis, and feasibility of project eligibility during threshold reviews
2. Monitoring during project development , implementation and operation
3. Monitoring for long-term sustainability and project completion

The on-going monitoring process is outlined in the following graphic:



B. Monitoring Objectives

C. At a minimum, the objectives of the City’s HOME Monitoring process will include the following:

1. Identify and track HOME program and project results;
2. Identify technical assistance needs for HOME, Subrecipient, developer and contractor staff;
3. Ensuring timely and appropriate expenditures of HOME funds;
4. Documenting compliance with all HOME and federal cross-cutting requirements;
5. Guaranteeing that federal funds are spent on eligible, allowable, and allocable costs; and
6. Making programmatic changes as necessary to safeguard the HOME program for the future.

It is the policy of City of Montebello to guarantee that all HOME program participants, whether Subrecipients, developers, contractors, or other HOME-funded entities, will comply with all HOME monitoring policies and objectives.

D. Risk Assessment Process

The City of Montebello monitoring process is based on risk analysis that attempts to quantify certain factors that can diminish the productivity and compliance of a funded HOME activity. To determine the relative risk of a specific HOME funded

activity, the City of Montebello will use the following HOME Risk factors to help determine those HOME projects and activities that receive both immediate monitoring preference (including on-site visit, greater than normal staff attention) and possible program interventions.

E. HOME Risk Assessment Criteria, City of Montebello

The City of Montebello has adopted the following criteria to be used in determining the relative risk of a HOME project or activity is found on the following page.

Subrecipient/Developer or Project Name		Date:		
Risk Factor	Type of Risk Factor	Risk Criteria		Comments
Project Complexity	Type of Program	Homeowner Rehab		
		Rental		
		CHDO-set-aside		
		Other (Specify)		
	Number of units	How many?		
	Number of beneficiaries	How many?		
	Multi-year project	Yes or No?		
	Multi-financed project	HOME only?		
		# of lenders:		
Capacity of Subrecipient or Developer	Project staff turnover	Last year?		
	Past staff HOME experience	List projects		
	Projects completed	Number _____		
	Current awards	\$ _____		
	Project Completion	Est. date _____		
	Meeting all timelines	Yes or No?		
	Spending timeliness	Yes or No?		
	Changes in organization	Within last year?		
Project Capacity	Amount of contract	\$ _____		
	Duration of contract	# days: _____		
	Development Team findings	Outstanding findings?		
Documentation	Timely Reports	Any outstanding?		
	Audit submissions	Always timely?		
		Any audit findings?		
	Project documentation	Documents missing?		
	Regulatory compliance	Outstanding issues?		
Other Concerns	Regulatory Knowledge	Yes or no?		
	Outstanding issues	Yes or no?		
	Beneficiary complaints	Yes or no?		
	General Comments	Yes or no?		

EXHIBIT 14 - HOME Project Risk Assessment**F. Monitoring Schedule and Strategy**

Based on the risk analysis factors outlined above, the City will conduct HOME monitoring in the following manner:

DESK REVIEWS are conducted throughout the program year as reimbursement requests are submitted and quarterly when status reports are submitted. Desk reviews will include an analysis of all submitted reports, IDIS reports, draw requests and invoices and the risk factors outlined below. When desk reviews trigger “high risk” projects, the City will schedule on-site monitoring. A desk review should pay particular attention to the HOME application and executed HOME written agreement.

ON-SITE MONITORING will involve a site visit to the project to conduct an on-site document review and a physical assessment of any structural expenditure paid for with HOME funds at commencement of construction, completion of project, or when warranted by risk assessment. The on-site monitoring process will include the following steps and sample formats for letters of notification may be found in Exhibit A.

PRE-SITE VISIT PREPARATION is prepared by HOME staff for the on-site visit by reviewing the following in-house information:

- a. HOME funding application
 - b. HOME written agreement
 - c. HOME progress reports
 - d. Draw requests and supporting documentation
 - e. IDIS reports
 - f. Any HOME project correspondence
 - g. Any previous monitoring reports
 - h. The most recently submitted financial audits
1. Pre-Visit Letter prepared by the HOME staff to the project staff outlining the date, agenda, information to be available, staff to be accessible, and any specific areas that the staff plans to monitor on-site.
 2. Monitoring Checklist will be provided by the HOME staff will provide the appropriate project monitoring checklists from Exhibit 16, which will be utilized during the site visit. As necessary, HOME staff will use exhibits from the CPD Monitoring Handbook, Exhibit 7, HOME Program.

3. Conducting the Monitoring Visit

At a minimum, the on-site monitoring visit will consist of the following steps:

1. Entrance conference: to reiterate the purpose and goals of the visit
2. On-site data documentation and research
3. Visits with staff and beneficiaries
4. Exit conference: to present preliminary conclusions and “next steps”

4. Post-site Visit Follow-up

Within two weeks of the exit interview, the HOME monitor will follow-up with the monitoring visit with a follow-up letter that outlines:

- a. Projects monitored
- b. Monitoring staff who conducted the visit
- c. Date(s) of the monitoring visit
- d. List of documents reviewed
- e. List of individuals interviewed
- f. Any conclusions reached from the visit
- g. Strengths and weaknesses of the project
- h. Any specific areas of non-compliance or findings
- i. Suggested corrective actions to “cure” any findings

5. Corrective Actions (if necessary)

The HOME Monitor will establish a date specific for a response to the monitoring letter, for all corrective actions to be completed, and for the City to respond to the corrective actions.

6. Subsequent Follow-up

The City reserves the right to revisit the project to determine compliance and when corrective actions are not undertaken, to use any and all remedies outlined in the HOME written agreement and HUD rules and regulations to enforce compliance.

In the final analysis, the results of City HOME monitoring will be a factor in determining funding in future year’s HOME competition for funding.

EXHIBIT 15 – Sample Monitoring Visit Letters

NOTICE TO SUBRECIPIENT OR DEVELOPER OF COMPLIANCE REVIEW

(Date)

John Doe
35 Street Road
City of Montebello, CA

Dear Mr./Ms. Doe:

Subject: Compliance Review HOME Program

We are planning to conduct a compliance review of your HOME project. This review will cover all aspects of your project administration and operations.

The review will take place on _____, _____, 20____, at _____a.m. The review will be conducted by _____, our HOME Housing Managers.

It would be appreciated if you and members of your staff could give _____ whatever assistance is required to conduct the review. Should timing or scheduling pose a problem, however, _____ can be contacted by calling _____

Sincerely,

Housing Manager

cc: Joe Palombi
Director of Planning and Community Development
City of Montebello

SAMPLE COMPLIANCE REVIEW

(Date)

John Doe
35 Street Road
City of Montebello, California

Dear Mr./Ms. Doe:

Subject: Compliance Review HOME Program

Reference is made to our letter of _____, in which we requested your assistance in our review of compliance under your HOME program. As a result of our review, we have noted the following items which we feel should be brought to your attention. These items are based on our review of _____ projects.

- A. Projected Analysis
- B. Major Findings

Our review of _____ projects has revealed the following major problems:

- designated corrective action

Should you have any questions concerning our review, please contact _____,
_____ at (____)_____.

Sincerely,

Housing Manager

cc: Joe Palombi
Director of Planning and Community Development
City of Montebello

EXHIBIT 16 – Monitoring Checklists

Questions to be asked/answered:	Yes/No/ Not Applicable /Not Reviewed	Information Source	Comments (Attached)
1. Design program, establish goals and objectives, establish eligibility criteria, and identify tasks to be accomplished.			
2. Establishment of program files including:			
a. Contract file			
b. Equal opportunity file			
c. Applicant file			
d. Service recipient file (clients)			
e. Financial file (audit, HOME funds by year, ESPR's etc.) Files for other funding sources, expenditures.			
f. Quarterly Status Report files			
g. Correspondence file			
h. City Information Memo to Subrecipients (CIMS) file			
i. Monitoring file			
3. Solicitation for clients			
4. Program delivery			
5. Have the types of assistance/services to be provided been identified?			
6. Has a target area been established?			
7. Is there a standardized applicant selection process?			
8. Does the organization maintain records on recipients to include data on ethnicity, female head of household?			
9. Have applicant eligibility criteria been established using HUD income levels? Other criteria?			
10. Does the organization require a certification of income eligibility?			
11. Other:			

CONSTRUCTION/PUBLIC IMPROVEMENTS CHECKLIST

Questions to be asked/answered:	Yes/No/Not Applicable	Comments
<u>Architectural and/or Engineering (A/E)</u> A/E solicitation - RFP, solicitation letter or notice - Statement of required qualifications - Ensure professional's eligibility		
Are the following documents on file: - Selection criteria document and/or selection procedure - Acceptable review of proposals/qualifications		
Contract provisions - General administrative provisions - Scope of services - Method of compensation - Federal compliance standards provisions		
A/E Documents - Executed A/E contract - Verification of Qualifications - Records of payments and supporting documentation - Contract amendments, if any - Correspondence		
<u>Bid Document and Bid procedural documents</u> Copy of bid document on file?		
Bid document contents: Technical bid specifications Copy of applicable Federal Wage Determination Schedule Section 3 requirements and form		
Procedural documents on file Copy of Invitation to bid (or advertisement) on file? Letter of Bid Opening Letter of Award or Notice to Proceed		
<u>Pre-Construction Conference:</u> Was a pre-construction conference held? Date? Attendance list (sign-in sheet)? Minutes of the pre-construction conference?		
<u>Construction Contract:</u> Is there an executed contract in the file (with signed certifications)?		
Contract contents Specification documents (could be Bid Package)		

HUD 4010 "Federal Labor Standards Provisions" Applicable DOL Federal Wage Determination Schedule (or reference)		
Contract contents (continued) - Records retention clause - Contract termination clause - Cost information - Timetable including payment schedule - Bonds (Performance, Labor/Materials, etc.) - Insurance - Change order policy		
<u>Prime Contractor Documents</u> Are the following Prime Contractor items on file? - Prime Contractor's eligibility (verification) - Contractor's authorization form on file for payroll signature? - "Certification of Understanding and Authorization" for unauthorized persons to sign payrolls - Applicable Federal Wage Decisions (if any) Form HUD-4230A - "Report of Additional Classification and Rate" (if any) - Certification for Applicable Fringe Benefit Payments for non-State/Federal deductions" ("Other", if any) signed by employee - Section 3 Reports		
Payroll Documents: - Form WH-347 "Certified Payrolls" on file - Form WH-348 "Statement of Compliance" (signed) - Are the payrolls numbered? - Is there evidence of staff review and initials?		
Do the payrolls include: - Name - Address (required on first payroll only) - Social Security Number (required on first payroll only) - Correct classification - Hourly rates of wages paid - Daily and weekly number of hours worked - Deductions made - Actual wages paid		

Is there a correspondence file containing wage dispute information, violations, and wage restitution?		
<u>Apprentices</u> Are all apprentices' part of a registered apprentice/trainee program verified by documentation?		
Do the apprentice/trainee ratios and wage rates comply with programs?		
<u>Employee interviews</u> Were employee interviews conducted? Are Form HUD-11 "Employee Interview" on file? Are forms complete? Were sufficient employee interviews conducted? (One per sub-contractor; 10% of classification, etc., which are representative of trades and workers.)		
<u>Job site inspections</u> Are there records of job site inspections for required signage, i.e., EEO posters, wage determination, etc.? Pictures of job site verifying signage and posters?		
<u>Project Documents:</u> Change Orders: - Are copies of all change orders on file? - Are change order approval letters on file (or evidence of approval)?		
Construction management documents: - Payment records? - Proof of payment (copies of checks, etc.)? - Milestone records? - Notice of completion?		
Project Completion documents: - Final Inspection and Acceptance - Completion of Compliance Files - Close-out Procedures (if any) - Completion Letter to HUD		

ENVIRONMENTAL CHECKLIST

Questions to be asked/answered:	Yes/No/Not Applicable/ Not Reviewed	Information Source	Comments (Attached)
Is the project in compliance with federal labor standards provisions?			
Have environmental reviews been cleared?			
Has the City and HUD issued formal approval to proceed?			
Is there evidence of compliance with CEQA?			
Is the project consistent with Citywide environmental goals?			
Has the project been reviewed for: - Categorical exclusion? - Applicability of prior environmental reviews?			
Does the environmental review process include: - Assessment of project environmental effects? - Assessment of cumulative impacts? - Assessment of mitigations? - Implementation decisions? - Follow-up monitoring and inspection?			
Does the file contain: - A notice of release of funds? - A request for release of funds and certification? - State and local environmental analysis and reports?			
Is there evidence of compliance with NEPA?			

FINANCIAL/ACCOUNTING CHECKLIST

Questions to be asked/answered:	Yes/No/ Not Applicable /Not Reviewed	Information Source	Comments (Attached)
Does the organization operate on a basis of: - Cash - Accrual			
Does the organization maintain: - A double entry accounting system? - A general ledger? A cash receipts journal? - A cash disbursements journal? - A payroll ledger?			
In the cash journal, is the following included: - Date? - Receipt number: - Cash debit columns? - Income credit columns?			
Do income credit columns (above) identify: - Organization/city payments? - Contributions? - Other income? - Description?			
In cash disbursements journal, is the following included: - Date? - Check number? - Cash (credit) column? - Expense account name? - Description?			
Does the General Ledger include: - Assets? - Liabilities? - Fund balances? - Expenditures? - Revenues?			
Does the Payroll Ledger include: - Name? - Position?			

- Social Security Number?			
- Payment records, including: Accrual period? Gross pay? Itemized deductions? Check number?			
Does Petty Cash include: - Record of disbursements? - Supporting receipts?			
Are checks filed numerically?			
Are invoices filed by date?			
Are invoices filed by vendor name?			
Are vouchers filed numerically?			
Are timecards filed by date?			
Are timecards filed alphabetically?			
Are purchase orders on file?			
Are ESPRs on file?			
Are encumbrances/obligations recorded against HOME funds?			
Do the following seem reasonable and necessary: - Salaries and related costs? - Administrative services? - Contracts? - Travel expenditures? - Other administrative costs?			
Is there program income?			
If program income, is there evidence of: - Revenue accounts? - Revenue procedures?			
Is program income in accordance with contract?			
Are any and all advances maintained in interest-bearing accounts?			
Do financial records allow for the following kinds of disclosure of financial results: - Current? - Accurate? - Complete?			
Is there effective control over funds?			
Is there effective accountability for funds?			
Are costs exceeding the budget?			
What procedures are used to allow changes to the original budget?			

How effective are the financial management systems?			
Is there fiscal integrity of all financial transactions?			
Is there a procedure to ensure the timely and appropriate response to and resolution of audit findings?			
Is there analysis of and explanation for cost overruns?			
Is there analysis of and explanation for high unit costs?			
Is there a need for change in the budget estimates?			
FOR PROJECT ACCOUNTS ONLY: - Are separate account numbers maintained for each project activity? - Can project costs be broken out on a line item basis? - Can budget line items be compared against incurred cost?			
Are there regular financial status reports?			
Are there appropriate controls for accountability?			
Is there an approved budget for the project?			
Is there reconciliation of financial data and quarterly status reports?			
Is there program income?			
Is there evidence of internal monitoring?			
Is source documentation collected prior to any disbursements?			
Are independent audits conducted?			

IDENTIFICATION OF GOALS/ELIGIBILITY CHECKLIST

Questions to be asked/answered:	Yes/No/ Not Applicable /Not Reviewed	Information Source	Comments (Attached)
Has the organization identified: - A scope of services? - The number of people to be served? - The time period in which the project is to be completed? - Its intended client group? - The number and percentage of persons of lower/moderate income?			
What are the measurable goals of this project?			
What are the measurable accomplishments of the project to date?			
What are the reasons for goals not having been met?			
Was a needs assessment conducted?			
How adequate was the project proposal?			
What are the project's strengths?			
What are the project's weaknesses?			
Is there evidence of compliance with HOME primary objectives?			

PROCUREMENT CHECKLIST

Questions to be asked/answered:	Yes/No/ Not Applicable /Not Reviewed	Information Source	Comments (Attached)
Is there an established method for procurement?			
Does the procurement method include: - Small purchases? - Competitive sealed bids? - Competitive negotiation?			
Are there bonding and insurance requirements listed?			
Is there a procedure to encourage contracting with: - Section 3 businesses - Small businesses? - Minority-owned businesses? - Women-owned businesses? - Labor surplus area businesses?			
Is there evidence of affirmative action?			
Have written standards of conduct been established? If yes, has disciplinary action been defined?			
Is there a procedure to avoid conflict of interest?			
Is there a procedure for ensuring no unnecessary or duplicative purchase?			
Is there a clear and accurate description of the technical requirements in all procurement documents?			
In procuring, is there consideration of: - Contractor integrity? - Past performance? - Financial and technical resources? - Price and/or cost analysis? - System for contract administration?			
Are there established requirements for professional services?			
Is maximized competition encouraged?			
Are there complete files on all procurements?			

PROJECT MANAGEMENT CHECKLIST

Questions to be asked/answered:	Yes/No/ Not Applicable /Not Reviewed	Information Source	Comments (Attached)
Has the project schedule been identified?			
Is there appropriate separation of HOME and non-HOME records?			
Is there a procedure for procurement?			
Is there a procedure for contracting?			
Is there maintenance of client files?			
Is the project manager sufficiently involved in the day-to-day operations of the project?			
Is the project in compliance with the following aspects of the contract: - Operating budget? - Scope of service? - Intended beneficiaries - Method of payment? - Performance schedule? - Use of program income?			
Is there any evidence of conflict of interest?			
Have procedures for relocation been developed?			
Have milestones been established?			
Does the organization have insurance coverage?			
Is there a sufficient number of people on staff?			
Does the organization track the project's physical progress?			
Is the organization aware of civil rights requirements?			
Does the organization attend subgrantee meetings?			
What is the organization's capacity to continue to use HOME funds?			
Is there a listing of officers and directors on file?			
Is there a proof of the organization's legal authority?			
Does the organization have a policy on the disposition of HOME-funded property?			
Do the conditions of employment seem adequate?			

Is there compliance with and knowledge of: - Environmental requirements? - Historic preservation? - Hatch Act? - National Flood Insurance Program? - Clean Air Act? - Federal Water Pollution Control Act? - Lead-based Paint Poisoning Prevention Act?			
Is there any evidence for potential delays or adverse conditions?			
What favorable events have occurred throughout this project?			
Is the project manager sufficiently familiar with HUD's basic requirements?			
Are records kept for a minimum of three years?			
Is there evidence of lobbying with HOME funds?			

REHABILITATION CHECKLIST

Questions to be asked/answered:	Yes/No/ Not Applicable /Not Reviewed	Information Source	Comments (Attached)
Rehabilitation Program Administration			
Is the program design and administration adequate?			
Has a contracting process been established?			
Is there a reasonable relationship between workload and staffing? (e.g., 25 cases per person)			
Is there a lump sum agreement in effect?			
Is there a plan for minimizing displacement?			
Is this: - A grant program? - A direct loan program? - A leveraged loan program?			
Are the following tracking system documents maintained: - Property inspection? - Loan processing status? - Approved projects? - Construction status?			

- Record of cases?			
Are the procedures and documentation for ensuring low/mod benefit adequate?			
Is there a clear record of administrative costs?			
Is there compliance with and knowledge of: - Environmental requirements? - Historic preservation? - National Flood Insurance Program? - Lead-based Paint Poisoning Prevention Act?			
Have the following steps been taken: 1) Establishment of goals and objectives? 2) Program design/procedural requirements established: - Eligibility criteria (property, applicant, types of improvements - Maximum grant/loan amount - Contracting requirements 3) Management organization and staffing? 4) Solicitation for clients/preliminary screening of applicants? 5) Work write-ups, cost estimates and selection of recipients? 6) Rehabilitation contracting?			
Individual Rehabilitation Files and Cases			
Do the individual rehabilitation case files include the following: - Case activity log? - Applicant data sheet? - Title/deed? - Income verification? - Property description? - Occupancy data? - Tenure? - Work write-up? - Executed contracts? - Change orders? - Inspection reports? - Payment requests? - Certificate of completion? - Liens and/or waivers?			
Is the following material on file: - Contract package for rehabilitation projects?			

- Notice of acceptance of work? - Release of lien forms? - Evidence of historic preservation data on each property rehabilitated? - Evidence of flood control insurance for each property rehabilitated?			
Code Enforcement Program Checklist			
Is there a Code Enforcement program that coordinates with the Housing Rehabilitation Program?			
How are code enforcement cases identified?			
How are the cases recorded? Categories?			
How are closed cases recorded and reported for HOME?			
What is the staffing for the Code Enforcement Program?			
Does the City have a Code Enforcement program for non-HOME eligible areas? How is it kept separate?			

Integrated Disbursement and Information System (IDIS)

The City of Montebello is required by HUD to use the IDIS system to accomplish two key objectives:

1. To manage and account for disbursements of HOME funds; and
2. To collect, consolidate and report information regarding HOME Program performance.

The City of Montebello will implement the following general IDIS procedures:

1. Complete all HOME Program Set-up forms to ensure that all HOME Program requirements have been met, no work shall begin until all documentation has been executed and a Notice to Proceed is issued by the City of Montebello.
2. Disburse HOME Program funds only when all of the following conditions have been met:
 - a. Required environmental review process has been satisfactorily completed.
 - b. Project closing documents are finalized.

- c. The City has approved the timing of HOME Program fund disbursements (e.g., how the funds will be disbursed: at the beginning of the project or on a prorated basis, or as final funds are disbursed); and
 - d. Disburse funds according to the payment details including timeline for reimbursement outlined in the project closing documents, specifically the HOME Written Agreement.
 - e. Retainage will be released thirty (30) days after the final inspection is approved and upon the City's receipt of pay request and all completion documentation.
- 3. If any HOME Program funded project has an available balance after development completion and release of retainage, City of Montebello will de-obligate those funds and reallocate such balance of HOME Program funds to other eligible activities according to City of Montebello adopted HOME Program allocation process.

CHAPTER 7: OTHER FEDERAL REQUIREMENTS

The Federal requirements addressed in this chapter are non-discrimination and equal access, employment and contracting, environmental requirements, lead-based paint, and relocation.

While the HOME Program has its own regulations, there are additional cross-cutting federal requirements that must be identified and complied with at the appropriate point in project management.

- a. Exhibit 17 presents guidance on the impact of these additional requirements on the HOME project; and
- b. Exhibit 18 describes how the City may demonstrate compliance with applicable requirements.

EXHIBIT 17: Managing A Project Subject to Other Federal Requirements	
Requirement	Impact on the Project
Environmental review of activities	A City cannot commit funds to a project until the appropriate level of environmental review is completed and a Release of Funds is received.
Section 3	Construction contracts of \$200,000 or more must include language regarding best efforts to include businesses and low-income residents in the project area. This applies to the hiring of additional workers and training them, and using project-area suppliers for materials. The City of Montebello may set specific goals based on additional requirements set by HUD that may impact how quickly the project can get under construction.
Women/Minority Business Enterprise	All competitive bidding must include Women and Minority Businesses, including sub-contracts. The City must ensure that these firms have a fair opportunity to participate and current lists of W/MBE firms must be maintained.
Contractor selection	The City must check the website at www.sam.gov to determine if a contractor has been suspended or disbarred before awarding HOME funds to any firm. All building projects in excess of \$100,000 must be designed by a state-licensed architect and all infrastructure projects in excess of \$25,000 must be designed by a state licensed engineer.
Procurement	The City's procurement policies specify bidding requirements for construction, including competitive and formal bidding.
Conflict of interest	The City need be fully aware of parties involved in a contract and seek legal counsel if there is the potential for real or perceived COI.
Equal Employment Opportunity	The City must ensure that all construction contracts over \$10,000 (including sub-contracts) have language prohibiting employment discrimination based on race, color, religion, sex, or national origin.

Lead Safe Housing Requirements (rehab of pre-1978 units)	When there is HOME assistance involving pre-1978 properties, the City must have qualified staff (or hire them for the project) to notify occupants of the hazards of LBP and take the appropriate approach for various activities; qualified staff must be involved in inspections and clearance actions and report preparation.
Cost reasonableness	The City must have qualified cost estimators available to assist in bid preparation and contract awards, as well as reviewing payment requests.
Americans with Disabilities Act (ADA)	The City must make an internal review of its programs and communications to ensure they are accessible to and usable by persons with disabilities. This may include working with advocacy groups to achieve compliance.
Fair Housing requirements	The City must determine if there are under-served populations who are eligible for HOME assistance, and if they are non-English speaking or have literacy challenges, the agency may work with advocacy groups to translate or otherwise reach these households.
Affirmative Marketing	The City must develop and adopt an Affirmative Marketing Plan and ensure that owners of properties with five or more HOME units are aware of the policy and follow it.
Section 504	The City must ensure that specifications for new construction of multifamily dwellings meet the design and construction standards of the Fair Housing Act to make units accessible and the requirements were included in contracts for substantial rehabilitation of buildings with 15 or more units when rehab exceeds 75% of replacement costs. In other projects, the Recipient should work with the developer/owner to make units adaptable and/or accessible as is financially feasible.
Energy conservation	The City must become familiar with the International Energy Conservation Code and include its requirements in all contracts for residential new construction.
Labor requirements, including Davis-Bacon	Before beginning construction or rehab of projects with 12 or more HOME assisted units, the City must obtain the prevailing wages for various building trades must be obtained from the Department of Labor (DOL); someone must be designated to monitor work on site and payrolls; report as required by D-B and related acts.
Uniform Relocation Act and Section 104(d)	The City is responsible for ensuring that tenants in properties that may be acquired or rehabilitated receive correct and timely notices and protections; owners of units to be acquired through a Homebuyer assistance program must receive the "Notice to Owner" for voluntary acquisitions, and tenant living in units purchased with HOME funds are protected by the URA. If units are demolished or converted with HOME funds, 104(d) may be triggered and appropriate notices and assistance must be provided. Since no one can be forced to move (displaced)

	without at least 30 days' notice, a project may not meet a developer's schedule.
Buy America Preference (BAP); Build America, Buy America Act (BABA)	The city is responsible for following the implementation guidance for Buy America Preference (BAP) imposed by the Build America, Buy America (BABA) Act. BAP does not apply to Federal funds for "pre and post disaster or emergency response" such as HOME Investment Partnerships American Rescue Plan Program (HOME-ARP).
EXHIBIT 18: Documenting Compliance with Other Federal Requirements	
Requirement	Documentation
Environmental review of activities	Files demonstrate appropriate level of review, notification, requests for release of funds, publications, and dates for commitments and covered activities were not begun until funds were released.
Section 3	To the greatest extent feasible, efforts were made to include businesses and low-income residents in the project area in construction contracts for workers and suppliers; training programs, as appropriate were developed and used to provide opportunities for construction employment.
Women/Minority Business Enterprise	Files demonstrate that the City followed its policies for reaching out and including MBE/WBE firms in contracts and invitations for bidding work.
Contractor selection	File supports selection of contractor(s) who were not on the list of suspended or de-barred contractors
Procurement	There is evidence of free and open competition for funds and contracts according to the City of Montebello policies and program requirements that apply.
Conflict of interest	There is no evidence of preferential treatment for developers, beneficiaries, contractors, or suppliers due to relationships to those in decision-making positions.
Equal Employment Opportunity	Language prohibiting employment discrimination based on race, color, religion, sex, or national origin is included in all construction contracts over \$10,000.
Lead Safe Housing Requirements (rehab of pre-1978 units)	Appropriate notices and approaches are used for various activities; qualified staff is involved in inspections and clearance actions; reports demonstrate a knowledge of rules and compliance.
Cost reasonableness	Cost estimates are prepared prior to bids by knowledgeable persons; bidding and payments are within estimates or documented if they deviated; payment requests are supported by bills, invoices or other documentation.
Americans with Disabilities Act (ADA)	Programs were accessible to and usable by persons with disabilities, including removing communications barriers.

Fair Housing requirements	Files support outreach to all classes; programs were available to all persons and efforts were made to overcome barriers to participation
Affirmative Marketing	Files demonstrate that projects with five or more HOME-assisted units were affirmatively marketed by following policies, and records document actions taken.
Section 504	Specifications for new construction of multi-family dwellings met the design and construction standards of the Fair Housing Act to make units accessible and requirements were included in contracts for substantial rehabilitation of building with 15 or more units when rehab exceeded 75% of replacement costs. When this threshold was not triggered, to the extent financially feasible, units were made adaptable or accessible.
Energy conservation	Drawings and specifications for newly-constructed units must reference the requirements of the International Energy Conservation Code. Structures rated by a certified rater for Energy Star qualifications.
Labor requirements, including Davis-Bacon	For rehabilitation or new construction of projects with 12 or more HOME assisted units, the prevailing wage must be obtained from the Department of Labor (DOL) and paid for each of the trades; payments must be monitored on site and reported. Wage determination applicable to each project must be included as part of the contract documents.
Uniform Relocation Act and Section 104(d)	For properties with tenants in occupancy, correct and timely notices and protections were provided and are on file.
Buy America Preference (BAP); Build America, Buy America Act (BABA)	The city is responsible for following the implementation guidance for Buy America Preference (BAP) imposed by the Build America, Buy America (BABA) Act. BAP does not apply to Federal funds for “pre and post disaster or emergency response” such as HOME Investment Partnerships American Rescue Plan Program (HOME-ARP).

Non-Discrimination and Equal Access

No person in the United States shall on the grounds of race, color, national origin, religion, or sex be excluded, denied benefits or subjected to discrimination under any program funded in whole or in part by HOME funds.

The City will take the following measures to ensure non-discriminatory treatment, outreach, and access to program resources. This applies to employment and contracting, as well as to marketing and selection of program participants.

1. Fair Housing and Equal Opportunity

The City of Montebello will comply with all of the following Federal laws, executive orders and regulations pertaining to fair housing and equal opportunity as summarized below.

1. Title VI of the Civil Rights Act of 1964, As Amended (42 USC 2000d et seq.): States that no person may be excluded from participation in, denied the benefits of, or subjected to discrimination under any program or activity receiving Federal financial assistance on the basis of race, color, or national origin. The regulations implementing the Title VI Civil Rights Act provisions for HUD programs may be found in 24 CFR Part 1.
2. The Fair Housing Act (42 U.S.C. 3601-3620): Prohibits discrimination in the sale or rental of housing, the financing of housing or the provision of brokerage services against any person on the basis of race, color, religion, sex, national origin, handicap or familial status. Furthermore, section 104(b)(2) of the Act requires that each grantee certify to the secretary of HUD that it is affirmatively furthering fair housing. The certification specifically requires grantees to conduct a fair housing analysis, develop a fair housing plan, take appropriate actions to overcome the effects of any impediments identified, and maintain records on the analysis, plan, and actions in this regard. Fair Housing Act implementing regulations for HUD programs may be found in 24 CFR Part 100-115.
3. Equal Opportunity in Housing (Executive Order 11063, as amended by Executive Order 12259): Prohibits discrimination against individuals on the basis of race, color, religion, sex or national origin in the sale, rental, leasing or other disposition of residential property, or in the use or occupancy of housing assisted with Federal funds. Equal Opportunity in Housing regulations may be found in 24 CFR Part 107.
4. Age Discrimination Act of 1975, As Amended (42 U.S.C. 6101): Prohibits age discrimination in programs receiving Federal financial assistance. Age Discrimination Act regulations may be found in 24 CFR Part 146.

2. Affirmative Marketing

In the event that the City of Montebello implement a housing program using funds with five or more HOME-assisted units, the City will adopt an affirmative marketing plan that includes procedures and requirements including:

1. Methods for informing the public, owners and potential tenants about fair housing laws and the City's policies (for example: use of the Fair Housing logo, or equal opportunity language);

2. A description of what owners and/or the City will do to affirmatively market housing assisted with HOME funds;
3. A description of what owners and/or the City will do to inform persons not likely to apply for housing without special outreach
4. Maintenance of record to document actions taken to affirmatively market HOME-assisted units and to assess marketing effectiveness, and
5. A description of how efforts will be assessed and what corrective actions will be taken where requirements are not met.

3. Handicapped Accessibility

The City will adhere to the HOME regulations governing the accessibility of Federally-assisted buildings, facilities, and programs.

Americans with Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218, and 225): Provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications. The Act, also referred to as the ADA, also states that discrimination includes the failure to design and construct facilities (built for first occupancy after January 26, 1993) that are accessible to and usable by persons with disabilities. The ADA also requires the removal of architectural and communication barriers that are structural in nature in existing facilities. Removal must be readily achievable, easily accomplishable, and able to be carried out without much difficulty or expense.

Fair Housing Act: Multi-family dwellings must also meet the design and construction requirements at 24 CFR 100.205, which implement the Fair Housing Act (42 U.S.C. 3601-19).

Section 504: Section 504 of the Rehabilitation Act of 1973 prohibits discrimination in Federally assisted programs on the basis of handicap. Section 504 imposes requirements to ensure that "qualified individuals with handicaps" have access to programs and activities that receive Federal funds. Under Section 504, recipients and subrecipients are defined more broadly than under the HOME program. Section 504 recipients and subrecipients include any entity that receives Federal funding (for example, a subrecipient, or CHDO). The specific requirements under Section 504 are summarized in Exhibit 19 below:

EXHIBIT 19**Section 504 Requirements****Removal of Physical Barriers**

- For new construction of multi-family projects, 5 percent of the units in the project (but not less than one unit) must be accessible to individuals with mobility impairments, and an additional 2 percent of the units (but not less than one unit) must be accessible to individuals with sensory impairments.
- The Section 504 definition of substantial rehabilitation multi-family projects includes construction in a project with 15 or more units for which the rehabilitation costs will be 75 percent or more of the replacement cost. In such developments, 5 percent of the units in the project (but not less than one unit) must be accessible to individuals with mobility impairments, and an additional 2 percent (but not less than one unit) must be accessible to individuals with sensory impairments.
- When rehabilitation less extensive than substantial rehabilitation is undertaken, alterations must, to the maximum extent feasible, make the unit accessible to and usable by individuals with handicaps, until 5 percent of the units are accessible to people with mobility impairments. Alterations to common spaces must, to the maximum extent feasible, make the project accessible.
- Accessible units must be, to the maximum extent feasible, distributed throughout projects and sites, and must be available in a sufficient range of sizes and amenities so as to not limit choice.
- Owners and managers of projects with accessible units must adopt suitable means to assure that information regarding the availability of accessible units reaches eligible individuals with handicaps. They also must take reasonable non-discriminatory steps to maximize use of such units by eligible individuals.
- When an accessible unit becomes vacant, before offering the unit to a non-handicapped individual, the owner/manager should offer the unit: first, to a current occupant of the project requiring the accessibility feature; and second, to an eligible qualified applicant on the waiting list requiring the accessibility features.
- The usual standards for ensuring compliance with Section 504 are the Uniform Federal Accessibility Standards (UFAS), although deviations are permitted in specific circumstances.

PROVIDE PROGRAM ACCESSIBILITY

- Individuals with handicaps must be able to find out about, apply for, and participate in Federally assisted programs or activities.
- Special communication systems may be needed for outreach and ongoing communication

(e.g., Telecommunications Devices for the Deaf (TDD), materials on tape or in Braille, accessible locations for activities and meetings). ▪ Policies and procedures must be non-discriminatory (e.g., housing providers may not ask people with handicaps questions not asked of all applicants, screen individuals with handicaps differently or assess an individual's ability to live independently).
MAKE EMPLOYMENT ACCESSIBLE
▪ Employers must not discriminate. ▪ Employers must remove physical and administrative barriers to employment. ▪ Employers must make reasonable accommodations for individuals with known handicaps (e.g., job restructuring, providing readers or sign interpreters, making facilities accessible).
ADMINISTRATIVE REQUIREMENTS
▪ If recipients or subrecipients have 15 or more employees, they must: ○ designate a Section 504 Coordinator, and ○ notify program participants and employees of non-discrimination policies. ▪ All recipients and subrecipients must conduct self-evaluations of compliance with Section 504.

For any recipient or subrecipient principally involved in housing or social services, all of the activities of the agency -- not just those directly receiving Federal assistance -- are covered under Section 504.

Contractors and vendors are subject to Section 504 requirements only in the work they do on behalf of a recipient or subrecipient.

The ultimate beneficiary of the Federal assistance is not subject to Section 504 requirements. Under Section 504, recipients and subrecipients are not required to take actions that create undue financial and administrative burdens or alter the fundamental nature of the program.

Employment and Contractor

The cross-cutting Federal regulations discussed below govern employment and contracting opportunities, including equal opportunity, labor requirements and contracting/procurement procedures.

1. Equal Opportunity

The City of Montebello has established an “Affirmative Fair Housing Marketing Plan” to ensure that the allocated HOME Funds promote fair housing and ensures outreach to all potentially eligible households, especially those least likely to apply for assistance.

The City's policy is to provide information and attract eligible persons to available housing without regard to race, color, national origin, sex, religion, familial status (persons with children under 18 years of age, including pregnant women), or disability.

The procedures followed are intended to further the objectives of the Equal Employment Opportunity, Executive Order 11246, as amended and Prohibits discrimination against any employee or applicant for employment because of race, color, religion, sex, or national origin.

Note: Provisions to effectuate this prohibition must be included in all construction contracts exceeding \$10,000. Implementing regulations may be found at 41 CFR Part 60.

PROCEDURE

Currently, the City of Montebello is not administrating a program containing five or more HOME assisted units. However, in the future it will abide by the HOME Final Rule regarding affirmative marketing procedures and requirements apply to rental and homebuyer projects containing five or more HOME-assisted units.

Should the City decided to implement such program it will commit to the goals of affirmative marketing that will be implemented through the following procedures:

1. Providing equal service without regard to race, color, religion, sex, handicap, familial status, or national origin of any client, customer, or resident of any community;
2. Keeping informed about fair housing laws and practices;
3. Informing clients and customers about their rights and responsibilities under the fair housing laws by providing verbal and written information;
4. Evaluating the effectiveness and compliance of all marketing as it relates to fair housing;
5. Including the *Equal Opportunity* logo or slogan, and where applicable the accessibility logotype, in all ads, brochures, and written communications to owners and potential tenants;



6. Displaying the HUD's fair housing posters (at a minimum, English and Spanish versions) in rental offices or other appropriate locations;
7. Soliciting applications for vacant units from persons in the housing market who are least likely to apply for assistance without the benefit of special outreach efforts; working with the local public housing authority and other service and housing agencies to distribute information to a wide and diversified population;
8. Maintaining documentation of all marketing efforts (such as copies of newspaper ads, memos of phone calls, copies of letters).
9. Maintaining a record of applicants for vacant units with a general profile of the applicant, how the applicant learned of the vacancy, the outcome of the application, and if rejected, why; maintaining this record for two years or through one compliance audit, whichever is the shorter period of time.

ASSESSMENT

In conjunction with the annual on-site compliance reviews, the City of Montebello will:

1. Review and evaluate records of affirmative marketing efforts (advertisements, flyers, and electronic media spots, etc.);
2. Evaluate outcomes and effectiveness of marketing efforts and make changes where needed.
3. Evaluate whether good faith efforts have attracted a diversified cross-section of the eligible population.

CORRECTIVE ACTIONS

Failure to meet affirmative marketing requirements will result in the following corrective actions:

1. For failure to comply, the City of Montebello will set a probationary period for compliance, not to exceed six months, during which time the City will provide more specific guidelines for compliance.

2. Further failure to comply with the affirmative marketing requirements may result in the withdrawal of HOME support.
3. Further failure to take appropriate actions to correct discrepancies in affirmative marketing programs may result in steps to recover all invested HOME funds.

Section 3

Section 3 of the Housing and Urban Development Act of 1968 requires that, to the greatest extent feasible, opportunities for training and employment arising from HOME will be provided to low-income persons residing in the program service area. In addition, to the greatest extent feasible, contracts for work (all types) to be performed in connection with HOME will be awarded to business concerns that are located in or owned by persons residing in the program service area.

Minority/Women's Business Enterprise

Under Executive Orders 11625, 12432 and 12138, the City of Montebello adheres to the HUD requirements for minority outreach to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, in all contracts (See 24 CFR 85.36(e)).

Disadvantaged Business Enterprise

The City of Montebello complies with Federal regulations concerning Disadvantaged Business Enterprise (DBE). Disadvantaged Business Enterprise (DBE) and Small Business Enterprise (SBE) firms are strongly encouraged to participate in the City of Montebello's contract opportunities.

City projects funded in whole or in part with federal funding sources are subject to DBE requirements set forth in [Title 49 of the Code of Federal Regulations \(CFR\), Part 26](#), and the State of California Department of Transportation DBE Program Plan, as well as other Caltrans guidelines. For these projects, specific DBE requirements and project goals are detailed in the project's bid specifications.

To search for certified DBEs, visit the following website [California Unified Certification Program \(dbesystem.com\)](https://www.dbesystem.com).

PROCEDURE

1. The Subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small

business” means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632) and “minority and women’s business enterprise” means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, “minority group members” are Afro-Americans, Spanish-speaking, Spanish surnamed, or Spanish-heritage Americans, Asian-Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

Davis Bacon Labor Requirements

The City of Montebello will comply with regulations on wage and labor standards. In the case of Davis-Bacon and the Contract Work Hours and Safety Standards Acts, every contract for the construction of housing (rehabilitation or new) that contains 12 or more units assisted with HOME funds triggers the requirements.

Davis-Bacon and Related Acts (40 USC 276(A)-7)

The Davis-Bacon and Related Acts ensures that mechanics and laborers employed in construction work under Federally assisted contracts are paid wages and fringe benefits equal to those that prevail in the locality where the work is performed. This act also provides for the withholding of funds to ensure compliance and excludes from the wage requirements apprentices enrolled in bona fide apprenticeship programs.

PROCEDURE

1. The City of Montebello requires that any contract for the construction of Affordable Housing with 12 or more units will require that all laborers and mechanics who are employed to perform work on any project, or any contractor or construction work which is financed, in whole or in part, with assistance which is received under the Housing and Community Development Act of 1974 shall be paid wages at rates which are not less than those that prevail in the locality for similar construction and shall receive overtime compensation in accordance with the Contract.
2. Work Hours and Safety Standards Act.
3. The contractor and its subcontractors shall also comply with all applicable Federal laws and regulations which pertain to labor standards, including the minimum wage law.

Title I of Housing and Community Development Act of 1974:

The City of Montebello ***will not***:

1. Discriminate against any employee or applicant for employment on the basis of religion and not limit employment or give preference in employment to persons on the basis of religion; and
2. Discriminate against any person applying for such public services on the basis of religion and not limit such services or give preference to persons on the basis of religion; and
3. provide no religious instruction or counseling, conduct no religious worship or services, engage in no religious proselytizing, and exert no other religious influence in the provision of such public services.

Additional information regarding Executive Orders is available by:

- 11625 - Prescribing additional arrangements for developing and coordinating a national program for minority business enterprise,
- 12432 - Minority business enterprise development, and
- 12138 - National Women's Business Enterprise Policy and National Program for Women's Business Enterprise.
- http://www.archives.gov/federal_register/codification/executive_order/11625.html
- http://www.archives.gov/federal_register/codification/executive_order/12432.html
- <http://www.usdoj.gov/crt/cor/byagency/sbaeo12138.htm>

Contract Work Hours and Safety Standards Act, as amended (40 USC 327-333)

This ACT provides that mechanics and laborers employed on federally assisted construction jobs are paid time and one-half for work in excess of 40 hours per week and provides for the payment of liquidated damages where violations occur. This act also addresses safe and healthy working conditions.

Copeland (Anti-Kickback) Act (40 USC 276c)

The Copeland Anti-Kickback Act governs the deductions from paychecks that are allowable. Additionally, it makes it a criminal offense to induce anyone employed on a federally assisted project to relinquish any compensation to which he or she is entitled and requires all contractors to submit weekly payrolls and statements of compliance.

Fair Labor Standards Act of 1938, As Amended (29 USC 201, et. seq.)

The Fair Labor Standards Act establishes the basic minimum wage for all work and requires the payment of overtime at the rate of at least time and one-half. It also requires the payment of

wages for the entire time that an employee is required or permitted to work and establishes child labor standards.

Site and Neighborhood Standards

Housing provided through the HOME Program must promote greater choice of housing opportunities. Specific rules are as follows:

1. HOME-provided housing must be suitable from the standpoint of facilitating and furthering full compliance with the Title VI of the Civil Rights Act - 1964, the Fair Housing Act and Executive Order 11063.
2. The Final Rule requires only new construction rental projects to meet site and neighborhood standards from 24 CFR 983.6(b), which places limiting conditions on building in areas of "minority concentration" and that are "racially mixed."

PROCEDURE

1. The City of Montebello uses project information provided by owners/developers/sponsors/CHDOs to complete the Site and Neighborhood Standards Review form and document compliance with the Site and Neighborhood requirements.
2. The City reserves the right to request additional clarification and materials from owners/developers/sponsors for adequate documentation of compliance.

Lead-Based Paint Safe Housing Rule

24 CFR part 35, subpart J

On September 15, 1999, HUD issued a new Federal lead-based paint regulation implementing Title X of the Housing and Community Development Act of 1992. This regulation makes many important changes in the lead-based paint requirements applicable to housing funded through HUD's Community Planning and Development (CPD) programs.

The Lead Safe Housing Rule regulations that apply to rehabilitation activities are found at 24 CFR part 35, subpart J. The rehabilitation regulations distinguish among four approaches depending on the size of the rehabilitation effort. Understanding each approach and how to determine the level of rehabilitation assistance is the first step in deciding what lead safe housing requirements apply to a rehabilitation project. The purpose of the regulation is to identify and address lead-based paint hazards before children are exposed to lead. The regulation is divided into subparts that apply to the HOME program include:

1. Subpart A: Disclosure
2. Subpart B: General Requirements and Definitions
3. Subpart J: Rehabilitation
4. Subpart K: Acquisition, Leasing, Support Services, and Operations
5. Subpart M: Tenant-Based Rental Assistance
6. Subpart R: Methods and Standards for Lead-Based Paint Hazard Evaluation and Reduction

On April 22, 2008, the EPA issued the [Renovation, Repair, and Painting Rule](#) (RRP) a rule requiring the use of lead-safe practices and other actions aimed at preventing lead poisoning. Under the rule, beginning April 2010, contractors performing renovation, repair and painting projects that disturb lead-based paint in homes, child care facilities, and schools built before 1978 must be certified and must follow specific work practices to prevent lead contamination. Until that time, HUD and EPA recommend that anyone performing renovation, repair, and painting projects that disturb lead-based paint in pre-1978 homes, child care facilities and schools follow lead-safe work practices.

There are some differences between the EPA RRP Rule and the HUD Lead Safe Housing Rule. A major difference is that the LSHR requires clearance examinations. All housing receiving federal assistance must still comply with the LSHR.

All contractors should follow these three simple procedures:

1. Contain the work area.
2. Minimize dust.
3. Clean up thoroughly.

From December 2008, the rule has required that contractors performing renovation, repair and painting projects that disturb lead-based paint provide to owners and occupants of child care facilities and to parents and guardians of children under age six that attend child care facilities built prior to 1978 the lead hazard information pamphlet **Renovate Right: Important Lead Hazard Information for Families, Child Care Providers, and Schools** (PDF) | **en espanol** (PDF).

Starting on April 22, 2010, the rule will affect paid renovators who work in pre-1978 housing and child-occupied facilities, including:

- Renovation contractors
- Maintenance workers in multi-family housing
- Painters and other specialty trades.

Under the rule, child-occupied facilities are defined as residential, public, or commercial buildings where children under age six are present on a regular basis. The requirements apply to renovation, repair, or painting activities. The rule does not apply to minor maintenance or repair activities where less than six square feet of lead-based paint is disturbed in a room or where less than 20 square feet of lead-based paint is disturbed on the exterior. Window replacement is not minor maintenance or repair.

For additional guidance, refer to: EPA's **Lead Renovation, Repair, and Painting Program Rule**.

Additional information on becoming an EPA-certified renovator or training provider is available on **EPA's Renovator and Trainer Tool Box site**.

HUD defines four approaches to address lead-based paint in HOME funded Projects. The Exhibit 20 on the following page details each approach.

EXHIBIT 20**APPROACHES TO IMPLEMENTING LEAD HAZARD EVALUATION AND REDUCTION****APPROACH 1 - DO NO HARM****LEAD HAZARD EVALUATION**

- Paint testing performed on surfaces to be disturbed.

LEAD HAZARD REDUCTION

- Repair surfaces disturbed during work.
- Safe work practices used when working on areas identified as lead-based paint.
- Clearance performed.

Options

- Presume lead-based paint is present and use safe work practices on all surfaces being disturbed.

APPROACH 2 - IDENTIFY AND STABILIZE DETERIORATED PAINT**LEAD HAZARD EVALUATION**

- Visual assessment performed to identify deteriorated paint.

LEAD HAZARD REDUCTION

- Paint stabilization of identified deteriorated paint.
- Safe work practices used.
- Clearance performed.

Options

- Perform paint testing on deteriorated paint. Safe work practice requirements only apply to lead-based paint.

APPROACH 3 - IDENTIFY AND CONTROL LEAD HAZARDS**LEAD HAZARD EVALUATION**

- Paint testing performed on surfaces to be disturbed.
- Risk assessment performed on entire dwelling.

LEAD HAZARD REDUCTION

- Interim controls performed on identified hazards.
- Safe work practices used.
- Clearance performed

Options

- Presume lead based paint and/or lead based paint hazards are present and perform standard treatments.

APPROACH 4 - IDENTIFY AND ABATE LEAD HAZARDS**LEAD HAZARD EVALUATION**

- Paint testing performed

LEAD HAZARD REDUCTION

- Abatement performed on identified hazards.

Options

- Presume lead-based paint and/or lead-based paint hazards are present and perform abatement on all

on surfaces to be disturbed.	▪ Interim controls performed on identified hazards on the exterior that are not disturbed by Rehabilitation.	applicable surfaces –deteriorated, impact, friction, chewable surfaces, and surfaces to be disturbed.
▪ Risk assessment performed on entire dwelling.	▪ Safe work practices used.	
	▪ Clearance performed.	

Build America, Buy America Act (BABA)

According to HUD, the Build America, Buy America Act (BABA) requires that all iron and steel, construction materials, and manufactured products used in federally funded infrastructure projects are produced in the United States. This requirement, known as the "Buy America Preference" (BAP), is detailed in the [Infrastructure Investment and Jobs Act, Pub. L. 117-58](#) and [2 CFR 184](#).

Per HUD, City staff must work closely with subrecipients, developers, and contractors to ensure that products used in HUD-funded infrastructure projects are produced in the United States as required. HUD has made Resource documents available on their website to assist CPD grantees and their partners in determining if BAP applies to their specific projects. Staff should refer to the Policy Guidance and Notices regarding BABA Implementation Guidance for BAP which can be found at the following link: <https://www.hudexchange.info/programs/baba/>

CHAPTER 8: HOMEBUYER ASSISTANCE PROGRAM

If the City decides to resume a homebuyer assistance program and the program is implemented, the following requirements should be applied:

PROGRAM OBJECTIVES

The Homebuyer Assistance Program (the “Program”) is a housing program designed to assist low to moderate first-time homebuyers with down payment assistance **OR** closing cost assistance (whichever is greater) to purchase a home within the city limits of Montebello.

ELIGIBLE ACTIVITIES

The City of Montebello will use funds provided by the Department of Housing and Urban Development (“HUD”) HOME Investment Partnerships Program to provide eligible applicants funds to be used for closing costs **or** down payment assistance.

INELIGIBLE ACTIVITIES

Homebuyer Assistance funds cannot be used for cash back, realtor’s commissions and/or buy down points.

HOMEBUYER APPLICANT

A. Target Households

The Households served will be a first-time homebuyer who has income at or below 80% of the area median income as determined by the Department of Housing and Urban Development (HUD), (24CFR, 92.2(9)) who will be purchasing a home within the city limits of Montebello.

The property to be acquired must be owner occupied.

B. Income Limits

Total household income cannot exceed 80% of the area median income as determined by HUD (24CFR, 92.2(9)).

C. Application Process

1. Each applicant must submit an application with the City of Montebello Housing Division. Incomplete application packets will not be accepted.
 - All forms within the application packet must be completely filled out
 - All documents listed on the checklist below must be turned in:
 - 1) City of Montebello Homebuyer Assistance Program
Application – completed and signed
 - 2) Real Estate Purchase Contract
 - 3) Appraisal Report
 - 4) Truth in Lending Disclosure Statement
 - 5) Lender Loan Pre-Approval and Underwriting Documents
 - 6) Signed copy of Uniform Residential Loan Application (1003)
 - 7) Good Faith Estimate
 - 8) Escrow Instructions
 - 9) Proof of Homeowners Insurance
 - 10) Credit Report
 - 11) Certificate of Completion of Homebuyer Education Workshop
 - 12) Proof of income for the past three (3) months for all household members over 18 years of age
 - 13) Pension and/or social security award letter
 - 14) Copy of checking and savings account for the last six (6) months for all household members over 18 years of age
 - 15) Last three (3) years Federal Tax returns for all household members over 18
 - 16) Divorce decree (if applicable)
 - 17) Bankruptcy documents (if applicable)

- 18) Copies of Driver's License/State ID for all household members over 18 years of age
 - 19) Copies of Social Security cards for ALL household members
 - 20) Proof of U.S. Citizenship or resident alien status for ALL household members
 - 21) Race and Ethnic Data Reporting Form (OMB Approval No. 2502-0204)
- 2. Upon receipt of all the documents listed above, the Project Coordinator will need 15 business days to review and approve the applicant funding and closing of the loan. If the applicant is not income eligible a denial letter will be prepared.
 - 3. During the 15 business days the City's Project Coordinator will make an appointment with the realtor or lender to inspect the home to be purchased. The Home must be:
 - i. Decent, safe, sanitary and in good repair
 - ii. At a minimum, the housing must meet all applicable State and local housing quality standards and code requirements and comply with the City's Real Property Report Ordinance. A Certificate of Compliance is required to be obtained prior to the close of escrow.
 - 4. During the 15 business days the applicant(s) will need to satisfactorily complete an eight (8) hour homebuyer educational workshop conducted by a HUD approved agency. **No online training will be accepted.** A Homebuyer Training Certificate will be accepted for up to one (1) year after the date of training.
 - 5. If the home passes all inspections and the applicant completes the required approved Home Buyer Training, the closing documents will be processed and sent to Escrow for signing and recording. After copies of signed First Trust Deed, Second Trust Deed, Notice of Default, and original Promissory Note are received; the City of Montebello will process a check/wire to Title for closing to take place.

6. The escrow company is responsible for submitting the following documents to the City of Montebello following closing on the home:
 - i. Certified Final Settlement Statement
 - ii. Copy of Title Policy on first trust deed and second trust deed
7. The City of Montebello reserves the right to postpone a scheduled closing date due to the following:
 - Failed Real Property Inspection
 - Incomplete/missing paperwork
 - Scheduling conflicts
 - Falsification and/or alteration of documents
 - Processing time for check request is not sufficient
8. All files with no activity for six (6) months will be automatically closed. If the applicant is still interested in the Homebuyer Assistance Program, he/she must re-apply and re-submit all required paperwork.

D. Financing Requirements

The applicant must be able to qualify for a first mortgage loan. All co-applicants must be listed on the mortgage loan and on all applicant documents even if not a part of the household.

The City of Montebello will provide closing cost assistance (reasonably required for households **OR** the down payment assistance, not to exceed 50% of downpayment amount required by the first loan lender (whichever is greater). The Program funds cannot be used for cash back, realtor's commissions, and /or buy down points.

1. Deed of Trust

The City of Montebello loan will be secured by a Deed of Trust which will secure position on title. The Deed of Trust, Notice of Default/Notice of Sale, and Promissory Note will be notarized, recorded and filed at the Los Angeles County Recorder's Office and a copy will be placed in the applicants file.

2. Breach of Contract

Upon occurrences of any of the below stated items, the City of Montebello and/or its assignee reserves the right to demand the loan due immediately if:

- Any actual or attempted transfer of Deed of Trust, whether voluntary or involuntary, including by operation of law, or upon death of the undersigned of certain real property used to secure this note pursuant to the Deed of Trust.
- Any change in title of the secured property without prior approval of the City of Montebello. These changes might be, but are not limited to: sale, lease, rent, or abandonment of property.
- The recipient no longer reside(s) at the secured property as its principal residency.

3. Payment

The City loan will have no monthly payments, but the loan would be due and payable under the following circumstances: 1) when the property is sold or transferred, refinanced with cash out; 2) a change in title occurs; 3) there is a default on the loan; or 4) when failure to use the property as principal residence occurs.

The loans will be forgiven after 15 years of continued owner occupancy.

For Veterans who have qualified for a VA loan and are low to moderate income, the Program would provide closing cost

assistance as a loan. The City loan will have no monthly payments, but the loan would be due and payable under the following circumstances: 1) when the property is sold or transferred, refinanced with cash out; 2) a change in title occurs; 3) there is a default on the loan; or 4) when failure to use the property as principal residence occurs.

The loan will be forgiven after 10 years of continued owner occupancy.

LIMITATIONS OF HOMEBUYER ASSISTANCE PROGRAM

A. Availability of Funds

The Homebuyer Assistance Program fiscal year begins in July 1st of each year, if the program is available. Funds are processed and distributed on a first come, first serve basis and/or until there has been a depletion of funds.

B. Annual Income

The annual household income of applicants cannot exceed 80% of the area median income as determined by HUD. The annual gross income of the applicant's household shall be determined in accordance with the Code of Regulations 24 CFR 5.609 of the applicant's household.

Annual income is defined as the "gross" income of all household members 18 years of age or older.

Annual income includes, but is not limited to:

- The full amount before any payroll deduction of wages
- Salaries
- Social Security
- Overtime pay
- Commissions
- Fees
- Tips

- Bonuses
- Other compensation for personal services
- Net income from the operation of a business or profession
- Other income
- Interest from bank accounts
- Rental Income
- Profit from real estate sales
- Value of personal property

PROPERTY AND OCCUPANCY

A. Geographic Boundaries

The City of Montebello Homebuyer Assistance loans are provided to income eligible applicants who are purchasing homes located within the city limits of Montebello.

B. Eligible Properties

Existing or newly constructed single-family or condominium/townhomes properties located within the City of Montebello are eligible. Only single-family homes with one (1) dwelling unit on a lot are eligible. Homes with two (2) or more units on a lot are *not* eligible except for detached condominium homes. Mobile homes and manufactured homes are *not* eligible under the Program.

C. Inspections

The property must be inspected by the City of Montebello Building & Safety Division under the Real Property Report Program. A copy of the Property Report must be submitted along with a Certificate of Compliance. A Temporary Certificate of Compliance will *not* be accepted under the Homebuyer Assistance Program.

D. Occupancy Requirements

The property to be acquired must be owner-occupied. No overcrowding will be allowed. The maximum number of persons allowed in each home is two (2) persons per bedroom plus one (1). The table below shows the number of persons allowable by household unit size:

OCCUPANCY STANDARD

Bedroom Size	Max # of Persons
1	3
2	5
3	7
4	9

FEDERAL REQUIREMENTS

A. Lead Disclosure

The City's Project Coordinator will be responsible for discussing lead paint issues and providing the applicant with a "Protect Your Family From Lead in Your Home" booklet. The applicant will sign a form verifying they have received and discussed the lead information.

B. Fair Housing and Equal Opportunity

There shall be no discrimination based on race, color, religion, sex, marital status, ancestry, or national origin. The Homebuyer Assistance Program will be implemented in conformity with Title VI of the Civil Rights Act of 1964 and the Fair Housing Act and implementing regulations. Fair housing will be further affirmatively, and actions shall be taken to overcome the effects of any impediments to fair housing. It shall be ensured that all persons, including those qualified individuals with handicaps, have access to the Program. The City of Montebello is an equal opportunity provider.

C. Conflict of Interest

No employee, agent, consultant, officer or elected official or appointed official of the CITY who exercises or have exercised any functions or responsibilities with respect to activities relating to this Program or who

are in a position to participate in a decision-making process or gain inside information with regard to these activities may obtain a financial interest or financial benefit from this Program, or the proceeds from such activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one (1) year thereafter. Immediate family ties include (whether by blood, marriage, or adoption) the spouse, parent (including a stepparent, child (including a stepchild), brother, sister (including a stepbrother or stepsister), grandparent, grandchild, and in-laws of the employee, agent, consultant, officer, elected or appointed official of the CITY.

This policy shall apply to families of Lenders and the loan servicing agent.

D. Anti-Predatory Lending Policy

The City of Montebello is against predatory lending practices. The City complies with all applicable federal, state, and local predatory lending laws and other laws designed to prevent unfair or abusive lending practices. The City will not knowingly fund a Mortgage Loan which involves unfair and predatory lending practices, including but not limited to, lending without regard to borrower's ability to make payments on the mortgage; charging prepayment penalties for paying off a loan; including in loan documents mandatory arbitration with respect to dispute resolution. The City will further comply with measures issued by HUD to prevent predatory lending, particularly with respect to low and very low-income homebuyers.

FILE REQUIREMENTS

The City's Project Coordinator will keep in the files, at minimum, all required documents which verify compliance with policy requirements such as, but not limited to:

- City of Montebello Homebuyer Assistance Program Application – completed and signed
- Real Estate Purchase Contract
- Appraisal Report
- Truth in Lending Disclosure Statement
- Lender Loan Pre-Approval and Underwriting Documents
- Signed copy of Uniform Residential Loan Application (1003)

- Good Faith Estimate
- Escrow Instructions
- Proof of Homeowners Insurance
- Credit Report
- Certificate of Completion of Homebuyer Education Workshop
- Proof of income (Income Eligibility Form)
- Last three (3) years Federal Tax returns for all household members over 18 years of age
- Copies of Driver's License/State ID for all household members over 18 years of age
- Copies of Social Security cards for ALL household members
- Proof of U.S. Citizenship or resident alien status for ALL household members
- Race and Ethnic Data Reporting Form (OMB Approval No. 2502-0204)
- Final Loan Documents (Executed)
- Applicants/City correspondences

POLICY MODIFICATIONS

When the program is in effect, the City of Montebello shall have the authority to make modifications to this policy as necessary for the continued implementation of the Homebuyer Assistance Program, including but not limited to: 1) policy revisions necessary to do a change in the design of the Homebuyer Assistance Program; and 2) policy changes necessary due to the revisions in the rules and regulations of HOME Funds.

PROGRAM OUTREACH AND MARKETING

All outreach efforts will be done in accordance with state and federal fair lending regulations to assure nondiscriminatory treatment, outreach and access to the Program. No person shall, on the grounds of age, ancestry, color, creed, physical or mental disability or handicap, marital or familial status, medical condition, national origin, race, religion, gender or sexual orientation be excluded, denied benefits or subjected to discrimination under the Program. The City will ensure that all persons, including those qualified individuals with handicaps have access to the Program.

- A. The Fair Housing Lender Logo will be placed on all outreach materials.
- B. The City will work closely with local real estate agents and primary lenders to explain the Program requirements for eligible housing units and homebuyers, and to review Program processes. Local real estate agents and primary lenders will also be encouraged to have their customers participate in the Program.
- C. The city will place flyers and program information at Housing counter and City website
- D. Education and information workshops will be conducted

MONITORING

The Project Coordinator will review the Homebuyer Assistance Program files once a year to monitor continued home ownership compliance. An Annual Affidavit will be mailed out to Homeowners to submit verification of continued occupancy.

Requirements for Committing HOME Funds

HUD published an Interim Final Rule on December 2, 2016 implementing a grant-specific method of determining compliance with the statutory 24-month deadline for committing HOME funds. The interim rule is effective as of January 3, 2017.

The HOME statute defines commitment as an executed legally binding agreement for a funded HOME project or activity. And the statute – which is the National Affordable Housing Act of 1990 – at 218(g) also states that a Participating Jurisdiction (PJ) must commit their HOME funds within 24 months of HUD's obligation of their grant.

The HOME regulations at 24 CFR 92.2 also define commitment as all necessary financing that has been secured, a budget and schedule have been established, and underwriting has been completed and under which construction is scheduled to start within twelve months of the written agreement date.

A copy of the CPD notice 15-09 titled “Requirements for Committing HOME Funds” can be found at the following link: <https://www.hud.gov/sites/documents/15-09CPDN.PDF>

Four Year Completion timeline Requirement

HUD established deadline requirements to ensure that the expenditure of HOME funds results in timely completion and occupancy of affordable housing units. Under the new rule projects- to which HOME funds are committed on or after August 23, 2013- must be completed within 4 years of the date funds are committed to that project as reflected by the dated signatures to the written agreement. HUD will consider projects that are not completed within this four year deadline to be terminated before completion and the PJ will be required to repay the HOME funds invested in the project to its HOME account. The City of Montebello may request a one-year extension from HUD by submitting information about the status of the project, steps being taken to overcome any obstacles to completion, proof of adequate funding to complete the project, and a schedule with milestones for completion of the project. HUD will consider the likelihood of the project being completed within the 1-year timeframe in deciding whether to grant an extension.

Documenting Income Eligibility

A household that receives assistance from the HOME Investment Partnership Program must be income eligible (tenants and buyers). Income must be calculated by using the Part five (section 8) definition or the IRS 1040 Definition. The Part 5 definition of Income can be found in 24 CFR 5.609 9 (b) & (c). The IRS 1040 Definition of Income is the adjusted gross income of the household.

Use the following steps when Determining Income Eligibility:

Step 1: Collect & Analyze Application, Release forms and Income and Assets Sources

Step 2: Calculate Household Income Using Worksheet & Project forward (12 months)

Step 3: Compare Projected Income to HOME Income Limits

Step 4: Document Files. **Homebuyer/Homeowner Applicant file should include the following:**

- Application
- Number of household members and other eligibility criteria
- Income verification documentation
- Income calculation worksheet
- Written Agreement with household

All documents should be included in the applicant file. City Staff should have a hard copy of the file in the office. A recertification for each household should be completed annually.

For HUD guidance on Determining and Documenting Income Eligibility, staff should refer to the following link: [Determining Income for the HOME Program - Session 1 - HUD Exchange](#)

City Staff will review and provide final approval for income eligibility documentation, particularly if a HOME assisted project is managed by a third party such as subrecipient or CHDO.

GLOSSARY OF HOME TERMS

Action Plan: The one-year portion of the Consolidated Plan (see below). It includes the PJ's annual application for HOME funds.

Adjusted Income: Adjusted income is annual (gross) income reduced by deductions for dependents, elderly households, medical expenses, handicap assistance expenses and childcare (these are the same adjustment factors used by the Section 8 Program).

Affordability: The requirements of the HOME Program that relate to the cost of housing both at initial occupancy and over established timeframes, as prescribed in the HOME Final Rule. Affordability requirements vary depending upon the nature of the HOME assisted activity (i.e., homeownership or rental housing).

Annual Income: The HOME Program allows the use of one of three definitions of annual income: Section 8 annual income; annual income as reported on the U.S. Census long form; and adjusted gross income as defined for reporting on IRS Form 1040.

Applicant(s): A person or persons who appear on the title to the property and that apply for a grant under the HOME Rehabilitation Grant Program (HRGP). All persons appearing on the title must agree to apply and execute all documents required.

Borrower: A person or persons who appear on the title to the property, signs the Written Agreement with the City and signs the loan documents with the City, thereby becoming legally responsible for any repayment of the HOME Rehabilitation Grant Program (HRGP).

Building and Safety Code: The City's residential codes and ordinances pertaining to housing construction, land use, occupancy and maintenance of existing residential properties which are applicable to the property through Code Enforcement action.

Building Inspector: The City employee(s) responsible for inspection(s) of structural, electrical, plumbing, improvements. The inspector assures compliance of work to applicable Building and Safety Codes.

Building Division: The Department of the City responsible for issuance of building permits.

Building Permit: An authorization by the Building Division to commence building repairs or improvements on a specific property; Permits must be issued for most home improvements, including, but not limited to, roofing, electrical, plumbing, structural changes, and foundations. A fee is charged for permits and inspections are included in the permit cost.

California Preliminary Notice: A notice sent to the owner of the dwelling unit by any person or supplier providing labor, services, equipment, or materials for the rehabilitation work. The notice is sent in the event that the primary contractor is listing, as security, the property being rehabilitated with the person or supplier sending notice.

Commitment: Commitment means one of three things: (1) The PJ has executed a legally binding agreement with a State recipient, subrecipient, or contractor to use a specific amount of HOME funds to produce affordable housing or provide tenant-based rental assistance; or (2) has executed a written agreement reserving a specific amount of funds for a CHDO; or (3) has met requirements to commit to a specific local project as defined below.

Commitment to a specific local project: Commitment to a specific local project means that a legally binding agreement was executed meeting one of the following sets of requirements: (1) For rehabilitation or new construction projects, the PJ (or other entity) and the project owner will execute for an identifiable project for which all necessary financing has been secured, a budget and schedule have been established, and underwriting has been completed and under which construction is scheduled to start within twelve months of the agreement date. If the project is owned by the PJ, the project must be set up in the disbursement and information system and construction reasonably expected to start within 12 months of the set-up date. (2) If the project consists of acquisition of standard housing by the PJ, the agreement must be a binding contract for the sale of an identifiable property and the property title must be transferred to the PJ (or other entity) within six months of the date of the contract. (3) If the project involves the acquisition of standard housing and the PJ is providing HOME funds to a purchaser, under the agreement, the title of the property must be transferred to the purchaser within six months of the agreement date.

Community Housing Development Organization (CHDO): A private, nonprofit organization that meets a series of qualifications prescribed in the HOME regulations at 24 CFR Part 92.2. A participating jurisdiction must award at least 15 percent of its annual HOME allocation to CHDOs.

Consolidated Plan: A plan prepared in accordance with the requirements set forth in 24 CFR Part 91 which describes community needs, resources, priorities and proposed activities to be undertaken under certain HUD programs, including HOME.

Consortium: Geographically contiguous units of general local government consolidated to be in a single unit of general local government for HOME Program purposes when certain requirements are met.

Contractor: An eligible contractor is a general contractor licensed in compliance with Federal, State, and City regulations to do the necessary housing rehabilitation work. No contractor may be utilized who has been disbarred or suspended by order of the City, State or Federal

Government. The City permits contractors to apply to the City for eligibility determination at any time.

Deed of Trust: The legal document which secures the loan with the property that is being rehabilitated. The Deed of Trust is for the same amount as the loan and must be signed by the borrower in the presence of a public notary.

Development: A site or an entire building or two (2) or more buildings, together with the site or sites on which the building is located, that are under common ownership, management and financing and are to be assisted with HOME Program funds-under commitment by the owner-as a single undertaking.

Development Fees: Compensation to the developer for developing the property, includes overhead and profit, consult/processing agent fees, project administration, the value of personal guarantees and a portion of any reserves determined by the housing credit agency to be in excess of industry norms.

Draw-Down: The process of requesting and receiving HOME funds. PJs and authorized state recipients draw down funds from a line of credit established by HUD.

Eligible Improvements: All improvements required to bring the property up to City Codes and the City's Rehabilitation Standard

Equity: The value of a property less the amount of outstanding debt on it.

Final Rule: The Final HOME Rule was published at 24 CFR Part 92 on September 16, 1996 and became effective on October 16, 1996. It was amended on October 22, 1997.

Financing Plan: The proposed financing for a project.

General Partner: A partner who is liable and responsible for completing a project as proposed, managing the partnership and guaranteeing funding required to complete the project. A general partner oversees construction, leasing, and property management; maintains the books and records of the partnership; and submits periodic reports to the limited partners on the project's financial status.

General Partnership: A form of ownership in which all partners participate materially in the partnership's operations and share liability.

Group Home: Housing occupied by two or more single persons or families consisting of common space and/or facilities for group use by the occupants of the unit, and (except in the case of shared one-bedroom units) separate private space for each family.

HOME-Assisted Units: A term that refers to the units within a HOME project for which rent, occupancy, and/or resale restrictions apply. The number of units designated as HOME-assisted affects the maximum HOME subsidies that may be provided to a project.

HOME Funds: All appropriations for the HOME Program, plus all repayments and interest or other returns on the investment of these funds.

HOME Investment Trust Fund: The term given to the two accounts - one at the Federal level and one at the local level - that "hold" the PJ's HOME funds. The Federal HOME Investment Trust Account is the U.S. Treasury account for each participating jurisdiction. The local HOME Investment Trust Fund account includes repayments of HOME funds, matching contributions and payment of interest or other returns on investment.

Housing Investment Partnerships Act ("HOME Program"): The act that created a formula-based allocation program intended to support state and local affordable housing programs. The goal of the program is to increase the supply of affordable rental and ownership housing through acquisition, construction, reconstruction, and moderate or rehabilitation activities (Title I, National Affordable Housing Act of 1990).

HUD: U.S. Department of Housing and Urban Development.

Household: A household includes all persons living in the unit at the property at the time of application, except persons who are paid caregivers of elderly or disabled individuals.

Household Income Verification: The process used to determine gross household income, including Applicant submittal of most current income tax returns; employer verification of wages; W-2 Forms; Social Security verification, profit/loss statements, etc.

Inspection Card: Card posted at the site of rehabilitation once building permits are issued. Building Inspector(s) sign off various inspections on Card as job progresses.

Insular Areas: Guam, the Northern Mariana Islands, the United States Virgin Islands and American Samoa.

Interest Subsidy: The amount of subsidy required to reduce the interest rate on a loan to a below-market rate over the term of the loan.

Jurisdiction: A state or unit of general local government.

Limited Partner: A passive investor in a limited partnership who, in exchange for contributing equity to the project, receives a pro rata share of cash flow and tax benefits and the right to

approve the sale or refinancing of the property and removal of the general partner in the event of gross negligence or breach of contract.

Limited Partnership: An ownership vehicle comprising limited and general partners that allows for central management but has no tax liability, instead passing tax benefits through to its limited and general partners.

Loan Disbursement: The principal amount of the loan which is paid out to the Applicant as the rehabilitation work progresses; The disbursement may be in accordance with a contractual agreement between Applicant and contractor. Prior to disbursement, the work accomplished must be in accordance with the scope of work as detailed in the work the work write-up. If inspection by the Building Division is required for the particular rehabilitation item, the inspector must sign off for said work prior to disbursement.

Loan Documents: All forms relevant to the actual execution of the loan, including a Three Day Right of Recession Notice, Truth-In-Lending Form, Promissory Note, and Deed of Trust.

Low-Income Families: Families whose annual incomes do not exceed 80 percent of the median income for the area (adjusted for family size).

Match: Match is the PJ's contribution to the HOME Program -- the local, non-Federal contribution to the partnership. The PJ's match contribution must equal not less than 25 percent of the HOME funds drawn down for projects in that fiscal year.

New Construction: The creation of new dwelling units. Any project which includes the creation of new or additional dwelling units in an existing structure is considered new construction.

Participating Jurisdiction (PJ): The term given to any state, local government or consortium that has been designated by HUD to administer a HOME Program. HUD designation as a PJ occurs if a state or local government meets the funding thresholds, notifies HUD that they intend to participate in the program, and has a HUD-approved Consolidated Plan.

Program Income: Gross income received by the PJ, state recipient, or a subrecipient directly generated from the use of HOME funds or matching contributions.

Project: A site or an entire building or two or more buildings, together with the site or sites on which the building or buildings is located, that are under common ownership, management and financing and are to be assisted with HOME funds, under a commitment by the owner, as a single undertaking. The HOME Final Rule eliminated the requirement that all buildings fall within a four-block radius.

Project completion: All necessary title transfer requirements and construction work have been performed; the project complies with all HOME requirements; the final drawdown has been disbursed for the project; and the project completion information has been entered in the disbursement and information system established by HUD.

Promissory Note: A form, part of the loan documents, which is the borrower's agreement to pay back the amount borrowed in accordance with the established terms of the loan. The Promissory Note must be signed by all persons on the Title to the Property.

Property Rehabilitation Standards: A standard established by the City to ensure that the housing rehabilitated under HOME Rehabilitation Grant Program meets or exceeds

Recapture: Repayment of HOME funds to the PJ from a homebuyer project during the period of affordability.

Reconstruction (also rehabilitation): The rebuilding, on the same lot, of housing standing on a site at the time of project commitment. The number of housing units on the lot may not be changed as part of the reconstruction project, but the number of rooms per unit may change. Reconstruction also includes replacing an existing substandard unit of manufactured housing with a new or standard unit of manufactured housing.

Rehabilitation Specialist: The person who conducts inspections and produces work write-ups and cost estimates.

Rehabilitation Contract: A legally binding, standardized form which spells out, in detail, the entire scope of work, specific quality, brands of materials, and all other data pertinent to the rehabilitation of the property. The Contract must be signed by both Contractor and Applicant.

Rehabilitation Cost: The total cost of repairs and improvements and other costs for rehabilitation to be incurred by the Applicant that may be included in a Loan.

Right of Recession: The borrower's right within a three-working day period from the date of loan settlement to rescind the entire loan transaction.

Recipient: Any entity under contract with the City to undertake activities funded by the City's HOME Program.

Restrictive Covenant: A limitation placed on a property, which is recorded and attached to the deed, thereby passing to subsequent owners.

Section 8 Tenant-Based Rental Assistance Program: A federal program that provides rental assistance to low-income families who are unable to afford market rents. Assistance is provided in the form of vouchers.

Single-Room Occupancy (SRO): Housing consisting of single-room dwelling units that is the primary residence of its occupant or occupants. The unit must contain food preparation and/or sanitary facilities if the project involves new construction, conversion of non-residential space, or reconstruction. If the units do not contain sanitary facilities, the building must contain sanitary facilities shared by the tenants.

Soft Costs: Development costs exclusive of the cost of acquisition, site improvements, construction, and contingencies.

Soft Second Mortgage: A loan provided by public and nonprofit lenders at below market interest rates and with flexible repayment terms, using as collateral a second mortgage on the project property, to fill a financial gap for a project serving a public purpose (for instance, affordable housing.)

Subrecipient: A public agency or nonprofit organization selected by a PJ to administer all or a portion of the PJ's HOME Program. A public agency or nonprofit organization that receives HOME funds solely as a developer or owner of housing is not a subrecipient.

Substantial Rehabilitation: The cost of a rehabilitation project that costs more than \$25,000.

Surplus Cash (Net Operating Income (NOI)): The operating income derived by the project owner from development cash flow that exceeds 1st mortgage loan payments and the following operating expenses: property management fee, grounds maintenance, accounting services, amounts deposited into a replacement reserve account, legal services, taxes and insurance and utility expenses, each specifically related to the development. Developer fees and depreciation of assets may not be included in calculating expenses.

Syndicates: Individuals or firms who arrange for the sale of ownership shares in a project to raise equity from investors.

Targeting: Requirements of the HOME Program relating to the income or other characteristics of households that may occupy HOME-assisted units.

Total Development Cost (TDC): The sum of all costs for site acquisition, relocation, demolition, construction and equipment, interest and carrying charges.

Truth in Lending Statement: The form included in the loan document package which details all terms of the Loan. Applicant must sign receipt of said form.

Very-Low-Income Families: Families whose annual incomes do not exceed 50 percent of the median income for the area (adjusted for family size).

Work Write-up: A form to be completed by a Construction Manager outlining a complete and suggested scope of work to be performed for the rehabilitation of the property

Written Agreement: The Written Agreement defines the terms and conditions of the HOME Rehabilitation Grant Program to the Applicant. The Written Agreement is executed prior to the Applicant engaging a Contractor to complete the defined rehabilitation.

CITY OF MONTEBELLO LIST OF FORMS

CHAPTER 3: CHDO FORMS

CHDO Application
CHDO Certification Checklist
CHDO Recertification Checklist
CHDO Determination Worksheet
CHDO Pre-Qualifying Letter

CHAPTER 4: HOME Rehabilitation Grant Program (HRGP) FORMS

HRGP Guidelines
HRGP Application
Owner/Contractor Agreement
Agreement between City and homeowner
Preconstruction Conference Record
Notice to Proceed
Work Write up Template for the HOME Program
Home Inspection Checklist
Certifications – plumbing, electrical, HVAC, Release of Liens, and final inspection
Verification of Employment
Section 3 Reporting Forms
Certifications – plumbing, electrical, HVAC, Release of Liens, and final inspection
City of Montebello Written Rehabilitation Standards
Cost Allocation and Subsidy Layering Analysis

CHAPTER 5: CONSTRUCTION MANAGEMENT FORMS

Sample Bid Package
Sample Advertisement for Bids
Bid Tabulation Sheet
Preconstruction Conference Agenda and Report
Notice to Proceed
Written Change Order
Punch List(s)
Certificate(s) of Final Completion
Final Contractor Estimate(s)
Release of Lien Form for each contractor
Verification of Contractor Eligibility

CHAPTER 6: ENVIRONMENTAL REVIEW FORMS

Certification of Exemption for HUD funded projects
Certification of Categorical Exclusion (not subject to 58.5)
Statutory Checklist
Instructions for Completing the Statutory Worksheet
Compliance Documentation Checklist (58.6)
Environmental Assessment
Public Notice – Notice of Intent to Request Release of Funds
Combined Public Notice – Finding of No Significant Impact and Notice of Intent to Request Release of Funds
Request for Release of Funds and Certification (HUD form 7015.15)
Authority to Use Grant Funds (HUD form 7015.16)
Instructions for Completing HUD form 1015.15
Insurance Coverage (Flood)
Deficiency Notice

CHAPTER 6: MONITORING

Monitoring Checklist
Compliance Review Letter
Sample Monitoring Visit Letter

CHAPTER 6: PROGRAM ADMINISTRATION AND MANAGEMENT FORMS

IDIS Activity Set Up Forms
IDIS Activity Completion Forms
Homeowner Rehab Set Up and Completion Form HOME Program

CITY OF MONTEBELLO LIST OF EXHIBITS

EXHIBIT 1	MINIMUM PROPERTY STANDARDS BY ACTIVITY TYPE
EXHIBIT 2	AFFORDABILITY PERIODS
EXHIBIT 3	CHDO DETERMINATION WORKSHEET/APPLICANT INFORMATION
EXHIBIT 4	HOME-ELIGIBLE HOMEOWNER REHABILITATION COSTS
EXHIBIT 5	OTHER FEDERAL REQUIREMENTS
EXHIBIT 6	SUMMARY OF HOMEOWNER REHABILITATION RULES AND HOW TO DOCUMENT
EXHIBIT 7	STAFFING PLAN
EXHIBIT 8	REHABILITATION STANDARDS
EXHIBIT 9	TIMING AND PURPOSE OF PROPERTY INSPECTIONS
EXHIBIT 10	REHABILITATION OF OWNER-OCCUPIED UNITS
EXHIBIT 11	SUMMARY OF ENVIRONMENTAL REVIEW ACTION BY ACTIVITY
EXHIBIT 12	WRITTEN AGREEMENT REQUIRED PROVISIONS
EXHIBIT 13	HOME PROGRAM AGREEMENT/APPLICATION
EXHIBIT 14	HOME PROJECT RISK ASSESSMENT
EXHIBIT 15	SAMPLE MONITORING VISIT LETTERS
EXHIBIT 16	MONITORING CHECKLISTS
EXHIBIT 17	MANAGING A PROJECT SUBJECT TO OTHER FEDERAL REQUIREMENTS
EXHIBIT 18	DOCUMENTING COMPLIANCE WITH OTHER FEDERAL REQUIREMENTS
EXHIBIT 19	SECTION 504 REQUIREMENTS
EXHIBIT 20	APPROACHES TO IMPLEMENTING LEAD HAZARD EVALUATION AND REDUCTION

CALIFORNIA NEWSPAPER SERVICE BUREAU

DAILY JOURNAL CORPORATION

Mailing Address : 915 E 1ST ST, LOS ANGELES, CA 90012
Telephone (213) 229-5300 / Fax (213) 229-5481
Visit us @ WWW.LEGALADSTORE.COM

SAMANTHA NEVAREZ
CITY OF MONTEBELLO/CITY CLERK (LEAD)
1600 W. BEVERLY BLVD
MONTEBELLO, CA 90640

COPY OF NOTICE

Notice Type: HRG NOTICE OF HEARING
Ad Description: Public Hearing Notice - 5-Year Consolidated Plan for the Allocation of CDBG and HOME Investment Partnership Funds

To the right is a copy of the notice you sent to us for publication in the WHITTIER DAILY NEWS. Please read this notice carefully and call us with any corrections. The Proof of Publication will be filed with the County Clerk, if required, and mailed to you after the last date below. Publication date(s) for this notice is (are):

12/19/2024

An invoice will be sent after the last date of publication. If you prepaid this order in full, you will not receive an invoice.

Daily Journal Corporation
Serving your legal advertising needs throughout California. Call your local

BUSINESS JOURNAL, RIVERSIDE	(951) 784-0111
DAILY COMMERCE, LOS ANGELES	(213) 229-5300
LOS ANGELES DAILY JOURNAL, LOS ANGELES	(213) 229-5300
ORANGE COUNTY REPORTER, SANTA ANA	(714) 543-2027
SAN FRANCISCO DAILY JOURNAL, SAN FRANCISCO	(800) 640-4829
SAN JOSE POST-RECORD, SAN JOSE	(408) 287-4866
THE DAILY RECORDER, SACRAMENTO	(916) 444-2355
THE DAILY TRANSCRIPT, SAN DIEGO	(619) 232-3486
THE INTER-CITY EXPRESS, OAKLAND	(510) 272-4747

CNS 3878826

PUBLIC NOTICE CITY OF
MONTEBELLO PUBLIC
COMMENT AND PUBLIC
HEARING NOTICE

NOTICE IS HEREBY GIVEN that the City Council of the City of Montebello will conduct a public hearing to receive input and provide direction concerning the draft Five-Year Consolidated Plan for the allocation of Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) program funds, the draft Analysis of Impediments to Fair Housing Choice, the 2025-2029 Annual Action Plan, and the Citizen Participation Plan. As an entitlement jurisdiction, the City is required by the United States Department of Housing and Urban Development (HUD) to complete the Consolidated Plan and Analysis of Impediments to Fair Housing Choice every five years.

PUBLIC HEARING INFORMATION:
Hearing Date: Wednesday, January 8, 2025

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

Place: City Hall Council Chambers, 1600 W. Beverly Blvd., Montebello, CA 90640

PROJECT DESCRIPTION:
Each year the U.S. Department of Housing and Urban Development (HUD) provides funding for housing and community development programs to the City of Montebello, specifically Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) Program funds. In order to receive these funds, the City must complete a report every three to five years called the Consolidated Plan (ConPlan). The purpose of the ConPlan is to identify Montebello's housing and community development needs, priorities, goals, and strategies and to stipulate how funds will be allocated to housing and community development activities over the next five years. The CDBG Program provides federal funds for local improvement projects and programs. Activities assisted with CDBG funds must meet one of the three national objectives: principally benefit low and moderate-income persons, aid in the prevention or elimination of slums and blight or meet other community development needs having particular urgency. The HOME Program provides formula grants - often in partnership with local nonprofit groups - to fund a wide range of activities including



building, buying, and/or rehabilitating affordable housing or providing direct rental assistance to low-income people. HOME is the largest Federal block grant to state and local governments designed exclusively to create affordable housing for low-income households.

The Consolidated Plan is a HUD required plan assessing affordable housing and community development needs for the next five-year 2025-2029 period. The Consolidated Plan determines how funds from the U.S. Department of Housing and Urban Development (HUD) are used.

The Analysis of Impediments to Fair Housing Choice is a review of policies, procedures, and practices within the community that affect the location, availability, and accessibility of housing and current residential patterns and conditions related to fair housing choice.

The Annual Action Plan is submitted to HUD on an annual basis and identifies how the City plans to use the federal money during the next fiscal year to meet the goals and objectives approved by the City Council in the Five-Year Consolidated Plan.

The Citizen Participation Plan sets forth the City of Montebello's policies and procedures for citizen participation in the development of the Consolidated Plan Documents and any subsequent amendments.

For Fiscal Year 2025-2026, the City expects to receive approximately \$614,925 in CDBG funds and approximately \$270,314 in HOME funds.

For more information, call Rosemary Perich, Housing Manager for the City of Montebello, Planning and Community Development Department at (323) 887-1200 Ext. 1454 or via e-mail rperich@montebelloca.gov.

ENVIRONMENTAL: The proposal is not considered a "Project" under the California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(4) for fiscal activities of the government which do not involve any commitment to any specific project which may result in a potentially significant physical impact; and is also exempt under the commonsense exemption pursuant CEQA Guidelines Section 15061(b)(3) as it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

In-Person: For those interested in participating during the Public Comment period(s) or public testimony period for Public

Hearings of the City Council meetings, you may address the City Council in person the day of the meeting. Speakers will be required to fill out a speaker card provided at the door and turn it into the Deputy City Clerk prior to each Public Comment announcement period. Staff will number and call each speaker card in the order received. Closed Session begins at 6:00 p.m. and Regular Session begins immediately thereafter; if there is no Closed Session, Regular Session will begin at 6:00 p.m.

Via Email: The public may also submit emailed comments via the City's email address: ccpubliccomment@montebelloca.gov, up until the day of the meeting, Wednesday, January 8, 2025, by 3:00 p.m. These comments will be submitted to all members of the City Council and may not be read aloud but will be entered into the record of the proceedings to the extent they relate to matters listed on the posted agenda. Any requests to provide public comment which is submitted after the deadlines indicated above will not be submitted to the City Council.

Americans with Disabilities Act (ADA): The City of Montebello, in complying with the Americans with Disabilities Act (ADA), requests individuals who require special accommodations to access, attend and/or participate in the City meeting due to disability, to please contact the Housing Manager by email rperich@montebelloca.gov at least 6 hours prior to the scheduled special meeting to ensure assistance is provided.

Kimberly Guillen, Senior Deputy City Clerk

Dated: December 11, 2024

Date posted: December 19, 2024

12/19/24

CNS-3878826#

WHITTIER DAILY NEWS



ITEM # 11

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Cesar Roldan, Director of Public Works

SUBJECT: **ADOPT RESOLUTION NO. 25-29 FOR THE INSTALLATION OF AN ALL-WAY STOP AT THE INTERSECTION OF 3RD STREET AND LOS ANGELES AVENUE**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Adopt Resolution No. 25-29 (Attachment A) approving the installation of an all-way stop at the intersection of 3rd Street and Los Angeles Avenue; and,
2. Approve Environmental Assessment pursuant to 14 California Code of Regulations § 15301 as a Class 1 categorical exemption under the California Environmental Quality Act; and
3. Authorize the Public Works Department to place the appropriate pavement markings, advance warning signs and appropriate signage in accordance with the California Manual on Traffic Control Devices. and,
4. Take such additional, related action that may be desirable.

FISCAL IMPACT:

The cost of installing the signs and pavement markings is approximately \$1,500 payable from the Gas Tax Fund (Account No. 200-30-310-6000.40, Gas Tax, Public Works, Streets, Supplies-Durable). The installation of the pavement markings and sign warnings will improve safety for all modes of travel at the intersection of 3rd Street and Los Angeles Avenue. The adopted Fiscal Year 2024-25 Capital Improvement Project Budget allocated the necessary funds for street signage and markings. Therefore, no budget amendment is needed as part of the recommended action.

BACKGROUND/DISCUSSION:

The City received a request for an all-way stop at the intersection of 3rd Street and Los Angeles Avenue. This intersection is a four-way intersection that is controlled North-South by stop signs. In accordance with the California Manual on Traffic Control Devices (MUTCD), the City's Traffic Engineer reviewed the request and conducted a stop sign warrant analysis of the intersection.

Regarding the request for installation of an all-way stop intersection at this location, the California MUTCD has established specific requirements for the installation of stop signs. Three varying warrants are applicable to this specific request; though the requirement is for one of the three warrants to be satisfied before installing stop signs. The warrants are summarized as follows:

1. Collisions - Involving five (5) or more reported crashes in a 12-month period that are susceptible to correction by a multi-way stop installation. Such crashes include right and left-turn collisions as well as right-angle collisions.
2. Volumes - The vehicular volume entering the intersection from the major street approaches (total of both approaches) averages at least 300 vehicles per hour for each of 8 hours of an average day.
3. Sight Distance - Locations where a road user, after stopping, cannot see conflicting traffic and is not able to negotiate the intersection unless conflicting cross traffic is also required to stop reasonably safely. Evidence that sight distance is a contributing factor will be supported by the existence of traffic collisions which could be susceptible to correction by installation of stop signs.

In terms of traffic volumes, accident history and sight distance concerns, the stop sign warrants were not met. The City of Montebello's Traffic and Safety Commission reviewed the report (Attachment B) at the regularly scheduled March 31, 2025, meeting and did not concur with the Traffic Engineer's assessment.

Staff are seeking directions from the City Council on the installation of an all-way stop at the intersection of 3rd Street and Los Angeles Avenue.

LEGAL REQUIREMENT

The installation of a stop sign does not absolve the City from potential liability. The City is exposed to liability whether or not stop signs are installed at this particular intersection. The primary purpose of stop signs is to control intersection right-of-way. The stop sign is a useful regulatory traffic control device that directs motorists to stop at all times before proceeding through an intersection. A fully justified and properly installed stop sign can facilitate traffic movement, effectively assign right-of-way, reduce vehicle delay and decrease accidents. A stop sign is not a cure-all and is not a substitute for other traffic control devices.

Advantages of Warranted Stop Signs:

- Stop signs that are warranted provide the following:

- Assignment of right of way to drivers at an intersection
- Improved safety at the intersection

Disadvantages of Unwarranted Stop Signs:

- Stop signs installed that are NOT warranted cause the following:
 - Reduce their effectiveness and are largely ignored by drivers
 - Unnecessarily increases fuel consumption and air and noise pollution
 - May actually cause an increase in potential accidents

ENVIRONMENTAL:

The proposed project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations § 15301 as a Class 1 categorical exemption (Existing Facilities). The project results in minor alterations to existing public facilities involving no significant expansion of the existing use. The project is not anticipated to have any significant impacts with regards to traffic, noise, air quality, or water quality. There are adequate utilities and public services to serve the project (Attachment C).

ANALYSIS:

N/A

SUMMARY:

Staff recommends City Council adopt Resolution No. 25-29 for the installation of an all-way stop at the intersection of 3rd Street and Los Angeles Avenue; and approve Environmental Assessment pursuant to 14 California Code of Regulations § 15301 as a Class 1 categorical exemption under the California Environmental Quality Act; and authorize the Public Works Department to place the appropriate pavement markings, advance warning signs and appropriate signage in accordance with the California Manual on Traffic Control Devices.

ATTACHMENT(S)

1. Attachment A - Resolution No. 25-29 - All-Way Stop Sign at 3rd St and Los Angeles Ave
2. Attachment B - Traffic and Safety Commission Agenda Report All-Way Stop Sign 3rd St & Los Angeles Av
3. Attachment C - CEQA Notice of Exemption

RESOLUTION NO. 25-29

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO, CALIFORNIA, AUTHORIZING THE INSTALLATION OF AN ALL-WAY STOP AT THE INTERSECTION OF 3RD STREET AND LOS ANGELES AVENUE

RECITALS

WHEREAS, the City of Montebello (“City”) received a request for an all-way Stop intersection at 3rd Street and Los Angeles Avenue; and

WHEREAS, the City’s Traffic Engineer conducted a Stop Warrant Study pursuant to the California Manual on Traffic Control Devices (“MUTCD”); and

WHEREAS, the stop sign warrants were not met pursuant to the MUTCD in terms of traffic volumes, accident history and sight distance concerns; and

WHEREAS, the City’s Traffic and Safety Commission reviewed the report at the regularly scheduled March 31, 2025 Traffic and Safety Commission meeting and did not concur with the City’s Traffic Engineer’s assessment; and

WHEREAS, the MUTCD allows for engineering judgment to be used to consider other factors such as restrictions, or the need to control pedestrian and/or vehicle conflicts; and

WHEREAS, the Traffic and Safety Commission finds the installation of an all-way stop at the intersection of 3rd Street and Los Angeles Avenue is critical to the health, safety, and general welfare of the community in accordance with applicable laws, including the City’s Municipal Code and general traffic engineering principles; and

WHEREAS, this Resolution may be enforced pursuant to the California Vehicle Code Section 21450 after the location designated above is properly posted.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF MONTEBELLO HEREBY RESOLVES, FINDS, AND DECLARES AS FOLLOWS:

SECTION 1. The City Council hereby adopts the recitals set forth above as if fully set forth herein.

SECTION 2. Be it further resolved and ordered, that any and all actions, whether previously or subsequently taken by the City, which are consistent with the intent and purposes of the foregoing resolution, shall be, and hereby are, in all respects, ratified, approved and confirmed.

RESOLUTION NO. 25-29

Page 2 of 3

SECTION 3. The City Clerk shall certify to the adoption of this Resolution. This Resolution shall take effect immediately upon its adoption by the City Council and the City Clerk shall certify to the passage and adoption of this resolution.

APPROVED AND ADOPTED THIS 14TH DAY OF MAY 2025.

Salvador Melendez, Mayor

ATTEST:

APPROVED AS TO FORM:

Christopher Jimenez, City Clerk

Arnold M. Alvarez-Glasman, City Attorney

RESOLUTION NO. 25-29

Page 3 of 3

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 25-29 was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 14th day of May 2025 and that said Resolution was adopted by the following vote, to-wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____

Christopher Jimenez, City Clerk



ITEM # 4

**CITY OF MONTEBELLO
TRAFFIC AND SAFETY COMMISSION AGENDA STAFF REPORT**

TO: Traffic and Safety Commission Members
FROM: Raul Alvarez, City Manager

BY: Dennis D. Barnes

SUBJECT: ALL WAY STOP SIGN STUDY AT THE INTERSECTION OF 3RD STREET AND LOS ANGELES AVENUE

DATE: March 31, 2025

RECOMMENDATION(S):

It is recommended that the Traffic & Safety Commission take the following actions:

1. Receive and file an all-way stop sign study for the intersection of 3rd Street and Los Angeles Avenue;
2. Approve City Traffic Engineer's recommendation to deny the request for an all-way stop sign at this intersection;
3. Approve City Traffic Engineer's recommendation to refresh the existing red curb markings at the intersection approaches of 3rd Street and Los Angeles Avenue.

BACKGROUND/DISCUSSION:

At the request of Traffic Safety Commission, Public Works staff conducted an updated all-way stop sign study to install all-way stop controls at the intersection of 3rd Street and Los Angeles Avenue. Previous study was reported to the Commission on July 29, 2024.

Regulatory traffic control signs, including stop signs, must conform to the California Manual on Traffic Control Devices (MUTCD). The current version is Revision 8 of the 2014 Edition. Section 2B.07 of the MUTCD contains provisions on the application of multi-way stop control at an intersection. This multi-way stop warrant analysis considers the following criteria in the California Manual on Uniform Traffic Control Devices (MUTCD) Section 2B.07:

- A. Where traffic control signals are justified, the multi-way stop is an interim measure that can be installed quickly to control traffic while arrangements are being made for the installation of traffic control signal.

TRAFFIC AND SAFETY COMMISSION AGENDA REPORT - MEETING OF MARCH

31, 2025

Page 2 of 6

- B. Five or more reported crashes in a 12-month period that are susceptible to correction by a multiway stop installation. Such crashes include right-turn and left-turn collisions as well as right-angle collisions.
- C. Minimum volumes:
 - 1. The vehicular volume entering the intersection from the major street approaches (total of both approaches) averages at least 300 vehicles per hour for any 8 hours of an average day; and
 - 2. The combined vehicular, pedestrian, and bicycle volume entering the intersection from the minor street approaches (total of both approaches) averages at least 200 units per hour for the same 8 hours, with an average delay to minor-street vehicular traffic of at least 30 seconds per vehicle during the highest hour; but
 - 3. If the 85th-percentile approach speed of the major-street traffic exceeds 40 miles per hour (mph), the minimum vehicular volume warrants are 70 percent of the values provided in Items 1 and 2.
- D. Where no single criterion is satisfied, but where Criteria B, C.1 and C.2 are all satisfied to 80 percent of the minimum values. Criterion C.3 is excluded from the condition.

INVESTIGATION:

Based on the resident's request, staff did research for any past T&S reports for the intersection to identify all safety issues. The review included available traffic volume and pedestrian counts that may have been collected for this intersection.

The objective of this study investigation was to evaluate the existing intersection's traffic and safety conditions to determine the need and warrants for the installation of additional stop signs at the uncontrolled approaches. To address the request, the following tasks were performed:

- A field investigation of site-specific conditions, sight distance, and potential physical obstructions,
- A review of the traffic collision history for the past three years,
- An analysis of applicable multi-way stop sign warrants per the California Manual on Uniform Traffic Control Devices (CA-MUTCD).

EXISTING CONDITIONS:

Los Angeles Avenue is an east-west local residential street with a posted 25 miles per hour (MPH) speed limit. 3rd Street is a two-lane residential street and has existing stop signs installed at its intersection with Los Angeles Avenue. Figure 1 provides an aerial view of the intersection while figures 2 and 3 illustrate the street view conditions on each intersection approach in the North and South Directions, respectively.

**TRAFFIC AND SAFETY COMMISSION AGENDA REPORT - MEETING OF MARCH
31, 2025**
Page 3 of 6

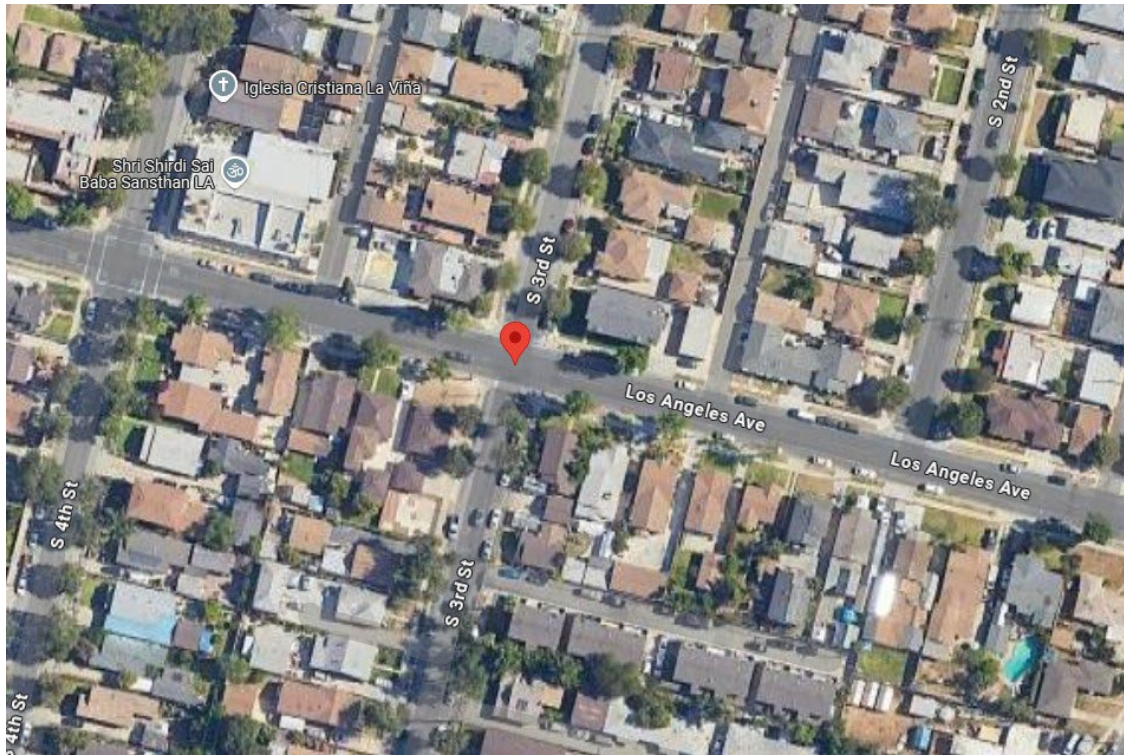


Figure 1 - Aerial View of 3rd Street at Los Angeles Avenue



Figure 2 - Street View of 3rd Street at Los Angeles Avenue, Looking North



Figure 3 - Street View of 3rd Street at Los Angeles Avenue, Looking South



Figure 4 - Street View of 3rd Street at Los Angeles Avenue, Looking West

TRAFFIC AND SAFETY COMMISSION AGENDA REPORT - MEETING OF MARCH 31, 2025

Page 5 of 6



Figure 5 - Street View of 3rd Street at Los Angeles Avenue, Looking East

Figures 4 and 5 illustrate the street view conditions in the west and east directions, respectively.

ANALYSIS:

Staff collected traffic volume counts at the intersection shown in aerial view Figure 1 and retrieved collision data from the TIMS program to conduct the analysis to determine if the intersection met the warrant requirements to install all-way stop controls.

Average Daily Traffic (ADT)

24-hour approach traffic volumes counts (ADT) were collected on Tuesday-Thursday, December 10, 2024 to December 12, 2024, at the intersection. The traffic volume warrants were not met.

Collision Data

The most recent available citywide collision records were collected between September 30, 2022, to September 30, 2024, from the California Internet Statewide Integrated Traffic Records System (SWITRS) via the Transportation injury Mapping System (TIMS) online tool. The collision data revealed no accidents at the intersection.

CONCLUSION:

Based on a review of available information, presented facts, and field reviews, the City Traffic Engineer recommends that the Traffic & Safety Commission receive and file the all-way stop sign study; deny the all-way stop request since MUTCD warrants are not satisfied at this intersection and refresh the existing red curb marking at the intersection approaches.

ENVIRONMENTAL IMPACT:

**TRAFFIC AND SAFETY COMMISSION AGENDA REPORT - MEETING OF MARCH
31, 2025**

Page 6 of 6

FISCAL IMPACT:

N/A

ATTACHMENT(S)

1. Attachment A - All-way Stop Study Warrants Summary and Collision History

Commissioner LaRocca motioned to reject the item and take the recommendation to install an all-way stop sign at this intersection to City Council for final approval, seconded by Commissioner Takeyama; the motion passed with 4 yeses and one absence.

Study Name: 3rd St and Los Angeles Ave

Study Date : 1/22/2025

Multiway Stop Warrants - Summary**Major Street Approaches****Eastbound: Los Angeles Ave**

Number of Lanes : 1

Total Approach Volume: 3,326

Westbound: Los Angeles Ave

Number of Lanes : 1

Total Approach Volume: 2,973

Minor Street Approaches**Northbound: 3rd St**

Number of Lanes : 1

Total Approach Volume: 218

Southbound: 3rd St

Number of Lanes : 1

Total Approach Volume: 389

Warrant Summary (Urban Values Apply)

Criteria A - Interim Measure..... **Not Evaluated**
 If traffic signals are justified, stop signs can be installed as an interim measure.

Criteria B - Crash Experience..... **Not Satisfied**
 Number of crashes (0) is less than minimum required (5).

Criteria C - Minimum Volumes and Delays..... **Not Satisfied**
 Average of 8 highest hours is less than volume criteria.

Criteria D - 80% of Volumes, Delays, and Crashes..... **Not Satisfied**
 Number of crashes (0) is less than minimum required (4).
 Average of 8 highest hours is less than volume criteria.

Criteria C Volume Summary

Time	Major Total	Major Avg	Minor Total	Minor Avg	Major Crit	Minor Crit	Meets?
17:00 - 18:00	696	449.8	39	39.3	300	200	No
15:15 - 16:15	650		59				
14:15 - 15:15	439		40				
07:30 - 08:30	419		52				
18:00 - 19:00	432		26				
12:00 - 13:00	357		28				
19:00 - 20:00	304		36				
13:15 - 14:15	301		34				
08:30 - 09:30	293		33				
11:00 - 12:00	292		34				
06:30 - 07:30	268		47				
10:00 - 11:00	248		30				

Criteria D Volume Summary

Time	Major Total	Major Avg	Minor Total	Minor Avg	Major Crit	Minor Crit	Meets?
17:00 - 18:00	696	449.8	39	39.3	240	160	No
15:15 - 16:15	650		59				
14:15 - 15:15	439		40				
07:30 - 08:30	419		52				
18:00 - 19:00	432		26				
12:00 - 13:00	357		28				
19:00 - 20:00	304		36				
13:15 - 14:15	301		34				
08:30 - 09:30	293		33				
11:00 - 12:00	292		34				
06:30 - 07:30	268		47				
10:00 - 11:00	248		30				

SWITRS Query & Map: Result

[New Query](#) / [Query by Case ID\(s\)](#) / [Change Filters](#) / [Download Raw Data](#) / [Print](#) / [Help](#)

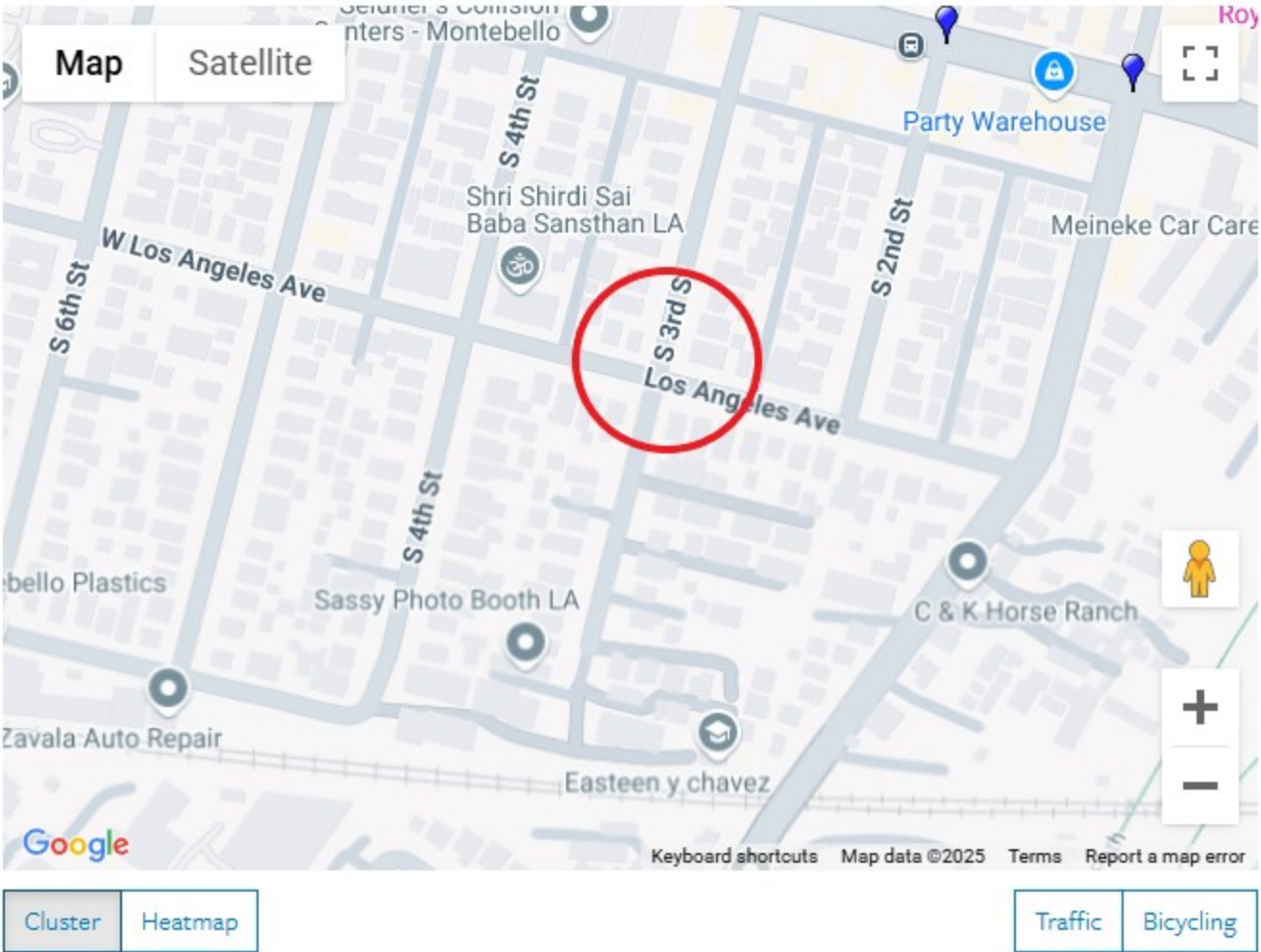
Selected Criteria

Date & Location

Date: 09/30/2022 - 09/30/2024

County: Los Angeles

City: Montebello



Notice of Exemption

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044

County Clerk

County of: Los Angeles

From: (Public Agency): City of Montebello

1600 W. Beverly Boulevard

Montebello, CA 90640

(Address)

Project Title: All-way stop at the intersection of 3rd Street and Los Angeles Avenue

Project Applicant: City of Montebello

Project Location - Specific: 3rd Street and Los Angeles Avenue

Project Location – City: Montebello

Project Locations – County: Los Angeles

Description of Nature, Purpose and Beneficiaries of Project: Place the appropriate pavement markings, advance warning signs and appropriate signage in accordance with the California Manual on Traffic Control Devices.

Name of Public Agency Approving Project: City of Montebello

Name of Person or Agency Carrying Out Project: Cesar Roldan, Director of Public Works

Exempt Status: **(check one):**

- ☐ Ministerial (Sec. 21080(b)(1); 15268);
- ☐ Declared Emergency (Sec. 21080(b)(3); 15269(a)); Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- ☒ Categorical Exemption. State type and section number: 15301 Class 1
- ☐ Statutory Exemptions. State code number: _____

Reasons why project is exempt: Exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations § 15301 as a Class 1 categorical exemption (Existing Facilities).

Lead Agency

Contact Person: Cesar Roldan Area Code/Telephone/Extension: 323-887-1462

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? **Yes** No

Signature: _____ Date: May 15, 2025 Title: Director of Public Works

Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Date Received for filing at OPR: _____



ITEM # 12

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Cesar Roldan, Director of Public Works

SUBJECT: **AWARD PROFESSIONAL SERVICES AGREEMENT NO. 4313 FOR
FINAL DESIGN OF STORM DRAIN IMPROVEMENTS ON 4TH STREET,
FROM BEACH STREET TO MINES AVENUE**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Find that it would be impractical, useless, or uneconomical in this project to follow the bidding procedures, and that the welfare of the public would be promoted by dispensing said procedures.
2. By a four-fifth vote of the City Council, staff recommend authorizing the dispensing of a formal request for proposal (RFP) procedure and award a professional services agreement for the design of a storm drain system on 4th Street between Beach Street and Mines Avenue, in accordance with Montebello Municipal Code Chapter 3.21.025(C); and,
3. Due to the consultant's familiarity, experience, intimate knowledge, and dealings with the Los Angeles County Department of Public Works and Flood Control District, award Professional Services Agreement No. 4313 to West & Associates Engineering, Inc. for the amount of \$114,800 payable from Gas Tax funds in Account No. 200-30-330-6040.96 (Gas Tax, Public Works, Engineering, Contract Services Engineering Design Services); and,
4. Authorize the City Manager to execute the professional services agreement in good faith;
5. Take such additional, related action that may be desirable.

FISCAL IMPACT:

Staff recommends awarding professional services agreement No. 4313 to West &

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 2 of 4

Associates Engineering, Inc. in the amount of \$114,800, utilizing the exception to the procurement process allowed by Montebello Municipal Code Section 3.21.025(C), by a four-fifth vote of the City Council. Agreement No. 4313 provides for the design of a storm drain system on 4th Street between Beach Street and Mines Avenue.

The adopted Fiscal Year 2024-25 Capital Improvement Project (CIP) Budget appropriated the necessary funds for this project (Account No. 200-30-330-6040.96, Gas Tax, Public Works, Engineering, Contract Services Engineering Design Services). Therefore, no budget amendment is needed as part of the recommended action.

BACKGROUND/DISCUSSION:

On December 14, 2021, the Public Works Department was contacted by Los Angeles County Department of Public Works (LACDPW) Stormwater Maintenance staff notifying the City of damage to the dirt incline due to the stormdrain outlet at the intersection of Beach Street and Bluff Road. LACDPW requested the City's immediate attention to this matter. The City had an underground contractor, Mike Bubalo Construction Co., on standby to complete emergency repairs. The contractor completed exploratory analysis of the slope to find a solution to stabilize the incline that leads into the Los Angeles County Flood Control District's spreading grounds. Based on the findings, LACDPW issued a temporary encroachment permit for the repairs of the outlet pipe. The City developed a plan of action for repairs and the County agreed to the proposed temporary repairs. The contractor completed the temporary emergency repairs on January 3, 2022.

LACDPW contacted City staff soon thereafter and informed them of the need to enter into a rental agreement for the temporary use of the Los Angeles County Flood Control District's property. The City would need to ultimately obtain a permanent easement to keep the outlet pipe's discharge point. West & Associates Engineering, Inc. (consultant) was contracted as the project design engineer. The consultant performed a hydrological study of the tributary area and presented the findings.

Flood Control personnel reviewed the design and hydrology study and determined that since it discharges into Los Angeles County's Rio Hondo Coastal Basin Spreading Grounds, a Flood Construction Permit was necessary. Upon additional review by the County's Public Works and Flood Control Departments, County staff stated that it did not normally allow direct discharges into the spreading grounds. Instead, County staff directed the City to redirect flows, via a splitter box and an additional 400 linear feet (LF) of storm drainpipe, from the base of the Rio Hondo Bike Path into the main concrete-lined Rio Hondo Channel that is maintained by the US Army Corps of Engineers (USACE).

Given the time and coordination effort it would take to obtain an USACE permit and/or other applicable permits (i.e. State Water Resources Control Board) for a storm drain connection to the main Rio Hondo Channel, the City is seeking other alternatives to satisfy the 2021 emergency agreement with the County, and to address the drainage needs of the tributary area which the existing storm drain serves (i.e. Lots 92 and 105 of the El Carmel Tract).

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 3 of 4

Based on the positive hydraulic modeling results and the promising preliminary feedback from the County, the City is choosing to connect to the County's storm drain system on 4th Street and Mines Avenue. Based on West & Associates's experience with this specific project, staff recommends awarding a professional services agreement for design services, as allowed by Chapter 3.21.025(C) of the Montebello Municipal Code:

3.21.025 - Conformance with bidding procedures.

The acquiring of professional/special services shall be made and accomplished in conformity with Section 3.21.050 or Section 3.21.060 except:

- A. When an emergency, as determined by the purchasing agent with the written approval of the city manager, is deemed to require that an order be placed with the nearest available source;
- B. When the professional/special services needed can be obtained from one source only;
- C. *When the city council by a four-fifths vote determines to dispense with such bidding and other procedures required by the above-mentioned sections in every individual instance upon a finding by the city council that it would be impractical, useless, or uneconomical in such instance to follow the procedures, and that the welfare of the public would be promoted by dispensing with the same; or*
- D. When the amount of the professional/special services involved is less than two thousand dollars.
- E. Compliance with the requirements set forth in the provisions of this chapter shall apply to all contracts awarded after the effective date of this subsection, as may be amended.
- F. Notwithstanding the exceptions under this section, no commitment or contract with a definitive term may exceed five years.

Any use or application of the bidding procedure exceptions listed herein for the acquisition of professional/special services shall require the making of a written record of such use or application, including the existence of a valid reason for such use or application. In addition, the exception identified and the reason for applying the exception, along with the written record of such use or application, shall be included and explained in the agenda report submitted to the city council seeking approval of the exception. This written record shall be kept for at least five years.

(Ord. No. 2412, § 3, 2-27-2019; Ord. No. 2447, § 4, 2-9-2022; Ord. No. 2460, § 3, 1-25-2023)

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 4 of 4

SUMMARY:

Staff recommends that the City Council find that conforming to the bidding procedures with regards to this project would be impractical, useless, or uneconomical as the chosen consultant has experience with this specific project. Additionally, Staff also recommends that the City Council find that the welfare of the public would be promoted by dispensing with said bidding procedures for the same reason.

Staff also recommends that the City Council, by a four-fifths vote, approve waiving the formal procurement process for the design of a storm drain system on 4th Street between Beach Street and Mines Avenue, as allowed by Montebello Municipal Code Chapter 3.21.025(C), and award Agreement No. 4313 to West & Associates Engineering, Inc.

Due to their expertise and prior experience with the Los Angeles County Department of Public Works and Flood Control District, staff further recommend awarding a \$114,800 Professional Services Agreement No. 4313 to West & Associates Engineering, Inc. Funds for this project were appropriated in the adopted Fiscal Year 2024-25 Capital Improvement Project (CIP) in Account No. 200-30-330-6040.96 (Gas Tax, Public Works, Engineering, Contract Services Engineering Design Services). Staff also request that the City Manager be authorized to execute the agreement in good faith.

ATTACHMENT(S)

1. Attachment A - PSA West Associates 4313

**PROFESSIONAL SERVICES AGREEMENT NO. 4313
BY AND BETWEEN
THE CITY OF MONTEBELLO
AND
WEST & ASSOCIATES ENGINEERING INC.
FORDESIGN AND ENGINEERING SERVICES**

This Professional Services Agreement ("Agreement") is made and entered into for the above stated project this 14th day of May, 2025 ("Effective Date"), by and between the City of Montebello, a California municipal corporation ("AGENCY") and West & Associates Engineering Inc., ("CONTRACTOR"). AGENCY and CONTRACTOR may be individually referred to herein as a "Party" or collectively referred herein as the "Parties."

RECITALS

A. AGENCY is a municipal corporation duly organized and validly existing under the laws of the State of California with the power to carry on its business as it is now being conducted under the statutes of the State of California.

B. CONTRACTOR is a corporation duly organized and doing business in the State of California. CONTRACTOR represents it has the background, knowledge, experience and expertise necessary to provide AGENCY with the equipment, goods and services set forth in this Agreement.

C. AGENCY seeks to procure from CONTRACTOR, and CONTRACTOR seeks to provide to AGENCY, **Design and Engineering Services** ("Project").

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, AGENCY and CONTRACTOR agree as follows:

AGREEMENT

ARTICLE I. Incorporation of Recitals and other Contract Documents

The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference. Moreover, this Agreement consists of the following documents (collectively referred herein as the "Contract Documents"), in order of precedence, all of which are incorporated herein and made part of this Agreement, as though fully set forth herein:

1. This Agreement, including any and all addenda or supplemental agreements.
2. CONTRACTOR's April 3, 2025, Proposal entitled "Proposal for Final Design, Bidding, and Construction Support of Storm Drain Improvements in 4th Street (from Beach Street to Mines Avenue)" attached hereto as Exhibit "A".

ARTICLE II. Services to be performed by CONTRACTOR

For and in consideration of the payments and agreements to be made and performed by AGENCY, CONTRACTOR agrees to perform the services and furnish all materials necessary to perform all work required for the above stated Project, and to fulfill all other obligations as set forth in the aforesaid Contract Documents. CONTRACTOR covenants with AGENCY to furnish its best skill, judgment and efforts and to cooperate with AGENCY and any other consultants or CONTRACTORS engaged by AGENCY in providing the services necessary for the Project. CONTRACTOR covenants to use its best effort to perform its duties and obligation under this Agreement in an efficient, expeditious and economical manner, consistent with the best interests of AGENCY. Workmanship throughout the performance of this Agreement shall conform to the highest standard of commercially accepted practice of work and shall result in a neat finished appearance to the satisfaction of AGENCY.

ARTICLE III. Compensation

As full compensation for furnishing all materials, performing all services, and fulfilling all obligations set forth in this Agreement, AGENCY agrees to pay and CONTRACTOR agrees to receive and accept the price set forth in CONTRACTOR's Proposal dated April 3, 2025 ("Compensation") attached hereto in **Exhibit "A"**. The total amount of the compensation shall not exceed the sum of **One Hundred and Fourteen Thousand Eight Hundred Dollars and 00/100 Cents** (\$114,800.00). AGENCY shall pay CONTRACTOR within thirty (30) days of receipt of each invoice and full acceptance of product and services by AGENCY.

Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid Contract Documents; and also including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.

ARTICLE IV. Completion of Work

Time is of the essence. The work and services set forth in this Agreement will be completed in a timely manner, and in accordance with an agreed upon work schedule to be further determined by the Parties. An extension of the period for completion may be granted by mutual agreement by the Parties herein for reasons outside the control of CONTRACTOR including acts of God. CONTRACTOR shall request an extension by notifying AGENCY in writing at least fifteen (15) days prior to the expected Completion Date.

No extension of time requested or granted hereunder shall entitle CONTRACTOR to additional compensation unless, as a consequence of such extension, additional work must be performed and such additional work is approved in writing. In such event, AGENCY shall in good faith consider any request for additional compensation submitted by CONTRACTOR.

ARTICLE V. Ownership of Written Products

All reports, documents or other written material ("Written Products") developed by CONTRACTOR in its performance of this Agreement shall be and remain the property of AGENCY without restriction or limitation upon its use or dissemination by AGENCY. CONTRACTOR may take and

retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by CONTRACTOR.

ARTICLE VI. Independent Contractor

CONTRACTOR is, and shall at all times remain to AGENCY, a wholly independent contractor. CONTRACTOR shall have no power to incur and debt, obligation, or liability on behalf of the AGENCY or otherwise to act on behalf of AGENCY as an agent. Neither the AGENCY nor any of its officers, employees or agents shall have control over the conduct of CONTRACTOR or any of CONTRACTOR's employees or agents, except as set forth in this Agreement. CONTRACTOR shall not represent that it is, or that any of its agents or employees are, in any manner employees of AGENCY.

The Parties further agree that:

- A. CONTRACTOR is free from the control and direction of AGENCY in connection with the performance of the work, both under this Agreement for the performance of the work and in fact;
- B. CONTRACTOR performs work that is outside the usual course of AGENCY's business; and
- C. CONTRACTOR is customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the work performed.

ARTICLE VII. Confidentiality

All data, documents, discussion, or other information developed or received by CONTRACTOR or provided for performance of this Agreement are deemed confidential and shall not be disclosed by CONTRACTOR without prior written consent by AGENCY. AGENCY shall grant such consent if disclosure is legally required. All AGENCY data, documents, objects, materials or other tangible things shall be returned to AGENCY upon the termination or expiration of this Agreement. CONTRACTOR agrees that the covenants contained in this Article shall survive the expiration or termination of this Agreement.

ARTICLE VIII. Compliance with State and Local Laws

CONTRACTOR acknowledges the provisions of the State Labor Code requiring every employer to be insured against liability for worker's compensation, or to undertake self-insurance in accordance with the provisions of that code, and certifies compliance with such provisions. All services required under this Agreement will be performed by CONTRACTOR, or under its supervision, and all personnel shall possess the qualification, permits, and licenses required by the State and local law to perform such services.

CONTRACTOR shall be solely responsible for the satisfactory work performance of all personnel engaged in performing service required by this Agreement, and compliance with all reasonable performance standards established by AGENCY. CONTRACTOR shall be responsible for payment of all employees' and sub-contractor's wages and benefits, and shall comply with all requirements pertaining to employer's liability, workers' compensation, unemployment insurance, and Social Security. CONTRACTOR shall indemnify and hold harmless the AGENCY from any

liability, damages, claims, costs and expenses of any nature arising from alleged violations of personnel practices.

ARTICLE IX. Indemnification

CONTRACTOR agrees to indemnify, defend and hold harmless AGENCY and all of its officers and agents against any or all injuries, deaths, losses, damages, claims, suits, liabilities, demands, or causes of action, including reasonable attorneys' fees and related costs and expenses, which may accrue against AGENCY based on, arising out of, or in any way related to the services undertaken or performed by CONTRACTOR under this Agreement regardless of responsibility for negligence. In addition, CONTRACTOR shall defend, indemnify, and hold harmless AGENCY, from and against any and all claims, liabilities and losses whatsoever, including reasonable attorney's fees and related costs and expenses, occurring or resulting from any action attributable to any and all persons, firms, or corporations employed or contracted by CONTRACTOR or its sub-contractors in connection with the services under this Agreement, regardless for responsibility for negligence.

ARTICLE X. Insurance

A. Without limiting CONTRACTOR's indemnification of Indemnities pursuant to Article IX of this Agreement, CONTRACTOR shall obtain and provide and maintain at its own expense during the term of this Agreement the types and amounts of insurance as described below:

- i. **Commercial General Liability Insurance** using Insurance Services Office Commercial General Liability form CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross-liability exclusion for claims or suits by one insured against another. Limits shall be no less than One Million Dollars and 00/100 Cents (\$1,000,000.00) per occurrence for all covered losses and no less than Two Million Dollars and 00/100 Cents (\$2,000,000.00) general aggregate.
- ii. **Automobile Liability Insurance** for owned, hired and non-owned vehicles utilized by Contractor, its employees or subcontractors, in the amount of One Million Dollars and 00/100 Cents (\$1,000,000.00) per accident for bodily injury and property damage. If CONTRACTOR owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described in the preceding subsection. If CONTRACTOR or CONTRACTOR's employees will use personal autos in any way on this project, CONTRACTOR shall provide evidence of personal auto liability coverage for each such person.
- iii. **Workers' Compensation** insurance on a state approved policy form providing statutory benefits as required by law with employer's liability limits no less than One Million Dollars and 00/100 Cents (\$1,000,000.00) per accident for all covered losses.
- iv. **Professional Liability or Errors and Omissions Insurance** as appropriate to the profession, written on a policy form coverage specifically designed to protect against acts, errors or omissions of the CONTRACTOR and "Covered Professional Services" as designated in the policy must specifically include work performed under this

Agreement. The policy limit shall be not less than One Million Dollars and 00/100 Cents (\$1,000,000.00) per claim and Two Million Dollars and 00/100 Cents (\$2,000,000.00) in the aggregate. The policy must "pay on behalf of the insured and must include a provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this Agreement.

- B. AGENCY, its officers, officials, employees and volunteers shall be named as additional insureds on the policy(ies) as to commercial general liability and automotive liability.
- C. All insurance procured pursuant to these requirements shall be written by insurers that are admitted carriers in the state of California with a Best's rating of no less than A:VIII.
- D. All insurance policies shall provide that the insurance coverage shall not be non-renewed, canceled, reduced, or otherwise modified (except through the addition of additional insureds to the policy) by the insurance carrier without the insurance carrier giving AGENCY thirty (30) days' prior written notice thereof. Any such thirty (30) day notice shall be submitted to AGENCY via certified mail, return receipt requested, addressed to "Risk Manager," AGENCY of Montebello, 1600 West Beverly Boulevard, Montebello, California, 90640. CONTRACTOR agrees that it will not cancel, reduce or otherwise modify said insurance coverage. In the event the policy is cancelled for non-payment of premium, CONTRACTOR shall give ten (10) days' prior written notice to AGENCY.
- E. CONTRACTOR shall submit to AGENCY (i) insurance certificates indicating compliance with the minimum insurance requirements above, and (ii) insurance policy endorsements indicating compliance with any other minimum insurance requirements above, not less than one (1) day prior to beginning of performance under this Agreement. Endorsements shall be executed on AGENCY's appropriate standard forms entitled "Additional Insured Endorsement".
- F. CONTRACTOR's insurance shall be primary as respects the AGENCY, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the AGENCY, its officers, officials, employees and volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it.
- G. CONTRACTOR agrees that if it does not keep the aforesaid Insurance in full force and effect, and such insurance is available at a reasonable cost, AGENCY may take out the necessary insurance and pay the premium thereon, and the repayment thereof shall be deemed an obligation of CONTRACTOR and the cost of such insurance may be deducted, at the option of AGENCY, from payments due CONTRACTOR.

ARTICLE XI. Authorization by CONTRACTOR

CONTRACTOR affirms that the signatures, titles, and seals set forth hereinafter in execution of this Contract Agreement represent all duly authorized individuals, firm members, partners, joint ventures, and/or corporate officers having principal interest herein.

ARTICLE XII. Termination

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

12.1 Material Breach. For any breach deemed by the non-defaulting party to constitute a material breach, the defaulting party is required to cure the breach within five (5) calendar days upon receipt of written notice.

12.2 Non-Material Breach. For any breach deemed by the non-defaulting party to constitute a non-material breach, the defaulting party is obligated to cure such breach within ten (10) calendar days upon receipt of written notice. However, if the nature of the non-material breach requires more than ten (10) days to cure, the defaulting party shall have thirty (30) days to diligently pursue and complete a cure.

12.3 Failure to Cure. In addition to any other available legal or equitable rights or remedies, if the default is not cured within the time periods described above, the non-defaulting party may terminate this Agreement by giving written notice thereof to the defaulting party, setting forth the effective date thereof.

12.4 Termination for Convenience. AGENCY shall have the option, at its sole discretion and without cause to terminate this Agreement for AGENCY's convenience at any time by providing CONTRACTOR ten-days' (10-days') written notice.

12.4.1 Upon receipt of such notice of Termination for Convenience, CONTRACTOR shall immediately take action not to incur any additional obligations, costs or expenses, except as may be necessary to terminate its activities.

12.4.2 AGENCY shall pay CONTRACTOR its reasonable and necessary costs incurred by CONTRACTOR to effect the termination. Thereafter, CONTRACTOR shall have no further claims against AGENCY under this Agreement.

12.4.3 All finished and unfinished documents and materials procured for or produced under this Agreement, including all intellectual property rights AGENCY is entitled to, shall become AGENCY property upon the date of termination. Further, CONTRACTOR agrees to execute any documents necessary for AGENCY to perfect, memorialize, or record AGENCY's ownership of any and all rights provided herein.

12.5 Upon the valid termination of this Agreement as provided under this Article, AGENCY shall provide to CONTRACTOR the part of Compensation which would otherwise be payable to CONTRACTOR for goods and/or services CONTRACTOR had completed/delivered

as of the date of termination, less the amount of all previous payment with respect to the Compensation; provided that CONTRACTOR received AGENCY's Notice to Proceed (as defined in Section 12.5.1 below) before such goods/services were completed/delivered.

12.5.1 The Notice to Proceed shall be issued within fifteen (15) working days of Contract execution. Should there be reasons why the Notice to Proceed cannot be issued within such period; the time may be extended by mutual agreement between AGENCY and CONTRACTOR. If the Notice to Proceed has not been issued within the 15-day period or within the period mutually agreed upon, the CONTRACTOR may terminate the Contract without further liability on the part of either party.

ARTICLE XIII. Dispute Resolution and Legal Remedies

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded.

ARTICLE XIV. Subcontract, Assignment or Delegation

CONTRACTOR shall not subcontract, delegate or assign its duties or rights hereunder, wither in whole or in part, without the prior written consent of AGENCY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed sub-CONTRACTOR, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

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

ARTICLE XV. Non-discrimination and Equal Opportunity Employer

In the performance of this Agreement, CONTRACTOR shall not discriminate against any employee, sub-CONTRACTOR, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. CONTRACTOR will take affirmative action to ensure that sub-consultants and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

ARTICLE XVI. Notices

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second (2nd)

business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the parties may designate by written notice:

To AGENCY: City of Montebello
1600 West Beverly Blvd.
Montebello, CA 90640
Attention: Cesar Roldan, Director of
Public Works
Phone: (323) 887-1460
Email: croldan@montebellocal.ca.gov

To CONTRACTOR: Phillip West, P.E., QSD/P
West & Associates Engineering Inc.
78 Anacapa Court
Foothill Ranch, CA 92610
Phone: (949) 716-7670
Email: philw@westaeng.com

ARTICLE XVII. Severability

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

ARTICLE XVIII. Governing Law

This Agreement shall be construed in accordance with and governed by the laws of the State of California. The venue for any litigation shall be the County of Los Angeles, California. The Parties agree that the covenants contained in this Article shall survive the expiration or termination of this Agreement

ARTICLE XIX. Entire Agreement

This Agreement and the aforementioned Contract Documents shall constitute the entire agreement by the Parties, and supersedes all prior proposals, agreements, and understandings between the Parties and may not be modified or terminated orally. No attempted waiver of any of the provisions herein, nor any change, amendment or modification to this Agreement shall be effective unless in writing and signed by the party against whom the same is sought to be enforced.

ARTICLE XX. Effective Date

Unless otherwise specified herein, this Agreement shall become effective the first date written above ("Effective Date"). This Agreement may be signed in counterparts, each of which shall constitute an original, and which collectively shall constitute one instrument.

ARTICLE XXI. Term

The term of this Agreement shall commence on the Effective Date and shall expire on December 31st, 2025 ("Expiration Date"). This term may be extended by written agreement of the Parties for an additional 6-month period at the discretion of the City.

ARTICLE XXII. Survival

The Parties' obligations under Article VII [Confidentiality], Article VIII [Compliance with State and Local Laws], Article IX [Indemnification], and Article XVIII [Governing Law], will survive the Termination or Expiration of this Agreement.

ARTICLE XXIII. Force Majeure

Neither AGENCY nor CONTRACTOR shall be responsible for delays in performance under this Agreement due to causes beyond its control, including but not limited to acts of God, acts of public enemies, acts of the Government, fires, floods or other casualty, epidemics, pandemics (including COVID-19), quarantine restrictions and related government restrictions, earthquakes, labor stoppages or slowdowns, freight embargoes, unusually severe weather, and supplier delays due to such causes. Neither economic nor market conditions nor the financial condition of either party shall be considered a cause to excuse delay pursuant to this Section. Each party shall notify the other promptly in writing of each such excusable delay, its cause and its expected delay, and shall upon request update such notice.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Agreement to be executed.

CITY OF MONTEBELLO
("AGENCY")

West & Associates Engineering Inc.
("CONTRACTOR")

Raul Alvarez, City Manager

Phillip West, President

Date: _____

Date: _____

ATTEST:

Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman, City Attorney

EXHIBIT A
CONTRACTOR PROPOSAL

April 3, 2025

Cesar Roldan
Director of Public Works
City of Montebello
1600 W. Beverly Blvd.
Montebello, CA 90640

Subject: Proposal for Final Design, Bidding, and Construction Support of Storm Drain Improvements in 4th Street, from Beach Street to Mines Avenue (Permit #FCDP2021000563)

Dear Mr. Roldan,

West & Associates Engineering is pleased to submit our Proposal to provide Engineering Services for Storm Drain Improvements in 4th Street, from Beach Street to Mines Avenue. We understand that this is part of a larger storm drain improvement project (Project) for the City's El Carmel Tract (Beach Street, Hughes Avenue, Bluff Road, and 5th Street), and will address **Permit #FCDP2021000563** for the design of a permanent storm drain connection/outlet.

As noted in our letters/memorandums (and **Exhibits A, D1, and D2**) to the County and the City, the proposed alignment in 4th Street will be located about eight (8) feet from centerline (or 12 feet from the easterly curb face), about 1,680 LF in length, and will feature a 30-foot-deep manhole connection to the County's existing 12.5-ft (150-in) Concrete Arch Pipe (Arch Pipe) in Mines Avenue.

Based on the positive hydraulic modeling results and the promising preliminary feedback from the County, it appears that the County is open to the aforementioned connection on 4th Street and Mines Avenue. Therefore, this proposal is prepared for **Engineering Services** based on **Exhibits D1 and D2**.

Scope of Services

The Scope of Services will be as follows.

Final Design, Bidding, and Construction Support Services:

1. Prepare detailed base/topo maps in AutoCAD for the preparation of Plans.
2. Conduct Field Survey and prepare surface (xml) files in AutoCAD.
3. Prepare 90% Design Plans and Specifications for City Review.
4. Coordinate with City for redline comments of 90% Design Plans and Specifications.
5. Prepare 100% Design Plans and Specifications for final City review (spot-check review).
6. Coordinate with City to Finalize Plans for signature and advertisement of construction bids.
7. Bidding and Construction Support Services

Permitting Services:

1. Coordinate with City to upload current permitting docs (Letter, Exhibits, and/or 90% Plans) to the County's "Epic LA" website ([SelfService Public Site](#)) for Permit #FCDP2021000563.

2. Follow-Up with County to review and receive comments from County on the Letter, Preliminary Design Exhibits, and/or on the 90% Plans.
3. Revise 90% Plans based on the County's comments.
4. Coordinate with City to upload the revised permitting docs/100% Plans to the County.
5. Follow-Up with County to receive permit approval.

Field (Subconsultant) Services:

1. Geotechnical Analysis. Report for trench bedding & backfill (estimate of three (3) borings).
2. Utility Potholing (estimate of ten (10) potholes will be required).

Fee Estimate

Our fee for the tasks above is provided **on the following page**. Please note that our Scope of Services and Fee is negotiable and can be adjusted based on the City's needs.

Assumptions/Statements

- Our Scope of Work and Fee is flexible and can be adjusted if requested by the City.
- City to upload files to "Epic LA" under their account. Fees by the County will be paid by the City
- Design plans will be prepared for 4th Street from Beach Street to Mines Avenue, as shown in **Exhibit A**. If the County requires a connection at 3rd Street and Mines Avenue (shown in Orange in **Exhibit A**), this proposal will need to be revised.

Completion Schedule

The work under this phase will proceed in a timely manner until completion. The schedule of completion can be discussed with the City and provided on an MS Project chart, if requested.

Thank you for this project opportunity. Please contact me if you have any questions.

Sincerely,



Phillip West, P.E., QSD/QSP
Principal/President
West & Associates Engineering, Inc.
(949) 716-7670 Office | (714) 728-8082 Cell
philw@westaeng.com

Fee Estimate

Task No.	ITEM	\$
NON-OPTIONAL SERVICES		
Final Design Services		
1	Prepare detailed base/topo maps in AutoCAD for the preparation of Plans.	\$8,400
2	Conduct Field Survey and Prepare Surface (xml) files in AutoCAD	\$6,500
3	Prepare 90% Design Plans and Specifications for City Review	\$25,000
4	Coordinate with City for Redline Comments of 90% Design Plans and Specifications	\$300
5	Prepare 100% Design Plans and Specifications for Final City Review (Spot-Check Review)	\$4,600
6	Coordinate with City to Finalize Plans for Signature and Advertisement of Construction Bids	\$500
7	Bidding and Construction Support Services	\$15,000
Subtotal		\$60,300
Permitting Services		
1	Coordinate with City to upload current permitting docs (Letter, Exhibits, and/or 90% Plans) to the County's "Epic LA" website (SelfService Public Site) for Permit #FCDP2021000563	\$500
2	Follow-Up with County to review and receive comments from County on the Letter, Preliminary Design Exhibits, and/or on the 90% Plans	\$500
3	Revise the Preliminary Design Exhibits and/or the 90% Plans based on the County's comments	\$2,500
4	Coordinate with City to upload the revised permitting docs/100% Plans to the County	\$500
5	Follow-Up with County to receive permit approval	\$500
Subtotal		\$4,500
Field (Subconsultant) Services		
1	Geotechnical Analysis. Report for Trench Bedding & Backfill (Estimate of Three (3) Borings)	\$28,000
2	Utility Potholing (Estimate of Ten (10) Potholes will be Required)	\$22,000
Subtotal		\$50,000
TOTAL NON-OPTIONAL SERVICES		\$114,800



ITEM # 13

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Cesar Roldan, Director of Public Works

SUBJECT: **AWARD CONSTRUCTION AGREEMENT NO. 4311 FOR THE PAVING THE WAY PROGRAM MONTEBELLO BOULEVARD FROM LOS ANGELES AVENUE TO LINCOLN BOULEVARD (CP 888)**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Award a Construction Agreement to Toro Enterprises, Inc. for the Paving the Way Program Montebello Boulevard from Los Angeles Avenue to Lincoln Boulevard (CP 888) as the most responsive, responsible bidder in the amount of Three Million, Two-Hundred Ninety-Eight Thousand, Seven Hundred Five Dollars (\$3,298,705) payable from Paving the Way — Proposition C funds; and
2. Approve a 15% construction contingency of \$494,806 payable from Paving the Way – Proposition C funds; and
3. Authorize the City Clerk's Office to release all-other bidders' bonds; and
4. Authorize the City Manager to execute the Construction Agreement (attached hereto in substantial form) and all applicable change orders in good faith; and
5. Take such additional, related action that may be desirable.

FISCAL IMPACT:

Staff recommends awarding the construction contract to Toro Enterprises, Inc., as the most responsive and responsible bidder in the amount of \$3,298,705. Additionally, a 15% construction contingency of \$494,806 is requested in the event of any unforeseen unaccounted costs, risks, events, or changes in scope that may affect the project's cost over the course of its life, bringing the total contract amount to \$3,793,511 payable from Proposition C Paving the Way bond proceeds (Account No. 215-99-7117, Proposition C, Non-Departmental, Improvements Other Than Building – Paving the Way). The adopted

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 2 of 3

Fiscal Year 2024-25 Capital Improvement Project (CIP) Budget allocated the necessary funds for this project. Therefore, no budget amendment is needed as part of the recommended action.

Additionally, staff request authorization for the City Manager to execute all contract change orders that are approved and negotiated in good faith by the Director of Public Works and the Construction Manager, up to the total contract amount of \$3,793,511.

BACKGROUND/DISCUSSION:

On March 26, 2025, the City Council authorized staff to advertise the Notice Inviting Bid (NIB) for the Paving the Way Program Montebello Boulevard from Los Angeles Avenue to Lincoln Boulevard — CP 888. This project aims to rehabilitate the asphalt pavement on Montebello Boulevard between Lincoln Avenue and Los Angeles Avenue. The project enhances transportation infrastructure, improves Americans with Disabilities Act (ADA) compliance and includes the addition of center median islands as part of a safety and beautification effort.

The NIB was published on March 27, 2025, in a newspaper of general circulation. Bidders accessed the contract specifications via PlanetBids. A total of four (4) bids were received electronically via PlanetBids on April 23, 2025. The following is the tabulation based on the order of when the bids were received:

	Contractors	Bid Totals
1	Toro Enterprises, Inc.	\$3,298,705.00
2	Hardy & Harper, Inc.	\$3,350,000.00
3	All American Asphalt	\$3,393,227.00
4	Excel Paving	\$3,648,589.00

The bid analysis was conducted to ensure that the most responsive, responsible bid met all state and local requirements. Based on the analysis, staff's recommendation is to award Toro Enterprises, Inc. the contract agreement (Attachment A) as the most responsive, responsible bidder. The remaining bid proposals are available in the City Clerk's Office for review and the itemized bid results for comparative analysis are included in Attachment B.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

Staff recommends awarding the construction contract to Toro Enterprises, Inc. as the

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 3 of 3

most responsive and responsible bidder for the amount of \$3,298,705, plus a 15% construction contingency of \$494,806 in the event of any unforeseen unaccounted costs, risks, events, or changes in scope that may affect the project's cost over the course of its life. The total contract award amount — including the 15% contingency — is \$3,793,511, payable from Proposition C Paving the Way bond proceeds (Account No. 215-99-7117, Proposition C, Non-Departmental, Improvements Other Than Building – Paving the Way); and authorize the City Clerk's office to release all-other bidders' bonds; and authorize the City Manager to execute the agreement and all change orders within the contingency amount in good faith.

ATTACHMENT(S)

1. Attachment A - Professional Services Agreement No. 4311 with Toro Enterprises, Inc.
2. Attachment B - Bid Results

**PROFESSIONAL SERVICES AGREEMENT NO. 4311
WITH TORO ENTERPRISES, INC.**

THIS STANDARD PUBLIC WORKS AGREEMENT ("AGREEMENT") is made and entered into on May 14, 2025, ("Effective Date") by and between the CITY OF MONTEBELLO, a California municipal corporation (the "CITY") and Toro Enterprises, Inc., a California corporation ("CONTRACTOR"). The CITY and CONTRACTOR are sometimes referred to herein individual as the "Party," and jointly as the "Parties."

RECITALS

WHEREAS, the CITY duly advertised a Notice Inviting Bids to be submitted on or before April 23, 2025, published on March 26, 2025, for the work on Paving the Way Program Montebello Boulevard from Los Angeles Avenue to Lincoln Boulevard — CP 888 ("PROJECT").

WHEREAS, on May 14, 2025, the City Council accepted the bid of CONTRACTOR as the lowest responsible, responsive bid received and directed that a written contract be entered into with CONTRACTOR for the PROJECT.

NOW, THEREFORE, in consideration of the promises and the.

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements herein contained, the parties do hereby agree as follows:

SECTION 1. INCORPORATION OF RECITALS AND CONTRACT DOCUMENTS

a. The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference. Moreover, the ("CONTRACT DOCUMENTS") for the PROJECT shall consist of the Notice Inviting Sealed Bids, the Instructions to Bidders, Bidders Proposal, Addendums, CONTRACTOR's Bid for the PROJECT, Scope of Work, general specifications and all referenced specifications, details, standard drawings, and appendices, together with this Agreement and all required bonds, and insurance certificates. All of the CONTRACT DOCUMENTS are intended to complement the other documents so that any work called for in one, and not mentioned in the others, or vice versa, is to be executed the same as if mentioned in all of said documents. The CONTRACT DOCUMENTS are incorporated herein by this reference and made part hereof as though they were fully set forth herein.

b. In case any of the CONTRACT DOCUMENTS conflict with each other, the order of preference for the CONTRACT DOCUMENTS is:

1. This AGREEMENT and its Exhibits and or Attachments, including any and all addenda or supplemental agreements.
2. Appendices

STANDARD PUBLIC WORKS AGREEMENT NO. 4311

Page 2 of 14

3. Standard drawings
4. Details
5. Special Provisions, if any
6. Addendums
7. General Specifications and all referenced specifications
8. Bidders Proposal
9. Instructions to Bidders
10. Notice Inviting Sealed Bids

SECTION 2. THE WORK

For and in consideration of the payments and agreements to be made and performed by the CITY, CONTRACTOR agrees to furnish all materials and perform all work required for the PROJECT and to fulfill all other obligations as set forth in the CONTRACT DOCUMENTS.

SECTION 3. TERM; AND TIME FOR COMPLETION

a. This Agreement shall expire June 30, 2026, from the Effective Date, unless terminated earlier as hereinafter provided. This Agreement may be extended for an additional six (6) months upon such terms and conditions mutually agreed upon by the Parties in writing.

b. Notice to Proceed. Any work or service contemplated under this Agreement shall not commence until the CITY has issued a written Notice to Proceed.

SECTION 4. COMPENSATION

CONTRACTOR hereby agrees to receive and accept the total amount of Three Million, Two-Hundred Ninety-Eight Thousand, Seven Hundred Five Dollars (\$3,298,705), which is based on performing all of the work shown on Bidders Proposal as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the CONTRACT DOCUMENTS, and also including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work. CITY shall herein retain five percent (5%) of said price until said time as the provisions of SEC. 18 herein have been met.

4.1. Progress Payments

Progress Payments shall be made in accordance with Section 7 the General Provisions and the provisions of this Section 4.1. Upon receipt of a properly presented payment request, the CITY shall process the payment request in accordance with Public Contract Code Section 20104.50. The CITY shall review the payment request as soon as possible. If the CITY rejects the payment request, it shall be returned to the CONTRACTOR within seven (7) days of its receipt by the CITY with an explanation for the reasons of its rejection. If the payment request is approved in writing by the CITY, payment shall be made in thirty (30) days of receipt of an undisputed and properly presented payment request. Late payments shall bear interest at the legal rate of interest in accordance with Code of Civil Procedure 685.010. The CITY shall pay CONTRACTOR a sum based upon ninety five percent (95%) of the Agreement price apportionment of the labor and materials incorporated into the work under the Agreement during the period covered by said statement. The remaining five percent (5%) thereof shall be retained as performance security. Refer to Section 4.2 of this Agreement for retention of funds.

4.2. Retention of Funds

Progress payments shall be made in accordance with the provisions of Section 4.1 of this Agreement. In accordance with said section, the CITY shall pay CONTRACTOR a sum based upon ninety five percent (95%) of the Agreement price in proportion to the labor and materials incorporated into the work under the Agreement during the month covered by said statement. The remaining five percent (5%) thereof shall be retained as performance security to be paid to the CONTRACTOR within sixty (60) days after final acceptance of the work by the City Council of the CITY ("City Council"), after CONTRACTOR shall have furnished the CITY with a release of all undisputed Agreement amounts, if required by the CITY. In the event there are any claims specifically excluded by CONTRACTOR from the operation of the release, the CITY may retain proceeds (per Public Contract Code 7107) of up to 150% of the amount in dispute. CITY's failure to deduct or withhold shall not affect CONTRACTOR's obligations hereunder.

4.3. Substitution of Securities

Pursuant to Public Contract Code Sec. 22300, CONTRACTOR shall be allowed to substitute securities for any moneys withheld by the CITY to ensure performance under an Agreement, unless, federal regulations or policies, or both, do not allow the substitution of securities. At the request and expense of CONTRACTOR, securities equivalent to the amount withheld shall be deposited with the CITY, or with a state or federally chartered bank in this state as the escrow agent, who shall then pay those moneys to CONTRACTOR. Upon satisfactory completion of the Agreement, the securities shall be returned to CONTRACTOR.

SECTION 5. UNDOCUMENTED WORKERS

CONTRACTOR hereby promises and agrees to comply with all of the provisions of Federal and/or State law as the same shall apply to this PROJECT pertaining to the employment of unauthorized aliens as defined therein. Should CONTRACTOR so employ

STANDARD PUBLIC WORKS AGREEMENT NO. 4311

Page 4 of 14

unauthorized aliens for the performance of work and/or services covered by this Agreement, and should the Federal Government impose sanctions against the CITY for use of unauthorized aliens, CONTRACTOR hereby agrees to, and shall, hold harmless, indemnify and defend CITY for the cost of all such sanctions imposed, together with any and all costs, including attorneys' fees, incurred by the CITY in connection therewith.

SECTION 6. NOTICE TO PROCEED

CONTRACTOR shall commence work on the date specified in the Notice to Proceed to be issued in writing to CONTRACTOR by the CITY and shall complete work on the PROJECT within **One Hundred Sixty (160)** Working Days from the commencement thereof.

SECTION 7. DISCOVERY OF HAZARDOUS OR LATENT CONDITIONS

- a. CONTRACTOR shall, without disturbing the condition, notify the CITY in writing as soon as CONTRACTOR, or any SUB-CONTRACTOR, agent or employees have knowledge and reporting is possible, of the discovery of any of the following conditions:
 1. The presence of any material that the CONTRACTOR believes is hazardous waste, as defined in Section 25117 of the Health and Safety Code;
 2. Subsurface or latent physical conditions at the site differing from those indicated in the specifications; or,
 3. Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this Agreement.
- b. Pending a determination by the CITY of appropriate action to be taken, CONTRACTOR shall provide security measures (e.g., fences) adequate to prevent the hazardous waste or physical conditions from causing bodily injury to any person.
- c. The CITY shall promptly investigate the reported conditions. If the CITY, through the City Engineer or his/her designee, and in the exercise of its sole discretion, determines that the conditions do materially differ, or do involve hazardous waste, and will cause a decrease or increase in CONTRACTOR's cost of or time required for performance of any part of the work, then the CITY shall issue a change order.
- d. In the event of a dispute between the CITY and CONTRACTOR as to whether the conditions materially differ or involve hazardous waste or cause a decrease or increase in CONTRACTOR's cost of, or time required for performance of any part of the work, CONTRACTOR shall not be excused from any schedule completion date, and shall proceed with all work to be performed under the Agreement. CONTRACTOR shall retain any and all rights which pertain to the resolution of disputes and protests between the parties.

SECTION 8. MISCELLANEOUS STATUTORY REQUIREMENTS

8.1. CONTRACTOR License.

CONTRACTOR shall possess a california CONTRACTOR's license type Class A for the performance of the Project.

8.2. Ineligible CONTRACTOR Prohibited.

Any CONTRACTOR or SUB-CONTRACTOR who is ineligible to perform work on a public works project pursuant to Section 1777.1 or 1777.7 of the Labor Code is prohibited from performing work under this Agreement.

8.3. Compliance with SB 854 Registration.

This PROJECT is subject to compliance monitoring and enforcement by the Department of Industrial Relations. No prime CONTRACTOR or SUBCONTRACTOR may be awarded an Agreement for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5. CONTRACTOR will be required to post job site notices as described in 8 California Code of Regulation section 16451(d).

8.4. Trench and Pipeline Safety.

If this Agreement is for more than \$25,000 and involves excavation of any trench five feet or more in depth, CONTRACTOR shall submit a detailed plan of shoring, bracing, sloping or other provisions to be made for worker protection in accordance with Labor Code Section 6705. Such plan shall be approved by a qualified representative of the CITY.

8.5. Utility Relocation.

The CITY is responsible for removal, relocation, or protection of existing main or trunkline utilities to the extent such utilities were not identified in the invitation for bids or specifications. The CITY shall reimburse CONTRACTOR for any costs incurred in locating, repairing damage not caused by CONTRACTOR and removing or relocating such unidentified utility facilities, including equipment idled during such work. CONTRACTOR shall not be assessed liquidated damages for delay arising from the removal or relocation of such unidentified utility facilities.

8.6. Third Party Claims Notification.

The CITY shall timely notify CONTRACTOR in writing of any third party claims relating to the Agreement.

8.7. Unfair Business Practices Claims.

The CONTRACTOR or SUB-CONTRACTOR offers and agrees to assign to the CITY all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2, (commencing

STANDARD PUBLIC WORKS AGREEMENT NO. 4311

Page 6 of 14

with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services or materials pursuant to the public works Agreement or the sub-Agreement. This assignment shall be made and become effective at the time the CITY renders final payment to CONTRACTOR without further acknowledgment by the parties. (Section 7103.5, California Public Contract Code.).

8.8. Day's Work.

CONTRACTOR acknowledges that under California Labor Code sections 1810 and following, eight (8) hours of labor constitutes a legal day's work. CONTRACTOR will forfeit as a penalty to CITY the sum of \$25.00 for each worker employed in the execution of this Agreement by CONTRACTOR or any SUB-CONTRACTOR for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of Labor Code section 1810. (Labor Code § 1813).

8.9. Payroll Records.

CONTRACTOR shall maintain the certified payroll records required by Labor Codes Sec. 1776 and shall report such records directly to the California Labor Commissioner as required by Labor Code Sec. 1771.4. CONTRACTOR shall inform the CITY of the location of the records enumerated under Labor Code Sec. 1776, including the street address, city, and county, and shall, within five working days, provide a notice of a change of location and address.

8.10. Employment of Apprentices.

Nothing in this Agreement prevents CONTRACTOR or any SUB-CONTRACTOR from employing properly registered apprentices in the execution of the Agreement. CONTRACTOR is responsible for compliance with Labor Code section 1777.5 for all apprenticeable occupations. This statute requires that CONTRACTORS and SUBCONTRACTORS must submit Agreement award information to the applicable joint apprenticeship committee, must employ apprentices in apprenticeable occupations in a ratio of not less than one hour of apprentice's work for every five hours of labor performed by a journeyman (unless an exception is granted under §1777.5), must contribute to the fund or funds in each craft or trade or a like amount to the California Apprenticeship Council, and that CONTRACTORS and SUB-CONTRACTORS must not discriminate among otherwise qualified employees as apprentices solely on the ground of sex, race, religion, creed, national origin, ancestry or color. Only apprentices defined in Labor Code section 3077, who are in training under apprenticeship standards and who have written apprentice Agreements, may be employed on public works in apprenticeable occupations.

8.11. Records Audit

In accordance with Government Code, Section 8546.7, records of both the CITY and CONTRACTOR shall be subject to examination and audit by the Auditor General for a period of three (3) years after final payment.

SECTION 9. PREVAILING WAGES

- a. CONTRACTOR shall pay prevailing Wage rates for this Project in accordance with the applicable rates referred to in the CONTRACT DOCUMENTS.
- b. The following Labor Code sections are hereby referenced and made a part of this Agreement:
1. Section 1775 - Penalty for Failure to Comply with Prevailing Wage Rates.
 2. Section 1777.4 - Apprenticeship Requirements.
 3. Section 1777.5 - Apprenticeship Requirements.
 4. Section 1813 - Penalty for Failure to Pay Overtime.
 5. Sections 1810 and 1811 - Working Hour Restrictions.
 6. Section 1775 - Payroll Records.
 7. Section 1773.8 - Travel and Subsistence Pay.

SECTION 10. INDEMNITY, DEFENSE AND HOLD HARMLESS

a. CONTRACTOR shall indemnify, defend with legal counsel approved by the CITY, and hold harmless the CITY, its officers, officials, employees and volunteers from and against all liability, loss, damage, expense, cost (including without limitation reasonable legal counsel fees, expert fees and all other costs and fees of litigation) of every nature arising out of or in connection with CONTRACTOR's negligence, recklessness or willful misconduct in the performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement, except such loss or damage which is caused by the sole or active negligence or willful misconduct of the CITY. Should conflict of interest principles preclude a single legal counsel from representing both the CITY and CONTRACTOR, or should the CITY otherwise find CONTRACTOR's legal counsel unacceptable, then CONTRACTOR shall reimburse the CITY its costs of defense, including without limitation reasonable legal counsel fees, expert fees and all other costs and fees of litigation. CONTRACTOR shall promptly pay any final judgment rendered against the CITY (and its officers, officials, employees and volunteers) with respect to claims determined by a trier of fact to have been the result of CONTRACTOR's negligent, reckless or wrongful performance. It is expressly understood and agreed that the foregoing provisions are intended to be as broad and inclusive as is permitted by the law of the State of California and will survive termination of this Agreement.

b. CONTRACTOR obligations under this section apply regardless of whether such claim, charge, damage, demand, action, proceeding, loss, stop notice, cost, expense, judgment, civil fine or penalty, or liability was caused in part or contributed to by an Indemnatee. However, without affecting the rights of the CITY under any provision of this agreement, CONTRACTOR shall not be required to indemnify and hold harmless the CITY for liability attributable to the active negligence of CITY, provided such active negligence is determined by agreement between the parties or by the findings of a court of competent jurisdiction. In instances where the CITY is shown to have been actively negligent and where the CITY'S active negligence accounts for only a percentage of the liability involved,

STANDARD PUBLIC WORKS AGREEMENT NO. 4311

Page 8 of 14

the obligation of CONTRACTOR will be for that entire portion or percentage of liability not attributable to the active negligence of the CITY.

SECTION 11. BONDS

a. CONTRACTOR, before commencing said PROJECT, shall furnish and file with the CITY, a Performance Bond, or bonds in the sum of one hundred percent (100%) of the Agreement price thereof conditioned upon the faithful performance of this Agreement in the form attached hereto as Exhibit "B."

b. CONTRACTOR, before commencing said PROJECT, shall furnish and file with CITY, a Payment Bond in the sum of 100% of the Agreement price, conditioned upon the payment of all labor and materials furnished in connection with this Agreement in the form attached hereto as Exhibit "C."

SECTION 12. INSURANCE REQUIREMENTS

a. Prior to commencing work hereunder, CONTRACTOR shall provide the CITY with proof of insurance naming the CITY and each of its directors, officers, agents, and employees as additional-named insureds on a policy or policies of insurance providing and maintaining the coverages set forth in the Insurance Schedule attached hereto as Exhibit A. The CITY shall have the right to hold the policies and policy renewals, and CONTRACTOR shall promptly furnish to CITY all renewal notices and all receipts of paid premiums. CITY may make proof of loss if not made promptly by CONTRACTOR.

b. Evidence of Insurance prior to commencement. CONTRACTOR shall provide to the CITY Certificate(s) of Insurance evidencing such coverage together with copies of the required policy endorsements no later than five (5) business days prior to commencement of service and at least fifteen (15) business days prior to the expiration of any policy. Unreasonable failure to provide such evidence may be cause for termination of the Agreement as provided herein or delay the services' commencement date. The evidence of insurance shall be U.S. mail or email to:

City of Montebello
Attn: Risk Manager
1600 West Beverly Boulevard
Montebello, CA 90640
Email: COI@montebellocity.gov

SECTION 13. LIQUIDATED DAMAGES

In addition, pursuant to the authority of California Public Contract Code Section 7102, the CITY and CONTRACTOR agree that the determination of actual damages for any unreasonable delay in performance of this Agreement caused by CONTRACTOR would be extremely difficult or impractical to determine in the event of a breach of this Agreement by the CONTRACTOR. Therefore, if the CONTRACTOR is determined to be liable for such unreasonable delays, the CONTRACTOR and its sureties shall be liable to the CITY for the

STANDARD PUBLIC WORKS AGREEMENT NO. 4311

Page 9 of 14

sum of Five Hundred Dollars (\$500.00) as liquidated damages for each working day of delay in the performance of any service required hereunder. Such sum is liquidated damages and shall not be construed as a penalty and may be deducted from payments due the Contractor if such delay occurs.

SECTION 14. DISPUTE RESOLUTION

14.1. Claims of \$375,000 or Less

a. A claim by the CONTRACTOR for a time extension, for money damages for work, or a payment disputed by the CITY must be submitted to a resolution process in accordance with Public Contract Code Sections 20104-20104.4. A summary of Sections 20104-20104.4 are as follows:

- (1) Informal negotiation between the CITY and CONTRACTOR.
- (2) Mediation with CONTRACTOR.
- (3) Court mandated Arbitration.
- (4) Court trial. If the party requesting the court trial does not prevail, then that party must pay all court costs and attorney's fees.

14.2 Public Contract Code 9204 Claims

CONTRACTOR shall comply with the procedure set forth in Public Contract Code section 9204 for any claim, as that term is defined therein, for one or more of the following: 1) a time extension, including, without limitation, for relief from damages or penalties for delay, 2) payment of money or damages arising from work done pursuant to this Agreement, and/or 3) payment of an amount disputed by the CITY under this Agreement. A summary of the provisions of Public Contract Code Section 9204 is as follows:

1. CONTRACTOR must send a claim to the CITY for a time extension, payment for work not in the Agreement, or payments disputed by the CITY by registered mail or certified mail with return receipt requested.
2. The CITY must respond within 45 days as to which claims are disputed and undisputed.
3. If claim remains in dispute, CONTRACTOR may request informal meet and confer meeting with the CITY.
4. After meet and confer, an disputed claim remaining shall be submitted to non-binding mediation.
5. All undisputed claims shall be paid within 60 days.

SECTION 15. TERMINATION.

15.1. Termination for Convenience.

The CITY may terminate this Agreement, in whole or in part, with thirty (30) days' written notice to CONTRACTOR when it is in the CITY's best interest. CONTRACTOR shall be paid its costs, including Agreement close-out costs, and profit on work performed up to

the time of termination. CONTRACTOR shall promptly submit its termination claim to the CITY to be paid the CONTRACTOR. If CONTRACTOR has any property in its possession belonging to the CITY, CONTRACTOR will account for the same, and dispose of it in the manner the CITY directs. CONTRACTOR may terminate this Agreement, in whole, with ninety (90) days' written notice to the CITY.

15.2 Termination for Default.

If at any time CONTRACTOR is determined to be in material breach of the Agreement, a Notice of Potential Breach of Agreement shall be prepared by the CITY, and will be served upon CONTRACTOR and its sureties. If CONTRACTOR continues to neglect or refuses to comply with the Agreement or with the Notice of Potential Breach of Agreement to the satisfaction of the CITY within the time specified in such Notice, the CITY shall have the authority to terminate the Agreement for this Project.

15.3 Waiver of Remedies for any Breach.

In the event that the CITY elects to waive its remedies for any breach by CONTRACTOR of any covenant, term or condition of this Agreement, such waiver by the CITY shall not limit the CITY's remedies for any succeeding breach of that or of any other term, covenant, or condition of the Agreement.

SECTION 16. CONTRACTOR'S FAILURE TO PROCURE COMPLETION OF PROJECT

In the event CONTRACTOR fails to furnish tools, equipment, or labor in the necessary quantity or quality, or fails to prosecute the work or any part thereof contemplated by this Agreement in a diligent and workmanlike manner, and if CONTRACTOR for a period of three (3) calendar days after receipt of written demand from the CITY or its designated representative to do so, fails to furnish tools, equipment, or labor in the necessary quantity or quality, and to prosecute its work and all parts thereof in a diligent and workmanlike manner, or after commencing to do so within said three (3) calendar days, fails to continue to do so; then the CITY may exclude CONTRACTOR from the premises, or any portion thereof, and take possession of said premises or any portion thereof, together with all material and equipment thereon, and may complete the work contemplated by this Agreement or any portion of said work, either by furnishing the tools, equipment, labor or material necessary, or by letting the unfinished portion of said work, or the portion taken over by the CITY to another contractor or by a combination of such methods. In any event, the procuring of the completion of said work, or the portion thereof taken over by the CITY, shall be a charge against CONTRACTOR, and may be deducted from any money due or becoming due to CONTRACTOR from the CITY, or CONTRACTOR shall pay the CITY the amount of said charge, or the portion thereof unsatisfied. The sureties provided for under this Agreement shall become liable for payment should CONTRACTOR fail to pay in full any said cost incurred by the CITY.

SECTION 17. COMPLIANCE WITH APPLICABLE LAWS

CONTRACTOR hereby promises and agrees to comply with all provisions of all applicable state and federal laws in connection with the performance of its obligations under this Agreement.

SECTION 18. NOTICE OF COMPLETION

Upon completion of the PROJECT and acceptance of same by the City Council, the CITY shall have cause to be recorded a Notice of Completion with the office of the Los Angeles County Recorder; and, after thirty-five (35) days from the date said Notice of Completion is recorded, the Director of Finance of CITY shall release the funds retained pursuant to SEC. 4 hereof; provided there have been no mechanics' liens or stop notices filed against said work which have not been paid, withdrawn or eliminated as liens against said work.

SECTION 19. AUTHORITY

Any person executing this Agreement on behalf of CONTRACTOR warrants and represents that he or she has the authority to execute this Agreement on behalf of CONTRACTOR and has the authority to bind CONTRACTOR to the performance of its obligations hereunder.

SECTION 20. ENTIRE AGREEMENT

This Agreement, including the Agreement Documents and any other documents incorporated herein by specific reference, represents the entire and integrated Agreement between the CITY and the CONTRACTOR. This Agreement supersedes all prior oral or written negotiations, representations or agreements. This Agreement may not be modified or amended, nor any provision or breach waived, except in a writing signed by both parties that expressly refers to this Agreement.

SECTION 21. ATTORNEY'S FEES AND COSTS

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

SECTION 22. INDEPENDENT CONTRACTOR

CONTRACTOR is and shall at all times remain as to the CITY, a wholly independent CONTRACTOR. Neither the CITY, nor any of its officers, employees or agents shall have control over the conduct of CONTRACTOR or any of CONTRACTOR'S officers, employees

STANDARD PUBLIC WORKS AGREEMENT NO. 4311

Page 12 of 14

or agents, except as herein set forth. CONTRACTOR shall not at any time or in any manner represent that it or any of its officers, employees or agents are in any manner officers, employees or agents of the CITY, nor shall the CITY officers, employees or agents be deemed the officers, employees, or agents of CONTRACTOR as a result of this Agreement.

SECTION 23. NOTICE

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered via e-mail (an "Electronic Notice" as further defined below), personally or on the second (2nd) business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

To the CITY: City of Montebello
Attn: Raul Alvarez, City Manager
1600 West Beverly Boulevard
Montebello, CA 90640
(323) 887-1200
Email: RAlvarez@montebelloc.gov

With copy to: City of Montebello – Department of Public Works
Attn: Cesar Roldan, Public Works Director
1600 West Beverly Boulevard
Montebello, CA 90640
(323) 887-1462
Email: CRoldan@montebelloc.gov

To CONTRACTOR: Toro Enterprises, Inc.
Attn: Sean Castillo, President
2101 East Ventura Blvd
Oxnard, CA 93036
Email: Sean@toroenterprises.com

An electronic communication ("Electronic Notice") shall be deemed written notice for purposes of this section if sent to the electronic mail address specified above. Electronic Notice shall be deemed received at the time the party sending Electronic Notice receives verification of receipt by the receiving party. Any party receiving Electronic Notice may request and shall be entitled to receive the notice on paper, in a nonelectronic form.

SECTION 24. PROHIBITION AGAINST ASSIGNMENT

The experience, knowledge, capability and reputation of CONTRACTOR, its principals and employees were a substantial inducement for the CITY to enter into this Agreement. Neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the

benefit of creditors or otherwise, without the prior written approval of the CITY. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of CONTRACTOR, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release CONTRACTOR or any surety of CONTRACTOR of any liability hereunder without the express consent of the CITY.

SECTION 25. CUMULATIVE REMEDIES

The provisions of this Agreement are cumulative and in addition to and not in limitation of any rights or remedies available to the CITY.

SECTION 26. COUNTERPARTS

This Agreement may be executed in counterpart originals, duplicate originals, or both, each of which is deemed to be an original for all purposes.

[SIGNATURE PAGE TO FOLLOW]

STANDARD PUBLIC WORKS AGREEMENT NO. 4311

Page 14 of 14

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed on the date next to their respective officers duly authorized signatures in that behalf.

CITY OF MONTEBELLO
("CITY")

TORO ENTERPRISES, INC.
("CONTRACTOR")

By: _____
Raul Alvarez, City Manager

By: _____
Sean Castillo, President

Date: _____

Date: _____

ATTEST:

Christopher Jimenez, City Clerk

APPROVED AS TO FORM

Arnold M. Alvarez-Glasman, City Attorney

EXHIBITS:

- Exhibit A – Insurance Requirements
- Exhibit B – Performance Bond
- Exhibit C – Labor and Materials Payment Bond
- Exhibit D – Contractor's Proposal

EXHIBIT "A"

INSURANCE REQUIREMENTS

On or before beginning any of the work called for by any term of this Agreement, CONTRACTOR, at its own cost and expense, shall carry, maintain for the duration of this Agreement, and provide proof thereof that is acceptable to the CITY of its procurement of the insurance specified below from insurers and under forms of insurance satisfactory in all respects to the CITY. Such insurance shall not be in derogation of CONTRACTOR's obligations to provide indemnity under this Agreement.

1. Comprehensive General Liability and Automobile Liability Insurance Coverage.

CONTRACTOR shall carry and maintain Comprehensive General Liability and Automobile Liability Insurance which provides the following:

Minimum coverage: Bodily injury limits of \$2,000,000 for each person and \$2,000,000 for each occurrence; property damage limits of \$2,000,000 for each occurrence, \$5,000,000 aggregate.

Products/Completed Operations Hazard Insurance in an amount of not less than FIVE MILLION DOLLARS (\$5,000,000);

A combined single limit policy with aggregate limits in an amount of not less than Five MILLION DOLLARS (\$5,000,000) shall be considered equivalent to the said required minimum limits set forth herein above.

If a Commercial General Liability Insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned real property and automobiles. Insurance coverage shall not be subject to any type of pollution exclusion or owned property exclusions.

2. Automobile Liability.

CONTRACTOR shall carry and maintain Automobile Liability Insurance which provides a minimum coverage of at least \$5,000,000 per accident for bodily injury and property damage.

3. Worker's Compensation.

CONTRACTOR shall carry and maintain worker's compensation in the amount of \$1,000,000 as required by the California Labor Code for all persons employed directly or indirectly in connection with this Agreement by CONTRACTOR. To the extent that

CONTRACTOR utilizes any SUB-CONTRACTOR for the performance of any part of the work under this Agreement, CONTRACTOR shall require and assure that such SUB-CONTRACTOR also carry and maintain worker's compensation as required by the California Labor Code for all persons directly or indirectly in connection with this Agreement.

4. Additional Insureds.

The CITY, its officers, agents and employees must be named as additional insureds or as additional loss payees in all insurance policies required by this Agreement. An endorsement to this effect shall be delivered to the CITY prior to the commencement of any work. Satisfaction of any deductible requirement shall be the responsibility of CONTRACTOR. Such insurance shall be primary and noncontributory with any other insurance maintained by the CITY.

5. Notice of Cancellation.

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

6. Severability Clause.

Each of the policies of insurance shall contain a clause substantially as follows:

The insurance afforded by this policy applies separately to each insured against whom a claim or suit is made or suit is brought, except with respect to the limit of the insurer's liability.

7. Qualifications of Insurer.

All policies of insurance shall be issued by an insurance company acceptable to the CITY and authorized to issue said policy in the State of California.

8. Approval of Insurer.

The insurance carrier providing the insurance shall be chosen by CONTRACTOR subject to approval by the CITY, provided that such approval shall not be unreasonably withheld.

9. Payment of Premiums.

All premiums on insurance policies shall be paid by CONTRACTOR making payment, when due, directly to the insurance carrier, or in a manner agreed to by the CITY.

10. Evidence of Insurance and Claims.

CONTRACTOR shall provide certificates of insurance to the CITY as evidence of

insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. The CITY's Risk Manager must approve insurance certificates and endorsements prior to commencement of performance. Current certification of insurance shall be kept on file with the CITY at all times during the term of this Agreement. The CITY reserves the right to require complete, certified copies of all required insurance policies, at any time.

EXHIBIT "B"

**PERFORMANCE BOND
PUBLIC WORK
(CALIFORNIA)**

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the Principal and the City of Montebello ("Obligee") have entered into a written Agreement, hereinafter called the Agreement, a copy of which is or may be attached hereto, dated the _____ day of _____, _____ referred to and made a part hereof for _____ and all appurtenant work in accordance with Project No. _____, which agreement requires the Principal to provide Obligee with this bond.

NOW THEREFORE, we, _____, as Principal, and _____, a corporation organized under the laws of _____, and duly authorized to transact business in the State of California, as Surety, are held firmly bound unto the City of _____, as Obligee, in the sum of _____ Dollars (\$_____), lawful money of the United States of America, for the payment whereof well and truly to be made the Principal and Surety bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

The address at which the Surety may be served with notices, papers and other documents is:

The address at which the Principal may be served with notices, papers and other documents is:

The condition of the foregoing obligation is such that if the Principal, his or its heirs, executors, administrators, successors or assigns, and each of his or its SUB-CONTRACTORS shall well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of said Agreement, and during the life of any guaranty required under the Agreement, and shall also well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of said Agreement that may hereafter be made, then this obligation shall be void; otherwise it shall be and remain in full force and effect.

As part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the obligee in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work to be performed thereunder or the

specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications.

This document is signed by the respective parties on the dates next to their names.

Principal

By: _____ Date: _____

Title: _____

Surety

By: _____ Date: _____

Title: _____

I declare under penalty of perjury under the laws of the State of California that the contents of the above Faithful Performance Bond are true and correct, and that I have been duly authorized to sign this Faithful Performance Bond on behalf of Surety. This Declaration is signed on _____, in the City of _____, State of California.

--OR--

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

State of California)
County of _____)

On _____ before me, _____ (here insert name and title of the officer), personally appeared _____,

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

-- AND --

(Proof of signature authorization or power of attorney must be attached)

APPROVED AS TO FORM:

City Attorney

EXHIBIT "C"
Labor and Materials Payment Bond
PUBLIC WORK (CALIFORNIA)

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, _____, as Principal, has entered into an Agreement dated _____, _____, (the "Agreement") with the City of _____ (Obligee) referred to and made a part hereof to perform the following work of public improvement, to wit:

_____ and _____ all appurtenant work in accordance with the plans and specifications for Project No. _____, which requires Principal to file this bond to secure claims made under Civil Code Sections 9550-9554..

NOW THEREFORE, we, _____, as Principal, and _____, a corporation organized under the laws of _____ and duly authorized to transact business in the State of California, as Surety, are held firmly bound unto the City of _____, as Obligee, and all SUB-CONTRACTORS, laborers, material persons and other persons employed in the performance of the referenced agreement, in the sum of _____ Dollars (\$ _____), lawful money of the United States of America, which is 100% of the amount of the Agreement, for the payment whereof well and truly to be made the Principal and Surety bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

The address at which the Surety may be served with notices, papers and other documents is:

The address at which the Principal may be served with notices, papers and other documents is:

If the above bounden Principal, his or its heirs, executors, administrators, successors, assigns, or any of his or its SUB-CONTRACTORS, fails to pay for any materials, provisions, provender, or other supplies, or teams, implements or machinery, used in, upon, for or about the performance of the work agreed to be done, or for any work or labor to persons named in Section 9100 of the Civil Code, or for amounts due under the Unemployment Insurance Code with respect to such work or labor performed under the Agreement, or for any amounts required to be deducted, withheld and paid over to the Employment Development Department from the wages of employees of the CONTRACTOR and SUB-CONTRACTORS pursuant to Section 13020 of the Unemployment Insurance Code, then the Surety on this bond will pay the same, in an amount not exceeding the sum specified in this bond, and also, in case suit is brought upon this bond, a reasonable attorney's

fee, which shall be awarded by the court to the prevailing party in said suit, said attorney's fee to be taxed as costs in said suit and to be included in the judgment herein rendered.

As part of the obligation secured hereby, the Surety shall not be exonerated or released from the obligation of the bond by any change, alteration, or modification in or of any Agreement, plans, specifications, or agreement pertaining or relating to any scheme or work of improvement or pertaining or relating to the furnishing of labor, materials, or equipment therefor, nor by any change or modification of any terms of payment or extension of the time for any payment pertaining or relating to any scheme of work of improvement, nor by any rescission or attempted rescission of the Agreement, agreement or bond, nor by any conditions precedent or subsequent in the bond attempting to limit the right of recovery of claimants otherwise entitled to recover under any such Agreement or agreement, or under the bond, nor, where the bond is given for the benefit of claimants, by any fraud practiced by any person other than the claimant seeking to recover on the bond.

This bond shall inure to the benefit of any and all persons, companies and corporations named in Civil Code Section 9100 so as to give them a right of action in a suit on this bond.

This bond is executed for the purpose of complying with the laws of the State of California designated as Title 3, Chapter 5, Payment Bond, commencing with Section 9550 of the Civil Code of the State of California and all amendments thereto, and shall inure to the benefit of any of the persons named in Section 9100 of the Civil Code of the State of California.

This document is signed by the respective parties on the dates next to their names.

Principal

By: _____ Date: _____

Title: _____

Surety

By: _____ Date: _____

Title: _____

I declare under penalty of perjury under the laws of the State of California that the contents of the above Labor and Materials Payment Bond are true and correct, and that I have been duly authorized to sign this Labor and Materials Payment Bond on behalf of Surety. This Declaration is signed on _____, in the City of _____, State of California.

--OR--



ADDENDUM NO. 1

Paving The Way Program – Montebello Blvd. (From Los Angeles Ave. to Lincoln Blvd.)

CP 888

April 17, 2025

This notice comprises Addendum No. 1 to City of Montebello CP No. 888. This addendum provides the questions submitted by vendors and responses provided by the City.

Question 1. Is there an engineer's estimate for this project?

Response- \$5,085,890

Question 2. Do you have an Engineer's Estimate for this project so I can Order my Bidder's Bond?

Response- \$5,085,890

Question 3. What is the engineer's estimate for the project?

Response- \$5,085,890

Question 4. May you please provide an Engineer's Estimate for this project?

Response- \$5,085,890

Question 5. Please advise if the proposed irrigation system will operate using domestic (potable) or reclaimed/recycled (non-potable) water and if non-potable, will there be any requirement for identification of irrigation piping and components.

Response- Irrigation system will operate using domestic (potable)

Question 6. Advise which Standard Specifications are to be used for bidding purposes, Section 9 of the Special Provisions state to use the latest version of the Standard Plans and the 2021 edition of the Standard Specifications. Part 2 of the specifications directs us to use the latest edition of the standard plans and specifications. Which will supersede?

Response- Latest version of the Standard Plans

Question 7. The irrigation legend on sheet #IP-0 states that the proposed irrigation controllers are to be housed within a Caltrans approved enclosure that is shared with an electrical meter. There are no electrical drawings indicating permanent power, location of meter pedestal or detail for mounting the proposed irrigation controllers. Please provide the missing drawings and related information for bidding purposes.

Response- There are no additional drawings.



ADDENDUM NO. 2

Paving The Way Program – Montebello Blvd. (From Los Angeles Ave. to Lincoln Blvd.)

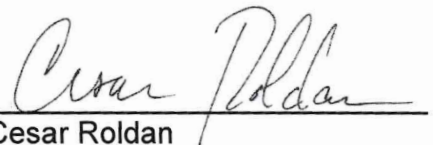
CP 888

April 21, 2025

This notice comprises Addendum No. 2 to City of Montebello CP No. 888. This addendum provides correction to Question No. 5 included with Addendum No. 1 to CP No. 888.

Question 5. Please advise if the proposed irrigation system will operate using domestic (potable) or reclaimed/recycled (non-potable) water and if non-potable, will there be any requirement for identification of irrigation piping and components.

Response- **Irrigation system will operate using reclaimed/recycled (non-potable) water.**



Cesar Roldan
Director, Public Works

PROPOSAL
FOR
**PAVING THE WAY PROGRAM
MONTEBELLO BLVD
(FROM LOS ANGELES AVE TO LINCOLN BLVD)**

C.P. No. 888

IN THE CITY OF MONTEBELLO

TO THE CITY OF MONTEBELLO, as "AGENCY" or "City"

In accordance with the City's Notice Inviting Sealed Bids, the undersigned BIDDER hereby proposes to furnish all materials, equipment, tools, labor, and incidentals required for the above stated project as set forth in the Plans, Specifications, and contract documents therefor and to perform all work in the manner and time prescribed therein.

BIDDER declares that this proposal is based upon careful examination of the work site, Plans, Specifications, Instruction to Bidders, and all other contract documents. If this proposal is accepted for award, BIDDER agrees to enter into a contract with City at the unit and/or lump sum prices set forth in the following Bid Schedule. BIDDER understands that failure to enter into a contract in the manner and time prescribed will result in forfeiture to City of the guarantee accompanying this proposal. This bid may not be withdrawn within a period of sixty (60) days after the date of its proper opening by the City.

BIDDER understands that a bid is required for the entire work and that the estimated quantities set forth in the Bid Schedule are solely for the purpose of comparing bids, and that final compensation under the contract will be based upon the actual quantities of work satisfactorily completed. THE CITY RESERVES THE RIGHT TO INCREASE OR DECREASE THE AMOUNT OF ANY QUANTITY SHOWN AND TO DELETE ANY ITEM FROM THE CONTRACT. It is agreed that the unit and/or lump sum prices bid include all appurtenant expenses, taxes, royalties, and fees. In the case of discrepancies in the amounts bid, unit prices shall govern over extended amounts, and words shall govern over figures.

If awarded the Contract, the undersigned further agrees that in the event of the BIDDER's default in executing the required contract and filing the necessary bonds and insurance certificates within ten (10) working days after the date of the City's notice of award of contract to the BIDDER, the proceeds of the security accompanying this bid shall become the property of the City and this bid and the acceptance hereof may, at the City's option, be considered null and void.

BID PROPOSAL
FOR
PAVING THE WAY PROGRAM
MONTEBELLO BLVD
(FROM LOS ANGELES AVE TO LINCOLN BLVD)

C.P. No. 888

IN THE CITY OF MONTEBELLO

The undersigned declares that he has carefully examined the location of the proposed work, that he has examined the specifications and read the accompanying instructions to bidders, and hereby proposes to do all the work in accordance with said specifications for the amounts set forth below:

Construct improvements as reiterated above, located in the City of Montebello, California, in accordance with the specifications for the unit price set forth in the following items:

BASE BID SCHEDULE

ITEM NO.	DESCRIPTION	EST QTY	UNIT	UNIT PRICE	TOTAL
1	PROJECT INFORMATION SIGNS	2	EA	2,600.-	5,200.-
2	TRAFFIC CONTROL AND STAGE CONSTRUCTION	1	LS	571,100.-	571,100.-
3	PROVIDE CONSTRUCTION SURVEY	1	LS	47,135.-	47,135.-
4	REMOVE TREE AND STUMP	19	EA	1,090.-	20,710.-
5	ROADWAY EXCAVATION	2,000	CY	176.-	352,000.-
6	REMOVE EXIST AC PAVEMENT	10,640	SF	7.40	78,736.-
7	REMOVE EXIST CONCRETE PAVEMENT	430	SF	25.50	10,965.-
8	REMOVE EXIST CONCRETE SIDEWALK	1,930	SF	8.80	16,984.-
9	REMOVE EXIST CONCRETE CURB AND MEDIAN IMPROVEMENTS	1,590	LF	30.55	48,574.50
10	REMOVE EXIST CURB RAMP	10	EA	875.-	8,750.-
11	REMOVE EXIST DRIVEWAY APPROACH	1	EA	7,575.-	7,575.-
12	REMOVE EXIST CROSS GUTTER	7,720	SF	10.05	77,586.-
13	REMOVE AND DISPOSE OF PEDESTRIAN PUSH BUTTON AND POST	2	EA	980.-	1,960.-
14	REMOVE EXIST CURB AND GUTTER	300	LF	55.45	16,635.-

15	COLD MILL EXIST AC PAVEMENT (2")	307,420	SF	6.60	184,452.-
16	CONSTRUCT 2" CONVENTIONAL AC OVERLAY TYPE C2-PG 64-10	3,715	TON	150.40	558,736.-
17	CONSTRUCT AC PAVEMENT	570	TON	170.-	96,900.-
18	AGGREGATE BASE	250	CY	85.50	21,375.-
19	CONSTRUCT CONCRETE CURB AND GUTTER A2-8 PER SPPWC STD. PLAN 120-2	220	LF	44.35	9,757.-
20	CONSTRUCT 4" PCC SIDEWALK PER SPPWC STD. PLANS 113-2	1,820	SF	8.55	15,561.-
21	CONSTRUCT CONCRETE CROSS GUTTER AND SPANDREL PER SPPWC STD. PLAN 122-2	7,720	SF	11.25	86,850.-
22	CONSTRUCT DRIVEWAY APPROACH PER SPPWC STD. PLAN 110-2 TYPE A	1	EA	6,610.-	6,610.-
23	CONSTRUCT CONCRETE CURB A1-8 PER SPPWC STD. PLAN 120-2	5,650	LF	24.30	137,295.-
24	CONSTRUCT CONCRETE CURB RAMPS PER SPPWC STD. PLAN 111-5 (CASE AND TYPE PER PLAN)	10	EA	1,825.-	18,250.-
25	INSTALL DETECTABLE WARNING SURFACE PER SPPWC STD PLAN 111-5	9	EA	436.-	3,924.-
26	ADJUST TO GRADE, WATER VALVE	60	EA	1,460.-	87,600.-
27	ADJUST TO GRADE, STORM DRAIN MANHOLE	20	EA	1,460.-	29,200.-
28	ADJUST TO GRADE, SANITARY SEWER MANHOLE	20	EA	1,460.-	29,200.-
29	FURNISH AND INSTALL TRAFFIC SIGNAL LOOP DETECTORS AND CONNECT DLC	63	EA	598.-	37,674.-
30	INSTALL TRAFFIC STRIPING, SIGNING, DELINEATORS	1	LS	105,000.-	105,000.-
31	INSTALL SERVICE EQUIPMENT ENCLOSURE, TYPE III-B PER CALTRANS STD PLAN ES-2E	2	LS	13,050.-	26,100.-
32	MEDIAN HARDSCAPE AND LANDSCAPE PLANTING	1	LS	367,500.-	367,500.-
33	IRRIGATION SYSTEM	1	LS	201,910.-	201,910.-
34	PLANT ESTABLISHMENT AND MAINTENANCE PERIOD (90 DAYS)	1	LS	10,900.-	10,900.-

TOTAL AMOUNT BID IN WORDS \$3,298,704.50

three million two hundred ninety-eight thousand
seven hundred four dollars & fifty cents

Dollars

Bidder's Signature

JERRY HANNIGAN, SECRETARY

Title

TORO ENTERPRISES, INC.
Company Name

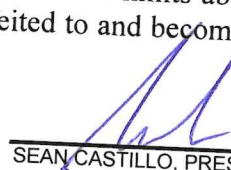
RECEIPT OF ADDENDUM NO(S). 1, 2, IS/ARE HEREBY ACKNOWLEDGED.

Before signing the contract, the lowest responsible bidder shall furnish all necessary bonds within ten (10) days after receiving the Contract notification. This bid is based upon completing the work in one hundred sixty (160) working days from the date of the Notice to Proceed.

After opening bids, the City will contact the lowest responsive/responsible bidder and inform him/her to submit signed contract, and required bonds and insurances to the City within ten (10) calendar days. These signed documents will be included in the City Council report to award the contract at the City Council Meeting to the lowest monetary bidder who will be determined by the Total Lump Sum Bid amount indicated above. Upon approval of the contract by City Council, the City will issue the "Notice to Proceed with Construction".

Enclosed is a Bidder's Bond, Certified Check or Cashier's Check number N/A on

the N/A Bank, which is not less than ten percent (10%), as a guarantee that the undersigned will enter into the Contract if awarded to the undersigned. The undersigned further agrees that in case of default in executing the required contract with necessary bonds and insurance, within the time limits above specified, said bond or check and the money payable therein shall be forfeited to and become the property of the City of Montebello, State of California.

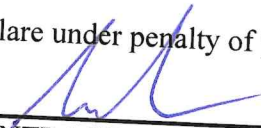
SIGNATURE OF BIDDER  TEL NO. (805)483-4515
SEAN CASTILLO, PRESIDENT

BUSINESS ADDRESS 2101 E VENTURA BLVD, OXNARD, CA 93036

CONTRACTOR'S LICENSE
NUMBER & EXPIRATION DATE 710580 08/31/2025

TYPE OF LICENSE A, C-31

I declare under penalty of perjury that the foregoing is true and correct.

, Dated this 22nd day of APRIL, 2025.
CONTRACTOR'S SIGNATURE

SURETY COMPANY'S TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
NAME

21688 GATEWAY CENTER DRIVE

ADDRESS

DIAMOND BAR, CA 91765
CITY STATE / ZIP CODE

(909)612-3654

(909)612-3286



Bidder's Signature

Jerry Hannigan, Secretary

~~SEAN CASTILLO, PRESIDENT~~ 

Title

TORO ENTERPRISES, INC.

Company Name

DESIGNATION OF SUBCONTRACTORS

BIDDER proposes to subcontract certain portions of the work, which are in excess of one-half of one percent of the bid, and to procure materials and equipment from suppliers and vendors as follows:

NAME, ADDRESS, LICENSE NO.,
AND PHONE NUMBER OF
SUBCONTRACTORS, SUPPLIERS,
AND VENDORS

PORTION OF WORK,
MATERIALS, OR EQUIPMENT

V&E Tree Service

Tree Strump removal

2425 N. Bataria St., Orange, CA 92865

License #654506 - 714-997-0903

Global Road Sealing, Inc.

Traffic Loops

10641 Sycamore Ave, Stanton, CA 90680

License #757584 - 714-893-0845

Remove & dispose push buttons & Post
Caltrans STD

Marina Landscapes, Inc.

3707 W. Garden Grove Blvd.

Orange, CA 92868

License #492862-714-939-6600

Median Landscaping
Irrigation System
Maintenance

Prior to award of contract, Contractor shall submit a list of suppliers and vendors, in writing, to the City Engineer.

REFERENCES

The following are the names, addresses, and telephone numbers for three public agencies for which BIDDER has performed similar work within the past two years:

1. CITY OF SANTA BARBARA - 735 ANACAPA ST., SANTA BARBARA, CA 93101

Name and Address of Agency

Adam Ziets; 805-897-1981

Name and telephone number of person familiar with project

\$5,098,139.00

Repair of various streets, AC dig outs, tree root pruning,
concrete curb and gutter replacement, sidewalk replacement,
reconstruction of non-compliant curb ramps, new curb ramps,
traffic striping, and sign relocation

4/2023

Contract amount

Type of work

Date completed

2. City of Glendale, 633 East Broadway, Room 205, Glendale, CA 91206

Name and Address of Agency

Sarkis Oganessian; 818-548-3945

Name and telephone number of person familiar with project

\$4,338,717.55

Installation of ARHM, construction of curbs, gutters,
driveway approaches, alley aprons, new curb ramps,
sewer point repairs and lining, traffic striping, and
replacement of sidewalks.

7/2023

Contract amount

Type of work

Date completed

3. CITY OF PASADENA 100 GARFIELD AVE, PASADENA, CA 91101

Name and Address of Agency

TEDDY LUONG; 626-744-3711

Name and telephone number of person familiar with project

\$5,457,571.68

CONCRETE IMPROVEMENTS
STREET RESURFACING

02/2023

Contract amount

Type of work

Date completed

The following are the names, addresses, and telephone numbers of all brokers and sureties from whom BIDDER intends to procure insurance and bonds:

ETHAN SPECTOR, 777 SOUTH FIGUEROA STREET #
5200, LOS ANGELES, CA 90017 (213) 655-9727

LOCKTON INSURANCE BROKERS

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

21688 GATEWAY CENTER DRIVE, DIAMOND BAR, CA 91765

PAUL RODRIGUEZ - 213-630-1326

SHU LIU - 213.689.2377

777 S. Figueroa Street, Suite 5200, Los Angeles, CA 90017

EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE

BIDDER certifies that in all previous contracts or subcontractors, all reports which may have been due under the requirements of any AGENCY, State, or Federal equal employment opportunity orders have been satisfactorily filed, and that no such reports are currently outstanding.

AFFIRMATIVE ACTION CERTIFICATION

BIDDER certifies that affirmative action has been taken to seek out and consider minority business enterprises for those portions of the work to be subcontracted, and that such affirmative actions have been fully documented, that said documentation is open to inspection, and that said affirmative action will remain in effect for the life of any contract awarded thereunder. Furthermore, BIDDER certifies that affirmative action will be taken to meet all equal employment opportunity requirements of the contract documents.

NON-COLLUSION AFFIDAVIT

BIDDER declares that the only persons or parties interested in this proposal as principals are those named herein; that no officer, agent, or employee of the AGENCY is personally interested, directly or indirectly, in this proposal; that this proposal is made without connection to any other individual, firm, or corporation making a bid for the same work and that this proposal is in all respects fair and without collusion or fraud.

BIDDER'S INFORMATION

BIDDER certifies that the following information is true and correct:

Bidder's Name TORO ENTERPRISES, INC.

Business Address: 2101 E VENTURA BLVD,
OXNARD, CA 93036

Telephone 805-483-4515

State Contractor's License No. and Class: 710580, A, C-31

Original Date Issued 08/01/1995 Expiration Date 08/31/2025

The following are the names, titles, addresses, and phone numbers of all individuals, firm members, partners, joint ventures, and/or corporate officers having a principal interest in this proposal:

SEAN CASTILLO, PRESIDENT 2101 E VENTURA BLVD, OXNARD, CA 93036 805-483-4515

TRENT ROYLE, VP OPERATIONS 2101 E VENTURA BLVD, OXNARD, CA 93036 805-483-4515

JERRY HANNIGAN, SECRETARY 2101 E VENTURA BLVD, OXNARD, CA 93036 805-483-4515

The date of any voluntary or involuntary bankruptcy judgments against any principal having an interest in this proposal is as follows:

NONE

All current and prior DBA's, alias, and/or fictitious business names for any principal having an interest in this proposal are as follows:

N/A

IN WITNESS WHEREOF, BIDDER executes and submits this proposal with the names, title, hands, and seals of all forenamed principals this 22nd day of April, 2025.

BIDDER TORO ENTERPRISES, INC.

SEAN CASTILLO, PRESIDENT

TRENT ROYLE, VP OPERATIONS

JERRY HANNIGAN, SECRETARY

The undersigned declares under penalty of perjury under the laws of the State of California that the representations made hereto are true and correct.

Signature of Contractor's Representative

SEAN CASTILLO

Printed Name

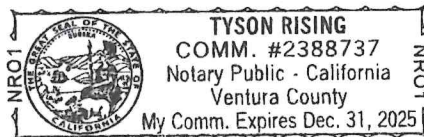
PRESIDENT

Title

Subscribed and sworn to this 22nd day of April, 2025.

NOTARY PUBLIC Tyson Rising

TYSON RISING, NOTARY PUBLIC



Note: The standard printed bid bond form of any bonding company acceptable to the City of Montebello may be used in lieu of the following approved sample bond form, provided the security stipulations protecting the City of Montebello are not in any way reduced by use of the surety company's printed standard form.

PROPOSAL GUARANTEE
BID BOND

FOR

PAVING THE WAY PROGRAM
MONTEBELLO BLVD
(FROM LOS ANGELES AVE TO LINCOLN BLVD)

C.P. No. 888

IN THE CITY OF MONTEBELLO

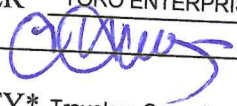
KNOW ALL MEN BY THESE PRESENTS that TORO ENTERPRISES, INC.
Travelers Casualty and Surety Company of America, as BIDDER, and _____
bound unto the City of Montebello, as AGENCY, in the penal sum of _____
Ten Percent of the Amount of the Bid

_____ dollars (\$10% of the Amount of the Bid), which is ten percent of the
total amount bid by BIDDER to AGENCY for the above stated project, for the payment of which
sum, BIDDER and SURETY agree to be bound, jointly and severally, firmly be these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that, whereas BIDDER is about to
submit a bid to AGENCY for the above stated project, if said bid is rejected, or if said bid is
accepted and a contract is awarded and entered into by BIDDER in the manner and time specified,
then this obligation shall be null and void, otherwise it shall remain in full force and effect in favor
of AGENCY.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals, this
16th day of April, 2025.

BIDDER* TORO ENTERPRISES, INC., 2101 E VENTURA BLVD. OXNARD, CA 93036, 805-483-4515

 Jerry Hannigan, Secretary

SURETY* Travelers Casualty and Surety Company of America, One Tower Square, Hartford, CT 06183, 909-612-3030

 Ethan Spector, Attorney-In-Fact, 777 S. Figueroa Street, Ste. 5200, Los Angeles, CA 90017, 213-655-9727

Subscribed and sworn to this _____ day of _____, 20____. SEE ATTACHED CALIFORNIA JURAT

NOTARY PUBLIC _____

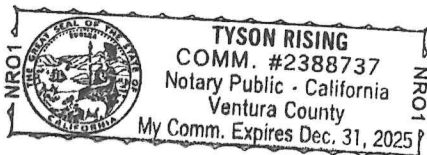
*Provide BIDDER/SURETY name, address and telephone number and the name, title, address
and telephone number of authorized representative.

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

State of California
County of Ventura

Subscribed and sworn to (or affirmed) before me on this 22nd
day of April ~~22nd~~ 20 25, by Jerry Hannigan

proved to me on the basis of satisfactory evidence to be the
person(s) who appeared before me.



(Seal)

Signature

A large, stylized handwritten signature in black ink, appearing to read "Tyson Rising", written over a horizontal line.

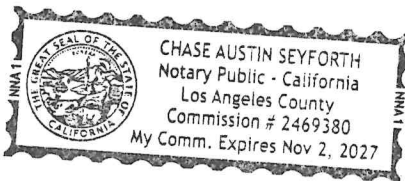
CALIFORNIA JURAT

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

State of California

County of Los Angeles

Subscribed and sworn to (or affirmed) before me on APR 16 2025, by Ethan Spector, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.



Signature _____

Chase Austin Seyforth, Notary Public



Travelers Casualty and Surety Company of America
Travelers Casualty and Surety Company
St. Paul Fire and Marine Insurance Company

POWER OF ATTORNEY

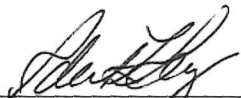
KNOW ALL MEN BY THESE PRESENTS: That Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company are corporations duly organized under the laws of the State of Connecticut (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint **Ethan Spector** of **LOS ANGELES, California**, their true and lawful Attorney(s)-in-Fact to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed, and their corporate seals to be hereto affixed, this **21st** day of **April**, 2021.



State of Connecticut

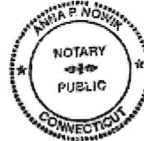
City of Hartford ss.

By: 
 Robert L. Raney, Senior Vice President

On this the **21st** day of **April**, 2021, before me personally appeared **Robert L. Raney**, who acknowledged himself to be the Senior Vice President of each of the Companies, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of said Companies by himself as a duly authorized officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission expires the **30th** day of **June**, 2026




 Anna P. Nowik, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of each of the Companies, which resolutions are now in full force and effect, reading as follows:

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

FURTHER RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

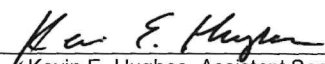
FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, **Kevin E. Hughes**, the undersigned, Assistant Secretary of each of the Companies, do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which remains in full force and effect.

Dated this _____ day of **APR 16 2025**




 Kevin E. Hughes, Assistant Secretary

To verify the authenticity of this Power of Attorney, please call us at 1-800-421-3880.
Please refer to the above-named Attorney(s)-in-Fact and the details of the bond to which this Power of Attorney is attached.

BIDDER'S VIOLATION OF LAW/SAFETY QUESTIONNAIRE
FOR

PAVING THE WAY PROGRAM
MONTEBELLO BLVD
(FROM LOS ANGELES AVE TO LINCOLN BLVD)

C.P. No. 888

IN THE CITY OF MONTEBELLO

In accordance with Government Code Section 14310.5, the BIDDER shall complete, under penalty of perjury, the following questionnaire.

QUESTIONNAIRE

Has the Bidder, any officer of the bidder or any employee of the Bidder who has a proprietary interest in the Bidder ever been disqualified, removed or otherwise prevented from bidding on or completing a Federal, State or local government project because of a violation of law or a safety regulation?

Yes _____

No ^x _____

If the answer is yes, explain the circumstances in the space provided.

n/a

Note: The following is to be used in case cash, a cashier's check or a certified check accompanies the proposal.

**PROPOSAL GUARANTEE
CASH, CASHIER'S CHECK, OR CERTIFIED CHECK**

FOR

**PAVING THE WAY PROGRAM
MONTEBELLO BLVD
(FROM LOS ANGELES AVE TO LINCOLN BLVD)**

C.P. No. 888

IN THE CITY OF MONTEBELLO

Accompanying this proposal is a certified check, a cashier's check, or bidder's bond payable to the order of the City of Montebello, or cash in the amount of N/A

(\$ _____). The proceeds of the same shall become the property of said City if, in case this proposal shall be accepted by said City through the City Council, the undersigned shall fail to execute a contract, with and furnish the insurance and bonds required by the City of Montebello within the specified time; otherwise, the same is to be returned to the undersigned as set forth in the Instructions to Bidders.

N/A

Bidder



Certificate of Corporate Authority

I hereby certify that Toro Enterprises, Inc. is a duly organized and existing California corporation, which has the power to take the action called for by the following resolution.

I further certify that Sean Castillo is President, Jerry Hannigan is Secretary and Trent Royle is Vice President of Operations and all have the authority individually to execute bid bonds, bid submittals, contract documents and change orders on behalf of the corporation as stated in the minutes of the Board of Directors' Meeting of Toro Enterprises, Inc. held July 15, 2016.

In witness whereof, I have affixed by hand and seal of said corporation this 15th day of July 2016.


Jerry Hannigan
Secretary

JH/rc

Equal Opportunity Employer
PO BOX 6285, OXNARD, CA 93031
PHONE: (805) 483-4515 FAX: (805) 483-3635



CONTRACTORS
STATE LICENSE BOARD
ACTIVE LICENSE



License Number **710580**

Entity **CORP**

Business Name **TORO ENTERPRISES INC**

Classification(s) **A C31**

Expiration Date **08/31/2025**

www.cslb.ca.gov



California Environmental Protection Agency
Air Resources Board

January 1, 2025

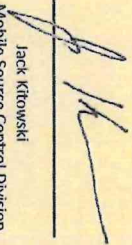
**CERTIFICATE OF REPORTED COMPLIANCE
OFF-ROAD DIESEL VEHICLE REGULATION
is issued to**

O & C TORO CORPORATION

This certificate indicates that the fleet listed above has reported off-road diesel vehicles to the California Air Resources Board and has certified they are in compliance with title 13 CCR, section 2449. All applicable vehicles owned by the individual, company, or agency must be reported and labeled, as specified in Section 2449, with all possible completeness; else this certificate is null and void **Certificate expires 2/28/2026**

Off-road Diesel Fleet Identification

1748


Jack Ktowski
Chief, Mobile Source Control Division
California Air Resources Board

To verify the authenticity of this certificate, enter this number at
http://www.arb.ca.gov/doors/compliance_cert1.html



Project Reference List

FY 2021- B GRIND AND OVERLAY PROJECT

Location: Various locations in the City of Santa Barbara

Owner: City of Santa Barbara

Owner Contact: Adam Ziets; 805-897-1981

Architect/Engineering Firm: Flowers & Associates, Inc.

Architect/Engineer Contact: Robert Schmidt; 805-966-2224

Construction Manager: Jamie Lagos; 805-794-8931

Description of work: Repair of various streets, AC dig outs, tree root pruning, concrete curb and gutter replacement, sidewalk replacement, reconstruction of non-compliant curb ramps, new curb ramps, traffic striping, and sign relocation.

Total Value: \$5,098,1391

Construction Dates: 2/2022 - 4/2023...

Project Manager: John Smith

Superintendent: Sean Castillo

21-22 ANNUAL OVERLAY PROJECT

Location: Various locations in the City of Santa Clarita

Owner: City of Santa Clarita

Owner Contact: Ramiro Fuentes; 661-286-4134

Architect/Engineering Firm: Pavement Engineering, Inc.

Architect/Engineer Contact: Sam Kin Ho; 805-781-2265

Description of work: Citywide Street resurfacing, adjustment of manhole, gas valve, water valve, and utility covers, traffic striping.

Total Value: \$9,099,917.80

Construction Dates: 5/2022 - 10/2022

Project Manager: Sean Castillo

MAINTENANCE DISTRICT 6 PAVEMENT REHABILITATION

Location: District 6 in the City of Glendale

Owner: City of Glendale

Owner Contact: Sarkis Oganessian; 818-548-3945 and Armond Simonian; 818-548-3945

Architect/Engineering Firm: ARA; 818-334-0161

Construction Manager: Armond Simonian; 818-548-39455

Description of work: Installation of ARHM, construction of curbs, gutters, driveway approaches, alley aprons, new curb ramps, sewer point repairs and lining, traffic striping, and replacement of sidewalks.

Total Value: \$4,338,717.55

Construction Dates: 9/2022 - 7/2023

Superintendent: Sean Castillo

WATER MAIN REPLACEMENT PROJECT

Location: Loma Vista Dr and San Ysidro Dr in the City of Beverly Hills

Owner: City of Beverly Hills

Owner Contact: Derek Nguyen; 310-285-2473

Architect/Engineering Firm: Cannon

Architect/Engineer Contact: Joseph Porkert; 310-664-1166

Inspector of Record: Jeffrey Bartizal; 310-285-2518

Description of work: Water main replacement, installing ductile iron pipe, gate valves, connecting to existing piping, and 2" grind and overlay, traffic striping.

Total Value: \$9,498,267.60

Construction Dates: 11/2021 - 4/2021

Project Manager: Jeff Pollack

CI 5297 LAWRENCE DR. AND TELLER RD. INTERSECTION IMPROVEMENTS

Location: Lawrence Dr and Teller Rd in the City of Thousand Oaks

Owner: City of Thousand Oaks

Owner Contact: Masoud Razavi 805-449-2454

Architect/Engineering Firm: Kimley Horn1

Architect/Engineer Contact: Panayiota Georgalis; 213-261-4040 and Rik Gessler; 805-630-8003

Description of work: Construction of roadway pavement, concrete sidewalk, curb and gutters, retaining walls, curb ramps, stormwater improvements, signing and striping, new water lines, water meter relocations and other water related improvements.

Total Value: \$2,125,518.20

Construction Dates: 2/2022 - 5/2023

Project Manager: Trent Royle

Superintendent: Rick Fierro

COMMUNITY BEAUTIFICATION PROJECT

Location: Various locations in the City of Glendale

Owner: City of Glendale

Owner Contact: Viktoriya Pakhanyan; 818-548-3945

Construction Manager: Ray Farnaghi; 747-488-6761

Description of work: Pavement of ARHM, replacement of curbs, gutters, sidewalks, cross gutters, alley aprons, bus pads, waterlines, sanitary sewer main line, storm drain line, construction of catch basins, and fire hydrant relocations.

Total Value: \$8,402,026.88

Construction Dates: 9/2023 - 4/2024

Project Manager: Matt White

Superintendent: Sean Castillo

PROJECT BRUIN - AMAZON DISTRIBUTION CENTER

Location: 3100 Sakioka Drive, Oxnard, CA 93030

Owner: Seefried Properties/ Clark Construction Group (GC)

Architect/Engineering Firm: Ware Malcomb

Architect/Engineer Contact: Kevin Evernham; 925-244-9620

Construction Manager: Shiven Sompura; 213-933-2103 and JR Yaro; 805-797-3071

Description of work: AC paving, construction of concrete, storm drain and sewer work.

Total Value: \$40,000,000.00

Construction Dates: 07/2020 - 08/2021

Project Manager: Trent Royle

Superintendent: Sean Castillo

TRACT 5520 1-5

Location: Fillmore, CA

Owner: Hearthstone

Owner Contact: Lance Mellring; 805-432-6238

Architect/Engineering Firm: VTNWAST

Architect/Engineer Contact: George Colvin; 818-993-8740

Construction Manager: Lance Mellring; 805-432-623815 & Bobby Castaneda; 818-741-5821

Description of work: Street improvements, water and sewer improvements, grading, and structural concrete bridge installation.

Total Value: \$13,798,230.00

Construction Dates: 04/2019 - 03/2024

Project Manager: Trent Royle

Superintendent: Sean Castillo

SOFI STADIUM

Location: 1001 Stadium Dr, Inglewood, CA 90301

Owner: AECOM Hunt

Owner Contact: Richard Bach; 972-788-1000

Architect/Engineering Firm: HKS Architects, Inc.

Architect/Engineer Contact: Karl Mallick; 213-337-3407

Construction Manager: Richard Bach; 972-788-1000

Inspector of Record: Matt Pridoaux; 714-328-3407

Description of work: Onsite streets and parking lot paving, concrete work, construction of new curb ramps, striping and other markings.

Total Value: \$10,643,111.00

Construction Dates: 10/2019 - 06/2021

Project Manager: Dylan Gutierrez

Superintendent: Sean Castillo

Bid Results											
				TORO	TORO	HARDY & HARPER INC	HARDY & HARPER INC	EXCEL PAVING	EXCEL PAVING	ALL AMERICAN	ALL AMERICAN
ITEM NO.	DESCRIPTION	EST QTY	UNIT	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	PROJECT INFORMATION SIGNS	2	LS	\$2,600.00	\$5,200.00	\$2,500.00	\$5,000.00	\$1,200.00	\$2,400.00	\$2,150.00	\$4,300.00
2	TRAFFIC CONTROL AND STAGE CONSTRUCTION	1	LS	\$571,100.00	\$571,100.00	\$652,451.00	\$652,451.00	\$798,000.00	\$798,000.00	\$645,000.00	\$645,000.00
3	PROVIDE CONSTRUCTION SURVEY	1	EA	\$47,135.00	\$47,135.00	\$50,000.00	\$50,000.00	\$45,000.00	\$45,000.00	\$45,000.00	\$45,000.00
4	REMOVE TREE AND STUMP	19	CY	\$1,090.00	\$20,710.00	\$1,200.00	\$22,800.00	\$980.00	\$18,620.00	\$850.00	\$16,150.00
5	ROADWAY EXCAVATION	2,000	SF	\$176.00	\$352,000.00	\$200.00	\$400,000.00	\$187.00	\$374,000.00	\$95.00	\$190,000.00
6	REMOVE EXIST AC PAVEMENT	10,640	SF	\$7.40	\$78,736.00	\$12.00	\$127,680.00	\$11.00	\$117,040.00	\$3.00	\$31,920.00
7	REMOVE EXIST CONCRETE PAVEMENT	430	SF	\$25.50	\$10,965.00	\$20.00	\$8,600.00	\$8.00	\$3,440.00	\$6.00	\$2,580.00
8	REMOVE EXIST CONCRETE SIDEWALK	1,930	SF	\$8.80	\$16,984.00	\$6.00	\$11,580.00	\$4.00	\$7,720.00	\$4.00	\$7,720.00
9	REMOVE EXIST CONCRETE CURB AND MEDIAN IMPROVEMENTS	1,590	LS	\$30.55	\$48,574.50	\$20.00	\$31,800.00	\$5.00	\$7,950.00	\$18.00	\$28,620.00
10	REMOVE EXIST CURB RAMP	10	EA	\$875.00	\$8,750.00	\$3,000.00	\$30,000.00	\$600.00	\$6,000.00	\$2,000.00	\$20,000.00
11	REMOVE EXIST DRIVEWAY APPROACH	1	EA	\$7,575.00	\$7,575.00	\$3,000.00	\$3,000.00	\$2,500.00	\$2,500.00	\$3,000.00	\$3,000.00
12	REMOVE EXIST CROSS GUTTER	7,720	SF	\$10.05	\$77,586.00	\$11.00	\$84,920.00	\$6.00	\$46,320.00	\$9.00	\$69,480.00
13	REMOVE AND DISPOSE OF PEDESTRIAN PUSH BUTTON AND POST	2	EA	\$980.00	\$1,960.00	\$2,000.00	\$4,000.00	\$950.00	\$1,900.00	\$3,200.00	\$6,400.00
14	REMOVE EXIST CURB AND GUTTER	300	LF	\$55.45	\$16,635.00	\$50.00	\$15,000.00	\$42.00	\$12,600.00	\$40.00	\$12,000.00
15	COLD MILL EXIST AC PAVEMENT (2")	307,420	SF	\$0.60	\$184,452.00	\$0.45	\$138,339.00	\$0.45	\$138,339.00	\$0.35	\$107,597.00
16	CONSTRUCT 2" CONVENTIONAL AC OVERLAY TYPE C2-PG 64-10	3,715	TON	\$150.40	\$558,736.00	\$123.00	\$456,945.00	\$120.00	\$445,800.00	\$120.00	\$445,800.00
17	CONSTRUCT AC PAVEMENT	570	TON	\$170.00	\$96,900.00	\$225.00	\$128,250.00	\$178.00	\$101,460.00	\$275.00	\$156,750.00
18	AGGRESGATE BASE	250	CY	\$85.50	\$21,375.00	\$100.00	\$25,000.00	\$148.00	\$37,000.00	\$115.00	\$28,750.00
19	CONSTRUCT CONCRETE CURB AND GUTTER A2-8 PER SPPWC STD. PLAN 120-2	220	LF	\$44.35	\$9,757.00	\$60.00	\$13,200.00	\$120.00	\$26,400.00	\$100.00	\$22,000.00
20	CONSTRUCT 4" PCC SIDEWALK PER SPPWC STD. PLANS 113-2	1,820	SF	\$8.55	\$15,561.00	\$10.00	\$18,200.00	\$16.00	\$29,120.00	\$15.00	\$27,300.00
21	CONSTRUCT CONCRETE CROSS GUTTER AND SPANDREL PER SPPWC STD. PLAN 122-2	7,720	SF	\$11.25	\$86,850.00	\$18.00	\$138,960.00	\$20.00	\$154,400.00	\$23.00	\$177,560.00
22	CONSTRUCT DRIVEWAY APPROACH PER SPPWC STD. PLAN 110-2 TYPE A	1	EA	\$6,610.00	\$6,610.00	\$4,000.00	\$4,000.00	\$6,000.00	\$6,000.00	\$9,500.00	\$9,500.00
23	CONSTRUCT CONCRETE CURB A1-8 PER SPPWC STD. PLAN 120-2	5,650	LF	\$24.30	\$137,295.00	\$32.00	\$180,800.00	\$65.00	\$367,250.00	\$55.00	\$310,750.00
24	CONSTRUCT CONCRETE CURB RAMPS PER SPPWC STD. PLAN 111-5 (CASE AND TYPE PER PLAN)	10	EA	\$1,825.00	\$18,250.00	\$5,000.00	\$50,000.00	\$5,000.00	\$50,000.00	\$8,800.00	\$88,000.00
25	INSTALL DETECTABLE WARNING SURFACE PER SPPWC STD PLAN 111-5	9	EA	\$436.00	\$3,924.00	\$2,600.00	\$23,400.00	\$1,600.00	\$14,400.00	\$1,750.00	\$15,750.00
26	ADJUST TO GRADE, WATER VALVE	60	EA	\$1,460.00	\$87,600.00	\$180.00	\$10,800.00	\$760.00	\$45,600.00	\$750.00	\$45,000.00
27	ADJUST TO GRADE, STORM DRAIN MANHOLE	20	EA	\$1,460.00	\$29,200.00	\$1,400.00	\$28,000.00	\$1,400.00	\$28,000.00	\$1,400.00	\$28,000.00
28	ADJUST TO GRADE, SANITARY SEWER MANHOLE	20	EA	\$1,460.00	\$29,200.00	\$1,400.00	\$28,000.00	\$1,500.00	\$30,000.00	\$1,400.00	\$28,000.00
29	FURNISH AND INSTALL TRAFFIC SIGNAL LOOP DETECTORS AND CONNECT DLC	63	EA	\$598.00	\$37,674.00	\$425.00	\$26,775.00	\$410.00	\$25,830.00	\$600.00	\$37,800.00
30	INSTALL TRAFFIC STRIPING, SIGNING, DELINEATORS	1	LS	\$105,000.00	\$105,000.00	\$70,000.00	\$70,000.00	\$68,000.00	\$68,000.00	\$75,000.00	\$75,000.00
31	INSTALL SERVICE EQUIPMENT ENCLOSURE, TYPE III-B PER CALTRANS STD PLAN ES-2E	2	LS	\$13,050.00	\$26,100.00	\$28,000.00	\$56,000.00	\$13,000.00	\$26,000.00	\$13,000.00	\$26,000.00
32	MEDIAN HARDSCAPE AND LANDSCAPE PLANTING	1	LS	\$367,500.00	\$367,500.00	\$300,000.00	\$300,000.00	\$423,000.00	\$423,000.00	\$475,000.00	\$475,000.00
33	IRRIGATION SYSTEM	1	LS	\$201,910.00	\$201,910.00	\$200,000.00	\$200,000.00	\$182,000.00	\$182,000.00	\$200,000.00	\$200,000.00
34	PLANT ESTABLISHMENT AND MAINTENANCE PERIOD (90 DAYS)	1	LS	\$10,900.00	\$10,900.00	\$6,500.00	\$6,500.00	\$6,500.00	\$6,500.00	\$6,500.00	\$6,500.00
					\$3,298,704.50		\$3,350,000.00		\$3,648,589.00		\$3,393,227.00



ITEM # 14

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Fernando Pelaez, Fire Chief

SUBJECT: **APPROVE AGREEMENT NO. 4301 WITH BRIAN D. HEINZ (DBA HEINZ LABORATORIES) FOR HAZARDOUS MATERIALS (HAZMAT) TRAINING OF FIRE SUPPRESSION PERSONNEL**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Approve Professional Services Agreement No. 4301 between the City of Montebello and Brian D. Heinz (DBA Heinz Laboratories) for provision of Hazardous Materials Specialist Training of Fire Suppression Personnel; and
2. Amend the Fiscal Year 2024-25 adopted budget to increase appropriations by \$140,000 in Account No. 600-90-915-6040.10 (Transit, Transportation, Corporate Shop, Contract Services-Outside Contracts); and
3. Take such additional, related action that may be desirable.

FISCAL IMPACT:

Professional Services Agreement No. 4301 (Attachment B) with Brian D. Heinz (DBA Heinz Laboratories) has a not-to-exceed amount of \$140,000 for providing Hazardous Materials Specialist training for up to twenty-five (25) fire suppression personnel. The Department of Transportation has agreed to fund Hazmat training to prepare for the City's future use of hydrogen buses. A budget amendment for Fiscal Year 2024-25 is required to increase appropriations by \$140,000 in Account No. 600-90-915-6040.10 (Transit, Transportation, Corporate Shop, Contract Services-Outside Contracts).

Staff is seeking authorization to approve the professional services agreement utilizing the exception to standard procurement processes allowed by Montebello Municipal Code Chapter 3.20.050(I): *"Solicitation of Bids with No Response: Where competitive bids or*

proposals have been solicited and no bid or proposal has been received. In such a situation the Purchasing Manager may proceed to have the services performed or the goods procured without further competitive bidding." Fire Department staff solicited proposals from qualified vendors, with only two responses received.

BACKGROUND/DISCUSSION:

In September 2024, the City Council directed staff to evaluate the department's ability to independently respond to hazardous materials incidents. Montebello faces an increasing number of potential hazmat scenarios due to factors such as industrial activity, major highways (SR-60), freight rail lines, and the introduction of CNG and hydrogen fuel cell buses. Currently, the City relies solely on mutual aid from external agencies for hazardous materials (HAZMAT) incidents, which may delay stabilization and increase risks.

The establishment of a Type 2 Hazardous Materials Team, as classified by the California Governor's Office of Emergency Services (Cal OES), would allow the Montebello Fire Department to respond more effectively by providing capabilities such as:

- Chemical and radiological identification
- Emergency decontamination
- Evacuation zone analysis
- Protective action recommendations
- Scene safety and environmental containment

To ensure 24/7 response capabilities, twenty-five Fire Department personnel are being trained to provide cross-shift coverage. This team will be integrated with the City's Emergency Operations Plan and regional mutual aid frameworks.

California's requirements for Hazardous Materials Technician and Specialist certification are the highest in the nation, which requires comprehensive hazardous materials courses to meet or exceed national training standards. California Government Code §8574.20 (e) provides a single coordinated standardized curriculum to train and certify hazardous materials outreach instructors. When seeking training for personnel, it is vital to find a vendor that is certified by the California Governor's Office of Emergency Services in order to receive certificates of completion for all participants as a Haz Mat Technician. The total hours of completion is 160, including training in basic chemistry, applied chemistry, incident considerations and tactical field operations.

Staff proceeded to request quotes for training. There are very few companies available for this specialty, and only two companies responded to the City's inquiry (Attachment A). In conformance with bidding procedures, Chapter 3.20.050(I) of the Montebello Municipal Code (MMC), an informal survey was conducted by the Fire Department to determine whether the vendor can meet the training required to get fire personnel properly certified. As such, Staff is seeking approval of Agreement No. 4301 utilizing the exception to bidding procedures provided by Chapter 3.20.050(I).

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 3 of 4

Due to the cancellation of the April 23, 2025 City Council meeting, staff was unable to present this item for approval prior to the beginning of training. Staff looked into postponing the training until City Council could review and approve the agreement. However, Heinz Laboratory had no availability for approximately the next year, so staff were directed to proceed with the necessary training and seek execution of Agreement No. 4301 at the earliest possible City Council meeting. The training began the week of April 28, 2025 to maintain the scheduled instruction and ensure readiness ahead of the City's transition to hydrogen-fueled buses, as well as to meet the myriad existing hazards within the City of Montebello.

Training was delivered at City facilities, which provided significant cost savings compared to off-site instruction. This approach allowed more personnel to receive certification within a six-week window.

ENVIRONMENTAL:

N/A

ANALYSIS:

A Type 2 hazmat program is crucial in light of Montebello's historical and current exposure to hazardous incidents. Notable past incidents, including a 1988 chemical plant leak affecting over 1,000 residents and groundwater contamination in 1945, demonstrates the ongoing need for local response capabilities. The proposed program aligns with NFPA 1072 and OSHA 29 CFR 1910.120 standards and enhances Montebello's preparedness while opening opportunities for regional collaboration and cost recovery through mutual aid.

Montebello has several facilities handling hazardous materials, such as the Chevron service station, a Tesla service center, and a growing fleet of CNG and FCEB buses operated by Montebello Bus Lines. Although these technologies promote cleaner energy, they present unique risks, including explosion hazards, requiring advanced mitigation and emergency response training. Having a dedicated hazmat team will significantly reduce reliance on external agencies like the Los Angeles County Fire Department's Health Hazardous Materials Division, leading to faster, more coordinated responses and improved outcomes during hazmat events.

SUMMARY:

Staff is providing notification of proceeding with the Hazardous Materials training and seeking approval of Agreement No. 4301 with Brian D. Heinz (DBA Heinz Laboratories) for Montebello Fire Department personnel to become certified hazardous materials technicians and/or specialists. This training represents a proactive and strategic investment in public safety, regulatory compliance, and environmental stewardship. The requested FY 2024-25 budget amendment of \$140,000 (Account No. 600-90-915-6040.10, Transit, Transportation, Corporate Shop, Contract Services-Outside Contracts) supports this initiative and prepares the Montebello Fire Department to operate a Type 2

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 4 of 4

Hazardous Materials Response Program that enhances in-house capabilities and reduces response times.

ATTACHMENT(S)

1. Attachment A - Bidding Sheet
2. Attachment B - Montebello PSA 4301 Brian Heinz - Executed Agreement



MONTEBELLO FIRE DEPARTMENT BIDDING SHEET

Item(s)/job bidding on

Company Name: Industrial Emergency Council - IEC

Date: 2/26/25

Person you spoke with: Bruce Meisenbach

Amount: \$139,250

Other necessary information: 25 students

Technician 4 weeks x 25 students = \$89,500

Specialist 2 weeks x 25 students = \$49,750

Total = \$139,250

See Attached Quote.

Company Name: Heinz Laboratories

Date: 2/11/25

Person you spoke with: Brian Heinz

Amount: \$110,000 + \$9,000 For WMD

Other necessary information: 25 students

Technician 4 weeks x 25 students = \$70,000

Specialist 2 weeks x 25 students = \$40,000

Adding Weapons of Mass Destruction for 25 students For \$9,000
Total = \$119,000

Company Name: California Specialized Training Institute

Date: 2/11/25

Person you spoke with: _____

_____ Amount: _____

Other necessary information: _____

Non Responsive

Bid obtained by: Juan Mota

Recommendation: Heinz Laboratories

Bid awarded to: _____

New Vendor: ☒ Yes or ☐ No (If yes, please submit a W-9)

Sole Source Exemption (explanation required): _____

BC Approval: _____

Fire Admin Review: _____

Deputy Director Approval: _____

Fire Chief Approval:

Notes: _____

Industrial Emergency Council

1301 Shoreway Road Suite 375

Belmont, CA 94002

QUOTE # www.iectraining.org CUSTOMER ID

650-508-9008

Prepared by: BRUCE MEISENBACH

QUOTE

DATE _____

02.26.2025

25.343

VALID UNTIL

Montebello Fire

12.31.2025

CUSTOMER

Montabello Fire Department

ATTN: Juan Mota

[illegible]

Subtotal

1

25 students

tech - 4 modules $\times$ 895 $\times$ 25 students = 89,500

tech - 4 modules x 015 x 25 students = 1500
 - 4 modules x 995 x 25 students = 99,750

total = 139,250

19 students

19 students
tech - 4 modules $\times 895 \times 19$ students = 608,020
 - 4 modules $\times 995 \times 19$ students = 37,810

tech - 4 modules $\times$ 845 $\times$ 19 Students = 37,810
spec - 2 modules $\times$ 945 $\times$ 19 Students = 105,830

105,830

TERMS AND CONDITIONS

1. Customer will be billed after indicating acceptance of this quote
2. Payment will be due prior to delivery of service and

goodsCustomer Acceptance (sign below):

x _____

Print Name:

BRUCE MEISENBACH - 650.508.9008

Thank You For Your Business!

-	
-	
Other	-
TOTAL	\$ -

If you
have any questions about this price
quote, please contact:



“Competency Through Education”

February 11, 2025

Montebello Fire Department ATTN
Juan Mota, Engineers/HMS 600 N.
Montebello Blvd. Montebello, CA
90640

Mr. Mota:

25 students

Thank you for the opportunity to respond to your training needs. We are most interested in providing the following training for the Montebello Fire Department responders:

HAZ MAT TECHNICIAN: MODULES 1A – 1D (160 hours)

The Hazardous Materials Technician/Specialist program is certified by the California Governor’s Office of Emergency Services/California Specialized Training Institute (CSTI) and certificates will be issued to all participants that successfully complete each Module. Modules 1A -1D constitute the Haz Mat Technician program for CA State certification. Each Module is 40 hours and would run 0800-1700 each day, Monday-Friday.

Proposed course dates:

Module 1A: Basic Chemistry, April 28 – May 2, 2025

Module 1B: Applied Chemistry, May 5 - 9, 2025

Module 1C: Incident Considerations, June 2 - 6, 2025

Module 1D: Tactical Field Operations, June 9 - 13, 2025

The cost for this program on the proposed dates at Montebello, CA would be

\$70,000.⁰⁰ This fixed price is based on a 25-person max class size. Price is based on \$750 per student/module and reflects a \$5,000 discount for hosting the class. The price includes all student course fees, student manuals, response training equipment, instructor travel and per diem and the cost of the State completion certificates (CSTI). HL will provide all required props, monitoring devices and field testing equipment, suits/boots, and all safety equipment for the entire program included in 2 training trailers. Participants are to provide their own SCBA for Modules 1C and 1D.

If you have any questions please do not hesitate to ask.

Thank you, again, for the opportunity and I look forward to working with you.

Sincerely,

Brian D. Heinz

Brian D. Heinz Owner
Heinz Laboratories
HeinzLabs@gmail.com

POST OFFICE BOX 1376 HIGHLANDS, TX 77562 USA (530) 949-9486
www.HeinzLabs.com



***“Competency Through
Education”***

February 11, 2025

Montebello Fire Department ATTN
Juan Mota, Engineers/HMS 600 N.
Montebello Blvd. Montebello, CA
90640

Mr. Mota:

Thank you for the opportunity to respond to your training needs. We are most interested in providing the following training for the Montebello Fire Department:

HAZ MAT SPECIALIST: MODULES 1F & 1G (80 hours)

This Hazardous Materials Specialist program is an 80-hour upgrade course for those already certified to the Hazardous Materials Technician level (Modules 1A-1D). Courses are certified by the California Governor's Office of Emergency Services/California Specialized Training Institute (CSTI) and certificates will be issued to all participants that successfully completes each Module. Class will run 0800-1700 each day, Monday-Friday. Additionally, there is a required evening drill during the 1G week that would run approximately 1800-2300 on 7/17. Students will need to provide SCBAs for both weeks.

Proposed course dates:

Module 1F: Adv. Mitigation Techniques - July 7 - 11, 2025

Module 1G: Field Scenarios – July 14 - 18, 2025

The cost for this program on the proposed dates at Montebello, CA would be **\$40,000.⁰⁰** This fixed price is based on a 25-person max class size. Price is based on \$900 per student/module and reflects a \$5,000 discount for hosting the class. The price quoted includes: rental of State certified F/G prop trailer, student course fees, student resource information, all training props and equipment, instructors' travel and per diem and the cost of the CA State completion certificates (CSTI).

If you have any questions please do not hesitate to ask.

Thank you, again, for the opportunity and I look forward to working with you.

Sincerely,

Brian D. Heinz

Brian D. Heinz Owner
Heinz Laboratories
HeinzLabs@gmail.com

POST OFFICE BOX 1376 HIGHLANDS, TX 77562 USA (530) 949-9486
www.HeinzLabs.com



***“Competency Through
Education”***

February 11, 2025

Montebello Fire Department ATTN
Juan Mota, Engineers/HMS 600 N.
Montebello Blvd. Montebello, CA
90640

Mr. Mota:

Thank you for the opportunity to respond to your training needs. We are most interested in providing the following training for the Montebello Fire Department:

HAZ MAT TECH/SPEC TERRORISM (16 hours)

This course meets the requirements specified for State Type I team requirements. Course topics include: Chemical, Biological, Radiological & Explosive threats, intelligence, detection and response tactics. Medical management, rescue considerations and decontamination of contaminated victims will also be discussed and displayed. Available identification tools, reference materials and sampling protocols will be explained and exercised. Certificates will be provided by the California Specialized Training Institute (CSTI) for all those that successfully complete the course.

Prerequisite: HM Technician

Proposed course dates: **July 28 - 29, 2025**

The cost for this class at Montebello, CA on the proposed dates is **\$ 9,000.00**. This fixed price is based on a 25-person class size. Price is based on \$400 per student and reflects a 10% discount for hosting the class. The price quoted includes: student fees, course manuals, instructor fees and instructor travel, per diem costs and course completion certificates. **Students will need to provide SCBA units for exercises.** Thank you, again, for the opportunity and I look forward to working with you again.

If you have any questions please do not hesitate to ask.

Thank you, again, for the opportunity and I look forward to working with you.

Sincerely,

Brian D. Heinz

Brian D. Heinz Owner
Heinz Laboratories
HeinzLabs@gmail.com

POST OFFICE BOX 1376 HIGHLANDS, TX 77562 USA (530) 949-9486
www.HeinzLabs.com



***“Competency Through
Education”***

February 24, 2025

Montebello Fire Department
ATTN Juan Mota, Engineer/HMS
600 N. Montebello Blvd. Montebello,
CA 90640

Mr. Mota:

19 students.

Thank you for the opportunity to respond to your training needs. We are most interested in providing the following training for the Montebello Fire Department responders:

HAZ MAT TECHNICIAN: MODULES 1A – 1D (160 hours)

The Hazardous Materials Technician/Specialist program is certified by the California Governor's Office of Emergency Services/California Specialized Training Institute (CSTI) and certificates will be issued to all participants that successfully complete each Module. Modules 1A -1D constitute the Haz Mat Technician program for CA State certification. Each Module is 40 hours and would run 0800-1700 each day, Monday-Friday.

Proposed course dates:

Module 1A: Basic Chemistry, April 28 – May 2, 2025

Module 1B: Applied Chemistry, May 5 - 9, 2025

Module 1C: Incident Considerations, June 2 - 6, 2025

Module 1D: Tactical Field Operations, June 9 - 13, 2025

The cost for this program on the proposed dates at Montebello, CA would be

\$57,000.⁰⁰ This fixed price is based on a 19-person max class size. Price is based on \$750 per student/module. The price includes all student course fees, student manuals, response training equipment, instructor travel and per diem and the cost of the State completion certificates (CSTI). HL will provide all required props, monitoring devices and field testing equipment, suits/boots, and all safety equipment for the entire program included in 2 training trailers. **Participants are to provide their own SCBA for Modules 1C and 1D.**

If you have any questions please do not hesitate to ask.

Thank you, again, for the opportunity and I look forward to working with you.

Sincerely,

Brian D. Heinz

Brian D. Heinz Owner
Heinz Laboratories
HeinzLabs@gmail.com

POST OFFICE BOX 1376 HIGHLANDS, TX 77562 USA (530) 949-9486
www.HeinzLabs.com



***“Competency Through
Education”***

February 24, 2025

Montebello Fire Department
ATTN: Juan Mota, Engineer/HMS
600 N. Montebello Blvd. Montebello,
CA 90640

Mr. Mota:

Thank you for the opportunity to respond to your training needs. We are most interested in providing the following training for the Montebello Fire Department:

HAZ MAT SPECIALIST: MODULES 1F & 1G (80 hours)

This Hazardous Materials Specialist program is an 80-hour upgrade course for those already certified to the Hazardous Materials Technician level (Modules 1A-1D). Courses are certified by the California Governor's Office of Emergency Services/California Specialized Training Institute (CSTI) and certificates will be issued to all participants that successfully complete each Module. Class will run 0800-1700 each day, Monday-Friday. Additionally, there is a required evening drill during the 1G week that would run approximately 1800-2300 on 8/21. Students will need to provide SCBAs for both weeks.

Proposed course dates:

Module 1F: Adv. Mitigation Techniques - August 11-15, 2025
Module 1G: Field Scenarios – August 18-22, 2025

The cost for this program on the proposed dates at Montebello, CA would be

\$34,200.⁰⁰ This fixed price is based on a 19-person max class size. Price is based on \$900 per student/module. The price quoted includes: rental of State certified F/G prop trailer, student course fees, student resource information, all training props and equipment, instructors' travel and per diem and the cost of the CA State completion certificates (CSTI).

If you have any questions please do not hesitate to ask.

Thank you, again, for the opportunity and I look forward to working with you.

Sincerely,

Brian D. Heinz

Brian D. Heinz Owner
Heinz Laboratories
HeinzLabs@gmail.com

POST OFFICE BOX 1376 HIGHLANDS, TX 77562 USA (530) 949-9486
www.HeinzLabs.com



“Competency Through Education”

February 24, 2025

Montebello Fire Department
ATTN Juan Mota, Engineer/HMS
600 N. Montebello Blvd. Montebello,
CA 90640

Mr. Mota:

Thank you for the opportunity to respond to your training needs. We are most interested in providing the following training for the Montebello Fire Department:

HAZ MAT TECH/SPEC TERRORISM (16 hours)

This course meets the requirements specified for State Type I team requirements. Course topics include: Chemical, Biological, Radiological & Explosive threats, intelligence, detection and response tactics. Medical management, rescue considerations and decontamination of contaminated victims will also be discussed and displayed. Available identification tools, reference materials and sampling protocols will be explained and exercised. Certificates will be provided by the California Specialized Training Institute (CSTI) for all those that successfully complete the course.

Prerequisite: HM Technician

Proposed course dates: **September 25 - 26, 2025**

The cost for this class at Montebello, CA on the proposed dates is **\$ 7,600.00**

This fixed price is based on a 19-person class size. Price is based on \$400 per student. The price quoted includes: student fees, course manuals, biological and chemical testing papers and hand held assays, sampling equipment, rental of monitors & chemical agent detectors, instructor fees and instructor travel, per diem costs and course completion certificates. **Students will need to provide SCBA units for exercises.**

Thank you, again, for the opportunity and I look forward to working with you again.

If you have any questions please do not hesitate to ask.

Thank you, again, for the opportunity and I look forward to working with you.

Sincerely,

Brian D. Heinz

Brian D. Heinz Owner

Heinz Laboratories

HeinzLabs@gmail.com

POST OFFICE BOX 1376 HIGHLANDS, TX 77562 USA (530) 949-9486
www.HeinzLabs.com

**CITY OF MONTEBELLO
PROFESSIONAL SERVICES AGREEMENT NO. 4301
WITH Brian D. Heinz (DBA Heinz Laboratories)**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into on **April 28, 2025** ("Effective Date"), by and between the CITY OF MONTEBELLO, a California municipal corporation (the "CITY") and **Brian D. Heinz (DBA Heinz Laboratories)** (the "CONSULTANT"). The CITY and the CONSULTANT are sometimes referred to herein individual as the "Party," and jointly as the "Parties."

RECITALS

WHEREAS, the CITY desires to retain a qualified professional consultant to provide hazmat training services to CITY Fire Department personnel; and

WHEREAS, the CONSULTANT is fully qualified to perform such services by virtue of its experience and the training, education, and the expertise of its principals and employees; and

WHEREAS, the City evaluated the CONSULTANT and determined that the CONSULTANT will meet its requirements in a satisfactory manner.

NOW THEREFORE, in consideration of performance by the Parties of the covenants and conditions herein contained, the Parties hereto agree as follows:

SECTION 1. INCORPORATION OF RECITALS AND OTHER CONTRACT DOCUMENTS

A. The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference. Moreover, this Agreement consists of the following documents, in order of precedence, all of which are incorporated herein and made part of this Agreement, as though fully set forth herein:

- a. This Agreement and its Exhibits, including any and all addenda or supplemental agreements.
- b. Proposal and Best Final Offer received by the successful proposer.
- c. All other documents, including but not limited to all applicable bonds, insurance certificates, permits, notices, schedules, forms, certifications, and affidavits.

B. These documents shall be collectively referred to herein as the "Contract Documents." In the event of a conflict among the Contract Documents, the order of precedence listed above shall apply.

SECTION 2. SERVICES / COMPENSATION.

A. All terms, conditions, requirements, and provisions of the services in the CONSULTANT's proposal, as such is set forth fully in **Exhibit "A"** hereto, are hereby incorporated fully herein by this reference and shall be binding on the Parties. To the extent of a conflict between the terms of this Agreement and that set forth in any exhibits or attachments hereto, the terms of this Agreement shall govern.

B. The CONSULTANT shall provide to the CITY all labor, equipment,

materials and incidental necessary to provide services, as such is set forth fully in **Exhibit “A”** (hereinafter “Professional Services”).

C. The CONSULTANT shall be compensated for performance of the Professional Services as set forth in the Schedule of Compensation attached hereto within **Exhibit “A”** (“Compensation”). The CONSULTANT shall provide an itemized billing statement to the CITY each month for Professional Services performed. The CONSULTANT shall not incur fees or costs which exceed the Compensation without the prior written consent of the CITY.

SECTION 3. TERM.

a. This Agreement shall commence upon issuance of a written “Notice to Proceed” (as further defined below) by the CITY and shall expire on May 30, 2025 or when the training services have been completed, from the Effective Date, unless terminated earlier as hereinafter provided. This Agreement may be extended through June 30, 2025, with mutual agreement from both parties.

b. Notice to Proceed. Any work or Professional Service contemplated under this Agreement shall not commence until the CITY has issued a written Notice to Proceed issued by CITY’s applicable department head.

SECTION 4. PERFORMANCE.

a. The CONSULTANT shall at all times, faithfully, competently, and to the best of its ability, experience, and talent, perform all tasks described herein.

b. The CONSULTANT shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar Professional Services, as are required of Consultant hereunder, in meeting its obligations under this Agreement.

c. The CONSULTANT shall be knowledgeable of and subject to all applicable CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.

d. The CONSULTANT shall have the right to retain, subject to the CITY’s approval, additional individuals, consultants or subconsultants to assist in the completion of services as herein defined. Compensation for additional individuals, consultants or subconsultants shall be the sole and exclusive responsibility of the CONSULTANT.

e. The CONSULTANT shall retain all original reports, field and office notes, correspondence, calculations, maps, and other documents specifically related to the services provided by the CONSULTANT pursuant to this Agreement, other than documents which are exempt from disclosure pursuant to the attorney-client privilege or any other law. Said documents shall be made available for inspection by the CITY upon request.

SECTION 5. WORK PRODUCT.

a. The CONSULTANT hereby agrees that all work product produced pursuant to this Agreement and provided to the CITY during and upon completion of this Agreement, shall be the property of the CITY, and ownership of said work product shall be retained by the CITY.

b. All data, documents, discussion, or other information developed or received by the CONSULTANT or provided for performance of this Agreement are deemed confidential and shall not be disclosed by the CONSULTANT without prior written consent by the CITY. The CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to the CITY upon the termination or expiration of this Agreement. The CONSULTANT agrees that the covenants contained in this Section shall survive the expiration or termination of this Agreement.

SECTION 6. EXTRA SERVICES.

No extra services over and above the Compensation shall be rendered by the CONSULTANT under this Agreement unless such extra services first shall have been duly authorized in writing by the CITY's City Manager (the "City Manager").

SECTION 7. CITY SUPERVISION.

The City Manager shall have the right of general supervision of all work performed by the CONSULTANT and shall be the CITY's agent with respect to obtaining the CONSULTANT's compliance hereunder. No payment for services rendered under this Agreement shall be made without the prior approval of this Agreement by the City Manager.

SECTION 8. TERMINATION.

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

a. Termination for Cause. In the event that any of the provisions of the Agreement are violated by either party, the non-defaulting Party may terminate the Agreement by serving written notice upon the other Party, listing the violation(s) and its intent to terminate such Agreement unless within ten (10) calendar days after the serving of such notice, such violation shall cease or be rectified, the contract shall upon the expiration of an additional thirty (30) calendar days cease and terminate. Violations by the CONSULTANT which cannot be corrected within ten (10) calendar days, said contract shall at the option of the CITY cease and terminate upon the giving of like notice. In the event of any such termination for default by the CONSULTANT, the CITY may take over the work and prosecute the same to completion by contract or otherwise for the account and at the expense of the CONSULTANT. The CONSULTANT and his sureties shall be liable to the CITY for any excess cost occasioned in the event of any such termination. This change shall not be construed to prevent the termination, for other causes authorized by law or other provisions of the Agreement. In the event of a termination for cause, the CONSULTANT shall only be entitled to the compensation for those Professional Services satisfactorily performed on or before the effective date of termination.

b. Termination for Convenience. The CITY shall have the option, at its sole discretion and without cause, to terminate this Agreement in whole, or in part, by giving thirty (30) calendar days' written notice to the CONSULTANT. Upon the termination of this Agreement as provided herein, the CITY shall provide to the CONSULTANT the part of Compensation which would otherwise be payable to the CONSULTANT for services the CONSULTANT had completed as of the date of termination, less the amount of all previous payment with respect to the

Compensation. Further, upon such a termination for convenience by the CITY, the Parties agree that the CONSULTANT shall be reimbursed for any “non-refundable” costs that the CONSULTANT has incurred for its services under this Agreement, provided that: (1) such “non-refundable” costs were incurred by the CONSULTANT prior to the date of termination, and (2) that the CONSULTANT provides the CITY with adequate proof that the CONSULTANT incurred the costs, and is unable to seek a refund for such costs. Such “non-refundable” costs may include, but are not limited to, travel reservations incurred by the CONSULTANT for its performance of services under this Agreement. The CONSULTANT agrees to cease all work under this Agreement on or before the effective date of any notice of termination.

SECTION 9. EMPLOYMENT OF CITY EMPLOYEES.

No regular employee of the CITY shall be employed by the CONSULTANT during the term of this Agreement.

SECTION 10. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No official or employee of the CITY shall be personally liable to the CONSULTANT in the event of any default or breach by the CITY, or for any amount which may become due to the CONSULTANT.

SECTION 11. INDEPENDENT CONSULTANT.

a. The CONSULTANT is and shall, at all times, remain as to the CITY a wholly independent contractor. Neither the CITY nor any of its elected officials, officers, employees, or agents shall have control over the conduct of the CONSULTANT except as expressly set forth in this Agreement. The CONSULTANT shall not at any time or in any manner represent that he or she is in any manner an elected official, officer, employee, or agent of the CITY. No employee benefits shall be available to the CONSULTANT in connection with the performance of this Agreement. Except as provided in this Agreement, the CITY shall not pay salary, wages, or other compensation to the CONSULTANT for performance hereunder for the CITY, the CITY shall not be liable for compensation to the CONSULTANT, the CONSULTANT's employees or the CONSULTANT's subconsultants for injury or sickness arising out of performing services hereunder.

b. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

c. The CITY shall not deduct from the Compensation paid to the CONSULTANT any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to the CONSULTANT. The CITY shall have no responsibility to provide the CONSULTANT, its employees or subconsultants with workers' compensation insurance or any other insurance.

SECTION 12. CalPERS ANNUITANTS AND ELIGIBILITY INDEMNITY.

a. If the CONSULTANT is a California Public Employees' Retirement System (“CalPERS”) annuitant, the CONSULTANT must provide the City with written notification of such fact a minimum of 14 calendar days prior to commencement of services under this Agreement. Failure to provide such notification may result in termination of the Agreement, and any penalties or other costs relating thereto shall

be borne by the CONSULTANT. If this Agreement remains in place, the CONSULTANT shall execute any amendment(s) to this Agreement requested by the City in order to comply with all laws and regulations applicable to CalPERS annuitants.

b. In the event that the CONSULTANT or any employee, agent, or subconsultant of the 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 the CITY, the CONSULTANT shall indemnify, defend, and hold harmless the CITY for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of the CONSULTANT or its employees, agents, or subconsultants, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of the CITY.

c. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, the CONSULTANT and any of its employees, agents, and subconsultants providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by the CITY, including but not limited to eligibility to enroll in PERS as an employee of the CITY and entitlement to any contribution to be paid by the CITY for employer contribution and/or employee contributions for PERS benefits.

SECTION 13. LEGAL RESPONSIBILITIES.

The CONSULTANT shall at all times observe and comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local governments including, but not limited to the Montebello Municipal Code. The CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of the CONSULTANT to comply with this section.

SECTION 14. INDEMNIFICATION.

The CONSULTANT agrees to, and shall defend, indemnify, protect and hold harmless, the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of the CONSULTANT's negligent or wrongful act, or omission under the terms of this Agreement, except only liability arising out of the sole negligence of the CITY.

SECTION 15. INSURANCE COVERAGE.

a. During the term of this Agreement, the CONTRACTOR shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with CONTRACTOR's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property

damage, including products-completed operations, personal injury, and advertising injury, with limits no less than \$1,000,000 per occurrence, \$2,000,000 aggregate.

Professional Liability insurance appropriate to the CONTRACTOR'S profession, with limit no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

b. If the CONTRACTOR maintains higher limits than the minimums shown above, the CITY requires and shall be entitled to coverage for the higher limits maintained by the CONTRACTOR.

c. The CONTRACTOR shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

d. The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a current rating of at least A:VII in the latest edition of Best's Insurance Guide.

e. Each insurance policy required above shall state that coverage shall not be canceled, except after thirty (30) days' prior written notice (ten [10] days for non-payment) has been given to the CITY. The CONTRACTOR agrees that if it does not keep the aforesaid insurance in full force and effect the CITY may either (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at the CONTRACTOR's expense, the premium thereon.

f. If the CONSULTANT maintains higher limits than the minimums shown above, the CITY requires and shall be entitled to coverage for the higher limits maintained by the CONSULTANT.

g. The CONTRACTOR shall require each of its subconsultants, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

h. The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a current rating of at least A:VII in the latest edition of Best's Insurance Guide.

i. Each insurance policy required above shall state that coverage shall not be canceled, except after thirty (30) calendar days' prior written notice ten (10) calendar days for non-payment) has been given to the CITY. The CONSULTANT agrees that if it does not keep the aforesaid insurance in full force and effect the CITY may either (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at the CONSULTANT's expense, the premium thereon.

j. **Evidence of Insurance prior to commencement.** The Contractor shall provide to the CITY Certificate(s) of Insurance evidencing such coverage together with copies of the required policy endorsements no later than five (5) business days prior to commencement of service and at least fifteen (15) business days prior to the expiration of any policy. Unreasonable failure to provide such evidence may be cause for termination of the Agreement as provided herein or delay the services' commencement date. The evidence of insurance shall be U.S. mail or email to:

City of Montebello
Attn: Principal Risk Manager
1600 West Beverly Boulevard
Montebello, CA 90640
Email: coi@montebellocal.gov

k. Coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits, non-renewed, or materially changed for any reason, without thirty (30) days prior written notice thereof given by the insurer to the CITY by U.S. mail, or by personal delivery, except for nonpayment of premiums, in which case ten (10) calendar days prior notice shall be provided.

l. **Evidence of Insurance during the entire term of the Agreement.** At all times during the term of this Agreement, the CONSULTANT shall maintain on file with the CITY's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming the CITY as an additional insured. The CONSULTANT shall, prior to commencement of work under this Agreement, file with the CITY's Risk Manager such certificate(s).

m. The CONSULTANT shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two (2) weeks prior to the expiration of the coverages.

n. The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming the CITY, its officers, employees, agents and volunteers as additional insured's. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to the CITY. The CONSULTANT agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

o. The insurance provided by the CONSULTANT shall be primary to any coverage available to the CITY. Any insurance or self-insurance maintained by the CITY, its officers, employees, agents, or volunteers, shall be in excess of CONSULTANT's insurance and shall not contribute with it.

p. All insurance coverage provided pursuant to this Agreement shall not prohibit the CONSULTANT, and CONSULTANT's employees, agents or subconsultants, from waiving the right of subrogation prior to a loss. The CONSULTANT hereby waives all rights of subrogation against the CITY.

q. Any deductibles or self-insured retentions must be declared to and approved by the CITY. At the option of the CITY, the CONSULTANT shall either reduce or eliminate the deductibles or self-insured retentions with respect to the CITY, or the CONSULTANT shall procure a bond guaranteeing payment of losses and expenses.

r. Procurement of insurance by the CONSULTANT shall not be construed as a limitation of the CONSULTANT'S liability or as full performance of CONSULTANT'S duties to indemnify, hold harmless and defend under the indemnity covenants of this Agreement.

SECTION 16. SUBCONTRACT, ASSIGNMENT OR DELEGATION.

The CONSULTANT shall not subcontract, delegate, or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of the CITY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed sub-consultant, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

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

SECTION 17. NO WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition, or covenant hereof.

SECTION 18. DISPUTE RESOLUTION; GOVERNING LAW.

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, expert fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded. The venue for any litigation shall be County of Los Angeles, California. The Parties agree that the covenants contained in this Section shall survive the expiration or termination of this Agreement.

SECTION 19. ATTORNEY'S FEES AND COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled.

SECTION 20. WARRANTIES.

Each of the parties represents and warrants to one another as follows:

- a. It has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement;
- b. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of any matter whatsoever; and

c. It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

SECTION 21. MISCELLANEOUS.

a. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction of interpretation of any of its provisions.

b. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.

c. The representations and warranties made by the parties to this Agreement shall survive the consummation of the transaction herein described.

d. This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.

e. Each of the parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party's failure to perform under this Agreement or any agreement referred to in this Agreement.

SECTION 22. NOTICE.

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered via e-mail (an “Electronic Notice” as further defined below), personally or on the second (2nd) business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

If to CITY: City of Montebello
Attn: Raul Alvarez, City Manager
1600 West Beverly Boulevard
Montebello, CA 90640
(323) 887-1200
Email: ralvarez@montebellocity.gov

With a copy to: City of Montebello – City Clerk’s Office
1600 West Beverly Boulevard
Montebello, CA 90640
(323) 887 – 1200
Email: cityclerk@montebellocal.gov

If to Consultant: Brian D. Heinz DBA Heinz Laboratories
Brian Heinz
PO Box 1376
Highlands, TX 77562
(530) 949-9486
Email: Heinzlabs@hotmail.com

An electronic communication (“**Electronic Notice**”) shall be deemed written notice for purposes of this section if sent to the electronic mail address specified above. Electronic Notice shall be deemed received at the time the party sending Electronic Notice receives verification of receipt by the receiving party. Any party receiving Electronic Notice may request and shall be entitled to receive the notice on paper, in a nonelectronic form.

SECTION 23. NON-DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER.

In the performance of this Agreement, the CONSULTANT shall not discriminate against any employee, sub-consultant, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. The CONSULTANT will take affirmative action to ensure that sub-consultant and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

SECTION 24. CONFLICT OF INTEREST.

The CONSULTANT covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by the CONSULTANT under this Agreement, or which would conflict in any manner with the performance of its services hereunder. The CONSULTANT further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, the CONSULTANT shall avoid the appearance of having any interest that would conflict in any manner with the performance of its services pursuant to this Agreement.

The CONSULTANT covenants not to give or receive any compensation, monetary or otherwise, to or from the ultimate vendor(s) of services to the CITY as a result of the performance of this Agreement, or the services that may be procured by the CITY as a result of the recommendations made by the CONSULTANT. The CONSULTANT's covenant under this section shall survive the termination of this Agreement.

SECTION 25. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between the CITY and the CONSULTANT. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by each party. If any

term, condition, or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

SECTION 26. EXTENSION TO OTHER PUBLIC AGENCIES

Unless otherwise specified in writing, the CONSULTANT agrees that the prices, terms, and conditions identified in the Proposal (Exhibit "A") and Agreement may be extended to other governmental agencies at the mutual agreement of both the public agency and awarded CONSULTANT. All requirements of the specifications, purchase orders, invoices, and payments with other agencies shall be directly with the CONSULTANT. CONSULTANT acknowledges and agrees to the extension of these contract terms to other governmental agencies conditioned upon the agreement of the CONSULTANT with the governmental agency. This provision in no way guaranteed that the CONSULTANT will agree to enter into a contract with a governmental agency pursuant to this Section.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties, through their respective authorized representatives, have executed this Agreement as of the date first written above.

("CITY")

("CONSULTANT")

CITY OF MONTEBELLO

Brian D. Heinz (DBA Heinz Laboratories)

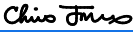

Raul Alvarez (Apr 30, 2025 16:36 PDT)

Raul Alvarez, City Manager


Brian Heinz (Apr 30, 2025 12:22 PDT)

Brian Heinz, Owner

ATTEST:


Christopher Jimenez (Apr 30, 2025 17:39 PDT)

Christopher Jimenez, City Clerk

APPROVED AS TO FORM:


Arnold M. Alvarez-Glasman (Apr 30, 2025 17:03 PDT)

Arnold M. Alvarez-Glasman, City Attorney

EXHIBIT "A"
Request for Bids



April 2, 2025

Montebello Fire Department
ATTN Juan Mota, Engineers/HMS
600 N. Montebello Blvd.
Montebello, CA 90640

Mr. Mota:

Thank you for the opportunity to respond to your training needs. We are most interested in providing the following training for the Montebello Fire Department responders:

HAZ MAT TECHNICIAN: MODULES 1A – 1D (160 hours)

The Hazardous Materials Technician/Specialist program is certified by the California Governor's Office of Emergency Services/California Specialized Training Institute (CSTI) and certificates will be issued to all participants that successfully complete each Module. Modules 1A -1D constitute the Haz Mat Technician program for CA State certification. Each Module is 40 hours and would run 0800-1700 each day, Monday-Friday.

Proposed course dates:

Module 1A: Basic Chemistry, April 28 – May 2, 2025

Module 1B: Applied Chemistry, May 5 - 9, 2025

Module 1C: Incident Considerations, June 2 - 6, 2025

Module 1D: Tactical Field Operations, June 9 - 13, 2025

The cost for this program on the proposed dates at Montebello, CA would be **\$70,000.⁰⁰** This fixed price is based on a 25-person max class size. Price is based on \$750 per student/module and reflects a \$5,000 discount for hosting the class. The price includes all student course fees, student manuals, response training equipment, instructor travel and per diem and the cost of the State completion certificates (CSTI). HL will provide all required props, monitoring devices and field testing equipment, suits/boots, and all safety equipment for the entire program included in 2 training trailers. Participants are to provide their own SCBA for Modules 1C and 1D.

If you have any questions please do not hesitate to ask.

Thank you, again, for the opportunity and I look forward to working with you.

Sincerely,

Brian D. Heinz

Brian D. Heinz

Owner

Heinz Laboratories

HeinzLabs@gmail.com

POST OFFICE BOX 1376 HIGHLANDS, TX 77562 USA (530) 949-9486
www.HeinzLabs.com



April 2, 2025

Montebello Fire Department
ATTN Juan Mota, Engineers/HMS
600 N. Montebello Blvd.
Montebello, CA 90640

Mr. Mota:

Thank you for the opportunity to respond to your training needs. We are most interested in providing the following training for the Montebello Fire Department:

HAZ MAT SPECIALIST: MODULES 1F & 1G (80 hours)

This Hazardous Materials Specialist program is an 80-hour upgrade course for those already certified to the Hazardous Materials Technician level (Modules 1A-1D). Courses are certified by the California Governor's Office of Emergency Services/California Specialized Training Institute (CSTI) and certificates will be issued to all participants that successfully completes each Module. Class will run 0800-1700 each day, Monday-Friday. Additionally, there is a required evening drill during the 1G week that would run approximately 1800-2300 on 7/17. Students will need to provide SCBAs for both weeks.

Proposed course dates:

Module 1F: Adv. Mitigation Techniques - August 11 - 15, 2025
Module 1G: Field Scenarios - August 18 - 22, 2025

The cost for this program on the proposed dates at Montebello, CA would be **\$40,000.⁰⁰** This fixed price is based on a 25-person max class size. Price is based on \$900 per student/module and reflects a \$5,000 discount for hosting the class. The price quoted includes: rental of State certified F/G prop trailer, student course fees, student resource information, all training props and equipment, instructors' travel and per diem and the cost of the CA State completion certificates (CSTI).

If you have any questions please do not hesitate to ask.

Thank you, again, for the opportunity and I look forward to working with you.

Sincerely,

Brian D. Heinz

Brian D. Heinz
Owner
Heinz Laboratories
HeinzLabs@gmail.com

POST OFFICE BOX 1376 HIGHLANDS, TX 77562 USA (530) 949-9486
www.HeinzLabs.com



April 2, 2025

Montebello Fire Department
ATTN Juan Mota, Engineers/HMS
600 N. Montebello Blvd.
Montebello, CA 90640

Mr. Mota:

Thank you for the opportunity to respond to your training needs. We are most interested in providing the following training for the Montebello Fire Department:

HAZ MAT TECH/SPEC TERRORISM (16 hours)

This course meets the requirements specified for State Type I team requirements. Course topics include: Chemical, Biological, Radiological & Explosive threats, intelligence, detection and response tactics. Medical management, rescue considerations and decontamination of contaminated victims will also be discussed and displayed. Available identification tools, reference materials and sampling protocols will be explained and exercised. Certificates will be provided by the California Specialized Training Institute (CSTI) for all those that successfully complete the course.

Prerequisite: HM Technician

Proposed course dates: **September 25 - 26, 2025**

The cost for this class at Montebello, CA on the proposed dates is **\$ 9,000.00**. This fixed price is based on a 25-person class size. Price is based on \$400 per student and reflects a 10% discount for hosting the class. The price quoted includes: student fees, course manuals, instructor fees and instructor travel, per diem costs and course completion certificates. **Students will need to provide SCBA units for exercises.** Thank you, again, for the opportunity and I look forward to working with you again.

If you have any questions please do not hesitate to ask.

Thank you, again, for the opportunity and I look forward to working with you.

Sincerely,

Brian D. Heinz

Brian D. Heinz
Owner
Heinz Laboratories
HeinzLabs@gmail.com

POST OFFICE BOX 1376 HIGHLANDS, TX 77562 USA (530) 949-9486
www.HeinzLabs.com



CERTIFICATE OF LIABILITY INSURANCE

Acct#: 3065814

DATE (MM/DD/YYYY)
08/29/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Lockton Affinity, LLC P. O. Box 879610 Kansas City, MO 64187-9610	CONTACT NAME: Lockton Affinity, LLC PHONE (A/C, NO Ext): 800-253-6486 E-MAIL ADDRESS:	FAX (A/C, No): 913-652-7599
INSURED Brian Heinz DBA HEINZ LABORATORIES 4815 E CHASE ST BAYTOWN, TX 77521-3388	INSURER(S) AFFORDING COVERAGE INSURER A: Beazley Insurance Company Inc. INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	
		NAIC # 37540

COVERAGES	CERTIFICATE NUMBER	REVISION NUMBER
-----------	--------------------	-----------------

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	☒ COMMERCIAL GENERAL LIABILITY			V160VK24AD00	13-MAY-2024	13-MAY-2025	EACH OCCURRENCE	\$ N/A
	☒ Claims Made ☐ Occur						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ N/A
	☒ Professional Liability						MED EXP (Any one person)	\$ 2,000 \$ 50,000 aggregate
	GEN'L AGGREGATE LIMIT APPLIES PER:						PERSONAL & ADV INJURY	\$ Included
	☒ POLICY ☐ PROJEC ☐ LOC						GENERAL AGGREGATE	\$ 3,000,000
	AUTOMOBILE LIABILITY						PRODUCTS - COMP/OP AGG	\$ Excluded
	ANY AUTO						Each Claim	\$ 1,000,000
	OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident)	\$
	HIRED AUTOS ONLY						BODILY INJURY (Per person)	\$
	SCHEDULED AUTOS NON-OWNED AUTOS ONLY						BODILY INJURY (Per accident)	\$
	UMBRELLA LIAB						PROPERTY DAMAGE (Per accident)	\$
	EXCESS LIAB							\$
	☐ OCCUR ☐ CLAIMS-						EACH OCCURRENCE	\$
	☐ RETENTION \$						AGGREGATE	\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N						PER STATUTE	OTH-ER
	N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)						E.L. EACH ACCIDENT	\$
	If yes, describe under DESCRIPTION OF OPERATIONS below	N/A					E.L. DISEASE - EA EMPLOYEE	\$
							E.L. DISEASE - POLICY LIMIT	\$
A	Fire Legal Liability			V160VK24AD00	13-MAY-2024	13-MAY-2025	ANY ONE FIRE OR WATER DAMAGE (SUBJECT TO GENERAL AGGREGATE)	\$ 100,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Master Policy Holder: National Professional Purchasing Group Association, Inc. The Insured listed above is a member of the National Professional Purchasing Group Association, Inc. The insurance afforded by the certificate issued to the member named above is subject to all the terms, exclusions, and conditions of the master policy to which it refers. Limits may have been reduced by paid claims and expenses.

CERTIFICATE HOLDER**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

ACORD 25 (2016/03)
3065814

92518

The ACORD name and logo are registered marks of ACORD

© 1988-2016 ACORD CORPORATION. All rights reserved.

State Farm Mutual Automobile Insurance Company

PO Box 2358
Bloomington IL 61702-2358



AT2
HEINZ, BRIAN D
PO BOX 1376
HIGHLANDS TX 77562-1376

A-1124 A

AUTO RENEWAL

AMOUNT DUE: \$2,620.09

Payment is due by May 20, 2025

Your State Farm Agent

RUSSELL DIXON, CLU, CHFC

Office: 512-556-3668

Address: 106 N KEY AVE

LAMPASAS, TX 76550-1841

If you have a new or different car, have added any drivers, or have moved, please contact your agent.

Thank you for choosing State Farm.

Policy Number: 349 8579-E20-43F

Policy Period: May 20, 2025 to November 20, 2025

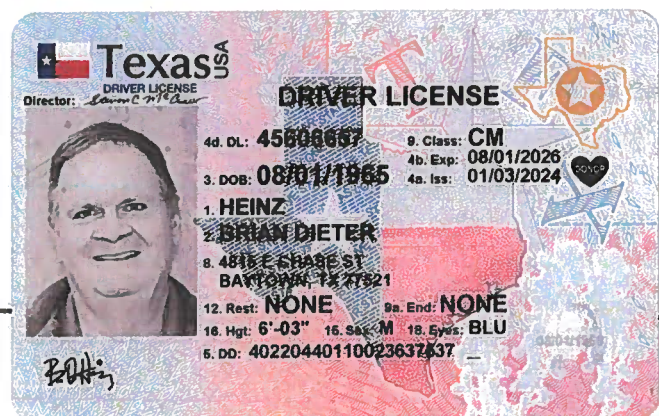
12:01 A.M. Standard Time at the address of the named insured as stated herein

Vehicles:

- 1 2022 NISSAN FRONTIER
- 2 2020 FORD MUSTANG
- 3 2012 CHEVROLET K3500

Principal Drivers:

- | Vehicle | Principal Driver |
|---------|------------------|
| 1 | BRIAN D HEINZ |
| 2 | BRIAN D HEINZ |
| 3 | BRIAN D HEINZ |



Policy Number: 349 8579-E20-43F
Prepared March 28, 2025
1004583

Page number 3 of 7

↓ Please fold and tear here ↓

143562 202 01-15-2018

**Power To Pay
Your Way**



Online
statefarm.com/pay



Mobile
Use the
State Farm mobile app



Call
Automated Line: 1-800-440-0998
Your agent: 512-556-3668



Mail
Send us
a check



Visit your
State Farm
agent

Key code: 3484557148



Insured: HEINZ, BRIAN D
Policy Number: 349 8579-E20-43F
Amount Due: \$2,620.09
Please pay by May 20, 2025
Make payment to State Farm

0809506174
State Farm Insurance Companies
P.O. Box 680001
Dallas, TX 75368-0001



For Office Use Only

5-A5 A 1124-FB87
APP DT 06-29-2025 MUTL VOL

AUTO REN

\$2,620.09

0617

50131004 959514000262009 843300349857911108>

CONVENIENT PAYMENT OPTION: You may use one of State Farm's alternate payment plans which divides your present premium into two separate payments.

You may pay one half of the amount due, \$1,363.91 on NOV 20 2024.

The remaining half will be due on JAN 19 2025. We'll send you a reminder notice.

We also have available a plan to let you pay your premium in monthly installments. For details on this plan and to determine if you qualify, please contact your State Farm agent.

See "NOTICE OF MATERIAL CHANGE" regarding changes to your policy, which will be enclosed with your first renewal between June 1, 2024 and May 31, 2025.

**Location used to determine rate charged-CAR 1,2,3
1259 COUNTY ROAD 1225, LAMPASAS TX 76550.**

When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. When we use information from your check to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day we receive your payment, and you will not receive your check back from your financial institution.

VEHICLE INFORMATION

Review your policy information carefully. If anything is incorrect, or if there are any changes to your vehicle information, please let us know right away.

Vehicle	Vehicle Description	Vehicle Identification Number (VIN)	Who principally drives this vehicle?	How is this vehicle normally used?
1	2022 NISSAN FRONTIER	1N6ED1FJ4NN605839	BRIAN HEINZ, a married male, who will be age 59 as of November 20, 2024.	To Work, School or Pleasure.
2	2020 FORD MUSTANG	1FA6P8TH0L5139029	BRIAN HEINZ, a married male, who will be age 59 as of November 20, 2024.	To Work, School or Pleasure.
3	2012 CHEVROLET K3500	1GC4K1C86CF240819	BRIAN HEINZ, a married male, who will be age 59 as of November 20, 2024.	To Work, School or Pleasure.

Policy Number: 349 8579-E20-43F
Prepared September 30, 2024

Page number 2 of 4



**Bye-bye clutter,
hello green**

Enroll in paperless and you'll get emails with links to do things like:

- download or print your auto ID card,
- pay your bill,
- or view documents, like your renewal.

Text **EBILL** to **22709** or visit statefarm.com/paperless to sign up today.

TP28

Premium Adjustment

Each year, we review our medical payments and personal injury protection coverages claim experience to determine the vehicle safety discount that is applied to each make and model. In addition, we review the comprehensive, collision, bodily injury and property damage claim experience

annually to determine which makes and models have earned decreases or increases from State Farm's standard rates. If any changes result from our reviews, adjustments are reflected in the rates shown on this renewal notice.

DRIVER INFORMATION

Assigned Driver(s)

The following driver(s) are assigned to the vehicle(s) on this policy.

Vehicle	Name	Age as of November 20, 2024	Gender	Marital Status
1	YAN HUANG	46	Female	Married
2	BRIAN D HEINZ	59	Male	Married

Principal Driver & Assigned Drivers

For each automobile, the **Principal Driver** is the individual who most frequently drives it.

Each driver is designated as an **Assigned Driver** on the household automobile that they most frequently drive. Your

premium may be influenced by the information shown for these drivers.

IMPORTANT NOTICE REGARDING YOUR PREMIUM

State Farm works hard to offer you the best combination of price, service, and protection. The amount you pay for automobile insurance is determined by many factors such as the coverages you have, where you live, the kind of car you drive, how your car is used, who drives the car, and information from consumer reports including credit history.

You have the right to request, no more than once during a 12-month period, that your policy be re-rated using a current credit-based insurance score. Re-rating could result in a lower rate, no change in rate, or a higher rate.

COVERAGE AND LIMITS *See your policy for an explanation of these coverages.*

		Vehicle 1	Vehicle 2	Vehicle 3
A	Liability Bodily Injury 100,000/300,000	\$83.81	\$131.91	\$135.91
	Property Damage 100,000	\$72.89	\$114.41	\$117.88
P	Personal Injury Protection 10,000	\$14.51	\$42.76	\$21.90
D	500 Deductible Comprehensive	\$204.52	\$356.99	\$355.27
G	500 Deductible Collision	\$144.25	\$388.91	\$177.00
H	Emergency Road Service	\$2.79	\$4.16	\$7.07
U	Uninsured/Underinsured Motorist:			
	Bodily Injury 100,000/300,000	\$60.56	\$103.94	\$57.39
	Property Damage 25,000	\$35.26	\$60.51	\$33.42
Premium by Vehicle		\$618.39	\$1,203.59	\$905.84
Amount Due		\$2,727.82		

DISCOUNTS *These adjustments have already been applied to your premium.*

	Vehicle 1	Vehicle 2	Vehicle 3
Multiple Line	✓	✓	✓
Multicar	✓	✓	✓
Antitheft	✓	✓	✓
Vehicle Safety	✓		✓
Renewal	✓		
Good Driving		✓	✓
Discounts by Vehicle	\$477.99	\$720.52	\$665.64
Total Discounts			\$1,864.15

EXCEPTIONS AND ENDORSEMENTS

Your policy consists of this declarations page, the policy booklet - form 9843A, and any endorsements that apply, including those issued to you with any subsequent renewal notice.

CAR 1, 2, 3

6128DV AMENDATORY ENDORSEMENT -EXPIRES NOV 20 2024.

6129R AMENDATORY ENDORSEMENT -EFF NOV 20 2024.

ADDITIONAL INFORMATION

If any information on this renewal notice is incomplete or inaccurate, or if you want to confirm the information we have in our records, please contact your agent. For additional

information regarding discounts or coverages, see your State Farm agent or visit [@statefarm.com](http://statefarm.com).

Buying a new car? Remember to contact your agent!

When you buy an additional car or one that replaces a car already on your policy, you need to report the change to your agent **promptly**. Even though the dealership you purchased the car from may offer to notify your agent or insurance company, you, as the named insured, are responsible for reporting all changes to your auto policy. By contacting your agent, you can help:

- avoid any complications or lack of coverage in the event of an accident or loss,
- avoid insurance verification problems with a lienholder, the police, or the department of motor vehicles, and
- ensure that you receive any new discounts you may be entitled to.

Your current State Farm policy automatically provides certain coverages for a new or replacement car for up to a specified, limited number of days after you take possession of the car. Please refer to your policy for the number of days that applies in your state.

If you have any questions about coverage for a newly acquired car, please contact your State Farm agent.

Disclaimer: This message is provided for informational purposes only and does not grant any insurance coverage. The terms and conditions of coverage are set forth in your State Farm Car Policy booklet, the most recently issued Declarations Page, and any applicable endorsements.

Save money with our Drive Safe & Save™ Discount!

Empowering Your Drive™

You can receive a discount on your premium by participating in our Drive Safe & Save Program. This program recognizes how much and, in some cases, how safely your vehicle is driven. There are several ways you can participate depending on the vehicle you drive. You'll receive an initial participation discount just for enrolling. At each six-month renewal, your discount will be adjusted based on information collected from your car.

Contact your State Farm agent or visit drivesafeandsave.com for details.

Montebello PSA 4301 Brian Heinz

Final Audit Report

2025-05-01

Created:	2025-04-30
By:	Andrew Kim (AKim@montebelloc.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAz2mGO1zqlvztydFUBIMwVE4--aFjda1f

"Montebello PSA 4301 Brian Heinz" History

-  Document created by Andrew Kim (AKim@montebelloc.gov)
2025-04-30 - 2:08:20 AM GMT
-  Document emailed to Brian Heinz (heinzlabs@gmail.com) for signature
2025-04-30 - 2:08:28 AM GMT
-  Email viewed by Brian Heinz (heinzlabs@gmail.com)
2025-04-30 - 7:21:03 PM GMT
-  Document e-signed by Brian Heinz (heinzlabs@gmail.com)
Signature Date: 2025-04-30 - 7:22:08 PM GMT - Time Source: server
-  Document emailed to Raul Alvarez (ralvarez@montebelloc.gov) for signature
2025-04-30 - 7:22:11 PM GMT
-  Email viewed by Raul Alvarez (ralvarez@montebelloc.gov)
2025-04-30 - 7:22:51 PM GMT
-  Document e-signed by Raul Alvarez (ralvarez@montebelloc.gov)
Signature Date: 2025-04-30 - 11:36:37 PM GMT - Time Source: server
-  Document emailed to Arnold M. Alvarez-Glasman (aglasman@agclawfirm.com) for signature
2025-04-30 - 11:36:39 PM GMT
-  Email viewed by Arnold M. Alvarez-Glasman (aglasman@agclawfirm.com)
2025-04-30 - 11:58:18 PM GMT
-  Document e-signed by Arnold M. Alvarez-Glasman (aglasman@agclawfirm.com)
Signature Date: 2025-05-01 - 0:03:58 AM GMT - Time Source: server
-  Document emailed to Christopher Jimenez (cjimenez@montebelloc.gov) for signature
2025-05-01 - 0:04:01 AM GMT

 Email viewed by Christopher Jimenez (cjimenez@montebelloca.gov)

2025-05-01 - 0:04:24 AM GMT

 Document e-signed by Christopher Jimenez (cjimenez@montebelloca.gov)

Signature Date: 2025-05-01 - 0:39:59 AM GMT - Time Source: server

 Agreement completed.

2025-05-01 - 0:39:59 AM GMT



ITEM # 15

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Fernando Pelaez, Fire Chief
Andrew Kim, Senior Management Analyst

SUBJECT: AUTHORIZE SUBMITTING AN APPLICATION FOR THE 2025 AIR QUALITY MANGEMENT DISTRICT (AQMD) CARL MOYER MEMORIAL AIR QUALITY STANDARDS ATTAINMENT GRANT PROGRAM

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Authorize submission of a grant application to the South Coast Air Quality Management District (AQMD) Carl Moyer Program for the replacement of fire department apparatus as determined appropriate by the Fire Department during the application process; and
2. Take such additional, related action that may be desirable.

FISCAL IMPACT:

There is no fiscal impact at this time for submitting the grant application. If awarded, the Carl Moyer Program may fund up to 80% of the replacement cost for authorized emergency vehicles for small fleets. The City's required match will be identified upon final award notification. Should the City be successful in receiving this grant funding, Staff will return to the City Council with an agenda report to appropriate the funds.

BACKGROUND/DISCUSSION:

The Montebello Fire Department operates a 2004 Brush Type 3 truck that plays a critical role in wildland fire suppression and emergency response throughout the City and region. This apparatus is nearing the end of its useful life and is approaching non-compliance with California Air Resources Board (CARB) emissions standards.

The South Coast AQMD Carl Moyer Program provides financial assistance to public agencies for the replacement of older, high-emission vehicles with cleaner alternatives (Attachment A). The Program aims to reduce emissions and improve regional air quality. Under the current guidelines, replacement of authorized emergency vehicles, including fire apparatus, is an eligible funding category. If selected, the existing vehicle must be permanently removed from service.

While the Department is currently evaluating replacement options, the application may ultimately reflect the 2004 Brush Type 3 truck or another apparatus, depending on operational priorities and eligibility determinations made during the application process.

ENVIRONMENTAL:

N/A

ANALYSIS:

Participation in the AQMD Carl Moyer Program presents an opportunity to replace an aging fire department vehicle without significantly impacting the City's General Fund. The selected apparatus will meet current emissions standards and improve the Department's ability to respond to emergencies effectively.

To submit a complete application, the Department will need to provide vendor quotes, historical usage data, and documentation of regulatory compliance. The replacement vehicle will be required to operate primarily within the South Coast AQMD jurisdiction over a defined project life. Applications are due by July 1, 2025, and funding decisions are expected in early 2026.

SUMMARY:

Staff recommends City Council authorization to pursue external grant funding for the replacement of a critical emergency response apparatus by applying for funding through South Coast AQMD's Carl Moyer air quality standards attainment grant program. This action supports the City's public safety and environmental sustainability objectives and positions the City to benefit from regional air quality improvement initiatives. Should the City be successful in receiving grant funds, Staff will return with an agenda report seeking City Council approval to appropriate the funds.

ATTACHMENT(S)

1. Attachment A - AQMD Carl Moyer Program Announcement



**2025
CARL MOYER MEMORIAL
AIR QUALITY STANDARDS ATTAINMENT PROGRAM
PROGRAM ANNOUNCEMENT
“Year 27”
SOUTH COAST AQMD PROGRAM ANNOUNCEMENT
PA2025-03**

The South Coast Air Quality Management District (South Coast AQMD) is pleased to announce the availability of funds for the Carl Moyer Memorial Air Quality Standards Attainment Program (hereafter “CMP”). The CMP has played a significant role in incentivizing equipment owners to purchase cleaner-than-required engines, vehicles and equipment. This year marks South Coast AQMD’s 27th year of CMP implementation.

The CMP is intended to obtain “surplus” emission reductions of Nitrogen Oxides (NO_x), Particulate Matter (PM₁₀) and Reactive Organic Gases (ROG) from heavy-duty vehicles and other equipment operating in California as early and as cost-effectively as possible. The CMP provides financial incentives to equipment owners to repower, retrofit or replace in-use heavy-duty vehicles and equipment with cleaner-than-required engine and equipment technologies that will achieve emission reductions that are real, surplus, quantifiable and enforceable. Due to the recent wildfires, South Coast AQMD will prioritize applications involving fire recovery equipment.

SECTION I – PURPOSE

The purpose of this Program Announcement (PA) is to solicit project applications for the 2025 CMP. The budget for this PA will be approximately \$43.4 million from the CMP Funds and AB 923 Match Funds. The South Coast AQMD expects to receive additional funds for this year’s CMP, which may include, but not limited to, funds in support of AB 617-Community Air Protection Program and the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program.

All applications will be evaluated based on the criteria set forth in this PA, the 2024 CMP Guidelines, and any subsequent updates and modifications/advisories to the Guidelines. This PA was prepared based on the latest version of the 2024 CMP Guidelines approved by the California Air Resources Board (CARB) on October 24, 2024, and all associated updates, which are available at: <https://ww2.arb.ca.gov/guidelines-carl-moyer>.

This PA generally identifies the equipment categories, project options and eligibility criteria to qualify for grant funding under this year’s CMP. Any tax obligation associated with an award is the responsibility of the Applicant.

In the preparation of this PA, the words “Applicant” and “Recipient” are used interchangeably. South Coast AQMD staff will evaluate all qualified applications and make recommendations to the Governing Board for final selection of project(s) to be funded. All eligible projects will be

ranked based on the cost-effectiveness of NO_x, PM₁₀ and ROG emissions reduced. Please note that depending upon the number of applications received in response to this PA, South Coast AQMD may prioritize the selection of projects to reduce emissions in and around disadvantaged communities (DAC) and low-income communities located within the South Coast AQMD jurisdiction. While South Coast AQMD encourages all eligible applications, this means that some projects may not be selected based on their domicile address, regardless of their cost-effectiveness.

At least 50 percent of South Coast AQMD's CMP funds will be targeted for projects that meet the criteria of disadvantaged or low-income community projects. Other non-CMP funding sources may have DAC and/or low-income status requirements that may limit South Coast AQMD's ability to award such funding to projects that do not meet applicable geographic or income requirements. The Office of Environmental Health Hazard Assessment (OEHHHA) in the California Environmental Protection Agency (CalEPA) has developed the California Communities Environmental Health Screening Tool: CalEnviroScreen Version 4.0 (CalEnviroScreen 4.0). The CalEnviroScreen 4.0 tool will be used by South Coast AQMD to identify projects that qualify as a DAC, which is defined as scoring in the top 25th percentile and will strive to maximize the benefits to these communities. All applications will be assessed with the CalEnviroScreen tool to identify and verify if the project will benefit a DAC within the 25th percentile. This tool is available at: <https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40>

South Coast AQMD's CMP is administered locally through its Technology Advancement Office. The South Coast AQMD reserves the right to allocate its CMP funds among the program categories or to specific projects in accordance with South Coast AQMD priorities. Applicants may only be offered partial funding due to cost-effectiveness or funding category limitations (i.e., caps), and not all applications that meet the cost-effectiveness criteria may be funded.

SECTION II – LEGAL UPDATES AND DEFINITIONS

CONFLICT OF INTEREST

Applicants must address any potential conflicts of interest with other clients affected by actions performed by the firm on behalf of the South Coast AQMD. Although the applicant will not be automatically disqualified by reason of work performed for such firms, the South Coast AQMD reserves the right to consider the nature and extent of such work in evaluating the application. Conflicts of interest will be screened on a case-by-case basis by the South Coast AQMD General Counsel's Office. Conflict of interest provisions of the state law, including the Political Reform Act, may apply to work performed pursuant to this agreement. An example of a conflict of interest may occur when a consultant applying on behalf of an applicant for funding under the CMP is also contracted with South Coast AQMD.

COMPLIANCE WITH APPLICABLE LAWS

Applicants must comply with all federal, state, and local laws, ordinances, codes and regulations. If the application is eligible for funding, all vehicles and/or equipment to be purchased, or installed must be compliant with all applicable federal, state, and local air quality rules and regulations, and will maintain compliance for the full Agreement term.

COMPLIANCE WITH LABOR LAWS

If an application is deemed eligible, the applicant will be required to provide any labor violations that have occurred within the last three years to be further considered for an award. If awarded, the Recipient will be required to notify South Coast AQMD in writing if they have been found by a court or federal or state agency to have violated labor laws. As part of their annual report, the Recipient will complete a yearly certification in which they will either state that they have not been found by a court or federal or state agency to have violated labor laws or, if such violations have been found, the Recipient will give South Coast AQMD details about those violations in the certification. If the Recipient has previously provided that information to the South Coast AQMD, they will be required to reattach that previous notification to the certification and provide any additional details about those violations that have not previously been provided. The Recipient's yearly certification will be due at the same time as the annual progress reports. South Coast AQMD reserves the right to terminate the agreement with a Recipient that has been found to have violated labor laws, and the Recipient may be required to return any and all contract funds, as determined by South Coast AQMD. The Recipient will also ensure that these requirements are included in all subcontracts.

STATEMENT OF COMPLIANCE

Government Code Section 12990 and California Administrative Code, Title II, Division 4, Chapter 5, require employers to agree not to unlawfully discriminate against any employee or applicant because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, sex, or age. A statement of compliance with this clause is included in all South Coast AQMD agreements.

ECONOMIC SANCTIONS (RUSSIA/UKRAINE)

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (EO) regarding sanctions in response to Russian aggression in Ukraine. Applicants who are considered eligible for CMP funds under this PA and received executed agreements from South Coast AQMD, are obligated to comply with existing economic sanctions imposed by the U.S. government in response to Russia's actions in Ukraine.

DEFINITIONS

Alternative Fuel

Alternative fuels include compressed natural gas (CNG), liquefied natural gas (LNG), hydrogen (H₂), propane (LPG) and electric technologies. Experimental technologies and fuels will be referred to CARB for evaluation and possible eligibility in the Program.

Equipment Replacement

Equipment replacement means the replacement of an older vehicle or piece of equipment that still has a remaining useful life with a newer, cleaner vehicle or piece of equipment. For Equipment Replacement project types, applicant must have owned and operated the old (i.e., existing) equipment in California for the previous two years from date of application. For locomotive projects, the applicant must have owned and operated the old equipment in California for minimum of one year.

Engine Repower

Engine repower means the replacement of an in-use engine with another, cleaner engine within an existing vehicle or equipment.

Retrofit

An emission control system is employed exclusively with an in-use engine, vehicle or piece of equipment. CARB guidance requires the applicant to select the highest-level technology certified for that engine that provides the most emission reductions. For many projects, this includes a diesel emission control device that reduces both PM and NOx emissions. In order to be eligible for CMP funding, the retrofit device must be verified for the specific engine family found on the equipment and achieve the highest-level emission reductions when compared to other verified retrofit devices. If a specific device reduces both NOx and PM, but the PM reduction from a retrofit is required by a regulation, only the NOx reduction may be eligible for funding.

South Coast AQMD Jurisdiction

The South Coast AQMD is the air pollution control agency for all of Orange County and the urban portions of Los Angeles, Riverside and San Bernardino counties. Within Riverside County, the South Coast AQMD also has jurisdiction over the Salton Sea Air Basin and a portion of the Mojave Desert Air Basin. This area of 10,743 square miles is home to approximately 17 million people—about half the population of the state of California. It is the second most populated urban area in the United States and one of the smoggiest. Visit <http://www.aqmd.gov/nav/about/jurisdiction> for more information.

SECTION III -- FUNDING CATEGORIES

Project equipment must be domiciled within the South Coast AQMD jurisdiction and operate a minimum of 75 percent of the time within the boundaries of the South Coast AQMD jurisdiction, except for on-road replacement projects, which are required to operate at least 51 percent of the time in the South Coast AQMD jurisdiction. Below are the specific project categories identified for funding under this PA:

Project Category*	Examples
On-Road Heavy-Duty Vehicles	• Transit Buses • Heavy Duty Trucks and Buses • Drayage Trucks • Solid Waste Vehicles • Public Agency/Utility Vehicles • Emergency Vehicle Replacement (fire apparatus) • Airport Shuttles

Project Category*	Examples
Off-Road Equipment	• Construction Equipment • Cargo Handling Equipment • Industrial Equipment • Agricultural Mobile Equipment (loaders, tractors, water pulls, etc.) • Large Spark Ignition Equipment • Portable Engines • Utility Terrain Vehicles (UTVs) • Marine Engine Repower • Marine Replacement • Ship-Side Shore Power • Locomotives • Transportation Refrigeration Units (TRUs)
Infrastructure (to fuel or power a zero-emission, heavy-duty vehicle or equipment)	• Battery Electric Charging Station • Hydrogen Fueling Station • Stationary Agricultural Pump Electrification • Shore Power

*To be eligible for funding, all projects must comply with all applicable federal, state, and local air quality rules and regulations.

ON-ROAD VEHICLES

Below are the key requirements for on-road, heavy-duty vehicle projects:

- Please note that Class 4, Class 5, and Class 8 battery electric goods movement vehicle projects may not be prioritized from this solicitation due to potential overlap with the [INVEST CLEAN](#) program.
- A project's new engine(s) may not be diesel-fueled (except Emergency Apparatus).
- Eligible engine model years are 2019 and older. Engine model years 2009 and older subject to the Truck and Bus Regulation are no longer eligible as their compliance life has passed.
- Projects must include commercially available technologies that are certified or verified by CARB.

For purposes of the CMP, the following on-road vehicle classifications are used:

Vehicle Classification	GVWR
Light Heavy-Duty (LHD)	14,001 to 19,500 pounds
Medium Heavy-Duty (MHD)	19,501 to 33,000 pounds
Heavy Heavy-Duty (HHD)	Over 33,000 pounds

The proposed vehicle must be in the same weight class as the existing vehicle (LHD, MHD or HHD). The engine must be certified to the applicable heavy-duty intended service class as shown on the engine certification Executive Order. However, the following cases may be allowed: 1) MHD engines may be installed in HHD vehicles with GVWR up to 36,300 lbs. (10 percent higher than 33,000 lbs. GVWR) with written warranty verification by engine and chassis manufacturer, or 2) HHD engines may be installed in MHD vehicles if necessary for vocational

purposes but only if the GVWR are within 10 percent of the HHD intended service class (i.e., GVWR of 29,701 lbs. or greater).

Executive Orders for on-road vehicles may be downloaded at:

<http://www.arb.ca.gov/msprog/onroad/cert/cert.php>.

Project emission reductions and therefore funding will be based on the lower of two 12-month periods of California usage during the previous thirty months. Fleet averages cannot be used.

Replacement of On-Road Vehicles

This project type involves the replacement of an older, in-use vehicle with a newer, cleaner vehicle. The replacement engine must be certified by CARB at or below the optional low NOx standard of 0.02 g/bhp-hr (or cleaner) and PM emission standard of 0.01 g/bhp-hr. In alignment with South Coast AQMD's 2016 AQMP, all on-road projects under the CMP must select the optional low-NOx, hybrid or zero-emission technologies. Diesel engines are not allowed in replacement vehicles except for Emergency Vehicles.

The South Coast AQMD requires that all on-road projects be operated within the South Coast AQMD jurisdiction for at least 75 percent of the time.

Applicants must clearly demonstrate their compliance status with the applicable CARB regulation (i.e., Statewide Truck & Bus Regulation, Fleet Rule for Public Agencies & Utilities, Transit Bus Regulation, TRU Airborne Toxic Control Measure (ATCM), etc.) at the time of application submittal and remain in compliance through final selection and agreement execution (if selected).

Please note that if you are an owner of a small fleet (20 or fewer vehicles greater than 8,501 lbs. GVWR), you may be eligible for funding through the On-Road Voucher Incentive Program (VIP). Please refer to the South Coast AQMD's VIP web page to explore funding opportunities for replacement at: www.aqmd.gov/vip.

In addition, the following on-road projects will be considered on a case-by-case basis:

- On-road vehicles with a GVWR between 8,501 and 14,000 pounds,
- Retrofits that reduce NOx by at least 15 percent; for engines that are certified above 0.01 g/bhp-hr PM, the retrofit must also reduce PM emissions by 85 percent.

Award amounts are dependent upon the project emission reductions calculated based upon the annual mileage, engine model year, and cost effectiveness limit of the project (See Section VI). Award amount is capped to the lower of two caps: (1) small fleets (20 or fewer vehicles greater than 8,501 lbs. GVWR) eligible up to 80 percent of the vehicle cost and large fleets eligible up to 50 percent of the vehicle cost (2) based upon the project type (see on Page 7).

Funding Caps for vehicles subject to Truck and Bus Regulations*			
Replacement Type/Weight Class	HHD	MHD	LHD
ZEV	\$410,000**	\$180,000**	\$170,000**
Optional low NOx standard (0.02)	\$160,000**	\$120,000**	\$70,000**

*for other project types, please refer to [Carl Moyer Guidelines Chapter 4: On-Road Heavy-Duty Vehicles](#) Section B

** Small fleets with 20 or fewer vehicles are eligible up to 80 percent and large fleets eligible up to 50 percent of the replacement vehicle cost

On-Road Emergency Vehicle Replacement

Authorized emergency vehicles, as described in California Vehicle Code 165, including but not limited to fire apparatus, pumpers, ladder trucks, water tenders, and prisoner transport buses, are exempt from CARB regulations and therefore eligible for CMP funding. Eligible emergency vehicle projects are those in which an older, more polluting emergency vehicle is replaced with a new or used replacement vehicle with an engine meeting the current model year California emission standards. The old, replaced vehicle must be destroyed. Vehicles subject to the Clean Truck Check Heavy-Duty Inspection and Maintenance (HD/IM) Program must submit proof of compliance.

A fire truck reuse option is also available on a case-by-case basis. The fire truck reuse option allows fire departments to give away the existing old vehicle and destroy another older vehicle in its place.

On-Road Vehicle Conversion

Conversions involve the replacement or modification of the original engine or vehicle to include either a cleaner engine or other system that provides motive power and change of the fuel type used. Hybrid conversion systems using internal combustion engines must be certified according to “California Certification and Installation Procedures for Medium-and Heavy-Duty Vehicle Hybrid Conversion Systems.” The baseline engine model year for hybrid conversions must be 2010 or newer. The conversion system manufacturer must provide written confirmation that the funded vehicle would not exceed the certified allowable limit. All-electric conversion systems must receive an exemption Executive Order per Vehicle Code section 27156.

INFRASTRUCTURE

Infrastructure projects that enable the deployment of advanced and cleaner technologies to support the State’s air quality goals are also eligible for CMP funding. Depending upon the number of applications received, the South Coast AQMD may have to limit the available CMP funding that will be allocated to infrastructure projects. Specifically, projects in this category involve the installation of fueling or energy infrastructure that will be used to fuel or power zero-emission heavy-duty vehicles or equipment. Infrastructure proposals designed to exclusively fuel or charge light-duty vehicles are not eligible for CMP funding.

Infrastructure projects will be selected on a competitive basis taking into consideration the project location, total requested funding, the percentage of renewable source, public accessibility, expected usage for the life of the project, fleet commitments to utilize the infrastructure, equipment throughput relative to cost, project implementation timeliness, cost-share, and other factors. Light-duty infrastructure can be considered but are deemed low-priority due to the shortage of heavy-duty charging and H₂ re-fueling stations in the South Coast Air Basin. Each scoring criterion will be weighted as shown in the table below. The priority for project selection may change based on technology development/commercialization and requirements of any additional funds that may become available. Please note that applications for heavy-duty vehicle charging stations may not be prioritized in this solicitation due to potential overlap with the INVEST CLEAN Program. Infrastructure projects are not subject to a cost-effectiveness limit but are subject to maximum limits prescribed by CARB.

Infrastructure Project Scoring Criteria

Criteria #	Criteria	Percentage
1	Project Location (if in an AB617 community)	8%
2	Renewable Sources	8%
3	Expected Throughput Usage per District Cost	20%
4	Project Co-Funding	10%
5	Infrastructure Usage and Equipment Availability	30%
6	Project Readiness and Benefits to South Coast Air Basin	21%
7	Application Completeness at Submittal	3%
	Total	100%

Applicants must provide cost information that specifies the amount of funding requested and the basis for that request by attaching vendor quotes to the application. The vendor quotes must be dated within 90 days of the application submittal date. Applicants need to inform vendors of the time frame of the award process so that they can estimate prices based on the future/projected order/purchase date.

Eligible costs include planning and engineering, permitting, equipment necessary for the functional operation of the infrastructure, and installation. Operational costs are not eligible and should not be included in the vendor quotes.

Applicants shall include a description of the installation vendor selection process. Applicants must demonstrate that they either own the land on which the project will be located, or control it through a long-term lease, easement or other legal arrangement, for the duration of the project life. Infrastructure projects may also require a case-by-case review by CARB.

Eligible infrastructure projects include, but are not limited to:

- Battery charging stations: New, conversion of existing, and expansion to existing battery charging stations for medium and heavy-duty vehicles and equipment.
- Hydrogen Fueling Station: New, conversion of existing, or expansion of existing hydrogen fueling station for medium and heavy-duty vehicles and equipment.
- Stationary Agricultural Station: Electrification of pump funded by air district with FARMER Program Guidelines.
- Shore Power: Shore-side electrification for projects not subject to CARB's shore power regulation. Only a port authority, terminal operator, or marine vessel owner is eligible for this type of infrastructure project.
- Other Types: TRU infrastructure, truck stop electrification, off grid on-site power generation systems, micro-grid, mobile refuelers, and portable infrastructure.

A vehicle or equipment project is not required to be submitted as a condition of eligibility for infrastructure funding, however, priority will be given to such projects. The applicant must provide proof (i.e., letter of commitment from the fleet operator, purchase orders, etc.) that a sufficient number of supported vehicles/equipment be acquired and/or committed to utilize the infrastructure when the project is complete. For infrastructure expansion projects, documentation of increased throughput at the station is required to ensure the expansion is proportional with projected fueling demand.

Work must be performed by contractors and/or electricians that meet all required licensing, certification, and statutory requirements for the eligible project type. Contractors performing installation of electric vehicle charging infrastructure must have an Electric Vehicle Infrastructure Training Program certification (EVITP). For more information please visit: <https://evitp.org/>

All projects funded need to be registered with the Department of Industrial Relations (DIR) and must comply with DIR requirements on labor practices which covers a broad prevailing wage. The CMP also specifies that applicants awarded an agreement must comply with applicable provisions of Labor Code Sections 1720-1861.

OFF-ROAD COMPRESSION-IGNITION EQUIPMENT

This category includes off-road, mobile compression ignition equipment. Off-road heavy-duty equipment/engines include, but are not limited to, construction equipment, agricultural equipment, marine engines, ship-side shore power and locomotive equipment. Portable equipment is not eligible for CMP funding. The following off-road equipment projects may be eligible for funding:

- Repower: The replacement of an existing engine with a newer emission-certified engine, or zero-emission system, instead of rebuilding the existing engine to its original specifications.
- Retrofit: The installation of a CARB-verified emission control system on an existing engine. Examples include, but are not limited to, particulate filters and diesel oxidation catalysts.
- Equipment Replacement: The purchase of new or used equipment with an engine certified to the current emission standard (Tier 4 Final) or zero-emission technology to replace an older, fully functional piece of equipment that is to be scrapped.

For off-road replacement and repower projects, the CMP Guidelines specify that the horsepower rating of the new (or replacement) engine must not be greater than 135 percent of the original manufacturer rated horsepower of the old (or existing) engine. If the new engine is greater than 135 percent, then the eligible funding amount will be based on the cost of an engine or equipment with a horsepower rating that is no higher than 135 percent of the existing engine horsepower rating. The applicant must pay the additional costs associated with the higher horsepower engine and obtain a price quote for an engine or equipment that is within the 135 percent range for the funding determination. In addition, verifiable records on the existing engine must be provided with the application to accurately identify the engine manufacturer year and horsepower (e.g., photographs of engine labels, statement from engine manufacturers, etc.).

Diesel Construction Equipment

According to CARB's In-Use Off-Road Diesel Vehicle Regulation (Off-Road Regulation), the construction fleets are categorized as follows:

Fleet Size	Horsepower Range
Small	Less than or equal to 2,500 HP
Medium	Between 2,500 HP and 5,000 HP
Large	Greater than 5,000 HP

On November 17, 2022, amendments to the Off-Road Regulation were adopted by CARB and significantly limit the eligibility of off-road equipment for CMP funding. The potential funding for Tier 4 Final or Zero-Emission replacements and repowers will be available for the existing Tiers until the following dates:

Potential Funding	Large Fleets	Medium Fleets	Small Fleets
Tier 0	Not allowed	Not allowed	12/31/2025
Tier 1	Not allowed	12/31/2025	12/31/2027
Tier 2	12/31/2025	12/31/2027	12/31/2029

Tier 3 and Tier 4 Interim equipment may be replaced or repowered without restriction to Tier 4 Final or Zero Emission technologies when feasible. They must also demonstrate eligibility with the most current Off-Road Regulation & CMP Guidelines.

Fleets are also eligible to apply for funding through the Surplus Off-Road Opt-In for NOx (SOON) Program for new diesel engines, however additional demonstration of fleet compliance to the Off-Road Regulation is required. More information can be found at the Year 27 SOON Program Announcement. Please visit www.aqmd.gov/soon.

Applicants must submit information regarding fleet size and compliance status. **This must include the Diesel Off-Road On-line Reporting System (DOORS) ID of the fleet, the DOORS Compliance Snapshot, the DOORS equipment list, and the DOORS Equipment Identification Number (EIN) of the funded equipment.** All documentation submitted must be signed and dated by the applicant and include language certifying that the fleet list provided is accurate and complete.

Cargo Handling Equipment

Cargo handling equipment (CHE) is any motorized vehicle used to transport cargo delivered by ship, train, or truck, or used for scheduled routine maintenance activities at a port or intermodal rail yard. Equipment that handles cargo containers includes yard trucks, top handlers, side handlers, reach stackers, forklifts, and rubber-tired gantry (RTG) cranes.

Applicants must be in compliance with the CHE Regulations and equipment utilizing regulatory extensions are not eligible for funding. Cargo handling equipment located at other locations such as distribution warehouses must be in compliance with the Off-Road Regulation (see above).

Agricultural Equipment

Diesel agricultural equipment is not subject to the Off-Road Regulation. However, a statement of how the equipment will be used and what percentage of the time the equipment will be used for agricultural purposes is required in order to be eligible for the CMP funding. Agricultural equipment must be operated over 50 percent of the time in agricultural operations. Agricultural operations include, but are not limited to, activities such as the raising and harvesting of crops from soil, the raising of fowl or animals, logging, and forestry operations. A majority of the off-road vehicles used in facilities such as wineries, dairies, logging operations, farms, ranches, and wholesale are considered “agricultural operations”.

Large Spark-Ignition Equipment

LSI engines or alternative fuel-powered LSI internal combustion engines are designed for powering, but not limited to powering, forklift trucks, sweepers, generators, and industrial equipment. In order to be eligible for CMP funding, LSI fleets must have met the final compliance requirements provided in the LSI Fleet Regulation and ZE Forklift Regulation to be eligible for funding. If you have a large fleet of four or more forklift units or four or more units consisting of sweepers/scrubbers, ground support equipment (GSE), and industrial tow tractors you must meet final LSI Regulation average emissions to be eligible for funding.

Forklifts Subject to the ZE Forklift Regulation

Eligibility for a project subject to the ZE Forklift Regulation is based on the following model year phase-out schedule below

Compliance Date	Class IV LSI Forklifts with a Rated Capacity of 12,000 Pounds or less	Class IV LSI Forklifts with a Rated Capacity Greater than 12,000 Pounds	Class IV LSI Forklifts with a Rated Capacity of 12,000 Pounds or Less for Small Fleets and Crop Preparation Services	Class IV LSI Forklifts with a Rated Capacity of Greater than 12,000 Pounds for Small Fleets and Crop Preparation Services	Class V LSI Forklifts
1/1/2028	2018 MY and older ¹				
1/1/2029			2016 MY and older ²		
1/1/2030					2017 MY and older ³
1/1/2031	2019-2021 MY				
1/1/2032			2017 – 2019 MY		
1/1/2033	2022 and 2023 MY				2018-2020 MY
1/1/2034			2020 and 2021 MY		
1/1/2035	2024 and 2025 MY	2025 MY and older			2021 and 2022 MY
1/1/2036			2022 and 2023 MY		
1/1/2037					
1/1/2038			2024 and 2025 MY	2025 MY and older	2023-2028 MY ⁴

¹A phase-out percentage cap may be applied pursuant to Health and Safety Code Section 3006(e), Phase-Out Percentage Caps.

²A phase-out percentage cap of 25 percent may be applied pursuant to Health and Safety Code Section 3006(e), Phase-Out Percentage Caps.

³A phase-out percentage cap of 50 or 25 percent may be applied pursuant to Health and Safety Code Section 3006(e), Phase-Out Percentage Caps.

⁴Includes 2026 through 2028 MY Class V LSI Forklifts in Rental Agency Revenue Fleets.

Portable Engines

Portable Engines subject to the Airborne Toxic Control Measure for Diesel Particulate Matter from portable engines rated at 50 horsepower and greater (Portable Engine ATCM) are eligible for funding if they are registered with CARB or permitted with South Coast AQMD.

In order to be eligible for funding, diesel engines regulated under the Portable Engine ATCM must be permitted in South Coast AQMD jurisdiction or registered in the Portable Equipment Registration Program. Applicants are required to show current registration with or submit a statement of compliance with the Portable Engine ATCM.

Eligibility for a project is based upon the tier phase out schedule and the fleet average table below.

Engine Certification	Engines Rated: 50 - 750 bhp Large Fleet	50 - 750 bhp Small Fleet	> 750 bhp
Tier 1	1/1/2020	1/1/2020	1/1/2020
Tier 2 built prior to 1/1/2009	1/1/2022	1/1/2023	1/1/2025
Tier 2 built on or after 1/1/2009	N/A	N/A	1/1/2027
Tier 3 built prior to 1/1/2009	1/1/2025	1/1/2027	N/A
Tier 3 built on or after 1/1/2009	1/1/2027	1/1/2029	N/A

Project eligibility for Tier 1, 2, and 3 flexibility engines based on December 31 of the year 17 years after the date of manufacture.

Funding opportunities are no longer available for Uncontrolled, Tier 1, and Tier 2 engines built prior to 1/1/2009 that have less than 750 brake-horsepower.

Utility Terrain Vehicles (UTVs)

Purchase of a new zero-emission UTV replacement is allowed. The UTV replacement project would provide incentives up to 75 percent of the cost of a new zero-emission UTV or a maximum of \$13,500 for qualified entities (whichever is less).

Marine Vessels

Marine vessel project types include engine repower and shore power. Only existing engines on a marine vessel with a fully functioning non-resettable hour meter are eligible for CMP funding.

Marine Engine Repower

Vessels subject to the in-use compliance requirements of CARB's Commercial Harbor Craft (CHC) Regulation (i.e., barge, crew/supply, dredge, excursion, ferry, towboat and tugboats) are eligible for CMP funding as long as the vessel is fully compliant with the CHC Regulation. Based on the vessel's operation, the newer engine's emissions must be surplus to the currently required U.S. Environmental Protection Agency (EPA) marine engine emission standard (i.e., Tier 3 (for Commercial Fishing Vessels only), Tier 3 + DPF, Tier 4 and Tier 4 + DPF etc.).

Remanufacture kits, which are comprised of engine component parts that, when installed, reduce the engine's emissions, are subject to the same requirements as engine repower projects.

The final CHC Regulation was provided to the Office of Administrative Law by CARB on July 21, 2022. The updated CHC Regulation compliance dates for marine vessel types can be found in Table 7 through 10 of the Final Regulation Order at <https://ww2.arb.ca.gov/rulemaking/2021/chc2021>. Due to the updated compliance dates and CMP requirements for surplus emissions, the following table highlights eligible marine vessel repower projects based upon engine model year:

Marine Vessel Type	Engine Model Year
Ferries (except short-run ferries) Pilot Tugboats	2020 or newer
Research Excursion Commercial Passenger Fishing (or Charter Fishing)	2013 or newer
Dredges Barges Crew & Supply Workboats	2007 and newer
Commercial Fishing	All model years eligible

Marine Vessel Replacement

Vessel replacement is a new category. Vessel replacement projects are not eligible unless the applicant can demonstrate that no suitable engines (Tier 3 or Tier 4 marine, or marinized Tier 4 Final off-road) or CARB-verified DPFs physically fit within the existing vessel structure, and no amount of modifications can be made to the vessel structure without compromising its structural integrity or stability, to meet requirements of California Code of Regulations, title 17, section 93118.5 (e)(12) or that a repower project would necessitate extensive vessel modifications which would cost more than the purchase of a new vessel or reduce the passenger capacity of the vessel by 25 percent or greater. The replacement vessel must adhere to like-for-like (meaning similar dimensions, capacities, and capabilities) considerations. The existing engines and vessel will be dismantled and permanently removed from service with a detailed method of destruction submitted as part of the application.

Ship-Side Shore Power

Limited CMP funding opportunities remain for ship-side shore power projects due to the applicability of CARB's At-Berth Regulation. Applicants must submit their CARB-approved Initial Terminal Plan to document compliance with CARB's Shore Power Regulation. The proposed projects must provide emission reductions that are surplus to regulatory requirements. Projects not subject to CARB's regulation are eligible.

Locomotives

Please note that battery electric locomotive switchers may not be prioritized in this solicitation due to potential overlap with the INVEST CLEAN program. All new locomotives and replacement engines must be certified to Tier 4 standards or cleaner to be eligible for CMP funding. There are very limited CMP funding opportunities for Class 1 freight railroads. Such a project will be subject to a case-by-case approval by CARB. Class 2/Class 3 freight railroads and passenger railroads are not subject to any CARB fleet regulations and are therefore eligible for CMP funding.

The following project types are eligible for CMP funding:

1. Locomotive replacement (the reuse and/or recycling of the baseline chassis is allowed if the baseline engine is destroyed)
2. Locomotive Engine Repower
3. Locomotive Conversion
4. Locomotive Retrofit

The table below summarizes the maximum eligible funding for each project type. All projects are also subject to the cost-effectiveness threshold per the CMP Guidelines.

Railroad Class/Type	All Project Types
Class 1/Class 2 Line Haul	80%
Class 3, Switcher, and Passenger	85%

Transport Refrigeration Units (TRUs)

Existing TRUs are eligible for funding based upon the tier phase out schedule and fleet average table as defined in the Portable Engine ATCM. The following must be met:

1. Registration with ARB Equipment Registration (ARBER)
2. Fleets must be in compliance with the TRU ATCM

SECTION IV – APPLICATION SUBMITTAL REQUIREMENTS

Applicants must apply for CMP funding using the South Coast AQMD's CMP Online Grant Management System (GMS) which will be provided on March 14, 2025 at:

www.aqmd.gov/moyer. In addition, all Business Information Forms including Conflict of Interest and Project Cost information, as described below, must also be submitted with the application. It is the responsibility of the Applicant to ensure that all information submitted is accurate and complete. **Paper applications will not be accepted.**

PROJECT COST

Applicants must provide cost information that specifies the amount of funding requested and the basis for that request by attaching vendor quotes to the application. The vendor quotes must be dated within 90 days of the application submittal date. Applicants need to inform vendors of the time frame of the award process so that they can estimate prices based on the future/projected order/purchase date.

Purchase orders or other purchase commitments shall not be placed until after the date of award approval by the South Coast AQMD Governing Board. Purchase orders may be placed after South Coast AQMD Governing Board approval and in advance of a fully executed agreement, but these orders/commitments are placed at the Applicant's own risk.

The CMP will fund only a percentage of the cost of the near-zero emission or zero-emission technology based on the type of project. The proposed near-zero emission or zero-emission technology must be certified, verified or approved by CARB in most cases. No administrative or operational costs will be funded.

All project costs must be clearly indicated in the application. In addition, Applicants must disclose all sources of co-funding, including the name of the funding source and amount of funding in the application. **Applicants are cautioned that the project life period used in calculating emissions reductions will be used to determine the length of their annual reporting obligation.** In other words, a project Applicant using a ten-year life for the emissions reduction calculations will be required to operate, track and report activity for the project vehicle for the full ten years. The agreement term will also be ten years.

Applicants are not required to calculate a project's cost-effectiveness. Methodologies for calculating cost-effectiveness are provided in the CARB CMP Guidelines at: <https://ww2.arb.ca.gov/guidelines-carl-moyer>.

APPLICATION SUBMISSION

All online applications must be submitted according to specifications set forth herein. Failure to adhere to these specifications may be cause for rejection of the application without evaluation.

Grounds for Rejection: An application may be immediately rejected if:

- It does not include correct documentation and other forms required.
- It is not signed by an individual authorized to represent the firm.

Staff Contact Information: South Coast AQMD staff contacts for each category are listed under South Coast AQMD Staff Contacts and Additional Resources below. Applicants may contact South Coast AQMD staff to discuss their project prior to submitting an online application to ensure program eligibility.

Business Information Forms: All business information forms **must** be completed and submitted with the online application. Please note, if recommended for an award, you will be required to submit an updated Campaign Contribution Disclosure form at a later date. Download these forms at www.aqmd.gov/moyer. These business forms will also be available on the CMP GMS. South Coast AQMD "Business Information Forms" requiring signatures must be scanned and uploaded to the electronic application in PDF format.

Electronic Submittal: A link to access South Coast AQMD's CMP GMS will be available on March 7, 2025 at: www.aqmd.gov/moyer. The CMP GMS allows Applicants to submit applications electronically to South Coast AQMD and track the progress of their application(s).

Applications must be submitted through the CMP GMS by 1 pm on Tuesday, July 1, 2025. The GMS will not allow applications to be submitted after the due date and time.

First-time users must register as new users to access the system. Applicants will receive a confirmation email after all required documents have been successfully uploaded. A tutorial of the system will be provided at the pre-application workshops or online and you may contact staff if you would like additional assistance.

Third parties assisting in applications may create their own account on the CMP GMS that can be linked through the primary user account.

Missing Information – Within thirty (30) business days of the online application submittal due date of July 1, 2025, South Coast AQMD will email letters to Applicants regarding the missing or incomplete information. Applicants will have seven (7) business days to provide any missing information requested in the letter. It will be the Applicant’s responsibility to submit the missing or incomplete information within the time specified by South Coast AQMD staff. Only complete applications can move forward in the evaluation process.

Disposition of Applications - South Coast AQMD reserves the right to reject any or all applications. All responses become the property of South Coast AQMD. A copy of each application not selected for funding shall be retained for one year.

SECTION V – WORK STATEMENT/SCHEDULE OF DELIVERABLES

Prior to submitting the application, Applicants must sign and agree to the terms and conditions of the requirements for submittal of additional project information to finalize an agreement and that all vehicles, engines or equipment shall be in operation within eighteen (18) months of agreement execution.

SCOPE OF WORK

The scope of work will describe tasks and deliverables that demonstrate compliance with the requirements of the CMP as administered by CARB and South Coast AQMD. The project Applicant is responsible for developing detailed project plans and ordering equipment that complies with the program criteria and guideline requirements. In addition, alternative fuel project Applicants must discuss their plan for refueling the proposed vehicles/equipment, and if appropriate, should provide a letter of agreement from their fuel provider (see Application forms).

At a minimum, any agreement for funding the proposed project must meet the following criteria:

- Provide emission reductions that are real, surplus, quantifiable and enforceable in accordance with CMP guideline requirements.
- Project equipment must be domiciled within the boundaries of South Coast AQMD jurisdiction.
- Meet the cost-effectiveness limit, as described in this PA and the CMP Guidelines, and subsequent CMP Advisories.

- Commit that project engines or equipment operate in service for the full project life and at least 75 percent of annual operation must occur within South Coast AQMD jurisdiction except for on-road replacement projects. On-road replacement projects may be eligible for funding with a minimum of 51 percent annual operation within South Coast AQMD jurisdiction.
- The cost-effectiveness calculation is based on the percent of operation within the South Coast AQMD jurisdiction. Project life is the number of years used to determine the cost-effectiveness and is equal to the agreement term. The agreement will include the percent operation as a minimum requirement (75 percent for all projects, except on-road replacement projects, which are allowed a 51 percent minimum).
- Commit that all vehicles/engines/equipment are in operation within 18 months of agreement execution.
- Provide appropriate recordkeeping during the project life (i.e., annual mileage, fuel consumption and/or hours of operation), including submission of annual reports as detailed below.
- Ensure that the project complies with all applicable rules and regulations, and the resulting emission reductions from the project are not required as a mitigation measure to reduce adverse environmental impacts that are identified in an environmental document prepared in accordance with the California Environmental Quality Act or the National Environmental Policy Act.
- If requested, Recipient must provide a financial statement and bank reference, or other evidence of financial ability to fulfill agreement requirements.
- If requested, Recipient must make all equipment and records available to South Coast AQMD or CARB for audit and inspections.

PAYMENT TERMS

For all projects except shore power projects, full payment will be made upon installation and commencement of operation of the funded equipment. For shore power projects, a progress payment schedule may be established that allows payment upon completion of key milestones, as delineated in the agreement.

DELIVERABLES

The agreement will describe how the project will be monitored and what type of information must be submitted as part of the reporting requirements. At a minimum, South Coast AQMD expects to receive an annual report for each year during the full agreement term, or project life, which provides the annual miles, fuel consumption or hours of operation, where the vehicle or equipment was operated, and operational and maintenance issues encountered and how they were resolved. South Coast AQMD reserves the right to verify the information provided.

Annual reporting forms are available online at: www.aqmd.gov/moyer

SECTION VI – APPLICATION EVALUATION/RECIPIENT SELECTION CRITERIA

South Coast AQMD staff will evaluate all eligible online applications and make recommendations to the Governing Board for the final selection of project(s) to be funded. Each project will be evaluated based on two primary criteria: (1) the cost-effectiveness of NO_x, PM₁₀

and ROG reduced, and (2) the project's status with respect to the disadvantaged community and low-income criteria prescribed by CARB.

Note: Infrastructure projects are not subject to a cost-effectiveness limit but instead will be evaluated on a competitive basis using metrics that include, but are not limited to: fleet usage commitments, project location and readiness, expected vehicle usage/throughput and cost share.

PROJECT COST-EFFECTIVENESS

The CMP award amount shall not exceed the project's incremental cost, applicable funding caps and/or cost-effectiveness limit(s). The cost-effectiveness limit, \$60,000 per weighted ton of emissions reduced, applies to projects that bring vehicles and equipment up to current standards. The cost-effectiveness limit of a maximum of \$522,000 per weighted ton of emissions reduced may be implemented pending CARB approval and applies to projects that are zero-emission or meet the cleanest certified optional standard applicable (by source category). Project cost-effectiveness is subject to change to meet additional program requirements. The table below demonstrates the current cost-effectiveness limit criteria effective October 2024.

Project	Categories	Revised C/E Limit
Base Limit	On-Road, Off-Road, Locomotives, Marine, Light Duty Vehicles	\$60,000
On-Road Advanced Technology Limit	On-Road	\$209,000
School Bus	On-Road	\$313,000
On-Road Zero Emission Technology Limit	On-Road	\$522,000
Off-Road Zero Emission Technology Limit	Off-Road	\$120,000
Locomotive Zero Emission Technology Limit	Locomotive	\$200,000
Marine Zero Emission Technology Limit	Marine	\$522,000

All projects must meet the criteria stated in this PA and the CMP Guidelines in effect at the time of agreement execution. A project's cost-effectiveness is determined based on the annualized cost of the project and the amount of NO_x, ROG and PM₁₀ emission reductions that will be achieved by the project. Project cost-effectiveness is currently calculated according to the following formula:

$$\frac{\text{Annualized Cost (\$/year)}}{[\text{NO}_x \text{ reduction} + \text{ROG reduction} + (20 \times \text{combustion PM}_{10} \text{ reduction})] \text{ (tons/year)}}$$

For projects that involve advanced technologies, the cost-effectiveness will be calculated using the CMP's two-step calculation approach. Detailed guidance for the new two-step calculation approach, as well as all CMP emissions reduction and cost-effectiveness calculations is available at: <https://ww2.arb.ca.gov/sites/default/files/2024-11/AppendixCCostEffectivenessCalculations.pdf>

SECTION VII – IMPORTANT PROGRAM INFORMATION

- Applicants **must** provide proof of ownership with their online application. This may include vehicle/equipment title, bill of sale, or in the case of marine vessel projects, the U.S. Coast Guard registration documentation. Equipment must be owned a minimum of two years from the date of application submittal (with the exception of locomotive projects, which is a one-year minimum).
- Project equipment must be domiciled within the South Coast AQMD jurisdiction and operate a minimum of 75 percent of the time within the boundaries of the South Coast AQMD jurisdiction (except on-road replacement projects, which are required to operate a minimum of 51 percent within the South Coast AQMD jurisdiction).
- Applicants must provide vendor quotes with their application to document the cost of the new replacement vehicle/equipment project (or engine for repower project). Applicants may be awarded up to the designated percentage of total cost for the specified type of project (new purchase, repower replacement and/or retrofit, infrastructure), subject to funding caps and program cost-effectiveness limits. All quotes must have been obtained within 90 days prior to the application submittal date.
- Applicants must provide legible engine tag photos of the baseline engine(s) or manufacturer specifications that document the engine serial number, horsepower, model year and engine family number, emissions certification level and CARB Executive Order (if controlled).
- Applications for fuel and engine technologies that are not certified, verified or approved by CARB, or falling outside the categories specifically discussed in this PA, may be referred to CARB for determination of CMP eligibility on a case-by-case basis. Please discuss these projects with South Coast AQMD staff prior to application submittal. Projects submitted for CARB case-by-case review will require the Applicant to provide additional justification and documentation regarding the project and the Applicant's justification for such consideration.
- A number of the CARB fleet rules and air quality regulations impact CMP eligibility. Compliance with existing CARB regulations is a pre-requisite for CMP funding. Only emission reductions in excess of regulatory requirements can be considered for CMP funding. If Applicants are applying for CMP funds to reduce emissions before the required compliance date (i.e., early reductions), the equipment must demonstrate sufficient years of operation before the regulatory compliance deadline. Applicants are responsible for ensuring that they are in full compliance with all applicable regulations and that vehicle/equipment requests under the CMP provide surplus emission reductions. As noted earlier, Applicants must provide documentation of their regulatory compliance status.

- Any tax obligation or liabilities associated with the award is the responsibility of the Applicant. Please consult your tax advisor on the tax liabilities of receiving an award under the CMP.
- No third-party agreements will be executed.
- Pre-, post- and destruction inspections of all vehicles/engines/equipment approved for funding will be conducted, as required. However, due to the impact of COVID-19 and to ensure the safety of the staff and the public, inspections of all vehicles/engines/equipment may be conducted virtually via remote inspections. Applicants must make all equipment available for in-person or remote inspections unless otherwise specified during agreement preparation, or through updates from South Coast AQMD. Documentation of compliance with existing regulatory requirements is required at the time of pre-inspection.
- The usage for off-road equipment projects will be based on hours (except for locomotive projects, which require annual fuel consumption in gallons), and the usage for on-road vehicle projects will be based on mileage. The Applicant must provide the historical usage records for the equipment as part of the application for the previous two years. For on-road projects, the emission reductions will be based on the lower of the two 12-month periods of California usage within the prior thirty months.
- It is the Applicant's responsibility to ensure that the most current information and requirements are reflected in a submitted project application. Applicants should check the CARB website for updates and advisories to the Guidelines (www.arb.ca.gov/msprog/moyer/moyer.htm).
- In cases of conflict between CARB Guidelines and South Coast AQMD criteria, the more stringent criteria will prevail. South Coast AQMD will post any new information and requirements on its CMP web page at www.aqmd.gov/moyer.
- Projects subject to CARB regulations must submit a copy of the most recent CARB compliance report(s) or other documentation that provides South Coast AQMD with a clear understanding of the fleet's compliance status.
- All emission reductions resulting from funded projects will be credited to the CMP. A grant shall not be made that provides the Applicant with funds in excess of the maximum eligible amount, in accordance with CMP Guidelines.
- A project may be leveraged with other funding sources. The Applicant must disclose all funding sources at the time of application and will be required to report all funding sources prior to invoice payment. Other funding sources may include but are not limited to state and federal funding programs that reduce greenhouse gas (GHG) emissions, funding provided by the Alternative and Renewable Fuel and Vehicle Technology Program, Air Quality Improvement Program, or CARB's Low Carbon Transportation Investment funds to reduce GHG emissions. The sum of all grants and other funds applied toward the project shall (1) not exceed the total project cost for public agency Applicants and (2) not exceed 85 percent

of the total project cost for non-public agency Applicants. In other words, the grantee must pay at least 15 percent of the project cost from non-public sources.

- The emission reductions paid for by the CMP shall not be claimed by the other funding sources.
- Zero-emission technology project Applicants that have entered into lease-to-own financing shall receive project funds only to be used to offset the costs of the zero-emission equipment or vehicle and reduce the principle owned by the lessee for purchasing.

SECTION VIII – SCHEDULE OF EVENTS

Issue PA2025-03	March 7, 2025
Applications Open	March 14, 2025
Workshops	Information on virtual pre-recorded presentations and other meetings (as needed) to be posted on www.aqmd.gov/moyer
All Applications Due	1 pm PST on Tuesday, July 1, 2025
Contract Execution	January 2026 - thru June 2026

ALL APPLICATIONS MUST BE RECEIVED VIA SOUTH COAST AQMD’S CMP ONLINE GRANT MANAGEMENT SYSTEM NO LATER THAN TUESDAY, JULY 1, 2025 AT 1 PM PST
--

Access to South Coast AQMD’s CMP Online GMS is provided at: www.aqmd.gov/moyer

In light of COVID-19 and ensuring public safety protocols are being met, South Coast AQMD may conduct in-person workshops for this year’s CMP. However, if in-person workshops are not held, South Coast AQMD will post pre-recorded presentations and host virtual meetings to provide program information and application assistance for Applicants interested in participating in the CMP. Details on meetings and pre-recorded presentations will be posted at www.aqmd.gov/moyer after March 14, 2025.

SOUTH COAST AQMD STAFF CONTACTS AND ADDITIONAL RESOURCES

The South Coast AQMD staff contacts are listed below by project category. Copies of the PA, Business Information Forms and a sample South Coast AQMD CMP agreement may be accessed at: www.aqmd.gov/moyer.

CMP Staff Contacts

Project Category	Staff Contact	Phone Number	Email
On-Road Heavy-Duty Vehicles	Krystle Martinez Mariel Maranan David Chen	(909) 396-3021 (909) 396-2793 (909) 396-3083	kmartinez@aqmd.gov mmaranan@aqmd.gov dchen@aqmd.gov
Off-Road Equipment	Alyssa Yan Darren Ha Kevin Perozo	(909) 396-2024 (909) 396-2548 (909) 396-2522	ayan@aqmd.gov dha@aqmd.gov kperozo@aqmd.gov
Cargo Handling Equipment Electrification	Greg Ushijima	(909) 396-3301	gushijima@aqmd.gov
Marine Vessels	Nick Volpone	(909) 396-2636	nvolpone@aqmd.gov
Ship-Side Shore Power	Nick Volpone	(909) 396-2636	nvolpone@aqmd.gov
Locomotives	Andrew Yoon George Wu	(909) 396-3043	ayoon@aqmd.gov gwu@aqmd.gov
Infrastructure	Krystle Martinez Justin Joe	(909) 396-3021 (909) 396-2054	kmartinez@aqmd.gov jjoe@aqmd.gov

CONTACT FOR ADDITIONAL INFORMATION

Questions regarding the content or intent of this PA, procedural matters or locations of workshops should be addressed to: carlmoyer@aqmd.gov

WEBSITE LINKS TO CARB RULES THAT AFFECT CMP ELIGIBILITY

CARB Regulation	Website
On-Road Private (Truck and Bus)	http://www.arb.ca.gov/msprog/onrdiesel/onrdiesel.htm
Public/Utility Fleets	http://www.arb.ca.gov/msprog/publicfleets/publicfleets.htm
In-Use Off-Road	http://www.arb.ca.gov/msprog/ordiesel/ordiesel.htm
Harbor Craft	http://www.arb.ca.gov/ports/marinevess/harborcraft.htm
Cargo Handling Equipment	http://www.arb.ca.gov/ports/cargo/cargo.htm
Shore Power	http://www.arb.ca.gov/ports/shorepower/shorepower.htm
Portable Equipment	https://ww2.arb.ca.gov/our-work/programs/portable-equipment-registration-program-perp



ITEM # 16

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Fernando Pelaez, Fire Chief
Andrew Kim, Senior Management Analyst

SUBJECT: AUTHORIZE SUBMITTING AN APPLICATION FOR COUNTY OF LOS ANGELES MEASURE B FUNDING TO PURCHASE FIRE DEPARTMENT EMERGENCY MEDICAL EQUIPMENT

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Authorize submission of a funding proposal to the County of Los Angeles for Measure B funding to purchase Automated External Defibrillators (AEDs) and training equipment, or other emergency medical equipment as determined appropriate by the Fire Department during the application process; and
2. Take such additional, related action that may be desirable.

FISCAL IMPACT:

There is no fiscal impact for submitting this funding request. All proposed project costs will be covered through the Measure B funding if awarded. Future maintenance and battery replacement costs may be absorbed through the Fire Department's existing budget or through future budget amendment requests. Should the City be successful in receiving Measure B funding, Staff will return to City Council with an agenda report to appropriate the funds.

BACKGROUND/DISCUSSION:

In 2002 the voters of Los Angeles County approved Measure B—an annual special parcel tax—to, among other things, provide funding to maintain all aspects of the countywide system of trauma centers and expand the system to cover all areas of the county. The

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 2 of 3

Board of Supervisors for the County of Los Angeles sets the parcel tax rate annually. The Board of Supervisors also allocates Measure B funds each year. The Los Angeles County Emergency Medical Services Agency (EMS) oversees Los Angeles's trauma system, which encompasses 14 trauma centers that service every geographical area of Los Angeles. The Los Angeles County Emergency Medical Services Agency is accepting proposals for Measure B funds, which are allocated on a one-time basis to enhance emergency medical services, trauma services, and bioterrorism preparedness throughout the County (Attachment A). Expenditures under this program must be completed within twelve months of award.

The Fire Department is currently seeking funding to purchase ten (10) Automated External Defibrillators (AEDs) for use in City facilities and emergency response vehicles, along with two (2) AED trainer devices to support internal CPR/AED training programs. AEDs are a critical component of out-of-hospital cardiac arrest intervention and are proven to significantly increase survival rates when deployed early in the chain of survival. Staff continuously evaluates the Fire Department's needs and may modify the scope of the funding proposal prior to submission to better meet the needs of the Department.

ENVIRONMENTAL:

N/A

ANALYSIS:

Expanding the Fire Department's AED program directly supports the Department's mission to improve health outcomes and increase survivability in cardiac emergencies. AEDs are recognized as a best practice in public access defibrillation, and are increasingly being integrated into municipal buildings, vehicles, and public venues to enable early defibrillation prior to EMS arrival.

Currently, gaps exist in AED coverage across some service areas, potentially delaying lifesaving interventions. This Measure B funding opportunity allows the City to close those gaps without financial impact to the General Fund.

The addition of AED trainer devices will allow the Fire Department to enhance in-house training for staff, reinforcing readiness and response capabilities. This aligns with the City's broader goals of fostering a resilient, prepared workforce and equipping staff with lifesaving skills.

SUMMARY:

Staff is recommending City Council authorization to submit a funding proposal to Los Angeles County for Measure B funding. If awarded, the funds will be used to purchase emergency medical equipment, such as AEDs. Should the City be successful in receiving Measure B funding, Staff will return with an agenda report for City Council to approve appropriating the grant funds.

ATTACHMENT(S)

1. Attachment A - Measure B Power Point Information
2. Attachment B - Draft Application



Measure B Advisory Board (MBAB) Committee

Measure B Submitters Conference



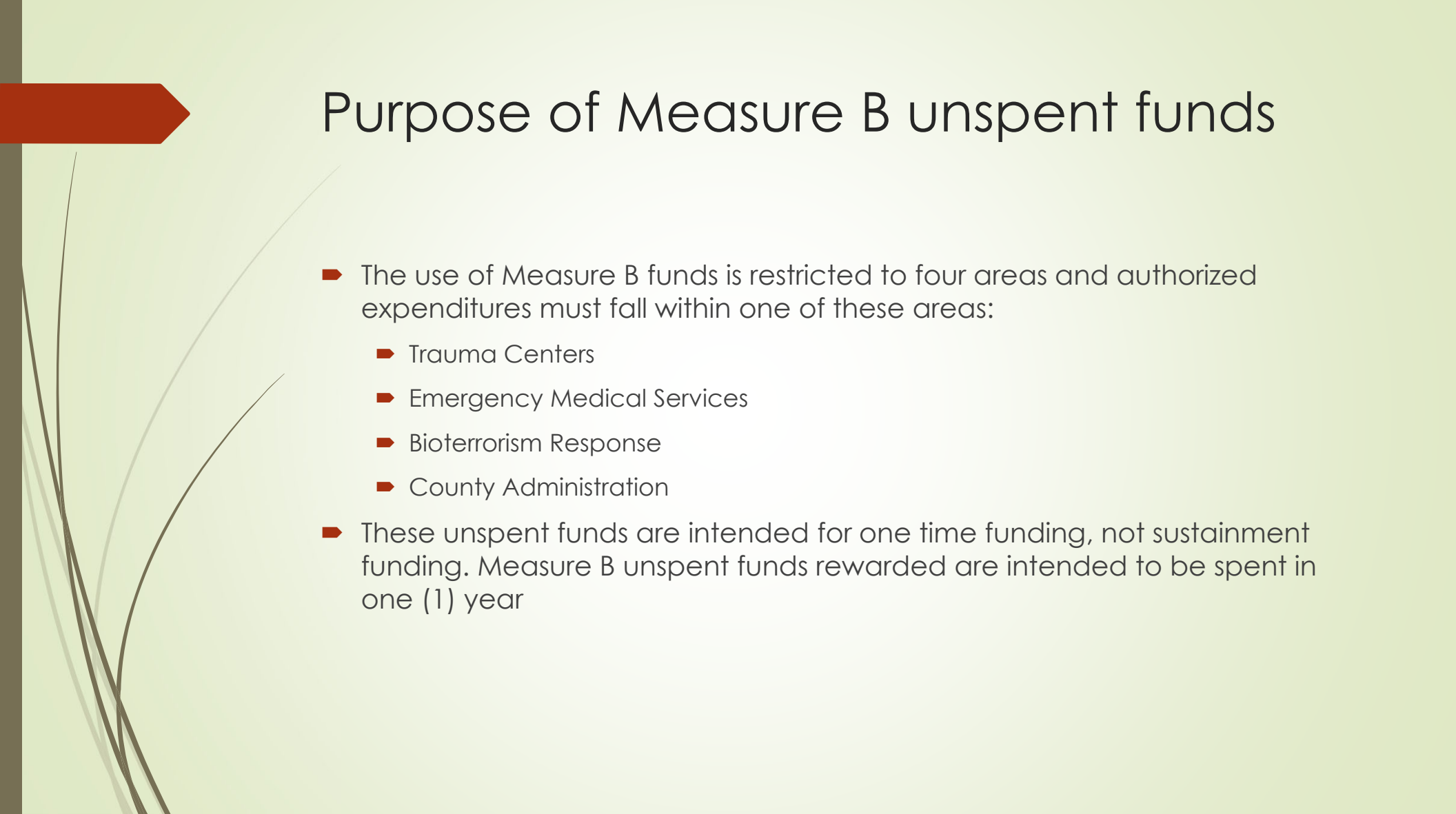
Agenda

- Introductions/Announcements
- Purpose of Measure B unspent funds
- 2025 Proposal process and deadlines
- Supporting documentation for proposals
- Questions/Open discussion



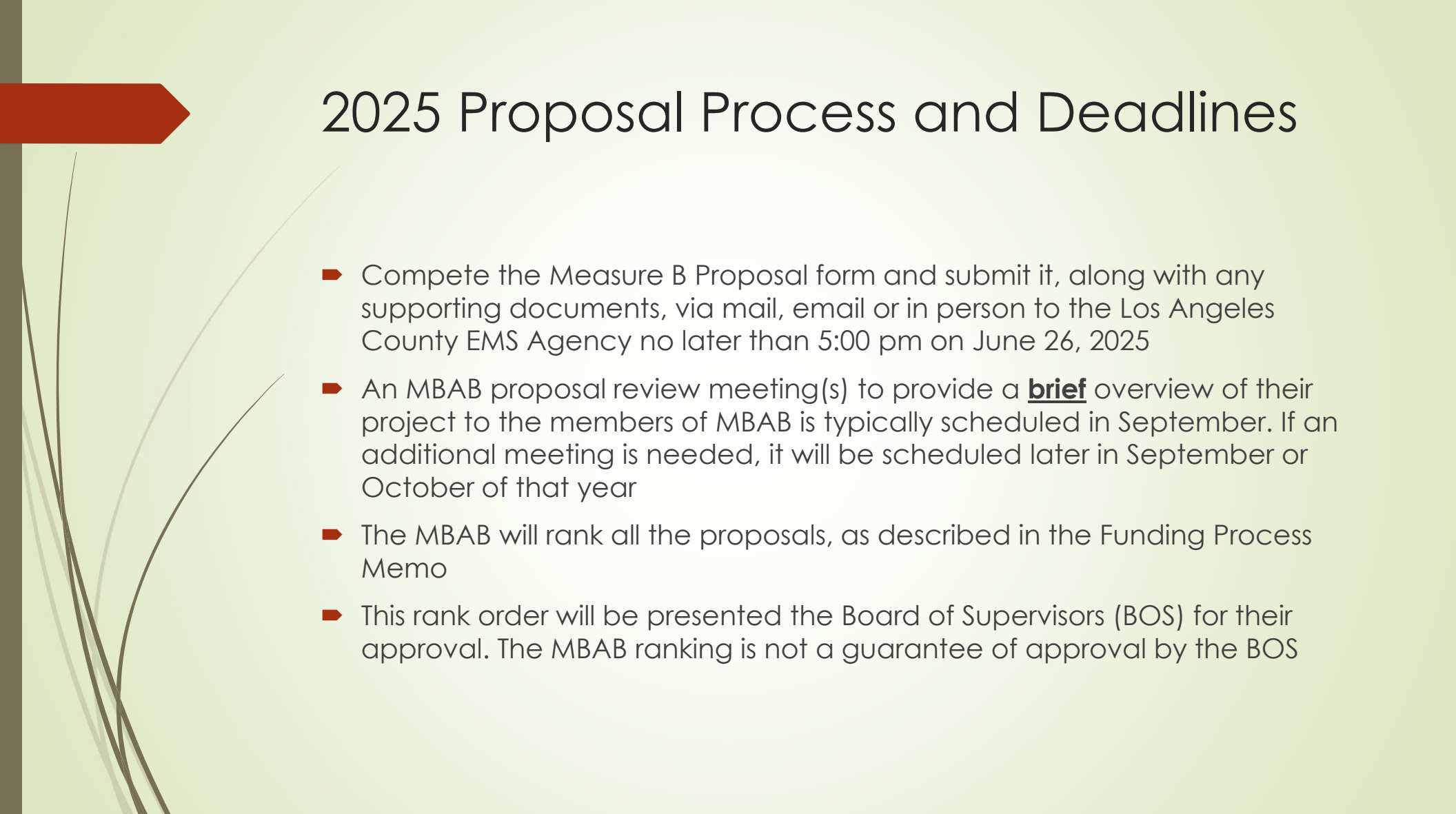
Introductions

- MBAB committee members please introduce yourselves and who you represent
- Attendants please introduce your self through the chat



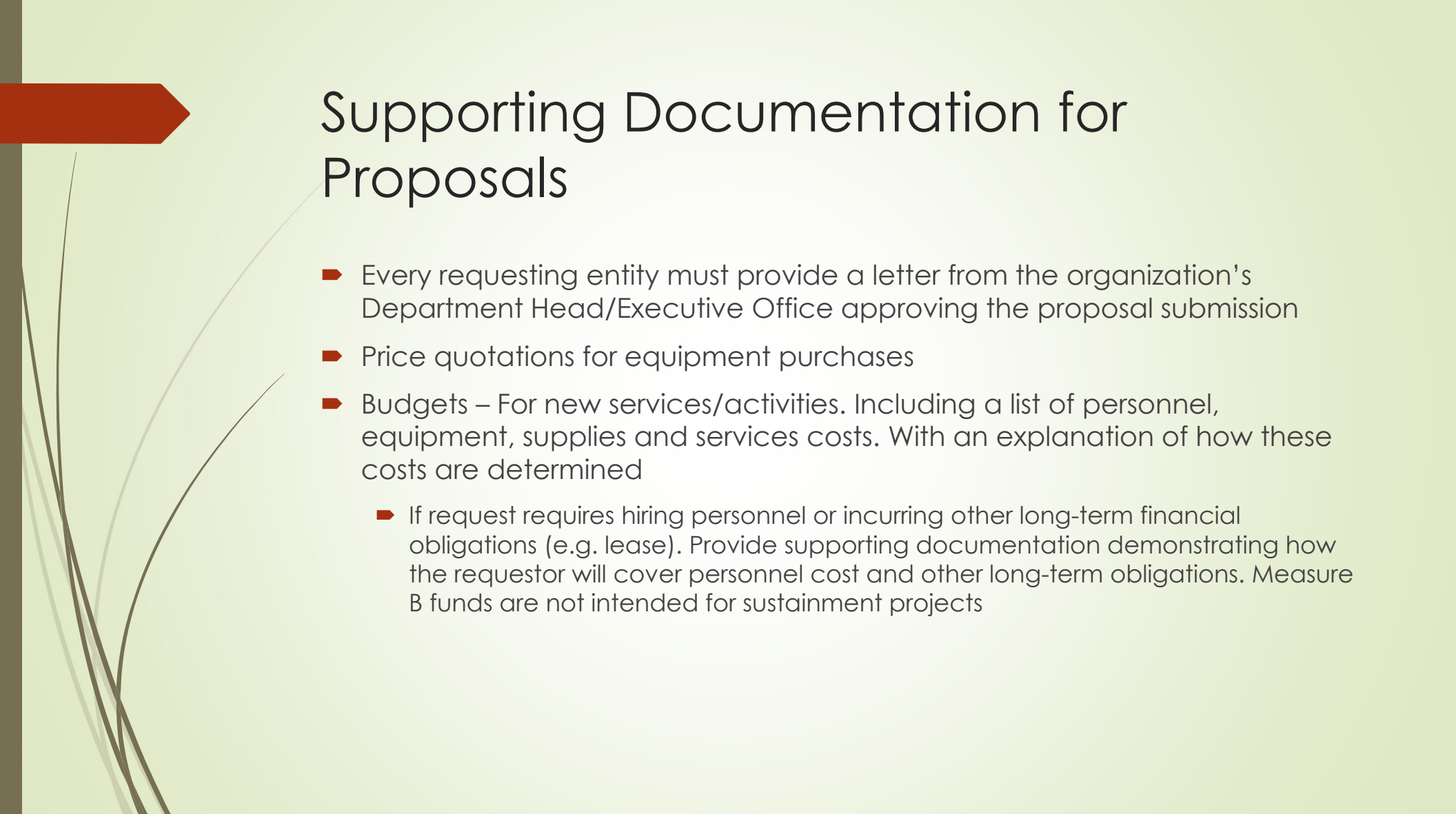
Purpose of Measure B unspent funds

- The use of Measure B funds is restricted to four areas and authorized expenditures must fall within one of these areas:
 - Trauma Centers
 - Emergency Medical Services
 - Bioterrorism Response
 - County Administration
- These unspent funds are intended for one time funding, not sustainment funding. Measure B unspent funds rewarded are intended to be spent in one (1) year



2025 Proposal Process and Deadlines

- Complete the Measure B Proposal form and submit it, along with any supporting documents, via mail, email or in person to the Los Angeles County EMS Agency no later than 5:00 pm on June 26, 2025
- An MBAB proposal review meeting(s) to provide a **brief** overview of their project to the members of MBAB is typically scheduled in September. If an additional meeting is needed, it will be scheduled later in September or October of that year
- The MBAB will rank all the proposals, as described in the Funding Process Memo
- This rank order will be presented the Board of Supervisors (BOS) for their approval. The MBAB ranking is not a guarantee of approval by the BOS



Supporting Documentation for Proposals

- Every requesting entity must provide a letter from the organization's Department Head/Executive Office approving the proposal submission
- Price quotations for equipment purchases
- Budgets – For new services/activities. Including a list of personnel, equipment, supplies and services costs. With an explanation of how these costs are determined
 - If request requires hiring personnel or incurring other long-term financial obligations (e.g. lease). Provide supporting documentation demonstrating how the requestor will cover personnel cost and other long-term obligations. Measure B funds are not intended for sustainment projects



Supporting Documentation for Proposals

- Financial Statements – required for funding request to offset the operational loss for providing a specific services (e.g. Trauma Services). Must clearly show direct expenses incurred, revenue received and expected to be received from ALL sources (subsidy & donations)
- Proposals submitted with insufficient, or no supporting documentation may be denied



Questions and Open Discussion

The MBAB Committee would like to thank all of you for attending this Submitters Conference.

If you have any questions regarding the eligibility of your proposal, please feel free to contact either Richard Tadeo rtadeo@dhs.lacounty.gov or Jacqui Rifenburg jrifenburg@dhs.lacounty.gov

Los Angeles County Measure B Funding Proposal 2025

Measure B funding will be allocated on a one-time basis with all expenditures to be completed within 12 months of award. If the proposal requires year to year funding the proposer must provide supporting documents on how they will cover the on-going costs in future years.

Requesting Entity Name:	City of Montebello Fire Department
Point of Contact Name:	Michelle Marquez, Senior Management Analyst
Point of Contact Phone:	O:323-887-1330 C:323-597-6483
Point of Contact email address:	Mmarquez@montebellocity.gov
Amount of Funding Requested:	\$45,276.59
Brief Project Description:	The MFD is striving to increase its medical capabilities to the community during mass gathering events by creating an EMS bike team, its engagement with mutual aid responses on wildland fires through developing a Fireline EMT/Paramedic program, and increase its community engagement through CPR/AED training. The MFD is requesting financial assistance to purchase 10 AEDs and 2 AED trainers to accomplish this goal. Currently, the AEDs that MFD has are outdated and need to be replaced.
Describe the gap in Emergency Medical Services, Trauma Services or Bioterrorism Preparedness that the requested funds addresses: <i>Discuss the current situation, strategy to solve the identified gap and how the allocation of Measure B funds benefits the citizens of Los Angeles County)</i>	The MFD is currently training firefighters and developing a Fireline EMT/Paramedic program. One of the equipment requirements to accomplish this goal is supplying the individual responding in this role with an AED. Additionally, the MFD has expanded its command staff, and those individuals, along with the EMS bike team, attend large gathering events and respond to multi-patient incidents. Lastly, the MFD has a full-time Montebello Community Assistance Program (MCAP) that responds to welfare checks, transports homeless individuals to medical appointments, and engages with homeless individuals on a regular basis. With the expansion of community services and engagement of responding to wildland fires, the MFD finds itself needing 10 AEDs (4-command staff, 5-Fireline, 1-MCAP). Having these AEDs would greatly assist The MFDs capabilities to assist any citizen if a cardiac event occurs during a large gathering, while driving in a command vehicle, and protecting firefighters during a wildland fire.

	Along with the AEDs, two AED trainers are being requested to meet training requirements for all MFDs EMTs and Paramedics. The AED trainers would also be used for community and City staff training. MFDs current AED trainers are out of date, and it has been a challenge to engage the community, which is one of our priorities.								
Justification: <i>Place a checkmark next to each of the applicable statements and incorporate comments into your brief 2-3 paragraph narrative justification.</i>	<table border="0"> <tr> <td>☐ Achieves compliance with legal requirements, mandate, citation or audit.</td> <td>☒ Provides a new service for patients.</td> </tr> <tr> <td>☒ Increases capacity to meet patient care demand.</td> <td>☒ Improves efficiency.</td> </tr> <tr> <td>☒ Provides for improvements in emergency preparedness activities.</td> <td>☒ Increases patient safety/reduces risk.</td> </tr> <tr> <td>☐ Improves timely access to healthcare.</td> <td>☐ Other</td> </tr> </table> Narrative Justification: With the development of Metro Heights, the population in Montebello has increased 3,600-4,200. Coupled with an increase of 3% per year in medical related calls for service, the MFD is looking for ways to increase its demands to meet patient care. Having an AED on every command vehicle would provide additional medical capabilities to treat a cardiac event if that command vehicle was near the incident. Montebello has an active Community Emergency Response Team and providing them with CPR/AED training would assist with emergency preparedness if necessary. The MFD is very active in participating in community events. A goal of the MFD is to provide CPR/AED training during community events to increase patient outcome provided by the lay citizen until the fire department arrives. Lastly, the MFD is motivated to participate in mutual aid wildland incidents. This would be a new service we would be providing to Area E and Area C during mutual aid responses to these incidents to treat a cardiac event to fellow firefighters on the fire line.	☐ Achieves compliance with legal requirements, mandate, citation or audit.	☒ Provides a new service for patients.	☒ Increases capacity to meet patient care demand.	☒ Improves efficiency.	☒ Provides for improvements in emergency preparedness activities.	☒ Increases patient safety/reduces risk.	☐ Improves timely access to healthcare.	☐ Other
☐ Achieves compliance with legal requirements, mandate, citation or audit.	☒ Provides a new service for patients.								
☒ Increases capacity to meet patient care demand.	☒ Improves efficiency.								
☒ Provides for improvements in emergency preparedness activities.	☒ Increases patient safety/reduces risk.								
☐ Improves timely access to healthcare.	☐ Other								

Timeline <i>When funds will be needed, how long will it take to implement. Explain/list the major milestones to achieve implementation and the approximate timeline for each.</i>	The MFD has received a quote from Zoll Medical Corporation for the requested equipment. If the funds are secured, the MFD will be ready to purchase immediately. Once the equipment is received, training will occur, and the equipment will be placed into service. Major milestones would include fire line EMT/Paramedics responding to a wildland mutual aid incident, training our CERT members, community members, and City staff in CPR/AED.
--	---

Provide as separate attachments the following supporting documents:

- List of equipment and price quotations for equipment purchases.
- Financial statements will be required for funding request to offset the operational loss for providing a specific service (e.g. Trauma Services). The financial statements must clearly show direct expenses incurred and revenue received and expected to be received from all sources (including subsidy and donations) for providing the service, with the request for Measure B funding no more than the gap between the revenue and expenses.
- For proposed new services or activities, a detailed budget must accompany the funding request, that includes a list of personnel, equipment, supplies and services costs, and an explanation of how these costs are determined.
- When a request requires the hiring of personnel or incurring other long-term financial obligations (e.g. lease) for future years, the requesting entity must provide supporting documentation demonstrating how they will cover the personnel cost and these obligations if Measure B funding is not available in future years.
- If the requesting entity is a Los Angeles County department, provide a letter from the submitting entities Chief Executive Officer or Department Head approving the addition of the requested item to the department's budget.
- Project Timeline: Include how soon project would begin once funded. For one-time funding, indicate the total time needed to complete project and major milestones along the timeline.

Submit all documents via mail or email no later than June 26 of this year to:

Los Angeles County
Emergency Medical Services Agency

Measure B Advisory Board
10100 Pioneer Boulevard, Suite 200
Santa Fe Springs, CA 90670
Attention: Jacqui Rifenburg
jrifenburg@dhs.lacounty.gov



ITEM # 17

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Cesar Roldan, Director of Public Works

**SUBJECT: ACCEPTANCE OF THE MONTEBELLO DRIVING RANGE PROJECT -
TOP GOLF – NOTICE OF COMPLETION**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Accept the Top Golf Project as completed by McCarthy Building Companies, Inc.; and,
2. Approve the final contract amount with McCarthy Building Companies, Inc. for the construction of the Top Golf Project in the amount of \$45,268,224; and,
3. Approve the Final Total Project Budget (Attachment A); and,
4. Authorize the City Clerk to execute, verify and file the Notice of Completion (Attachment B) with the Los Angeles County Registrar-Recorder; and,
5. Take such additional, related action that may be desirable.

FISCAL IMPACT:

During its meeting on September 28, 2022, the City Council and Montebello Public Financing Authority (PFFA) held a public hearing and approved the issuance and delivery of the Series 2022B Lease Revenue Bonds ("2022B Bonds"). The proceeds of the 2022B Bonds were used to finance the construction of the Montebello Driving Range Project, also known as Topgolf Montebello.

A total of \$55.95 million in bonds were issued. The majority of the bond proceeds were utilized to construct Topgolf Montebello, with additional bond proceeds used to establish a required bond reserve fund, a capitalized interest fund and to pay costs of issuance. Attachment A shows the total expenditures for the project amounting to \$45,268,224. The project has been completed within the not-to-exceed amount of \$60,000,000 previously

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 2 of 2

authorized by the City Council.

BACKGROUND/DISCUSSION:

On November 10, 2022, the City Council awarded a construction contract to McCarthy Building Companies, Inc. for both the construction and construction management of the Topgolf Montebello Project.

The project comprises a 66,000-square-foot Topgolf-branded commercial driving range and entertainment venue, featuring a full-service restaurant, event space, and a variety of associated amenities. Key components of the project include:

- A three-story driving range complex with over 150 hitting bays
- Restaurant and entertainment areas
- Outdoor seating and patio spaces
- Parking lot
- Common facilities, including a public access road connecting to Bella Verde Drive

The development spans approximately 15 acres. The project was deemed substantially complete in May 2024, with a grand opening occurring on May 3, 2024.

It is recommended that the City Council accept the project as satisfactory and complete pursuant to Civil Code Section 3093. Upon acceptance of the project, staff will file the "Notice of Completion" with the County Recorder's Office for the project.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

Staff is recommending that the City Council accept the Topgolf Montebello Project as completed; and approve the final Project budget and expenditures (Attachment A); and authorize the City Clerk to execute, verify, and file the Notice of Completion (Attachment B) with the Los Angeles County Registrar-Recorder.

ATTACHMENT(S)

1. Attachment A - Total Project Budget and Expenses
2. Attachment B - Notice of Completion

ATTACHMENT A**TOPGOLF MONTEBELLO PROJECT****FINAL TOTAL PROJECT BUDGET**

Project Expenses	Final Cost
Payment 1	\$ 1,028,738.52
Payment 2	\$ 922,313.34
Payment 3	\$ 964,428.79
Payment 4	\$ 4,459,595.76
Payment 5	\$ 3,083,581.25
Payment 6	\$ 2,239,202.51
Payment 7	\$ 2,555,305.47
Payment 8	\$ 4,385,635.79
Payment 9	\$ 4,907,583.42
Payment 10	\$ 5,061,999.95
Payment 11	\$ 3,912,788.71
Payment 12	\$ 6,305,405.46
Payment 13	\$ 929,270.47
Payment 14	\$ 1,165,704.89
Payment 15	\$ 1,196,325.05
Payment 16	\$ 1,975,533.40
Payment 17	\$ 174,811.14
Total Project Cost:	\$ 45,268,223.92

Authorized Project Budget - Series 2022B Lease Revenue Bonds	Budget Amount
Original Construction Contract (McCarthy Building Companies, Inc.)	\$ 60,000,000.00
Total Project Budget:	\$ 60,000,000.00

Note: The project was completed within budget.

RECORDING REQUESTED BY
CITY OF MONTEBELLO
AND WHEN RECORDED MAIL TO
NAME CITY OF MONTEBELLO
CITY CLERK
STREET 1600 W Beverly Blvd.
ADDRESS
CITY Montebello,
STATE CA
ZIP 90640
SPACE ABOVE LINE FOR RECORDERS USE

ATTACHMENT B

NOTICE OF COMPLETION

Notice pursuant to Civil Code Section 3093, must be filed within 10 days after completion. (See reverse side for complete requirements.)

Notice is hereby given that:

1. The undersigned is owner or corporate officer of the owner of the interest or estate stated below in the property hereinafter described:
2. The full name of the owner is City of Montebello
3. The full address of the owner is 1600 W Beverly Blvd., Montebello, CA 90640
4. The nature of the interest or estate of the owner is: in fee.

(if other than Fee, strike "In fee" and insert, for example, "purchaser under contract of purchase", or "lessee")

5. The full names and full addresses of all persons, if any, who hold title with the undersigned as joint tenants or as tenants in common are:

NAMES

ADDRESSES

6. The full names and addresses of the predecessors in interest of the undersigned, if the property was transferred subsequent to the commencement of the work or improvements herein referred to:

NAMES

ADDRESSES

7. A work of improvement on the property hereinafter described was completed on May 14, 2025. The general scope of work consisted of a 66,000-square-foot Topgolf-branded commercial driving range and entertainment venue, featuring a full-service restaurant, event space, and a variety of associated amenities.

8. The name of the contractor, if any, for such work of improvement was McCarthy Building Companies, Inc.

May 14, 2025

(If no contractor for work of improvement as a whole, insert "None")

(Date of Contract)

9. The property on which said work of improvement was completed is in the City of Montebello County of Los Angeles, State of CA, and is described as follows: **Montebello Driving Range Project, known as Topgolf Montebello**

Director of Public Works / City of Montebello

(Signature of Owner or corporate officer of Owner named in paragraph 2, or his agent)

VERIFICATION

I, the undersigned, say: I am the City Clerk of the City of Montebello, the declarant of the foregoing Notice of Completion:

I have read said Notice of Completion and know the contents thereof; the same is true to my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on _____, 2025 at City of Montebello, Montebello, CA

(Personal signature of the individual who is swearing that the contents of the Notice of Completion are true)



ITEM # 18

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Cesar Roldan, Director of Public Works

SUBJECT: **AWARD CONSTRUCTION AGREEMENT NO. 4312 FOR PLAZA DRIVE PAVEMENT REHABILITATION PROJECT (CP 917)**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Award a Construction Agreement to All American Asphalt for Plaza Drive Pavement Rehabilitation Project (CP 917) as the most responsive, responsible bidder in the amount of Four Hundred Fourteen Thousand, Nine Hundred Fifty-One Dollars (\$414,951) payable from Proposition C funds; and
2. Approve a 10% construction contingency of \$41,495 payable from Proposition C funds; and
3. Authorize the City Clerk's Office to release all-other bidders' bonds; and
4. Authorize the City Manager to execute the Construction Agreement (attached hereto in substantial form) and all applicable change orders in good faith; and
5. Take such additional, related action that may be desirable.

FISCAL IMPACT:

Staff recommends awarding the construction contract to All American Asphalt as the most responsive and responsible bidder in the amount of \$414,951. Additionally, a 10% construction contingency of \$41,495 is requested in the event of any unforeseen unaccounted costs, risks, events, or changes in scope that may affect the project's cost over the course of its life, bringing the total contract amount to \$456,446 payable from Proposition C funds (Account No. 215-99-7116, Proposition C, Non-Departmental, Improvements Other Than Building). The adopted Fiscal Year 2024-25 Capital Improvement Project (CIP) Budget allocated the necessary funds for this project. Therefore, no budget amendment is needed as part of the recommended action.

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 2 of 3

Additionally, staff request authorization for the City Manager to execute all contract change orders that are approved and negotiated in good faith by the Director of Public Works and the Construction Manager.

BACKGROUND/DISCUSSION:

On March 26, 2025, the City Council authorized staff to advertise the Notice Inviting Bid (NIB) for the Plaza Drive Pavement Rehabilitation Project — CP 917. This project aims to rehabilitate the asphalt pavement on Plaza Drive between Montebello Boulevard and San Gabriel Boulevard due to its severe deterioration and critical role as a primary ingress and egress route for the Montebello Town Center and various bus routes. The project enhances transportation infrastructure and improves Americans with Disabilities Act (ADA) compliance. These efforts seek to improve the quality and safety of Plaza Drive for residents and commuters.

The NIB was published on March 27, 2025, in a newspaper of general circulation. Bidders accessed the contract specifications via PlanetBids. A total of eight (8) bids were received electronically via PlanetBids on April 23, 2025. The following is the tabulation based on the order of when the bids were received:

	Contractors	Bid Totals
1	All American Asphalt	\$414,951.00
2	Hardy & Harper, Inc.	\$430,000.00
3	Dash Construction	\$439,977.00
4	Excel Paving	\$459,574.00
5	Onyx Paving Co, Inc.	\$496,000.00
6	Toro Enterprises	\$519,517.00
7	LCR Earthwork & Engineering, Corp.	\$564,740.00
8	Estate Design and Construction Inc.	\$668,800.00

The bid analysis was conducted to ensure that the most responsive, responsible bid met all state and local requirements. Based on the analysis, staff's recommendation is to award All American Asphalt the contract agreement (Attachment A) as the most responsive, responsible bidder. The remaining bid proposals are available in the City Clerk's Office for review and the itemized bid results for comparative analysis are included in Attachment B.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

Staff recommends awarding the construction contract to All American Asphalt as the most responsive and responsible bidder for the amount of \$414,951, plus a 10% construction contingency of \$41,495 in the event of any unforeseen unaccounted costs, risks, events, or changes in scope that may affect the project's cost over the course of its life. The total contract award amount — including the 10% contingency — is \$456,446, payable from Proposition C funds (Account No. 215-99-7116, Proposition C, Non-Departmental, Improvements Other Than Building); and authorize the City Clerk's office to release all-other bidders' bonds; and authorize the City Manager to execute the agreement and all change orders within the contingency amount in good faith.

ATTACHMENT(S)

1. Attachment A - Professional Services Agreement No. 4312 with All American Asphalt
2. Attachment B - Bid Results

**PROFESSIONAL SERVICES AGREEMENT NO. 4312
WITH ALL AMERICAN ASPHALT**

THIS STANDARD PUBLIC WORKS AGREEMENT ("AGREEMENT") is made and entered into on May 14, 2025 ("Effective Date") by and between the CITY OF MONTEBELLO, a California municipal corporation (the "CITY") and ALL AMERICAN ASPHALT, a corporation ("CONTRACTOR"). The CITY and CONTRACTOR are sometimes referred to herein individual as the "Party," and jointly as the "Parties."

RECITALS

WHEREAS, the CITY duly advertised a Notice Inviting Bids to be submitted on or before April 23, 2025, published on March 26, 2025, for the work on Plaza Drive Pavement Rehabilitation Project — CP 917 ("PROJECT").

WHEREAS, on May 14, 2025, the City Council accepted the bid of CONTRACTOR as the lowest responsible, responsive bid received and directed that a written contract be entered into with CONTRACTOR for the PROJECT.

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements herein contained, the parties do hereby agree as follows:

SECTION 1. INCORPORATION OF RECITALS AND CONTRACT DOCUMENTS

a. The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference. Moreover, the ("CONTRACT DOCUMENTS") for the PROJECT shall consist of the Notice Inviting Sealed Bids, the Instructions to Bidders, Bidders Proposal, Addendums, CONTRACTOR's Bid for the PROJECT, Scope of Work, general specifications and all referenced specifications, details, standard drawings, and appendices, together with this Agreement and all required bonds, and insurance certificates. All of the CONTRACT DOCUMENTS are intended to complement the other documents so that any work called for in one, and not mentioned in the others, or vice versa, is to be executed the same as if mentioned in all of said documents. The CONTRACT DOCUMENTS are incorporated herein by this reference and made part hereof as though they were fully set forth herein.

b. In case any of the CONTRACT DOCUMENTS conflict with each other, the order of preference for the CONTRACT DOCUMENTS is:

1. This AGREEMENT and its Exhibits and or Attachments, including any and all addenda or supplemental agreements.
2. Appendices
3. Standard drawings
4. Details

STANDARD PUBLIC WORKS AGREEMENT NO. 4312

Page 2 of 14

5. Special Provisions, if any
6. Addendums
7. General Specifications and all referenced specifications
8. Bidders Proposal
9. Instructions to Bidders
10. Notice Inviting Sealed Bids

SECTION 2. THE WORK

For and in consideration of the payments and agreements to be made and performed by the CITY, CONTRACTOR agrees to furnish all materials and perform all work required for the PROJECT and to fulfill all other obligations as set forth in the CONTRACT DOCUMENTS.

SECTION 3. TERM; AND TIME FOR COMPLETION

- a. This Agreement shall expire December 31, 2025, from the Effective Date, unless terminated earlier as hereinafter provided. This Agreement may be extended for an additional six (6) months upon such terms and conditions mutually agreed upon by the Parties in writing.
- b. Notice to Proceed. Any work or service contemplated under this Agreement shall not commence until the CITY has issued a written Notice to Proceed.

SECTION 4. COMPENSATION

CONTRACTOR hereby agrees to receive and accept the total amount of Four Hundred Fourteen Thousand Nine Hundred Fifty One Dollars and Twenty Cents, (\$414,951.20) which is based on performing all of the work shown on Bidders Proposal as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the CONTRACT DOCUMENTS, and also including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work. CITY shall herein retain five percent (5%) of said price until said time as the provisions of SEC. 18 herein have been met.

4.1. Progress Payments

Progress Payments shall be made in accordance with Section 7 the General Provisions and the provisions of this Section 4.1. Upon receipt of a properly presented

payment request, the CITY shall process the payment request in accordance with Public Contract Code Section 20104.50. The CITY shall review the payment request as soon as possible. If the CITY rejects the payment request, it shall be returned to the CONTRACTOR within seven (7) days of its receipt by the CITY with an explanation for the reasons of its rejection. If the payment request is approved in writing by the CITY, payment shall be made in thirty (30) days of receipt of an undisputed and properly presented payment request. Late payments shall bear interest at the legal rate of interest in accordance with Code of Civil Procedure 685.010. The CITY shall pay CONTRACTOR a sum based upon ninety five percent (95%) of the Agreement price apportionment of the labor and materials incorporated into the work under the Agreement during the period covered by said statement. The remaining five percent (5%) thereof shall be retained as performance security. Refer to Section 4.2 of this Agreement for retention of funds.

4.2. Retention of Funds

Progress payments shall be made in accordance with the provisions of Section 4.1 of this Agreement. In accordance with said section, the CITY shall pay CONTRACTOR a sum based upon ninety five percent (95%) of the Agreement price in proportion to the labor and materials incorporated into the work under the Agreement during the month covered by said statement. The remaining five percent (5%) thereof shall be retained as performance security to be paid to the CONTRACTOR within sixty (60) days after final acceptance of the work by the City Council of the CITY ("City Council"), after CONTRACTOR shall have furnished the CITY with a release of all undisputed Agreement amounts, if required by the CITY. In the event there are any claims specifically excluded by CONTRACTOR from the operation of the release, the CITY may retain proceeds (per Public Contract Code 7107) of up to 150% of the amount in dispute. CITY's failure to deduct or withhold shall not affect CONTRACTOR's obligations hereunder.

4.3. Substitution of Securities

Pursuant to Public Contract Code Sec. 22300, CONTRACTOR shall be allowed to substitute securities for any moneys withheld by the CITY to ensure performance under an Agreement, unless, federal regulations or policies, or both, do not allow the substitution of securities. At the request and expense of CONTRACTOR, securities equivalent to the amount withheld shall be deposited with the CITY, or with a state or federally chartered bank in this state as the escrow agent, who shall then pay those moneys to CONTRACTOR. Upon satisfactory completion of the Agreement, the securities shall be returned to CONTRACTOR.

SECTION 5. UNDOCUMENTED WORKERS

CONTRACTOR hereby promises and agrees to comply with all of the provisions of Federal and/or State law as the same shall apply to this PROJECT pertaining to the employment of unauthorized aliens as defined therein. Should CONTRACTOR so employ unauthorized aliens for the performance of work and/or services covered by this Agreement, and should the Federal Government impose sanctions against the CITY for use of unauthorized aliens, CONTRACTOR hereby agrees to, and shall, hold harmless, indemnify

STANDARD PUBLIC WORKS AGREEMENT NO. 4312

Page 4 of 14

and defend CITY for the cost of all such sanctions imposed, together with any and all costs, including attorneys' fees, incurred by the CITY in connection therewith.

SECTION 6. NOTICE TO PROCEED

CONTRACTOR shall commence work on the date specified in the Notice to Proceed to be issued in writing to CONTRACTOR by the CITY and shall complete work on the PROJECT within forty-five (45) Working Days from the commencement thereof.

SECTION 7. DISCOVERY OF HAZARDOUS OR LATENT CONDITIONS

- a. CONTRACTOR shall, without disturbing the condition, notify the CITY in writing as soon as CONTRACTOR, or any SUB-CONTRACTOR, agent or employees have knowledge and reporting is possible, of the discovery of any of the following conditions:
 1. The presence of any material that the CONTRACTOR believes is hazardous waste, as defined in Section 25117 of the Health and Safety Code;
 2. Subsurface or latent physical conditions at the site differing from those indicated in the specifications; or,
 3. Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this Agreement.
- b. Pending a determination by the CITY of appropriate action to be taken, CONTRACTOR shall provide security measures (e.g., fences) adequate to prevent the hazardous waste or physical conditions from causing bodily injury to any person.
- c. The CITY shall promptly investigate the reported conditions. If the CITY, through the City Engineer or his/her designee, and in the exercise of its sole discretion, determines that the conditions do materially differ, or do involve hazardous waste, and will cause a decrease or increase in CONTRACTOR's cost of or time required for performance of any part of the work, then the CITY shall issue a change order.
- d. In the event of a dispute between the CITY and CONTRACTOR as to whether the conditions materially differ or involve hazardous waste or cause a decrease or increase in CONTRACTOR's cost of, or time required for performance of any part of the work, CONTRACTOR shall not be excused from any schedule completion date, and shall proceed with all work to be performed under the Agreement. CONTRACTOR shall retain any and all rights which pertain to the resolution of disputes and protests between the parties.

SECTION 8. MISCELLANEOUS STATUTORY REQUIREMENTS

8.1. CONTRACTOR License.

CONTRACTOR shall possess a california CONTRACTOR's license type Class A for the performance of the Project.

8.2. Ineligible CONTRACTOR Prohibited.

Any CONTRACTOR or SUB-CONTRACTOR who is ineligible to perform work on a public works project pursuant to Section 1777.1 or 1777.7 of the Labor Code is prohibited from performing work under this Agreement.

8.3. Compliance with SB 854 Registration.

This PROJECT is subject to compliance monitoring and enforcement by the Department of Industrial Relations. No prime CONTRACTOR or SUBCONTRACTOR may be awarded an Agreement for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5. CONTRACTOR will be required to post job site notices as described in 8 California Code of Regulation section 16451(d).

8.4. Trench and Pipeline Safety.

If this Agreement is for more than \$25,000 and involves excavation of any trench five feet or more in depth, CONTRACTOR shall submit a detailed plan of shoring, bracing, sloping or other provisions to be made for worker protection in accordance with Labor Code Section 6705. Such plan shall be approved by a qualified representative of the CITY.

8.5. Utility Relocation.

The CITY is responsible for removal, relocation, or protection of existing main or trunkline utilities to the extent such utilities were not identified in the invitation for bids or specifications. The CITY shall reimburse CONTRACTOR for any costs incurred in locating, repairing damage not caused by CONTRACTOR and removing or relocating such unidentified utility facilities, including equipment idled during such work. CONTRACTOR shall not be assessed liquidated damages for delay arising from the removal or relocation of such unidentified utility facilities.

8.6. Third Party Claims Notification.

The CITY shall timely notify CONTRACTOR in writing of any third party claims relating to the Agreement.

8.7. Unfair Business Practices Claims.

The CONTRACTOR or SUB-CONTRACTOR offers and agrees to assign to the CITY all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2, (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services or materials pursuant to the public works Agreement or the sub-Agreement. This assignment shall be made and become effective at the time the CITY renders final payment to CONTRACTOR without further acknowledgment by the

parties. (Section 7103.5, California Public Contract Code.).

8.8. Day's Work.

CONTRACTOR acknowledges that under California Labor Code sections 1810 and following, eight (8) hours of labor constitutes a legal day's work. CONTRACTOR will forfeit as a penalty to CITY the sum of \$25.00 for each worker employed in the execution of this Agreement by CONTRACTOR or any SUB-CONTRACTOR for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of Labor Code section 1810. (Labor Code § 1813).

8.9. Payroll Records.

CONTRACTOR shall maintain the certified payroll records required by Labor Codes Sec. 1776 and shall report such records directly to the California Labor Commissioner as required by Labor Code Sec. 1771.4. CONTRACTOR shall inform the CITY of the location of the records enumerated under Labor Code Sec. 1776, including the street address, city, and county, and shall, within five working days, provide a notice of a change of location and address.

8.10. Employment of Apprentices.

Nothing in this Agreement prevents CONTRACTOR or any SUB-CONTRACTOR from employing properly registered apprentices in the execution of the Agreement. CONTRACTOR is responsible for compliance with Labor Code section 1777.5 for all apprenticeable occupations. This statute requires that CONTRACTORS and SUBCONTRACTORS must submit Agreement award information to the applicable joint apprenticeship committee, must employ apprentices in apprenticeable occupations in a ratio of not less than one hour of apprentice's work for every five hours of labor performed by a journeyman (unless an exception is granted under §1777.5), must contribute to the fund or funds in each craft or trade or a like amount to the California Apprenticeship Council, and that CONTRACTORS and SUB-CONTRACTORS must not discriminate among otherwise qualified employees as apprentices solely on the ground of sex, race, religion, creed, national origin, ancestry or color. Only apprentices defined in Labor Code section 3077, who are in training under apprenticeship standards and who have written apprentice Agreements, may be employed on public works in apprenticeable occupations.

8.11. Records Audit

In accordance with Government Code, Section 8546.7, records of both the CITY and CONTRACTOR shall be subject to examination and audit by the Auditor General for a period of three (3) years after final payment.

SECTION 9. PREVAILING WAGES

STANDARD PUBLIC WORKS AGREEMENT NO. 4312

Page 7 of 14

a. CONTRACTOR shall pay prevailing Wage rates for this Project in accordance with the applicable rates referred to in the CONTRACT DOCUMENTS.

b. The following Labor Code sections are hereby referenced and made a part of this Agreement:

1. Section 1775 - Penalty for Failure to Comply with Prevailing Wage Rates.
2. Section 1777.4 - Apprenticeship Requirements.
3. Section 1777.5 - Apprenticeship Requirements.
4. Section 1813 - Penalty for Failure to Pay Overtime.
5. Sections 1810 and 1811 - Working Hour Restrictions.
6. Section 1775 - Payroll Records.
7. Section 1773.8 - Travel and Subsistence Pay.

SECTION 10. INDEMNITY, DEFENSE AND HOLD HARMLESS

a. CONTRACTOR shall indemnify, defend with legal counsel approved by the CITY, and hold harmless the CITY, its officers, officials, employees and volunteers from and against all liability, loss, damage, expense, cost (including without limitation reasonable legal counsel fees, expert fees and all other costs and fees of litigation) of every nature arising out of or in connection with CONTRACTOR's negligence, recklessness or willful misconduct in the performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement, except such loss or damage which is caused by the sole or active negligence or willful misconduct of the CITY. Should conflict of interest principles preclude a single legal counsel from representing both the CITY and CONTRACTOR, or should the CITY otherwise find CONTRACTOR's legal counsel unacceptable, then CONTRACTOR shall reimburse the CITY its costs of defense, including without limitation reasonable legal counsel fees, expert fees and all other costs and fees of litigation. CONTRACTOR shall promptly pay any final judgment rendered against the CITY (and its officers, officials, employees and volunteers) with respect to claims determined by a trier of fact to have been the result of CONTRACTOR's negligent, reckless or wrongful performance. It is expressly understood and agreed that the foregoing provisions are intended to be as broad and inclusive as is permitted by the law of the State of California and will survive termination of this Agreement.

b. CONTRACTOR obligations under this section apply regardless of whether such claim, charge, damage, demand, action, proceeding, loss, stop notice, cost, expense, judgment, civil fine or penalty, or liability was caused in part or contributed to by an Indemnatee. However, without affecting the rights of the CITY under any provision of this agreement, CONTRACTOR shall not be required to indemnify and hold harmless the CITY for liability attributable to the active negligence of CITY, provided such active negligence is determined by agreement between the parties or by the findings of a court of competent jurisdiction. In instances where the CITY is shown to have been actively negligent and where the CITY'S active negligence accounts for only a percentage of the liability involved, the obligation of CONTRACTOR will be for that entire portion or percentage of liability not attributable to the active negligence of the CITY.

SECTION 11. BONDS

- a. CONTRACTOR, before commencing said PROJECT, shall furnish and file with the CITY, a Performance Bond, or bonds in the sum of one hundred percent (100%) of the Agreement price thereof conditioned upon the faithful performance of this Agreement in the form attached hereto as Exhibit "B."
- b. CONTRACTOR, before commencing said PROJECT, shall furnish and file with CITY, a Payment Bond in the sum of 100% of the Agreement price, conditioned upon the payment of all labor and materials furnished in connection with this Agreement in the form attached hereto as Exhibit "C."

SECTION 12. INSURANCE REQUIREMENTS

- a. Prior to commencing work hereunder, CONTRACTOR shall provide the CITY with proof of insurance naming the CITY and each of its directors, officers, agents, and employees as additional-named insureds on a policy or policies of insurance providing and maintaining the coverages set forth in the Insurance Schedule attached hereto as Exhibit A. The CITY shall have the right to hold the policies and policy renewals, and CONTRACTOR shall promptly furnish to CITY all renewal notices and all receipts of paid premiums. CITY may make proof of loss if not made promptly by CONTRACTOR.
- b. Evidence of Insurance prior to commencement. CONTRACTOR shall provide to the CITY Certificate(s) of Insurance evidencing such coverage together with copies of the required policy endorsements no later than five (5) business days prior to commencement of service and at least fifteen (15) business days prior to the expiration of any policy. Unreasonable failure to provide such evidence may be cause for termination of the Agreement as provided herein or delay the services' commencement date. The evidence of insurance shall be U.S. mail or email to:

City of Montebello
Attn: Risk Manager
1600 West Beverly Boulevard
Montebello, CA 90640
Email: COL@montebelloca.gov

SECTION 13. LIQUIDATED DAMAGES

In addition, pursuant to the authority of California Public Contract Code Section 7102, the CITY and CONTRACTOR agree that the determination of actual damages for any unreasonable delay in performance of this Agreement caused by CONTRACTOR would be extremely difficult or impractical to determine in the event of a breach of this Agreement by the CONTRACTOR. Therefore, if the CONTRACTOR is determined to be liable for such unreasonable delays, the CONTRACTOR and its sureties shall be liable to the CITY for the sum of Five Hundred Dollars (\$500.00) as liquidated damages for each working day of delay in the performance of any service required hereunder. Such sum is liquidated damages and

shall not be construed as a penalty and may be deducted from payments due the Contractor if such delay occurs.

SECTION 14. DISPUTE RESOLUTION

14.1. Claims of \$375,000 or Less

a. A claim by the CONTRACTOR for a time extension, for money damages for work, or a payment disputed by the CITY must be submitted to a resolution process in accordance with Public Contract Code Sections 20104-20104.4. A summary of Sections 20104-20104.4 are as follows:

- (1) Informal negotiation between the CITY and CONTRACTOR.
- (2) Mediation with CONTRACTOR.
- (3) Court mandated Arbitration.
- (4) Court trial. If the party requesting the court trial does not prevail, then that party must pay all court costs and attorney's fees.

14.2 Public Contract Code 9204 Claims

CONTRACTOR shall comply with the procedure set forth in Public Contract Code section 9204 for any claim, as that term is defined therein, for one or more of the following: 1) a time extension, including, without limitation, for relief from damages or penalties for delay, 2) payment of money or damages arising from work done pursuant to this Agreement, and/or 3) payment of an amount disputed by the CITY under this Agreement. A summary of the provisions of Public Contract Code Section 9204 is as follows:

1. CONTRACTOR must send a claim to the CITY for a time extension, payment for work not in the Agreement, or payments disputed by the CITY by registered mail or certified mail with return receipt requested.
2. The CITY must respond within 45 days as to which claims are disputed and undisputed.
3. If claim remains in dispute, CONTRACTOR may request informal meet and confer meeting with the CITY.
4. After meet and confer, any disputed claim remaining shall be submitted to non-binding mediation.
5. All undisputed claims shall be paid within 60 days.

SECTION 15. TERMINATION.

15.1. Termination for Convenience.

The CITY may terminate this Agreement, in whole or in part, with thirty (30) days' written notice to CONTRACTOR when it is in the CITY's best interest. CONTRACTOR shall be paid its costs, including Agreement close-out costs, and profit on work performed up to the time of termination. CONTRACTOR shall promptly submit its termination claim to the CITY to be paid the CONTRACTOR. If CONTRACTOR has any property in its possession

belonging to the CITY, CONTRACTOR will account for the same, and dispose of it in the manner the CITY directs. CONTRACTOR may terminate this Agreement, in whole, with ninety (90) days' written notice to the CITY.

15.2 Termination for Default.

If at any time CONTRACTOR is determined to be in material breach of the Agreement, a Notice of Potential Breach of Agreement shall be prepared by the CITY, and will be served upon CONTRACTOR and its sureties. If CONTRACTOR continues to neglect or refuses to comply with the Agreement or with the Notice of Potential Breach of Agreement to the satisfaction of the CITY within the time specified in such Notice, the CITY shall have the authority to terminate the Agreement for this Project.

15.3 Waiver of Remedies for any Breach.

In the event that the CITY elects to waive its remedies for any breach by CONTRACTOR of any covenant, term or condition of this Agreement, such waiver by the CITY shall not limit the CITY's remedies for any succeeding breach of that or of any other term, covenant, or condition of the Agreement.

SECTION 16. CONTRACTOR'S FAILURE TO PROCURE COMPLETION OF PROJECT

In the event CONTRACTOR fails to furnish tools, equipment, or labor in the necessary quantity or quality, or fails to prosecute the work or any part thereof contemplated by this Agreement in a diligent and workmanlike manner, and if CONTRACTOR for a period of three (3) calendar days after receipt of written demand from the CITY or its designated representative to do so, fails to furnish tools, equipment, or labor in the necessary quantity or quality, and to prosecute its work and all parts thereof in a diligent and workmanlike manner, or after commencing to do so within said three (3) calendar days, fails to continue to do so; then the CITY may exclude CONTRACTOR from the premises, or any portion thereof, and take possession of said premises or any portion thereof, together with all material and equipment thereon, and may complete the work contemplated by this Agreement or any portion of said work, either by furnishing the tools, equipment, labor or material necessary, or by letting the unfinished portion of said work, or the portion taken over by the CITY to another contractor or by a combination of such methods. In any event, the procuring of the completion of said work, or the portion thereof taken over by the CITY, shall be a charge against CONTRACTOR, and may be deducted from any money due or becoming due to CONTRACTOR from the CITY, or CONTRACTOR shall pay the CITY the amount of said charge, or the portion thereof unsatisfied. The sureties provided for under this Agreement shall become liable for payment should CONTRACTOR fail to pay in full any said cost incurred by the CITY.

SECTION 17. COMPLIANCE WITH APPLICABLE LAWS

STANDARD PUBLIC WORKS AGREEMENT NO. 4312

Page 11 of 14

CONTRACTOR hereby promises and agrees to comply with all provisions of all applicable state and federal laws in connection with the performance of its obligations under this Agreement.

SECTION 18. NOTICE OF COMPLETION

Upon completion of the PROJECT and acceptance of same by the City Council, the CITY shall have cause to be recorded a Notice of Completion with the office of the Los Angeles County Recorder; and, after thirty-five (35) days from the date said Notice of Completion is recorded, the Director of Finance of CITY shall release the funds retained pursuant to SEC. 4 hereof; provided there have been no mechanics' liens or stop notices filed against said work which have not been paid, withdrawn or eliminated as liens against said work.

SECTION 19. AUTHORITY

Any person executing this Agreement on behalf of CONTRACTOR warrants and represents that he or she has the authority to execute this Agreement on behalf of CONTRACTOR and has the authority to bind CONTRACTOR to the performance of its obligations hereunder.

SECTION 20. ENTIRE AGREEMENT

This Agreement, including the Agreement Documents and any other documents incorporated herein by specific reference, represents the entire and integrated Agreement between the CITY and the CONTRACTOR. This Agreement supersedes all prior oral or written negotiations, representations or agreements. This Agreement may not be modified or amended, nor any provision or breach waived, except in a writing signed by both parties that expressly refers to this Agreement.

SECTION 21. ATTORNEY'S FEES AND COSTS

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

SECTION 22. INDEPENDENT CONTRACTOR

CONTRACTOR is and shall at all times remain as to the CITY, a wholly independent CONTRACTOR. Neither the CITY, nor any of its officers, employees or agents shall have

STANDARD PUBLIC WORKS AGREEMENT NO. 4312

Page 12 of 14

control over the conduct of CONTRACTOR or any of CONTRACTOR'S officers, employees or agents, except as herein set forth. CONTRACTOR shall not at any time or in any manner represent that it or any of its officers, employees or agents are in any manner officers, employees or agents of the CITY, nor shall the CITY officers, employees or agents be deemed the officers, employees, or agents of CONTRACTOR as a result of this Agreement.

SECTION 23. NOTICE

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered via e-mail (an "Electronic Notice" as further defined below), personally or on the second (2nd) business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

To the CITY: City of Montebello
Attn: Raul Alvarez, City Manager
1600 West Beverly Boulevard
Montebello, CA 90640
(323) 887-1200
Email: RAlvarez@montebelloc.gov

With copy to: City of Montebello – Department of Public Works
Attn: Cesar Roldan, Public Works Director
1600 West Beverly Boulevard
Montebello, CA 90640
(323) 887-1462
Email: CRoldan@montebelloc.gov

To CONTRACTOR: All American Asphalt
PO Box 2229, Corona, CA 92878
Phone: 951-736-7600
Email: MLuer@allamericanasphalt.com
Email: ECarlson@allamericanasphalt.com

An electronic communication ("Electronic Notice") shall be deemed written notice for purposes of this section if sent to the electronic mail address specified above. Electronic Notice shall be deemed received at the time the party sending Electronic Notice receives verification of receipt by the receiving party. Any party receiving Electronic Notice may request and shall be entitled to receive the notice on paper, in a nonelectronic form.

SECTION 24. PROHIBITION AGAINST ASSIGNMENT

The experience, knowledge, capability and reputation of CONTRACTOR, its principals and employees were a substantial inducement for the CITY to enter into this Agreement. Neither this Agreement nor any interest herein may be transferred, assigned,

conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of the CITY. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of CONTRACTOR, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release CONTRACTOR or any surety of CONTRACTOR of any liability hereunder without the express consent of the CITY.

SECTION 25. CUMULATIVE REMEDIES

The provisions of this Agreement are cumulative and in addition to and not in limitation of any rights or remedies available to the CITY.

SECTION 26. COUNTERPARTS

This Agreement may be executed in counterpart originals, duplicate originals, or both, each of which is deemed to be an original for all purposes.

[SIGNATURE PAGE TO FOLLOW]

STANDARD PUBLIC WORKS AGREEMENT NO. 4312

Page 14 of 14

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed on the date next to their respective officers duly authorized signatures in that behalf.

CITY OF MONTEBELLO
("CITY")

By: _____
Raul Alvarez, City Manager

Date: _____

ALL AMERICAN ASPHALT

By: _____
Mark Luer, President

Date: _____

By: _____
Edward J. Carlson, Vice President

Date: _____

ATTEST:

Christopher Jimenez, City Clerk

APPROVED AS TO FORM

Arnold M. Alvarez-Glasman, City Attorney

EXHIBITS:

- Exhibit A — Insurance Requirements
- Exhibit B — Performance Bond
- Exhibit C — Labor and Materials Payment Bond
- Exhibit D — Contractor's Proposal

EXHIBIT "A"

INSURANCE REQUIREMENTS

On or before beginning any of the work called for by any term of this Agreement, CONTRACTOR, at its own cost and expense, shall carry, maintain for the duration of this Agreement, and provide proof thereof that is acceptable to the CITY of its procurement of the insurance specified below from insurers and under forms of insurance satisfactory in all respects to the CITY. Such insurance shall not be in derogation of CONTRACTOR's obligations to provide indemnity under this Agreement.

1. Comprehensive General Liability and Automobile Liability Insurance Coverage.

CONTRACTOR shall carry and maintain Comprehensive General Liability and Automobile Liability Insurance which provides the following:

Minimum coverage: Bodily injury limits of \$2,000,000 for each person and \$2,000,000 for each occurrence; property damage limits of \$2,000,000 for each occurrence, \$5,000,000 aggregate.

Products/Completed Operations Hazard Insurance in an amount of not less than FIVE MILLION DOLLARS (\$5,000,000);

A combined single limit policy with aggregate limits in an amount of not less than Five MILLION DOLLARS (\$5,000,000) shall be considered equivalent to the said required minimum limits set forth herein above.

If a Commercial General Liability Insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned real property and automobiles. Insurance coverage shall not be subject to any type of pollution exclusion or owned property exclusions.

2. Automobile Liability.

CONTRACTOR shall carry and maintain Automobile Liability Insurance which provides a minimum coverage of at least \$5,000,000 per accident for bodily injury and property damage.

3. Worker's Compensation.

CONTRACTOR shall carry and maintain worker's compensation in the amount of \$1,000,000 as required by the California Labor Code for all persons employed directly or indirectly in connection with this Agreement by CONTRACTOR. To the extent that

CONTRACTOR utilizes any SUB-CONTRACTOR for the performance of any part of the work under this Agreement, CONTRACTOR shall require and assure that such SUB-CONTRACTOR also carry and maintain worker's compensation as required by the California Labor Code for all persons directly or indirectly in connection with this Agreement.

4. Additional Insureds.

The CITY, its officers, agents and employees must be named as additional insureds or as additional loss payees in all insurance policies required by this Agreement. An endorsement to this effect shall be delivered to the CITY prior to the commencement of any work. Satisfaction of any deductible requirement shall be the responsibility of CONTRACTOR. Such insurance shall be primary and noncontributory with any other insurance maintained by the CITY.

5. Notice of Cancellation.

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

6. Severability Clause.

Each of the policies of insurance shall contain a clause substantially as follows:

The insurance afforded by this policy applies separately to each insured against whom a claim or suit is made or suit is brought, except with respect to the limit of the insurer's liability.

7. Qualifications of Insurer.

All policies of insurance shall be issued by an insurance company acceptable to the CITY and authorized to issue said policy in the State of California.

8. Approval of Insurer.

The insurance carrier providing the insurance shall be chosen by CONTRACTOR subject to approval by the CITY, provided that such approval shall not be unreasonably withheld.

9. Payment of Premiums.

All premiums on insurance policies shall be paid by CONTRACTOR making payment, when due, directly to the insurance carrier, or in a manner agreed to by the CITY.

10. Evidence of Insurance and Claims.

CONTRACTOR shall provide certificates of insurance to the CITY as evidence of

insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. The CITY's Risk Manager must approve insurance certificates and endorsements prior to commencement of performance. Current certification of insurance shall be kept on file with the CITY at all times during the term of this Agreement. The CITY reserves the right to require complete, certified copies of all required insurance policies, at any time.

EXHIBIT "B"

**PERFORMANCE BOND
PUBLIC WORK
(CALIFORNIA)**

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the Principal and the City of Montebello ("Obligee") have entered into a written Agreement, hereinafter called the Agreement, a copy of which is or may be attached hereto, dated the _____ day of _____, _____ referred to and made a part hereof for _____ and all appurtenant work in accordance with Project No. _____, which agreement requires the Principal to provide Obligee with this bond.

NOW THEREFORE, we, _____, as Principal, and _____, a corporation organized under the laws of _____, and duly authorized to transact business in the State of California, as Surety, are held firmly bound unto the City of _____, as Obligee, in the sum of _____ Dollars (\$_____), lawful money of the United States of America, for the payment whereof well and truly to be made the Principal and Surety bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

The address at which the Surety may be served with notices, papers and other documents is:

The address at which the Principal may be served with notices, papers and other documents is:

The condition of the foregoing obligation is such that if the Principal, his or its heirs, executors, administrators, successors or assigns, and each of his or its SUB-CONTRACTORS shall well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of said Agreement, and during the life of any guaranty required under the Agreement, and shall also well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of said Agreement that may hereafter be made, then this obligation shall be void; otherwise it shall be and remain in full force and effect.

As part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the obligee in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work to be performed thereunder or the

(Proof of signature authorization or power of attorney must be attached)

APPROVED AS TO FORM:

City Attorney

EXHIBIT "C"
Labor and Materials Payment Bond
PUBLIC WORK (CALIFORNIA)

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, _____, as Principal, has entered into an Agreement dated _____, _____, (the "Agreement") with the City of _____ (Obligee) referred to and made a part hereof to perform the following work of public improvement, to wit:

_____ and _____ all appurtenant work in accordance with the plans and specifications for Project No. _____, which requires Principal to file this bond to secure claims made under Civil Code Sections 9550-9554..

NOW THEREFORE, we, _____, as Principal, and _____, a corporation organized under the laws of _____ and duly authorized to transact business in the State of California, as Surety, are held firmly bound unto the City of _____, as Obligee, and all SUB-CONTRACTORS, laborers, material persons and other persons employed in the performance of the referenced agreement, in the sum of _____ Dollars (\$ _____), lawful money of the United States of America, which is 100% of the amount of the Agreement, for the payment whereof well and truly to be made the Principal and Surety bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

The address at which the Surety may be served with notices, papers and other documents is:

The address at which the Principal may be served with notices, papers and other documents is:

If the above bounden Principal, his or its heirs, executors, administrators, successors, assigns, or any of his or its SUB-CONTRACTORS, fails to pay for any materials, provisions, provender, or other supplies, or teams, implements or machinery, used in, upon, for or about the performance of the work agreed to be done, or for any work or labor to persons named in Section 9100 of the Civil Code, or for amounts due under the Unemployment Insurance Code with respect to such work or labor performed under the Agreement, or for any amounts required to be deducted, withheld and paid over to the Employment Development Department from the wages of employees of the CONTRACTOR and SUB-CONTRACTORS pursuant to Section 13020 of the Unemployment Insurance Code, then the Surety on this bond will pay the same, in an amount not exceeding the sum specified in this bond, and also, in case suit is brought upon this bond, a reasonable attorney's

fee, which shall be awarded by the court to the prevailing party in said suit, said attorney's fee to be taxed as costs in said suit and to be included in the judgment herein rendered.

As part of the obligation secured hereby, the Surety shall not be exonerated or released from the obligation of the bond by any change, alteration, or modification in or of any Agreement, plans, specifications, or agreement pertaining or relating to any scheme or work of improvement or pertaining or relating to the furnishing of labor, materials, or equipment therefor, nor by any change or modification of any terms of payment or extension of the time for any payment pertaining or relating to any scheme of work of improvement, nor by any rescission or attempted rescission of the Agreement, agreement or bond, nor by any conditions precedent or subsequent in the bond attempting to limit the right of recovery of claimants otherwise entitled to recover under any such Agreement or agreement, or under the bond, nor, where the bond is given for the benefit of claimants, by any fraud practiced by any person other than the claimant seeking to recover on the bond.

This bond shall inure to the benefit of any and all persons, companies and corporations named in Civil Code Section 9100 so as to give them a right of action in a suit on this bond.

This bond is executed for the purpose of complying with the laws of the State of California designated as Title 3, Chapter 5, Payment Bond, commencing with Section 9550 of the Civil Code of the State of California and all amendments thereto, and shall inure to the benefit of any of the persons named in Section 9100 of the Civil Code of the State of California.

This document is signed by the respective parties on the dates next to their names.

Principal

By: _____ Date: _____

Title: _____

Surety

By: _____ Date: _____

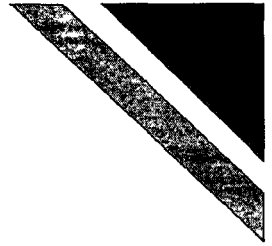
Title: _____

I declare under penalty of perjury under the laws of the State of California that the contents of the above Labor and Materials Payment Bond are true and correct, and that I have been duly authorized to sign this Labor and Materials Payment Bond on behalf of Surety. This Declaration is signed on _____, in the City of _____, State of California.

--OR--



**EXHIBIT "D"
CONTRACTOR'S
PROPOSAL**



ADDENDUM NO. 1

Plaza Drive Rehabilitation Project

CP 917

April 10, 2025

This notice comprises Addendum No. 1 to City of Montebello CP No. 917. This addendum provides the questions submitted by vendors and responses provided by the City.

Question 1. Do you have an Engineer's Estimate for this project so I can Order my Bidder's Bond?

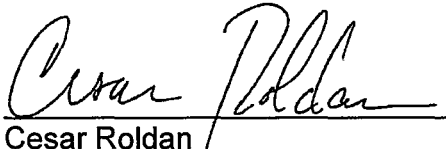
Response- \$694,416

Question 2. What is the engineer's estimate for this project?

Response- \$694,416

Question 3. May you please provide an Engineer's Estimate for this project?

Response- \$694,416


Cesar Roldan
Director, Public Works

PROPOSAL
FOR
PLAZA DRIVE PAVEMENT REHABILITATION PROJECT
C.P. No. 917
IN THE CITY OF MONTEBELLO

TO THE CITY OF MONTEBELLO, as "AGENCY" or "City"

In accordance with the City's Notice Inviting Sealed Bids, the undersigned BIDDER hereby proposes to furnish all materials, equipment, tools, labor, and incidentals required for the above stated project as set forth in the Plans, Specifications, and contract documents therefor and to perform all work in the manner and time prescribed therein.

BIDDER declares that this proposal is based upon careful examination of the work site, Plans, Specifications, Instruction to Bidders, and all other contract documents. If this proposal is accepted for award, BIDDER agrees to enter into a contract with City at the unit and/or lump sum prices set forth in the following Bid Schedule. BIDDER understands that failure to enter into a contract in the manner and time prescribed will result in forfeiture to City of the guarantee accompanying this proposal. This bid may not be withdrawn within a period of sixty (60) days after the date of its proper opening by the City.

BIDDER understands that a bid is required for the entire work and that the estimated quantities set forth in the Bid Schedule are solely for the purpose of comparing bids, and that final compensation under the contract will be based upon the actual quantities of work satisfactorily completed. THE CITY RESERVES THE RIGHT TO INCREASE OR DECREASE THE AMOUNT OF ANY QUANTITY SHOWN AND TO DELETE ANY ITEM FROM THE CONTRACT. It is agreed that the unit and/or lump sum prices bid include all appurtenant expenses, taxes, royalties, and fees. In the case of discrepancies in the amounts bid, unit prices shall govern over extended amounts, and words shall govern over figures.

If awarded the Contract, the undersigned further agrees that in the event of the BIDDER's default in executing the required contract and filing the necessary bonds and insurance certificates within ten (10) working days after the date of the City's notice of award of contract to the BIDDER, the proceeds of the security accompanying this bid shall become the property of the City and this bid and the acceptance hereof may, at the City's option, be considered null and void.

BID PROPOSAL

FOR

PLAZA DRIVE PAVEMENT REHABILITATION PROJECT

C.P. No. 917__

IN THE CITY OF MONTEBELLO

The undersigned declares that he has carefully examined the location of the proposed work, that he has examined the specifications and read the accompanying instructions to bidders, and hereby proposes to do all the work in accordance with said specifications for the amounts set forth below:

Construct improvements as reiterated above, located in the City of Montebello, California, in accordance with the specifications for the unit price set forth in the following items:

BASE BID SCHEDULE

ITEM NO.	DESCRIPTION	EST QTY	UNIT	UNIT PRICE	TOTAL
1	MOBILIZATION (Not to exceed 10% of total of all other prime contract Bid Items)	1	LS	\$30,000.00	\$30,000.00
2	TRAFFIC CONTROL (Not to exceed 8% of total of all other prime contract Bid Items)	1	LS	\$23,900.00	\$23,900.00
3	STORM WATER POLLUTION PREVENTION (SWPPP) BMP'S	1	ALL	\$5,000.00	\$5,000
4	CONSTRUCTION SURVEY	1	LS	\$3,500.00	\$3,500.00
5	FULL WIDTH COLD MILL, 3.5" DEPTH	90,840	SF	\$0.68	\$61,771.20
6	CONSTRUCT 1.5" AC (TYPE B-PG 64-10) PAVEMENT	840	TON	\$117.00	\$98,280.00

7	CONSTRUCT 2" ARHM-GG-C PAVEMENT OVERLAY	1,120	TON	\$125.00	\$140,000.00
8	DOUBLE ADJUST MANHOLE TO GRADE	12	EA	\$1,800.00	\$21,600.00
9	DOUBLE ADJUST GAS VALVE TO GRADE	2	EA	\$800.00	\$1,600.00
10	TRAFFIC SIGNING, STRIPING AND MARKINGS	1	LS	\$19,500.00	\$19,500.00
11	INSTALL VEHICLE DETECTOR LOOPS	6	EA	\$600.00	\$3,600.00
12	REMOVE EXISTING AND INSTALL NEW VEHICLE LOOP DETECTOR STUB OUT	1	EA	\$1,000.00	\$1,000.00
13	FURNISH AND INSTALL PROJECT CONSTRUCTION SIGNS	2	EA	\$2,600.00	\$5,200.00
TOTAL AMOUNT BASE BID SCHEDULE IN FIGURES					\$414,951.20

TOTAL AMOUNT BID IN WORDS _____

Four Hundred Fourteen Thousand Nine Hundred Fifty-One Dollars and Twenty Cents

_____ Dollars



Bidder's Signature

Edward J. Carlson, Vice President

Title

All American Asphalt

Company Name



ALL AMERICAN ASPHALT
ALL AMERICAN AGGREGATES

T 951-736-7600 F 951-739-4671
PO BOX 2229 CORONA CA 92878-2229
CONTRACTORS LICENSE #267073 AC12
DIR #1000001051

CORPORATE RESOLUTION

Resolved, that this Corporation, All American Asphalt, on January 2, 2025 authorizes Edward J. Carlson to execute bid proposals, contracts and agreements on behalf of the company in the capacity of Vice President.

Michael Farkas

Secretary

DESIGNATION OF SUBCONTRACTORS

California Public Contract Code 6109

The City of Montebello cannot permit a contractor or subcontractor who is ineligible to bid or work on, or be awarded, a public works project pursuant to Section 1777.1 or 1777.7 of the Labor Code to bid on, be awarded, or perform work as a subcontractor on, a public works project.

In compliance with the Subletting and Subcontracting Fair Practices Act (Chapter 2, commencing at Section 4100, Division 5, Title 1 of the California Public Contract Code) and any amendments thereof, each bidder shall set forth below: (a) the name and location of the place of business of each subcontractor who will perform work or labor or render service to the prime contractor in or about the construction of the work or improvement to be performed under this contract in an amount in excess of one-half of one percent of the prime contractor's total bid, and (b) the portion of the work which will be done by each subcontractor under this act. The prime contractor shall list only one subcontractor for each such portion as is defined by the prime contractor in this bid.

If a prime contractor fails to specify a subcontractor or if a prime contractor specifies more than one subcontractor for the same portion of work to be performed under the contract in excess of one-half of one percent of the prime contractor's total bid, the prime contractor shall be deemed to have agreed that he/she is fully qualified and will perform that portion themselves.

No prime contractor whose bid is accepted shall (a) substitute any subcontractor, (b) permit any subcontract to be voluntarily assigned or transferred or allow it to be performed by anyone other than the original subcontractor listed in the original bid, or (c) subcontract any portion of the work in excess of one-half of one percent of the prime contractor's total bid as to which his/her original bid did not designate a subcontractor, except as authorized in the Subletting and Subcontracting Fair Practices Act. Subletting or subcontracting of any portion of the work in excess of one-half of one percent of the prime contractor's total bid as to which no subcontractor was designated in the original bid shall only be permitted in cases of public emergency or necessity, and then only after a finding reduced to writing as a public record of the authority awarding this contract setting forth the facts constituting the emergency or necessity.

California Public Contract Code 7104

Contractor shall, in any activity involving trenching more than four feet deep, notify the Engineer of hazardous materials, subsurface or latent physical site conditions different from those indicated and any unusual site conditions. Contractor shall, in contracts exceeding \$25,000, provide detailed plans for trenches or excavations of five feet or more in depth. Cal. Lab. Code § 6705.

Bidder's List of subcontractor

As of March 1, 2015 Contractors (and sub-contractors) wishing to bid on public works contracts shall be registered with the State Division of Industrial Relations and certified to bid on Public Works contracts. Please register at: <https://www.dir.ca.gov/public-works/contractor-registration.html>

In accordance with Title 49, Section 26.11 of the Code of Federal Regulations, and Section 4104 of the Public Contract Code of the State of California, as amended, the following information is required for each sub-contractor who will perform work amounting to more than one half of one percent (0.5%) of the Total Base Bid or \$10,000 (whichever is greater). Photocopy this form for additional firms.

Subcontractor Name and Location	Line Item # & Description	Subcontract Amount	Percentage of Bid Item Subcontracted	Contractor License Number
				DIR Reg Number
Name: Case Land Surveying, Inc. City, State Orange, CA	Item #4 Survey	\$3,500.00	0.84%	L5411 1000001533
Name: MD Rubberized Crackfill, LLC City, State Lake Forest, CA	Item #6 Crack Seal	\$6,200.00	1.49%	986686 1000006438
Name: Smithson Electric, Inc. City, State Orange, CA	Item #11 & 12 Loops	\$4,600.00	1.11%	614518 1000001610
Name: Superior Pavement Markings City, State Cypress, CA	Item #10 Striping	\$19,437.00	4.68%	776306 1000001476

Bidder's List of subcontractor

As of March 1, 2015 Contractors (and sub-contractors) wishing to bid on public works contracts shall be registered with the State Division of Industrial Relations and certified to bid on Public Works contracts. Please register at: <https://www.dir.ca.gov/public-works/contractor-registration.html>

In accordance with Title 49, Section 26.11 of the Code of Federal Regulations, and Section 4104 of the Public Contract Code of the State of California, as amended, the following information is required for each sub-contractor who will perform work amounting to more than one half of one percent (0.5%) of the Total Base Bid or \$10,000 (whichever is greater). Photocopy this form for additional firms.

Subcontractor Name and Location	Line Item # & Description	Subcontract Amount	Percentage of Bid Item Subcontracted	Contractor License Number
				DIR Reg Number
Name: City, State				
Name: City, State				
Name: City, State				
Name: City, State				

Name: 				
City, State				

REFERENCES

The following are the names, addresses, and telephone numbers for three public agencies for which BIDDER has performed similar work within the past two years:

1. City of Riverside - 3900 Main Street, Riverside, CA 92502
Name and Address of Agency
Mark Messen; 951-826-5311
Name and telephone number of person familiar with project

<u>\$8,965,842.76</u>	<u>Street Improvements</u>	<u>1/2024</u>
Contract amount	Type of work	Date completed
2. City of Irvine; 1 Civic Center Plaza, Irvine, CA 92606
Name and Address of Agency
Stacy Delong; 949-724-7365
Name and telephone number of person familiar with project

<u>\$7,869,222.00</u>	<u>Pavement Rehabilitation</u>	<u>12/2024</u>
Contract amount	Type of work	Date completed
3. City of Duarte
Name and Address of Agency
1600 Huntington Drive, Duarte, CA 91010
Name and telephone number of person familiar with project

<u>\$1,199,199.00</u>	<u>Street Rehabilitation</u>	<u>12/2024</u>
Contract amount	Type of work	Date completed

The following are the names, addresses, and telephone numbers of all brokers and sureties from whom BIDDER intends to procure insurance and bonds:

Surety: Fidelity and Deposit Company of Marland
777 S. Figueroa St. #3900, Los Angeles, CA 90017
213-270-0600
Agent: Foundation Risk Management , Corp. dba Millennium Risk Management & Insurance Services
750 The City Drive South, Suite 450, Orange, CA 92868
949-857-4500

2024

PAST WORK REFERENCES

City of Riverside
3900 Main St.
Riverside, CA 92502
Contact: Mark Mesen (951) 826-5311
mmensen@riversideca.gov

SB-1 St. Improvement
Contract Amount: \$8,965,842.76
Start Date: 4/2023
End Date: 1/2024

Lewis Management Corporation
1156 N. Mountain Ave.
Upland, CA 91786
Contact: Daniel Coburn (909) 985-0971
Daniel.coburn@lewismc.com

Haven Avenue and Fourth Street
Improvements
Contract Amount: \$1,338,174.90
Start Date: 6/2023
End Date: 7/2024

City of Irvine
1 Civic Center Plaza
Irvine, CA 92606
Contact: Stacy Delong (949) 724-7365
sdelong@cityofirvine.org

Jamboree Pavement Rehabilitation
Contract Amount: \$7,869,222.00
Start Date: 6/2023
End Date: 12/2024

City of Duarte
1600 Huntington Dr.
Duarte, CA 91010
Contact: Brian Chau (626) 357-7938
bchau@accessduarte.com

FY 23-24 Street Rehabilitation
Project 24-3
Contract Amount: \$1,199,199.00
Start Date: 4/2024
End Date: 12/2024

City of Norwalk
12700 Norwalk Blvd.
Norwalk, CA 90650
Contact: Glen W.C. Kau (562) 929-5723
gkau@norwalkca.gov

Local Streets Rehab Program Ph II
Zone 19
Contract Amount: \$7,869,222.00
Start Date: 6/2023
End Date: 12/2024

2024

PAST WORK REFERENCES

City of Monterey Park
320 W Newmark Ave.
Monterey Park, CA 91754
Contact: Anthony Bendezy (626) 307-1283
abendezy@monterypark.ca.gov

2023-24 Street Rehabilitation Various
Locations
Contract Amount: \$1,498,887.89
Start Date: 9/2023
End Date: 12/2024

Lennar Homes
4140 Temescal Canyon RD#410
Corona, CA. 92883
Contact: Tom Ontiveros (951) 817-3595
Thomas.ontiveros@Lennar.com

Goetz Road Improvements
Contract Amount: \$1,322,050.15
Start Date: 5/2024
End Date: 12/2024

City of El Monte
11333 Valley Blvd.
El Monte, CA 91731
Contact: Kevin Ko (626) 580-2058
Kko@elmonteca.gov

Lower Azusa RD St. Improvements
Contract Amount: \$2,194,194.00
Start Date: 5/2024
End Date: 12/2024

City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626
Contact: Cristina Oquendo (714) 754-5015
cristina.oquendo@costamesaca.gov

Placentia Ave. W 19th St & E 19th St.
Pavement Rehabilitation 22-08
Contract Amount: \$2,745,547.20
Start Date: 2/2023
End Date: 7/2024

City of Corona
400 S. Vicentia Ave.
Corona, CA 92882
Contact: Ismael Rivera (951) 736-2400
Ismael.Rivera@CoronaCA.gov

Citywide Street Pavement Rehabilitation
Project ST-2101-01
Contract Amount: \$14,236,115.51
Start Date: 12/2023
End Date: 7/2025

2023

PAST WORK REFERENCES

City of Loma Linda
25541 Barton Road
Loma Linda, CA 92354
Manhattan Beach, CA 90266
Contact: Jarb Thaipejr (909) 799-2811
jthaipejr@lomalinda-ca.gov

Pavement Rehab. at Various Locations
Contract Amount: \$1,476,363.00
Start Date: 9/1/2023
End Date: 12/2023

Euclid Land Venture, LLC
4450 Macarthur Blvd., Ste 100
Newport Beach, CA 92693
Contact: Scott Kendall (949) 783-5341
khaymes@ranchomv.com

Merrill Ave. Street Widening
Contract Amount: \$915,915.00
Start Date: 4/2022
End Date: 2/2023

City of Aliso Viejo
12 Journey Ste #100
Aliso Viejo, Va 92656
Contact: Shaun Pelletier (949) 425-2531
spelletier@avcity.org

FY22-23 Slurry Seal & Rehab Project
Contract Amount: \$1,595,650.00
Start Date: 5/2022
End Date: 5/2023

RMV Realty, Inc.
28811 Ortega HWY
San Juan Capistrano, CA 92693
Contract: Jeff Ford (949) 413-8899
jford@ranchomv.com

PA 3.2A Street Improvement
Contract Amount: \$1,244,244.00
Start Date: 4/2022
End Date: 8/2023

City of Monterey Park
320 W. Newmark Avenue
Monterey Park, CA 91754
Contact: Anthony Bendezy (626) 307-1283
abendezy@montereypark.ca.gov

2023 Street Rehabilitation Project
Contract Amount: \$6,865,699.00
Start Date: 8/2023
End Date: 12/2023

2023

PAST WORK REFERENCES

City of Fullerton
303 W. Commonwealth Ave
Fullerton, CA 92632
Contact: Joseph Hernandez (714) 773-0049
JHernandez@cityoffullerton.com

Brookhurst Rd., SR91 St. Rehab
Contract Amount: \$325,825.00
Start Date: 5/2023
End Date: 12/2023

City of Ontario
303 East B Street
Ontario, CA 91764
Contact: Leonard Lui (909) 295-2401
LLui@ontarioca.gov

2023 Fall Pavement Rehabilitation Project
Contract Amount: \$4,569,222.00
Start Date: 08/2023
End Date: 11/2023

City of Riverside
2900 Main St.
Riverside, CA 92522
Contact: Maria Lamping (951) 826-5146
mlamping@riversideca.gov

Permanent Trench Resurfacing
Contract Amount: \$455,150.00
Start Date: 1/2023
End Date: 6/2023

City of Ontario
825 East Third Street
San Bernardino, CA 92415
Contact: Samuel E. Nicorici (909) 387-7960
bdavis@newportbeachca.gov

Chino & Montclair Area Various Roads
Overlay Project
Contract Amount: \$5,639,575.88
Start Date: 9/2022
End Date: 7/2023

City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626
Contact: Cristina Oquendo (714) 754-5015
cristina.oquendo@costamesaca.gov

Citywide Parkway Maintenance St. Rehab
Slurry Seal Project
Contract Amount: \$2,828,001.50
Start Date: 1/2022
End Date: 7/2023

2022

PAST WORK REFERENCES

City of Manhattan Beach
1400 Highland Ave.
Manhattan Beach, CA 90266
Contact: Bianca Cardenas (310) 802-5357
bcardenas@manhattanbeach.gov

Slurry Seal of Central Area of Sands
Section
Contract Amount: \$730,251.42
Start Date: 12/2021
End Date: 7/2022

RMV Realty, Inc.
28811 Ortega Hwy
San Juan Capistrano, CA 92693
Contact: Kelly Haymes
khaymes@ranchomv.com

Planning Area 3.1 Street Improvement
Contract Amount: \$3,996,996.00
Start Date: 4/2021
End Date: 4/2022

City of Westlake Village
31200 Oak Crest Dr.
Westlake Village, CA 91361
Contact: Roxanne Hughes (805) 890-8885
rhughes@willdan.com

Dales Dr. and Parkridge Ave Street Improv.
Amount: \$1,025,336.00
Start Date: 5/2022
End Date: 6/2022

City of Burbank
275 E Olive
Burbank, CA 91502
Contact: Artin Megerdichian (818) 238-3942
amegerdichian@burbankca.gov

Local Residential St. Improv. Project
Contract Amount: \$7,761,320.00
Start Date: 1/2022
End Date: 12/2022

City of Highland
27215 Base Line St.
Highland, CA 92346
Contact: Amanda Perez (909) 864-6861
aperez@cityofhighland.org

Pavement Management Program
Contract Amount: \$2,082,099.00
Start Date: 10/2021
End Date: 12/2022

2022

PAST WORK REFERENCES

Toll Bros, Inc.
725 W. Town & Country Road, Ste 200
Orange, CA 92868
Contact: Brandon Haskell (714) 347-1360
bhaskell@tollbrothers.com

The Metro Heights
Contract Amount: \$2,675,250.00
Start Date: 11/2021
End Date: 04/2022

City of Fullerton
303 W. Commonwealth Ave
Fullerton, CA. 92632
Contact: Nick Esposito (714) 738-6851
Nick.esposito@cityoffullerton.com

Miscellaneous Rehab FY 21-22
Contract Amount: \$704,080.00
Start Date: 06/2022
End Date: 12/2022

City of Norco
2870 Clark Ave
Norco, CA 92860
Contact: Chad Blais (951) 270-5678
cbkaus@cu.norco.ca.us

Corporate Yard Pavement Rehab
Contract Amount: \$612,755.33
Start Date: 10/2021
End Date: 12/2022

City of Newport Beach
100 Civic Center Drive
Newport Beach, CA. 92660
Contact: Ben Davis (949) 644-3311
bdavis@newportbeachca.gov

E. Coast Highway & Marguerite Avenue
Pavement Rehabilitation Contract No. 7807-
2 Contract Amount: \$3,363,056.00
Start Date: 01/2022
End Date: 10/2022

City of Villa Park
17855 Santiago Blvd.
Villa Park, CA 92667
Contact: Hamid Torkamanha (714) 998-1500
hamid@villapark.org

FY2021-2022 Slurry Seal Project
Contract Amount: \$128,497.60
Start Date: 02/2022
End Date: 12/2022

2021

PAST WORK REFERENCES

Colony Commerce
C/O Caprock Partners
1300 Dove Street Suite 200
Newport Beach, CA 92660
Contact: Eric Nutter (949) 428-1400 Ext. 209
enutter@moote.com

Archibald St. Improvements
Contract Amount: \$1,949,000.00
Start: 12/2019
Completed: 12/2021

Lennar Homes
25 Enterprise #300
Aliso Viejo, CA 92656
Contact: Diane Hannon (949) 349-8000
Diane.hannon@lennar.com

Merrill & Haven Street Improvement
Contract Amount: \$1,481,832.15
Start: 6/2020
Completed: 12/2021

City of Norco
2870 Clark Ave.
Norco, CA 92860
Contact: Todd Shank (951) 270-5603
Todd.shank@norco.ca.us

Wayne Makin Park Slurry Seal Project
Contract Amount: \$52,725.89
Start: 10/2021
Completed: 12/2021

Los Angeles Department of Water and Power
111 North Hope Street, L-43
Los Angeles, Ca 90012
Contact: Joelle Morisseau (213) 367-0123
Joelle.morisseau@LADWP.com

Pine Tree Power Plant Access Road Repair
Improvements
Contract Amount: \$810,400.00
Start: 5/2021
Completed: 7/2021

City of Dana Point
33282 Golden Lantern
Dana Point, CA 92629
Contact: Scott Fisher (949) 248-3577
sfisher@DanaPoint.org

Slurry Seal Project 19/20
Contract Amount: \$1,897,897.00
Start: 04/2020
Completed: 05/2021

2021

PAST WORK REFERENCES

City of Corona
400 South Vicentia
Corona, CA 92852
Contact: Barry Ghaemi (951) 736-2400
bghaemi@Coronaca.gov

Street Pavement Maintenance
& Rehab. Project No. 2020.01
Contract Amount: \$3,471,178.00
Start: 6/2021
Completed: 1/2022

City of Anaheim
200 S. Anaheim Boulevard
Anaheim, CA 92805
Contact: Jose Cortez (714) 765-5039
jcortez@anaheim.net

State College Boulevard Improvement
from Ball Road to SR 91 Freeway
Contract Amount: \$484,848.00
Start: 8/2021
Complete: 4/2022

County of Orange
601 North Ross Street
Santa Ana, CA 92701
Contact: Stephen Clayton (714) 995-0206
Stephen.clayton@ocpw.ocgov.com

Rossmoor Collectors Grind & Overlay
Contract Amount: \$ 2,148,320.90
Start: 4/2021
Complete: 12/2021

City of Norwalk
12700 Norwalk Blvd.
Norwalk, CA 90650
Glen W. C. Kau (562) 929-5723
gkau@norwalkca.gov

Local Streets Rehabilitation
Zone 27 East of Gard – No. 7925.3
Contract Amount: \$1,051,330.00
Start: 6/2021
Completed: 12/2021

City of Garden Grove
11222 Acacia Pkwy
Garden Grove, CA 92840
Navin Maru (714) 741-5180
nmaru@ggcity.org

Arterial STS. Rehabilitation
Contract Amount: \$3,185,281.00
Start: 6/2022
Complete: 12/2021

2020

PAST WORK REFERENCES

City of Ontario
303 East B Street
Ontario, CA 91764
Contact: Ariana Kern (909) 395-2129
akern@ontarioca.gov

2020 Fall Pavement Rehabilitation Project
Contract Amount: \$2,499,333.00
Start Date: 07/2020
End Date: 12/2020

City of Loma Linda
25541 Barton Road
Loma Linda, CA 92354
Contact: T. Jarb Thaipetr (909) 799-4400
tthaipetr@lomalinda-ca.gov

Pavement Rehabilitation – Barton Road
Contract Amount: \$768,677.00
Start Date: 04/2020
End Date: 12/2020

City of Jurupa Valley
8920 Limonite Avenue
Jurupa Valley, CA 92509
Contact: Chase Keys (951) 332-6464
ckkeys@jurupavalley.org

Granite Hill Drive Pavement Rehabilitation
Contract Amount: \$999,777.00
Start Date: 04/2020
End Date: 10/2020

County of Orange
601 N. Ross Street, 4th Floor
Santa Ana, CA 92701
Contact: Albert Rodriguez (714) 667-8800
albert.rodriguez@ocpw.ocgov.com

JOC Pavement Maintenance
Contract Amount: \$2,584,747.69
Start Date: 07/2020
End Date: 08/2020

City of Compton
205 S. Willowbrook Avenue
Compton, CA 90220
Contact: Brittany Duhn (310) 605-5505
bduhn@zandkconsultants.com

Annual Residential Street Rehabilitation –
Phase 1
Contract Amount: \$5,295,068.00
Start Date: 05/2020
End Date: 11/2020

City of Huntington Beach
2000 Main Street
Huntington Beach, CA 92648
Contact: Joe Fuentes (714) 536-5259
jfuentes@surfcity-hb.org

Arterial Rehabilitation of Graham St, Slater
Ave, Newland St and Atlanta Ave
Contract Amount: \$5,181,955.00
Start Date: 05/2020
End Date: 11/2020

2020

PAST WORK REFERENCES

City of Ontario
303 East B Street
Ontario, CA 91764
Contact: Ariana Kern (909) 395-2129
akern@ontarioca.gov

2020 Fall Pavement Rehabilitation Project
Contract Amount: \$2,499,333.00
Start Date: 07/2020
End Date: 12/2020

City of Loma Linda
25541 Barton Road
Loma Linda, CA 92354
Contact: T. Jarb Thaipejr (909) 799-4400
jthaipejr@lomalinda-ca.gov

Pavement Rehabilitation – Barton Road
Contract Amount: \$768,677.00
Start Date: 04/2020
End Date: 12/2020

City of Jurupa Valley
8920 Limonite Avenue
Jurupa Valley, CA 92509
Contact: Chase Keys (951) 332-6464
ckkeys@jurupavalley.org

Granite Hill Drive Pavement Rehabilitation
Contract Amount: \$999,777.00
Start Date: 04/2020
End Date: 10/2020

County of Orange
601 N. Ross Street, 4th Floor
Santa Ana, CA 92701
Contact: Albert Rodriguez (714) 667-8800
albert.rodriguez@ocpw.ocgov.com

JOC Pavement Maintenance
Contract Amount: \$2,584,747.69
Start Date: 07/2020
End Date: 08/2020

City of Compton
205 S. Willowbrook Avenue
Compton, CA 90220
Contact: Brittany Duhn (310) 605-5505
bduhn@zandkconsultants.com

Annual Residential Street Rehabilitation –
Phase 1
Contract Amount: \$5,295,068.00
Start Date: 05/2020
End Date: 11/2020

City of Huntington Beach
2000 Main Street
Huntington Beach, CA 92648
Contact: Joe Fuentes (714) 536-5259
jfuentes@surfcity-hb.org

Arterial Rehabilitation of Graham St, Slater
Ave, Newland St and Atlanta Ave
Contract Amount: \$5,181,955.00
Start Date: 05/2020
End Date: 11/2020

2019

PAST WORK REFERENCES

City of Simi Valley
2929 Tapo Canyon Rd.
Simi Valley, CA 93063
Contact: Sarah Sheshebor (805)583-6792
sshesheb@simivalley.org

Simi Valley Minor Street Rehabilitation
Contract Amount: \$510,124.25
Start Date: 07/2019
End Date: 08/2019

County of Ventura
501 Poli Street
Ventura, CA 93001
Contact: Christopher Solis (805) 654-2054
chris.solis@ventura.org

Yerba Buena Area Resurfacing Project
Contract Amount: \$3,919,808.95
Start Date: 06/2019
End Date: 12/2019

City of Stanton
7800 Katella Avenue
Stanton, CA. 90680
Contact: Guillermo Perez (714) 890-4204
gperez@ci.stanton.ca.us

2019 Citywide Street Resurfacing
Contract Amount: \$1,206,869.00
Start Date: 10/2019
End Date: 12/2019

City of Compton
205 S. Willowbrook Avenue
Compton, CA. 90220
Contact: John Strickland (310) 605-5505
jstrictland@comptoncity.org

Road Repair Service (Pothole Repair)
Contract Amount: \$1,019,100.00
Start Date: 08/2019
End Date: 11/2019

City of San Clemente
910 Calle Negocio
San Clemente, CA. 92673
Contact: Darra Koger (949) 361-3138
kogerD@san-clemente.org

Street Rehabilitation for S. Avenue LA
Esperanza
Contract Amount: \$384,055.00
Start Date: 09/2019
End Date: 10/2019

City of South Gate
8650 California Avenue
South Gate, CA. 90280
Contact: John Rico (323) 563-9594
jrico@sogate.org

Circle Park Driveway Project
Contract Amount: \$268,576.00
Start Date: 06/2019
End Date: 09/2019

2019

PAST WORK REFERENCES

Pardee Homes
1250 Corona Pointe Court, Ste. 600
Corona, CA. 92879
Contact: Nick Lasher (951) 428-4442
nick.lasher@pardeehomes.com

Railroad Canyon Widening
Contract Amount: \$5,062,746.00
Start Date: 11/2018
End Time: 08/2019

City of Fontana
8353 Sierra Avenue
Fontana, CA. 92335
Contact: Kimberly Young (909) 350-7632
kyoung@fontana.org

Citrus Avenue Improvements
Contract Amount: \$502,730.00
Start Date: 08/2018
End Date: 10/2019

DR Horton
2280 Wardlow Circle Ste. 100
Corona, CA. 92880
Contact: Keith Alex (951) 830-5872
kalex@drhorton.com

Singlton Road
Contract Amount: \$1,684,000.00
Start Date: 07/2018
End Date: 12/2019

Irvine Community Development Company
550 Newport Center Dr. Ste. 550 B2
Newport Beach, CA. 92660
Contact: Mike Morse (949) 720-2560
mmorse@irvinecompany.com

Portola Springs PA-6 Enclave 5B Phase1,2
Contract Amount: \$2,055,055.00
Start Date: 09/2018
End Date: 12/2019

City of Downey
11111 Brookshire Avenue
Downey, CA. 90241
Contact: Desi Gutierrez, (562) 904-7110
dgutierr@downeyca.org

FY 18/19 Slurry Seal Project
Contract Amount: \$313,425.87
Start Date: 06/2019
End Date: 12/2019

(THE BIDDER'S EXECUTION ON THE SIGNATURE PORTION OF THIS PROPOSAL SHALL ALSO CONSTITUTE AN ENDORSEMENT AND EXECUTION OF THOSE CERTIFICATIONS WHICH ARE A PART OF THIS PROPOSAL)

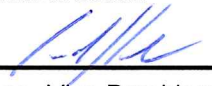
EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION

The bidder All American Asphalt, proposed subcontractor _____, hereby certifies that he has X, has not _____, participated in a previous contract or subcontract subject to the equal opportunity clauses, as required by Executive Orders 10925, 11114, or 11246, and that, where required, he has filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance, a Federal Government contracting or administering agency, or the former President's Committee on Equal Employment Opportunity, all reports due under the applicable filing requirements.

Note: The above certification is required by the Equal Employment Opportunity Regulations of the Secretary of Labor (41 CFR 60-1.7(b) (1)), and must be submitted by bidders and proposed subcontractors only in connection with contracts and subcontracts which are subject to the equal opportunity clause. Contracts and subcontracts which are exempt from the equal opportunity clause are set forth in 41 CFR 60-1.5. (Generally only contracts or subcontracts of \$10,000 or under are exempt.)

Currently, Standard Form 100 (EEO-1) is the only report required by the Executive Orders or their implementing regulations.

Proposed prime contractors and subcontractors who have participated in a previous contract or subcontract subject to the Executive Orders and have not filed the required reports should note that 41 CFR 60-1.7(b) (1) prevents the award of contracts and subcontracts unless such contractor submits a report covering the delinquent period or such other period specified by the Federal Highway Administration or by the Director, Office of Federal Contract Compliance, U.S. Department of Labor.



Edward J. Carlson, Vice President

PUBLIC CONTRACT CODE

Public Contract Code Section 10285.1 Statement

In conformance with Public Contract Code Section 10285.1 (Chapter 376, Stats. 1985), the bidder hereby declares

under penalty of perjury under the laws of the State of California that the bidder has , has not X been convicted

within the preceding three years of any offenses referred to in that section, including any charge of fraud, bribery, collusion, conspiracy, or any other act in violation of any state or Federal antitrust law in connection with the bidding upon, award of, or performance of, any public works contract, as defined in Public Contract Code Section 1101, with any public entity, as defined in Public Contract Code Section 1100, including the Regents of the University of California or the Trustees of the California State University. The term "bidder" is understood to include any partner, member, officer, director, responsible managing officer, or responsible managing employee thereof, as referred to in Section 10285.1.

Note: The bidder must place a checkmark after "has" or "has not" in one of the blank spaces provided. The above Statement is part of the Proposal. Signing this Proposal on the signature portion thereof shall also constitute signature of this Statement. Bidders are cautioned that making a false certification may subject the certifier to criminal prosecution.



Edward J. Carlson, Vice President

Public Contract Code Section 10162 Questionnaire

In conformance with Public Contract Code Section 10162, the Bidder shall complete, under penalty of perjury, the following questionnaire:

Has the bidder, any officer of the bidder, or any employee of the bidder who has a proprietary interest in the bidder, ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of a violation of law or a safety regulation?

Yes No X

If the answer is yes, explain the circumstances in the following space.

Public Contract Code 10232 Statement

In conformance with Public Contract Code Section 10232, the Contractor, hereby states under penalty of perjury, that no more than one final unappealable finding of contempt of court by a federal court has been issued against the Contractor within the immediately preceding two-year period because of the Contractor's failure to comply with an order of a federal court which orders the Contractor to comply with an order of the National Labor Relations Board.

Note: The above Statement and Questionnaire are part of the Proposal. Signing this Proposal on the signature portion thereof shall also constitute signature of this Statement and Questionnaire.

Bidders are cautioned that making a false certification may subject the certifier to criminal prosecution.



Edward J. Carlson, Vice President

Non-collusion Affidavit
(Title 23 United States Code Section 112 and
Public Contract Code Section 7106)

To the CITY / COUNTY of Riverside .
DEPARTMENT OF PUBLIC WORKS.

In conformance with Title 23 United States Code Section 112 and Public Contract Code 7106 the bidder declares that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

Note: The above Noncollusion Affidavit is part of the Proposal. Signing this Proposal on the signature portion thereof shall also constitute signature of this Noncollusion Affidavit. Bidders are cautioned that making a false certification may subject the certifier to criminal prosecution.

NON-COLLUSION AFFIDAVIT

The undersigned is submitting a bid for performing the following work by contract, being duly sworn, deposes and says:

That he/she has not, either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with such contract.

Plaza Drive Pavement Rehabilitaion Project C.P. No 917

(Fill in description of contract)

All American Asphalt

Company

Edward J. Carlson, Vice President

Name of Bidder



Signature of Bidder

PO Box 2229

Business Address

Corona, CA 92878

City

State Zip Code

Subscribed and sworn to before me this ____ day of _____, 20__ __.

Please See Attached

Notary Public in and for the County of

_____, State of California.

My Commission Expires _____, 20__ __.

2CALIFORNIA JURAT**GOV CODE § 8202**

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

State of California

County of RiversideSubscribed and sworn to (or affirmed) before
me on this 16th day of April, 2025
Date MonthBy (1) Edward J. Carlson
Name of SignerProved to me on the basis of satisfactory evidence
be the person who appeared before me (.) (,)

(and

(2) N/A
Name of SignerProved to me on the basis of satisfactory evidence
be the person who appeared before me.)

Place Notary Seal Above

Signature

Handwritten signature of Kathryn Marconi in blue ink.

Signature of Notary Public

OPTIONAL

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

Further Description of Any Attached DocumentTitle or Type of Document Non-Collusion AffidavitDocument Date: 04/16/2025 Number of Pages: Two (2)Signer(s) Other Than Named Above: N/ARIGHT THUMBPRINT
OF SIGNER

Top of thumb here

RIGHT THUMBPRINT
OF SIGNER

Top of thumb here

DEBARMENT AND SUSPENSION CERTIFICATION

TITLE 49, CODE OF FEDERAL REGULATIONS, PART 29

The bidder, under penalty of perjury, certifies that, except as noted below, he/she or any other person associated therewith in the capacity of owner, partner, director, officer, manager:

- is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal agency;
- has not been suspended, debarred, voluntarily excluded or determined ineligible by any Federal agency within the past 3 years;
- does not have a proposed debarment pending; and
- has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past 3 years.

If there are any exceptions to this certification, insert the exceptions in the following space.

N/A

Exceptions will not necessarily result in denial of award, but will be considered in determining bidder responsibility. For any exception noted above, indicate below to whom it applies, initiating agency, and dates of action.

Notes: Providing false information may result in criminal prosecution or administrative sanctions.

The above certification is part of the Proposal. Signing this Proposal on the signature portion thereof shall also constitute signature of this Certification.

NONLOBBYING CERTIFICATION FOR FEDERAL-AID CONTRACTS

The prospective participant certifies, by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in conformance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The prospective participant also agrees by submitting his or her bid or proposal that he or she shall require that the language of this certification be included in all lower tier subcontracts, which exceed \$100,000 and that all such subrecipients shall certify and disclose accordingly.

COMPLETE THIS FORM TO DISCLOSE LOBBYING ACTIVITIES PURSUANT TO 31 U.S.C. 1352

C-15

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether sub-awardee or prime Federal recipient, at the initiation or receipt of covered Federal action or a material change to previous filing pursuant to title 31 U.S.C. section 1352. . The filing of a form is required for such payment or agreement to make payment to lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress an officer or employee of Congress or an employee of a Member of Congress in connection with a covered Federal action. Attach a continuation sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence, the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last, previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District if known. Check the appropriate classification of the reporting entity that designates if it is or expects to be a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the first tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in Item 4 checks "Subawardee" then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organization level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identification in item 1 (e.g., Request for Proposal (RFP) number, Invitation for Bid (IFB) number, grant announcement number, the contract grant or loan award number, the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitments for the prime entity identified in item 4 or 5.

10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influenced the covered Federal action.
(b) Enter the full names of the individual(s) performing services and include full address if different from 10 (a). Enter Last Name, First Name and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item 4) to the lobbying entity (item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box. Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box. Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed or will be expected to perform and the date(s) of any services rendered. Include all preparatory and related activity not just time spent in actual contact with Federal officials. Identify the Federal officer(s) or employee(s) contacted or the officer(s) employee(s) or Member(s) of Congress that were contacted.
15. Check whether or not a continuation sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name title and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, D.C. 20503. SF-LLL-Instructions Rev. 06-04-90«ENDIF»

Note: The standard printed bid bond form of any bonding company acceptable to the City of Montebello may be used in lieu of the following approved sample bond form, provided the security stipulations protecting the City of Montebello are not in any way reduced by use of the surety company's printed standard form.

PROPOSAL GUARANTEE
BID BOND

Bond No. 08597423
Bid Date: 04/23/2025

FOR

PLAZA DRIVE PAVEMENT REHABILITATION PROJECT

C.P. No. 917

IN THE CITY OF MONTEBELLO

KNOW ALL MEN BY THESE PRESENTS that All American Asphalt
_____, as BIDDER, and _____
Fidelity and Deposit Company of Maryland, as SURETY, are held and firmly
bound unto the City of Montebello, as AGENCY, in the penal sum of _____
Ten Percent of Total Amount Bid-----

_____ dollars (\$ 10% of Bid----), which is ten percent of the
total amount bid by BIDDER to AGENCY for the above stated project, for the payment of which
sum, BIDDER and SURETY agree to be bound, jointly and severally, firmly be these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that, whereas BIDDER is about to
submit a bid to AGENCY for the above stated project, if said bid is rejected, or if said bid is
accepted and a contract is awarded and entered into by BIDDER in the manner and time specified,
then this obligation shall be null and void, otherwise it shall remain in full force and effect in favor
of AGENCY.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals, this
14th day of April, 2025.

BIDDER* All American Asphalt - 400 East Sixth Street, Corona, CA 92879 - Phone: (951) 736-7600

Edward J. Carlson, Vice President

SURETY* Fidelity and Deposit Company of Maryland - 777 S. Figueroa Street, Suite 3900, Los Angeles, CA 90017

Rebecca Haas-Bates Austin Medina (213) 270-0600

Rebecca Haas-Bates, Attorney-in-Fact

Subscribed and sworn to this _____ day of **** Please See Attached ****, 20____.

NOTARY PUBLIC _____

*Provide BIDDER/SURETY name, address and telephone number and the name, title, address
and telephone number of authorized representative.

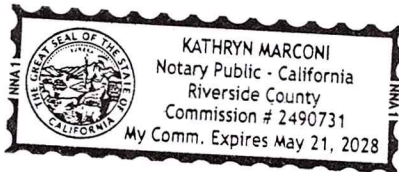
2CALIFORNIA JURAT**GOV CODE § 8202**

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

State of California

County of RiversideSubscribed and sworn to (or affirmed) before
me on this 16th day of April, 2025
Date MonthBy (1) Edward J. Carlson
Name of SignerProved to me on the basis of satisfactory evidence
be the person who appeared before me (.) (,)

(and

(2) N/A
Name of SignerProved to me on the basis of satisfactory evidence
be the person who appeared before me.)

Place Notary Seal Above

Signature

A handwritten signature in blue ink that reads "Kathryn Marconi".

Signature of Notary Public

OPTIONAL

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

Further Description of Any Attached DocumentTitle or Type of Document Bid BondDocument Date: 04/14/2025 Number of Pages: One (1)Signer(s) Other Than Named Above: Rebecca Haas-Bates
(Attorney in Fact)RIGHT THUMBPRINT
OF SIGNER

Top of thumb here

RIGHT THUMBPRINT
OF SIGNER

Top of thumb here

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)
County of Orange)

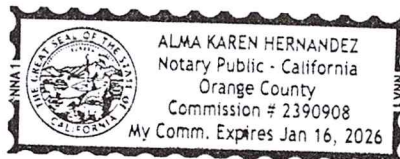
On 04/14/2025 before me, Alma Karen Hernandez, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Rebecca Haas-Bates
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature [Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Bid Bond Document Date: 04/14/2025
Number of Pages: One (1) Signer(s) Other Than Named Above: All American Asphalt

Capacity(ies) Claimed by Signer(s)

Signer's Name: Rebecca Haas-Bates
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☒ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____
Fidelity and Deposit Company of Maryland

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

EXTRACT FROM BY-LAWS OF THE COMPANIES

"Article V, Section 8, Attorneys-in-Fact. The Chief Executive Officer, the President, or any Executive Vice President or Vice President may, by written instrument under the attested corporate seal, appoint attorneys-in-fact with authority to execute bonds, policies, recognizances, stipulations, undertakings, or other like instruments on behalf of the Company, and may authorize any officer or any such attorney-in-fact to affix the corporate seal thereto; and may with or without cause modify or revoke any such appointment or authority at any time."

CERTIFICATE

I, the undersigned, Vice President of the ZURICH AMERICAN INSURANCE COMPANY, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that Article V, Section 8, of the By-Laws of the Companies is still in force.

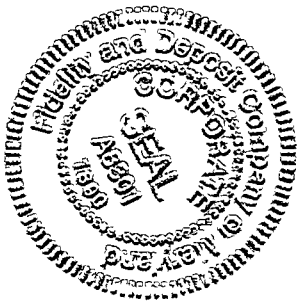
This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the ZURICH AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 15th day of December 1998.

RESOLVED: "That the signature of the President or a Vice President and the attesting signature of a Secretary or an Assistant Secretary and the Seal of the Company may be affixed by facsimile on any Power of Attorney...Any such Power or any certificate thereof bearing such facsimile signature and seal shall be valid and binding on the Company."

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994, and the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seals of the said Companies, this 14th day of April, 2025.



MJ Pethick

Mary Jean Pethick
Vice President

TO REPORT A CLAIM WITH REGARD TO A SURETY BOND, PLEASE SUBMIT A COMPLETE DESCRIPTION OF THE CLAIM INCLUDING THE PRINCIPAL ON THE BOND, THE BOND NUMBER, AND YOUR CONTACT INFORMATION TO:

Zurich Surety Claims
1299 Zurich Way
Schaumburg, IL 60196-1056
reportsfclaims@zurichna.com
800-626-4577

Authenticity of this bond can be confirmed at bondvalidator.zurichna.com or 410-559-8790

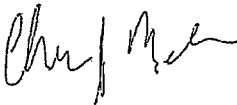
**ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND
POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS: That the ZURICH AMERICAN INSURANCE COMPANY, a corporation of the State of New York, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, a corporation of the State of Illinois, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND a corporation of the State of Illinois (herein collectively called the "Companies"), by Christopher Nolan, Vice President, in pursuance of authority granted by Article V, Section 8, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, do hereby nominate, constitute, and appoint **William SYRKIN, Richard ADAIR, Rebecca HAAS-BATES of Irvine, California,,** its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: **any and all bonds and undertakings,** and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the ZURICH AMERICAN INSURANCE COMPANY at its office in New York, New York., the regularly elected officers of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at its office in Owings Mills, Maryland., and the regularly elected officers of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at its office in Owings Mills, Maryland., in their own proper persons.

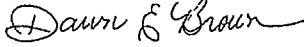
The said Vice President does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article V, Section 8, of the By-Laws of said Companies, and is now in force.

IN WITNESS WHEREOF, the said Vice-President has hereunto subscribed his/her names and affixed the Corporate Seals of the said **ZURICH AMERICAN INSURANCE COMPANY, COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and FIDELITY AND DEPOSIT COMPANY OF MARYLAND,** this 7th day of January A.D. 2025.

**ATTEST:
ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND**



By: **Christopher Nolan**
Vice President

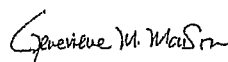


By: **Dawn E. Brown**
Secretary

**State of Maryland
County of Baltimore**

On this 7th day of January A.D. 2025, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, **Christopher Nolan, Vice President and Dawn E. Brown, Secretary** of the Companies, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and acknowledged the execution of same, and being by me duly sworn, depose and saith, that he/she is the said officer of the Company aforesaid, and that the seals affixed to the preceding instrument are the Corporate Seals of said Companies, and that the said Corporate Seals and the signature as such officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.



Genevieve M. Maison
Notary Public
My Commission Expire January 27, 2029



Authenticity of this bond can be confirmed at bondvalidator.zurichna.com or 410-559-8790

BIDDER'S VIOLATION OF LAW/SAFETY QUESTIONNAIRE
FOR
PLAZA DRIVE PAVEMENT REHABILITATION PROJECT
C.P. No. 917
IN THE CITY OF MONTEBELLO

In accordance with Government Code Section 14310.5, the BIDDER shall complete, under penalty of perjury, the following questionnaire.

QUESTIONNAIRE

Has the Bidder, any officer of the bidder or any employee of the Bidder who has a proprietary interest in the Bidder ever been disqualified, removed or otherwise prevented from bidding on or completing a Federal, State or local government project because of a violation of law or a safety regulation?

Yes _____

No X

If the answer is yes, explain the circumstances in the space provided.

EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE

BIDDER certifies that in all previous contracts or subcontractors, all reports which may have been due under the requirements of any AGENCY, State, or Federal equal employment opportunity orders have been satisfactorily filed, and that no such reports are currently outstanding.

AFFIRMATIVE ACTION CERTIFICATION

BIDDER certifies that affirmative action has been taken to seek out and consider minority business enterprises for those portions of the work to be subcontracted, and that such affirmative actions have been fully documented, that said documentation is open to inspection, and that said affirmative action will remain in effect for the life of any contract awarded thereunder. Furthermore, BIDDER certifies that affirmative action will be taken to meet all equal employment opportunity requirements of the contract documents.

NON-COLLUSION AFFIDAVIT

BIDDER declares that the only persons or parties interested in this proposal as principals are those named herein; that no officer, agent, or employee of the AGENCY is personally interested, directly or indirectly, in this proposal; that this proposal is made without connection to any other individual, firm, or corporation making a bid for the same work and that this proposal is in all respects fair and without collusion or fraud.

BIDDER'S INFORMATION

BIDDER certifies that the following information is true and correct:

Bidder's Name All American Asphalt

Business Address: PO Box 2229, Corona, CA 92878

Telephone 951-736-7600

State Contractor's License No. and Class: 267073 - Class A

Original Date Issued 01/19/1971 Expiration Date 01/31/2026

The following are the names, titles, addresses, and phone numbers of all individuals, firm members, partners, joint ventures, and/or corporate officers having a principal interest in this proposal:

Edward J. Carlson, Vice President; PO Box 2229, Corona, CA 92879; 951-736-7600

Michael Farkas, Secretary; PO Box 2229, Corona, CA 92879; 951-736-7600

Mark Luer, President; PO Box 2229, Corona, CA 92879; 951-736-7600

The date of any voluntary or involuntary bankruptcy judgments against any principal having an interest in this proposal is as follows:

N/A

All current and prior DBA's, alias, and/or fictitious business names for any principal having an interest in this proposal are as follows:

N/A



CONTRACTORS
STATE LICENSE BOARD
ACTIVE LICENSE



License Number **267073**

Entity **CORP**

Business Name **ALL AMERICAN ASPHALT**

Classification(s) **A C12**



Expiration Date **01/31/2026**

www.cslb.ca.gov

Contractor Information

Legal Entity Name
ALL AMERICAN ASPHALT

Legal Entity Type
Corporation

Status
Active

Registration Number
1000001051

Registration effective date
7/1/2023

Registration expiration date
6/30/2026

Mailing Address
PO BOX 2229 CORONA 92878 CA United States ...

Physical Address
400 E SIXTH ST CORONA 92879 CA United State...

Email Address

Trade Name/DBA

License Number(s)
CSLB:267073
CSLB:267073

Registration History

Effective Date	Expiration Date
5/11/2018	6/30/2019
5/8/2017	6/30/2018
5/2/2016	6/30/2017
6/9/2015	6/30/2016
8/25/2014	6/30/2015
7/1/2019	6/30/2020
7/1/2023	6/30/2026
7/1/2020	6/30/2023

Legal Entity Information

Corporation Number:

Federal Employment Identification Number:

President Name:
Mark Luer

Vice President Name:
Edward J. Carlson

Treasurer Name:

Secretary Name:
Michael Farkas

CEO Name:

Agent of Service Name:
Michael Farkas

Agent of Service Mailing Address:
400 E 6th St, Corona, CA Corona 92879 CA United States of America

Workers Compensation

Do you lease employees No
through Professional

IN WITNESS WHEREOF, BIDDER executes and submits this proposal with the names, title, hands, and seals of all forenamed principals this 16th day of April, 2025.

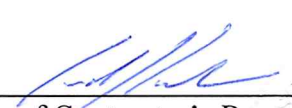
BIDDER All American Asphalt - Corporation

PO Box 2229, Corona, CA 92878



Michael Farkas, Secretary

The undersigned declares under penalty of perjury under the laws of the State of California that the representations made hereto are true and correct.



Signature of Contractor's Representative

Edward J. Carlson

Printed Name

Vice President

Title

Subscribed and sworn to this Please See Attached day of _____, 20____.

NOTARY PUBLIC _____

CALIFORNIA JURAT**GOV CODE § 8202**

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

State of California

County of RiversideSubscribed and sworn to (or affirmed) before
me on this 16th day of April, 2025
Date MonthBy (1) Edward J. Carlson
Name of SignerProved to me on the basis of satisfactory evidence
be the person who appeared before me (.) (,)

(and

(2) Michael Farkas
Name of SignerProved to me on the basis of satisfactory evidence
be the person who appeared before me.)

Place Notary Seal Above

Signature Kathryn Marconi
Signature of Notary Public**OPTIONAL**

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

Further Description of Any Attached DocumentTitle or Type of Bidder's Violation of Law/Safety
Questionnaire - City of MontebelloDocument Date: 04/16/2025 Number of Pages: Six (6)Signer(s) Other Than Named Above: N/ARIGHT THUMBPRINT
OF SIGNER

Top of thumb here

RIGHT THUMBPRINT
OF SIGNER

Top of thumb here

Bid Results																			
Plaza Drive Pavement Rehabilitation Project — CP 917																			
				ALL American Asphalt		Hardy & Harper		Dash Construction		Excel Paving		Onyx Paving Co, Inc.		Toro Enterprises		LCR Earthwork & Engineering, Corp.		Estate Design and Construction	
Item No.	Description	Quantities	Unit	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount
1	MOBILIZATION (Not to exceed 10% of total of all other prime contract Bid Items)	1	LS	\$ 30,000.00	\$ 30,000.00	\$ 29,096.00	\$ 29,096.00	\$ 23,000.00	\$ 23,000.00	\$ 37,000.00	\$ 37,000.00	\$ 48,628.00	\$ 48,628.00	\$ 26,500.00	\$ 26,500.00	\$ 50,000.00	\$ 50,000.00	\$ 52,195.57	\$ 52,195.57
2	TRAFFIC CONTROL (Not to exceed 8% of total of all other prime contract Bid Items)	1	LS	\$ 23,900.00	\$ 23,900.00	\$ 30,000.00	\$ 30,000.00	\$ 19,500.00	\$ 19,500.00	\$ 29,000.00	\$ 29,000.00	\$ 38,000.00	\$ 38,000.00	\$ 29,750.00	\$ 29,750.00	\$ 37,000.00	\$ 37,000.00	\$ 25,000.00	\$ 25,000.00
3	STORM WATER POLLUTION PREVENTION (SWPPP) BMP'S	1	ALL	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
4	CONSTRUCTION SUVEY	1	LS	\$ 3,500.00	\$ 3,500.00	\$ 5,000.00	\$ 5,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 3,800.00	\$ 3,800.00	\$ 10,000.00	\$ 10,000.00	\$ 12,000.00	\$ 12,000.00
5	FULL WITH COLD MILL, 3.5 " DEPTH	90,840	SF	\$ 0.68	\$ 61,771.20	\$ 0.60	\$ 54,504.00	\$ 0.58	\$ 52,687.20	\$ 0.81	\$ 73,580.40	\$ 0.80	\$ 72,672.00	\$ 1.06	\$ 96,290.40	\$ 1.00	\$ 90,840.00	\$ 185.00	\$ 168,054.00
6	CONSTRUCT 1.5" AC (TYPE B-PG 64-10) PAVEMENT	840	TON	\$ 117.00	\$ 98,280.00	\$ 120.00	\$ 100,800.00	\$ 134.00	\$ 112,560.00	\$ 124.00	\$ 104,160.00	\$ 120.00	\$ 100,800.00	\$ 146.00	\$ 122,640.00	\$ 150.00	\$ 126,000.00	\$ 153.00	\$ 128,520.00
7	CONSTRUCT 2" ARHM-GG-C PAVEMENT OVERLAY	1120	TON	\$ 125.00	\$ 140,000.00	\$ 140.00	\$ 156,800.00	\$ 142.00	\$ 159,040.00	\$ 138.00	\$ 154,560.00	\$ 140.00	\$ 156,800.00	\$ 146.00	\$ 163,520.00	\$ 160.00	\$ 179,200.00	\$ 188.00	\$ 210,560.00
8	DOUBLE ADJUST MANHOL TO GRADE	12	EA	\$ 1,800.00	\$ 21,600.00	\$ 1,400.00	\$ 16,800.00	\$ 1,908.00	\$ 22,896.00	\$ 1,900.00	\$ 22,800.00	\$ 2,400.00	\$ 28,800.00	\$ 1,290.00	\$ 15,480.00	\$ 1,800.00	\$ 21,600.00	\$ 1,890.00	\$ 22,680.00
9	DOUBLE ADJUST GAS VALVE GRADE	2	EA	\$ 800.00	\$ 1,600.00	\$ 1,400.00	\$ 2,800.00	\$ 212.00	\$ 424.00	\$ 800.00	\$ 1,600.00	\$ 1,300.00	\$ 2,600.00	\$ 1,290.00	\$ 2,580.00	\$ 800.00	\$ 1,600.00	\$ 470.00	\$ 940.00
10	TRAFFIC SIGNING, STRIPING AND MARKINGS	1	LS	\$ 19,500.00	\$ 19,500.00	\$ 20,000.00	\$ 20,000.00	\$ 33,390.00	\$ 33,390.00	\$ 20,000.00	\$ 20,000.00	\$ 22,000.00	\$ 22,000.00	\$ 41,500.00	\$ 41,500.00	\$ 30,000.00	\$ 30,000.00	\$ 35,660.43	\$ 35,660.43
11	INSTALL VEHICLE DECTORS LOOPS	6	EA	\$ 600.00	\$ 3,600.00	\$ 600.00	\$ 3,600.00	\$ 760.00	\$ 4,560.00	\$ 800.00	\$ 4,800.00	\$ 950.00	\$ 5,700.00	\$ 860.00	\$ 5,160.00	\$ 1,000.00	\$ 6,000.00	\$ 245.00	\$ 1,470.00
12	REMOVE EXISTING AND INSTALL NEW VEHICLE LOOP DETECTOR STUB OUT	1	EA	\$ 1,000.00	\$ 1,000.00	\$ 600.00	\$ 600.00	\$ 800.00	\$ 800.00	\$ 1,100.00	\$ 1,100.00	\$ 1,000.00	\$ 1,000.00	\$ 897.00	\$ 897.00	\$ 2,500.00	\$ 2,500.00	\$ 320.00	\$ 320.00
13	FURNISH AND INSTALL PROJECT CONSTRUCTION SIGNS	2	EA	\$ 2,600.00	\$ 5,200.00	\$ 2,500.00	\$ 5,000.00	\$ 1,060.00	\$ 2,120.00	\$ 987.00	\$ 1,974.00	\$ 5,000.00	\$ 10,000.00	\$ 3,200.00	\$ 6,400.00	\$ 2,500.00	\$ 5,000.00	\$ 3,200.00	\$ 6,400.00
	TOTALS				\$ 414,951.20		\$ 430,000.00		\$ 439,977.20		\$459,574.40		\$496,000.00		\$519,517.40		\$564,740.00		\$668,800.00



ITEM # 19

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Cesar Roldan, Director of Public Works

SUBJECT: **ADOPT RESOLUTION NO. 25-30 APPROVING THE ENGINEER'S REPORT FOR THE FISCAL YEAR 2025-26 ANNUAL NATASHA LANE LANDSCAPE ASSESSMENT DISTRICT NO. 2005-1 AND SETTING A DATE FOR THE PUBLIC HEARING**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Adopt Resolution No. 25-30 (Attachment A) approving the Fiscal Year 2025-26 Engineer's Report (Attachment B) for the Annual Natasha Lane Landscape Assessment District No. 2005-1, setting a date for the Public Hearing for the regular meeting scheduled for June 25, 2025 at 6:00 pm; and,
2. Take such additional, related action that may be desirable.

FISCAL IMPACT:

The costs associated with the maintenance and operations of the landscaping for Natasha Lane will be funded with the Fiscal Year 2025-26 Annual Assessment District No. 2005-01 (Account No. 265-99-330-3560.10 / 6040.20, Grants, Engineering, Natasha Lane Landscape Revenue/Expenditures). There will be no impact to the General Fund as all revenue collected and associated expenditures are recorded in the appropriate account in Fund 265.

BACKGROUND/DISCUSSION:

Natasha Lane is a twenty-unit housing development, extending to the south from Whittier Boulevard and to the east of Bluff Road. As part of the development, new landscaping was installed within a storm drain easement at the southerly terminus, along frontage of

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 2 of 2

the property facing Whittier Boulevard and along the rear portion of the property. The City is responsible for the maintenance of landscaping in these areas.

The properties of this development benefiting from these improvements were assessed in FY 2024-25 and prior years. Continued assessment of the properties benefiting from these improvements is being proposed to offset the cost of maintenance and future replacement of related landscaping items. The attached Resolution (Attachment A) establishes approval of the Engineer's Report for Natasha Lane Landscape Assessment District No. 2005-1 and provides notice of the required public hearing concerning the levy of the proposed assessments.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

Staff recommends the City Council consider the adoption of Resolution 25-30 approving the Engineer's Report for the FY 2025-26 Annual Natasha Lane Landscape Assessment District and setting the required Public Hearing on June 25, 2025, at 6:00 pm, in the City Council Chambers.

ATTACHMENT(S)

1. Attachment A - Resolution No. 25-30
2. Attachment B - DRAFT Engineer's Report
3. Attachment C - DRAFT Public Hearing Notice

ATTACHMENT A

RESOLUTION NO. 25-30

RESOLUTION OF THE CITY OF MONTEBELLO SETTING A PUBLIC HEARING ON THE PROPOSED LEVY OF ANNUAL ASSESSMENTS FOR LANDSCAPE MAINTENANCE FOR FISCAL YEAR 2025-2026 OF THE PROPERTIES LOCATED ALONG NATASHA LANE AND REVIEWING DRAFT ENGINEER'S ESTIMATE AND ANNUAL ADJUSTMENTS IN THE AMOUNTS THEREOF

RECITALS

WHEREAS, the City Council ("City Council") of the City of Montebello ("City") proposes to levy the annual assessment for the properties 1 to 20 located along Natasha Lane (see Exhibit "A"), for Landscape Maintenance District (hereinafter referred to as the District) pursuant to the provision of Division 15, Part 2, of the Streets and Highways Code of the State of California; and

WHEREAS, the City of Montebello's Engineering Division of the Department of Public Works has prepared the Engineer's Annual Levy Report ("Report") for the District known and designated as the Natasha Lane Landscape Assessment District No. 2005-01 of the City of Montebello ("District"), pursuant to the Landscaping and Lighting Act of 1972, Part 2 (commencing with Section 22500) of Division 15 of the Streets and Highways Code ("Act"), for the installation, operation, maintenance and servicing of street lights, traffic signals, street trees, parkways, median islands, landscaping, parks, and any appurtenant improvements as set forth in Section 22525 of the California Streets and Highways Code ("Improvements"); and

WHEREAS, the Provisions of Division 15, Part 2, require a written report in accordance with Chapter 3 (commencing with Section 22620); and

WHEREAS, the City Engineering Division of the Department of Public Works has filed a preliminary report regarding the assessments to be levied and collected from the owners of assessable property within the District to pay the costs of the installation, operation, maintenance and servicing of street trees and landscaping, and any appurtenant improvements, and that report has been presented to and considered by the City Council; and

WHEREAS, it is necessary that the City Council adopt a resolution of intention pursuant to Section 22624 of the Streets and Highways Code to, among other things, fix and give notice of the time and place of a public hearing on the levy of annual assessments.

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Montebello as follows:

SECTION 1: That the above recitals are all true and correct and are hereby

RESOLUTION NO. 25-30

Page 2 of 4

incorporated herein.

SECTION 2. Findings. The City Council of the City of Montebello finds that:

- a) The foregoing recitals are true and correct;
- b) The Draft Engineer's Report (the "Report") contains all matters required by Sections 22565 through 22574 of the Streets and Highways Code and may, therefore, be approved by the City Council;
- c) The assessments which are proposed to be levied on all parcels of assessable land within Natasha Lane Landscape Assessment District are based on special benefit conferred upon each such parcel from the payment of the cost of the installation, operation, maintenance, irrigation and servicing of street trees and parkways, landscaping, and appurtenant improvements;
- d) The proportionate special benefit derived by each such parcel has been determined in relationship to the entirety of the capital cost of the installation, operation, maintenance, irrigation and servicing of street trees and landscaping, and appurtenant improvements; and
- e) The amount of the assessment which is proposed to be assessed on each such parcel is based upon and will not exceed the reasonable cost of the proportional special benefit conferred on that parcel.

SECTION 3: The City Engineer is hereby ordered to file with the City Council a preliminary report relating to the FY 2025-2026 levy of annual assessments for said District in accordance with the provisions of Chapter 3 (commencing with Section 22620) of Part 2 of Division 15 of the Streets and Highways Code of the State of California.

SECTION 4: Upon completion, said report shall be filed with the City Clerk who shall then submit the same to this City Council for its consideration pursuant to Section 22623 of said Streets and Highways Code.

SECTION 5. Intention. The City Council declares that it intends to levy assessments on all lots and parcels of assessable land proposed to be included in Natasha Lane Landscape District of the City of Montebello, as set forth in the Report. Those assessments will be collected at the same time and in the same manner as the County taxes are collected, and all laws providing for the collection and enforcement of County taxes shall apply to the collection and enforcement of the assessments.

SECTION 6. Improvements. The Improvements shall include the maintenance of the following:

- a) The maintenance of landscaping, including, but not limited to, street

RESOLUTION NO. 25-30

Page 3 of 4

trees;

- b) The installation of construction of any facilities which are appurtenant to any improvements listed in (a) which are necessary or convenient for the maintenance or servicing thereof including, but not limited to, irrigation, planting, and electrical facilities;

SECTION 7. Report and Assessments. The Report, which is on file with the City Clerk of the City Council, and which has been presented to the City Council at the meeting at which this resolution is adopted, is approved. Reference is made to the Report for a full and detailed description of the Improvements, the boundaries of Natasha Lane Landscape District and the proposed assessments upon assessable lots and parcels of land therein.

SECTION 8. Duration of Assessments and Inflation Increases. The assessments shall be levied on all parcels of assessable property within Natasha Lane Landscape District as identified in the Report, so long as the assessments are necessary to finance the Improvements specified in Section 3 and the maintenance and servicing thereof. The annual amount of the assessment to be levied on each parcel of assessable property in the District in each fiscal year may be increased by the percentage increase in the Consumer Price Index – All Urban Consumers for the Los Angeles; provided, however, that the amount of the assessment to be levied on any assessable parcel in any fiscal year shall not be increased by more than four percent (4% based on March 12-month assessment), and the amount of the assessment to be levied on any parcel in any fiscal year shall not in any event exceed the actual total cost of the proportional special benefit conferred on that parcel.

SECTION 9. Hearing. The time and place of the public hearing required by Section 22624 through 22631 of the Streets and Highways Code concerning the levy of the proposed assessments is set for 6:00 p.m. on Wednesday, June 25, 2025, at the City of Montebello Council Chambers, located at 1600 W. Beverly Boulevard, Montebello, California, 90640.

SECTION 10. Notice of Hearing. The City Clerk is hereby authorized and directed to publish a copy of this Resolution in a newspaper of general circulation in said City. Said Publication shall be not less than ten (10) days before the date of said public hearing.

SECTION 11. For any and all information relating to the Procedures, protest procedures, documentation and/or information of procedure or technical nature, your attention is directed to the office listed below as designated:

Cesar Roldan
Director of Public Works
City of Montebello

RESOLUTION NO. 25-30

Page 4 of 4

APPROVED AND ADOPTED THIS 14TH DAY OF MAY 2025.

Salvador Melendez, Mayor

ATTEST:

APPROVED AS TO FORM:

Christopher Jimenez, City Clerk

Arnold M. Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 25-30 was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 14th day of May 2025 and that said Resolution was adopted by the following vote, to-wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____

Christopher Jimenez, City Clerk

EXHIBITS:

- Exhibit A – Boundary of Assessment District

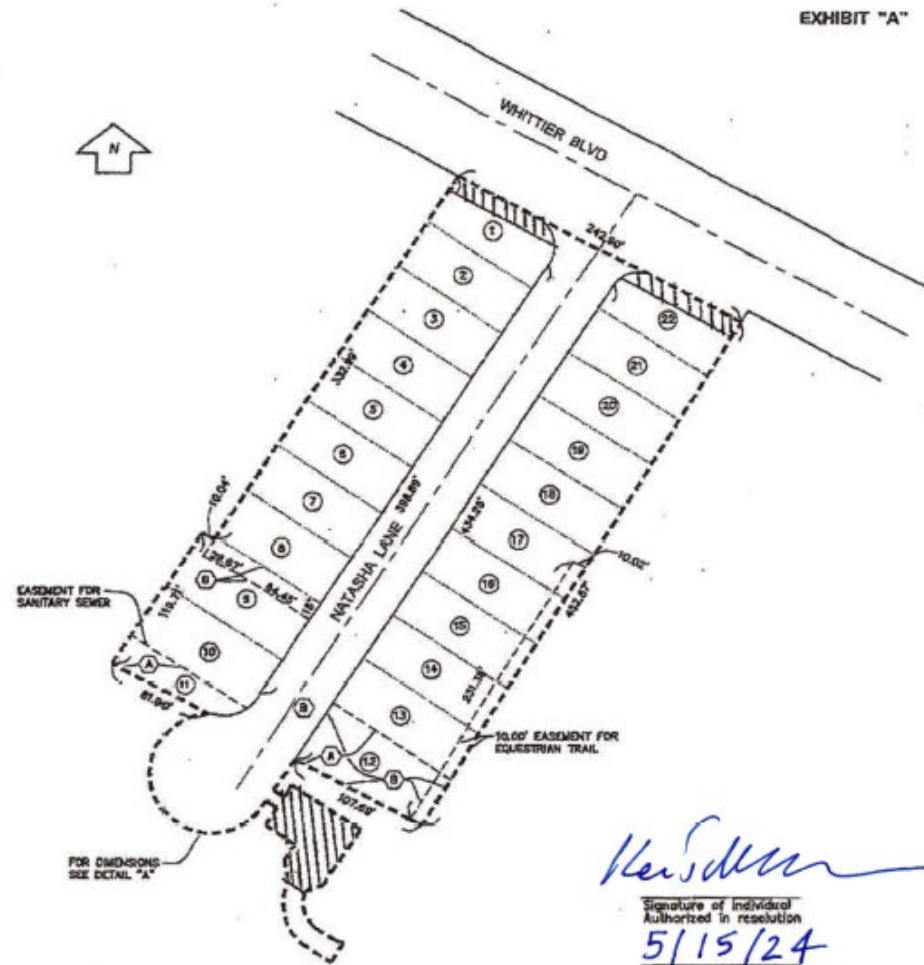
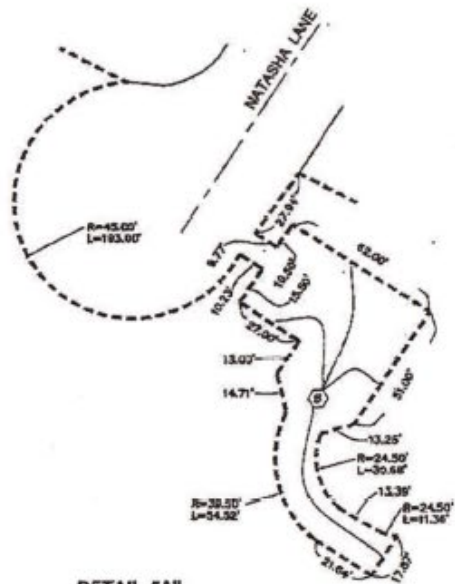
EXHIBIT "A"

LEGEND:

- (A) ALL OF LOTS 11 AND 12 ARE EASEMENT TO THE CITY OF MONTEBELLO FOR SANITARY SEWER PURPOSES.
- (B) EASEMENT TO THE CITY OF MONTEBELLO FOR COVERED STORM DRAIN, APPURTENANT STRUCTURES AND INGRESS AND EGRESS PURPOSES.

 AREAS OF MAINTENANCE

2.1 LANDSCAPE ASSESSMENT DISTRICT AREA



**NATASHA LANE PROPOSED
LANDSCAPING ASSESSMENT BOUNDARY MAP**

Signature of individual
Authorized in resolution
5/15/24
Date



**CITY OF MONTEBELLO
ENGINEER'S REPORT
FOR
NATASHA LANE LANDSCAPE
ASSESSMENT DISTRICT NO. 2005-1**

**For
FY 2025-2026**

Salvador Melendez, Mayor

Georgina Tamayo, Mayor Pro Tem

Scarlet Peralta, Councilmember

Danielle Romero, Councilmember

Ric Alonzo, Councilmember

Engineer's Report
May 14, 2025

Prepared by the City of Montebello – Engineering Division

Cesar Roldan
Director of Public Works

**CITY OF MONTEBELLO
ENGINEER'S REPORT
FOR
NATASHA LANE LANDSCAPE
ASSESSMENT DISTRICT NO. 2005-1
(FISCAL YEAR 2025-2026)**

SECTION I: AUTHORITY FOR REPORT

This report is prepared pursuant to the provisions of the Landscape and Lighting Act of 1972 (commencing with Section 22500) of Division 15 the Street and Highway Code for the maintenance of Public Landscaping that benefits only the properties on Natasha Lane. The report covers the period from July 1, 2025, through June 30, 2026.

SECTION II: PLANS

The Plans showing extent and location of landscape are illustrated herein by Exhibit A.

All of above-mentioned items are on file in the Office of the City Clerk.

SECTION III: SPECIFICATIONS FOR MAINTENANCE

Landscaping maintenance shall consist of installing, cutting, pruning, trimming, fertilizing, irrigating and treating plants, shrubs, trees, ground cover and soil to provide a pleasing and attractive landscape within the public right-of-way and publicly owned grounds. Dead plants, shrubs, trees, and ground cover shall be replaced with new items as soon as practical. The irrigation system shall be operated and maintained to provide adequate watering for all plants, shrubs, trees, and ground cover. Irrigation systems shall be installed as deemed appropriate by the City Engineer.

SECTION IV: PROJECT REVENUE & EXPENDITURES

	2024-25	2025-26
FY 2025-2026 BEGINNING FUND BALANCE (ESTIMATED)	\$37,491.85	\$24,691.85
FY 2025-2026 PROJECTED REVENUE	\$1,200	\$1,200
TOTAL REVENUE AVAILABLE FOR FY 2025-2026	\$38,691.85	\$25,891.85
FY 2025-2026 PROJECTED EXPENDITURES		
Maintenance and Operation Expenses	\$9,200	\$9,200
Contractual Services		
Administrative Costs (Staff, Consultant and La County Fees)	\$4,800	\$4,800
TOTAL EXPENDITURES	\$14,000	\$14,000
PROJECTED BALANCE (JUNE 30, 2026)		
FY 2025-2026 Revenue Available	\$38,691.85	\$25,891.85
FY 2025-2026 Anticipated Expenditures	(\$14,000)	(\$14,000)
ASSESSMENT DISTRICT RESERVE FUND BALANCE (PROJECTED)	\$24,691.85	\$11,891.85

SECTION V: DIAGRAM

A Diagram showing the Assessor's parcel number and the dimensions of each lot or parcel of land within the District is on file in the Office of the City Clerk.

SECTION VI: ASSESSMENT

The improvements are to be funded by the levying of assessments on the benefiting properties. The "Municipal Improvement Act of 1913" and Article XIIID of the State Constitution require that assessments must be based on the estimated special benefit for the properties from the improvements. In addition, Article XIIID, Section 4, of the State Constitution requires that a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred in the parcel. It also requires that publicly owned property, (which benefit from the improvements) are to be assessed. Neither the Act nor the State Constitution specifies the method or formula that should be used to apportion the costs to properties in any special assessment district proceedings. The responsibility for recommending the assessments per panel is an Apportionment Engineer, who is appointed for the purpose of making an analysis of the facts and determining the correct apportionment of the assessment obligation. The City Engineer is hereby appointed as the Assessment Engineer.

All properties are assessed based on the Engineer's Estimate. This estimate includes associated costs for each property based on property frontage along the street (Natasha Lane). In order to apportion the assessment to each parcel in direct proportion with the special and direct benefit which it will receive from the improvements, an analysis has

been completed and the respective street frontage of each benefiting parcel is used as the basis for apportioning costs to each property within the Assessment District as follows:

**NATASHA LANE LANDSCAPE
ASSESSMENT DISTRICT NO. 2005-2**

ASSESSMENT ROLL

ASSESSMENT NO.	BOOK	PAGE	PARCEL NO.	FRONT FOOTAGE	TOTAL COST
1	6348	6	17	45.19 LF	\$ 65.41
2	6348	6	18	41 LF	\$ 59.35
3	6348	6	19	41 LF	\$ 59.35
4	6348	6	20	41 LF	\$ 59.35
5	6348	6	21	41 LF	\$ 59.35
6	6348	6	22	41 LF	\$ 59.35
7	6348	6	23	41 LF	\$ 59.35
8	6348	6	24	41.70 LF	\$ 60.36
9	6348	6	25	52 LF	\$ 75.27
10	6348	6	26	45.27 LF	\$ 65.53
11	6348	6	29	40.60 LF	\$ 58.77
12	6348	6	30	40 LF	\$ 57.90
13	6348	6	31	40 LF	\$ 57.90
14	6348	6	32	40 LF	\$ 57.90
15	6348	6	33	40 LF	\$ 57.90
16	6348	6	34	40 LF	\$ 57.90
17	6348	6	35	40 LF	\$ 57.90
18	6348	6	36	40 LF	\$ 57.90
19	6348	6	37	40 LF	\$ 57.90
20	6348	6	38	38.24 LF	\$ 55.35
TOTAL:				829.00 LF	\$1,200.00

**NATASHA LANE LANDSCAPE
ASSESSMENT DISTRICT NO. 2005-2**

ADDRESS OF PROPERTY OWNERS

Assessor's Parcel No.	Property Address
6348-006-017	101 Natasha Lane Montebello, CA 90640
6348-006-018	105 Natasha Lane Montebello, CA 90640
6348-006-019	109 Natasha Lane Montebello, CA 90640
6348-006-020	117 Natasha Lane Montebello, CA 90640
6348-006-021	121 Natasha Lane Montebello, CA 90640
6348-006-022	125 Natasha Lane Montebello, CA 90640
6348-006-023	129 Natasha Lane Montebello, CA 90640
6348-006-024	133 Natasha Lane Montebello, CA 90640
6348-006-025	137 Natasha Lane Montebello, CA 90640
6348-006-026	141 Natasha Lane Montebello, CA 90640

**NATASHA LANE LANDSCAPE
ASSESSMENT DISTRICT NO. 2005-2**

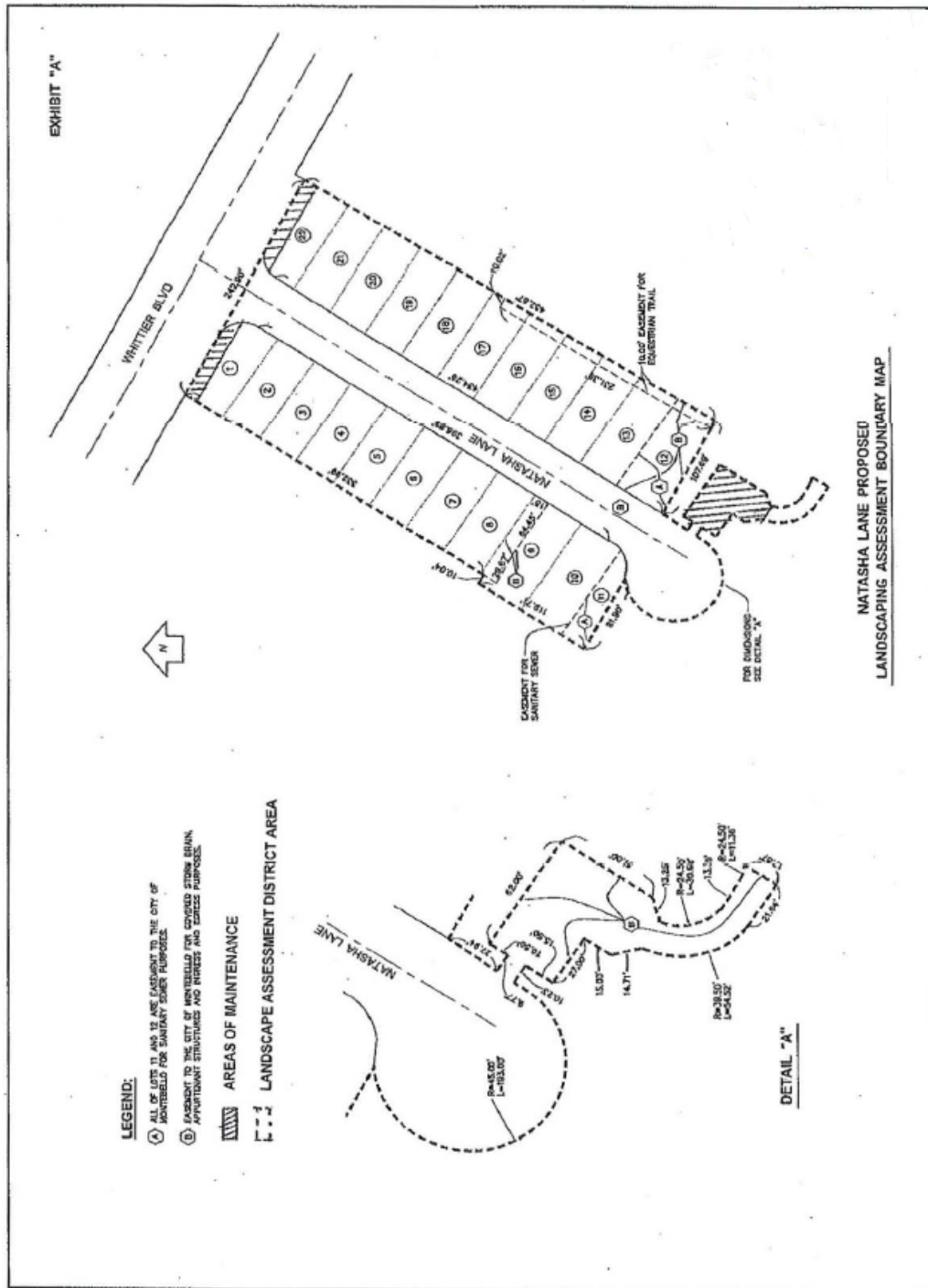
ADDRESS OF PROPERTY OWNERS

Assessor's Parcel No.	Property Address
6348-006-029	136 Natasha Lane Montebello, CA 90640
6348-006-030	132 Natasha Lane Montebello, CA 90640
6348-006-031	128 Natasha Lane Montebello, CA 90640
6348-006-032	124 Natasha Lane Montebello, CA 90640
6348-006-033	120 Natasha Lane Montebello, CA 90640
6348-006-034	116 Natasha Lane Montebello, CA 90640
6348-006-035	112 Natasha Lane Montebello, CA 90640
6348-006-036	108 Natasha Lane Montebello, CA 90640
6348-006-037	104 Natasha Lane Montebello, CA 90640
6348-006-038	100 Natasha Lane Montebello, CA 90640

NATASHA LANE SEWER AND STORM WATER PUMP STATION ASSESSMENT DISTRICT NO. 2005-2

EXHIBIT "A"

BOUNDARY MAP





CITY OF MONTEBELLO PUBLIC HEARING NOTICE

NOTICE IS HEREBY GIVEN that the City Council of the City of Montebello will hold a Public Hearing in the **Council Chambers located at Montebello City Hall, 1600 West Beverly Boulevard, Montebello, California, on Wednesday, June 25, 2025, at 6:00 p.m.**, or as soon as possible thereafter as the matter can be heard, to consider the following:

Levying the proposed annual assessments for the City's Natasha Lane Landscaping Assessment District 2005-1 for Fiscal Year 2025-26:

Natasha Lane is a twenty-unit housing development, extending to the south from Whittier Boulevard and to the east of Bluff Road. As part of the development, new landscaping was installed within a storm drain easement at the southerly terminus, along the frontage of the property facing Whittier Boulevard and at the end of the cul-de-sac. The City is responsible for the maintenance of landscaping in these areas. The special assessment district was initially established in 2005 when the development was constructed. This special assessment is added to the Los Angeles County Tax Roll annually. On May 14, 2025, the City Council approved Resolution No. 25-30 initiating proceedings for the FY 2025-2026 levy of the annual special assessment and residents were notified on _____, 2025.

For those interested in making public comments, you may address the City Council in person during the public comment period or public testimony period for Public Hearings by attending the Council Chambers located at Montebello City Hall, 1600 West Beverly Boulevard, Montebello, California on Wednesday, June 25, 2025, at 6:00 p.m. In addition, the City has created an email address ccpubliccomment@cityofmontebello.com where the public can submit written public comments no later than **Wednesday, June 26, 2025, at 3:00 p.m.** These comments will not be read aloud but will be entered into the record and submitted to all members of the City Council. The email address for City Council meetings can be located on the City's webpage under the City Clerk tab, <https://www.cityofmontebello.com/departments/administration/city-clerk-s-office.html>.

If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council, at, or prior to, the public hearing.

More information about the assessment district is available by contacting the Public Works Department at 323-887-1460:

Kimberly Guillen, Sr. Deputy City Clerk

Dated: May 14, 2025
Date published: May XX, 2025



ITEM # 20

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Cesar Roldan, Director of Public Works

SUBJECT: **ADOPT RESOLUTION 25-31 APPROVING THE ENGINEER'S REPORT FOR THE FISCAL YEAR 2025-26 ANNUAL NATASHA LANE SEWER AND STORM WATER PUMP STATION ASSESSMENT DISTRICT NO. 2005-2 AND SETTING A DATE FOR THE PUBLIC HEARING**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Adopt Resolution No. 25-31 (Attachment A) approving the Fiscal Year 2025-26 Engineer's Report (Attachment B) for the Annual Natasha Lane Sewer and Storm Water Pump Station Assessment District No. 2005-2, setting a date for the Public Hearing for the regular meeting scheduled on June 25, 2025, at 6:00 pm; and,
2. Review the draft engineer's report and comment prior to acceptance; and,
3. Take such additional, related action that may be desirable.

FISCAL IMPACT:

The operation and maintenance costs for the sewer and storm drain facilities servicing the Natasha Lane development will continue to be funded through the Fiscal Year 2025-26 annual assessment. Over the past three fiscal years, significant repair expenses were incurred due to the failure of critical infrastructure, including the stormwater pump lift station and the sewer lift station, both of which have exceeded their expected lifespans. These expenses, combined with insufficient assessments in prior fiscal years, have resulted in a deficit of \$172,911 in the sewer and storm water assessment account (Fund 265).

Despite staff's best efforts to propose a comprehensive three-pronged approach—spreading the deficit over a 10-year term, incorporating annual maintenance allocations,

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 2 of 3

and establishing a capital reserve, the special district formation resolution restricts the City's ability to increase the annual assessment beyond the Consumer Price Index (CPI), capped at 7.5%. As a result, the City is currently unable to address the full deficit through the assessment mechanism. The FY 2025-26 budget will include appropriations for the revenue received from the assessments and the associated expenditures required to maintain the sewer and storm drain system, but not eliminate the deficit or provide funding for future capital costs.

BACKGROUND/DISCUSSION:

Natasha Lane is a twenty-unit housing development completed in 2005 near the intersection of Whittier Boulevard and Bluff Road. Due to the topography, the development included construction of sewer and storm drain pump stations. The City is responsible for the maintenance and operation of the pump stations and appurtenant facilities.

The properties benefiting from these improvements were assessed in Fiscal Year 2024-25. Continued assessment of the properties benefiting from these improvements is being proposed to offset the cost of maintenance and operation for FY 2025-26. The boundary of the assessment district is shown in Exhibit "A" attached to the Resolution (Attachment A).

The attached resolution (Attachment A) establishes the City Council's intention to levy the assessment and requests the review of the draft engineer's report for the assessment district. The approval of the resolution initiates the assessment proceedings. This notice of intent to set the Public Hearing date and time will allow residents the opportunity to comment on the engineer's report and ultimately lead to approving the recommended assessments. Upon approval, staff will work with the County of Los Angeles to transmit the requisite documentation to place the assessment on the property owner's annual property tax bill.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

The City Council will consider approval of a resolution establishing the City's intention to levy an assessment for the operation and maintenance of the sewer and storm drain pump stations installed as part of the Natasha Lane housing development and requests the preliminary review and comments of the draft engineer's report for the assessment district (2005-2). Continued assessment of the properties benefiting from these improvements is necessary to offset the cost of maintenance, operation, and replacement.

ATTACHMENT(S)

1. Attachment A - Resolution No. 25-31
2. Attachment B - DRAFT Engineer's Report
3. Attachment C - DRAFT Public Hearing Notice

ATTACHMENT A

RESOLUTION NO. 25-31

RESOLUTION OF THE CITY OF MONTEBELLO SETTING A PUBLIC HEARING ON THE PROPOSED LEVY OF ANNUAL ASSESSMENTS FOR SEWER PUMP STATION AND STORM DRAIN PUMP STATION OPERATION, MAINTENANCE, AND CAPITAL RESERVE FOR THE PROPERTIES LOCATED ALONG NATASHA LANE AND REVIEWING DRAFT ENGINEER'S ESTIMATE AND ANNUAL ADJUSTMENTS IN THE AMOUNTS THEREOF

RECITALS

WHEREAS, the City Council ("City Council") of the City of Montebello ("City") proposes to levy the annual assessment for the properties 1 to 20 located along Natasha Lane (see Exhibit "A"), for the Sewer Pump Station and Storm Water Pump Station Operation and Maintenance District (hereinafter referred to as the District) pursuant to the provision of Division 15, Part 2, of the Streets and Highways Code of the State of California; and

WHEREAS the City of Montebello's Engineering Division of the Department of Public Works has prepared the Engineer's Annual Levy Report ("Report") for the District known and designated as the Natasha Lane Sewer Pump Station and Storm Water Pump Station District No. 2005-02 of the City of Montebello ("District"), pursuant to the Benefits Assessment Act of 1982 ("Act"), for the installation, operation, maintenance and servicing of sewer and storm drain pump stations and any appurtenant improvements ("Improvements"); and

WHEREAS, the Provisions of California Constitution Article XIII D and statutory provisions implementing it require that all assessments now must be supported by a detailed engineer's report prepared by a registered professional engineer regardless of the requirements of the underlying enabling legislation.

WHEREAS the City Engineering Division of the Department of Public Works has filed a preliminary report regarding the assessments to be levied and collected from the owners of assessable property within the District to pay the costs of the installation, operation, maintenance and servicing of the sewer pump station and the storm drain pump station, and any appurtenant improvements, and that report has been presented to and considered by the City Council; and

WHEREAS, it is necessary that the City Council adopt a series of resolutions declaring its intention to form the assessment district, levy the assessments, order the works of improvement and issue bonds to represent the unpaid assessments. The legislative body also preliminarily approves the assessment engineer's report and sets the time and place for a public hearing when all persons who object to the proposed assessment district may appear and be heard by the

WHEREAS, pursuant to section VII.A.3.d.2 of the League of California Cities Municipal Law Handbook, a notice of public hearing was mailed to all property owners within the assessment district.

WHEREAS,

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Montebello as follows:

SECTION 1: That the above recitals are all true and correct and are hereby incorporated herein.

SECTION 2. Findings. The City Council of the City of Montebello finds that:

- (a) The preceding recitals are true and correct;
- (b) The requirements of the Benefit Assessment Act of 1982, Chapter 6.4 (commencing with Section 54703) of Part 1 of Division 2 of Title 5 of the Government Code have been satisfied;
- (c) The requirements of Section 53753 of the Government Code have been satisfied;
- (d) The assessments proposed to be levied on the assessable lots and parcels of land in the District for the improvements during Fiscal Year 2024-2025 contained in the Engineer's Report, which is on file with the City Clerk of the City Council (the "Report"), are based on benefits derived by such lots and parcels from the availability of the improvements, and are not based on the ownership or value of such lots and parcels;
- (e) For purposes of levying the proposed assessments on the lots and parcels of property within the District, the Report and the Assessment diagram contained therein allocates the estimated costs of the installation, operation, maintenance and servicing of the improvements within the District;
- (f) Such assessments are based on special benefit conferred upon each such lot or parcel from the payment of the costs of the installation, operation, maintenance and servicing of the improvements;
- (g) The proportionate special benefit derived by each of such lot or parcel has been determined in relationship to the entirety of the cost of the installation, operation, maintenance and servicing of the improvements;
- (h) The amount of the assessment which is to be levied on each such lot or parcel is based upon and will not exceed the reasonable cost of the proportional special benefit conferred on that lot or parcel;

- (i) The City Council may proceed to adopt a resolution confirming the assessments to be levied on assessable parcels of property in the District; and

SECTION 3: The City Engineer is hereby ordered to file with the City Council a preliminary report relating to the FY 2025-2026 levy of annual assessments for said District in accordance with the provisions of Chapter 3 (commencing with Section 22620) of Part 2 of Division 15 of the Streets and Highways Code of the State of California.

SECTION 4: Upon completion, said report shall be filed with the City Clerk who shall then submit the same to this City Council for its consideration pursuant to Section 22623 of said Streets and Highways Code.

SECTION 5. Intention. The City Council declares that it intends to levy annual assessments on all lots and parcels of assessable land proposed to be included in the Natasha Lane Sewer Pump Station and Storm Water Pump Station Assessment District of the City of Montebello, as set forth in the Report. Those assessments will be collected at the same time and in the same manner as the County taxes are collected, and all laws providing for the collection and enforcement of County taxes shall apply to the collection and enforcement of the assessments.

SECTION 6. Improvements. The Improvements shall include the maintenance of the following:

- a) The maintenance of sewer and storm water pump stations and appurtenant improvements;
- a) The installation of construction of any facilities which are appurtenant to any improvements listed in (a) which are necessary or convenient for the maintenance or servicing thereof including, but not limited to, pump equipment, piping, hoists and electrical facilities

SECTION 7. Report and Assessments. The Report, which is on file with the City Clerk of the City Council, and which has been presented to the City Council at the meeting at which this resolution is adopted, is approved. Reference is made to the Report for a full and detailed description of the Improvements, the boundaries of Natasha Lane Sewer Pump Station and Storm Water Pump Station Assessment District and the proposed assessments upon assessable lots and parcels of land therein.

SECTION 8. Duration of Assessments and Inflation Increases and Election Thereon. The assessments shall be levied on all parcels of assessable property within Natasha Lane Sewer Pump Station and Storm Water Pump Station Assessment District, as identified in the Report, so long as the assessments are necessary to

RESOLUTION NO. 25-31

Page 4 of 5

finance the Improvements specified in Section 3 and the maintenance and servicing thereof. The annual amount of the assessment to be levied on each parcel of assessable property in the District in each fiscal year may be increased by the percentage increase in the Consumer Price Index – All Urban Consumers for the Los Angeles; provided, however, that the amount of the assessment to be levied on any assessable parcel in any fiscal year shall not be increased by more than three percent (3%), based on April 2025 12-month assessment), and the amount of the assessment to be levied on any parcel in any fiscal year shall not in any event exceed the actual total cost of the proportional special benefit conferred on that parcel.

SECTION 8. Hearing. The time and place of the public hearing concerning the levy of the proposed assessments is set for 6:00 p.m. on Wednesday, June 25, 2025, at the City of Montebello Council Chambers, located at 1600 W. Beverly Boulevard, Montebello, California, 90640.

SECTION 9. Notice of Hearing. The City Clerk is hereby authorized and directed to publish a copy of this Resolution in a newspaper of general circulation in said City. Said Publication shall be not less than ten (10) days before the date of said public hearing.

SECTION 10. For any and all information relating to the Procedures, protest procedures, documentation and/or information of procedure or technical nature, your attention is directed to the office listed below as designated:

Cesar Roldan
Director of Public Works
City of Montebello

[Signatures on the following page.]

APPROVED AND ADOPTED THIS 14TH DAY OF MAY 2025.

Salvador Melendez, Mayor

ATTEST:

APPROVED AS TO FORM:

Christopher Jimenez, City Clerk

Arnold M. Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 25-31 was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 14th day of May 2025 and that said Resolution was adopted by the following vote, to-wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

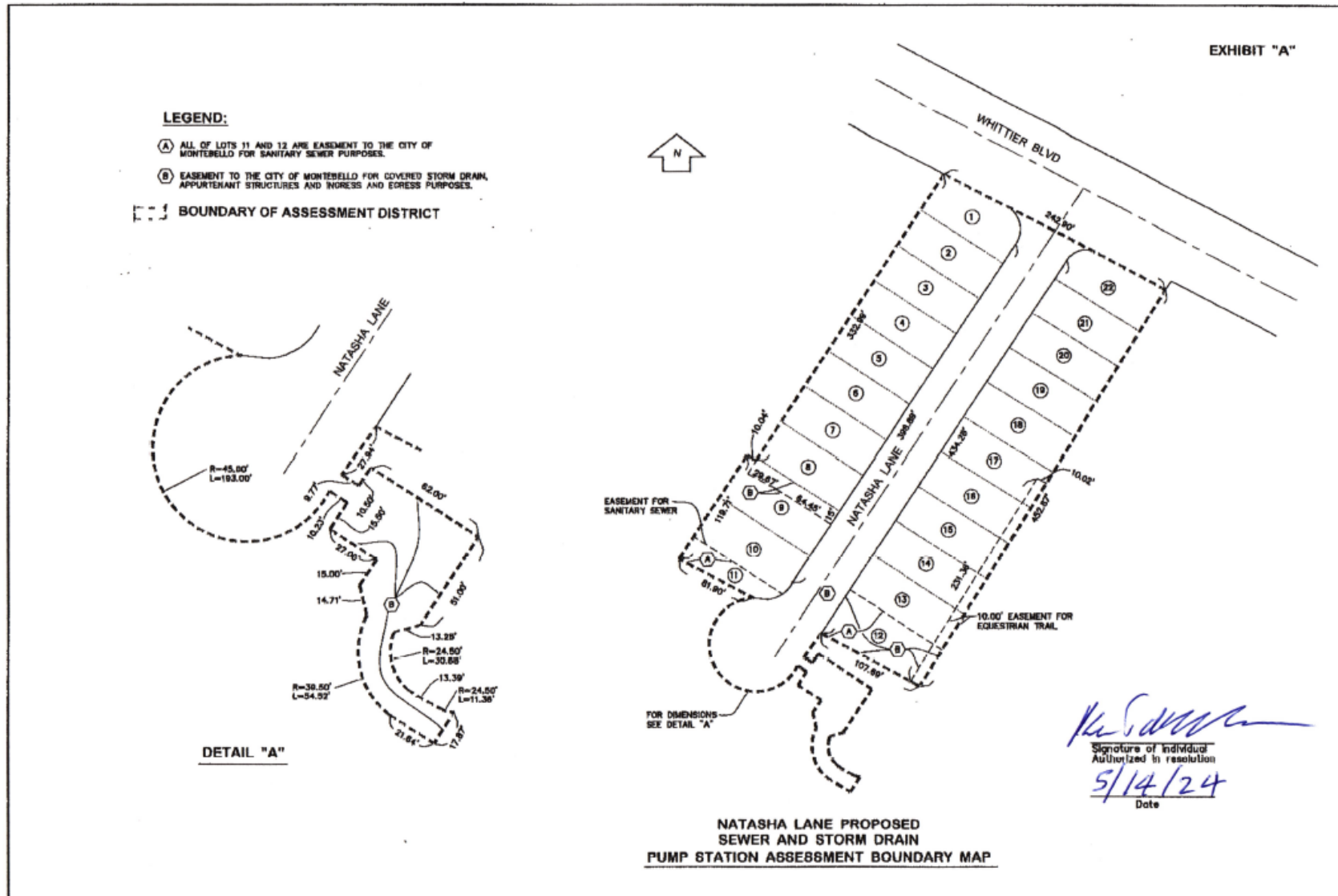
The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____

Christopher Jimenez, City Clerk

EXHIBITS:

- Exhibit A – Boundary of Assessment District





**CITY OF MONTEBELLO
ENGINEER'S REPORT
FOR
NATASHA LANE SEWER AND STORM WATER PUMP STATION
ASSESSMENT DISTRICT NO. 2005-2**

**For
FY 2025-2026**

Salvador Melendez, Mayor

Georgina Tamayo, Mayor Pro Tem

Scarlet Peralta, Councilmember

Danielle Romero, Councilmember

Ric Alonzo, Councilmember

Engineer's Report
May 14, 2025

Prepared by the City of Montebello – Engineering Division

Cesar Roldan
Director of Public Works
CITY OF MONTEBELLO

**ENGINEER'S REPORT
FOR
NATASHA LANE SEWER AND STORM WATER PUMP STATION
ASSESSMENT DISTRICT NO. 2005-2
(FISCAL YEAR 2025-2026)**

SECTION I: AUTHORITY FOR REPORT

This report is prepared pursuant to the provision of the Benefits Assessment Act of 1982. Chapter 6.4 (commencing with Section 54703) of Part 1 of Division of Title 5 of the Government Code. The report for the maintenance and operation of the sewer pump station and storm water pump station benefits only the properties on Natasha Lane and covers the period July 1, 2025, through June 30, 2026.

SECTION II: PLANS

The Plans showing the locations of the sewer and storm water pump stations are illustrated herein as Exhibit A.

All of the above-mentioned items are on file in the Office of the City Clerk.

SECTION III: SPECIFICATIONS FOR MAINTENANCE

The sewer and storm water pump stations shall be maintained in such a manner as to always keep the systems in good working condition. The installation or construction of any facilities, parts, or systems associated to any improvements which are necessary or convenient for maintenance shall be initiated as required in a timely manner.

SECTION IV: PROJECT REVENUE & EXPENDITURES

	2024-25 ACTUAL	25-26 PROJECTED
BEGINNING FUND BALANCE	(\$110,766.32)	(\$172,911.36)
Current Outstanding Deficit		
REVENUE	\$17,640.99	\$19,593.90
Maintenance and Operation Expenses (Estimated)	\$12,840.99	\$14,793.90
Administrative Costs (Staff, Consultant and La County Fees)	\$4,800	\$4,800
EXPENDITURES (ESTIMATED)	\$79,866.03	\$26,800
Maintenance and Operation Expenses	\$75,066.03	\$22,000
Contractual Services		
Administrative Costs (Staff, Consultant and La County Fees)	\$4,800	\$4,800
BALANCE (END OF FISCAL YEAR)		
Revenue Available	(\$93,125.33)	(\$153,317.46)
Anticipated Expenditures	(\$79,866.03)	(\$26,800)

ASSESSMENT DISTRICT RESERVE FUND BALANCE	(\$172,911.36)	(\$180,117.46)
---	-----------------------	-----------------------

SECTION V: DIAGRAM

A Diagram showing the Assessor's parcel number and the dimensions of each lot or parcel of land within the District is on file in the Office of the City Clerk.

SECTION VI: ASSESSMENT

The improvements are to be funded by the levying of assessments on the benefiting properties. The "Municipal Improvement Act of 1913" and Article XIID of the State Constitution require that assessments must be based on the estimated special benefit for the properties from the improvements. In addition, Article XIID, Section 4, of the State Constitution requires that a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred in the parcel. It also requires that publicly owned property (which benefits from the improvements) are to be assessed. Neither the Act nor the State Constitution specifies the method or formula that should be used to apportion the costs to properties in any special assessment district proceedings. The responsibility for recommending the assessments per panel is an Apportionment Engineer, who is appointed for the purpose of making an analysis of the facts and determining the correct apportionment of the assessment obligation. The City Engineer is hereby appointed as the Assessment Engineer.

All properties are assessed based on the Engineer's Estimate. The Engineer's Estimate includes a 3% Consumer Price Index adjustment which was approved when the District was initially formed. This estimate includes associated costs for each property based on property frontage along the street (Natasha Lane). In order to apportion the assessment to each parcel in direct proportion with the special and direct benefit which it will receive from the improvements, an analysis has been completed and the respective street frontage of each benefiting parcel is used as the basis for apportioning costs to each property within the Assessment District as follows:

**NATASHA LANE SEWER AND STORM WATER PUMP STATION
ASSESSMENT DISTRICT NO. 2005-2**

ASSESSMENT ROLL

ASSESSMENT NO.	BOOK	PAGE	PARCEL NO.	FRONT FOOTAGE	TOTAL COST
1	6348	6	17	45.19 LF	\$1,068.09
2	6348	6	18	41 LF	\$969.06
3	6348	6	19	41 LF	\$969.06
4	6348	6	20	41 LF	\$969.06
5	6348	6	21	41 LF	\$969.06
6	6348	6	22	41 LF	\$969.06
7	6348	6	23	41 LF	\$969.06
8	6348	6	24	41.70 LF	\$985.60
9	6348	6	25	52 LF	\$1,229.05
10	6348	6	26	45.27 LF	\$1,069.98
11	6348	6	29	40.60 LF	\$959.60
12	6348	6	30	40 LF	\$945.42
13	6348	6	31	40 LF	\$945.42
14	6348	6	32	40 LF	\$945.42
15	6348	6	33	40 LF	\$945.42
16	6348	6	34	40 LF	\$945.42
17	6348	6	35	40 LF	\$945.42
18	6348	6	36	40 LF	\$945.42
19	6348	6	37	40 LF	\$945.42
20	6348	6	38	38.24 LF	\$903.82
TOTAL:				829.00 LF	\$19,593.90

**NATASHA LANE SEWER AND STORM WATER PUMP STATION
ASSESSMENT DISTRICT NO. 2005-2**

ADDRESS OF PROPERTY OWNERS

Assessor's Parcel No.	Property Address
6348-006-017	101 Natasha Lane Montebello, CA 90640
6348-006-018	105 Natasha Lane Montebello, CA 90640
6348-006-019	109 Natasha Lane Montebello, CA 90640
6348-006-020	117 Natasha Lane Montebello, CA 90640
6348-006-021	121 Natasha Lane Montebello, CA 90640
6348-006-022	125 Natasha Lane Montebello, CA 90640
6348-006-023	129 Natasha Lane Montebello, CA 90640
6348-006-024	133 Natasha Lane Montebello, CA 90640
6348-006-025	137 Natasha Lane Montebello, CA 90640
6348-006-026	141 Natasha Lane Montebello, CA 90640

**NATASHA LANE SEWER AND STORM WATER PUMP STATION
ASSESSMENT DISTRICT NO. 2005-2**

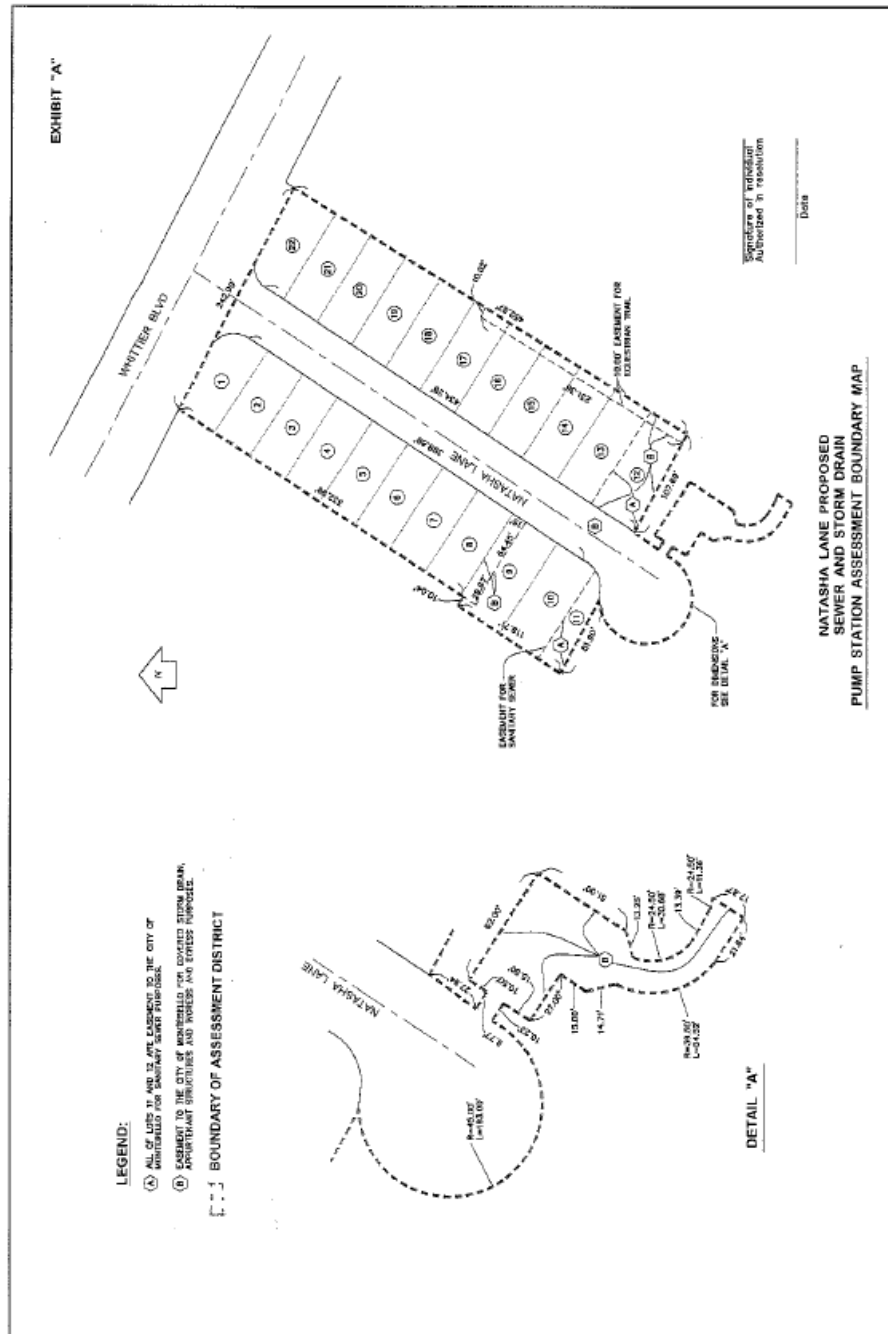
ADDRESS OF PROPERTY OWNERS

Assessor's Parcel No.	Property Address
6348-006-029	136 Natasha Lane Montebello, CA 90640
6348-006-030	132 Natasha Lane Montebello, CA 90640
6348-006-031	128 Natasha Lane Montebello, CA 90640
6348-006-032	124 Natasha Lane Montebello, CA 90640
6348-006-033	120 Natasha Lane Montebello, CA 90640
6348-006-034	116 Natasha Lane Montebello, CA 90640
6348-006-035	112 Natasha Lane Montebello, CA 90640
6348-006-036	108 Natasha Lane Montebello, CA 90640
6348-006-037	104 Natasha Lane Montebello, CA 90640
6348-006-038	100 Natasha Lane Montebello, CA 90640

NATASHA LANE SEWER AND STORM WATER PUMP STATION ASSESSMENT DISTRICT NO. 2005-2

EXHIBIT "A"

BOUNDARY MAP





CITY OF MONTEBELLO PUBLIC HEARING NOTICE

NOTICE IS HEREBY GIVEN that the City Council of the City of Montebello will hold a Public Hearing in the **Council Chambers located at Montebello City Hall, 1600 West Beverly Boulevard, Montebello, California, on Wednesday, June 25, 2025, at 6:00 p.m.**, or as soon as possible thereafter as the matter can be heard, to consider the following:

Levying the proposed annual assessments for the City's Natasha Lane Sewer and Storm Water Pump Station Assessment District 2005-2 for Fiscal Year 2025-26:

Natasha Lane is a twenty-unit single family housing development, located south of Whittier Boulevard and east of Bluff Road. As part of the development, sewer and storm systems, including pump stations for both systems, were installed to accommodate the operation of the sewer lines and storm water systems. The City is responsible for the operation and maintenance of these pump stations. The special assessment district was initially established in 2005 when the development was constructed. This special assessment is added to the L.A. County Tax Roll annually. On June May 14, 2025, the City Council approved Resolution No. 25-31 initiating proceedings for the FY 2025-2026 levy of the annual special assessment and residents were notified on [REDACTED], 2025.

For those interested in making public comments, you may address the City Council in person during the public comment period or public testimony period for Public Hearings by attending the Council Chambers located at Montebello City Hall, 1600 West Beverly Boulevard, Montebello, California on Wednesday, June 25, 2025, at 6:00 p.m. In addition, the City has created an email address ccpubliccomment@cityofmontebello.com where the public can submit written public comments no later than **Wednesday, June 26, 2025, at 3:00 p.m.** These comments will not be read aloud but will be entered into the record and submitted to all members of the City Council. The email address for City Council meetings can be located on the City's webpage under the City Clerk tab, <https://www.cityofmontebello.com/departments/administration/city-clerk-s-office.html>.

If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council, at, or prior to, the public hearing.

More information about the assessment district is available by contacting the Public Works Department at 323-887-1460:

Kimberly Guillen, Sr. Deputy City Clerk

Dated: May 14, 2025

Date published: May XX, 2025



ITEM # 21

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Cesar Roldan, Director of Public Works

SUBJECT: APPROVE ISSUING A REQUEST FOR QUOTATIONS FOR EQUIPMENT, HARDWARE, TOOLS, AND RELATED MATERIALS; AUTOMOTIVE SUPPLIES; RENTAL EQUIPMENT; SIGNAGE AND TRAFFIC SUPPLIES; ASPHALT SUPPLIES AND DELIVERY

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Approve issuing a Request for Quotations ("RFQ") for Equipment, Hardware, Tools, and Related Materials; and,
2. Approve issuing a Request for Quotations ("RFQ") for Automotive Supplies; and,
3. Approve issuing a Request for Quotations ("RFQ") for Rental Equipment; and,
4. Approve issuing a Request for Quotations ("RFQ") for Signage and Traffic Supplies; and,
5. Approve issuing a Request for Quotations ("RFQ") for Asphalt Supplies and Delivery; and,
6. Take such additional, related action that may be desirable.

FISCAL IMPACT:

There are no significant expenses associated with approving and circulating the Request for Quotations (RFQ). The City Council is not obligated to approve an agreement by soliciting quotes for the various materials, parts, equipment, etc. covered by the various RFQs. Actual costs will be determined through the competitive quotation process and based on individual department needs. Final expenditures will be encumbered through approved department budgets in each fiscal year and monitored through standard purchasing procedures. Should the projected annual expense of any of the goods and/or equipment quoted through the RFQ process be \$50,000 or greater, staff will seek City

Council approval on an agreement to set pricing and related terms.

BACKGROUND/DISCUSSION:

The City of Montebello utilizes a wide range of essential supplies and services to support the daily operations of its departments, including Public Works, Transit, Fire, Police, and Parks and Recreation. Historically, many of these operational needs—such as tools, asphalt patching materials, signage, or automotive parts—have been procured through ad hoc purchases or on an emergency basis using purchase cards (P-cards) or open-market transactions with big box retailers. While functional in the short term, this approach presents significant inefficiencies and risks:

- Lack of pricing consistency and opportunities for competitive rate negotiation
- Increased administrative burden from repeatedly soliciting quotes for routine purchases
- Audit concerns and budget tracking challenges related to unstructured P-card use
- Limited contract management and vendor accountability

To reduce these challenges, City staff are proposing the issuance of five distinct RFQs to establish annual not-to-exceed contracts with pre-qualified vendors in key operational categories. These contracts will allow departments to issue purchase orders efficiently at the beginning of each fiscal year, while ensuring accountability, cost control, and improved procurement planning.

ENVIRONMENTAL:

N/A

ANALYSIS:

Each RFQ will be publicly advertised and evaluated in accordance with the City's procurement policy. The purpose is to pre-qualify multiple vendors in each category who can supply goods and services on an as-needed basis throughout the fiscal year. The five categories include:

- Equipment, Hardware, Tools, and Related Materials: This RFQ covers general maintenance supplies, hand tools, hardware, electrical and plumbing parts necessary for daily operations.
- Automotive Supplies: This RFQ will provide parts, fluids, and vehicle-related consumables for the City's fleet, ensuring timely maintenance and reducing vehicle downtime.
- Rental Equipment: Covers the short-term rental of heavy equipment, power tools, lifts, and high-elevation machinery used for field repairs, emergency work, or capital projects.
- Signage and Traffic Supplies: Procurement of MUTCD-compliant traffic signs, street signage, and traffic control materials such as cones, barricades, and mounting hardware.

- E. Asphalt Supplies and Delivery: Enables the timely purchase and delivery of cold patch, hot mix, and emulsion for street repair and maintenance projects throughout the City.

By issuing these RFQs, the City will gain:

- Operational Efficiency: Departments will no longer need to initiate individual quotes for recurring purchases.
- Cost Control: Contracts will potentially feature discounted rates and will establish not-to-exceed limits, limiting unplanned spending.
- Transparency and Compliance: A formalized vendor pool will support responsible purchasing practices and reduce P-card overuse.
- Emergency Readiness: Pre-qualified vendors can be called upon quickly for urgent or unplanned needs.

Final award recommendations, if any, will return to the City Council for approval once vendor qualifications are reviewed and appropriate vendors for each supply/equipment/service category are identified.

SUMMARY:

Staff recommend circulating five category-specific RFQs to establish not-to-exceed contracts with qualified vendors for equipment, supplies, rental services, etc.. This approach will significantly streamline routine purchasing, limit unstructured P-card use, reduce administrative workload, and ensure the City receives competitive pricing for vital operational needs.

There is no fiscal commitment associated with this action. Contract awards, if any, will be brought back to City Council for approval at a future date.

ATTACHMENT(S)

1. Attachment A — RFQ 25-02 Equipment, Hardware, Tools, and Other Related Materials
2. Attachment B — RFQ 25-03 Automotive Supplies
3. Attachment C — RFQ 25-04 Rental Equipment
4. Attachment D — RFQ 25-05 Signage and Traffic Controls
5. Attachment E — RFQ 25-06 Supply and Delivery of Asphalt Repair Materials



CITY OF MONTEBELLO

Request for Quotations

(RFQ No. 25-02)

EQUIPMENT, HARDWARE, TOOLS, AND RELATED MATERIALS

Release Date: Thursday, May 15, 2025

Questions Due: Sunday, May 25, 2025, at 11 a.m. P.D.T.

Due Date: Thursday, June 05, 2025, at 11 a.m. P.D.T.

TO PROSPECTIVE BIDDERS

The City of Montebello invites your firm to submit a bid in accordance with this Request for Quotations (RFQ). Your response to this request will be evaluated to determine the qualifications of your firm. Bids must adhere to the format and content of this RFQ. Bids will not be evaluated unless all parts requested are submitted in a complete package. The information set forth is the minimum required in order to qualify for consideration. The successful bidder will be required to enter into a standard professional services agreement based on the specifications outlined in this RFQ.

THE DATE OF SOLICITATION:

May 15, 2025

THE PROJECT:

Project Name: Equipment, Hardware, Tools, and Related Materials

THE OWNER:

Name: City of Montebello
Address: 1600 W. Beverly Blvd.,
Montebello, CA 90640
Contact: Cesar Roldan, Director of Public Works
Contact Phone: (323) 887-1460
Contact E-Mail: croldan@montebelloca.gov

PROPOSAL CONTACTS

Any questions concerning this RFQ and all correspondence must be submitted in writing via e-mail to the following contact:

Name: City of Montebello
Address: 1600 W. Beverly Blvd.,
Montebello, CA 90640
Contact: James Coiner, Deputy Director of Public Works
Contact Phone: (323) 887-1200 ext. 1427
Contact E-Mail: jcoiner@montebelloca.gov

Any questions about this RFQ should be submitted via the City's PlanetBids Portal by May 25, 2025, at 11:00 a.m. PST. Prospective vendors must register their business with PlanetBids before being able to view or submit a response. To access the PlanetBids Portal, please go to:

<https://www.montebelloca.gov/cms/one.aspx?portalId=58756&pageId=84839>

EQUIPMENT, HARDWARE, TOOLS, AND RELATED MATERIALS

Request for Quotations No. 25-02

Table of Contents

<u>No.</u>		<u>Page</u>
I.	Notice Inviting Sealed Quotes	4
II.	General Scope of Work – Scope of Services	5
III.	General Requirements	5
IV.	Contract Provisions/Specifications	5
V.	Required Information/Bid Format	7
VI.	Evaluation Process and Selection Criteria	8
VII.	Contract with the City and Anticipated Timing for Beginning Services	10
VIII.	Submittal Requirements	10
IX.	Appendix A – References	11
X.	Sample Professional Services Agreement	12

**I. NOTICE INVITING QUOTATIONS
FOR EQUIPMENT, HARDWARE, TOOLS, AND RELATED MATERIALS**

RFQ NO. 25-02

PUBLIC NOTICE IS HEREBY GIVEN THAT THE City of Montebello as AGENCY, invites sealed bids for the above stated project and will receive such bids via the PlanetBids vendor portal found on the City of Montebello's official website up to the hour of 11:00 a.m. on Thursday, June 05, 2025.

Copies of the specifications and contract documents are available from the City of Montebello, 1600 West Beverly Boulevard, Montebello, California 90640.

The AGENCY hereby affirmatively ensures that minority business enterprises will be afforded full opportunity to submit bids in response to this notice and will not be discriminated against on the basis of race, color, national origin, ancestry, sex, or religion in any consideration leading to the award of contract.

Proposals must be prepared on the approved Proposal forms in conformance with the instructions to Bidders.

The successful Vendor and Subcontractors are notified that they shall comply with all applicable state laws, Montebello Municipal Code, will be required to possess business licenses from the City, and other requirements as set forth in the contract requirements.

Addenda issued during the time of bidding shall become a part of the documents furnished to bidders for the preparation of bids, shall be covered in the bids, and shall be made part of the final contract.

The solicitation of Quotations has been developed in the Request for Quotations (RFQ) format. Accordingly, bidders should take note that multiple factors as defined in the RFQ will be considered by the City to determine which bid best meets the requirements set forth in the RFQ documents. Price will be considered as part of the evaluation, but other factors under consideration include, but are not limited to, proposed methodology, quality control program, experience of staff, experience of management team, quality of equipment, tools and uniforms. The City reserves the right to negotiate the terms of any resulting contract. Final contract award, if any, will be made by the Montebello City Council.

The AGENCY reserves the right to accept or reject any or all bids, to waive any irregularity in a bid and to make an award as may serve the interests of the City.

Questions should be directed to James Coiner, Deputy Director of Public Works at jcoiner@montebellocal.gov

THE DATE OF SOLICITATION: Thursday, May 15, 2025

QUESTIONS MUST BE SUBMITTED BY: Sunday, May 05, 2025, at 11:00 a.m. PST

SUBMITTAL DUE DATE: Wednesday, June 05, 2025, at 11:00 a.m. PST

REQUEST FOR QUOTATIONS

The City of Montebello is seeking bids from qualified hardware/equipment suppliers to provide essential supplies including equipment, hardware, tools, and related materials. Items such as these are essential for routine maintenance, repairs, and infrastructure support. The City seeks to award multiple contracts to allow City Departments the ability to purchase items on an as-needed basis to defer inefficiencies, delays, and operational burdens.

II. SCOPE OF SERVICES

The selected vendors will provide the City with a broad range of equipment, hardware, tools, and related materials, including but not limited to:

- **General Maintenance and Repair Supplies:** Hand tools, power tools, fasteners, adhesives, lubricants, electrical components, and plumbing fixtures.
- **Safety Equipment:** Personal protective equipment (PPE), first aid supplies, signage, and spill containment.
- **Facility and Grounds Maintenance:** Cleaning supplies, landscaping tools, HVAC parts, and lighting fixtures.
- **Specialty Items:** Any other materials necessary for City operations, including emergency response supplies.

The vendors must be able to provide timely deliveries, bulk-order capabilities, and responsive customer service to meet the needs of City departments.

III. GENERAL REQUIREMENTS

To qualify for this contract, vendors must meet the following requirements:

- Possess a valid business license in the State of California.
- Have a minimum of five (5) years of experience providing similar products to government agencies, municipalities, or large organizations.
- Demonstrate financial stability and the ability to fulfill large-scale purchase orders.
- Maintain sufficient inventory and provide timely deliveries upon request.
- Maintain compliance with all applicable federal, state, and local regulations related to product safety and procurement.

IV. CONTRACT PROVISIONS AND SPECIFICATIONS

A. Term of Contract

1. The initial term of the contract shall be for three (3) years from the effective date, with up to two (2) optional one-year extensions, subject to City approval and vendor performance.
2. Term to end on the end of the Fiscal year (June 30, 2028)
3. The City reserves the right to extend or amend the contract based on operational needs and funding availability.

B. Pricing and Invoicing

1. Due to fluctuating material and supply chain costs, vendors are not required to submit fixed pricing but must provide a documented pricing structure (e.g., retail price less a defined percentage discount or access to government/municipal pricing tiers).

2. The vendor shall provide the City with access to real-time pricing through catalogs, portals, or in-store rates.
3. Invoices must be itemized and clearly reflect the retail price, discount applied, and final cost to the City. Invoices shall reference the relevant purchase order number and be submitted to the City's designated billing contact.

C. Delivery and Fulfillment

1. Vendors must offer multiple fulfillment methods, including:
 - In-store pickup,
 - Scheduled delivery to City-designated facilities, and/or
 - Online order and delivery services where available.
2. Delivery timelines must be communicated clearly at the time of order and confirmed in writing when applicable.
3. City Departments may use authorized purchasing cards (P-cards) for same-day in-store purchases.

D. Product Availability and Substitutions

1. Vendors must notify the City of any out-of-stock or discontinued items and propose equivalent alternatives when available.
2. Substituted products must meet or exceed the specifications and quality of the originally requested item.

E. Product Standards and Warranty

1. All items must be new, of commercial-grade quality, and suitable for government operations.
2. Products must comply with all applicable federal, state, and local safety regulations.
3. Manufacturer warranties shall apply to all products purchased; vendors shall assist the City in processing any warranty claims as needed.

F. Customer Support

1. Vendors must designate a corporate or regional representative to serve as the primary liaison to City staff.
2. The vendor shall provide contact information for store-level and account-level customer service for prompt assistance with returns, credits, and inquiries.

G. Termination

The City reserves the right to terminate the contract at any time for convenience with thirty (30) calendar days' written notice. Immediate termination may occur in the event of:

- Repeated supply failures or non-performance,
- Unreasonable price increases without explanation,
- Unresolved customer service or billing issues.

H. Insurance Requirements

Vendors shall maintain insurance coverage consistent with the City's standard professional services agreement. Proof of insurance shall be provided upon execution of the contract and annually thereafter.

I. Governing Law and Venue

This contract shall be governed in accordance with the laws of the State of California. Venue shall lie exclusively in the courts of Los Angeles County.

V. REQUIRED INFORMATION AND BID FORMAT

To be considered for selection, respondent individuals or firms shall submit a bid that addresses each of the following criteria, and shall also provide resumes and evidence of qualifications to provide the services listed in this RFQ. All bids must be electronically submitted through PlanetBids' Bidder Portal, accessed through the City of Montebello's official website:

http://www.montebellocity.gov/departments/finance/request_for_proposal_bids.

All Prospective Bidders must register to bid through the PlanetBids Vendor Portal found on the City of Montebello's website at the link provided above.

The City reserves the right to reject any and all bids as "non-responsive" for failure to provide the required information and abide by the required format outlined in this RFQ.

1. Letter of Interest

- Please include a letter expressing your interest in being considered for the project. Include a statement regarding the vendor's availability to dedicate time, personnel, and resources to this effort. The letter of interest must include a commitment to the availability of the vendor and all key project staff during the planning period and a proposed schedule designed to meet the City's needs for the project.

2. Project Understanding and Approach

- Please include a statement demonstrating your understanding of the proposed project. Describe your general approach to completing the project successfully, methodologies and technologies you would employ, key milestones and processes you would employ. Describe what information you would expect the City to supply.

3. Relevant Experience

- Please include information describing your experience providing similar services for public agencies. Provide a minimum of three (3) specific examples of relevant experience. At a minimum, the vendor should provide a list of the most recent projects (i.e., completed within the last five (5) years is preferred, but samples outside of this timeframe will be accepted if relevant) for which the consultant has performed similar services of similar size, scope, and complexity.
- Using Appendix A – References, please provide details regarding each reference. This should include the name, contact person, address, phone number, and e-mail address of each party for whom the service was provided, as well as a description of the service performed, the dollar amount of the contract, and the date of performance. The City may contact the individual listed at its discretion.

- Resumes may also be included in this section for any key staff associated with project.

4. Proposed Scope of Services

- Please provide a proposed Scope of Services, based on the Scope of Work contained in this RFQ; and discuss any ideas for modifying, clarifying, or improving the City's proposed scope of work. Provide a realistic working schedule with key deliverables, milestones, and tasks.

5. Conflict of Interest Statement

- The vendor shall disclose any financial, business, or other relationship with the City that may have an impact upon the selection process. If the vendor does not have any such conflicts, a statement declaring such should be included in their submission.

6. Contract Documents

- Utilize the attached Project Bid Sheet (Appendix A) to provide a proposed schedule of fees for each lunch or snack to be provided.

7. Customer Service

- Describe how your firm provides for responsiveness to phone calls or email from City staff; and discuss your anticipated relationship with the City of Montebello and your organization.

8. Standard Professional Services Agreement

- Include a statement regarding whether the City's standard professional services agreement is acceptable as is or whether any modification would be proposed.

9. Conflict of Interest Statement

- The vendor shall disclose any financial, business, or other relationship with the City that may have an impact upon the selection process. If the vendor does not have any such conflicts, a statement declaring such should be included in their submission.
- List any lawsuits or arbitration proceedings that have been initiated by or against your firm in the past five (5) years. Briefly state the nature of the action and the outcome.

VI. EVALUATION PROCESS AND SELECTION CRITERIA

The City will establish an evaluation committee to review and rate each proposal. The proposal evaluation process will be conducted using a multi-step method which will include the following steps:

- A. Preliminary Proposal Review – The evaluation committee will review each submission to ensure adherence to the minimum/proposal format requirements.

B. Proposal Evaluation – In the second part of this process, the evaluation committee will review and rate proposals using a combined score based on the following:

- i. Qualifications as they relate to this project – 30%
 - a. Thoroughness and understanding of the tasks to be completed
 - b. Background and experience
 - c. Experience and personnel assigned to the work
 - d. Communication skills
- ii. Reputation for integrity and competence – 10%
 - a. Positive Reference Checks
 - b. Work Samples
- iii. Proposed fees for services – 60%

The vendor must satisfy the City of its ability to perform the services required. The vendor must demonstrate and document a history of timely and satisfactory performance of similar projects in a manner, which addresses the stated evaluation criteria. The vendor shall be responsible for the accuracy of information supplied concerning references. In addition, the City may consider evidence of untimely and unsatisfactory performance on prior similar projects, or litigation by the vendor on previous contracts to be grounds for disqualification.

The City reserves the right to reject any or all Quotations, amend the RFQ, and to discontinue or re-open the process at any time. The City reserves the right to request and obtain, from one or more vendors, supplementary information as may be necessary for the City to analyze the proposal pursuant to contract selection criteria. Upon completion of the evaluation phase, the City will select those vendors for interviews whose bids and qualifications most closely conform to the requirements of this RFQ, if required. The vendor, by submitting a response to this RFQ, waives all rights to protest or seek any legal remedies whatsoever regarding any aspect of this RFQ. The City may choose to interview one or more firms responding to this RFQ, and may enter into more than one contract with multiple individuals or firms, if City determines that is the best way to address the full range of services needed under this RFQ.

Questions during the solicitation period are preferably received by email, and may be addressed to:

Attn: James Coiner
Deputy Director of Public Works
jcoiner@montebelloca.gov
1600 W. Beverly Blvd.
Montebello, CA 90640
(323) 887-1200 ext. 1378

VII. CONTRACT WITH THE CITY AND ANTICIPATED TIMING FOR BEGINNING SERVICES

The selected vendor will be required to enter into an Agreement with the City. The Agreement will include the final scope of work that is negotiated with the vendor. The City Manager is the authorizing entity to issue contracts with the Montebello City Council approval, and the contract will not take effect until it is approved by the City Council (as required) and fully executed by Vendor and City.

During the term of the contract, the Vendor will be required to keep informed of applicable local, State and Federal laws and regulations, including, but not limited, to those pertaining to conflict of interest, which in any manner affect those employed by the vendor or in any way affect the performance of the requested services.

The City's standard professional services agreement is attached, including insurance requirements. As part of your proposal, please indicate whether the standard agreement is acceptable or whether you would like to propose modifications to the standard agreement.

VIII. SUBMITTAL REQUIREMENTS

Proposals will be received through 11:00 A.M. on Thursday, June 05, 2025.

All bids must be Electronically submitted through PlanetBids' Bidder Portal, accessed through the City of Montebello's official website at http://www.montebellocal.gov/departments/finance/request_for_proposal_bids.



Appendix "A" Reference Sheet

RFQ 25-02 Equipment, Hardware, Tools, and Related Materials

Entity Name _____
Business Address _____
Name of Contact _____
Title Contact _____
Telephone Number of Contact _____
Email of Contact _____
Description of Project _____
Date of Service _____

Entity Name _____
Business Address _____
Name of Contact _____
Title Contact _____
Telephone Number of Contact _____
Email of Contact _____
Description of Project _____
Date of Service _____

Entity Name _____
Business Address _____
Name of Contact _____
Title Contact _____
Telephone Number of Contact _____
Email of Contact _____
Description of Project _____
Date of Service _____

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

Appendix "B"

**CITY OF MONTEBELLO
PROFESSIONAL ON-CALL SERVICES AGREEMENT NO. ____
WITH _____**

THIS PROFESSIONAL ON-CALL SERVICES AGREEMENT ("Agreement") is made and entered on _____, **2025** ("Effective Date"), by the CITY OF MONTEBELLO, a California municipal corporation (the "CITY") and _____, a California corporation (the "CONSULTANT"). The CITY and the CONSULTANT are sometimes referred to herein individual as the "Party," and jointly as the "Parties."

RECITALS

WHEREAS, the CITY desires to retain a qualified professional consultant to provide on-call _____ services in the CITY; and

WHEREAS, the CONSULTANT represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

NOW THEREFORE, in consideration of performance by the Parties of the covenants and conditions herein contained, the Parties hereto agree as follows:

SECTION 1. INCORPORATION OF RECITALS AND OTHER CONTRACT DOCUMENTS

a. The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference. Moreover, this Agreement consists of the following documents, in order of precedence, all of which are incorporated herein and made part of this Agreement, as though fully set forth herein:

1. This Agreement and its Exhibits, including any and all addenda or supplemental agreements.
2. RFQ No. _____
3. Proposal referenced and Best Final Offer received by the successful proposer.
4. All other documents, including but not limited to all applicable bonds, insurance certificates, permits, notices, schedules, forms, certifications, and affidavits.

b. These documents shall be collectively referred to herein as the "Contract Documents." In the event of a conflict among the Contract Documents, the order of precedence list above shall apply.

SECTION 2. SERVICES / COMPENSATION.

A. All terms, conditions, requirements, and provisions of the Proposal for labor and materials to provide emergency response services ("Proposal"), as such is set forth fully in **Exhibit A** hereto, are hereby incorporated fully herein by this reference and

shall be binding on the Parties. To the extent of a conflict between the terms of this Agreement and that set forth in any exhibits or attachments hereto, the terms of this Agreement shall govern.

B.The CONSULTANT shall provide to the CITY all labor, equipment,

materials and incidental necessary to provide services as such is set forth fully in **Exhibit A** hereto and incorporated fully herein by this reference (hereinafter "Professional Services").

- A. The CONSULTANT shall be compensated on as-needed case by case basis for performance of the Professional Services as set forth in **Exhibit B** and incorporated fully herein by this reference ("Compensation"). The CONSULTANT shall not commence work without a fully executed task order(s) signed and executed by the City Manager and compensation is based on the individual task order(s) and each task order(s) must provide an itemized billing statement to the CITY when each task order(s) is performed and completed. The CONSULTANT shall not incur fees or costs which exceed the Compensation without the prior written consent of the CITY.

SECTION 3. TERM.

This Agreement shall commence upon issuance of the Notice to Proceed by the CITY, and shall expire on _____, unless extended or terminated earlier as hereinafter provided.

SECTION 4. PERFORMANCE.

- a. The CONSULTANT shall at all times, faithfully, competently, and to the best of its ability, experience and talent, perform all tasks described herein.
- b. The CONSULTANT shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of CONSULTANT hereunder, in meeting its obligations under this Agreement.
- c. The CONSULTANT shall be knowledgeable of and subject to all CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.
- d. The CONSULTANT shall have the right to retain, subject to the CITY's approval, additional individuals, consultants or subcontractors to assist in the completion of services as herein defined. Compensation for additional individuals, consultants or subcontractors shall be the sole and exclusive responsibility of the CONSULTANT.
- e. The CONSULTANT shall retain all original reports, field and office notes, correspondence, calculations, maps, and other documents specifically related to the services provided by the CONSULTANT pursuant to this Agreement, other than documents which are exempt from disclosure pursuant to the attorney- client privilege or any other law. Said documents shall be made available for inspection by the CITY upon request.

SECTION 5. WORK PRODUCT.

- a. The CONSULTANT hereby agrees that all work product produced pursuant to this Agreement, and provided to the CITY during and upon completion of this Agreement, shall be the property of the CITY, and ownership of said work product shall be retained by the CITY. The CONSULTANT may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by the CONSULTANT.
- b. All data, documents, discussion, or other information developed or received by the CONSULTANT or provided for performance of this Agreement are deemed

confidential and shall not be disclosed by the CONSULTANT without prior written consent by the CITY. The CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to the CITY upon the termination or expiration of this Agreement. The CONSULTANT agrees that the covenants contained in this Section shall

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

survive the expiration or termination of this Agreement.

SECTION 6. EXTRA SERVICES.

No extra services over and above the Compensation shall be rendered by the CONSULTANT under this Agreement unless such extra services first shall have been duly authorized in writing by the CITY's City Manager (the "City Manager").

SECTION 7. CITY SUPERVISION.

The City Manager shall have the right of general supervision of all work performed by the CONSULTANT and shall be the CITY's agent with respect to obtaining the CONSULTANT's compliance hereunder. No payment for services rendered under this Agreement shall be made without the prior approval of the City Manager.

SECTION 8. TERMINATION.

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

a. Termination for Cause. In the event that any of the provisions of the Agreement are violated by either party, the non-defaulting Party may terminate the Agreement by serving written notice upon the other Party, listing the violation(s) and its intent to terminate such Agreement unless within ten (10) days after the serving of such notice, such violation shall cease or be rectified, the contract shall upon the expiration of an additional thirty (30) days cease and terminate. Violations by the CONSULTANT which cannot be corrected within ten (10) days, said contract shall at the option of the CITY cease and terminate upon the giving of like notice. In the event of any such termination for default by the CONSULTANT, the CITY may take over the work and prosecute the same to completion by contract or otherwise for the account and at the expense of the CONSULTANT. The CONSULTANT and his sureties shall be liable to the CITY for any excess cost occasioned in the event of any such termination. This change shall not be construed to prevent the termination, for other causes authorized by law or other provisions of this contract. In the event of a termination for cause, the CONSULTANT shall only be entitled to Compensation for those Professional Services satisfactorily performed on or before the effective date of termination.

b. Termination for Convenience. The CITY shall have the option, at its sole discretion and without cause, to terminate this Agreement in whole, or in part, by giving ten (30) business days' written notice to the CONSULTANT. Upon the termination of this Agreement as provided herein, the CITY shall provide to the CONSULTANT the part of Compensation which would otherwise be payable to the CONSULTANT for services the CONSULTANT had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation. Further, upon such a termination for convenience by the CITY, the Parties agree that the CONSULTANT shall be reimbursed for any "non- refundable" costs that the CONSULTANT has incurred for its services under this Agreement, provided that: (1) such "non- refundable" costs were incurred by the CONSULTANT prior to the date of termination, and
(2) that the CONSULTANT provides the CITY with adequate proof that the CONSULTANT incurred the costs, and is unable to

be seek a refund for such costs. Such “non- refundable” costs may include, but are not limited to, travel reservations incurred by the CONSULTANT for its performance of services under this Agreement. The CONSULTANT agrees to cease all work under this Agreement on or before the effective date of any notice of termination.

SECTION 9. EMPLOYMENT OF CITY EMPLOYEES.

No employee of the CITY shall be employed by the CONSULTANT during the term of this Agreement.

SECTION 10. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No official or employee of the CITY shall be personally liable to the CONSULTANT in the event of any default or breach by the CITY, or for any amount which may become due to the CONSULTANT.

SECTION 11. INDEPENDENT CONTRACTOR.

a. The CONSULTANT is and shall, at all times, remain as to the CITY a wholly independent contractor. Neither the CITY nor any of its elected officials, officers, employees or agents shall have control over the conduct of the CONSULTANT except as expressly set forth in this Agreement. The CONSULTANT shall not at any time or in any manner represent that he or she is in any manner an elected official, officer, employee or agent of the CITY. No employee benefits shall be available to the CONSULTANT in connection with the performance of this Agreement. Except as provided in this Agreement, the CITY shall not pay salary, wages, or other compensation to the CONSULTANT for performance hereunder for the CITY, the CITY shall not be liable for compensation to the CONSULTANT, the CONSULTANT's employees or the CONSULTANT's subcontractors for injury or sickness arising out of performing services hereunder.

b. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

c. The CITY shall not deduct from the Compensation paid to the CONSULTANT any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to the CONSULTANT. The CITY shall have no responsibility to provide the CONSULTANT, its employees or subcontractors with workers' compensation insurance or any other insurance.

SECTION 12. PERS ELIGIBILITY INDEMNITY.

a. If the CONSULTANT is a California Public Employees' Retirement System ("CalPERS") annuitant, the CONSULTANT must provide the City with written notification of such fact a minimum of 14 calendar days prior to commencement of services under this Agreement. Failure to provide such notification may result in termination of the Agreement, and any penalties or other costs relating thereto shall be borne by the CONSULTANT. If this Agreement remains in place, the CONSULTANT shall execute any amendment(s) to this Agreement requested by the City in order to comply with all laws and regulations applicable to CalPERS annuitants.

b. In the event that the CONSULTANT or any employee, agent, or subcontractor of the CONSULTANT providing services under this Agreement claims or is determined by

a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the CITY, the CONSULTANT shall indemnify, defend, and hold harmless the CITY for the payment of any employee and/or employer contributions for PERS benefits on behalf of the CONSULTANT or its employees, agents, or subcontractors, as well as for the payment of any penalties

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

and interest on such contributions, which would otherwise be the responsibility of the CITY.

c. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, the CONSULTANT and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by the CITY, including but not limited to eligibility to enroll in PERS as an employee of the CITY and entitlement to any contribution to be paid by the CITY for employer contribution and/or employee contributions for PERS benefits.

SECTION 13. LEGAL RESPONSIBILITIES.

The CONSULTANT shall at all times observe and comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments including, but not limited to the Montebello Municipal Code. The CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of the CONSULTANT to comply with this section.

SECTION 14. INDEMNIFICATION.

The CONSULTANT agrees to, and shall defend, indemnify, protect and hold harmless, the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of the CONSULTANT's negligent or wrongful act, or omission under the terms of this Agreement, except only liability arising out of the sole negligence of the CITY. CITY shall not be required to indemnify, defend, protect or hold harmless the CONSULTANT.

SECTION 15. INSURANCE COVERAGE.

a. During the term of this Agreement, the CONSULTANT shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with CONSULTANT's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

- **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury and advertising injury, with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, the limit shall be twice the required occurrence limit.

- **Automobile Liability Insurance:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if CONSULTANT has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.

- **Worker's Compensation** insurance as required by the laws of the State

of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

- **Professional Liability** insurance appropriate to the CONSULTANT'S

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

profession, with limit no less than \$2,000,000 per occurrence or claim, \$4,000,000 aggregate.

b. If the CONSULTANT maintains higher limits than the minimums shown above, the CITY requires and shall be entitled to coverage for the higher limits maintained by the CONSULTANT.

c. The CONTACTOR shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

d. The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a current rating of at least A:VII in the latest edition of Best's Insurance Guide.

e. Each insurance policy required above shall state that coverage shall not be canceled, except after thirty (30) days' prior written notice (ten (10) days for non-payment) has been given to the CITY. The CONSULTANT agrees that if it does not keep the aforesaid insurance in full force and effect the CITY may either (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at the CONSULTANT's expense, the premium thereon.

f. **Evidence of Insurance prior to commencement.** The Contractor shall provide to the CITY Certificate(s) of Insurance evidencing such coverage together with copies of the required policy endorsements no later than five (5) business days prior to commencement of service and at least fifteen (15) business days prior to the expiration of any policy. Unreasonable failure to provide such evidence may be cause for termination of the Agreement as provided herein or delay the services' commencement date. The evidence of insurance shall be U.S. mail or email to:

City of Montebello
Attn: Risk Manager
1600 West Beverly Boulevard
Montebello, CA 90640
Email: COI@MONTEBELLOCA.GOV

Coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits, non-renewed, or materially changed for any reason, without thirty (30) days prior written notice thereof given by the insurer to the CITY by U.S. mail, or by personal delivery, except for nonpayment of premiums, in which case ten (10) days prior notice shall be provided.

g. **Evidence of Insurance during the entire term of the Agreement.** At all times during the term of this Agreement, the CONSULTANT shall maintain on file with the CITY's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming the CITY as an additional insured. The CONSULTANT shall, prior to commencement of work under this Agreement, file with the CITY's Risk Manager such certificate(s).

h. The CONSULTANT shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other

policies providing at least the same coverage. Such proof will be furnished at least two (2) weeks prior to the expiration of the coverages.

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

i. The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming the CITY, its officers, employees, agents and volunteers as additional insureds. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to the CITY. The CONSULTANT agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

j. The insurance provided by the CONSULTANT shall be primary to any coverage available to the CITY. Any insurance or self-insurance maintained by the CITY, its officers, employees, agents, or volunteers, shall be in excess of CONSULTANT's insurance and shall not contribute with it.

k. All insurance coverage provided pursuant to this Agreement shall not prohibit the CONSULTANT, and CONSULTANT's employees, agents or subconsultants, from waiving the right of subrogation prior to a loss. The CONSULTANT hereby waives all rights of subrogation against the CITY.

l. Any deductibles or self-insured retentions must be declared to and approved by the CITY. At the option of the CITY, the CONSULTANT shall either reduce or eliminate the deductibles or self-insured retentions with respect to the CITY, or the CONSULTANT shall procure a bond guaranteeing payment of losses and expenses.

m. Procurement of insurance by the CONSULTANT shall not be construed as a limitation of the CONSULTANT'S liability or as full performance of CONSULTANT's duties to indemnify, hold harmless and defend under the indemnity covenants of this Agreement.

SECTION 16. SUBCONTRACT, ASSIGNMENT OR DELEGATION.

The CONSULTANT shall not subcontract, delegate or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of the CITY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed subcontractor, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

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

SECTION 17. NO WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition or covenant hereof.

SECTION 18. DISPUTE RESOLUTION; GOVERNING LAW.

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, expert fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded. The venue for any litigation shall be the County of Los Angeles, California. The Parties agree that the covenants contained in this Section shall survive the expiration or termination of this Agreement.

SECTION 19. ATTORNEY'S FEES AND COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled.

SECTION 20. WARRANTIES.

Each of the parties represents and warrants to one another as follows:

- a. It has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement;
- b. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of *any* matter whatsoever; and
- c. It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

SECTION 21. MISCELLANEOUS.

- a. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction of interpretation of any of its provisions.
- b. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.
- c. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.
- d. The representations and warranties made by the parties to this Agreement

shall survive the consummation of the transaction herein described.

e. This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.

Each of the parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party's failure to perform under this Agreement or any agreement referred to in this Agreement.

SECTION 22. NOTICE.

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

If to CITY: City of Montebello
Attn: Raul Alvarez, City Manager
1600 West Beverly Boulevard Montebello, CA 90640
(323) 887-1200

With a copy to: City of Michael Solorza
1600 West Beverly Boulevard Montebello, CA 90640
(323) 887 -1200
msolorza@montebellocity.gov

If to CONSULTANT:

Consultant Name _____

Attn: _____

Address _____

City, CA #####

(###) ###-####

Email _____

An electronic communication ("**Electronic Notice**") shall be deemed written notice for purposes of this section if sent to the electronic mail address specified above. Electronic Notice shall be deemed received at the time the party sending Electronic Notice receives verification of receipt by the receiving party. Any party receiving Electronic Notice may request and shall be entitled to receive the notice on paper, in a nonelectronic form.

SECTION 22. NON-DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER.

In the performance of this Agreement, the CONSULTANT shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. The CONSULTANT will take affirmative

action to ensure that subcontractor and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

SECTION 23. CONFLICT OF INTEREST.

The CONSULTANT covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by the CONSULTANT under this Agreement, or which would conflict in any manner with the performance of its services hereunder. The CONSULTANT further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, the CONSULTANT shall avoid the appearance of having any interest that would conflict in any manner with the performance of its services pursuant to this Agreement.

The CONSULTANT covenants not to give or receive any compensation, monetary or otherwise, to or from the ultimate vendor(s) of services to t h e CITY as a result of the performance of this Agreement, or the services that may be procured by the CITY as a result of the recommendations made by the CONSULTANT. The CONSULTANT's covenant under this section shall survive the termination of this Agreement.

SECTION 24. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between the CITY and the CONSULTANT. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by each party. If any term, condition or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties, through their respective authorized representatives, have executed this Agreement as of the date first written above.

("CITY")

("CONSULTANT")

CITY OF MONTEBELLO

CONSULTANT NAME

Raul Alvarez, City Manager

Full Name, Title

ATTEST:

Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman, City Attorney

EXHIBITS:

- Exhibit A – Request for Quotations for Services and Contractor's Proposal
- Exhibit B – Schedule of Compensation
- Exhibit C – Live Scan Fingerprinting Requirement [Delete if not applicable and/or continue listing Exhibits as applicable]

EXHIBIT “A”

Request for Quotations for Services and Contractor’s Proposal

EXHIBIT “B”

Schedule of Compensation

EXHIBIT “C”

Live Scan Fingerprinting Requirements

Prior to commencing services, the CONSULTANT may be required to successfully pass a Department of Justice fingerprinting background check (“Live Scan”) performed by a certified fingerprinting service provider or at the City of Montebello Police Department. The CONSULTANT shall be responsible for obtaining the Live Scan for its staff and shall bear the cost thereof. The agency completing the fingerprints must provide the City of Montebello Human Resources with the background check results and subsequent records for review. The CONSULTANT must obtain a “Temporary Consultant’s Badge” issued by the City of Montebello Human Resources prior to performing work.



CITY OF MONTEBELLO

Request for Quotations

(RFQ No. 25-03)

AUTOMOTIVE SUPPLIES

Release Date: Thursday, May 15, 2025

Questions Due: Sunday, May 25, 2025, at 11 a.m. P.D.T.

Due Date: Thursday, June 05, 2025, at 11 a.m. P.D.T.

TO PROSPECTIVE BIDDERS

The City of Montebello invites your firm to submit a bid in accordance with this Request for Quotations (RFQ). Your response to this request will be evaluated to determine the qualifications of your firm. Bids must adhere to the format and content of this RFQ. Bids will not be evaluated unless all parts requested are submitted in a complete package. The information set forth is the minimum required in order to qualify for consideration. The successful bidder will be required to enter into a standard professional services agreement based on the specifications outlined in this RFQ.

THE DATE OF SOLICITATION:

May 15, 2025

THE PROJECT:

Project Name: Automotive Supplies

THE OWNER:

Name: City of Montebello
Address: 1600 W. Beverly Blvd.,
Montebello, CA 90640
Contact: Cesar Roldan, Director of Public Works
Contact Phone: (323) 887-1460
Contact E-Mail: croldan@montebelloca.gov

PROPOSAL CONTACTS

Any questions concerning this RFQ and all correspondence must be submitted in writing via e-mail to the following contact:

Name: City of Montebello
Address: 1600 W. Beverly Blvd.,
Montebello, CA 90640
Contact: James Coiner, Deputy Director of Public Works
Contact Phone: (323) 887-1200 ext. 1427
Contact E-Mail: jcoiner@montebelloca.gov

Any questions about this RFQ should be submitted via the City's PlanetBids Portal by May 25, 2025, at 11:00 a.m. PST. Prospective vendors must register their business with PlanetBids before being able to view or submit a response. To access the PlanetBids Portal, please go to:

<https://www.montebelloca.gov/cms/one.aspx?portalId=58756&pageId=84839>

AUTOMOTIVE SUPPLIES

Request for Quotations No. 25-03

Table of Contents

<u>No.</u>		<u>Page</u>
I.	Notice Inviting Sealed Quotes	4
II.	General Scope of Work – Scope of Services	5
III.	General Requirements	5
IV.	Contract Provisions/Specifications	5
V.	Required Information/Bid Format	7
VI.	Evaluation Process and Selection Criteria	8
VII.	Contract with the City and Anticipated Timing for Beginning Services	10
VIII.	Submittal Requirements	10
IX.	Appendix A – References	11
X.	Sample Professional Services Agreement	12

I. NOTICE INVITING QUOTATIONS FOR AUTOMOTIVE SUPPLIES RFQ NO. 25-03

PUBLIC NOTICE IS HEREBY GIVEN THAT THE City of Montebello as AGENCY, invites sealed bids for the above stated project and will receive such bids via the PlanetBids vendor portal found on the City of Montebello's official website up to the hour of 11:00 a.m. on Thursday, June 05, 2025.

Copies of the specifications and contract documents are available from the City of Montebello, 1600 West Beverly Boulevard, Montebello, California 90640.

The AGENCY hereby affirmatively ensures that minority business enterprises will be afforded full opportunity to submit bids in response to this notice and will not be discriminated against on the basis of race, color, national origin, ancestry, sex, or religion in any consideration leading to the award of contract.

Proposals must be prepared on the approved Proposal forms in conformance with the instructions to Bidders.

The successful Vendor and Subcontractors are notified that they shall comply with all applicable state laws, Montebello Municipal Code, will be required to possess business licenses from the City, and other requirements as set forth in the contract requirements.

Addenda issued during the time of bidding shall become a part of the documents furnished to bidders for the preparation of bids, shall be covered in the bids, and shall be made part of the final contract.

The solicitation of Quotations has been developed in the Request for Quotations (RFQ) format. Accordingly, bidders should take note that multiple factors as defined in the RFQ will be considered by the City to determine which bid best meets the requirements set forth in the RFQ documents. Price will be considered as part of the evaluation, but other factors under consideration include, but are not limited to, proposed methodology, quality control program, experience of staff, experience of management team, quality of equipment, tools and uniforms. The City reserves the right to negotiate the terms of any resulting contract. Final contract award, if any, will be made by the Montebello City Council.

The AGENCY reserves the right to accept or reject any or all bids, to waive any irregularity in a bid and to make an award as may serve the interests of the City.

Questions should be directed to James Coiner, Deputy Director of Public Works at jcoiner@montebelloca.gov

THE DATE OF SOLICITATION: Thursday, May 15, 2025

QUESTIONS MUST BE SUBMITTED BY: Sunday, May 25, 2025, at 11:00 a.m. PST

SUBMITTAL DUE DATE: Thursday, June 05, 2025, at 11:00 a.m. PST

REQUEST FOR QUOTATIONS

The City of Montebello is seeking bids from qualified suppliers/vendors to provide high-quality automotive supplies, parts, and components for use by the Police, Fire, Public Works, and Recreation and Community Services Departments. Each of these departments operates a fleet of vehicles essential to maintaining public safety, providing services, and supporting the City's ongoing commitment to the residents and community.

The selected supplier(s)/vendor(s) will be expected to ensure prompt and reliable access to necessary automotive materials to ensure operational continuity and minimizing delays in procurement.

II. SCOPE OF SERVICES

The selected vendors will provide the City with automotive products including, but not limited to:

- **General Automotive Parts:** Batteries, alternators, spark plugs, hoses, belts, fuses.
- **Fluids & Chemicals:** Motor oil, brake fluid, transmission fluid, coolant, degreasers.
- **Filters:** Oil filters, air filters, fuel filters, cabin air filters.
- **Tires & Accessories:** Tires (all types), tire repair kits, pressure gauges
- **Vehicle Maintenance Supplies:** Wipers, light bulbs, cleaning supplies, tools for diagnostics and repair.

Products must meet or exceed OEM standards and be compatible with City fleet vehicles.

III. GENERAL REQUIREMENTS

To qualify for this contract, vendors must meet the following requirements:

- Possess a valid business license in the State of California.
- Have a minimum of five (5) years of experience providing automotive products to government agencies, municipalities, or large organizations.
- Demonstrate financial stability and the ability to fulfill large-scale purchase orders.
- Provide compatibility assurance and technical support.
- Maintain compliance with all applicable federal, state, and local regulations related to product safety and procurement.

IV. CONTRACT PROVISIONS AND SPECIFICATIONS

A. Term of Contract

1. The initial term of the contract shall be for three (3) years from the effective date, with up to two (2) optional one-year extensions, subject to City approval and vendor performance.
2. Term to end on the end of the Fiscal year (June 30, 2028)
3. The City reserves the right to extend or amend the contract based on operational needs and funding availability.

B. Pricing and Invoicing

1. Due to fluctuating material and supply chain costs, vendors are not required to submit fixed pricing but must provide a documented pricing structure (e.g., retail price less a defined percentage discount or access to government/municipal pricing tiers).
2. The vendor shall provide the City with access to real-time pricing through catalogs, portals, or in-store rates.
3. Invoices must be itemized and clearly reflect the retail price, discount applied, and final cost to the City. Invoices shall reference the relevant purchase order number and be submitted to the City's designated billing contact.

C. Delivery and Fulfillment

1. Vendors must offer multiple fulfillment methods, including:
 - In-store pickup,
 - Scheduled delivery to City-designated facilities, and/or
 - Online order and delivery services where available.
2. Delivery timelines must be communicated clearly at the time of order and confirmed in writing when applicable.
3. City Departments may use authorized purchasing cards (P-cards) for same-day in-store purchases.

D. Product Availability and Substitutions

1. Vendors must notify the City of any out-of-stock or discontinued items and propose equivalent alternatives when available.
2. Substituted products must meet or exceed the specifications and quality of the originally requested item.

E. Product Standards and Warranty

1. All items must be new, of commercial-grade quality, and suitable for government operations.
2. Products must comply with all applicable federal, state, and local safety regulations.
3. Manufacturer warranties shall apply to all products purchased; vendors shall assist the City in processing any warranty claims as needed.

F. Customer Support

1. Vendors must designate a corporate or regional representative to serve as the primary liaison to City staff.
2. The vendor shall provide contact information for store-level and account-level customer service for prompt assistance with returns, credits, and inquiries.

G. Termination

The City reserves the right to terminate the contract at any time for convenience with thirty (30) calendar days' written notice. Immediate termination may occur in the event of:

- Repeated supply failures or non-performance,
- Unreasonable price increases without explanation,
- Unresolved customer service or billing issues.

H. Insurance Requirements

Vendors shall maintain insurance coverage consistent with the City's standard professional services agreement. Proof of insurance shall be provided upon execution of the contract and annually thereafter.

I. Governing Law and Venue

This contract shall be governed in accordance with the laws of the State of California. Venue shall lie exclusively in the courts of Los Angeles County.

V. REQUIRED INFORMATION AND BID FORMAT

To be considered for selection, respondent individuals or firms shall submit a bid that addresses each of the following criteria, and shall also provide resumes and evidence of qualifications to provide the services listed in this RFQ. All bids must be electronically submitted through PlanetBids' Bidder Portal, accessed through the City of Montebello's official website:

http://www.montebelloca.gov/departments/finance/request_for_proposal_bids.

All Prospective Bidders must register to bid through the PlanetBids Vendor Portal found on the City of Montebello's website at the link provided above.

The City reserves the right to reject any and all bids as "non-responsive" for failure to provide the required information and abide by the required format outlined in this RFQ.

1. Letter of Interest

- Please include a letter expressing your interest in being considered for the project. Include a statement regarding the vendor's availability to dedicate time, personnel, and resources to this effort. The letter of interest must include a commitment to the availability of the vendor and all key project staff during the planning period and a proposed schedule designed to meet the City's needs for the project.

2. Project Understanding and Approach

- Please include a statement demonstrating your understanding of the proposed project. Describe your general approach to completing the project successfully, methodologies and technologies you would employ, key milestones and processes you would employ. Describe what information you would expect the City to supply.

3. Relevant Experience

- Please include information describing your experience providing similar services for public agencies. Provide a minimum of three (3) specific examples of relevant experience. At a minimum, the vendor should provide a list of the most recent projects (i.e., completed within the last five (5) years is preferred, but samples outside of this timeframe will be accepted if relevant) for which the consultant has performed similar services of similar size, scope, and complexity.
- Using Appendix A – References, please provide details regarding each reference. This should include the name, contact person, address, phone number, and e-mail address of each party for whom the service was provided, as well as a description of the service performed, the dollar amount of the contract, and the date of performance. The City may contact the individual listed at its discretion.

- Resumes may also be included in this section for any key staff associated with project.

4. Proposed Scope of Services

- Please provide a proposed Scope of Services, based on the Scope of Work contained in this RFQ; and discuss any ideas for modifying, clarifying, or improving the City's proposed scope of work. Provide a realistic working schedule with key deliverables, milestones, and tasks.

5. Conflict of Interest Statement

- The vendor shall disclose any financial, business, or other relationship with the City that may have an impact upon the selection process. If the vendor does not have any such conflicts, a statement declaring such should be included in their submission.

6. Contract Documents

- Utilize the attached Project Bid Sheet (Appendix A) to provide a proposed schedule of fees for each lunch or snack to be provided.

7. Customer Service

- Describe how your firm provides for responsiveness to phone calls or email from City staff; and discuss your anticipated relationship with the City of Montebello and your organization.

8. Standard Professional Services Agreement

- Include a statement regarding whether the City's standard professional services agreement is acceptable as is or whether any modification would be proposed.

9. Conflict of Interest Statement

- The vendor shall disclose any financial, business, or other relationship with the City that may have an impact upon the selection process. If the vendor does not have any such conflicts, a statement declaring such should be included in their submission.
- List any lawsuits or arbitration proceedings that have been initiated by or against your firm in the past five (5) years. Briefly state the nature of the action and the outcome.

VI. EVALUATION PROCESS AND SELECTION CRITERIA

The City will establish an evaluation committee to review and rate each proposal. The proposal evaluation process will be conducted using a multi-step method which will include the following steps:

- A. Preliminary Proposal Review – The evaluation committee will review each submission to ensure adherence to the minimum/proposal format requirements.

B. Proposal Evaluation – In the second part of this process, the evaluation committee will review and rate proposals using a combined score based on the following:

- i. Qualifications as they relate to this project – 30%
 - a. Thoroughness and understanding of the tasks to be completed
 - b. Background and experience
 - c. Experience and personnel assigned to the work
 - d. Communication skills
- ii. Reputation for integrity and competence – 10%
 - a. Positive Reference Checks
 - b. Work Samples
- iii. Proposed fees for services – 60%

The vendor must satisfy the City of its ability to perform the services required. The vendor must demonstrate and document a history of timely and satisfactory performance of similar projects in a manner, which addresses the stated evaluation criteria. The vendor shall be responsible for the accuracy of information supplied concerning references. In addition, the City may consider evidence of untimely and unsatisfactory performance on prior similar projects, or litigation by the vendor on previous contracts to be grounds for disqualification.

The City reserves the right to reject any or all Quotations, amend the RFQ, and to discontinue or re-open the process at any time. The City reserves the right to request and obtain, from one or more vendors, supplementary information as may be necessary for the City to analyze the proposal pursuant to contract selection criteria. Upon completion of the evaluation phase, the City will select those vendors for interviews whose bids and qualifications most closely conform to the requirements of this RFQ, if required. The vendor, by submitting a response to this RFQ, waives all rights to protest or seek any legal remedies whatsoever regarding any aspect of this RFQ. The City may choose to interview one or more firms responding to this RFQ, and may enter into more than one contract with multiple individuals or firms, if City determines that is the best way to address the full range of services needed under this RFQ.

Questions during the solicitation period are preferably received by email, and may be addressed to:

Attn: James Coiner
Deputy Director of Public Works
jcoiner@montebelloca.gov
1600 W. Beverly Blvd.
Montebello, CA 90640
(323) 887-1200 ext. 1378

VII. CONTRACT WITH THE CITY AND ANTICIPATED TIMING FOR BEGINNING SERVICES

The selected vendor will be required to enter into an Agreement with the City. The Agreement will include the final scope of work that is negotiated with the vendor. The City Manager is the authorizing entity to issue contracts with the Montebello City Council approval, and the contract will not take effect until it is approved by the City Council (as required) and fully executed by Vendor and City.

During the term of the contract, the Vendor will be required to keep informed of applicable local, State and Federal laws and regulations, including, but not limited, to those pertaining to conflict of interest, which in any manner affect those employed by the vendor or in any way affect the performance of the requested services.

The City's standard professional services agreement is attached, including insurance requirements. As part of your proposal, please indicate whether the standard agreement is acceptable or whether you would like to propose modifications to the standard agreement.

VIII. SUBMITTAL REQUIREMENTS

Proposals will be received through 11:00 A.M. on Thursday, June 05, 2025.

All bids must be Electronically submitted through PlanetBids' Bidder Portal, accessed through the City of Montebello's official website at http://www.montebellocity.gov/departments/finance/request_for_proposal_bids.



Appendix "A" Reference Sheet

RFQ 25-03 Automotive Supplies

Entity Name _____
Business Address _____
Name of Contact _____
Title Contact _____
Telephone Number of Contact _____
Email of Contact _____
Description of Project _____
Date of Service _____

Entity Name _____
Business Address _____
Name of Contact _____
Title Contact _____
Telephone Number of Contact _____
Email of Contact _____
Description of Project _____
Date of Service _____

Entity Name _____
Business Address _____
Name of Contact _____
Title Contact _____
Telephone Number of Contact _____
Email of Contact _____
Description of Project _____
Date of Service _____

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

Appendix "B"

CITY OF MONTEBELLO PROFESSIONAL ON-CALL SERVICES AGREEMENT NO. ____ WITH _____

THIS PROFESSIONAL ON-CALL SERVICES AGREEMENT ("Agreement") is made and entered on _____, **2025** ("Effective Date"), by the CITY OF MONTEBELLO, a California municipal corporation (the "CITY") and _____, a California corporation (the "CONSULTANT"). The CITY and the CONSULTANT are sometimes referred to herein individual as the "Party," and jointly as the "Parties."

RECITALS

WHEREAS, the CITY desires to retain a qualified professional consultant to provide on-call _____ services in the CITY; and

WHEREAS, the CONSULTANT represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

NOW THEREFORE, in consideration of performance by the Parties of the covenants and conditions herein contained, the Parties hereto agree as follows:

SECTION 1. INCORPORATION OF RECITALS AND OTHER CONTRACT DOCUMENTS

a. The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference. Moreover, this Agreement consists of the following documents, in order of precedence, all of which are incorporated herein and made part of this Agreement, as though fully set forth herein:

1. This Agreement and its Exhibits, including any and all addenda or supplemental agreements.
2. RFQ No. _____
3. Proposal referenced and Best Final Offer received by the successful proposer.
4. All other documents, including but not limited to all applicable bonds, insurance certificates, permits, notices, schedules, forms, certifications, and affidavits.

b. These documents shall be collectively referred to herein as the "Contract Documents." In the event of a conflict among the Contract Documents, the order of precedence list above shall apply.

SECTION 2. SERVICES / COMPENSATION.

A. All terms, conditions, requirements, and provisions of the Proposal for labor and materials to provide emergency response services ("Proposal"), as such is set forth fully in **Exhibit A** hereto, are hereby incorporated fully herein by this reference and

shall be binding on the Parties. To the extent of a conflict between the terms of this Agreement and that set forth in any exhibits or attachments hereto, the terms of this Agreement shall govern.

B. The CONSULTANT shall provide to the CITY all labor, equipment,

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

materials and incidental necessary to provide services as such is set forth fully in **Exhibit A** hereto and incorporated fully herein by this reference (hereinafter "Professional Services").

C. The CONSULTANT shall be compensated on as-needed case by case basis for performance of the Professional Services as set forth in **Exhibit B** and incorporated fully herein by this reference ("Compensation"). The CONSULTANT shall not commence work without a fully executed task order(s) signed and executed by the City Manager and compensation is based on the individual task order(s) and each task order(s) must provide an itemized billing statement to the CITY when each task order(s) is performed and completed. The CONSULTANT shall not incur fees or costs which exceed the Compensation without the prior written consent of the CITY.

SECTION 3. TERM.

This Agreement shall commence upon issuance of the Notice to Proceed by the CITY, and shall expire on _____, unless extended or terminated earlier as hereinafter provided.

SECTION 4. PERFORMANCE.

a. The CONSULTANT shall at all times, faithfully, competently, and to the best of its ability, experience and talent, perform all tasks described herein.

b. The CONSULTANT shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of CONSULTANT hereunder, in meeting its obligations under this Agreement.

c. The CONSULTANT shall be knowledgeable of and subject to all CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.

d. The CONSULTANT shall have the right to retain, subject to the CITY's approval, additional individuals, consultants or subcontractors to assist in the completion of services as herein defined. Compensation for additional individuals, consultants or subcontractors shall be the sole and exclusive responsibility of the CONSULTANT.

e. The CONSULTANT shall retain all original reports, field and office notes, correspondence, calculations, maps, and other documents specifically related to the services provided by the CONSULTANT pursuant to this Agreement, other than documents which are exempt from disclosure pursuant to the attorney- client privilege or any other law. Said documents shall be made available for inspection by the CITY upon request.

SECTION 5. WORK PRODUCT.

a. The CONSULTANT hereby agrees that all work product produced pursuant to this Agreement, and provided to the CITY during and upon completion of this Agreement, shall be the property of the CITY, and ownership of said work product shall be retained by the CITY. The CONSULTANT may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by the CONSULTANT.

b. All data, documents, discussion, or other information developed or received by the CONSULTANT or provided for performance of this Agreement are deemed

confidential and shall not be disclosed by the CONSULTANT without prior written consent by the CITY. The CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to the CITY upon the termination or expiration of this Agreement. The CONSULTANT agrees that the covenants contained in this Section shall

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

survive the expiration or termination of this Agreement.

SECTION 6. EXTRA SERVICES.

No extra services over and above the Compensation shall be rendered by the CONSULTANT under this Agreement unless such extra services first shall have been duly authorized in writing by the CITY's City Manager (the "City Manager").

SECTION 7. CITY SUPERVISION.

The City Manager shall have the right of general supervision of all work performed by the CONSULTANT and shall be the CITY's agent with respect to obtaining the CONSULTANT's compliance hereunder. No payment for services rendered under this Agreement shall be made without the prior approval of the City Manager.

SECTION 8. TERMINATION.

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

a. Termination for Cause. In the event that any of the provisions of the Agreement are violated by either party, the non-defaulting Party may terminate the Agreement by serving written notice upon the other Party, listing the violation(s) and its intent to terminate such Agreement unless within ten (10) days after the serving of such notice, such violation shall cease or be rectified, the contract shall upon the expiration of an additional thirty (30) days cease and terminate. Violations by the CONSULTANT which cannot be corrected within ten (10) days, said contract shall at the option of the CITY cease and terminate upon the giving of like notice. In the event of any such termination for default by the CONSULTANT, the CITY may take over the work and prosecute the same to completion by contract or otherwise for the account and at the expense of the CONSULTANT. The CONSULTANT and his sureties shall be liable to the CITY for any excess cost occasioned in the event of any such termination. This change shall not be construed to prevent the termination, for other causes authorized by law or other provisions of this contract. In the event of a termination for cause, the CONSULTANT shall only be entitled to Compensation for those Professional Services satisfactorily performed on or before the effective date of termination.

b. Termination for Convenience. The CITY shall have the option, at its sole discretion and without cause, to terminate this Agreement in whole, or in part, by giving ten (30) business days' written notice to the CONSULTANT. Upon the termination of this Agreement as provided herein, the CITY shall provide to the CONSULTANT the part of Compensation which would otherwise be payable to the CONSULTANT for services the CONSULTANT had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation. Further, upon such a termination for convenience by the CITY, the Parties agree that the CONSULTANT shall be reimbursed for any "non- refundable" costs that the CONSULTANT has incurred for its services under this Agreement, provided that: (1) such "non- refundable" costs were incurred by the CONSULTANT prior to the date of termination, and
(2) that the CONSULTANT provides the CITY with adequate proof that the CONSULTANT incurred the costs, and is unable to

be seek a refund for such costs. Such “non- refundable” costs may include, but are not limited to, travel reservations incurred by the CONSULTANT for its performance of services under this Agreement. The CONSULTANT agrees to cease all work under this Agreement on or before the effective date of any notice of termination.

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

SECTION 9. EMPLOYMENT OF CITY EMPLOYEES.

No employee of the CITY shall be employed by the CONSULTANT during the term of this Agreement.

SECTION 10. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No official or employee of the CITY shall be personally liable to the CONSULTANT in the event of any default or breach by the CITY, or for any amount which may become due to the CONSULTANT.

SECTION 11. INDEPENDENT CONTRACTOR.

a. The CONSULTANT is and shall, at all times, remain as to the CITY a wholly independent contractor. Neither the CITY nor any of its elected officials, officers, employees or agents shall have control over the conduct of the CONSULTANT except as expressly set forth in this Agreement. The CONSULTANT shall not at any time or in any manner represent that he or she is in any manner an elected official, officer, employee or agent of the CITY. No employee benefits shall be available to the CONSULTANT in connection with the performance of this Agreement. Except as provided in this Agreement, the CITY shall not pay salary, wages, or other compensation to the CONSULTANT for performance hereunder for the CITY, the CITY shall not be liable for compensation to the CONSULTANT, the CONSULTANT's employees or the CONSULTANT's subcontractors for injury or sickness arising out of performing services hereunder.

b. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

c. The CITY shall not deduct from the Compensation paid to the CONSULTANT any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to the CONSULTANT. The CITY shall have no responsibility to provide the CONSULTANT, its employees or subcontractors with workers' compensation insurance or any other insurance.

SECTION 12. PERS ELIGIBILITY INDEMNITY.

a. If the CONSULTANT is a California Public Employees' Retirement System ("CalPERS") annuitant, the CONSULTANT must provide the City with written notification of such fact a minimum of 14 calendar days prior to commencement of services under this Agreement. Failure to provide such notification may result in termination of the Agreement, and any penalties or other costs relating thereto shall be borne by the CONSULTANT. If this Agreement remains in place, the CONSULTANT shall execute any amendment(s) to this Agreement requested by the City in order to comply with all laws and regulations applicable to CalPERS annuitants.

b. In the event that the CONSULTANT or any employee, agent, or subcontractor of the CONSULTANT providing services under this Agreement claims or is determined by

a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the CITY, the CONSULTANT shall indemnify, defend, and hold harmless the CITY for the payment of any employee and/or employer contributions for PERS benefits on behalf of the CONSULTANT or its employees, agents, or subcontractors, as well as for the payment of any penalties

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

and interest on such contributions, which would otherwise be the responsibility of the CITY.

c. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, the CONSULTANT and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by the CITY, including but not limited to eligibility to enroll in PERS as an employee of the CITY and entitlement to any contribution to be paid by the CITY for employer contribution and/or employee contributions for PERS benefits.

SECTION 13. LEGAL RESPONSIBILITIES.

The CONSULTANT shall at all times observe and comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments including, but not limited to the Montebello Municipal Code. The CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of the CONSULTANT to comply with this section.

SECTION 14. INDEMNIFICATION.

The CONSULTANT agrees to, and shall defend, indemnify, protect and hold harmless, the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of the CONSULTANT's negligent or wrongful act, or omission under the terms of this Agreement, except only liability arising out of the sole negligence of the CITY. CITY shall not be required to indemnify, defend, protect or hold harmless the CONSULTANT.

SECTION 15. INSURANCE COVERAGE.

a. During the term of this Agreement, the CONSULTANT shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with CONSULTANT's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

- **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury and advertising injury, with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, the limit shall be twice the required occurrence limit.

- **Automobile Liability Insurance:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if CONSULTANT has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.

- **Worker's Compensation** insurance as required by the laws of the State

of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

- **Professional Liability** insurance appropriate to the CONSULTANT'S

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

profession, with limit no less than \$2,000,000 per occurrence or claim, \$4,000,000 aggregate.

b. If the CONSULTANT maintains higher limits than the minimums shown above, the CITY requires and shall be entitled to coverage for the higher limits maintained by the CONSULTANT.

c. The CONTACTOR shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

d. The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a current rating of at least A:VII in the latest edition of Best's Insurance Guide.

e. Each insurance policy required above shall state that coverage shall not be canceled, except after thirty (30) days' prior written notice (ten (10) days for non-payment) has been given to the CITY. The CONSULTANT agrees that if it does not keep the aforesaid insurance in full force and effect the CITY may either (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at the CONSULTANT's expense, the premium thereon.

f. **Evidence of Insurance prior to commencement.** The Contractor shall provide to the CITY Certificate(s) of Insurance evidencing such coverage together with copies of the required policy endorsements no later than five (5) business days prior to commencement of service and at least fifteen (15) business days prior to the expiration of any policy. Unreasonable failure to provide such evidence may be cause for termination of the Agreement as provided herein or delay the services' commencement date. The evidence of insurance shall be U.S. mail or email to:

City of Montebello
Attn: Risk Manager
1600 West Beverly Boulevard
Montebello, CA 90640
Email: COI@MONTEBELLOCA.GOV

Coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits, non-renewed, or materially changed for any reason, without thirty (30) days prior written notice thereof given by the insurer to the CITY by U.S. mail, or by personal delivery, except for nonpayment of premiums, in which case ten (10) days prior notice shall be provided.

g. **Evidence of Insurance during the entire term of the Agreement.** At all times during the term of this Agreement, the CONSULTANT shall maintain on file with the CITY's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming the CITY as an additional insured. The CONSULTANT shall, prior to commencement of work under this Agreement, file with the CITY's Risk Manager such certificate(s).

h. The CONSULTANT shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other

policies providing at least the same coverage. Such proof will be furnished at least two (2) weeks prior to the expiration of the coverages.

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

i. The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming the CITY, its officers, employees, agents and volunteers as additional insureds. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to the CITY. The CONSULTANT agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

j. The insurance provided by the CONSULTANT shall be primary to any coverage available to the CITY. Any insurance or self-insurance maintained by the CITY, its officers, employees, agents, or volunteers, shall be in excess of CONSULTANT's insurance and shall not contribute with it.

k. All insurance coverage provided pursuant to this Agreement shall not prohibit the CONSULTANT, and CONSULTANT's employees, agents or subconsultants, from waiving the right of subrogation prior to a loss. The CONSULTANT hereby waives all rights of subrogation against the CITY.

l. Any deductibles or self-insured retentions must be declared to and approved by the CITY. At the option of the CITY, the CONSULTANT shall either reduce or eliminate the deductibles or self-insured retentions with respect to the CITY, or the CONSULTANT shall procure a bond guaranteeing payment of losses and expenses.

m. Procurement of insurance by the CONSULTANT shall not be construed as a limitation of the CONSULTANT'S liability or as full performance of CONSULTANT's duties to indemnify, hold harmless and defend under the indemnity covenants of this Agreement.

SECTION 16. SUBCONTRACT, ASSIGNMENT OR DELEGATION.

The CONSULTANT shall not subcontract, delegate or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of the CITY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed subcontractor, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

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

SECTION 17. NO WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition or covenant hereof.

SECTION 18. DISPUTE RESOLUTION; GOVERNING LAW.

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, expert fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded. The venue for any litigation shall be the County of Los Angeles, California. The Parties agree that the covenants contained in this Section shall survive the expiration or termination of this Agreement.

SECTION 19. ATTORNEY'S FEES AND COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled.

SECTION 20. WARRANTIES.

Each of the parties represents and warrants to one another as follows:

- a. It has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement;
- b. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of *any* matter whatsoever; and
- c. It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

SECTION 21. MISCELLANEOUS.

- a. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction of interpretation of any of its provisions.
- b. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.
- c. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.
- d. The representations and warranties made by the parties to this Agreement

shall survive the consummation of the transaction herein described.

e. This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.

Each of the parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party's failure to perform under this Agreement or any agreement referred to in this Agreement.

SECTION 22. NOTICE.

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

If to CITY: City of Montebello
Attn: Raul Alvarez, City Manager
1600 West Beverly Boulevard Montebello, CA 90640
(323) 887-1200

With a copy to: City of Michael Solorza
1600 West Beverly Boulevard Montebello, CA 90640
(323) 887 -1200
msolorza@montebellocity.gov

If to CONSULTANT:

Consultant Name _____

Attn: _____

Address _____

City, CA #####

(###) ###-####

Email _____

An electronic communication ("**Electronic Notice**") shall be deemed written notice for purposes of this section if sent to the electronic mail address specified above. Electronic Notice shall be deemed received at the time the party sending Electronic Notice receives verification of receipt by the receiving party. Any party receiving Electronic Notice may request and shall be entitled to receive the notice on paper, in a nonelectronic form.

SECTION 22. NON-DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER.

In the performance of this Agreement, the CONSULTANT shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. The CONSULTANT will take affirmative

action to ensure that subcontractor and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

SECTION 23. CONFLICT OF INTEREST.

The CONSULTANT covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by the CONSULTANT under this Agreement, or which would conflict in any manner with the performance of its services hereunder. The CONSULTANT further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, the CONSULTANT shall avoid the appearance of having any interest that would conflict in any manner with the performance of its services pursuant to this Agreement.

The CONSULTANT covenants not to give or receive any compensation, monetary or otherwise, to or from the ultimate vendor(s) of services to t h e CITY as a result of the performance of this Agreement, or the services that may be procured by the CITY as a result of the recommendations made by the CONSULTANT. The CONSULTANT's covenant under this section shall survive the termination of this Agreement.

SECTION 24. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between the CITY and the CONSULTANT. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by each party. If any term, condition or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties, through their respective authorized representatives, have executed this Agreement as of the date first written above.

("CITY")

("CONSULTANT")

CITY OF MONTEBELLO

CONSULTANT NAME

Raul Alvarez, City Manager

Full Name, Title

ATTEST:

Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman, City Attorney

EXHIBITS:

- Exhibit A – Request for Quotations for Services and Contractor's Proposal
- Exhibit B – Schedule of Compensation
- Exhibit C – Live Scan Fingerprinting Requirement [Delete if not applicable and/or continue listing Exhibits as applicable]

EXHIBIT “A”

Request for Quotations for Services and Contractor’s Proposal

EXHIBIT “B”

Schedule of Compensation

EXHIBIT “C”

Live Scan Fingerprinting Requirements

Prior to commencing services, the CONSULTANT may be required to successfully pass a Department of Justice fingerprinting background check (“Live Scan”) performed by a certified fingerprinting service provider or at the City of Montebello Police Department. The CONSULTANT shall be responsible for obtaining the Live Scan for its staff and shall bear the cost thereof. The agency completing the fingerprints must provide the City of Montebello Human Resources with the background check results and subsequent records for review. The CONSULTANT must obtain a “Temporary Consultant’s Badge” issued by the City of Montebello Human Resources prior to performing work.



CITY OF MONTEBELLO

Request for Quotations

(RFQ No. 25-04)

RENTAL EQUIPMENT

Release Date: Thursday, May 15, 2025

Questions Due: Sunday, May 25, 2025, at 11 a.m. P.D.T.

Due Date: Thursday, June 05, 2025, at 11 a.m. P.D.T.

TO PROSPECTIVE BIDDERS

The City of Montebello invites your firm to submit a bid in accordance with this Request for Quotations (RFQ). Your response to this request will be evaluated to determine the qualifications of your firm. Bids must adhere to the format and content of this RFQ. Bids will not be evaluated unless all parts requested are submitted in a complete package. The information set forth is the minimum required in order to qualify for consideration. The successful bidder will be required to enter into a standard professional services agreement based on the specifications outlined in this RFQ.

THE DATE OF SOLICITATION:

May 15, 2025

THE PROJECT:

Project Name: Rental Equipment

THE OWNER:

Name: City of Montebello
Address: 1600 W. Beverly Blvd.,
Montebello, CA 90640
Contact: Cesar Roldan, Director of Public Works
Contact Phone: (323) 887-1460
Contact E-Mail: croldan@montebelloca.gov

PROPOSAL CONTACTS

Any questions concerning this RFQ and all correspondence must be submitted in writing via e-mail to the following contact:

Name: City of Montebello
Address: 1600 W. Beverly Blvd.,
Montebello, CA 90640
Contact: James Coiner, Deputy Director of Public Works
Contact Phone: (323) 887-1200 ext. 1427
Contact E-Mail: jcoiner@montebelloca.gov

Any questions about this RFQ should be submitted via the City's PlanetBids Portal by May 25, 2025, at 11:00 a.m. PST. Prospective vendors must register their business with PlanetBids before being able to view or submit a response. To access the PlanetBids Portal, please go to:

<https://www.montebelloca.gov/cms/one.aspx?portalId=58756&pageId=84839>

RENTAL EQUIPMENT

Request for Quotations No. 25-04

Table of Contents

<u>No.</u>		<u>Page</u>
I.	Notice Inviting Sealed Quotes	4
II.	General Scope of Work – Scope of Services	5
III.	General Requirements	5
IV.	Contract Provisions/Specifications	5
V.	Required Information/Bid Format	7
VI.	Evaluation Process and Selection Criteria	8
VII.	Contract with the City and Anticipated Timing for Beginning Services	10
VIII.	Submittal Requirements	10
IX.	Appendix A – References	11
X.	Sample Professional Services Agreement	12

I. NOTICE INVITING QUOTATIONS FOR RENTAL EQUIPMENT RFQ NO. 25-04

PUBLIC NOTICE IS HEREBY GIVEN THAT THE City of Montebello as AGENCY, invites sealed bids for the above stated project and will receive such bids via the PlanetBids vendor portal found on the City of Montebello's official website up to the hour of 11:00 a.m. on Thursday, June 05, 2025.

Copies of the specifications and contract documents are available from the City of Montebello, 1600 West Beverly Boulevard, Montebello, California 90640.

The AGENCY hereby affirmatively ensures that minority business enterprises will be afforded full opportunity to submit bids in response to this notice and will not be discriminated against on the basis of race, color, national origin, ancestry, sex, or religion in any consideration leading to the award of contract.

Proposals must be prepared on the approved Proposal forms in conformance with the instructions to Bidders.

The successful Vendor and Subcontractors are notified that they shall comply with all applicable state laws, Montebello Municipal Code, will be required to possess business licenses from the City, and other requirements as set forth in the contract requirements.

Addenda issued during the time of bidding shall become a part of the documents furnished to bidders for the preparation of bids, shall be covered in the bids, and shall be made part of the final contract.

The solicitation of Quotations has been developed in the Request for Quotations (RFQ) format. Accordingly, bidders should take note that multiple factors as defined in the RFQ will be considered by the City to determine which bid best meets the requirements set forth in the RFQ documents. Price will be considered as part of the evaluation, but other factors under consideration include, but are not limited to, proposed methodology, quality control program, experience of staff, experience of management team, quality of equipment, tools and uniforms. The City reserves the right to negotiate the terms of any resulting contract. Final contract award, if any, will be made by the Montebello City Council.

The AGENCY reserves the right to accept or reject any or all bids, to waive any irregularity in a bid and to make an award as may serve the interests of the City.

Questions should be directed to James Coiner, Deputy Director of Public Works at jcoiner@montebelloca.gov

THE DATE OF SOLICITATION: Thursday, May 15, 2025

QUESTIONS MUST BE SUBMITTED BY: Sunday, May 25, 2025, at 11:00 a.m. PST

SUBMITTAL DUE DATE: Thursday, June 05, 2025, at 11:00 a.m. PST

The City of Montebello is seeking bids from qualified vendors to provide heavy-duty or specialized equipment for short-term projects, emergency response, special events, and maintenance. Various City departments utilize rental equipment to fulfill needs that do not justify permanent ownership.

The selected vendor will be responsible for providing timely and dependable access to essential equipment and materials, ensuring operational continuity and minimizing delays in both procurement and ongoing operations

II. SCOPE OF SERVICES

Qualified vendors must provide short-term and long-term rental options for various equipment, including but not limited to:

- **Heavy Equipment:** Backhoes, skid steers, forklifts, trenchers, mini-excavators.
- **Power Equipment:** Generators, light towers, air compressors, jackhammers.
- **High-Elevation Work Equipment:** Boom lifts (articulating and telescoping), Scissor lifts, Aerial work platforms, and Bucket trucks
- **Specialized Tools:** Concrete saws, pipe locators, pressure washers.
- **Event Support Equipment:** Portable message boards, barriers, portable restrooms (if applicable).

All equipment must be well-maintained, fully operational, and compliant with OSHA safety standards. Vendors must be able to deliver equipment to job sites promptly and offer service or replacement in case of malfunction.

III. GENERAL REQUIREMENTS

To qualify for this contract, vendors must meet the following requirements:

- Possess a valid business license in the State of California.
- Have a minimum of five (5) years of experience in the equipment rental industry.
- Provide safety-compliant equipment that meets Cal/OSHA and industry standards.
- Offer maintenance logs, safety inspections, and user manuals upon request.
- Provide flexible rental terms, delivery and pick-up services, and emergency response for equipment issues.
- Offer competitive pricing, including daily, weekly, and monthly rental rates.
- Assign a dedicated account representative for coordination and support.

IV. CONTRACT PROVISIONS AND SPECIFICATIONS

A. Term of Contract

1. The initial term of the contract shall be for three (3) years from the effective date, with up to two (2) optional one-year extensions, subject to City approval and vendor performance.
2. Term to end on the end of the Fiscal year (June 30, 2028)
3. The City reserves the right to extend or amend the contract based on operational needs and funding availability.

B. Pricing and Invoicing

1. Due to fluctuating material and supply chain costs, vendors are not required to submit fixed pricing but must provide a documented pricing structure (e.g., retail price less a defined percentage discount or access to government/municipal pricing tiers).
2. The vendor shall provide the City with access to real-time pricing through catalogs, portals, or in-store rates.
3. Invoices must be itemized and clearly reflect the retail price, discount applied, and final cost to the City. Invoices shall reference the relevant purchase order number and be submitted to the City's designated billing contact.

C. Delivery and Fulfillment

1. Vendors must offer multiple fulfillment methods, including:
 - In-store pickup,
 - Scheduled delivery to City-designated facilities, and/or
 - Online order and delivery services where available.
2. Delivery timelines must be communicated clearly at the time of order and confirmed in writing when applicable.
3. City Departments may use authorized purchasing cards (P-cards) for same-day in-store purchases.

D. Product Availability and Substitutions

1. Vendors must notify the City of any out-of-stock or discontinued items and propose equivalent alternatives when available.
2. Substituted products must meet or exceed the specifications and quality of the originally requested item.

E. Product Standards and Warranty

1. All items must be new, of commercial-grade quality, and suitable for government operations.
2. Products must comply with all applicable federal, state, and local safety regulations.
3. Manufacturer warranties shall apply to all products purchased; vendors shall assist the City in processing any warranty claims as needed.

F. Customer Support

1. Vendors must designate a corporate or regional representative to serve as the primary liaison to City staff.
2. The vendor shall provide contact information for store-level and account-level customer service for prompt assistance with returns, credits, and inquiries.

G. Termination

The City reserves the right to terminate the contract at any time for convenience with thirty (30) calendar days' written notice. Immediate termination may occur in the event of:

- Repeated supply failures or non-performance,
- Unreasonable price increases without explanation,
- Unresolved customer service or billing issues.

H. Insurance Requirements

Vendors shall maintain insurance coverage consistent with the City's standard professional services agreement. Proof of insurance shall be provided upon execution of the contract and annually thereafter.

I. Governing Law and Venue

This contract shall be governed in accordance with the laws of the State of California. Venue shall lie exclusively in the courts of Los Angeles County.

V. REQUIRED INFORMATION AND BID FORMAT

To be considered for selection, respondent individuals or firms shall submit a bid that addresses each of the following criteria, and shall also provide resumes and evidence of qualifications to provide the services listed in this RFQ. All bids must be electronically submitted through PlanetBids' Bidder Portal, accessed through the City of Montebello's official website:

http://www.montebellocal.gov/departments/finance/request_for_proposal_bids.

All Prospective Bidders must register to bid through the PlanetBids Vendor Portal found on the City of Montebello's website at the link provided above.

The City reserves the right to reject any and all bids as "non-responsive" for failure to provide the required information and abide by the required format outlined in this RFQ.

1. Letter of Interest

- Please include a letter expressing your interest in being considered for the project. Include a statement regarding the vendor's availability to dedicate time, personnel, and resources to this effort. The letter of interest must include a commitment to the availability of the vendor and all key project staff during the planning period and a proposed schedule designed to meet the City's needs for the project.

2. Project Understanding and Approach

- Please include a statement demonstrating your understanding of the proposed project. Describe your general approach to completing the project successfully, methodologies and technologies you would employ, key milestones and processes you would employ. Describe what information you would expect the City to supply.

3. Relevant Experience

- Please include information describing your experience providing similar services for public agencies. Provide a minimum of three (3) specific examples of relevant experience. At a minimum, the vendor should provide a list of the most recent projects (i.e., completed within the last five (5) years is preferred, but samples outside of this timeframe will be accepted if relevant) for which the consultant has performed similar services of similar size, scope, and complexity.
- Using Appendix A – References, please provide details regarding each reference. This should include the name, contact person, address, phone number, and e-mail address of each party for whom the service was provided, as well as a description of the service performed, the dollar amount of the contract, and the date of performance. The City may contact the individual listed at its discretion.
- Resumes may also be included in this section for any key staff associated with project.

4. Proposed Scope of Services

- Please provide a proposed Scope of Services, based on the Scope of Work contained in this RFQ; and discuss any ideas for modifying, clarifying, or improving the City's proposed scope of work. Provide a realistic working schedule with key deliverables, milestones, and tasks.

5. Conflict of Interest Statement

- The vendor shall disclose any financial, business, or other relationship with the City that may have an impact upon the selection process. If the vendor does not have any such conflicts, a statement declaring such should be included in their submission.

6. Contract Documents

- Utilize the attached Project Bid Sheet (Appendix A) to provide a proposed schedule of fees for each lunch or snack to be provided.

7. Customer Service

- Describe how your firm provides for responsiveness to phone calls or email from City staff; and discuss your anticipated relationship with the City of Montebello and your organization.

8. Standard Professional Services Agreement

- Include a statement regarding whether the City's standard professional services agreement is acceptable as is or whether any modification would be proposed.

9. Conflict of Interest Statement

- The vendor shall disclose any financial, business, or other relationship with the City that may have an impact upon the selection process. If the vendor does not have any such conflicts, a statement declaring such should be included in their submission.
- List any lawsuits or arbitration proceedings that have been initiated by or against your firm in the past five (5) years. Briefly state the nature of the action and the outcome.

VI. EVALUATION PROCESS AND SELECTION CRITERIA

The City will establish an evaluation committee to review and rate each proposal. The proposal evaluation process will be conducted using a multi-step method which will include the following steps:

- A. Preliminary Proposal Review – The evaluation committee will review each submission to ensure adherence to the minimum/proposal format requirements.
- B. Proposal Evaluation – In the second part of this process, the evaluation committee will review and rate proposals using a combined score based on the following:

- i. Qualifications as they relate to this project – 30%
 - a. Thoroughness and understanding of the tasks to be completed
 - b. Background and experience
 - c. Experience and personnel assigned to the work
 - d. Communication skills
- ii. Reputation for integrity and competence – 10%
 - a. Positive Reference Checks
 - b. Work Samples
- iii. Proposed fees for services – 60%

The vendor must satisfy the City of its ability to perform the services required. The vendor must demonstrate and document a history of timely and satisfactory performance of similar projects in a manner, which addresses the stated evaluation criteria. The vendor shall be responsible for the accuracy of information supplied concerning references. In addition, the City may consider evidence of untimely and unsatisfactory performance on prior similar projects, or litigation by the vendor on previous contracts to be grounds for disqualification.

The City reserves the right to reject any or all Quotations, amend the RFQ, and to discontinue or re-open the process at any time. The City reserves the right to request and obtain, from one or more vendors, supplementary information as may be necessary for the City to analyze the proposal pursuant to contract selection criteria. Upon completion of the evaluation phase, the City will select those vendors for interviews whose bids and qualifications most closely conform to the requirements of this RFQ, if required. The vendor, by submitting a response to this RFQ, waives all rights to protest or seek any legal remedies whatsoever regarding any aspect of this RFQ. The City may choose to interview one or more firms responding to this RFQ, and may enter into more than one contract with multiple individuals or firms, if City determines that is the best way to address the full range of services needed under this RFQ.

Questions during the solicitation period are preferably received by email, and may be addressed to:

Attn: James Coiner
Deputy Director of Public Works
jcoiner@montebelloca.gov
1600 W. Beverly Blvd.
Montebello, CA 90640
(323) 887-1200 ext. 1378

VII. CONTRACT WITH THE CITY AND ANTICIPATED TIMING FOR BEGINNING SERVICES

The selected vendor will be required to enter into an Agreement with the City. The Agreement will include the final scope of work that is negotiated with the vendor. The City Manager is the authorizing entity to issue contracts with the Montebello City Council approval, and the contract will not take effect until it is approved by the City Council (as required) and fully executed by Vendor and City.

During the term of the contract, the Vendor will be required to keep informed of applicable local, State and Federal laws and regulations, including, but not limited, to those pertaining to conflict of interest, which in any manner affect those employed by the vendor or in any way affect the performance of the requested services.

The City's standard professional services agreement is attached, including insurance requirements. As part of your proposal, please indicate whether the standard agreement is acceptable or whether you would like to propose modifications to the standard agreement.

VIII. SUBMITTAL REQUIREMENTS

Proposals will be received through 11:00 A.M. on Thursday, June 05, 2025.

All bids must be Electronically submitted through PlanetBids' Bidder Portal, accessed through the City of Montebello's official website at http://www.montebellocal.gov/departments/finance/request_for_proposal_bids.



Appendix "A" Reference Sheet

RFQ 25-04 Rental Equipment

Entity Name _____
Business Address _____
Name of Contact _____
Title Contact _____
Telephone Number of Contact _____
Email of Contact _____
Description of Project _____
Date of Service _____

Entity Name _____
Business Address _____
Name of Contact _____
Title Contact _____
Telephone Number of Contact _____
Email of Contact _____
Description of Project _____
Date of Service _____

Entity Name _____
Business Address _____
Name of Contact _____
Title Contact _____
Telephone Number of Contact _____
Email of Contact _____
Description of Project _____
Date of Service _____

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

Appendix "B"

CITY OF MONTEBELLO PROFESSIONAL ON-CALL SERVICES AGREEMENT NO. ____ WITH _____

THIS PROFESSIONAL ON-CALL SERVICES AGREEMENT ("Agreement") is made and entered on _____, 2025 ("Effective Date"), by the CITY OF MONTEBELLO, a California municipal corporation (the "CITY") and _____, a California corporation (the "CONSULTANT"). The CITY and the CONSULTANT are sometimes referred to herein individual as the "Party," and jointly as the "Parties."

RECITALS

WHEREAS, the CITY desires to retain a qualified professional consultant to provide on-call _____ services in the CITY; and

WHEREAS, the CONSULTANT represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

NOW THEREFORE, in consideration of performance by the Parties of the covenants and conditions herein contained, the Parties hereto agree as follows:

SECTION 1. INCORPORATION OF RECITALS AND OTHER CONTRACT DOCUMENTS

a. The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference. Moreover, this Agreement consists of the following documents, in order of precedence, all of which are incorporated herein and made part of this Agreement, as though fully set forth herein:

1. This Agreement and its Exhibits, including any and all addenda or supplemental agreements.
2. RFQ No. _____
3. Proposal referenced and Best Final Offer received by the successful proposer.
4. All other documents, including but not limited to all applicable bonds, insurance certificates, permits, notices, schedules, forms, certifications, and affidavits.

b. These documents shall be collectively referred to herein as the "Contract Documents." In the event of a conflict among the Contract Documents, the order of precedence list above shall apply.

SECTION 2. SERVICES / COMPENSATION.

A. All terms, conditions, requirements, and provisions of the Proposal for labor and materials to provide emergency response services ("Proposal"), as such is set forth fully in **Exhibit A** hereto, are hereby incorporated fully herein by this reference and shall be binding on the Parties. To the extent of a conflict between the terms of this Agreement and that set forth in any exhibits or attachments hereto, the terms of this Agreement shall govern.

B. The CONSULTANT shall provide to the CITY all labor, equipment,

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

materials and incidental necessary to provide services as such is set forth fully in **Exhibit A** hereto and incorporated fully herein by this reference (hereinafter "Professional Services").

C. The CONSULTANT shall be compensated on as-needed case by case basis for performance of the Professional Services as set forth in **Exhibit B** and incorporated fully herein by this reference ("Compensation"). The CONSULTANT shall not commence work without a fully executed task order(s) signed and executed by the City Manager and compensation is based on the individual task order(s) and each task order(s) must provide an itemized billing statement to the CITY when each task order(s) is performed and completed. The CONSULTANT shall not incur fees or costs which exceed the Compensation without the prior written consent of the CITY.

SECTION 3. TERM.

This Agreement shall commence upon issuance of the Notice to Proceed by the CITY, and shall expire on _____, unless extended or terminated earlier as hereinafter provided.

SECTION 4. PERFORMANCE.

a. The CONSULTANT shall at all times, faithfully, competently, and to the best of its ability, experience and talent, perform all tasks described herein.

b. The CONSULTANT shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of CONSULTANT hereunder, in meeting its obligations under this Agreement.

c. The CONSULTANT shall be knowledgeable of and subject to all CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.

d. The CONSULTANT shall have the right to retain, subject to the CITY's approval, additional individuals, consultants or subcontractors to assist in the completion of services as herein defined. Compensation for additional individuals, consultants or subcontractors shall be the sole and exclusive responsibility of the CONSULTANT.

e. The CONSULTANT shall retain all original reports, field and office notes, correspondence, calculations, maps, and other documents specifically related to the services provided by the CONSULTANT pursuant to this Agreement, other than documents which are exempt from disclosure pursuant to the attorney- client privilege or any other law. Said documents shall be made available for inspection by the CITY upon request.

SECTION 5. WORK PRODUCT.

a. The CONSULTANT hereby agrees that all work product produced pursuant to this Agreement, and provided to the CITY during and upon completion of this Agreement, shall be the property of the CITY, and ownership of said work product shall be retained by the CITY. The CONSULTANT may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by the CONSULTANT.

b. All data, documents, discussion, or other information developed or received by the CONSULTANT or provided for performance of this Agreement are deemed confidential and shall not be disclosed by the CONSULTANT without prior written consent by the CITY. The CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to the CITY upon the termination or expiration of this Agreement. The CONSULTANT agrees that the covenants contained in this Section shall

survive the expiration or termination of this Agreement.

SECTION 6. EXTRA SERVICES.

No extra services over and above the Compensation shall be rendered by the CONSULTANT under this Agreement unless such extra services first shall have been duly authorized in writing by the CITY's City Manager (the "City Manager").

SECTION 7. CITY SUPERVISION.

The City Manager shall have the right of general supervision of all work performed by the CONSULTANT and shall be the CITY's agent with respect to obtaining the CONSULTANT's compliance hereunder. No payment for services rendered under this Agreement shall be made without the prior approval of the City Manager.

SECTION 8. TERMINATION.

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

a. Termination for Cause. In the event that any of the provisions of the Agreement are violated by either party, the non-defaulting Party may terminate the Agreement by serving written notice upon the other Party, listing the violation(s) and its intent to terminate such Agreement unless within ten (10) days after the serving of such notice, such violation shall cease or be rectified, the contract shall upon the expiration of an additional thirty (30) days cease and terminate. Violations by the CONSULTANT which cannot be corrected within ten (10) days, said contract shall at the option of the CITY cease and terminate upon the giving of like notice. In the event of any such termination for default by the CONSULTANT, the CITY may take over the work and prosecute the same to completion by contract or otherwise for the account and at the expense of the CONSULTANT. The CONSULTANT and his sureties shall be liable to the CITY for any excess cost occasioned in the event of any such termination. This change shall not be construed to prevent the termination, for other causes authorized by law or other provisions of this contract. In the event of a termination for cause, the CONSULTANT shall only be entitled to Compensation for those Professional Services satisfactorily performed on or before the effective date of termination.

b. Termination for Convenience. The CITY shall have the option, at its sole discretion and without cause, to terminate this Agreement in whole, or in part, by giving ten (30) business days' written notice to the CONSULTANT. Upon the termination of this Agreement as provided herein, the CITY shall provide to the CONSULTANT the part of Compensation which would otherwise be payable to the CONSULTANT for services the CONSULTANT had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation. Further, upon such a termination for convenience by the CITY, the Parties agree that the CONSULTANT shall be reimbursed for any "non- refundable" costs that the CONSULTANT has incurred for its services under this Agreement, provided that: (1) such "non- refundable" costs were incurred by the CONSULTANT prior to the date of termination, and (2) that the CONSULTANT provides the CITY with adequate proof that the CONSULTANT incurred the costs, and is unable to be seek a refund for such costs. Such "non- refundable" costs may include, but are not limited to, travel reservations incurred by the CONSULTANT for its performance of services under this Agreement. The CONSULTANT agrees to cease all work under this Agreement on or before the effective date of any notice of termination.

SECTION 9. EMPLOYMENT OF CITY EMPLOYEES.

No employee of the CITY shall be employed by the CONSULTANT during the term of this Agreement.

SECTION 10. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No official or employee of the CITY shall be personally liable to the CONSULTANT in the event of any default or breach by the CITY, or for any amount which may become due to the CONSULTANT.

SECTION 11. INDEPENDENT CONTRACTOR.

a. The CONSULTANT is and shall, at all times, remain as to the CITY a wholly independent contractor. Neither the CITY nor any of its elected officials, officers, employees or agents shall have control over the conduct of the CONSULTANT except as expressly set forth in this Agreement. The CONSULTANT shall not at any time or in any manner represent that he or she is in any manner an elected official, officer, employee or agent of the CITY. No employee benefits shall be available to the CONSULTANT in connection with the performance of this Agreement. Except as provided in this Agreement, the CITY shall not pay salary, wages, or other compensation to the CONSULTANT for performance hereunder for the CITY, the CITY shall not be liable for compensation to the CONSULTANT, the CONSULTANT's employees or the CONSULTANT's subcontractors for injury or sickness arising out of performing services hereunder.

b. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

c. The CITY shall not deduct from the Compensation paid to the CONSULTANT any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to the CONSULTANT. The CITY shall have no responsibility to provide the CONSULTANT, its employees or subcontractors with workers' compensation insurance or any other insurance.

SECTION 12. PERS ELIGIBILITY INDEMNITY.

a. If the CONSULTANT is a California Public Employees' Retirement System ("CalPERS") annuitant, the CONSULTANT must provide the City with written notification of such fact a minimum of 14 calendar days prior to commencement of services under this Agreement. Failure to provide such notification may result in termination of the Agreement, and any penalties or other costs relating thereto shall be borne by the CONSULTANT. If this Agreement remains in place, the CONSULTANT shall execute any amendment(s) to this Agreement requested by the City in order to comply with all laws and regulations applicable to CalPERS annuitants.

b. In the event that the CONSULTANT or any employee, agent, or subcontractor of the CONSULTANT providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the CITY, the CONSULTANT shall indemnify, defend, and hold harmless the CITY for the payment of any employee and/or employer contributions for PERS benefits on behalf of the CONSULTANT or its employees, agents, or subcontractors, as well as for the payment of any penalties

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

and interest on such contributions, which would otherwise be the responsibility of the CITY.

c. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, the CONSULTANT and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by the CITY, including but not limited to eligibility to enroll in PERS as an employee of the CITY and entitlement to any contribution to be paid by the CITY for employer contribution and/or employee contributions for PERS benefits.

SECTION 13. LEGAL RESPONSIBILITIES.

The CONSULTANT shall at all times observe and comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments including, but not limited to the Montebello Municipal Code. The CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of the CONSULTANT to comply with this section.

SECTION 14. INDEMNIFICATION.

The CONSULTANT agrees to, and shall defend, indemnify, protect and hold harmless, the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of the CONSULTANT's negligent or wrongful act, or omission under the terms of this Agreement, except only liability arising out of the sole negligence of the CITY. CITY shall not be required to indemnify, defend, protect or hold harmless the CONSULTANT.

SECTION 15. INSURANCE COVERAGE.

a. During the term of this Agreement, the CONSULTANT shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with CONSULTANT's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

- **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury and advertising injury, with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, the limit shall be twice the required occurrence limit.

- **Automobile Liability Insurance:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if CONSULTANT has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.

- **Worker's Compensation** insurance as required by the laws of the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

- **Professional Liability** insurance appropriate to the CONSULTANT'S

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

profession, with limit no less than \$2,000,000 per occurrence or claim, \$4,000,000 aggregate.

b. If the CONSULTANT maintains higher limits than the minimums shown above, the CITY requires and shall be entitled to coverage for the higher limits maintained by the CONSULTANT.

c. The CONTACTOR shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

d. The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a current rating of at least A:VII in the latest edition of Best's Insurance Guide.

e. Each insurance policy required above shall state that coverage shall not be canceled, except after thirty (30) days' prior written notice (ten (10) days for non-payment) has been given to the CITY. The CONSULTANT agrees that if it does not keep the aforesaid insurance in full force and effect the CITY may either (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at the CONSULTANT's expense, the premium thereon.

f. **Evidence of Insurance prior to commencement.** The Contractor shall provide to the CITY Certificate(s) of Insurance evidencing such coverage together with copies of the required policy endorsements no later than five (5) business days prior to commencement of service and at least fifteen (15) business days prior to the expiration of any policy. Unreasonable failure to provide such evidence may be cause for termination of the Agreement as provided herein or delay the services' commencement date. The evidence of insurance shall be U.S. mail or email to:

City of Montebello
Attn: Risk Manager
1600 West Beverly Boulevard
Montebello, CA 90640
Email: COI@MONTEBELLOCA.GOV

Coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits, non-renewed, or materially changed for any reason, without thirty (30) days prior written notice thereof given by the insurer to the CITY by U.S. mail, or by personal delivery, except for nonpayment of premiums, in which case ten (10) days prior notice shall be provided.

g. **Evidence of Insurance during the entire term of the Agreement.** At all times during the term of this Agreement, the CONSULTANT shall maintain on file with the CITY's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming the CITY as an additional insured. The CONSULTANT shall, prior to commencement of work under this Agreement, file with the CITY's Risk Manager such certificate(s).

h. The CONSULTANT shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two (2) weeks prior to the expiration of the coverages.

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

i. The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming the CITY, its officers, employees, agents and volunteers as additional insureds. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to the CITY. The CONSULTANT agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

j. The insurance provided by the CONSULTANT shall be primary to any coverage available to the CITY. Any insurance or self-insurance maintained by the CITY, its officers, employees, agents, or volunteers, shall be in excess of CONSULTANT's insurance and shall not contribute with it.

k. All insurance coverage provided pursuant to this Agreement shall not prohibit the CONSULTANT, and CONSULTANT's employees, agents or subconsultants, from waiving the right of subrogation prior to a loss. The CONSULTANT hereby waives all rights of subrogation against the CITY.

l. Any deductibles or self-insured retentions must be declared to and approved by the CITY. At the option of the CITY, the CONSULTANT shall either reduce or eliminate the deductibles or self-insured retentions with respect to the CITY, or the CONSULTANT shall procure a bond guaranteeing payment of losses and expenses.

m. Procurement of insurance by the CONSULTANT shall not be construed as a limitation of the CONSULTANT'S liability or as full performance of CONSULTANT's duties to indemnify, hold harmless and defend under the indemnity covenants of this Agreement.

SECTION 16. SUBCONTRACT, ASSIGNMENT OR DELEGATION.

The CONSULTANT shall not subcontract, delegate or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of the CITY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed subcontractor, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

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

SECTION 17. NO WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition or covenant hereof.

SECTION 18. DISPUTE RESOLUTION; GOVERNING LAW.

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between

the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, expert fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded. The venue for any litigation shall be the County of Los Angeles, California. The Parties agree that the covenants contained in this Section shall survive the expiration or termination of this Agreement.

SECTION 19. ATTORNEY'S FEES AND COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled.

SECTION 20. WARRANTIES.

Each of the parties represents and warrants to one another as follows:

- a. It has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement;
- b. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of *any* matter whatsoever; and
- c. It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

SECTION 21. MISCELLANEOUS.

- a. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction of interpretation of any of its provisions.
- b. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.
- c. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.
- d. The representations and warranties made by the parties to this Agreement shall survive the consummation of the transaction herein described.
- e. This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.

Each of the parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party's failure to perform under this Agreement or any agreement referred to in this Agreement.

SECTION 22. NOTICE.

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

If to CITY: City of Montebello
Attn: Raul Alvarez, City Manager
1600 West Beverly Boulevard Montebello, CA 90640
(323) 887-1200

With a copy to: City of Michael Solorza
1600 West Beverly Boulevard Montebello, CA 90640
(323) 887 -1200
msolorza@montebellocity.gov

If to CONSULTANT:

Consultant Name	
Attn:	
Address	
City, CA #####	
(###) ###-####	
Email	

An electronic communication ("**Electronic Notice**") shall be deemed written notice for purposes of this section if sent to the electronic mail address specified above. Electronic Notice shall be deemed received at the time the party sending Electronic Notice receives verification of receipt by the receiving party. Any party receiving Electronic Notice may request and shall be entitled to receive the notice on paper, in a nonelectronic form.

SECTION 22. NON-DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER.

In the performance of this Agreement, the CONSULTANT shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. The CONSULTANT will take affirmative action to ensure that subcontractor and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

SECTION 23. CONFLICT OF INTEREST.

The CONSULTANT covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by the CONSULTANT under this Agreement, or which would conflict in any manner with the performance of its services hereunder. The CONSULTANT further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, the CONSULTANT shall avoid the appearance of having any interest that would conflict in any manner with the performance of its services pursuant to this Agreement.

The CONSULTANT covenants not to give or receive any compensation, monetary or otherwise, to or from the ultimate vendor(s) of services to t h e CITY as a result of the performance of this Agreement, or the services that may be procured by the CITY as a result of the recommendations made by the CONSULTANT. The CONSULTANT's covenant under this section shall survive the termination of this Agreement.

SECTION 24. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between the CITY and the CONSULTANT. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by each party. If any term, condition or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties, through their respective authorized representatives, have executed this Agreement as of the date first written above.

("CITY")

("CONSULTANT")

CITY OF MONTEBELLO

CONSULTANT NAME

Raul Alvarez, City Manager

Full Name, Title

ATTEST:

Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman, City Attorney

EXHIBITS:

- Exhibit A – Request for Quotations for Services and Contractor's Proposal
- Exhibit B – Schedule of Compensation
- Exhibit C – Live Scan Fingerprinting Requirement [Delete if not applicable and/or continue listing Exhibits as applicable]

EXHIBIT “A”

Request for Quotations for Services and Contractor’s Proposal

EXHIBIT “B”

Schedule of Compensation

EXHIBIT “C”

Live Scan Fingerprinting Requirements

Prior to commencing services, the CONSULTANT may be required to successfully pass a Department of Justice fingerprinting background check (“Live Scan”) performed by a certified fingerprinting service provider or at the City of Montebello Police Department. The CONSULTANT shall be responsible for obtaining the Live Scan for its staff and shall bear the cost thereof. The agency completing the fingerprints must provide the City of Montebello Human Resources with the background check results and subsequent records for review. The CONSULTANT must obtain a “Temporary Consultant’s Badge” issued by the City of Montebello Human Resources prior to performing work.



CITY OF MONTEBELLO

Request for Quotations

(RFQ No. 25-05)

SIGNAGE AND TRAFFIC CONTROL SUPPLIES

Release Date: Thursday, May 15, 2025

Questions Due: Sunday, May 25, 2025, at 11 a.m. P.D.T.

Due Date: Thursday, June 05, 2025, at 11 a.m. P.D.T.

TO PROSPECTIVE BIDDERS

The City of Montebello invites your firm to submit a bid in accordance with this Request for Quotations (RFQ). Your response to this request will be evaluated to determine the qualifications of your firm. Bids must adhere to the format and content of this RFQ. Bids will not be evaluated unless all parts requested are submitted in a complete package. The information set forth is the minimum required in order to qualify for consideration. The successful bidder will be required to enter into a standard professional services agreement based on the specifications outlined in this RFQ.

THE DATE OF SOLICITATION:

May 15, 2025

THE PROJECT:

Project Name: Signage and Traffic Control Supplies

THE OWNER:

Name: City of Montebello
Address: 1600 W. Beverly Blvd.,
Montebello, CA 90640
Contact: Cesar Roldan, Director of Public Works
Contact Phone: (323) 887-1460
Contact E-Mail: croldan@montebelloca.gov

PROPOSAL CONTACTS

Any questions concerning this RFQ and all correspondence must be submitted in writing via e-mail to the following contact:

Name: City of Montebello
Address: 1600 W. Beverly Blvd.,
Montebello, CA 90640
Contact: James Coiner, Deputy Director of Public Works
Contact Phone: (323) 887-1200 ext. 1427
Contact E-Mail: jcoiner@montebelloca.gov

Any questions about this RFQ should be submitted via the City's PlanetBids Portal by May 25, 2025, at 11:00 a.m. PST. Prospective vendors must register their business with PlanetBids before being able to view or submit a response. To access the PlanetBids Portal, please go to:

<https://www.montebelloca.gov/cms/one.aspx?portalId=58756&pageId=84839>

SIGNAGE AND TRAFFIC CONTROL SUPPLIES

Request for Quotations No. 25-05

Table of Contents

<u>No.</u>		<u>Page</u>
I.	Notice Inviting Sealed Quotes	4
II.	General Scope of Work – Scope of Services	5
III.	General Requirements	5
IV.	Contract Provisions/Specifications	6
V.	Required Information/Bid Format	7
VI.	Evaluation Process and Selection Criteria	9
VII.	Contract with the City and Anticipated Timing for Beginning Services	10
VIII.	Submittal Requirements	10
IX.	Appendix A – References	11
X.	Sample Professional Services Agreement	12

**I. NOTICE INVITING QUOTATIONS FOR SIGNAGE AND TRAFFIC CONTROL
SUPPLIES
RFQ NO. 25-05**

PUBLIC NOTICE IS HEREBY GIVEN THAT THE City of Montebello as AGENCY, invites sealed bids for the above stated project and will receive such bids via the PlanetBids vendor portal found on the City of Montebello's official website up to the hour of 11:00 a.m. on Thursday, June 05, 2025.

Copies of the specifications and contract documents are available from the City of Montebello, 1600 West Beverly Boulevard, Montebello, California 90640.

The AGENCY hereby affirmatively ensures that minority business enterprises will be afforded full opportunity to submit bids in response to this notice and will not be discriminated against on the basis of race, color, national origin, ancestry, sex, or religion in any consideration leading to the award of contract.

Proposals must be prepared on the approved Proposal forms in conformance with the instructions to Bidders.

The successful Vendor and Subcontractors are notified that they shall comply with all applicable state laws, Montebello Municipal Code, will be required to possess business licenses from the City, and other requirements as set forth in the contract requirements.

Addenda issued during the time of bidding shall become a part of the documents furnished to bidders for the preparation of bids, shall be covered in the bids, and shall be made part of the final contract.

The solicitation of Quotations has been developed in the Request for Quotations (RFQ) format. Accordingly, bidders should take note that multiple factors as defined in the RFQ will be considered by the City to determine which bid best meets the requirements set forth in the RFQ documents. Price will be considered as part of the evaluation, but other factors under consideration include, but are not limited to, proposed methodology, quality control program, experience of staff, experience of management team, quality of equipment, tools and uniforms. The City reserves the right to negotiate the terms of any resulting contract. Final contract award, if any, will be made by the Montebello City Council.

The AGENCY reserves the right to accept or reject any or all bids, to waive any irregularity in a bid and to make an award as may serve the interests of the City.

Questions should be directed to James Coiner, Deputy Director of Public Works at jcoiner@montebelloca.gov

THE DATE OF SOLICITATION: Thursday, May 15, 2025

QUESTIONS MUST BE SUBMITTED BY: Sunday, May 25, 2025, at 11:00 a.m. PST

SUBMITTAL DUE DATE: Sunday, June 05, 2025, at 11:00 a.m. PST

REQUEST FOR QUOTATIONS

The City of Montebello is seeking bids from qualified vendors to provide compliant, government-issued; traffic signage and traffic control supplies essential to ensuring public safety. Signage will include street signs, traffic control signs, parking signs, and various other signs necessary to regulate efficient traffic flow. In addition to signage, the City seeks to procure traffic control supplies such as traffic cones, barricades, and other street safety equipment.

The selected vendor will be responsible for providing timely and dependable access to essential equipment and materials, ensuring operational continuity and minimizing delays in both procurement and ongoing operations.

II. SCOPE OF SERVICES

Selected vendors will provide a comprehensive range of government-issued signage and traffic safety materials, including but not limited to:

- Street and Traffic Signs: Stop signs, speed limit signs, yield signs, pedestrian crossing signs, and regulatory signage compliant with MUTCD (Manual on Uniform Traffic Control Devices) and California state standards.
- Municipal and Public Facility Signage: Wayfinding signs, parking lot signs, facility nameplates, and park signage.
- Custom and Specialty Signage: City-branded signs, construction zone notices, event signage, and emergency notification boards.
- Traffic Control Supplies: Traffic cones, barricades, delineators, A-frame signs, and message boards for temporary traffic management.
- Sign Installation and Hardware: Signposts, mounting brackets, reflective sheeting, and other necessary hardware for secure installation.
- Vendors must be able to provide high-quality, durable, and weather-resistant materials, ensuring longevity and compliance with federal and state regulations. Additionally, they must support expedited orders for emergency replacements or special projects.

III. GENERAL REQUIREMENTS

To be considered for this contract, vendors must meet the following qualifications:

- Hold a valid business license in the State of California.
- Have at least five (5) years of experience manufacturing and supplying government-compliant signage.
- Demonstrate the ability to produce signs in compliance with MUTCD, Caltrans, and other applicable regulatory standards.
- Maintain a reliable inventory to fulfill large orders and accommodate urgent requests.
- Provide warranties on all signage materials and installation hardware.
- Offer competitive pricing

IV. CONTRACT PROVISIONS AND SPECIFICATIONS

A. Term of Contract

1. The initial term of the contract shall be for three (3) years from the effective date, with up to two (2) optional one-year extensions, subject to City approval and vendor performance.
2. Term to end on the end of the Fiscal year (June 30, 2028)
3. The City reserves the right to extend or amend the contract based on operational needs and funding availability.

B. Pricing and Invoicing

1. Due to fluctuating material and supply chain costs, vendors are not required to submit fixed pricing but must provide a documented pricing structure (e.g., retail price less a defined percentage discount or access to government/municipal pricing tiers).
2. The vendor shall provide the City with access to real-time pricing through catalogs, portals, or in-store rates.
3. Invoices must be itemized and clearly reflect the retail price, discount applied, and final cost to the City. Invoices shall reference the relevant purchase order number and be submitted to the City's designated billing contact.

C. Delivery and Fulfillment

1. Vendors must offer multiple fulfillment methods, including:
 - In-store pickup,
 - Scheduled delivery to City-designated facilities, and/or
 - Online order and delivery services where available.
2. Delivery timelines must be communicated clearly at the time of order and confirmed in writing when applicable.
3. City Departments may use authorized purchasing cards (P-cards) for same-day in-store purchases.

D. Product Availability and Substitutions

1. Vendors must notify the City of any out-of-stock or discontinued items and propose equivalent alternatives when available.
2. Substituted products must meet or exceed the specifications and quality of the originally requested item.

E. Product Standards and Warranty

1. All items must be new, of commercial-grade quality, and suitable for government operations.
2. Products must comply with all applicable federal, state, and local safety regulations.
3. Manufacturer warranties shall apply to all products purchased; vendors shall assist the City in processing any warranty claims as needed.

F. Customer Support

1. Vendors must designate a corporate or regional representative to serve as the primary liaison to City staff.
2. The vendor shall provide contact information for store-level and account-level customer service for prompt assistance with returns, credits, and inquiries.

G. Termination

The City reserves the right to terminate the contract at any time for convenience with thirty (30) calendar days' written notice. Immediate termination may occur in the event of:

- Repeated supply failures or non-performance,
- Unreasonable price increases without explanation,
- Unresolved customer service or billing issues.

H. Insurance Requirements

Vendors shall maintain insurance coverage consistent with the City's standard professional services agreement. Proof of insurance shall be provided upon execution of the contract and annually thereafter.

I. Governing Law and Venue

This contract shall be governed in accordance with the laws of the State of California. Venue shall lie exclusively in the courts of Los Angeles County.

V. REQUIRED INFORMATION AND BID FORMAT

To be considered for selection, respondent individuals or firms shall submit a bid that addresses each of the following criteria, and shall also provide resumes and evidence of qualifications to provide the services listed in this RFQ. All bids must be electronically submitted through PlanetBids' Bidder Portal, accessed through the City of Montebello's official website:

http://www.montebelloca.gov/departments/finance/request_for_proposal_bids.

All Prospective Bidders must register to bid through the PlanetBids Vendor Portal found on the City of Montebello's website at the link provided above.

The City reserves the right to reject any and all bids as "non-responsive" for failure to provide the required information and abide by the required format outlined in this RFQ.

1. Letter of Interest

- Please include a letter expressing your interest in being considered for the project. Include a statement regarding the vendor's availability to dedicate time, personnel, and resources to this effort. The letter of interest must include a commitment to the availability of the vendor and all key project staff during the planning period and a proposed schedule designed to meet the City's needs for the project.

2. Project Understanding and Approach

- Please include a statement demonstrating your understanding of the proposed project. Describe your general approach to completing the project successfully, methodologies and technologies you would employ, key milestones and processes you would employ. Describe what information you would expect the City to supply.

3. Relevant Experience

- Please include information describing your experience providing similar services for public agencies. Provide a minimum of three (3) specific examples of relevant experience. At a minimum, the vendor should provide a list of the most recent projects (i.e., completed within the last five (5) years is preferred, but samples outside of this timeframe will be accepted if relevant) for which the consultant has performed similar services of similar size, scope, and complexity.

- Using Appendix A – References, please provide details regarding each reference. This should include the name, contact person, address, phone number, and e-mail address of each party for whom the service was provided, as well as a description of the service performed, the dollar amount of the contract, and the date of performance. The City may contact the individual listed at its discretion.
- Resumes may also be included in this section for any key staff associated with project.

4. Proposed Scope of Services

- Please provide a proposed Scope of Services, based on the Scope of Work contained in this RFQ; and discuss any ideas for modifying, clarifying, or improving the City's proposed scope of work. Provide a realistic working schedule with key deliverables, milestones, and tasks.

5. Conflict of Interest Statement

- The vendor shall disclose any financial, business, or other relationship with the City that may have an impact upon the selection process. If the vendor does not have any such conflicts, a statement declaring such should be included in their submission.

6. Contract Documents

- Utilize the attached Project Bid Sheet (Appendix A) to provide a proposed schedule of fees for each lunch or snack to be provided.

7. Customer Service

- Describe how your firm provides for responsiveness to phone calls or email from City staff; and discuss your anticipated relationship with the City of Montebello and your organization.

8. Standard Professional Services Agreement

- Include a statement regarding whether the City's standard professional services agreement is acceptable as is or whether any modification would be proposed.

9. Conflict of Interest Statement

- The vendor shall disclose any financial, business, or other relationship with the City that may have an impact upon the selection process. If the vendor does not have any such conflicts, a statement declaring such should be included in their submission.
- List any lawsuits or arbitration proceedings that have been initiated by or against your firm in the past five (5) years. Briefly state the nature of the action and the outcome.

VI. EVALUATION PROCESS AND SELECTION CRITERIA

The City will establish an evaluation committee to review and rate each proposal. The proposal evaluation process will be conducted using a multi-step method which will include the following steps:

- A. Preliminary Proposal Review – The evaluation committee will review each submission to ensure adherence to the minimum/proposal format requirements.
- B. Proposal Evaluation – In the second part of this process, the evaluation committee will review and rate proposals using a combined score based on the following:
 - i. Qualifications as they relate to this project – 30%
 - a. Thoroughness and understanding of the tasks to be completed
 - b. Background and experience
 - c. Experience and personnel assigned to the work
 - d. Communication skills
 - ii. Reputation for integrity and competence – 10%
 - a. Positive Reference Checks
 - b. Work Samples
 - iii. Proposed fees for services – 60%

The vendor must satisfy the City of its ability to perform the services required. The vendor must demonstrate and document a history of timely and satisfactory performance of similar projects in a manner, which addresses the stated evaluation criteria. The vendor shall be responsible for the accuracy of information supplied concerning references. In addition, the City may consider evidence of untimely and unsatisfactory performance on prior similar projects, or litigation by the vendor on previous contracts to be grounds for disqualification.

The City reserves the right to reject any or all Quotations, amend the RFQ, and to discontinue or re-open the process at any time. The City reserves the right to request and obtain, from one or more vendors, supplementary information as may be necessary for the City to analyze the proposal pursuant to contract selection criteria. Upon completion of the evaluation phase, the City will select those vendors for interviews whose bids and qualifications most closely conform to the requirements of this RFQ, if required. The vendor, by submitting a response to this RFQ, waives all rights to protest or seek any legal remedies whatsoever regarding any aspect of this RFQ. The City may choose to interview one or more firms responding to this RFQ, and may enter into more than one contract with multiple individuals or firms, if City determines that is the best way to address the full range of services needed under this RFQ.

Questions during the solicitation period are preferably received by email, and may be addressed to:

Attn: James Coiner
Deputy Director of Public Works
jcoiner@montebelloca.gov
1600 W. Beverly Blvd.
Montebello, CA 90640
(323) 887-1200 ext. 1378

VII. CONTRACT WITH THE CITY AND ANTICIPATED TIMING FOR BEGINNING SERVICES

The selected vendor will be required to enter into an Agreement with the City. The Agreement will include the final scope of work that is negotiated with the vendor. The City Manager is the authorizing entity to issue contracts with the Montebello City Council approval, and the contract will not take effect until it is approved by the City Council (as required) and fully executed by Vendor and City.

During the term of the contract, the Vendor will be required to keep informed of applicable local, State and Federal laws and regulations, including, but not limited, to those pertaining to conflict of interest, which in any manner affect those employed by the vendor or in any way affect the performance of the requested services.

The City's standard professional services agreement is attached, including insurance requirements. As part of your proposal, please indicate whether the standard agreement is acceptable or whether you would like to propose modifications to the standard agreement.

VIII. SUBMITTAL REQUIREMENTS

Proposals will be received through 11:00 A.M. on Thursday, June 05, 2025.

All bids must be Electronically submitted through PlanetBids' Bidder Portal, accessed through the City of Montebello's official website at http://www.montebelloca.gov/departments/finance/request_for_proposal_bids.



Appendix "A" Reference Sheet

RFQ 25-05 Signage and Traffic Control Supplies

Entity Name _____
Business Address _____
Name of Contact _____
Title Contact _____
Telephone Number of Contact _____
Email of Contact _____
Description of Project _____
Date of Service _____

Entity Name _____
Business Address _____
Name of Contact _____
Title Contact _____
Telephone Number of Contact _____
Email of Contact _____
Description of Project _____
Date of Service _____

Entity Name _____
Business Address _____
Name of Contact _____
Title Contact _____
Telephone Number of Contact _____
Email of Contact _____
Description of Project _____
Date of Service _____

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

Appendix "B"

CITY OF MONTEBELLO PROFESSIONAL ON-CALL SERVICES AGREEMENT NO. ____ WITH _____

THIS PROFESSIONAL ON-CALL SERVICES AGREEMENT ("Agreement") is made and entered on _____, 2025 ("Effective Date"), by the CITY OF MONTEBELLO, a California municipal corporation (the "CITY") and _____, a California corporation (the "CONSULTANT"). The CITY and the CONSULTANT are sometimes referred to herein individual as the "Party," and jointly as the "Parties."

RECITALS

WHEREAS, the CITY desires to retain a qualified professional consultant to provide on-call _____ services in the CITY; and

WHEREAS, the CONSULTANT represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

NOW THEREFORE, in consideration of performance by the Parties of the covenants and conditions herein contained, the Parties hereto agree as follows:

SECTION 1. INCORPORATION OF RECITALS AND OTHER CONTRACT DOCUMENTS

a. The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference. Moreover, this Agreement consists of the following documents, in order of precedence, all of which are incorporated herein and made part of this Agreement, as though fully set forth herein:

1. This Agreement and its Exhibits, including any and all addenda or supplemental agreements.
2. RFQ No. _____
3. Proposal referenced and Best Final Offer received by the successful proposer.
4. All other documents, including but not limited to all applicable bonds, insurance certificates, permits, notices, schedules, forms, certifications, and affidavits.

b. These documents shall be collectively referred to herein as the "Contract Documents." In the event of a conflict among the Contract Documents, the order of precedence list above shall apply.

SECTION 2. SERVICES / COMPENSATION.

A. All terms, conditions, requirements, and provisions of the Proposal for labor and materials to provide emergency response services ("Proposal"), as such is set forth fully in **Exhibit A** hereto, are hereby incorporated fully herein by this reference and shall be binding on the Parties. To the extent of a conflict between the terms of this Agreement and that set forth in any exhibits or attachments hereto, the terms of this Agreement shall govern.

B. The CONSULTANT shall provide to the CITY all labor, equipment,

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

materials and incidental necessary to provide services as such is set forth fully in **Exhibit A** hereto and incorporated fully herein by this reference (hereinafter "Professional Services").

C. The CONSULTANT shall be compensated on as-needed case by case basis for performance of the Professional Services as set forth in **Exhibit B** and incorporated fully herein by this reference ("Compensation"). The CONSULTANT shall not commence work without a fully executed task order(s) signed and executed by the City Manager and compensation is based on the individual task order(s) and each task order(s) must provide an itemized billing statement to the CITY when each task order(s) is performed and completed. The CONSULTANT shall not incur fees or costs which exceed the Compensation without the prior written consent of the CITY.

SECTION 3. TERM.

This Agreement shall commence upon issuance of the Notice to Proceed by the CITY, and shall expire on _____, unless extended or terminated earlier as hereinafter provided.

SECTION 4. PERFORMANCE.

a. The CONSULTANT shall at all times, faithfully, competently, and to the best of its ability, experience and talent, perform all tasks described herein.

b. The CONSULTANT shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of CONSULTANT hereunder, in meeting its obligations under this Agreement.

c. The CONSULTANT shall be knowledgeable of and subject to all CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.

d. The CONSULTANT shall have the right to retain, subject to the CITY's approval, additional individuals, consultants or subcontractors to assist in the completion of services as herein defined. Compensation for additional individuals, consultants or subcontractors shall be the sole and exclusive responsibility of the CONSULTANT.

e. The CONSULTANT shall retain all original reports, field and office notes, correspondence, calculations, maps, and other documents specifically related to the services provided by the CONSULTANT pursuant to this Agreement, other than documents which are exempt from disclosure pursuant to the attorney- client privilege or any other law. Said documents shall be made available for inspection by the CITY upon request.

SECTION 5. WORK PRODUCT.

a. The CONSULTANT hereby agrees that all work product produced pursuant to this Agreement, and provided to the CITY during and upon completion of this Agreement, shall be the property of the CITY, and ownership of said work product shall be retained by the CITY. The CONSULTANT may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by the CONSULTANT.

b. All data, documents, discussion, or other information developed or received by the CONSULTANT or provided for performance of this Agreement are deemed confidential and shall not be disclosed by the CONSULTANT without prior written consent by the CITY. The CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to the CITY upon the termination or expiration of this Agreement. The CONSULTANT agrees that the covenants contained in this Section shall

survive the expiration or termination of this Agreement.

SECTION 6. EXTRA SERVICES.

No extra services over and above the Compensation shall be rendered by the CONSULTANT under this Agreement unless such extra services first shall have been duly authorized in writing by the CITY's City Manager (the "City Manager").

SECTION 7. CITY SUPERVISION.

The City Manager shall have the right of general supervision of all work performed by the CONSULTANT and shall be the CITY's agent with respect to obtaining the CONSULTANT's compliance hereunder. No payment for services rendered under this Agreement shall be made without the prior approval of the City Manager.

SECTION 8. TERMINATION.

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

a. Termination for Cause. In the event that any of the provisions of the Agreement are violated by either party, the non-defaulting Party may terminate the Agreement by serving written notice upon the other Party, listing the violation(s) and its intent to terminate such Agreement unless within ten (10) days after the serving of such notice, such violation shall cease or be rectified, the contract shall upon the expiration of an additional thirty (30) days cease and terminate. Violations by the CONSULTANT which cannot be corrected within ten (10) days, said contract shall at the option of the CITY cease and terminate upon the giving of like notice. In the event of any such termination for default by the CONSULTANT, the CITY may take over the work and prosecute the same to completion by contract or otherwise for the account and at the expense of the CONSULTANT. The CONSULTANT and his sureties shall be liable to the CITY for any excess cost occasioned in the event of any such termination. This change shall not be construed to prevent the termination, for other causes authorized by law or other provisions of this contract. In the event of a termination for cause, the CONSULTANT shall only be entitled to Compensation for those Professional Services satisfactorily performed on or before the effective date of termination.

b. Termination for Convenience. The CITY shall have the option, at its sole discretion and without cause, to terminate this Agreement in whole, or in part, by giving ten (30) business days' written notice to the CONSULTANT. Upon the termination of this Agreement as provided herein, the CITY shall provide to the CONSULTANT the part of Compensation which would otherwise be payable to the CONSULTANT for services the CONSULTANT had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation. Further, upon such a termination for convenience by the CITY, the Parties agree that the CONSULTANT shall be reimbursed for any "non- refundable" costs that the CONSULTANT has incurred for its services under this Agreement, provided that: (1) such "non- refundable" costs were incurred by the CONSULTANT prior to the date of termination, and (2) that the CONSULTANT provides the CITY with adequate proof that the CONSULTANT incurred the costs, and is unable to be seek a refund for such costs. Such "non- refundable" costs may include, but are not limited to, travel reservations incurred by the CONSULTANT for its performance of services under this Agreement. The CONSULTANT agrees to cease all work under this Agreement on or before the effective date of any notice of termination.

SECTION 9. EMPLOYMENT OF CITY EMPLOYEES.

No employee of the CITY shall be employed by the CONSULTANT during the term of this Agreement.

SECTION 10. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No official or employee of the CITY shall be personally liable to the CONSULTANT in the event of any default or breach by the CITY, or for any amount which may become due to the CONSULTANT.

SECTION 11. INDEPENDENT CONTRACTOR.

a. The CONSULTANT is and shall, at all times, remain as to the CITY a wholly independent contractor. Neither the CITY nor any of its elected officials, officers, employees or agents shall have control over the conduct of the CONSULTANT except as expressly set forth in this Agreement. The CONSULTANT shall not at any time or in any manner represent that he or she is in any manner an elected official, officer, employee or agent of the CITY. No employee benefits shall be available to the CONSULTANT in connection with the performance of this Agreement. Except as provided in this Agreement, the CITY shall not pay salary, wages, or other compensation to the CONSULTANT for performance hereunder for the CITY, the CITY shall not be liable for compensation to the CONSULTANT, the CONSULTANT's employees or the CONSULTANT's subcontractors for injury or sickness arising out of performing services hereunder.

b. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

c. The CITY shall not deduct from the Compensation paid to the CONSULTANT any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to the CONSULTANT. The CITY shall have no responsibility to provide the CONSULTANT, its employees or subcontractors with workers' compensation insurance or any other insurance.

SECTION 12. PERS ELIGIBILITY INDEMNITY.

a. If the CONSULTANT is a California Public Employees' Retirement System ("CalPERS") annuitant, the CONSULTANT must provide the City with written notification of such fact a minimum of 14 calendar days prior to commencement of services under this Agreement. Failure to provide such notification may result in termination of the Agreement, and any penalties or other costs relating thereto shall be borne by the CONSULTANT. If this Agreement remains in place, the CONSULTANT shall execute any amendment(s) to this Agreement requested by the City in order to comply with all laws and regulations applicable to CalPERS annuitants.

b. In the event that the CONSULTANT or any employee, agent, or subcontractor of the CONSULTANT providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the CITY, the CONSULTANT shall indemnify, defend, and hold harmless the CITY for the payment of any employee and/or employer contributions for PERS benefits on behalf of the CONSULTANT or its employees, agents, or subcontractors, as well as for the payment of any penalties

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

and interest on such contributions, which would otherwise be the responsibility of the CITY.

c. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, the CONSULTANT and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by the CITY, including but not limited to eligibility to enroll in PERS as an employee of the CITY and entitlement to any contribution to be paid by the CITY for employer contribution and/or employee contributions for PERS benefits.

SECTION 13. LEGAL RESPONSIBILITIES.

The CONSULTANT shall at all times observe and comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments including, but not limited to the Montebello Municipal Code. The CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of the CONSULTANT to comply with this section.

SECTION 14. INDEMNIFICATION.

The CONSULTANT agrees to, and shall defend, indemnify, protect and hold harmless, the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of the CONSULTANT's negligent or wrongful act, or omission under the terms of this Agreement, except only liability arising out of the sole negligence of the CITY. CITY shall not be required to indemnify, defend, protect or hold harmless the CONSULTANT.

SECTION 15. INSURANCE COVERAGE.

a. During the term of this Agreement, the CONSULTANT shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with CONSULTANT's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

- **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury and advertising injury, with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, the limit shall be twice the required occurrence limit.

- **Automobile Liability Insurance:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if CONSULTANT has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.

- **Worker's Compensation** insurance as required by the laws of the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

- **Professional Liability** insurance appropriate to the CONSULTANT'S

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

profession, with limit no less than \$2,000,000 per occurrence or claim, \$4,000,000 aggregate.

b. If the CONSULTANT maintains higher limits than the minimums shown above, the CITY requires and shall be entitled to coverage for the higher limits maintained by the CONSULTANT.

c. The CONTACTOR shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

d. The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a current rating of at least A:VII in the latest edition of Best's Insurance Guide.

e. Each insurance policy required above shall state that coverage shall not be canceled, except after thirty (30) days' prior written notice (ten (10) days for non-payment) has been given to the CITY. The CONSULTANT agrees that if it does not keep the aforesaid insurance in full force and effect the CITY may either (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at the CONSULTANT's expense, the premium thereon.

f. **Evidence of Insurance prior to commencement.** The Contractor shall provide to the CITY Certificate(s) of Insurance evidencing such coverage together with copies of the required policy endorsements no later than five (5) business days prior to commencement of service and at least fifteen (15) business days prior to the expiration of any policy. Unreasonable failure to provide such evidence may be cause for termination of the Agreement as provided herein or delay the services' commencement date. The evidence of insurance shall be U.S. mail or email to:

City of Montebello
Attn: Risk Manager
1600 West Beverly Boulevard
Montebello, CA 90640
Email: COI@MONTEBELLOCA.GOV

Coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits, non-renewed, or materially changed for any reason, without thirty (30) days prior written notice thereof given by the insurer to the CITY by U.S. mail, or by personal delivery, except for nonpayment of premiums, in which case ten (10) days prior notice shall be provided.

g. **Evidence of Insurance during the entire term of the Agreement.** At all times during the term of this Agreement, the CONSULTANT shall maintain on file with the CITY's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming the CITY as an additional insured. The CONSULTANT shall, prior to commencement of work under this Agreement, file with the CITY's Risk Manager such certificate(s).

h. The CONSULTANT shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two (2) weeks prior to the expiration of the coverages.

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

i. The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming the CITY, its officers, employees, agents and volunteers as additional insureds. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to the CITY. The CONSULTANT agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

j. The insurance provided by the CONSULTANT shall be primary to any coverage available to the CITY. Any insurance or self-insurance maintained by the CITY, its officers, employees, agents, or volunteers, shall be in excess of CONSULTANT's insurance and shall not contribute with it.

k. All insurance coverage provided pursuant to this Agreement shall not prohibit the CONSULTANT, and CONSULTANT's employees, agents or subconsultants, from waiving the right of subrogation prior to a loss. The CONSULTANT hereby waives all rights of subrogation against the CITY.

l. Any deductibles or self-insured retentions must be declared to and approved by the CITY. At the option of the CITY, the CONSULTANT shall either reduce or eliminate the deductibles or self-insured retentions with respect to the CITY, or the CONSULTANT shall procure a bond guaranteeing payment of losses and expenses.

m. Procurement of insurance by the CONSULTANT shall not be construed as a limitation of the CONSULTANT'S liability or as full performance of CONSULTANT's duties to indemnify, hold harmless and defend under the indemnity covenants of this Agreement.

SECTION 16. SUBCONTRACT, ASSIGNMENT OR DELEGATION.

The CONSULTANT shall not subcontract, delegate or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of the CITY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed subcontractor, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

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

SECTION 17. NO WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition or covenant hereof.

SECTION 18. DISPUTE RESOLUTION; GOVERNING LAW.

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, expert fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded. The venue for any litigation shall be the County of Los Angeles, California. The Parties agree that the covenants contained in this Section shall survive the expiration or termination of this Agreement.

SECTION 19. ATTORNEY'S FEES AND COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled.

SECTION 20. WARRANTIES.

Each of the parties represents and warrants to one another as follows:

- a. It has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement;
- b. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of *any* matter whatsoever; and
- c. It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

SECTION 21. MISCELLANEOUS.

- a. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction of interpretation of any of its provisions.
- b. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.
- c. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.
- d. The representations and warranties made by the parties to this Agreement shall survive the consummation of the transaction herein described.
- e. This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.

Each of the parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party's failure to perform under this Agreement or any agreement referred to in this Agreement.

SECTION 22. NOTICE.

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

If to CITY: City of Montebello
Attn: Raul Alvarez, City Manager
1600 West Beverly Boulevard Montebello, CA 90640
(323) 887-1200

With a copy to: City of Michael Solorza
1600 West Beverly Boulevard Montebello, CA 90640
(323) 887 -1200
msolorza@montebellocity.gov

If to CONSULTANT:

Consultant Name	
Attn:	
Address	
City, CA #####	
(###) ###-####	
Email	

An electronic communication ("**Electronic Notice**") shall be deemed written notice for purposes of this section if sent to the electronic mail address specified above. Electronic Notice shall be deemed received at the time the party sending Electronic Notice receives verification of receipt by the receiving party. Any party receiving Electronic Notice may request and shall be entitled to receive the notice on paper, in a nonelectronic form.

SECTION 22. NON-DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER.

In the performance of this Agreement, the CONSULTANT shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. The CONSULTANT will take affirmative action to ensure that subcontractor and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

SECTION 23. CONFLICT OF INTEREST.

The CONSULTANT covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by the CONSULTANT under this Agreement, or which would conflict in any manner with the performance of its services hereunder. The CONSULTANT further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, the CONSULTANT shall avoid the appearance of having any interest that would conflict in any manner with the performance of its services pursuant to this Agreement.

The CONSULTANT covenants not to give or receive any compensation, monetary or otherwise, to or from the ultimate vendor(s) of services to t h e CITY as a result of the performance of this Agreement, or the services that may be procured by the CITY as a result of the recommendations made by the CONSULTANT. The CONSULTANT's covenant under this section shall survive the termination of this Agreement.

SECTION 24. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between the CITY and the CONSULTANT. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by each party. If any term, condition or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties, through their respective authorized representatives, have executed this Agreement as of the date first written above.

("CITY")

("CONSULTANT")

CITY OF MONTEBELLO

CONSULTANT NAME

Raul Alvarez, City Manager

Full Name, Title

ATTEST:

Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman, City Attorney

EXHIBITS:

- Exhibit A – Request for Quotations for Services and Contractor's Proposal
- Exhibit B – Schedule of Compensation
- Exhibit C – Live Scan Fingerprinting Requirement [Delete if not applicable and/or continue listing Exhibits as applicable]

EXHIBIT “A”

Request for Quotations for Services and Contractor’s Proposal

EXHIBIT “B”

Schedule of Compensation

EXHIBIT “C”

Live Scan Fingerprinting Requirements

Prior to commencing services, the CONSULTANT may be required to successfully pass a Department of Justice fingerprinting background check (“Live Scan”) performed by a certified fingerprinting service provider or at the City of Montebello Police Department. The CONSULTANT shall be responsible for obtaining the Live Scan for its staff and shall bear the cost thereof. The agency completing the fingerprints must provide the City of Montebello Human Resources with the background check results and subsequent records for review. The CONSULTANT must obtain a “Temporary Consultant’s Badge” issued by the City of Montebello Human Resources prior to performing work.



CITY OF MONTEBELLO

Request for Quotations

(RFQ No. 25-06)

SUPPLY AND DELIVERY OF ASPHALT REPAIR MATERIALS

Release Date: Thursday, May 15, 2025

Questions Due: Sunday, May 25, 2025, at 11 a.m. P.D.T.

Due Date: Thursday, June 05, 2025, at 11 a.m. P.D.T.

TO PROSPECTIVE BIDDERS

The City of Montebello invites your firm to submit a bid in accordance with this Request for Quotations (RFQ). Your response to this request will be evaluated to determine the qualifications of your firm. Bids must adhere to the format and content of this RFQ. Bids will not be evaluated unless all parts requested are submitted in a complete package. The information set forth is the minimum required in order to qualify for consideration. The successful bidder will be required to enter into a standard professional services agreement based on the specifications outlined in this RFQ.

THE DATE OF SOLICITATION:

May 15, 2025

THE PROJECT:

Project Name: Supply and Delivery of Asphalt Repair Materials

THE OWNER:

Name: City of Montebello
Address: 1600 W. Beverly Blvd.,
Montebello, CA 90640
Contact: Cesar Roldan, Director of Public Works
Contact Phone: (323) 887-1460
Contact E-Mail: croldan@montebelloca.gov

PROPOSAL CONTACTS

Any questions concerning this RFQ and all correspondence must be submitted in writing via e-mail to the following contact:

Name: City of Montebello
Address: 1600 W. Beverly Blvd.,
Montebello, CA 90640
Contact: James Coiner, Deputy Director of Public Works
Contact Phone: (323) 887-1200 ext. 1427
Contact E-Mail: jcoiner@montebelloca.gov

Any questions about this RFQ should be submitted via the City's PlanetBids Portal by May 25, 2025, at 11:00 a.m. PDT. Prospective vendors must register their business with PlanetBids before being able to view or submit a response. To access the PlanetBids Portal, please go to:

<https://www.montebelloca.gov/cms/one.aspx?portalId=58756&pageId=84839>

SUPPLY AND DELIVERY OF ASPHALT REPAIR MATERIALS

Request for Quotations No. 25-06

Table of Contents

<u>No.</u>		<u>Page</u>
I.	Notice Inviting Sealed Quotes	4
II.	General Scope of Work – Scope of Services	5
III.	General Requirements	5
IV.	Contract Provisions/Specifications	6-7
V.	Required Information/Bid Format	7
VI.	Evaluation Process and Selection Criteria	9
VII.	Contract with the City and Anticipated Timing for Beginning Services	10
VIII.	Submittal Requirements	10
IX.	Appendix A – References	11
X.	Sample Professional Services Agreement	12

**I. NOTICE INVITING QUOTATIONS FOR SUPPLY AND DELIVERY OF ASPHALT
REPAIR MATERIALS
RFQ NO. 25-06**

PUBLIC NOTICE IS HEREBY GIVEN THAT THE City of Montebello as AGENCY, invites sealed bids for the above stated project and will receive such bids via the PlanetBids vendor portal found on the City of Montebello's official website up to the hour of 11:00 a.m. on Thursday, June 05, 2025.

Copies of the specifications and contract documents are available from the City of Montebello, 1600 West Beverly Boulevard, Montebello, California 90640.

The AGENCY hereby affirmatively ensures that minority business enterprises will be afforded full opportunity to submit bids in response to this notice and will not be discriminated against on the basis of race, color, national origin, ancestry, sex, or religion in any consideration leading to the award of contract.

Proposals must be prepared on the approved Proposal forms in conformance with the instructions to Bidders.

The successful Vendor and Subcontractors are notified that they shall comply with all applicable state laws, Montebello Municipal Code, will be required to possess business licenses from the City, and other requirements as set forth in the contract requirements.

Addenda issued during the time of bidding shall become a part of the documents furnished to bidders for the preparation of bids, shall be covered in the bids, and shall be made part of the final contract.

The solicitation of Quotations has been developed in the Request for Quotations (RFQ) format. Accordingly, bidders should take note that multiple factors as defined in the RFQ will be considered by the City to determine which bid best meets the requirements set forth in the RFQ documents. Price will be considered as part of the evaluation, but other factors under consideration include, but are not limited to, proposed methodology, quality control program, experience of staff, experience of management team, quality of equipment, tools and uniforms. The City reserves the right to negotiate the terms of any resulting contract. Final contract award, if any, will be made by the Montebello City Council.

The AGENCY reserves the right to accept or reject any or all bids, to waive any irregularity in a bid and to make an award as may serve the interests of the City.

Questions should be directed to James Coiner, Deputy Director of Public Works at jcoiner@montebelloca.gov

THE DATE OF SOLICITATION: Thursday, May 15, 2025

QUESTIONS MUST BE SUBMITTED BY: Sunday, May 25, 2025, at 11:00 a.m. PST

SUBMITTAL DUE DATE: Thursday, June 05, 2025, at 11:00 a.m. PST

REQUEST FOR QUOTATIONS

The City of Montebello is seeking bids from qualified vendors to supply and deliver asphalt repair materials. The City's Public Works Department is responsible for the maintenance and repair of streets to ensure safe and efficient roadways for residents, businesses, and visitors. Regular maintenance includes filling potholes, patching deteriorated pavement, and conducting temporary or permanent road repairs. Materials include cold patch, hot patch, and emulsions.

The selected vendor will be responsible for providing timely and dependable access to essential equipment and materials, ensuring operational continuity and minimizing delays in both procurement and ongoing operations.

II. SCOPE OF SERVICES

Selected vendors will provide a comprehensive range of government-issued signage and traffic safety materials, including but not limited to:

- Street and Traffic Signs: Stop signs, speed limit signs, yield signs, pedestrian crossing signs, and regulatory signage compliant with MUTCD (Manual on Uniform Traffic Control Devices) and California state standards.
- Municipal and Public Facility Signage: Wayfinding signs, parking lot signs, facility nameplates, and park signage.
- Custom and Specialty Signage: City-branded signs, construction zone notices, event signage, and emergency notification boards.
- Traffic Control Supplies: Traffic cones, barricades, delineators, A-frame signs, and message boards for temporary traffic management.
- Sign Installation and Hardware: Signposts, mounting brackets, reflective sheeting, and other necessary hardware for secure installation.
- Vendors must be able to provide high-quality, durable, and weather-resistant materials, ensuring longevity and compliance with federal and state regulations. Additionally, they must support expedited orders for emergency replacements or special projects.

III. GENERAL REQUIREMENTS

To be considered for this contract, vendors must meet the following qualifications:

- Hold a valid business license in the State of California.
- Have at least five (5) years of experience manufacturing and supplying government-compliant signage.
- Demonstrate the ability to produce signs in compliance with MUTCD, Caltrans, and other applicable regulatory standards.
- Maintain a reliable inventory to fulfill large orders and accommodate urgent requests.
- Provide warranties on all signage materials and installation hardware.
- Offer competitive pricing

IV. CONTRACT PROVISIONS AND SPECIFICATIONS

A. Term of Contract

1. The initial term of the contract shall be for three (3) years from the effective date, with up to two (2) optional one-year extensions, subject to City approval and vendor performance.
2. Term to end on the end of the Fiscal year (June 30, 2028)
3. The City reserves the right to extend or amend the contract based on operational needs and funding availability.

B. Pricing and Invoicing

1. Due to fluctuating material and supply chain costs, vendors are not required to submit fixed pricing but must provide a documented pricing structure (e.g., retail price less a defined percentage discount or access to government/municipal pricing tiers).
2. The vendor shall provide the City with access to real-time pricing through catalogs, portals, or in-store rates.
3. Invoices must be itemized and clearly reflect the retail price, discount applied, and final cost to the City. Invoices shall reference the relevant purchase order number and be submitted to the City's designated billing contact.

C. Delivery and Fulfillment

1. Vendors must offer multiple fulfillment methods, including:
 - In-store pickup,
 - Scheduled delivery to City-designated facilities, and/or
 - Online order and delivery services where available.
2. Delivery timelines must be communicated clearly at the time of order and confirmed in writing when applicable.
3. City Departments may use authorized purchasing cards (P-cards) for same-day in-store purchases.

D. Product Availability and Substitutions

1. Vendors must notify the City of any out-of-stock or discontinued items and propose equivalent alternatives when available.
2. Substituted products must meet or exceed the specifications and quality of the originally requested item.

E. Product Standards and Warranty

1. All items must be new, of commercial-grade quality, and suitable for government operations.
2. Products must comply with all applicable federal, state, and local safety regulations.
3. Manufacturer warranties shall apply to all products purchased; vendors shall assist the City in processing any warranty claims as needed.

F. Customer Support

1. Vendors must designate a corporate or regional representative to serve as the primary liaison to City staff.
2. The vendor shall provide contact information for store-level and account-level customer service for prompt assistance with returns, credits, and inquiries.

G. Termination

The City reserves the right to terminate the contract at any time for convenience with thirty (30) calendar days' written notice. Immediate termination may occur in the event of:

- Repeated supply failures or non-performance,
- Unreasonable price increases without explanation,
- Unresolved customer service or billing issues.

H. Insurance Requirements

Vendors shall maintain insurance coverage consistent with the City's standard professional services agreement. Proof of insurance shall be provided upon execution of the contract and annually thereafter.

I. Governing Law and Venue

This contract shall be governed in accordance with the laws of the State of California. Venue shall lie exclusively in the courts of Los Angeles County.

V. REQUIRED INFORMATION AND BID FORMAT

To be considered for selection, respondent individuals or firms shall submit a bid that addresses each of the following criteria, and shall also provide resumes and evidence of qualifications to provide the services listed in this RFQ. All bids must be electronically submitted through PlanetBids' Bidder Portal, accessed through the City of Montebello's official website:

http://www.montebelloca.gov/departments/finance/request_for_proposal_bids.

All Prospective Bidders must register to bid through the PlanetBids Vendor Portal found on the City of Montebello's website at the link provided above.

The City reserves the right to reject any and all bids as "non-responsive" for failure to provide the required information and abide by the required format outlined in this RFQ.

1. Letter of Interest

- Please include a letter expressing your interest in being considered for the project. Include a statement regarding the vendor's availability to dedicate time, personnel, and resources to this effort. The letter of interest must include a commitment to the availability of the vendor and all key project staff during the planning period and a proposed schedule designed to meet the City's needs for the project.

2. Project Understanding and Approach

- Please include a statement demonstrating your understanding of the proposed project. Describe your general approach to completing the project successfully, methodologies and technologies you would employ, key milestones and processes you would employ. Describe what information you would expect the City to supply.

3. Relevant Experience

- Please include information describing your experience providing similar services for public agencies. Provide a minimum of three (3) specific examples of relevant experience. At a minimum, the vendor should provide a list of the most recent projects (i.e., completed within the last five (5) years is preferred, but samples outside of this timeframe will be accepted if relevant) for which the consultant has performed similar services of similar size, scope, and complexity.

- Using Appendix A – References, please provide details regarding each reference. This should include the name, contact person, address, phone number, and e-mail address of each party for whom the service was provided, as well as a description of the service performed, the dollar amount of the contract, and the date of performance. The City may contact the individual listed at its discretion.
- Resumes may also be included in this section for any key staff associated with project.

4. Proposed Scope of Services

- Please provide a proposed Scope of Services, based on the Scope of Work contained in this RFQ; and discuss any ideas for modifying, clarifying, or improving the City's proposed scope of work. Provide a realistic working schedule with key deliverables, milestones, and tasks.

5. Conflict of Interest Statement

- The vendor shall disclose any financial, business, or other relationship with the City that may have an impact upon the selection process. If the vendor does not have any such conflicts, a statement declaring such should be included in their submission.

6. Contract Documents

- Utilize the attached Project Bid Sheet (Appendix A) to provide a proposed schedule of fees for each lunch or snack to be provided.

7. Customer Service

- Describe how your firm provides for responsiveness to phone calls or email from City staff; and discuss your anticipated relationship with the City of Montebello and your organization.

8. Standard Professional Services Agreement

- Include a statement regarding whether the City's standard professional services agreement is acceptable as is or whether any modification would be proposed.

9. Conflict of Interest Statement

- The vendor shall disclose any financial, business, or other relationship with the City that may have an impact upon the selection process. If the vendor does not have any such conflicts, a statement declaring such should be included in their submission.
- List any lawsuits or arbitration proceedings that have been initiated by or against your firm in the past five (5) years. Briefly state the nature of the action and the outcome.

VI. EVALUATION PROCESS AND SELECTION CRITERIA

The City will establish an evaluation committee to review and rate each proposal. The proposal evaluation process will be conducted using a multi-step method which will include the following steps:

- A. Preliminary Proposal Review – The evaluation committee will review each submission to ensure adherence to the minimum/proposal format requirements.
- B. Proposal Evaluation – In the second part of this process, the evaluation committee will review and rate proposals using a combined score based on the following:
 - i. Qualifications as they relate to this project – 30%
 - a. Thoroughness and understanding of the tasks to be completed
 - b. Background and experience
 - c. Experience and personnel assigned to the work
 - d. Communication skills
 - ii. Reputation for integrity and competence – 10%
 - a. Positive Reference Checks
 - b. Work Samples
 - iii. Proposed fees for services – 60%

The vendor must satisfy the City of its ability to perform the services required. The vendor must demonstrate and document a history of timely and satisfactory performance of similar projects in a manner, which addresses the stated evaluation criteria. The vendor shall be responsible for the accuracy of information supplied concerning references. In addition, the City may consider evidence of untimely and unsatisfactory performance on prior similar projects, or litigation by the vendor on previous contracts to be grounds for disqualification.

The City reserves the right to reject any or all Quotations, amend the RFQ, and to discontinue or re-open the process at any time. The City reserves the right to request and obtain, from one or more vendors, supplementary information as may be necessary for the City to analyze the proposal pursuant to contract selection criteria. Upon completion of the evaluation phase, the City will select those vendors for interviews whose bids and qualifications most closely conform to the requirements of this RFQ, if required. The vendor, by submitting a response to this RFQ, waives all rights to protest or seek any legal remedies whatsoever regarding any aspect of this RFQ. The City may choose to interview one or more firms responding to this RFQ, and may enter into more than one contract with multiple individuals or firms, if City determines that is the best way to address the full range of services needed under this RFQ.

Questions during the solicitation period are preferably received by email, and may be addressed to:

Attn: James Coiner
Deputy Director of Public Works
jcoiner@montebelloca.gov
1600 W. Beverly Blvd.
Montebello, CA 90640
(323) 887-1200 ext. 1378

VII. CONTRACT WITH THE CITY AND ANTICIPATED TIMING FOR BEGINNING SERVICES

The selected vendor will be required to enter into an Agreement with the City. The Agreement will include the final scope of work that is negotiated with the vendor. The City Manager is the authorizing entity to issue contracts with the Montebello City Council approval, and the contract will not take effect until it is approved by the City Council (as required) and fully executed by Vendor and City.

During the term of the contract, the Vendor will be required to keep informed of applicable local, State and Federal laws and regulations, including, but not limited, to those pertaining to conflict of interest, which in any manner affect those employed by the vendor or in any way affect the performance of the requested services.

The City's standard professional services agreement is attached, including insurance requirements. As part of your proposal, please indicate whether the standard agreement is acceptable or whether you would like to propose modifications to the standard agreement.

VIII. SUBMITTAL REQUIREMENTS

Proposals will be received through 11:00 A.M. on Wednesday, June 11, 2025.

All bids must be Electronically submitted through PlanetBids' Bidder Portal, accessed through the City of Montebello's official website at http://www.montebelloca.gov/departments/finance/request_for_proposal_bids.



Appendix "A" Reference Sheet

RFQ 25-06 Supply and Delivery of Asphalt Repair Materials

Entity Name _____
Business Address _____
Name of Contact _____
Title Contact _____
Telephone Number of Contact _____
Email of Contact _____
Description of Project _____
Date of Service _____

Entity Name _____
Business Address _____
Name of Contact _____
Title Contact _____
Telephone Number of Contact _____
Email of Contact _____
Description of Project _____
Date of Service _____

Entity Name _____
Business Address _____
Name of Contact _____
Title Contact _____
Telephone Number of Contact _____
Email of Contact _____
Description of Project _____
Date of Service _____

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

Appendix "B"

CITY OF MONTEBELLO PROFESSIONAL ON-CALL SERVICES AGREEMENT NO. _____ WITH _____

THIS PROFESSIONAL ON-CALL SERVICES AGREEMENT ("Agreement") is made and entered on _____, 2025 ("Effective Date"), by the CITY OF MONTEBELLO, a California municipal corporation (the "CITY") and _____, a California corporation (the "CONSULTANT"). The CITY and the CONSULTANT are sometimes referred to herein individual as the "Party," and jointly as the "Parties."

RECITALS

WHEREAS, the CITY desires to retain a qualified professional consultant to provide on-call _____ services in the CITY; and

WHEREAS, the CONSULTANT represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

NOW THEREFORE, in consideration of performance by the Parties of the covenants and conditions herein contained, the Parties hereto agree as follows:

SECTION 1. INCORPORATION OF RECITALS AND OTHER CONTRACT DOCUMENTS

a. The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference. Moreover, this Agreement consists of the following documents, in order of precedence, all of which are incorporated herein and made part of this Agreement, as though fully set forth herein:

1. This Agreement and its Exhibits, including any and all addenda or supplemental agreements.
2. RFQ No. _____
3. Proposal referenced and Best Final Offer received by the successful proposer.
4. All other documents, including but not limited to all applicable bonds, insurance certificates, permits, notices, schedules, forms, certifications, and affidavits.

b. These documents shall be collectively referred to herein as the "Contract Documents." In the event of a conflict among the Contract Documents, the order of precedence list above shall apply.

SECTION 2. SERVICES / COMPENSATION.

A. All terms, conditions, requirements, and provisions of the Proposal for labor and materials to provide emergency response services ("Proposal"), as such is set forth fully in **Exhibit A** hereto, are hereby incorporated fully herein by this reference and

shall be binding on the Parties. To the extent of a conflict between the terms of this Agreement and that set forth in any exhibits or attachments hereto, the terms of this Agreement shall govern.

B. The CONSULTANT shall provide to the CITY all labor, equipment,

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

materials and incidental necessary to provide services as such is set forth fully in **Exhibit A** hereto and incorporated fully herein by this reference (hereinafter "Professional Services").

C. The CONSULTANT shall be compensated on as-needed case by case basis for performance of the Professional Services as set forth in **Exhibit B** and incorporated fully herein by this reference ("Compensation"). The CONSULTANT shall not commence work without a fully executed task order(s) signed and executed by the City Manager and compensation is based on the individual task order(s) and each task order(s) must provide an itemized billing statement to the CITY when each task order(s) is performed and completed. The CONSULTANT shall not incur fees or costs which exceed the Compensation without the prior written consent of the CITY.

SECTION 3. TERM.

This Agreement shall commence upon issuance of the Notice to Proceed by the CITY, and shall expire on _____, unless extended or terminated earlier as hereinafter provided.

SECTION 4. PERFORMANCE.

a. The CONSULTANT shall at all times, faithfully, competently, and to the best of its ability, experience and talent, perform all tasks described herein.

b. The CONSULTANT shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of CONSULTANT hereunder, in meeting its obligations under this Agreement.

c. The CONSULTANT shall be knowledgeable of and subject to all CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.

d. The CONSULTANT shall have the right to retain, subject to the CITY's approval, additional individuals, consultants or subcontractors to assist in the completion of services as herein defined. Compensation for additional individuals, consultants or subcontractors shall be the sole and exclusive responsibility of the CONSULTANT.

e. The CONSULTANT shall retain all original reports, field and office notes, correspondence, calculations, maps, and other documents specifically related to the services provided by the CONSULTANT pursuant to this Agreement, other than documents which are exempt from disclosure pursuant to the attorney- client privilege or any other law. Said documents shall be made available for inspection by the CITY upon request.

SECTION 5. WORK PRODUCT.

a. The CONSULTANT hereby agrees that all work product produced pursuant to this Agreement, and provided to the CITY during and upon completion of this Agreement, shall be the property of the CITY, and ownership of said work product shall be retained by the CITY. The CONSULTANT may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by the CONSULTANT.

b. All data, documents, discussion, or other information developed or received by the CONSULTANT or provided for performance of this Agreement are deemed

confidential and shall not be disclosed by the CONSULTANT without prior written consent by the CITY. The CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to the CITY upon the termination or expiration of this Agreement. The CONSULTANT agrees that the covenants contained in this Section shall

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

survive the expiration or termination of this Agreement.

SECTION 6. EXTRA SERVICES.

No extra services over and above the Compensation shall be rendered by the CONSULTANT under this Agreement unless such extra services first shall have been duly authorized in writing by the CITY's City Manager (the "City Manager").

SECTION 7. CITY SUPERVISION.

The City Manager shall have the right of general supervision of all work performed by the CONSULTANT and shall be the CITY's agent with respect to obtaining the CONSULTANT's compliance hereunder. No payment for services rendered under this Agreement shall be made without the prior approval of the City Manager.

SECTION 8. TERMINATION.

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

a. Termination for Cause. In the event that any of the provisions of the Agreement are violated by either party, the non-defaulting Party may terminate the Agreement by serving written notice upon the other Party, listing the violation(s) and its intent to terminate such Agreement unless within ten (10) days after the serving of such notice, such violation shall cease or be rectified, the contract shall upon the expiration of an additional thirty (30) days cease and terminate. Violations by the CONSULTANT which cannot be corrected within ten (10) days, said contract shall at the option of the CITY cease and terminate upon the giving of like notice. In the event of any such termination for default by the CONSULTANT, the CITY may take over the work and prosecute the same to completion by contract or otherwise for the account and at the expense of the CONSULTANT. The CONSULTANT and his sureties shall be liable to the CITY for any excess cost occasioned in the event of any such termination. This change shall not be construed to prevent the termination, for other causes authorized by law or other provisions of this contract. In the event of a termination for cause, the CONSULTANT shall only be entitled to Compensation for those Professional Services satisfactorily performed on or before the effective date of termination.

b. Termination for Convenience. The CITY shall have the option, at its sole discretion and without cause, to terminate this Agreement in whole, or in part, by giving ten (30) business days' written notice to the CONSULTANT. Upon the termination of this Agreement as provided herein, the CITY shall provide to the CONSULTANT the part of Compensation which would otherwise be payable to the CONSULTANT for services the CONSULTANT had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation. Further, upon such a termination for convenience by the CITY, the Parties agree that the CONSULTANT shall be reimbursed for any "non- refundable" costs that the CONSULTANT has incurred for its services under this Agreement, provided that: (1) such "non- refundable" costs were incurred by the CONSULTANT prior to the date of termination, and
(2) that the CONSULTANT provides the CITY with adequate proof that the CONSULTANT incurred the costs, and is unable to

be seek a refund for such costs. Such “non- refundable” costs may include, but are not limited to, travel reservations incurred by the CONSULTANT for its performance of services under this Agreement. The CONSULTANT agrees to cease all work under this Agreement on or before the effective date of any notice of termination.

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

SECTION 9. EMPLOYMENT OF CITY EMPLOYEES.

No employee of the CITY shall be employed by the CONSULTANT during the term of this Agreement.

SECTION 10. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No official or employee of the CITY shall be personally liable to the CONSULTANT in the event of any default or breach by the CITY, or for any amount which may become due to the CONSULTANT.

SECTION 11. INDEPENDENT CONTRACTOR.

a. The CONSULTANT is and shall, at all times, remain as to the CITY a wholly independent contractor. Neither the CITY nor any of its elected officials, officers, employees or agents shall have control over the conduct of the CONSULTANT except as expressly set forth in this Agreement. The CONSULTANT shall not at any time or in any manner represent that he or she is in any manner an elected official, officer, employee or agent of the CITY. No employee benefits shall be available to the CONSULTANT in connection with the performance of this Agreement. Except as provided in this Agreement, the CITY shall not pay salary, wages, or other compensation to the CONSULTANT for performance hereunder for the CITY, the CITY shall not be liable for compensation to the CONSULTANT, the CONSULTANT's employees or the CONSULTANT's subcontractors for injury or sickness arising out of performing services hereunder.

b. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

c. The CITY shall not deduct from the Compensation paid to the CONSULTANT any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to the CONSULTANT. The CITY shall have no responsibility to provide the CONSULTANT, its employees or subcontractors with workers' compensation insurance or any other insurance.

SECTION 12. PERS ELIGIBILITY INDEMNITY.

a. If the CONSULTANT is a California Public Employees' Retirement System ("CalPERS") annuitant, the CONSULTANT must provide the City with written notification of such fact a minimum of 14 calendar days prior to commencement of services under this Agreement. Failure to provide such notification may result in termination of the Agreement, and any penalties or other costs relating thereto shall be borne by the CONSULTANT. If this Agreement remains in place, the CONSULTANT shall execute any amendment(s) to this Agreement requested by the City in order to comply with all laws and regulations applicable to CalPERS annuitants.

b. In the event that the CONSULTANT or any employee, agent, or subcontractor of the CONSULTANT providing services under this Agreement claims or is determined by

a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the CITY, the CONSULTANT shall indemnify, defend, and hold harmless the CITY for the payment of any employee and/or employer contributions for PERS benefits on behalf of the CONSULTANT or its employees, agents, or subcontractors, as well as for the payment of any penalties

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

and interest on such contributions, which would otherwise be the responsibility of the CITY.

c. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, the CONSULTANT and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by the CITY, including but not limited to eligibility to enroll in PERS as an employee of the CITY and entitlement to any contribution to be paid by the CITY for employer contribution and/or employee contributions for PERS benefits.

SECTION 13. LEGAL RESPONSIBILITIES.

The CONSULTANT shall at all times observe and comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments including, but not limited to the Montebello Municipal Code. The CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of the CONSULTANT to comply with this section.

SECTION 14. INDEMNIFICATION.

The CONSULTANT agrees to, and shall defend, indemnify, protect and hold harmless, the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of the CONSULTANT's negligent or wrongful act, or omission under the terms of this Agreement, except only liability arising out of the sole negligence of the CITY. CITY shall not be required to indemnify, defend, protect or hold harmless the CONSULTANT.

SECTION 15. INSURANCE COVERAGE.

a. During the term of this Agreement, the CONSULTANT shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with CONSULTANT's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

- **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury and advertising injury, with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, the limit shall be twice the required occurrence limit.

- **Automobile Liability Insurance:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if CONSULTANT has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.

- **Worker's Compensation** insurance as required by the laws of the State

of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

- **Professional Liability** insurance appropriate to the CONSULTANT'S

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

profession, with limit no less than \$2,000,000 per occurrence or claim, \$4,000,000 aggregate.

b. If the CONSULTANT maintains higher limits than the minimums shown above, the CITY requires and shall be entitled to coverage for the higher limits maintained by the CONSULTANT.

c. The CONTACTOR shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

d. The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a current rating of at least A:VII in the latest edition of Best's Insurance Guide.

e. Each insurance policy required above shall state that coverage shall not be canceled, except after thirty (30) days' prior written notice (ten (10) days for non-payment) has been given to the CITY. The CONSULTANT agrees that if it does not keep the aforesaid insurance in full force and effect the CITY may either (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at the CONSULTANT's expense, the premium thereon.

f. **Evidence of Insurance prior to commencement.** The Contractor shall provide to the CITY Certificate(s) of Insurance evidencing such coverage together with copies of the required policy endorsements no later than five (5) business days prior to commencement of service and at least fifteen (15) business days prior to the expiration of any policy. Unreasonable failure to provide such evidence may be cause for termination of the Agreement as provided herein or delay the services' commencement date. The evidence of insurance shall be U.S. mail or email to:

City of Montebello
Attn: Risk Manager
1600 West Beverly Boulevard
Montebello, CA 90640
Email: COI@MONTEBELLOCA.GOV

Coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits, non-renewed, or materially changed for any reason, without thirty (30) days prior written notice thereof given by the insurer to the CITY by U.S. mail, or by personal delivery, except for nonpayment of premiums, in which case ten (10) days prior notice shall be provided.

g. **Evidence of Insurance during the entire term of the Agreement.** At all times during the term of this Agreement, the CONSULTANT shall maintain on file with the CITY's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming the CITY as an additional insured. The CONSULTANT shall, prior to commencement of work under this Agreement, file with the CITY's Risk Manager such certificate(s).

h. The CONSULTANT shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other

policies providing at least the same coverage. Such proof will be furnished at least two (2) weeks prior to the expiration of the coverages.

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

i. The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming the CITY, its officers, employees, agents and volunteers as additional insureds. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to the CITY. The CONSULTANT agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

j. The insurance provided by the CONSULTANT shall be primary to any coverage available to the CITY. Any insurance or self-insurance maintained by the CITY, its officers, employees, agents, or volunteers, shall be in excess of CONSULTANT's insurance and shall not contribute with it.

k. All insurance coverage provided pursuant to this Agreement shall not prohibit the CONSULTANT, and CONSULTANT's employees, agents or subconsultants, from waiving the right of subrogation prior to a loss. The CONSULTANT hereby waives all rights of subrogation against the CITY.

l. Any deductibles or self-insured retentions must be declared to and approved by the CITY. At the option of the CITY, the CONSULTANT shall either reduce or eliminate the deductibles or self-insured retentions with respect to the CITY, or the CONSULTANT shall procure a bond guaranteeing payment of losses and expenses.

m. Procurement of insurance by the CONSULTANT shall not be construed as a limitation of the CONSULTANT'S liability or as full performance of CONSULTANT's duties to indemnify, hold harmless and defend under the indemnity covenants of this Agreement.

SECTION 16. SUBCONTRACT, ASSIGNMENT OR DELEGATION.

The CONSULTANT shall not subcontract, delegate or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of the CITY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed subcontractor, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

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

SECTION 17. NO WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition or covenant hereof.

SECTION 18. DISPUTE RESOLUTION; GOVERNING LAW.

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, expert fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded. The venue for any litigation shall be the County of Los Angeles, California. The Parties agree that the covenants contained in this Section shall survive the expiration or termination of this Agreement.

SECTION 19. ATTORNEY'S FEES AND COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled.

SECTION 20. WARRANTIES.

Each of the parties represents and warrants to one another as follows:

- a. It has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement;
- b. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of *any* matter whatsoever; and
- c. It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

SECTION 21. MISCELLANEOUS.

- a. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction of interpretation of any of its provisions.
- b. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.
- c. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.
- d. The representations and warranties made by the parties to this Agreement

shall survive the consummation of the transaction herein described.

e. This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.

Each of the parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party's failure to perform under this Agreement or any agreement referred to in this Agreement.

SECTION 22. NOTICE.

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

If to CITY: City of Montebello
Attn: Raul Alvarez, City Manager
1600 West Beverly Boulevard Montebello, CA 90640
(323) 887-1200

With a copy to: City of Michael Solorza
1600 West Beverly Boulevard Montebello, CA 90640
(323) 887 -1200
msolorza@montebellocity.gov

If to CONSULTANT:

Consultant Name _____

Attn: _____

Address _____

City, CA #####

(###) ###-####

Email _____

An electronic communication ("**Electronic Notice**") shall be deemed written notice for purposes of this section if sent to the electronic mail address specified above. Electronic Notice shall be deemed received at the time the party sending Electronic Notice receives verification of receipt by the receiving party. Any party receiving Electronic Notice may request and shall be entitled to receive the notice on paper, in a nonelectronic form.

SECTION 22. NON-DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER.

In the performance of this Agreement, the CONSULTANT shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. The CONSULTANT will take affirmative

action to ensure that subcontractor and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

PROFESSIONAL SERVICES AGREEMENT NO. XXXX

SECTION 23. CONFLICT OF INTEREST.

The CONSULTANT covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by the CONSULTANT under this Agreement, or which would conflict in any manner with the performance of its services hereunder. The CONSULTANT further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, the CONSULTANT shall avoid the appearance of having any interest that would conflict in any manner with the performance of its services pursuant to this Agreement.

The CONSULTANT covenants not to give or receive any compensation, monetary or otherwise, to or from the ultimate vendor(s) of services to t h e CITY as a result of the performance of this Agreement, or the services that may be procured by the CITY as a result of the recommendations made by the CONSULTANT. The CONSULTANT's covenant under this section shall survive the termination of this Agreement.

SECTION 24. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between the CITY and the CONSULTANT. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by each party. If any term, condition or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties, through their respective authorized representatives, have executed this Agreement as of the date first written above.

("CITY")

("CONSULTANT")

CITY OF MONTEBELLO

CONSULTANT NAME

Raul Alvarez, City Manager

Full Name, Title

ATTEST:

Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman, City Attorney

EXHIBITS:

- Exhibit A – Request for Quotations for Services and Contractor's Proposal
- Exhibit B – Schedule of Compensation
- Exhibit C – Live Scan Fingerprinting Requirement [Delete if not applicable and/or continue listing Exhibits as applicable]

EXHIBIT “A”

Request for Quotations for Services and Contractor’s Proposal

EXHIBIT “B”

Schedule of Compensation

EXHIBIT “C”

Live Scan Fingerprinting Requirements

Prior to commencing services, the CONSULTANT may be required to successfully pass a Department of Justice fingerprinting background check (“Live Scan”) performed by a certified fingerprinting service provider or at the City of Montebello Police Department. The CONSULTANT shall be responsible for obtaining the Live Scan for its staff and shall bear the cost thereof. The agency completing the fingerprints must provide the City of Montebello Human Resources with the background check results and subsequent records for review. The CONSULTANT must obtain a “Temporary Consultant’s Badge” issued by the City of Montebello Human Resources prior to performing work.



ITEM # 22

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Cesar Roldan, Director of Public Works

SUBJECT: **APPROVE ISSUING REQUEST FOR PROPOSALS (RFP) NO. 25-10
FOR CITYWIDE HVAC MAINTENANCE AND REPAIR SERVICES**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Authorize issuing a Request for Proposals (RFP) No. 25-10 for citywide HVAC maintenance and repair services; and
2. Take such additional, related action that may be desirable.

FISCAL IMPACT:

There are no significant expenses associated with approving and circulating the Request for Proposals (RFP). The City Council is not obligated to approve a contract by soliciting proposals. Actual project costs will be determined through the evaluation of submitted proposals and will be brought back to the City Council for approval prior to award of any agreement. The selected contractor will be compensated from budgeted Public Works funds for maintenance and operations included in the Fiscal Year 2025-26 budget.

BACKGROUND/DISCUSSION:

The City of Montebello owns and operates HVAC systems in more than a dozen municipal facilities, including City Hall, the Police Department, fire stations, community centers, and critical information technology and communications infrastructure. Many of these HVAC systems are outdated, with several exceeding 20 years of use. Aging equipment has contributed to increased service disruptions, higher repair costs, and reduced energy efficiency—ultimately impacting staff productivity and public-facing services.

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 2 of 3

The purpose of RFP No. 25-10 (Attachment A) is to solicit proposals from qualified vendors to provide full-service HVAC maintenance and repair throughout City facilities. HVAC services are vital to City functions because they ensure clean, safe, and climate-controlled environments for both employees and the public. Reliable heating, ventilation, and air conditioning are essential for public health and safety, and for the protection of sensitive equipment such as servers and communications infrastructure.

A formal RFP is required to solicit competitive responses for this specialized service. The RFP is structured to emphasize quality and consistency by requiring a minimum level of staffing, management oversight, and material standards to help ensure accurate pricing and thorough service delivery. By securing a qualified vendor under a structured agreement, the City can proactively manage HVAC performance, minimize downtime, extend equipment life, and support broader sustainability and operational goals.

RFP No. 25-10 (Attachment A) will be published via PlanetBids and other regularly used publications to solicit competitive proposals. A mandatory pre-bid meeting is scheduled to ensure vendors understand the scope and facility-specific requirements. Staff will return to City Council with a recommendation to award an agreement following the evaluation process. Below is the timeline of the RFP process:

RFP ISSUED	May 15, 2025
REQUEST FOR INFORMATION DEADLINE: 11:00 AM	June 3, 2025
PROPOSAL DUE DATE/SUBMISSION DEADLINE: 11:00 AM	June 11, 2025
TENTATIVE CITY COUNCIL AWARD DATE	June 25, 2025
TENTATIVE NOTICE TO PROCEED START DATE - COMMENCE SERVICES	July 1, 2025

The RFP shall describe the service requested and provide the tasks required by the qualified vendor to submit a proposal. The time and location to submit proposals shall be placed within the RFP. Once proposals are submitted, reviewed and scored, staff will come back to the City Council with a recommendation to award.

ENVIRONMENTAL:

N/A

ANALYSIS:

RFP No. 25-10 has been prepared in accordance with the City's procurement policies and is modeled after the successful format used in recent agreements, such as the RFP process with Johnson Controls, Inc. The scope of work includes quarterly HVAC tune-ups, emergency response, equipment diagnostics, and annual servicing of ice machines.

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 3 of 3

The RFP also includes specific performance expectations, labor qualifications, licensing requirements, and Federal and local compliance obligations. A mandatory pre-bid meeting is scheduled to ensure vendors fully understand the scope and operational environment.

Following the submittal deadline, proposals will be evaluated based on qualifications, experience, responsiveness, and proposed cost. Staff will return to the City Council with a recommendation to award a professional services agreement based on the most advantageous proposal.

SUMMARY:

Staff recommends that the City Council authorize the issuance of RFP No. 25-10 for citywide HVAC maintenance and repair services. This will allow the department to solicit bids and return to a future City Council meeting with a proposed professional services agreement, including a detailed fiscal impact analysis, for approval.

ATTACHMENT(S)

1. Attachment A - RFP 25-10 Citywide HVAC Maintenance and Repairs



CITY OF MONTEBELLO

Request for Proposals

RFP No. 25 – 10

Citywide HVAC Maintenance and Repair Services

Release Date: Thursday, May 15, 2025

Pre-Bid Meeting: Wednesday, May 28, 2025, at 9:00 a.m. PDT

Questions Due: Tuesday, June 03, 2025, at 11:00 a.m. PDT

Due Date: Wednesday, June 11, 2025, at 11:00 PDT

[THIS PAGE IS INTENTIONALLY LEFT BLANK]

TO PROSPECTIVE PROPOSERS

The City of Montebello ("City") invites proposal submissions under this Request for Proposals ("RFP"). The City will evaluate responses to this solicitation to determine qualifications. Submissions must adhere to the format and content described. Only proposals that adhere to the requirements will be evaluated. The information set forth is the minimum required to qualify for consideration. The successful Proposer will be required to enter into a Professional Services Agreement based on the specifications outlined in this RFP.

DATE OF SOLICITATION

May 15, 2025

PROJECT

Citywide HVAC Maintenance and Repairs

PROPOSAL OWNER

City of Montebello – Public Works Department
1600 West Beverly Boulevard
Montebello, CA 90640
Attn: Cesar Roldan, Director of Public Works
Contact Phone: (323) 887-1200
Contact E-Mail: croldan@montebellocalca.gov

PROPOSAL CONTACT

City of Montebello – Public Works Department
1600 West Beverly Boulevard
Montebello, CA 90640
Attn: James Coiner, Deputy Director of Public Works
Contact Phone: (323) 887-1200
Contact E-Mail: jcoiner@montebellocalca.gov

Any questions about this RFP should be submitted via the City's PlanetBids Portal by Tuesday, June 03, 2025, at 11:00 a.m. PST. Prospective consultants must register their business with PlanetBids before being able to view or submit a response. To access the City's PlanetBids Portal, please go to:

<https://www.montebellocalca.gov/cms/one.aspx?portalId=58756&pageId=84839>

Table of Contents	Page
1.0 Notice Inviting Proposals	5
2.0 Introduction/About the City of Montebello	6
3.0 Timeline	6
4.0 Purpose	6
5.0 Scope of Work	6
6.0 Consultant Qualifications	8
7.0 Proposal Submittal	8
8.0 Evaluation of Proposal	9
9.0 Proposal Protests	9
10.0 Execution of Agreement	11
11.0 Insurance	11
12.0 Use of Federal Funds	13
13.0 Non-Commitment of City	14
14.0 Labor Requirements	14
15.0 Records	14
16.0 Subcontractors	15
17.0 Modifications/Changes	15
18.0 Disclosure of Information	15
19.0 Ex-Parte Communications	15
20.0 City of Montebello Rights	15

Appendix A – Proposal Content and Format

Appendix B – Sample Professional Services Agreement

Appendix C – References

1.0 Notice Inviting Proposals

The City of Montebello seeks proposals from highly qualified contractors to provide monthly, quarterly, or semi-annual maintenance and repair services for the various HVAC units located throughout the City. The selected Contractor will be responsible for furnishing all necessary labor, supervision, equipment, tools, materials, methods, safety measures, traffic control, and valid licensing required to perform the work efficiently and in compliance with applicable regulations.

To view the complete RFP package, please visit:

<https://www.montebellocal.gov/cms/one.aspx?portalId=58756&pageId=84839>

Prospective consultants must register with PlanetBids before being able to view or submit a response.

Questions must be submitted by Tuesday, **June 03, 2025, at 11:00 a.m. PST.**

*******QUESTIONS MUST BE SUBMITTED VIA PLANETBIDS*******

Proposals must be submitted via PlanetBids by **Wednesday, June 11, 2025, at 11:00 a.m. PST.**

Responses will be evaluated to determine the Consultant that is the most qualified and responsive to the requirements. Responses must adhere to the format and content described. The City reserves the right to accept or reject any and all proposals.

2.0 Introduction

The City of Montebello invites prospective Contractors to submit a proposal to provide monthly, quarterly, or semi-annual maintenance and repair services for the various HVAC units located throughout City facilities. The Contractor shall be knowledgeable and well versed on the necessities and requirements for HVAC maintenance and repair. The Contractor shall also possess valid HVAC licensing requirements as outlined in this RFP.

About the City of Montebello

Montebello ("beautiful mountain" in Spanish and Italian) is a city in the County of Los Angeles. Founded in 1899 and incorporated in 1920, the City is an 8.37 square mile General Law City located approximately 11 miles east of Downtown Los Angeles. Currently, the City has a population of approximately 63,000 residents. It hosts a mix of various industries that represent the business diversity of the County of Los Angeles. It is a full-service City that provides a long list of services, employing approximately 600 full-time and part-time employees in public safety, transit, and non-safety functions.

3.0 Timeline

- | | |
|-------------------------------------|-------------------------------------|
| • Release RFP | Thursday, May 15, 2025 |
| • Online Q&A Deadline | Tuesday, June 03, 2025, 11 a.m. PST |
| • Deadline to Submit Responses | Wednesday, June 11, at 11 a.m. PST |
| • City Review of Submissions | June 2025 |
| • Notifications Sent to Consultants | June 2025 |
| • Award | June 2025 |

4.0 Purpose

The purpose of this solicitation is to identify a highly qualified Consultant to assist the City with the knowledge and expertise in all aspects of the services requested in this RFP. This project will provide the City with a qualified and experienced contractor fit to provide maintenance, repair, and services as needed to the various HVAC units located throughout City facilities.

5.0 Scope of Work/Services

A. General Specifications

- Contractors will provide monthly, quarterly, or semi-annual maintenance and repair services for various HVAC units located throughout the City. The selected Contractor will be responsible for furnishing all necessary labor, supervision, equipment, tools, materials, methods, safety measures,

traffic control, and valid licensing required to perform the work efficiently and in compliance with applicable regulations

- Contractors will follow the list of HVAC units to conduct maintenance and repair services as needed or required

INSPECTOR: The Deputy Director of Public Works or a designee will be the Inspector. This person will be in charge of inspecting and administering this contract.

FACILITIES:

NAME	LOCATION
City Hall	1600 W. Beverly Blvd.
Police Station	1600 W. Beverly Blvd.
Sr. Citizens Center	115 South Taylor Ave.
Holifield Park Library and Community Center	1060 South Greenwood Ave.
Cathy Hensel Youth Center	236 George Hensel Drive
Reggie Rodriguez Park Community Center	200 W. Mines Ave.
Fire Station 55	600 N. Montebello Blvd.
Fire Station 56	1166 S. Greenwood Ave.
Fire Station 57	2950 W. Via Acosta Ave.
Acuna Park Community Center	1700 W. Victoria Ave.
Bella Verde Resort & Golf Club	88 Topgolf Drive
Quiet Cannon	77 Belle Verde Drive
Golf Course Maintenance	900 Belle Verde Drive
Potrero Heights Park Comm. Center	8051 Arroyo Dr.
Communication Sites	1343 N. Montebello Blvd., Montebello 77 Bella Verde Dr., Montebello 1166 S. Greenwood Ave., Montebello 12643 Carinthia Dr., Whittier, CA 90601 1395 S. Orange Ave., Monterey Park, CA 91755 2800 Soto St. Vernon, CA 90058

B. Required Licenses and Certifications

- A.** Contractor shall possess a current/valid State of California C-20 HVAC license and all work should be consistent with C-20 licensing requirements
- B.** As applicable, the Contractor shall perform all work pursuant to the most current HVAC industry standards, adopted building/mechanical codes and all municipal ordinances
- C.** In some instances, the Contractor may be required to comply with applicable standards per the Standard Specifications for Public Works Construction (Green Book).

C. Work Requirements

- A.** Work will be performed between the hours of 7:00 AM and 5:00 PM, Monday through Thursday. During emergencies, work may be required at other than normal business hours. The Contractor must receive the approval of the Deputy Director of Public Works, or authorized representative, prior to commencing any work in all cases.
- B.** Contractor shall maintain an adequate crew of employees to perform the service required.
- C.** Contractor will be required to supply a list of equipment owned and available for work.
- D.** Unit prices quoted shall include all required safety equipment owned and available for work.
- E.** Unit prices for after hours or emergency work shall be for actual time spent on the job site. **No travel time will be paid.**
- F.** Contractor shall protect any and all private property adjacent to work areas. Any damage to private property resulting directly or indirectly from Contractor's actions shall be the responsibility of the Contractor.

- G.** All employees of Contractor shall wear a uniform or shirt that clearly identifies the company.
- H.** Contractor must be able to provide a list of employees' names, dates worked and hour worked on each date, for each project or job, if requested.
- I.** Contractor agrees to require his/her employee to present a neat appearance at all times while engaged in the performance of their duties and maintain good bearing and deportment towards the public. Should, for any reason, an employee be unsatisfactory in the opinion of the Deputy Director or authorized representative, the Contractor, when notified in writing, shall cause the employee to be removed from the project or job and replaced by an employee satisfactory to the Director or authorized representative.
- J.** Contractor shall provide, for all projects, a supervisor/foreman with a minimum of five (5) years of experience related to the HVAC industry. The supervisor/foreman shall remain on-site during the entire job.
- K.** Contractor shall possess a valid/current Contractor's license. Contractor and all employees shall possess a valid/current California Driver License, including all insurances, as required by the City.
- L.** Contractor shall use and furnish all vehicles and equipment necessary for the satisfactory performance of the work set forth in this RFP/contract. All vehicles and equipment shall display the name and/or logo of Contractor's company. The name and logo shall be large enough to be easily legible from a distance of fifty (50) feet, during the course of their work.
- M.** Contractor shall keep all vehicles and equipment in a neat and clean appearance and maintained in excellent mechanical condition.
- N.** Contractor is required to supply storage for equipment and materials that are used in the City. Equipment and material shall not be stored in the public right of way or any other City property without written authorization from the Director or authorized representative.

- O.** Contractor shall provide such adequate supervision as to furnish ongoing supervision of workmanship and adherence to schedules by the employees performing the work under the contract. As may be necessary or required by the City, the field supervisor or their representative shall check with the Director or authorized representative as to (1) schedule of work; (2) complaints; and (3) adequacy of performance. Contractor shall submit such reports as the City may require, ensuring compliance with schedule work.
- P.** The Contractor shall provide the City at all times throughout the duration of this contract emergency telephone numbers of at least (2) qualified persons who can be called for emergency condition at any time that Contractor's representatives are not immediately available at the job site. An alternate emergency number shall be provided in case no answer is received at the primary number. The emergency number shall be used to contact the representative of the Contractor who can take the necessary action required to alleviate an emergency condition or job related complaint which threatens to cause damage to any City property or compromise the public's safety.
- Q.** Contractor is required to provide the City with a 24-hour emergency number for contract outside normal working hours. The response to an emergency call-out by the Contractor shall not be more than (2) hours.
- R.** Contractor shall provide the City with one (1) copy of an "Emergency Medical Facility Designation and Procedure Sheet" before a contract is awarded. On this sheet, the successful proposer must designate a twenty-four (24) hour emergency medical facility to provide emergency medical treatment/care in the event to injury to any of the Contractor's employees. It will be the responsibility of the Contractor's supervisor /lead worker to transport or make arrangements for the transportation of any injured employee to and from the designated emergency medical facility or any similar medical facility.
- S.** The Contractor shall verify the location of all utilities prior to repair or maintenance and shall be held liable for all damages incurred due to Contractor's work related operations.

- T.** The Contractor must remain within the maintenance areas to the best of their ability. Contractor shall further protect property and facilities adjacent to the maintenance areas and all property and facilities within the maintenance areas. After completion of work, the maintenance area shall be clean and in a presentable condition. All public or privately owned improvements and facilities shall be restored to their original condition and location. In the event improvements of the facilities are damaged, they shall be replaced with new materials equal or better to the original. Contractor shall repair such damage at their expense.
- U.** Contractor shall, where applicable, comply with all City regulations regarding National Pollutant Discharge Elimination System (NPDES) Requirements and the City's Best Management Practices (BMP's). Contractor shall not discharge anything to the storm drain, creek or adjacent water ways. Contractor shall implement any and all BMP's as may be necessary.
- V.** Contractor must take all due precautionary measures to protect all of the existing utilities. When necessary, the Contractor shall have all utilities located by contracting the responsible agency at least 24 hours prior to commencing any work. The Contractor's attention is directed to the one-call utility notification service provided by Underground Service Alert (USA). USA member utilities will provide the Contractor with the locations of their substructures when given at least 48 hours' notice. Such request should be requested through USA @ 811 or 800-227-2600.

Quarterly Preventative Maintenance Services

- a.** Pre-Winter Start-up of all HVAC systems/units (e.g. boilers, furnaces, heat pumps and heaters) shall be done to coincide with quarterly tune up, belt/filter servicing in September.
- b.** Pre-Summer start-up of all HVAC systems/units (e.g. A/C and heat pumps) and shall be done to coincide with the quarterly tune-up and belt/filter servicing in March.

- c. Quarterly tune-up and belt/filter/servicing of all HVAC systems/units shall be done in December, March, June and September. Quarterly tune up shall include the inspection and cleaning of any condensation drains, brushing of coils, oiling of motors as needed, lubrication of bearings and damper bushings, verify proper thermostat operation, check contactor condition, check for signs of leaks, check crankcase heaters, checking refrigerant volume and pressures, checking performance of heating and cooling cycles, checking electrical connections, and taking voltage/amperage readings. Belt/filter servicing shall include replacing defective belts with new ones. Quarterly replacement with new **Merv-13** filters for all Package Units/RTU/Split Systems and AHU's. For boilers: check operation, verify proper flame, verify air cushion in expansion tanks. For water pumps: inspect for vibration or sound abnormalities, check for seal or grease leakage and bearing housing temperature. For Exhaust fans: check for proper belt tension and adjust as needed and inspect for vibration or sound abnormalities.
- d. Bi-annual washing of all HVAC systems/units (e.g. coils, etc.) shall be done during the scheduled March and September quarterly tune up and belt/filter/servicing. Only non-toxic environmentally safe and HVAC manufacturer approved solvents or solutions shall be used for washing. NOTE: Depending on location and volume and at the Director's or authorized representative's request, wash fluids may need to be captured such that fluid(s) do not enter a storm drain, cause erosion or present a hindrance to the public or others. Regardless, all fluids shall be cleaned up and site restored to better the existing condition.
- e. With regards to regularly scheduled work, the Contractor shall continuously monitor the overall performance of all systems/units/equipment and provide the Director or authorized representative with written recommendations for any enhancements or recommended changes.

Ice Makers – Annual Service

- a. Remove the front panel, wait for cycle completion if making ice, and turn off the machine. Remove/melt all ice in the storage bin. Add a proper amount of nickel-safe ice machine cleaner. Start the cleaning cycle, then purge out the cleaning solution. Inspect the evaporator and clean as necessary. Clean the water trough to remove scale or any

slime buildup. Put the unit back in the wash cycle and add sanitizing solution. Purge out a sanitizing solution and restart the unit in ice-making mode. Dispose of the first couple of ice harvest cycles and check ice bridge thickness, adjust as necessary. Clean the condenser and check for leaks.

Special Notes and Circumstances

Communication sites house secure communication facilities. These sites require background checks for any technician who will work at these sites and/or the Police Department. Communication site work requires coordination with the Inspector, Deputy Director or other contact as advised.

Access to Fire Stations is subject to rescheduling or interruption due to emergency calls. The City can not be charged for these instances and the Contractor should reschedule with the Inspector and/or Fire Personnel.

As-Needed Maintenance and Repair Work

For work other than regularly scheduled maintenance and repair services, the Deputy Director or authorized representative will place all requests directly to the Contractor, by written work order or electronic email. The Deputy Director or authorized representative reserves the right to request from the Contractor a written cost estimate before authorizing the work. The Contractor shall respond with a cost estimate within 24 hours, excluding weekends and holidays.

D. Labor Requirements

- A. BACKGROUND:** All personnel engaged in the performance of this work shall be employees of the Contractor, and as such shall be warranted to possess sufficient experience and reliability to perform this work.
- B. HEALTH:** All personnel engaged in the performance of this work shall be in good health and free of contagious diseases. Contractor shall not allow any person(s) under the influence of alcohol or drugs on the premises or in the building. Neither shall the Contractor allow the use of, or presence of, alcohol or drugs on the premises or in the building.
- C. IDENTIFICATION:** All personnel shall wear uniforms, furnished by the Contractor, at all times during performance of this work. The Contractor and/or its area supervisor may wear badges in lieu of uniforms. The appearance of the uniforms and the manner, in which they are worn, shall be approved by the Inspector. If it is found that personnel are not wearing uniforms, a \$50.00 charge will be issued for each person not in uniform.

D. SUPERVISION: Contractor shall provide a supervisor or foreman who shall be present at all times during contract operations, and who shall be responsible for both conduct and workmanship. The said supervisor or foreman shall be able to ***communicate effectively in both written and oral English.***

E. TRAINING: Contractor shall have an ongoing training program for all its staff. Contractor shall provide only personnel that have been fully trained for performance of this work.

**Supervisors shall have been trained in supervision as well as technical training in HVAC services.

F. NON-DISCRIMINATION: The Contractor shall not engage in discrimination in employment of persons because of race, color, national origin, ancestry, mental/physical disabilities, sex or religion of such persons. Violations of this provision may result in the imposition of penalties under Section 1735 of the Labor Code.

G. CONDUCT: No person(s) shall be employed for this work that is found to be incompetent, disorderly, and troublesome, under the influence of alcohol and drugs, which fails or otherwise refuses to perform the work properly and acceptably, or is otherwise objectionable. Any person found to be objectionable shall be discharged immediately and not re-employed for this work.

H. RECORDS:

- i. Contractor shall maintain an accurate record showing names of employees, classification, actual hours worked, wages paid and benefits paid to each employee.
- ii. This record shall be subject to the inspection of the Inspector and the State Division of Labor Law Enforcement in accordance with the provisions of Section 1776 of the State Labor Code.
- iii. The Contractor agrees to permit City Manager/Contract Inspector access during normal working hours to all books, accounts, records,

reports, files and other papers or property of the Contractor for the purpose of auditing any aspect of performance under this contract.

I. PROTECTION AND RESTORATION: The Contractor shall protect all furnishings and improvements from damage by its operations. All damage occurring during the Contractor's operations shall be repaired or replaced, at the option of the City at the Contractor's expense within a reasonable time after notification of such damage. Repairs and/or replacements shall be equal to original in all aspects.

J. EQUIPMENT TOOLS AND SUPPLIES: All equipment, tools, and supplies necessary to perform the required work shall be furnished by the Contractor at their sole expense.

All keys or access cards given to the Contractor by the Inspector shall be surrendered to same at the termination of this contract and **no duplication of the keys shall be made.**

All vehicles utilized under the scope of this contract shall meet all requirements of the California Vehicle Code.

On all vehicles utilized under scope of this contract, the Contractor shall have placards, emblems, signs, etc., attached to driver and passenger doors, which include but are not limited to the following:

☐ Company Name

K. SUBCONTRACTS: Contractor shall be responsible for all work performed under this contract and shall keep all work under his control. No portion of the work may be subcontracted without the prior written consent of the City. Any and all subcontractors used on this work shall be under the direct supervision of the Contractor and shall be considered as his employees.

L. CANCELLATION: This contract may be canceled without cause and at any time by City. To cancel the contract pursuant to this provision, City shall provide written notice to Contractor of the cancellation, and the written notice shall be provided thirty (30) days in advance of the cancellation date. Any such cancellation shall be without penalty to City. In the event of such cancellation, the Contractor shall be paid the actual amount due for work it

performed up through the date of cancellation less any damages it caused to City facilities.

The Contractor may cancel this contract without cause and at any time by the Contractor providing written notice to City of the cancellation ninety (90) days in advance of the cancellation date.

M. CHANGES: Changes in the areas serviced and/or specifications may be necessary during the term of this contract. Changes in the contract requirements and corresponding changes in compensation may be implemented upon mutual agreement between the City and the Contractor. These changes will be processed through the City Manager.

N. PAYMENTS: The contract annual total amounts for HVAC services shall include full compensation for providing all labor, material, equipment and incidentals required for the HVAC services as specified in these specifications and no additional compensation will be allowed.

O. INVOICES: The Contractor shall submit a monthly invoice in duplicate to the Inspector at the following address: 1600 W. Beverly Blvd., Montebello, CA 90640. Invoice shall be submitted on standard company forms and shall state:

- 1. Invoice period**
- 2. A brief description of work**
- 3. Total amount requested**
- 4. Contractor's Tax Identification Number**
- 5. Location where services were provided**

Payment will be made on approval by the Contract Supervisor subject to the routine processing requirements of the City.

P. RESTRICTIONS:

- i. **GENERAL:** Contractor's personnel shall not disturb papers on desks, open drawers of cabinets, use radios, television sets, coffee pots, stoves or refrigerators nor shall they tamper with any personal or public property.
- ii. **TELEPHONE:** City Telephones shall not be used by the Contractor or his employee for personal or business reasons with the following exceptions:
 - 1. Report immediately any signs of vandalism or anything of suspicious of nature to Montebello Police Department Dispatch Number (323) 887-1313. These instances must also be reported to the Inspector.
 - 2. Use the 911 number to report any need of medical, aid, fire, or need of law enforcement.

Any calls to numbers other than the above numbers on a city telephone will be considered a violation of the contract and grounds for ***cancellation***.

Background Check

Consultant representatives working on-site and in some remote capacities, will be required to undergo a background check conducted by the City.

7.0 Proposal submittal

Please review Appendix A - Proposal Format and Content, attached hereto and incorporated herein by this reference, for specific details regarding the information that needs to be included in your submission. Failure to provide all requested information may be considered "non-responsive" and rejected.

Responses to this RFP must be submitted electronically via the City's PlanetBids Portal by the deadline. Any responses transmitted and/or time-stamped after the deadline will not be accepted. Consultants planning to submit responses to this request are highly encouraged to submit all documentation before the deadline to avoid technical difficulties/errors.

8.0 Evaluation Criteria

The City will establish an evaluation committee to review and rate each proposal. The proposal evaluation process will be conducted using a multi-step method which will include the following steps:

- A. **Preliminary Proposal Review** - The evaluation committee will review each submission to ensure adherence to the minimum/proposal format requirements.
- B. **Proposal Evaluation** - In the second part of this process, the evaluation committee will review and rate proposals using a combined score based on the following:
 - i. Qualifications as they relate to this project - 65%
 - a. Thoroughness and understanding of the tasks to be completed
 - b. Background and experience
 - c. Knowledge of the City of Montebello
 - d. Experience of personnel assigned to the work
 - e. Communication Skills
 - f. Interview, if required
 - ii. Reputation for integrity and competence – 15%
 - a. Positive Reference Checks
 - b. Work Samples
 - iii. Proposed fees for services – 20%

The City reserves the right to request and obtain, from one or more proposers, supplementary information as may be necessary for the City to analyze the proposal pursuant to selection criteria. Upon completion of the evaluation phase, the City may select those consultants for interviews whose proposals and qualifications most closely conform to the requirements of this RFP and provide the best value to the City.

9.0 Protest Procedures

Proposal Protest Procedures (Before Proposal Opening)

A protest filed before the proposal opening must be filed in writing or by email no later than ten (10) working days before opening. The most common types of protest that might be filed before a proposal opening include those based upon restrictive specifications or alleged improprieties in any solicitation that is apparent before the scheduled proposal opening.

When a protest is filed before a scheduled proposal opening, certain steps must be

followed:

- A. The protest must be submitted in writing within the specified time frame (no later than ten (10) working days prior to a proposal opening). All protests must be filed with the Director of Finance for determination. Protest must be submitted to the Director of Finance by mail or e-mail within the specified time frame. Protests can be sent to:

Mail:
Michael Solorza, Director of Finance
City of Montebello
Attn: Department of Finance
1600 W. Beverly Blvd
Montebello, CA 90640

or

E-mail:
msolorza@montebellocity.gov

- B. The protest must contain factual and legal reason(s) and should recommend a proposed remedy. Nevertheless, it should be noted that the City reserves the right not to implement the proposed remedy but to offer alternative solutions where applicable.
- C. Where appropriate, the City will hold an informal conference on the merits of a protest with all interested parties allowed to attend. Interested parties may include all proposers, subcontractors, or suppliers, provided they have a substantial economic interest in a portion of the RFP.
- D. All potential proposers will be advised of a pending protest.
- E. The City shall not open proposals prior to the resolution of the protest unless it is determined that:
- The items to be procured are urgently required;
 - Delivery or performance will be unduly delayed by failure to make the award promptly; or
 - Failure to make a prompt award will otherwise cause undue harm to the City.

The City will respond in writing within ten (10) working days after receipt of a properly

filed protest. The Director of Finance will respond and include a response to each substantive issue raised in the protest.

After the exhaustion of administrative remedies, the protesting party will be given the City's final decision. The Director of Finance has the authority to decide on all protests.

Proposal Protest Procedures (After Proposal Opening/Post Award)

A protest filed after a proposal deadline must be filed within three (3) working days after the proposal deadline/due date. The City will grant the protesting Consultant a fair review and shall have up to ten (10) working days to review the protest and render its decision.

10.0 Execution of Agreement

The resulting agreement (see attached sample) shall be signed by the successful Vendor and returned within the required insurance within ten (10) business days after the City has provided written notice that the Vendor has been awarded. Failure to execute the agreement and file acceptable insurance documents as provided herein shall cause, at the City's option, for annulment of the award. Please review the insurance requirements and indemnification clause in the attached sample agreement.

Should the successful Vendor decline to execute the agreement, the City can either reject all proposals, accept one of the other proposals, or issue a new solicitation.

11.0 Insurance

The Consultant selected must meet the following minimum insurance requirements upon execution of the City's Professional Services Agreement:

A. Commercial General Liability

Commercial General Liability (CGL) (equivalent in coverage scope to Insurance Services Office, Inc. Form CG 00 01) shall cover on an "occurrence" basis for bodily injury and property damage, including premise-operations, products-completed, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury, and advertising injury with limits no less than \$2,000,000 per occurrence and \$4,000,000 aggregate.

If requested, the "City of Montebello, its officials, employees, and agents" must be separately endorsed to the policy as additional insureds on an endorsement equivalent to the Insurance Services Office, Inc. Form CG 20 10 11 85 of CG 20 26 1185.

B. Business Automobile Liability

For owned vehicles, hired, and non-owned vehicles, Insurance Services Office Form CA 00 01 covering, Code 1 (any auto), or if the Consultant has not owned autos, Code 8 (hired) and 9 (non-owned) with a limit no less than \$1,000,000 per accident for bodily injury and property damage.

If an automobile is not necessary to perform services, the Firm must submit a written request for a waiver of this requirement.

C. Professional Liability or Errors and Omissions

Depending on the work or services to be performed, professional liability or errors and omissions liability insurance may be required. The City will require the Consultant to provide professional liability or errors and omissions liability insurance in an amount not less than \$2,000,000 per occurrence or claim, \$4,000,000 aggregate. Architects' and engineers' coverage shall be endorsed to include contractual liability.

D. Workers' Compensation and Employer's Liability

Workers' compensation as required by the California Labor Code and Employer's Liability in an amount not less than \$1,000,000 per accident for bodily injury or disease.

Required Insurance Documentation**Certificate of Insurance**

The Certificate Holder must be listed as follows:

City of Montebello
1600 West Beverly Boulevard
Montebello, CA 90640

Endorsements (if requested)

In addition to the Certificate of Insurance, the Consultant must provide the following endorsements:

Additional insured endorsements to the general liability and auto liability* insurance policies. The "City of Montebello, its officials, employees, and agents" must be endorsed to the Consultant's general liability policy as well as the auto liability policy as additional insureds on an endorsement equivalent to ISO forms CG 20 10 11 85 or CG 20 26 11 85.

Cancellation notice endorsements. Each policy must be endorsed to certify that it will not be canceled or non-renewed by either party or reduced in coverage

or limits (except by paid claims) unless the insurer has provided the City with thirty (30) days prior written notice of cancellation (ten (10) days for cancellation due to nonpayment of premium is acceptable).

Primary, non-contributory coverage endorsements. The general liability and professional liability (if required) policies must be endorsed to provide that each policy shall apply on a primary, non-contributing basis with any insurance or self-insurance, primary or excess, maintained by or available to the City or its officials, employees, and agents.

Waiver and Modifications of Insurance Requirements

To the extent permitted by law, the City may modify these insurance requirements at any time and at its sole discretion.

In general, any contract deemed sole source, professional/professional services, involves the disclosure of proprietary information, and/or a public works project may require revisions to the City's standard insurance requirements. Any revisions to the insurance requirements will be identified within the associated service contract terms and conditions.

Consultants may request a waiver or modification of these insurance requirements. Waiver or modification requests must be submitted in writing. The request should state the specific insurance requirement that is being considered for waiver or modification and provide a brief explanation for the request. Requests will be reviewed on a case-by-case basis, and the decision will ultimately depend on the scope of services. The final decision to approve or deny a request will be at the City's legal authority and/or an authorized designee's discretion.

12.0 Use of Federal Funds

The project is funded through a Sustainable Communities Grants from Caltrans which requires compliance with certain federal regulations. The United States Federal Government requires purchases of items and services to meet specific standards when using Federal funds, including grants, cooperative agreements, contracts, and Federal funds "passed-through" to the City from a non-Federal entity (i.e., sub-recipient agreements). These requirements are codified under the Code of Federal Regulation's (CFR) Title 2, Subtitle A, Chapter II, Part 200 (also referred to as "2 CFR 200" or "Uniform Guidance") and the Federal Acquisition Regulations (FAR), as applicable.

The following standards apply to all purchases of items and services using Federal funds:

- Transactions shall be conducted lawfully and ethically
- Unnecessary/duplicative purchases are not permitted
- Utilizing a vendor or supplier on the U.S. Federal Government's Debarred and Suspended List (available at SAM.gov) is prohibited
- All individuals involved in the expenditure of federal monies must avoid any actual or apparent conflict of interest
- Procurement transactions must be conducted in a manner providing full and open competition
- Opportunities should be provided to minority businesses, women's business enterprises, and labor surplus area firms when possible
- Contracts and purchase orders should include the contract provisions required by 2 CFR 200 Appendix A
- Purchases of goods and services must include documentation detailing the procurement history

In addition to Federal standards, purchases must adhere to applicable local policies and procedures as defined in Montebello Municipal Code Chapters 3.20 and 3.21 and any relevant administrative policies. The most restrictive terms prevail when a conflict is present.

13.0 Non-Commitment of City

While the City intends to select a Consultant through this process, this intention is subject to change at any time during the process. The City does not commit to awarding an agreement, paying any costs incurred in preparing the proposal for this request, and/or procuring or contracting any items or services.

14.0 Labor Requirements

- A. **Background:** All personnel engaged in the performance of this work shall be employees of the Consultant and, as such, shall be warranted to possess sufficient experience and reliability to perform this work.
- B. **Health:** All personnel engaged in the performance of this work shall be in good health and free of contagious diseases. The Consultant shall not allow any person(s) under the influence of alcohol or drugs on the premises or in the building. Neither shall the Consultant allow the use of or presence of alcohol or drugs on the premises or in the building.
- C. **Non-Discrimination:** The Consultant shall not engage in discrimination in the employment of persons because of race, color, national origin, ancestry, mental/physical disabilities, sex, or religion of such persons.

- D. **Conduct:** No person(s) shall be employed for this work that is found to be incompetent, disorderly, and troublesome, under the influence of alcohol and drugs, which fails or otherwise refuses to perform the work properly and acceptably or is otherwise objectionable. Any person found to be objectionable shall be discharged immediately and not re-employed for this work.

15.0 Records

The Consultant agrees to permit the City Manager or designee access to records, reports, files, and other papers or property of the Consultant to audit any performance aspect under this agreement.

16.0 Subcontractors

The Consultant shall be responsible for all work performed under the final agreement and shall keep all work under his control. No portion of the work may be subcontracted without the prior written consent of the City. All subcontractors used on this work shall be under the direct supervision of the Consultant and shall be considered as their employees. Any approved subcontractors must provide insurance indemnifying the City with limits at or exceeding the limits of the Contractor's insurance.

17.0 Modifications/Changes

Changes in the areas serviced and/or specifications may be necessary during the agreement term. Changes in the agreement's requirements and corresponding changes in compensation may be implemented upon mutual understanding between the City and the Consultant. These changes will be processed by the City Manager.

18.0 Disclosure of Information

- A. The Consultant agrees that it will not during or after the term of the agreement, disclose any proprietary information or confidential business information of the City, including but not limited to its costs, charges, operating procedures, or methods of doing business to any person, Consultant, corporation, association, or other entity or the general public for any reason or purpose whatsoever, without the prior written consent of the City. Such confidential or proprietary information received by the Consultant shall be used exclusively in connection with the performance of services.
- B. The Consultant shall not issue or release for publication any articles, advertising, or publicity matters relating to the services performed by the Consultant hereunder or mentioning or implying the name of the City or its respective personnel without the prior written consent of the City.

19.0 Ex-Parte Communications

Consultant and Consultant representatives should not engage in unauthorized communications with elected officials, officers, employees, or agents of the City about this RFP. This requirement also includes any evaluation panel member, except for designated RFP facilitators. This requirement remains in effect until after award notifications have been made.

This restriction does not prohibit Consultants and their representatives from making oral statements or presentations to City representatives during a scheduled public meeting.

20.0 City of Montebello Rights

At its discretion, the City reserves the right to:

- A. Reject any and/or all proposals for no reason or any reason including, but not limited to, the following:
 - i. The proposal is incomplete, non-responsive, obscure, irregular, or lacking necessary detail and specificity.
 - ii. The Consultant, in the sole judgment of the City, lacks the qualifications, experience, and/or responsibility necessary to provide the services.
 - iii. The Consultant failed or neglected to complete and submit any information within the time specified by the City and as may be otherwise required herein.
- B. Reject any proposal that, in the opinion of the City, is so unbalanced in comparison to other proposals received and/or to the City's internal estimates that it does not accurately reflect the cost to perform;
- C. Accept all or any part of a proposal;
- D. Cancel the entire RFP;
- E. Issue subsequent RFPs; or
- F. Waive any errors or informalities in any proposal to the extent law permits.

Please review:

Appendix A – Proposal Content and Format

Appendix B – Sample Professional Services Agreement

Appendix C – References



ITEM # 23

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Cesar Roldan, Director of Public Works

SUBJECT: **APPROVE AMENDMENT NO. 1 TO AGREEMENT NO. 4175 WITH YUNEX LLC TO INCREASE THE NOT-TO-EXCEED AMOUNT IN YEAR 2 OF THE AGREEMENT BY \$90,000**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Approve Amendment No. 1 to Agreement No. 4175 between the City of Montebello and Yunex LLC to increase the not-to-exceed amount of Year 2 of the Agreement by \$90,000; and,
2. Amend the Fiscal Year 2024-25 budget by increasing appropriations by \$90,000 in Account No. 200-99-6040.50 (Gas Tax, Non-Departmental, Contract Services Street Maintenance); and,
3. Authorize the City Manager to execute the Amendment on behalf of the City; and,
4. Take such additional, related action that may be desirable.

FISCAL IMPACT:

The Public Works Department contracts with Yunex LLC for critical traffic signal repair and maintenance services throughout the City. The recommended actions increase the not-to-exceed (NTE) amount for Year 2 of the agreement with Yunex LLC (Agreement No. 4175) from \$280,000 to \$370,000. The increase of \$90,000 is necessary to cover the unanticipated cost of repairing and replacing traffic signal equipment damaged primarily by uninsured and reckless drivers during the current fiscal year. The recommended action also requires amending the Fiscal Year 2024-25 budget by increasing appropriations by \$90,000 in Account No. 200-99-6040.50 (Gas Tax, Non-Departmental, Contract Services Street Maintenance).

BACKGROUND/DISCUSSION:

On January 24, 2024, the City entered into Agreement No. 4175 with Yunex LLC for traffic signal maintenance services, following a competitive selection process. The contract was structured as a three-year agreement with two optional one-year extensions, and a not-to-exceed amount of \$280,000 annually.

Unfortunately, during the current fiscal year (Year 2 of the agreement), the City has experienced an unusually high number of traffic signal and controller cabinet damages due to vehicular collisions involving uninsured and reckless drivers. These incidents have resulted in a sharp rise in the cost of materials, equipment replacement, and emergency response services—exceeding the planned scope and not-to-exceed amount of the original agreement.

To address the immediate needs and continue ensuring the safety and functionality of traffic infrastructure, Staff has prepared Amendment No. 1 to the Agreement, which increases the Year 2 not-to-exceed amount to \$370,000. Importantly, this increase is limited to Year 2 and does not alter the budget for future years.

The City of Montebello contracts with Yunex LLC to provide professional services for the maintenance, repair, and emergency response of traffic signal infrastructure. The City's network of signalized intersections plays a vital role in ensuring public safety, efficient traffic circulation, and reliable transportation operations.

Traffic signals are subject to damage from power outages, vehicular collisions, aging equipment, and other unforeseen events. In recent months, Montebello has experienced a number of emergency repair incidents requiring immediate action to restore normal operations at intersections. Each repair effort not only safeguards motorists and pedestrians but also minimizes disruption to the city's transportation system.

Given the unpredictable and reactive nature of signal maintenance, estimating future repair costs is challenging. For this reason, the Public Works Department is requesting an increase to the current purchase order with Yunex LLC to ensure continued responsiveness and service coverage. Yunex has consistently provided timely and professional service, demonstrating technical expertise and reliability in supporting the City's critical traffic systems.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

Staff recommends approval of Amendment No. 1 to Agreement No. 4175 with Yunex

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 3 of 3

LLC, increasing the Year 2 not-to-exceed amount from \$280,000 to \$370,000 (by \$90,000); and amend the Fiscal Year 2024-25 budget by increasing appropriations by \$90,000 in Account No. 200-99-6040.50 (Gas Tax, Non-Departmental, Contract Services Street Maintenance).

ATTACHMENT(S)

1. Attachment A - Amendment No 1 to Agr 4175
2. Attachment B - Agr No. 4175 - Yunex LLC

CITY OF MONTEBELLO

**AMENDMENT NO. 1
TO PROFESSIONAL SERVICES AGREEMENT NO. 4175
WITH YUNEX LLC**

This Amendment No. 1 to the Professional Services Agreement ("Amendment No. 1"), is made and entered into this 14th day of May 2025, ("Effective Date") by and between the City of Montebello, a California municipal corporation, (hereinafter referred to as the "City") and Yunex LLC, (hereinafter referred to as the "Contractor"). The City and the Contractor are sometimes hereinafter individually referred to as a "Party" and jointly as the "Parties".

RECITALS

WHEREAS, the Contractor and the City entered into that certain Agreement No. 4175 for Traffic Signal Maintenance Services by and between the City of Montebello and Yunex LLC, dated January 24, 2024 ("Agreement"), pursuant to which City retained Contractor to provide Traffic Signal Maintenance Services, as further described in the Agreement; and

WHEREAS, the City awarded the Agreement to the Contractor based on their qualification, subsequent to a competitive selection process. However, the services needed, including costs and expenses, exceeded the anticipated scope of the Agreement, and City and Contractor desire to increase the maximum compensation allowable under the Agreement; and

WHEREAS, The Agreement at Section 1. **SERVICES/COMPENSATION**, provides the current maximum annual compensation is \$280,000 and Contractor may not exceed the maximum annual compensation without the prior written consent of the City; and

WHEREAS, The Agreement at Section 6. **EXTRA SERVICES**, any extra services over and above the compensation need to be duly authorized in writing by the City Manager; and

WHEREAS, the City desires to increase the not-to-exceed amount of the second year of the contract

WHEREAS, for the reasons set forth herein, the City and Contractor desire to enter into this Amendment No. 1, as set forth below.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the receipt adequacy of which is expressly acknowledged by the Parties, the Parties agree to amend the Agreement as follows:

AMENDMENT NO. 1 TO AGREEMENT NO. 4175

Page 2 of 2

AMENDMENTS TO AGREEMENT NO. 4175

SECTION 1. "Services/Compensation." The city agrees to increase the annual amount not-to-exceed amount of the second year of the agreement from \$280,000 to \$370,000 for the Professional Services set in the agreement.

SECTION 2. Except as expressly modified or supplemented by this Amendment No. 1, all other provisions of the Agreement shall remain unaltered and in full force and effect. In the event of conflict between the provisions of this Amendment No. 1 and the provisions of the Agreement, the provisions of this Amendment No. 1 shall control.

[END OF AMENDMENT NO. 1]

IN WITNESS WHEREOF, the Parties execute this Amendment No. 1 to take effect as of the Effective Date identified above.

("CITY")

CITY OF MONTEBELLO

("CONTRACTOR")

YUNEX LLC

Raul Alvarez, City Manager

Joshuas Ferras, Project Manager

ATTEST:

Christopher Jimenez, City Clerk

Michael Hutchens, Western Operations
Manager

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman, City Attorney

**CITY OF MONTEBELLO
PROFESSIONAL SERVICES AGREEMENT NO. 4175
BY AND BETWEEN
CITY OF MONTEBELLO
AND
YUNEX LLC**

THIS AGREEMENT ("Agreement") is made and entered into on **January 24, 2024**, by the **CITY OF MONTEBELLO**, a municipal corporation (hereinafter referred to as "CITY") and **YUNEX LLC** (hereinafter referred to as "CONTRACTOR"). CITY and CONTRACTOR are sometimes referred to herein individual as a "Party," and jointly as the "Parties."

RECITALS

WHEREAS, CITY desires to retain a qualified professional contractor to provide traffic signal maintenance services; and

WHEREAS, CONTRACTOR represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees; and

NOW THEREFORE, in consideration of performance by the Parties of the covenants and conditions herein contained, the Parties hereto agree as follows:

SECTION 1. SERVICES / COMPENSATION.

A. CONTRACTOR shall provide to CITY those services that are set forth fully in **Exhibit "A"** hereto and incorporated fully herein by this reference (hereinafter "Professional Services"), based upon the specific services requested by CITY.

B. CONTRACTOR shall provide CITY all labor, equipment, materials and incidental necessary for maintenance of all city-maintained traffic signals (including signal controllers, signal loop/camera detections/flashing beacons, speed feedback signs and lighted crosswalks), intersection street light maintenance, emergency repairs, non-emergency routine inspections, and new equipment upgrade/installation work as set forth fully in **Exhibit "A"** attached hereto and incorporated fully herein by this reference.

C. CONTRACTOR shall be compensated for performance of the Professional Services as set forth in the Cost Proposal attached hereto as **Exhibit "B"** and incorporated fully herein by this reference in an annual amount not to exceed two hundred eighty thousand dollars (\$280,000.00) ("Compensation"). CONTRACTOR shall provide an itemized billing statement to the CITY each month for Professional Services performed. CONTRACTOR shall not incur fee or costs which exceed the Compensation without the prior written consent of the CITY.

SECTION 2. TERM.

This Agreement shall commence upon the date the last of the Parties executes this Agreement hereinbelow ("Effective Date") and shall expire three (3) years from the Effective Date, unless terminated earlier as hereinafter provided. This Agreement may be extended for up to two (2) one (1) year terms upon such terms and conditional mutually agreed upon by the Parties in writing on or before the expiration date of the preceding term.

SECTION 3. PERFORMANCE.

A. CONTRACTOR shall at all times, faithfully, competently, and to the best of its ability, experience and talent, perform all tasks described herein.

B. CONTRACTOR shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of CONTRACTOR hereunder, in meeting its obligations under this Agreement.

C. CONTRACTOR shall be knowledgeable of and subject to all CITY ordinances, rules and regulations, and standard operating procedures, and the supervisory chain of command.

D. CONTRACTOR shall have the right to retain, subject to CITY's written approval, additional individuals, consultants or subcontractors to assist in the completion of services as herein defined. Compensation for additional individuals, consultants or subcontractors shall be the sole and exclusive responsibility of CONTRACTOR.

E. CONTRACTOR shall retain all original reports, field and office notes, correspondence, calculations, maps, and other documents specifically related to the services provided by CONTRACTOR pursuant to this Agreement, other than documents which are exempt from disclosure pursuant to the attorney-client privilege or any other law. Said documents shall be made available for inspection by the CITY upon request.

SECTION 4. WORK PRODUCT.

A. CONTRACTOR hereby agrees that all work produced pursuant to this Agreement and provided to CITY during and upon completion of this Agreement, shall be the property of the CITY, and ownership of said work product shall be retained by the CITY. CONTRACTOR may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by CONTRACTOR.

B. All data, documents, discussion, or other information developed or received by CONTRACTOR or provided for performance of this Agreement are deemed confidential and shall not be disclosed by CONTRACTOR without prior written consent by CITY. CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to CITY upon the termination or expiration of this Agreement. CONTRACTOR agrees that the covenants contained in this Article shall survive the expiration or termination of this Agreement.

PROFESSIONAL SERVICES AGREEMENT NO. 4175

Page 3 of 11

SECTION 5. EXTRA SERVICES.

No extra services over and above the Compensation shall be rendered by CONTRACTOR under this Agreement unless such extra services first shall have been duly authorized in writing by the City Manager.

SECTION 6. CITY SUPERVISION.

The City Manager shall have the right of general supervision of all work performed by CONTRACTOR and shall be CITY's agent with respect to obtaining CONTRACTOR's compliance hereunder. No payment for services rendered under this Agreement shall be made without the prior approval of the City Manager.

SECTION 7. TERMINATION.

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default with the nature of the default and the steps necessary to cure the default.

A. Termination for Cause. In the event that any of the provisions of the Agreement are violated by either party, the non-defaulting Party may terminate the Agreement by serving written notice upon the other Party, listing the violation(s) and its intent to terminate such Agreement unless within ten (10) days after the serving of such notice, such violation shall cease or be rectified, the contract shall upon the expiration of an additional thirty (30) days cease and terminate. Violations by CONTRACTOR which cannot be corrected within ten (10) days, said contract shall at the option of CITY cease and terminate upon the giving of like notice. In the event of any such termination for default by CONTRACTOR, CITY may take over the work and prosecute the same to completion by contract or otherwise for the account and at the expense of CONTRACTOR. CONTRACTOR and his sureties shall be liable to CITY for any excess cost occasioned in the event of any such termination. This change shall not be construed to prevent the termination, for other causes authorized by law or other provisions of this contract. In the event of a termination for cause, CONTRACTOR shall only be entitled to the Compensation for those Professional Services satisfactory performed on or before the effective date of termination.

B. Termination for Convenience. CITY shall have the option, at its sole discretion and without cause, to terminate this Agreement in whole, or in part, after giving ten (10) business days' written notice to CONTRACTOR. Upon the termination of this Agreement as provided herein, CITY shall provide to CONTRACTOR the part of Compensation which would otherwise be payable to CONTRACTOR for services CONTRACTOR had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation. Further, upon such a termination for convenience by CITY, the Parties agree that CONTRACTOR shall be reimbursed for any "non-refundable" costs that CONTRACTOR has incurred for its services under this Agreement, provided that: (1) such "non-refundable" costs were incurred by CONTRACTOR prior to the date of termination; (2) that CONTRACTOR provides CITY with adequate proof that CONTRACTOR incurred the costs, and is unable to be

PROFESSIONAL SERVICES AGREEMENT NO. 4175

Page 4 of 11

seek a refund for such costs; and (3) such costs were within the scope of work or services to be performed under this Agreement. Such "non-refundable" costs may include, but are not limited to, travel reservations incurred by CONTRACTOR for its performance of services under this Agreement. CONTRACTOR agrees to cease all work under this Agreement on or before the effective date of any notice of termination.

SECTION 8. EMPLOYMENT OF CITY EMPLOYEES.

No regular employee of CITY shall be employed by CONTRACTOR during the Term of this Agreement.

SECTION 9. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No official or employee of CITY shall be personally liable to CONTRACTOR in the event of any default or breach by CITY, or for any amount which may become due to CONTRACTOR.

SECTION 10. INDEPENDENT CONTRACTOR.

A. CONTRACTOR is and shall, at all times, remain as to CITY a wholly independent contractor. Neither CITY nor any of its elected officials, officers, employees or agents shall have control over the conduct of CONTRACTOR except as expressly set forth in this Agreement. CONTRACTOR shall not at any time or in any manner represent that he is in any manner an elected official, officer, employee or agent of CITY. No employee benefits shall be available to CONTRACTOR in connection with the performance of this Agreement. Except as provided in this Agreement, CITY shall not pay salary, wages, or other compensation to CONTRACTOR for performance hereunder for CITY. CITY shall not be liable for compensation to CONTRACTOR, CONTRACTOR's employees or CONTRACTOR's subcontractors for injury or sickness arising out of performing services hereunder.

B. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

C. CITY shall not deduct from the Compensation paid to CONTRACTOR any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to CONTRACTOR. CITY shall have no responsibility to provide CONTRACTOR, its employees or subcontractors with workers' compensation insurance or any other insurance.

SECTION 11. PERS ELIGIBILITY INDEMNITY.

A. In the event that CONTRACTOR or any employee, agent, or subcontractor of CONTRACTOR providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of CITY, CONTRACTOR shall indemnify, defend, and hold harmless CITY for the payment of any employee and/or employer contributions for PERS benefits on behalf of CONTRACTOR or its employees, agents, or

PROFESSIONAL SERVICES AGREEMENT NO. 4175

Page 5 of 11

subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of CITY.

B. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, CONTRACTOR and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by CITY, including but not limited to eligibility to enroll in PERS as an employee of CITY and entitlement to any contribution to be paid by CITY for employer contribution and/or employee contributions for PERS benefits.

SECTION 12. LEGAL RESPONSIBILITIES.

CONTRACTOR shall at all times observe and comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments including, but not limited to the Montebello Municipal Code. CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of CONTRACTOR to comply with this section.

SECTION 13. INDEMNIFICATION.

CONTRACTOR agrees to, and shall defend, indemnify, protect and hold harmless, CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of CONTRACTOR'S negligent or wrongful act, or omission under the terms of this Agreement, except only liability arising out of the sole negligence of CITY.

SECTION 14. INSURANCE COVERAGE.

During the Term of this Agreement, CONTRACTOR shall carry, maintain, and keep in full force and effect all of the following minimum scope of insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with CONTRACTOR's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

☐ **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury and advertising injury, with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, the limit shall be twice the required occurrence limit.

☐ **Automobile Liability Insurance:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if CONTRACTOR has no owned autos, Code 8 (hired)

PROFESSIONAL SERVICES AGREEMENT NO. 4175

Page 6 of 11

and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.

☐ **Worker's Compensation** insurance as required by the laws of the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

☐ **Professional Liability** insurance appropriate to the CONTRACTOR's profession, with limit no less than \$1,000,000.00 per occurrence or claim, and \$2,000,000 aggregate.

If CONTRACTOR maintains higher limits than the minimums shown above, CITY requires and shall be entitled to coverage for the higher limits maintained by CONTRACTOR.

CONTRACTOR shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California, with a current rating of at least A:VII in the latest edition of Best's Insurance Guide, and approved by CITY.

Each insurance policy required herein shall state that coverage shall not be canceled, except after providing CITY thirty (30) days' (or ten [10] calendar days' for non-payment) prior written notice. CONTRACTOR agrees that if it does not keep the aforesaid insurance in full force and effect CITY may either: (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at CONTRACTOR'S expense, the premium thereon.

At all times during the Term of this Agreement, CONTRACTOR shall maintain on file with CITY's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming CITY, its officers, agents, employees and volunteers as an additional insured. CONTRACTOR shall, prior to commencement of work under this Agreement, file with CITY's Risk Manager such certificate(s).

CONTRACTOR shall provide proof that policies of insurance required herein expiring during the Term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two (2) weeks prior to the expiration of the coverages.

The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers as additional insureds. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days' prior written notice to CITY. CONTRACTOR agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

PROFESSIONAL SERVICES AGREEMENT NO. 4175

Page 7 of 11

The insurance provided by CONTRACTOR shall be primary to any coverage available to CITY. Any insurance or self-insurance maintained by the CITY, its officers, employees, agents or volunteers, shall be in excess of CONTRACTOR's insurance and shall not contribute with it.

All insurance coverage provided pursuant to this Agreement shall not prohibit CONTRACTOR, and CONTRACTOR's employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. CONTRACTOR hereby waives all rights of subrogation against CITY.

Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, CONTRACTOR shall either reduce or eliminate the deductibles or self-insured retentions with respect to CITY, or CONTRACTOR shall procure a bond guaranteeing payment of losses and expenses.

Procurement of insurance by CONTRACTOR shall not be construed as a limitation of CONTRACTOR's liability or as fall performance of CONTRACTOR's duties to indemnify, hold harmless and defend under Section 13 of this Agreement.

SECTION 15. SUBCONTRACT, ASSIGNMENT OR DELEGATION.

CONTRACTOR shall not subcontract, delegate or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of CITY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed sub-contractor, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

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

SECTION 16. NO WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition or covenant hereof.

SECTION 17. DISPUTE RESOLUTION; GOVERNING LAW.

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, expert fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded. The venue for any litigation shall

PROFESSIONAL SERVICES AGREEMENT NO. 4175

Page 8 of 11

be County of Los Angeles, California. The Parties agree that the covenants contained in this Section shall survive the expiration or termination of this Agreement.

SECTION 18. ATTORNEY'S FEES AND COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled.

SECTION 19. WARRANTIES.

Each of the parties represents and warrants to one another as follows:

A. It has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement;

B. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of any matter whatsoever; and

C. It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

SECTION 20. MISCELLANEOUS.

A. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction or interpretation of any of its provisions.

B. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.

C. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.

D. The representations and warranties made by the parties to this Agreement shall survive the consummation of the transaction herein described.

E. This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in the facsimile and shall be

PROFESSIONAL SERVICES AGREEMENT NO. 4175

Page 9 of 11

binding upon such party in the same manner as though an originally signed copy had been delivered.

F. Each of the parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party's failure to perform under this Agreement or any agreement referred to in this Agreement.

SECTION 21. NOTICE.

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

CITY:

Attn: Arlene Salazar, Acting City Manager
Attn: Rita Montalvo, Director of Public Works
City of Montebello
1600 West Beverly Boulevard
Montebello, California 90640

CONTRACTOR:

Yunex LLC
Attn: Anchal Bansal
9225 Bee Cave Road
Building B, Suite 201
Austin, TX 78733
(770) 598-4705
Anchal.bansal@siemens.com

SECTION 22. NON-DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER.

In the performance of this Agreement, CONTRACTOR shall not discriminate against any employee, sub-contractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. CONTRACTOR will take affirmative action to ensure that sub-contractor and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

SECTION 23. CONFLICT OF INTEREST.

CONTRACTOR and its officers, employees, associates and subconsultants, if any, shall comply with all California conflict of interest statutes applicable to CONTRACTOR's Professional Services under this Agreement. CONTRACTOR further covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by CONTRACTOR under this Agreement, or which would conflict in any manner with the performance of its services hereunder. CONTRACTOR further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, CONTRACTOR shall avoid the appearance of having any interest that would conflict in any manner with the performance of its services pursuant to this Agreement.

CONTRACTOR covenants not to give or receive any compensation, monetary or otherwise, to or from the ultimate vendor(s) of services to CITY as a result of the performance of this Agreement, or the services that may be procured by CITY as a result of the recommendations made by CONTRACTOR. CONTRACTOR's covenant under this section shall survive the termination of this Agreement.

SECTION 24. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between CITY and CONTRACTOR. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by each party. If any term, condition or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

[Signatures on Next Page]

PROFESSIONAL SERVICES AGREEMENT NO. 4175

Page 11 of 11

CITY OF MONTEBELLO

CONTRACTOR



Raul Alvarez,
City Manager

Dated: 2/14/24


Joshua Ferras (Feb 21, 2024 10:30 PST)

Name: Joshua Ferras
Title: Project Manager

Dated: 21/02/2024

ATTEST:



Christopher Jimenez
City Clerk


Michael Hutchens (Feb 21, 2024 10:44 PST)

Name: Michael Hutchens
Title: Western Operations M

Dated: 21/02/2024

APPROVED AS TO FORM



Arnold M. Alvarez-Glasman
City Attorney

EXHIBITS:

- Exhibit A - Scope of Work
- Exhibit B - Cost Proposal

Exhibit "A"
Scope of Work

I. General Description

The Contractor shall provide routine preventive maintenance, schedule repairs, and emergency repairs to traffic signals, traffic signal equipment, safety street lights, and other related equipment by duly trained and qualified personnel.

The Contractor shall also perform Underground Service Alerts (USA) at the direction of the City. All preventive maintenance, scheduled repair, and USA will be billed at an established flat rate, with additional emergency work/unscheduled repair paid at hourly labor rates and vehicle and equipment rates, in accordance with Exhibit "B".

An inability to provide routine preventive maintenance to each traffic signal and safety street light may cause the Contractor to be subject to liquidated damages.

The Contractor shall provide and maintain emergency service response of the City's traffic signals and street lights on a twenty-four (24) hour a day, seven (7) days per week basis, including all holidays.

The Contractor must provide vehicle(s) to be used by the Contractor's Technicians which shall be equipped with a permanently mounted arrow board; warning beacon/strobe lights; traffic cones; construction warning sign; a hydraulic bucket capable of reaching a height of at least twenty-eight (28) feet from the roadway surface; necessary computer laptop for programming, maintenance and testing of traffic signal controllers and various equipment; and communications equipment for dispatch. All of the Contractor's employees working within the boundaries of the City shall be equipped with a communications device capable of instant 2-way communications for extended periods of time with the Contractor's shop or with City staff.

The Contractor must possess, and have readily available in functioning order, all required tools, equipment, apparatus, facilities, and materials needed to perform all work necessary to maintain and repair the traffic signals, street lights, and flashing beacons in the City in compliance with current Caltrans and County of Los Angeles standards and specifications. All excess materials and equipment in the Contractor's inventory shall be the property and responsibility of the Contractor until such materials or equipment is used or installed in the City.

The Contractor shall furnish temporary flashing beacons and other (portable) replacement equipment for non-operational traffic signals. Contractor furnished temporary spare equipment shall be equivalent to the component being replaced in manufacture, make, and model. The Contractor shall provide traffic control/lane closures that conform to Federal Highway Administration (FHWA) — California Manual on Uniform Traffic Control Devices (CAM UTCD)

The Contractor shall cooperate with the City in recalibrating traffic signal coordination timing and progression. The Contractor shall change the timing of traffic signal only upon the direction or advance written approval of the City. During emergency conditions, the Contractor shall

assure full cooperation with the City and those employees of the City and other agencies as indicated.

The Contractor shall not represent the City in matters of policy or procedures under this contract, shall not make any reference to City policy or procedures, and shall refer all questions or inquiries from the public regarding policy and procedures, or terms and conditions of this contract to the City. The Contractor will be required to maintain any additional traffic signals, lighted crosswalks, and appurtenant devices as they are installed, or become a part of the maintenance requirements to the City.

II. Maintenance Requirements

a. Preventive Maintenance

The Contractor shall provide a routine, comprehensive preventive maintenance program designed to minimize the incidence of outages and malfunction; reduce complaints; and extend the useful life of the traffic signal equipment. The Contractor will be required to furnish and use a preventive maintenance checklist form approved by the City. The contractor shall provide one electronic copy of the maintenance checklist to the City following each inspection, to maintain a copy of the checklist in the traffic signal controller cabinet, and to maintain a copy of the maintenance checklist at the Contractor's office of records. The program shall include monthly inspections of each signalized intersection.

At a minimum, the following shall be performed:

- Walk the intersection and visually inspect all signal heads for proper operation, alignment, broken lenses, and missing parts. Depress all pedestrian push buttons and observe the proper timing and display.
- Examine the functioning of the controller in relation to the traffic.
- Observe and check for proper operation of the detector loops and amplifiers. Adjust or re-tune detector amplifiers and correct substandard splices as necessary. For intersections with video detection, verify camera operation by monitoring the vehicle call on the video controller unit. Also, verify the calls going to the detector call page in the controller.
- Inspect all relays, switches, and terminals, etc. and replace or make adjustments as necessary.
- Check and adjust fan operation. Check the filter for tight fit and tape if required. Clean and vacuum the cabinet as necessary. Examine cabinet interior for water, excessive dampness and plant or animal intrusion.
- Inspect battery backup system (if the signal is equipped with such unit) to ensure unit is fully charged. Check all battery connections to ensure they are clean and secure.
- Perform a night time check of safety lights and illuminated street name signs at all signalized intersections.

b. Scheduled Repair

The Contractor shall investigate and determine the corrective requirements for each reported malfunction, failure, or outage of the traffic signal system. The equipment and components shall include, but are not limited to the following elements: Incandescent Lamps, Light Emitting Diode (LED) signal faces, Conflict Monitors, Internally Illuminated Street Name Sign Tubes, LED Illuminated Street Name Signs, Signal Safety Lights, Load Switches, Detector Amplifiers, Transfer Switches, Flasher Switches, Breaker Switches, Ballasts, Starters, Sockets, Fuses, Fuse Holders, Photoelectric Cells, Signal and Safety Light Wiring in Poles, etc.

This work shall be performed in accordance with the unit cost provided in the Cost Proposal in Exhibit "B". For any work not covered by the Cost Proposal, the Contractor shall submit a cost proposal to the City prior to performing any corrective work. The City reserves the right to furnish supplies, materials, and installed equipment required for performance of the work.

c. Emergency Response Work

The City may request that the Contractor perform emergency response work on the traffic control system. The Contractor shall provide and maintain emergency service response on a twenty-four (24) hour a day, seven (7) days per week basis (24/7), including all holidays. This work shall be performed on a time and materials basis in accordance with the unit cost provided in the Cost Proposal. The Contractor shall provide the City with a contact name and phone number of personnel responsible for 24/7 services.

1. Emergency Response Work may include, but is not limited to the following:

- Downed signal heads, poles, signal on flash, signal blackout, burned out lamps, damaged controller and cabinet, damaged illuminated street name signs, damaged inductive loops, sensing elements, pedestrian push buttons, electroliers, pedestrian signal heads, wiring, and other operational equipment related issues.
- Assisting the City for special events or for City construction projects, as necessary to implement revised traffic signal timing and phasing for changed traffic conditions.

2. Equipment for Emergency Work

- Repair, replace or otherwise render in good working order any and all defective parts of the traffic signal equipment with like make and model parts. Whenever equipment is removed, the City representative shall be notified by phone and email within twenty-four (24) hours.
- The Contractor shall cover the cost of replacing any parts to the traffic signal system. The City shall reimburse the Contractor for materials used for repairs, in an amount equal to the cost of the materials including an agreed mark-up price.
- Notify the City representative in advance of any traffic signal deactivations (by phone and email) that may be required to provide the required services. Traffic signal deactivations shall not be scheduled without the approval of an authorized representative of the City. All traffic signal controller equipment shall be maintained as recommended by the manufacturer.

- The Contractor, at own cost, shall place barricades, clean up debris, properly dispose of all damaged components.

d. Maintenance Records

Contractor shall create and maintain an inventory list of the equipment in the controller cabinet at each location. The inventory shall include the model, manufacturer, serial number, and quantity of each piece of equipment and installation date. The inventory list shall be continuously updated and a copy shall be furnished to the City every four (4) months in a Microsoft Excel spreadsheet.

Contractor shall maintain a copy of the Preventive Maintenance Inspection Form approved by the City at each intersection. The checklist shall be completely filled out during each routine maintenance inspection and during any time repairs are made to the controller or any related equipment in the controller cabinet or the signal equipment at the intersection (detector loops, pedestrian heads, signal heads, lenses, lamps and signal poles, etc.).

A printout of the signal control database shall be kept in each controller cabinet. Timing changes shall be indicated on the printout. Only the City's representative shall authorize timing changes except that the Contractor may make changes required on a temporary basis due to maintenance operations or to maintain a satisfactory signal operation when there is a detection failure.

e. Monthly Activity Report

The Contractor shall provide a computerized monthly activity report to the City by the fifteenth working day of each month for the previous month's activities. The report shall be provided both as a printout and as a Microsoft Excel Spreadsheet compatible computer file transmitted by e-mail and attached to the monthly invoice.

No payment will be made without submittal of the report. The report shall include:

1. Preventive Maintenance: Time and date the preventive maintenance was performed.
2. Scheduled Repairs: A complete record of all work that was performed on the traffic signal equipment during the previous month including the date and time, make, model, and serial number of any major components or other equipment that was newly installed at each intersection.
3. Emergency Response Work: Time the service calls were received, time arrived at the intersection, the response time, nature of the problem, the number of hours spent for each repair, materials used, whether the activity is related to accident or vandalism, and a special listing of intersections with three or more calls in one month.

f. Response and Service

The Contractor shall provide response and service on a twenty-four (24) hour, seven (7) day per week basis. Immediate action shall be taken to safeguard the public any time a signal installation becomes partly or totally inoperative from any cause whatsoever. The Contractor

shall provide the City with a contact name and phone number of personnel responsible for 24/7 services. The maximum response times shall be as follows:

1. Emergency and accident maintenance — one (1) hour
2. Replacement of burned out signal faces — two (2) hours
3. All other signal maintenance — twenty-four (24) hours
4. Safety Lighting — forty-eight (48) hours
5. Illuminated Street Name Signs — forty-eight (48) hours

Signal on flash, signal blackout not caused by a power outage, and any malfunction of pedestrian signals shall constitute an emergency. The City may extend the maximum response time for maintenance on a case-by-case basis if the signal remains operational in a satisfactory manner and the condition poses no immediate hazard to the public.

Failure to meet the response time requirements by the Contractor shall be sufficient cause for the City to authorize maintenance to be completed by others and deduct the costs of said maintenance from payments due to the Contractor. Repetitive failure shall be deemed sufficient cause for the City to terminate the contract,

g. Signal Shut Down and Signal on Flash

The contractor shall immediately notify the City's Public Works Department, Montebello Police Department, and Fire Department of any signal turn-offs or signal on flash necessitated by their operation. Signal shut down of any duration and signal on flash

operation in excess of fifteen (15) minutes must be first authorized by the Community Development Department.

h. Spare Equipment

The Contractor shall maintain adequate storage and shop facilities and sufficient stock of spare parts and signal equipment to affect maintenance to the signals. The Contractor shall maintain at least one fully tested standby controller that is compatible with the City's system. The Contractor will own and maintain all spare parts until installation in the City.

i. Salvage Equipment

The Contractor shall deliver any salvaged or salvageable equipment or material to the location in the City as directed by the Community Development Department. Any material or equipment declared non-salvageable by Community Development Department shall be taken from the City and disposed of properly by the Contractor and Contractor's cost. Components such as mast arms and luminaries that are undamaged may be reused at the direction of the City.

j. New Traffic Signals

The contractor shall maintain new traffic signals, safety lights, flashing beacons, and appurtenant devices as they are being installed, or become a part of the maintenance requirements of the City. As requested by the City, the contractor shall provide support and review of new traffic signal turn-ons.

III. Underground Service Alert (Dig Alert) Monitoring

The Contractor will be required to adequately mark all traffic signal conduits, traffic signal interconnect/communication lines, and equipment as well as street lights on behalf of the City in accordance with the California Government Code Section 4216 *et seq.* The City's designated representative will monitor notifications submitted by Underground Service Alert (USA) to the City, and will furnish applicable notifications to a representative of the Contractor to coordinate the markings of any signalized intersections that may be scheduled for construction work or excavations as evidenced by notification from USA. The Contractor shall establish a process for monitoring and tracking the marking of any affected intersections; an *Intersection Record Log* shall be created, with the USA notification and corresponding action noted in the controller, with a copy provided to the City. The Contractor shall assume all liability for satisfying the City's obligations to adequately identify underground structures in accordance with this law. Compensation for providing USA —Dig Alert services identified above will be paid at a flat rate per occurrence in accordance with the Cost Proposal.

IV. Warranty Service

New equipment installed by the Contractor shall be covered with a material and workmanship warranty for one (1) year after acceptance. Where parts or material become defective during this warranty period, the Contractor shall notify the City so that the warranty may be exercised. The Contractor shall be responsible for exercising maintenance and replacement covered by the warranty. No additional or separate compensation shall be paid for warranty service work. At expiration of the warranty, servicing of traffic signals shall be performed in accordance with these specifications.

V. Working Day

The Contractor's working day activities for preventive maintenance and scheduled repairs shall be limited to the hours of 7:00 AM and 5:00 PM, Monday through Friday, excluding designated City holidays. Deviations from normal working hours will not be allowed without prior written consent of the City. The following is a list of holidays on which contract service will not be performed:

New Year's Day
Martin Luther King Jr.'s Birthday
President's Day
Memorial Day
Independence Day (July 4th)
Labor Day (First Monday in September)
Columbus Day
Veterans' Day
Thanksgiving Day
The day after Thanksgiving Day
Christmas Eve Day
Christmas Day

Exhibit "B"

Cost Proposal

CONTRACTOR shall provide an updated Cost Proposal for each year of the Agreement term based on increases in the Consumer Price Index (CPI). Such updated Cost Proposal must be provided to the City at least 30 days prior to the annual anniversary date from the Effective Date.

COST PROPOSAL SCHEDULE "A"
FLAT RATE MAINTENANCE SCHEDULE

Item	Description	Quantity	Unit	Unit Price	Total Annual Amount
I.	Preventive Maintenance (Traffic Signal System: includes safety lights & illuminated street name signs)	79	Per	\$ 88.50	\$ 83,898.00
II.	Preventive Maintenance (Flashing Beacons)	8	Per location	\$ 43.00	\$ 4,128.00
III.	Preventive Maintenance (Speed Feedback Signs)	10	Per location	\$ 44.00	\$ 5,280.00
IV.	Lighted Crosswalks	2	Per Location	\$ 63.00	\$ 1,512.00
V.	Underground Service Alert – (Dig Alert Service)		Per USA	\$ 225.00	\$ 225.00

Special Note: The flat rate fee represents total compensation for all labor, material, equipment, and vehicles necessary to provide the corresponding tasks.

TOTAL PROPOSAL ITEMS (I, II, III, IV and V) **\$ 95,043.00**

COST PROPOSAL SCHEDULE
"B" SCHEDULED REPAIR
SERVICES

Item No.	Description	Unit Price
1.	Replace Type A Detector Loop (1 to 4 loops)	\$ 785.00 Per loop
2.	Replace Type A Detector Loop (5 or more loops)	\$ 610.00 Per loop
3.	Replace Type D Detector Loop (1 to 4 loops)	\$ 785.00 Per loop
4.	Replace Type D Detector Loop (5 or more loops)	\$ 610.00 Per loop
5.	Replace Video Detection Unit	\$ 2,535.00 Per unit
6.	Vehicular LED Face Replacement	\$ 105.00 Per Face
7.	Pedestrian LED Face Replacement (Countdown	\$ 210.00 Per Face
8.	Replace Pedestrian Push Button 2" ADA Compliant	\$ 102.00 Per Button

The PROPOSER shall provide prices for all of the items listed above. Failure to do so may be the grounds for rejection of the proposal.

The final selection of the contractor will include but not limited to the proposed prices per year, per units for optional items, bidders qualifications, experience, references, and other relevant items to ensure the lowest qualified and responsive bid is selected that is in the best interest of the City.

EMERGENCY RESPONSE SERVICES

List the position titles and responsibilities of personnel that will be providing emergency response services to the City per this RFP.

PERSONNEL

Position	Hourly Straight Time	Hourly Overtime	
Title: Traffic Signal Foreman	\$ 153.00	\$ 194.00	\$ 235.00
Description: Responsible for overseeing project assigned field personnel and running crew			
Title: Transportation Systems Electrician	\$ 144.00	\$ 180.00	\$ 217.00
Description: Responsible for responding to all call-outs and making required repairs to traffic signal system			
Title: Transportation Systems Technician	\$ 126.00	\$ 153.00	\$ 180.00
Description: Preventative Maintenance or assisting in response calls			
Title: Traffic Signal Groundsman	\$ 109.00	\$ 158.00	\$ 158.00
Description: Digging, trenching, etc under supervision of a Foreman			
Title:	\$	\$	\$
Description:			
Title:	\$	\$	\$
Description:			
Title:	\$	\$	\$
Description:			
Title:	\$	\$	\$
Description:			

EMERGENCY RESPONSE SERVICES CONTINUED

VEHICLES AND EQUIPMENT

The vehicles and equipment listed hereon may not accurately reflect the rolling stock used by your firm. For those vehicle and equipment that are not used by your firm, cross out and mark as "N/A" to indicate that the vehicle or equipment is not available or necessary for the emergency response services requested in this RFP.

Personnel Vehicle	\$ <u>10.00</u>	Per hour
Pickup Truck	\$ <u>28.00</u>	Per hour
Service Truck	\$ <u>32.00</u>	Per hour
Service/Ladder Truck	\$ <u>32.00</u>	Per hour
Boom/Ladder Truck	\$ <u>NOT SAFE</u>	Per hour
Crane Truck	\$ <u>65.00</u>	Per hour
Altec/Tesla Truck	\$ <u>32.00</u>	Per hour
Concrete Saw	\$ <u>5.00</u>	Per hour
Dump Truck	\$ <u>32.00</u>	Per hour
Compressor with air tools	\$ <u>5.00</u>	Per hour
Arrowboard	\$ <u>5.00</u>	Per hour
	\$ _____	Per hour
	\$ _____	Per hour
	\$ _____	Per hour
	\$ _____	Per hour
	\$ _____	Per hour
	\$ _____	Per hour

Any equipment not listed will be paid per current Caltrans equipment rates.

MATERIAL MARK-UP

Material mark-up will not exceed 15 % of supplier's invoice price (cost) that will be furnished to the City in any cost proposal for emergency response work.

Agreement No. 4175 - Yunex LLC

Final Audit Report

2024-02-21

Created:	2024-02-21
By:	Jeremy Melendez (jemelendez@montebelloca.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAmV4GI_qicR1Sm5yqhbDCI9pBkVQJLb3e

"Agreement No. 4175 - Yunex LLC" History

-  Document created by Jeremy Melendez (jemelendez@montebelloca.gov)
2024-02-21 - 6:23:43 PM GMT
-  Document emailed to Joshua Ferras (joshua.ferras@yunextraffice.com) for signature
2024-02-21 - 6:23:51 PM GMT
-  Document emailed to Michael Hutchens (michael.hutchens@yunextraffice.com) for signature
2024-02-21 - 6:23:51 PM GMT
-  Email viewed by Joshua Ferras (joshua.ferras@yunextraffice.com)
2024-02-21 - 6:29:34 PM GMT
-  Document e-signed by Joshua Ferras (joshua.ferras@yunextraffice.com)
Signature Date: 2024-02-21 - 6:30:23 PM GMT - Time Source: server
-  Email viewed by Michael Hutchens (michael.hutchens@yunextraffice.com)
2024-02-21 - 6:41:52 PM GMT
-  Document e-signed by Michael Hutchens (michael.hutchens@yunextraffice.com)
Signature Date: 2024-02-21 - 6:44:57 PM GMT - Time Source: server
-  Agreement completed.
2024-02-21 - 6:44:57 PM GMT



ITEM # 24

CITY OF MONTEBELLO CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Michael Solorza, Director of Finance

SUBJECT: **TREASURER'S REPORT FOR THE QUARTER ENDING MARCH 31, 2025**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Receive and file the Quarterly Treasurer's Report for the quarter ending March 31, 2025 (Third Quarter of Fiscal Year 2024-25); and,
2. Take such additional, related action that may be desirable.

FISCAL IMPACT:

Attached is a cash report and portfolio summary as of March 31, 2025 (Attachments A and B). This report provides a snapshot at quarter end of the City's cash position, detailing balances in various accounts and types of investments.

The table below summarizes available cash by major type of account, comparing ending balances for March 2022, 2023, 2024 and 2025. The "General" account combines Bank of Montreal (BMO), Local Agency Investment Fund (LAIF), and various Certificates of Deposit, and represents the most liquid and accessible source of cash for the City to pay ongoing expenses:

	March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025	Var to Same Qtr/Prior Yr
General	70,879,763	90,009,131	100,503,186	75,807,030	(24,696,156)
Successor Agency	15,852,122	15,503,546	16,752,412	4,636,616	(12,115,796)
Housing Successor Agency	632,232	1,267,992	1,273,752	1,150,512	(123,240)
Trust & Agency	1,233,945	1,060,417	1,071,021	1,030,642	(40,379)
401 a(h) Trust Accounts	13,564	13,564	13,564	13,564	-
	88,611,627	107,854,650	119,613,935	82,638,364	(36,975,571)

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 2 of 6

As of March 31, 2025, total available cash was \$82.638 million -- \$36.976 million less than March 2024. The City's overall cash position has improved over the years and remains at elevated and healthy levels. For example, the June balance for the past nine years is shown below:

	Ending Balance June 30	Change
2016	48,156,295	
2017	51,477,779	3,321,484
2018	57,115,173	5,637,394
2019	84,146,400	27,031,227
2020	73,346,322	(10,800,078)
2021	69,189,471	(4,156,851)
2022	99,850,581	30,661,110
2023	124,430,333	24,579,752
2024	105,911,857	(18,518,476)
Average	79,291,579	

Comparing June ending balances from prior years, in 2016 overall cash was \$48.156 million, versus \$105.912 million as of June, 2024 – a \$57.756 million improvement in the City's available cash position (LAIF, BMO, etc.), or put another way a 220% increase.

The continuing strength of the City's cash position is due to several reasons. A primary factor is proceeds from Measure H, the City's $\frac{3}{4}$ cent transaction and use tax – which began flowing to the City in Fiscal Year 2020-21. Property tax receipts are also up, as overall assessed values in the City continue to grow and new developments like Metro Heights produce property tax revenue. The City also received new or one-time funding from the Federal government for Transit operations (Montebello Bus Lines) and has applied for and received new grants for various purposes over the last five years. In addition, the sale of the City's water system (February, 2023) and Transit property in Pico Rivera (February, 2023) added to the overall cash position during calendar year 2023 with one-time infusions of cash.

It should also be noted that monthly cash balances fluctuate, as monthly expenses vary considerably from month to month, especially when comparing prior years. The chart below shows third quarter 2024 vs. third quarter 2025 (January - March). The monthly variances within each quarter can be significant:

	Jan 2024	Feb 2024	Mar 2024	Jan 2025	Feb 2025	Mar 2025
General	104,904,784	103,526,588	100,503,186	80,527,107	78,191,665	75,807,030
Successor Agency	19,600,893	16,752,412	16,752,412	4,639,807	4,638,211	4,636,616
Housing Successor Agency	1,272,792	1,273,752	1,273,752	1,149,552	1,149,552	1,150,512
Trust & Agency	1,170,945	1,060,063	1,071,021	997,494	1,009,833	1,030,642
401 a(h) Trust Accounts	13,564	13,564	13,564	13,564	13,564	13,564
	126,962,958	122,626,380	119,613,935	87,327,525	85,002,826	82,638,364

The City receives numerous grants from Federal, State and local governmental agencies, with expenses and concomitant revenue reimbursement varying depending on the grant award and the particular progress made in the project. In addition, the City's various debt service payments typically hit the books in November/December and May/June, causing

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

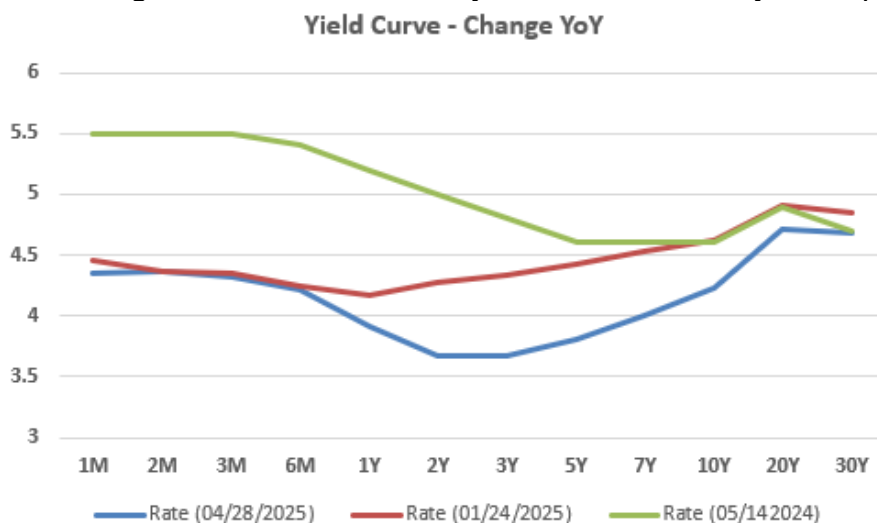
Page 3 of 6

a draw on available cash greater than other “typical” months of the fiscal year. The recent completion of the golf course renovation and clubhouse construction projects required cash outlays to pay for construction related expenses – hence the draw on cash when comparing similar periods from 2024 vs. 2025.

Despite these natural fluctuations in cash flow – ongoing and regular such as debt service payments or one-time such as the golf course capital expenditures – one can see by the tables above that the City’s overall cash position has grown steadily over the past several years and remains at an elevated level that provides financial security. This improvement in cash flow ensures daily expenses are easily met, with no danger of having to postpone payments due to lack of liquidity. Sufficient liquidity is just one of many positive signs of the City’s progress towards financial stability and security.

The City receives income from the investment of idle cash. This revenue varies based on balances and current interest rate environments. The General Fund has averaged \$164,200 in annual investment income between FY 2015-16 and FY 2023-24. Combined with the large increase in total available cash, the General Fund realized \$700,800 in revenue from its investments in FY 2023-24, with projected revenue for FY 2024-25 at \$500,000. (The lower projected amount is predicated on interest rates falling combined with a lower total cash balance versus prior fiscal years.)

The effective rate of return on the City’s investment portfolio as of March 31, 2025 was 1.21%. It is useful to compare these rates of return to various U.S. Treasuries, as a general benchmark. The chart below shows a comparison between Treasury yields – based on length of the note, from May, 2024, and January and April 2025:



BACKGROUND/DISCUSSION:

State Government Code Section 53600 et al governs the investment of idle cash by local agencies. In addition, local agencies are required to have City Council approved investment policies which further dictate how funds are invested. Government Code Section 53646(b), as well as the City’s investment policy, provide for quarterly reporting

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 4 of 6

of investment activity. The quarterly report, along with details found in Attachments A and B, are designed to provide additional information, comparing current year balances and performance to prior years, etc.

The City of Montebello holds idle cash in various depositories:

- Bank of Montreal (BMO) checking accounts (i.e., General used to pay bills, Payroll for bi-weekly payroll, etc.)
- Local Agency Investment Fund (LAIF) – State Treasurer investment pool
- Multi-Bank Securities (MBS) (i.e., Certificates of Deposit)

The investment of idle cash is predicated on the principals of: liquidity, safety and yield, in that order. The City earns interest from the various deposits, hence the diversification of where cash is held. However, the first and foremost priority is having adequate liquidity to pay daily operating costs: payroll, invoices for goods and services, etc.

Cash flow varies throughout the fiscal year, based on timing of the receipt of revenue. The receipt of property tax revenue in April and December causes the largest inflow in daily cash, followed by quarterly sales tax “true up” payments (i.e., March, June, etc.), receipt of Successor Agency revenue (Redevelopment Property Tax Trust Fund) in January and June, periodic reimbursement of grant expenses, etc.

Therefore, the City maintains a reasonable balance in its BMO checking account – the most liquid account utilized for daily expenses. The LAIF account with the State Treasurer provides additional liquidity. Depending on cash flow needs, withdrawals or deposits are made from/to the LAIF account into/out of the General checking account. Finally, investment in Certificates of Deposit through a clearinghouse service (i.e., Multi-Bank Securities) provides additional yield with funds not needed for immediate liquidity deposited accordingly (approximately \$248,000).

The table below provides an overview of the City’s major liquid cash accounts: BMO checking and the two separate LAIF accounts, from June 2020 through March 2025 (quarter ending values). The average quarterly balance for the City’s checking account since June 2020 is \$10.279 million, more than sufficient to meet regular expenses.

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 5 of 6

Year	Month	BMO (Checking)	LAIF (General)	LAIF (Successor Agency)
2020	JUNE	\$ 5,706,451	\$ 39,978,695	\$ 9,502,193
2020	SEPTEMBER	\$ 3,632,854	\$ 28,523,514	\$ 9,536,864
2020	DECEMBER	\$ 3,413,754	\$ 20,998,975	\$ 9,557,116
2021	MARCH	\$ 5,259,121	\$ 23,031,241	\$ 9,572,227
2021	JUNE	\$ 11,921,868	\$ 37,556,500	\$ 9,582,684
2021	SEPTEMBER	\$ 2,298,948	\$ 47,583,249	\$ 9,020,508
2021	DECEMBER	\$ 10,757,576	\$ 46,614,203	\$ 8,996,214
2022	MARCH	\$ 8,220,964	\$ 57,639,656	\$ 14,001,395
2022	JUNE	\$ 8,644,963	\$ 65,334,697	\$ 14,012,253
2022	SEPTEMBER	\$ 3,429,416	\$ 50,945,633	\$ 14,038,487
2022	DECEMBER	\$ 27,973,777	\$ 39,651,105	\$ 14,086,255
2023	MARCH	\$ 10,901,394	\$ 74,876,879	\$ 14,159,841
2023	JUNE	\$ 24,925,530	\$ 75,000,000	\$ 14,255,276
2023	SEPTEMBER	\$ 10,189,195	\$ 75,000,000	\$ 14,367,200
2023	DECEMBER	\$ 20,218,537	\$ 75,000,000	\$ 14,496,758
2024	MARCH	\$ 20,677,496	\$ 75,000,000	\$ 14,642,395
2024	JUNE	\$ 17,178,422	\$ 75,000,000	\$ 3,057,845
2024	SEPTEMBER	\$ 839,005	\$ 69,500,000	\$ 3,124,243
2024	DECEMBER	\$ 5,734,431	\$ 66,373,872	\$ 3,161,236
2025	MARCH	\$ 3,665,450	\$ 71,843,590	\$ 3,198,002
		\$ 10,279,458	\$ 55,772,590	\$ 10,318,450

The City's Investment Policy was most recently reviewed and approved by the City Council on June 12, 2024. Prior to that, the policy was reviewed, approved and updated on: June 14, 2023, June 8, 2022, June 23, 2021, October 28, 2020, and August 19, 2019. The Government Code requires an annual review and approval of the investment policy statement – even if no changes are made.

The 2019 approval was the first time the City's investment policy was updated since 2011, with a previous update done in 2007. These infrequent reviews and updates were clearly in violation of Government Code. Moreover, Staff has endeavored to present a more thoroughly researched quarterly Treasurer's report, with detailed background and explanations of the various investment accounts – a marked improvement over prior years reports presented with no discussion or analysis.

In an effort to ensure the City complies with State law, the investment policy will continue to be presented annually along with budget adoption (June of each year). This process will ensure an annual review and update (as necessary) of the investment policy by the City Council, ensuring the City complies with State statutes.

The updated version of the City's investment policy was submitted to the California Municipal Treasurers Association (CMTA) for consideration of their investment policy review and award program. The CMTA investment policy program utilizes public treasury officials to review public agency policies to ensure they comply with best practices and Government Code. For the first time in the City's 100 plus year history, the City's policy was submitted and passed the review with flying colors. Having passed this review process is one more indication of the progress made in achieving fiscal sustainability in Montebello, as its policies adhere to best practices.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

It is recommended that the City Council receive and file the Quarterly Treasurer's Report for the quarter ending March 31, 2025.

ATTACHMENT(S)

1. ATTACHMENT A - CASH SUMMARY - March 2025
2. ATTACHMENT B

**CITY OF MONTEBELLO
MONTHLY CASH REPORT (ALL ACCOUNTS)
BALANCE AS OF MARCH 31, 2025**

BANK OF THE WEST

	Account Number	Account Name	3/31/25
1	XXXX-XX770	Housing Successor Agency of the City of Montebello	\$1,150,512.27
2	XXXX-XX093	Successor Agency of the City of Montebello	\$1,438,613.68
3	XXXX-71041	City of Montebello	\$50,000.00
4	XXXX-00184	City of Montebello - FSA	\$19,908.90
5	XXXX-XX331	General	\$3,665,450.38
6	XXXX-XX287	Trust & Agency	\$6,063.99
7	XXXX-XX803	Police Retiree Health Account	\$752,880.19
8	XXXX-XX267	Payroll	\$0.00
9	XXXX-XX362	Fire Retiree Health Account	\$251,788.42
			<u>\$7,335,217.83</u>

STATE OF CALIFORNIA

	Account Number	Account Name	3/31/25
1	XX-XX-551	General	\$71,843,579.70
2	XX-XX-068	Successor Agency City of Mtb for Mtb RDA	\$3,198,002.21
			<u>\$75,041,581.91</u>

FIRST MERCANTILE TRUST

	Account Number	Account Name	3/31/25
	XXX-XX-X746	CORPORATE ACCOUNT	\$12.98
	XXX-XX-X999	TRUST ACCOUNT	\$13,551.48
			<u>\$13,564.46</u>

Pershing LLC - CDs

	Account Number	Account Name	3/31/25
	CD	HSBC Bank USA (5/7/20-5/7/25)	\$248,000.00
			<u>\$248,000.00</u>

Total General Cash/Investments	\$75,807,030.08
Total SA Cash/Investments	\$4,636,615.89
Total HSA Cash/Investments	\$1,150,512.27
Total T&A Cash/Investments	\$1,030,641.50
Total Trustee Cash	\$13,564.46
Total Cash/Investments	<u>\$82,638,364.20</u>

CITY OF MONTEBELLO

Portfolio Management

Portfolio Summary

March 31, 2025

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Local Agency Investment Funds	71,843,579.70	71,843,579.70	71,843,579.70	99.66	1	1	1.292	1.310
Savings Accounts	6.38	6.38	6.38	0.00	1	1	0.493	0.500
Negotiable CDs	248,000.00	248,000.00	248,000.00	0.34	1,826	36	1.282	1.300
	72,091,586.08	72,091,586.08	72,091,586.08	100.00%	7	1	1.292	1.310

Investments

Cash, Pending Redemptions

Passbook/Checking (not included in yield calculations)	3,715,450.38	3,715,450.38	3,715,450.38		1	1	0.000	0.000
Pending Redemptions	2,266,566.49	2,266,566.49	2,266,566.49					
Subtotal		5,982,016.87	5,982,016.87					
Total Cash, Pending Redemptions and Investments	78,073,602.95	78,073,602.95	78,073,602.95		7	1	1.292	1.310

Total Earnings	March 31 Month Ending	Fiscal Year To Date
Current Year	80,202.03	670,886.54
Average Daily Balance	78,114,747.54	78,862,291.48
Effective Rate of Return	1.21%	1.13%

*,

CITY OF MONTEBELLO
Portfolio Management
Portfolio Details - Investments
March 31, 2025

Page 1

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Local Agency Investment Funds												
SYS200	200	STATE OF CALIFORNIA		07/01/2019	71,843,579.70	71,843,579.70	71,843,579.70	1.310		1.310	1	
Subtotal and Average			71,843,579.70		71,843,579.70	71,843,579.70	71,843,579.70			1.310	1	
Savings Accounts												
697530	500	F&A FEDERAL CREDIT UNION		07/01/2019	6.38	6.38	6.38	0.500		0.500	1	
950516181	600	PACIFIC PREMIER/PLAZA BANK		07/01/2019	0.00	0.00	0.00	1.918		1.918	1	
Subtotal and Average			6.38		6.38	6.38	6.38			0.500	1	
Negotiable CDs												
44329ME33	53	HSBC BANK USA		05/07/2020	248,000.00	248,000.00	248,000.00	1.300		1.300	36	05/07/2025
Subtotal and Average			248,000.00		248,000.00	248,000.00	248,000.00			1.300	36	
Total and Average			78,114,747.54		72,091,586.08	72,091,586.08	72,091,586.08			1.310	1	

CITY OF MONTEBELLO
Portfolio Management
Portfolio Details - Cash
March 31, 2025

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
Checking Accounts											
100	100	BANK OF THE WEST		08/31/2019	3,715,450.38	3,715,450.38	3,715,450.38			0.000	1
		Average Balance	0.00								1
Total Cash and Investments			78,114,747.54		75,807,036.46	75,807,036.46	75,807,036.46			1.310	1

CITY OF MONTEBELLO
Portfolio Management
Portfolio Details with Earnings - Investments
March 31, 2025

Page 1

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Current Rate	Days To Maturity	YTM	Accrued Interest	Unrealized Gain/Loss	Maturity Date
Local Agency Investment Funds													
SYS200	200	LAIF		07/01/2019	71,843,579.70	71,843,579.70	71,843,579.70	1.310	1	1.310	1,459,683.65	0.00	
Subtotal and Average			71,843,579.70		71,843,579.70	71,843,579.70	71,843,579.70	1.310	1	1.310	1,459,683.65	0.00	
Savings Accounts													
697530	500	F&A		07/01/2019	6.38	6.38	6.38	0.500	1	0.500	0.18	0.00	
950516181	600	PLAZA		07/01/2019	0.00	0.00	0.00	1.918	1	1.918	-7,546.80	0.00	
Subtotal and Average			6.38		6.38	6.38	6.38	0.500	1	0.500	-7,546.62	0.00	
Negotiable CDs													
44329ME33	53	HSBC		05/07/2020	248,000.00	248,000.00	248,000.00	1.300	36	1.300	6,125.60	0.00	05/07/2025
Subtotal and Average			248,000.00		248,000.00	248,000.00	248,000.00	1.300	36	1.300	6,125.60	0.00	
Total and Average			78,114,747.54		72,091,586.08	72,091,586.08	72,091,586.08	1.310	1	1.310	1,458,262.63	0.00	

CITY OF MONTEBELLO
Portfolio Management
Portfolio Details with Earnings - Cash
March 31, 2025

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Current Rate	Days To Maturity	YTM	Accrued Interest	Unrealized Gain/Loss
Checking Accounts												
100	100	BOFW		08/31/2019	3,715,450.38	3,715,450.38	3,715,450.38	0.000	1	0.000	0.00	0.00
Average Balance			0.00									
Total Cash and Investments			78,114,747.54		75,807,036.46	75,807,036.46	75,807,036.46	1.246	1	1.246	1,458,262.63	0.00

CITY OF MONTEBELLO
Portfolio Management
Investment Status Report - Investments
March 31, 2025

Page 1

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase Date	YTM 360	YTM 365	Payment Dates	Accrued Interest At Purchase	Current Principal	Book Value
Local Agency Investment Funds												
SYS200	200	LAIF	71,843,579.70	1.310		07/01/2019	1.292	1.310	07/30 - Quarterly		71,843,579.70	71,843,579.70
Local Agency Investment Funds Totals			71,843,579.70				1.292	1.310		0.00	71,843,579.70	71,843,579.70
Savings Accounts												
697530	500	F&A	6.38	0.500		07/01/2019	0.493	0.500	04/30 - Monthly		6.38	6.38
950516181	600	PLAZA	0.00	1.918		07/01/2019	1.892	1.918	05/31 - Monthly		0.00	0.00
Savings Accounts Totals			6.38				0.493	0.500		0.00	6.38	6.38
Negotiable CDs												
44329ME33	53	HSBC	248,000.00	1.300	05/07/2025	05/07/2020	1.282	1.300	11/07 - 05/07		248,000.00	248,000.00
Negotiable CDs Totals			248,000.00				1.282	1.300		0.00	248,000.00	248,000.00
Investment Totals			72,091,586.08				1.292	1.310		0.00	72,091,586.08	72,091,586.08

CITY OF MONTEBELLO
Portfolio Management
Investment Status Report - Cash
March 31, 2025

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase Date	YTM 360	YTM 365	Payment Dates	Accrued Interest At Purchase	Current Principal	Book Value
Checking Accounts												
100	100	BOFW	3,715,450.38			08/31/2019	0.000	0.000	07/31 - Monthly		3,715,450.38	3,715,450.38
Cash Totals			3,715,450.38							0.00	3,715,450.38	3,715,450.38
Total Cash and Investments			75,807,036.46				1.292	1.310		0.00	75,807,036.46	75,807,036.46

CITY OF MONTEBELLO
Portfolio Management
Portfolio Details - Pending Redemptions
March 31, 2025

Page 1

Security #	Investment #	Issuer	Purchase Settlement Date	Mat/Sale Settlement Date	Par Value
Certificates of Deposit - CU					
52A	52A	F&A FEDERAL CREDIT UNION	04/27/2021	04/27/2022	280,566.49
51	51	ST. VINCENT'S MEDICAL FCU	04/02/2020	04/02/2021	249,000.00
Subtotal					529,566.49
Negotiable CDs					
05580ASV7	40	BMW BANK NORTH AMERICA	10/11/2019	10/11/2023	247,000.00
29278TLF5	34	ENERBANK USA	10/09/2019	09/13/2023	249,000.00
58404DFM8	36	MEDALLION BANK	10/10/2019	10/12/2021	249,000.00
59013KDM5	47	MERRICK BANK	10/18/2019	10/18/2024	249,000.00
61760AX53	31	MORGAN STANLEY PRIVATE BANK	10/09/2019	09/05/2024	247,000.00
749622AP1	43	RIA FEDERAL CREDIT UNION	10/11/2019	10/11/2023	249,000.00
7954504D4	33	SALLIE MAE BANK	10/09/2019	09/18/2024	247,000.00
Subtotal					1,737,000.00
Total Pending Redemptions					2,266,566.49

CITY OF MONTEBELLO
Portfolio Management
Activity By Type
March 1, 2025 through March 31, 2025

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
Local Agency Investment Funds (Monthly Summary)								
		Subtotal	71,843,579.70					71,843,579.70
Savings Accounts (Monthly Summary)								
		Subtotal	6.38					6.38
Checking Accounts (Monthly Summary)								
100	100	BANK OF THE WEST				0.00	2,384,634.78	
		Subtotal	6,100,085.16			0.00	2,384,634.78	3,715,450.38
Negotiable CDs								
		Subtotal	248,000.00					248,000.00
		Total	78,191,671.24			0.00	2,384,634.78	75,807,036.46

CITY OF MONTEBELLO
Portfolio Management
Activity Summary
March 2024 through March 2025

Month End	Year	Number of Securities	Total Invested	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
March	2024	8	75,991,006.38	1.298	1.316	1.310	0	0	25	4
April	2024	8	75,991,006.38	1.298	1.316	1.310	0	0	25	4
May	2024	8	75,991,006.38	1.298	1.316	1.310	0	0	25	3
June	2024	8	75,991,006.38	1.298	1.316	1.310	0	0	25	3
July	2024	8	75,991,006.38	1.298	1.316	1.310	0	0	25	2
August	2024	8	73,491,006.38	1.298	1.316	1.310	0	0	25	2
September	2024	8	69,997,006.38	1.294	1.312	1.310	0	0	14	2
October	2024	6	61,121,878.63	1.292	1.310	1.310	0	0	8	2
November	2024	5	51,621,878.63	1.292	1.310	1.310	0	0	10	2
December	2024	5	66,621,878.63	1.292	1.310	1.310	0	0	8	1
January	2025	5	72,091,586.08	1.292	1.310	1.310	0	0	7	1
February	2025	5	72,091,586.08	1.292	1.310	1.310	0	0	7	1
March	2025	5	72,091,586.08	1.292	1.310	1.310	0	0	7	1
Average		7	70,698,726.06	1.295%	1.313%	1.310	0	0	16	2

CITY OF MONTEBELLO
Portfolio Management
Distribution of Investments By Type
March 2024 through March 2025

Security Type	March 2024	April 2024	May 2024	June 2024	July 2024	August 2024	September 2024	October 2024	November 2024	December 2024	January 2025	February 2025	March 2025	Average by Period
Certificates of Deposit - Bank														
Certificates of Deposit - CU														
Local Agency Investment Funds	98.7	98.7	98.7	98.7	98.7	98.7	99.3	99.6	99.5	99.6	99.7	99.7	99.7	99.2%
Money Market Funds														
Commercial Paper Disc. -At Cost														
Federal Agency Issues Disc.-At Cost														
Treasury Discounts -At Cost														
Miscellaneous Discounts -At Cost														
Savings Accounts														
Checking Accounts														
Negotiable CDs	1.3	1.3	1.3	1.3	1.3	1.4	0.7	0.4	0.5	0.4	0.3	0.3	0.3	0.8%

CITY OF MONTEBELLO
Portfolio Management
Interest Earnings Summary
March 31, 2025

Page 1

	March 31Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	6,125.60	25,887.01
Less Accrued Interest at Beginning of Period	(5,856.93)	(20,191.84)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	268.67	5,695.17
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	268.67	5,695.17
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	1,452,137.03	1,452,137.03
Less Accrued Interest at Beginning of Period	(1,372,203.67)	(786,945.66)
Interest Earned during Period	79,933.36	665,191.37
Total Interest Earned during Period	80,202.03	670,886.54
Total Capital Gains or Losses	0.00	0.00
Total Earnings during Period	80,202.03	670,886.54

SUCCESSOR AGENCIES MTB
Portfolio Management
Portfolio Summary
March 31, 2025

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Local Agency Investment Funds	3,198,002.21	3,198,002.21	3,198,002.21	100.00	1	1	0.334	0.339
	3,198,002.21	3,198,002.21	3,198,002.21	100.00%	1	1	0.334	0.339
Investments								
Cash								
Passbook/Checking (not included in yield calculations)	1,438,613.68	1,438,613.68	1,438,613.68		1	1	0.000	0.000
Total Cash and Investments	4,636,615.89	4,636,615.89	4,636,615.89		1	1	0.334	0.339

Total Earnings	March 31	Month Ending	Fiscal Year To Date
Current Year		920.76	8,020.21
Average Daily Balance		4,638,159.98	4,763,412.60
Effective Rate of Return		0.23%	0.22%

..

SUCCESSOR AGENCIES MTB
Portfolio Management
Portfolio Details - Investments
March 31, 2025

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Local Agency Investment Funds												
SYS100	100	STATE OF CALIFORNIA		07/01/2019	3,198,002.21	3,198,002.21	3,198,002.21	0.339		0.339	1	
Subtotal and Average			3,198,002.21		3,198,002.21	3,198,002.21	3,198,002.21			0.339	1	
Total and Average			4,638,159.98		3,198,002.21	3,198,002.21	3,198,002.21			0.339	1	

SUCCESSOR AGENCIES MTB
Portfolio Management
Portfolio Details - Cash
March 31, 2025

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
Checking Accounts											
200	200	BANK OF THE WEST		08/31/2019	1,438,613.68	1,438,613.68	1,438,613.68			0.000	1
		Average Balance	0.00								1
Total Cash and Investments			4,638,159.98		4,636,615.89	4,636,615.89	4,636,615.89			0.339	1

SUCCESSOR AGENCIES MTB
Portfolio Management
Portfolio Details with Earnings - Investments
March 31, 2025

Page 1

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Current Rate	Days To Maturity	YTM	Accrued Interest	Unrealized Gain/Loss	Maturity Date
Local Agency Investment Funds													
SYS100	100	LAIF		07/01/2019	3,198,002.21	3,198,002.21	3,198,002.21	0.339	1	0.339	46,448.58	0.00	
Subtotal and Average			3,198,002.21		3,198,002.21	3,198,002.21	3,198,002.21	0.339	1	0.339	46,448.58	0.00	
Total and Average			4,638,159.98		3,198,002.21	3,198,002.21	3,198,002.21	0.339	1	0.339	46,448.58	0.00	

SUCCESSOR AGENCIES MTB
Portfolio Management
Portfolio Details with Earnings - Cash
March 31, 2025

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Current Rate	Days To Maturity	YTM	Accrued Interest	Unrealized Gain/Loss
Checking Accounts												
200	200	BOFW		08/31/2019	1,438,613.68	1,438,613.68	1,438,613.68	0.000	1	0.000	0.00	0.00
Average Balance			0.00									
Total Cash and Investments			4,638,159.98		4,636,615.89	4,636,615.89	4,636,615.89	0.234	1	0.234	46,448.58	0.00

SUCCESSOR AGENCIES MTB
Portfolio Management
Investment Status Report - Investments
March 31, 2025

Page 1

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase Date	YTM 360	YTM 365	Payment Dates	Accrued Interest At Purchase	Current Principal	Book Value
Local Agency Investment Funds												
SYS100	100	LAIF	3,198,002.21	0.339		07/01/2019	0.334	0.339	07/15 - Quarterly		3,198,002.21	3,198,002.21
Local Agency Investment Funds Totals			3,198,002.21				0.334	0.339		0.00	3,198,002.21	3,198,002.21
Investment Totals			3,198,002.21				0.334	0.339		0.00	3,198,002.21	3,198,002.21

SUCCESSOR AGENCIES MTB
Portfolio Management
Investment Status Report - Cash
March 31, 2025

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase Date	YTM 360	YTM 365	Payment Dates	Accrued Interest At Purchase	Current Principal	Book Value
Checking Accounts												
200	200	BOFW	1,438,613.68			08/31/2019	0.000	0.000	09/30 - Monthly		1,438,613.68	1,438,613.68
Cash Totals			1,438,613.68							0.00	1,438,613.68	1,438,613.68
Total Cash and Investments			4,636,615.89				0.334	0.339		0.00	4,636,615.89	4,636,615.89

SUCCESSOR AGENCIES MTB
Portfolio Management
Activity By Type
March 1, 2025 through March 31, 2025

Page 1

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
Local Agency Investment Funds (Monthly Summary)								
		Subtotal	3,198,002.21					3,198,002.21
Checking Accounts (Monthly Summary)								
200	200	BANK OF THE WEST				0.00	1,595.56	
		Subtotal	1,440,209.24			0.00	1,595.56	1,438,613.68
		Total	4,638,211.45			0.00	1,595.56	4,636,615.89

SUCCESSOR AGENCIES MTB
Portfolio Management
Activity Summary
March 2024 through March 2025

Month End	Year	Number of Securities	Total Invested	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
March	2024	2	14,642,394.54	0.334	0.339	0.339	0	0	1	1
April	2024	2	3,057,844.89	0.334	0.339	0.339	0	0	1	1
May	2024	2	3,057,844.89	0.334	0.339	0.339	0	0	1	1
June	2024	2	3,057,844.89	0.334	0.339	0.339	0	0	1	1
July	2024	2	3,124,242.88	0.334	0.339	0.339	0	0	1	1
August	2024	2	3,124,242.88	0.334	0.339	0.339	0	0	1	1
September	2024	2	3,124,242.88	0.334	0.339	0.339	0	0	1	1
October	2024	2	3,161,236.07	0.334	0.339	0.339	0	0	1	1
November	2024	2	3,161,236.07	0.334	0.339	0.339	0	0	1	1
December	2024	2	3,161,236.07	0.334	0.339	0.339	0	0	1	1
January	2025	2	3,198,002.21	0.334	0.339	0.339	0	0	1	1
February	2025	2	3,198,002.21	0.334	0.339	0.339	0	0	1	1
March	2025	2	3,198,002.21	0.334	0.339	0.339	0	0	1	1
Average		2	4,020,490.21	0.334%	0.339%	0.339	0	0	1	1

SUCCESSOR AGENCIES MTB
Portfolio Management
Distribution of Investments By Type
March 2024 through March 2025

Security Type	March 2024	April 2024	May 2024	June 2024	July 2024	August 2024	September 2024	October 2024	November 2024	December 2024	January 2025	February 2025	March 2025	Average by Period
Certificates of Deposit - Bank														
Certificates of Deposit - CU														
Local Agency Investment Funds	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0%
Money Market Funds														
Federal Agency Issues Disc.-At Cost														
Treasury Discounts -At Cost														
Savings Accounts														
Checking Accounts														



ITEM # 25

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: John Soria, Director

**SUBJECT: APPROVE AMENDMENT NO. 1 TO AGREEMENT NO. 4040 WITH
UNIVERSAL PROTECTION SERVICES, LP TO PROVIDE UNARMED
TRANSIT SECURITY GUARD SERVICES**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Approve Amendment No. 1 to Agreement No. 4040 with Universal Protection Service, LP dba Allied Universal Security Services, for an additional two-year (2-year) term through June 30, 2027, increasing the not-to-exceed amount by nine hundred twenty-four thousand, three hundred sixty-four dollars (\$924,364) to provide Unarmed Transit Security Guard Services; and
2. Authorize the City Manager and/or his designee to execute Amendment No. 1 on behalf of the City of Montebello; and
3. Take such additional, related, action that may be desirable

FISCAL IMPACT:

The total cost for two years of unarmed transit security services is \$924,364. This amount will be distributed across two fiscal years as follows: Fiscal Year 2025-26 – \$453,307 and FY 2026-27 – \$471,057. Funding for this amendment will be included in the Transportation Department's proposed operating budget for both FY 2025-26 and FY 2026-27, Account No. 600-90-910-6040.10 (Contract Services – Other Professional Services).

BACKGROUND/DISCUSSION:

On June 23, 2022, the City issued a Request for Proposals (RFP) No. 22-7 seeking

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 2 of 3

qualified vendors to provide unarmed, fixed post and mobile security guard services for Montebello Bus Lines (MBL). The intent of the RFP was to enhance safety and security for transit riders, staff, and property, while ensuring a professional and visible security presence across key locations in the transit system. Seven proposals were received from experienced vendors across the region. A five-member Evaluation Committee, composed of staff from the Police and Transportation Departments, evaluated the proposals based on a weighted criteria matrix, which included project management, team qualifications, experience, technical approach, and cost.

On November 16, 2022, the City Council awarded Agreement No. 4040 to Allied Universal for a three-year (3-year) term with the option for renewal of up to two (2) additional one-year (1-year) terms (Attachment A). Under the terms of the agreement, Allied Universal is responsible for providing routine security patrols, site inspections, and the prompt reporting of any safety or security concerns identified within MBLs public transit system. The objective of this agreement was to enhance the safety and security of fixed transit routes, transit facility and bus stop assets, and provide peace of mind to both City staff and the public. The agreement is currently set to expire on November 16, 2025. However, the payment schedule was not aligned with the original compensation term and is currently set to end on June 30, 2025.

Given the City's satisfaction with the quality of services provided by Allied Universal, staff recommend continuing the partnership through a full two-year extension option outlined in the original agreement. Furthermore, to ensure consistency and maintain a streamlined administrative process, staff recommend that the City Council consider approving Amendment No.1 to formally extend the contract term and align the payment schedule accordingly through June 30, 2027 (Attachment B). This amendment will help avoid any discrepancies between the contract duration and the payment timeline.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

Staff recommend that the City Council consider approving Amendment No. 1 to Agreement No. 4040 with Allied Universal, extending the agreement for an additional 2-year term through June 30, 2027, increasing the total not-to-exceed amount by \$924,364 for the period through June 30, 2027, to continue providing unarmed Transit Security Guard Services for MBL; authorize the City Manager and/or his designee to execute Amendment No. 1 on the City's behalf; and take such additional, related, action that may be desirable.

ATTACHMENT(S)

1. Attachment A – Agreement No. 4040 with Allied Universal
2. Attachment B – Proposed Amendment No. 1 to Agreement No. 4040

**CITY OF MONTEBELLO
PROFESSIONAL SERVICES AGREEMENT NO. 4040
WITH UNIVERSAL PROTECTION SERVICE, LP dba ALLIED UNIVERSAL
SECURITY SERVICES**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into on **November 16, 2022** ("Effective Date"), by and between the CITY OF MONTEBELLO, a California municipal corporation (the "CITY") and UNIVERSAL PROTECTION SERVICE, LP dba ALLIED UNIVERSAL SECURITY SERVICES (the "CONTRACTOR"). The CITY and the CONTRACTOR are sometimes referred to herein individual as the "Party," and jointly as the "Parties."

RECITALS

WHEREAS, the CITY desires to retain a qualified professional CONTRACTOR to provide unarmed, fixed post and mobile security guard services for the City's transit system; and

WHEREAS, the CONTRACTOR represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees; and

WHEREAS, the CONTRACTOR represents the degree of specialized expertise contemplated within California Government Code, Section 37103, and is qualified to perform such services by virtue of its experience and the training, education, and expertise of its principals and employees; and

WHEREAS, no official or employee of the CITY has a financial interest, within the provisions of Sections 1090 – 1092 of the California Government Code, in the subject matter of this Agreement; and

WHEREAS, CONTRACTOR responded to CITY's Request for Proposal dated June 23, 2022 ("RFP No. 22-7"), as such is set forth fully in **Exhibit "A"** hereto and incorporated fully herein by this reference (hereinafter "Contractor Proposal").

NOW THEREFORE, in consideration of performance by the Parties of the covenants and conditions herein contained, the Parties hereto agree as follows:

SECTION 1. INCORPORATION OF RECITALS AND OTHER CONTRACT DOCUMENTS

A. The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference. Moreover, this Agreement consists of the following documents, in order of precedence, all of which are incorporated herein and made part of this Agreement, as though fully set forth herein:

- a. This Agreement comprised of Sections 1 through 25.
- b. RFP No. 22-7, attached hereto as **Exhibit "A,"** exclusive of Exhibit A of such RFP "Indemnification and Hold Harmless Agreement and Waiver of Subrogation and Contribution," and Exhibit C of such RFP "Insurance." Exhibits A and C of RFP 22-7 are hereby superseded in their entirety by Sections 14 and 15 of this Agreement are of no further force and effect.

PROFESSIONAL SERVICES AGREEMENT NO. 4040

Page 2 of 13

- c. CONTRACTOR'S Proposal and "Best and Final Offer" to RFP No. 22-7 dated October 14, 2022, attached hereto as **Exhibit "B"**.
- d. All other documents, including but not limited to all applicable bonds, insurance certificates, permits, notices, schedules, forms, certifications, and affidavits.

B. These documents shall be collectively referred to herein as the "Contract Documents." In the event of a conflict among the Contract Documents, the order of precedence, from first to last, is as follows: (a) the document identified in Section 1.A.a; (b) the documents identified in Section 1.A.c; (c) the document identified in Section 1.A.b; and (d) the documents identified in Section 1.A.d.

SECTION 2. SERVICES / COMPENSATION.

A. The CONTRACTOR shall provide to the CITY those services that are set forth fully in RFP No. 22-7 and Contractor's Proposal, attached hereto as **Exhibit "A and B"** and incorporated fully herein by this reference (hereinafter "Professional Services").

B. The CONTRACTOR shall complete the Scope of Services in a timely manner, and in accordance with an agreed-upon work schedule to be determined by the Parties.

C. CONTRACTOR shall be compensated at a sum not-to-exceed **Two Million, Seven Hundred and Nine Thousand, Two Hundred and Thirty-Nine Dollars (\$2,709,239)** (the "Maximum Compensation") for the performance of the Scope of Services as set forth in **Exhibit "B"**. CONTRACTOR shall provide an itemized billing statement to CITY for the Scope of Services performed. The CONTRACTOR shall not incur fees or costs which exceed the Maximum Compensation without the prior written consent of the CITY.

D. The CITY will be invoiced upon completion of the Scope of Services set forth herein. Payment in full of an invoice must be received by the CONTRACTOR within thirty (30) days of the date of such invoice.

E. Work performed shall be deemed approved and accepted by the CITY as and when invoiced unless the CITY objects within fifteen (15) days of invoice date by written notice specifically stating the details in which the CITY believes such work is incomplete or defective, and the invoice amount(s) in dispute. The CITY shall pay undisputed amounts as provided for in the preceding paragraph.

SECTION 3. TERM.

This Agreement shall commence on **November 16, 2022**, and shall be valid for three (3) years from the Effective Date, with two (2), one-year options, unless terminated earlier as hereinafter provided. Each of the two (2), one-year options is contingent on mutual agreement of the Parties regarding the hourly billing rates for such option year and shall only be effective upon a duly executed amendment presented to the City's City Council for approval.

PROFESSIONAL SERVICES AGREEMENT NO. 4040

Page 3 of 13

SECTION 4. PERFORMANCE.

a. The CONTRACTOR shall at all times, faithfully, competently, and to the best of its ability, experience, and talent, perform all tasks described herein.

b. The CONTRACTOR shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of CONTRACTOR hereunder, in meeting its obligations under this Agreement.

c. The CONTRACTOR shall be knowledgeable of and subject to all CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.

d. The CONTRACTOR shall have the right to retain, subject to the CITY's approval, additional individuals, contractors or subcontractors to assist in the completion of services as herein defined. Compensation for additional individuals, contractors or subcontractors shall be the sole and exclusive responsibility of the CONTRACTOR.

e. The CONTRACTOR shall retain all original reports, field and office notes, correspondence, calculations, maps, and other documents specifically related to the services provided by the CONTRACTOR pursuant to this Agreement, other than documents which are exempt from disclosure pursuant to the attorney-client privilege or any other law. Said documents shall be made available for inspection by the CITY upon request.

SECTION 5. WORK PRODUCT.

a. The CONTRACTOR hereby agrees that all non-proprietary work product produced pursuant to this Agreement, and provided to the CITY during and upon completion of this Agreement, shall be the property of the CITY, and ownership of said work product shall be retained by the CITY. The CONTRACTOR may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by the CONTRACTOR.

b. All data, documents, discussion, or other information developed or received by the CONTRACTOR or provided for performance of this Agreement are deemed confidential and shall not be disclosed by the CONTRACTOR without prior written consent by the CITY. The CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to the CITY upon the termination or expiration of this Agreement. The CONTRACTOR agrees that the covenants contained in this Section shall survive the expiration or termination of this Agreement.

SECTION 6. EXTRA SERVICES.

No extra services over and above the Compensation shall be rendered by the CONTRACTOR under this Agreement unless such extra services first shall have been duly authorized in writing by the CITY's City Manager (the "City Manager").

PROFESSIONAL SERVICES AGREEMENT NO. 4040

Page 4 of 13

SECTION 7. CITY SUPERVISION.

The City Manager shall have the right of general supervision of all work performed by the CONTRACTOR and shall be the CITY's agent with respect to obtaining the CONTRACTOR's compliance hereunder.

SECTION 8. TERMINATION.

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

a. Termination for Cause. In the event that any of the provisions of the Agreement are violated by either party, the non-defaulting Party may terminate the Agreement by serving written notice upon the other Party, listing the violation(s) and its intent to terminate such Agreement unless within ten (10) days after the serving of such notice, such violation shall cease or be rectified, the contract shall upon the expiration of an additional thirty (30) days cease and terminate. Violations by the CONTRACTOR which cannot be corrected within ten (10) days, said contract shall at the option of the CITY cease and terminate upon the giving of like notice. In the event of any such termination for default by the CONTRACTOR, the CITY may take over the work and prosecute the same to completion by contract or otherwise for the account and at the expense of the CONTRACTOR. The CONTRACTOR and his sureties shall be liable to the CITY for any excess cost occasioned in the event of any such termination. This change shall not be construed to prevent the termination, for other causes authorized by law or other provisions of this contract. In the event of a termination for cause, the CONTRACTOR shall only be entitled to the Compensation for those Professional Services satisfactory performed on or before the effective date of termination.

b. Termination for Convenience. The CITY shall have the option, at its sole discretion and without cause, to terminate this Agreement in whole, or in part, by giving ten (10) business days' written notice to the CONTRACTOR. Upon the termination of this Agreement as provided herein, the CITY shall provide to the CONTRACTOR the part of Compensation which would otherwise be payable to the CONTRACTOR for services the CONTRACTOR had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation. Further, upon such a termination for convenience by the CITY, the Parties agree that the CONTRACTOR shall be reimbursed for any "non-refundable" costs that the CONTRACTOR has incurred for its services under this Agreement, provided that: (1) such "non-refundable" costs were incurred by the CONTRACTOR prior to the date of termination, and (2) that the CONTRACTOR provides the CITY with adequate proof that the CONTRACTOR incurred the costs, and is unable to seek a refund for such costs. Such "non-refundable" costs may include, but are not limited to, travel reservations incurred by the CONTRACTOR for its performance of services under this Agreement. The CONTRACTOR agrees to cease all work under this Agreement on or before the effective date of any notice of termination.

SECTION 9. EMPLOYMENT OF CITY EMPLOYEES.

No regular employee of the CITY shall be employed by the CONTRACTOR during the term of this Agreement.

PROFESSIONAL SERVICES AGREEMENT NO. 4040

Page 5 of 13

SECTION 10. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No official or employee of the CITY shall be personally liable to the CONTRACTOR in the event of any default or breach by the CITY, or for any amount which may become due to the CONTRACTOR.

SECTION 11. INDEPENDENT CONTRACTOR.

a. The CONTRACTOR is and shall, at all times, remain as to the CITY a wholly independent contractor. Neither the CITY nor any of its elected officials, officers, employees, or agents shall have control over the conduct of the CONTRACTOR except as expressly set forth in this Agreement. The CONTRACTOR shall not at any time or in any manner represent that he or she is in any manner an elected official, officer, employee, or agent of the CITY. No employee benefits shall be available to the CONTRACTOR in connection with the performance of this Agreement. Except as provided in this Agreement, the CITY shall not pay salary, wages, or other compensation to the CONTRACTOR for performance hereunder for the CITY, the CITY shall not be liable for compensation to the CONTRACTOR, the CONTRACTOR's employees or the CONTRACTOR's subcontractors for injury or sickness arising out of performing services hereunder.

b. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

c. The CITY shall not deduct from the Compensation paid to the CONTRACTOR any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to the CONTRACTOR. The CITY shall have no responsibility to provide the CONTRACTOR, its employees or subcontractors with workers' compensation insurance or any other insurance.

SECTION 12. CalPERS ANNUITANTS AND ELIGIBILITY INDEMNITY.

a. If the CONTRACTOR is a California Public Employees' Retirement System ("CalPERS") annuitant, the CONTRACTOR must provide the City with written notification of such fact a minimum of 14 calendar days prior to commencement of services under this Agreement. Failure to provide such notification may result in termination of the Agreement, and any penalties or other costs relating thereto shall be borne by the CONTRACTOR. If this Agreement remains in place, the CONTRACTOR shall execute any amendment(s) to this Agreement requested by the City in order to comply with all laws and regulations applicable to CalPERS annuitants.

b. In the event that the CONTRACTOR or any employee, agent, or subcontractor of the CONTRACTOR 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 the CITY, the CONTRACTOR shall indemnify, defend, and hold harmless the CITY for the payment of any employee and/or employer contributions for CalPERS benefits on

PROFESSIONAL SERVICES AGREEMENT NO. 4040

Page 6 of 13

behalf of the CONTRACTOR or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of the CITY.

c. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, the CONTRACTOR and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by the CITY, including but not limited to eligibility to enroll in PERS as an employee of the CITY and entitlement to any contribution to be paid by the CITY for employer contribution and/or employee contributions for PERS benefits.

SECTION 13. LEGAL RESPONSIBILITIES.

The CONTRACTOR shall at all times observe and comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local governments including, but not limited to the Montebello Municipal Code. The CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of the CONTRACTOR to comply with this section.

SECTION 14. INDEMNIFICATION.

The CONTRACTOR agrees to, and shall defend, indemnify, protect and hold harmless, the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property to the extent caused by the CONTRACTOR's negligent or wrongful act, or omission under the terms of this Agreement.

SECTION 15. INSURANCE COVERAGE.

a. During the term of this Agreement, the CONTRACTOR shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with CONTRACTOR's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

- **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury, and advertising injury, with limits no less than \$5,000,000 per occurrence, \$10,000,000 aggregate.

- **Business Automobile Liability Insurance:** If applicable, Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if the CONTRACTOR has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$5,000,000 per accident for bodily injury and property damage.

PROFESSIONAL SERVICES AGREEMENT NO. 4040

Page 7 of 13

- **Worker's Compensation** insurance as required by the laws of the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

- **Professional Liability** insurance appropriate to the CONTRACTOR'S profession, with limit no less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate. Such coverage may be combined with the Commercial General Liability limits.

b. The CONTRACTOR shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

c. The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a current rating of at least A:VII in the latest edition of Best's Insurance Guide.

d. Each insurance policy required above shall state that coverage shall not be canceled, except after thirty (30) days' prior written notice (ten [10] days for non-payment) has been given to the CITY. The CONTRACTOR agrees that if it does not keep the aforesaid insurance in full force and effect the CITY may either (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at the CONTRACTOR's expense, the premium thereon.

e. **Evidence of Insurance prior to commencement.** The Contractor shall provide to the CITY Certificate(s) of Insurance evidencing such coverage together with copies of the required policy endorsements no later than five (5) business days prior to commencement of service and upon renewal of any policy. Unreasonable failure to provide such evidence may be cause for termination of the Agreement as provided herein or delay the services' commencement date. The evidence of insurance shall be U.S. mail or email to:

City of Montebello
Attn: Risk Manager
1600 West Beverly Boulevard
Montebello, CA 90640
Email: gskibar@cityofmontebell.com

f. Coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits, non-renewed, or materially changed for any reason, without thirty (30) days prior written notice thereof given by the insurer to the CITY by U.S. mail, or by personal delivery, except for nonpayment of premiums, in which case ten (10) days prior notice shall be provided.

g. **Evidence of Insurance during the entire term of the Agreement.** At all times during the term of this Agreement, the CONTRACTOR shall maintain on file with the CITY's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming the CITY as an additional insured. The CONTRACTOR shall, prior to commencement of work under this Agreement, file with the CITY's Risk Manager such certificate(s).

h. The CONTRACTOR shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or

PROFESSIONAL SERVICES AGREEMENT NO. 4040

Page 8 of 13

replaced with other policies providing at least the same coverage. Such proof will be furnished at least two (2) weeks prior to the expiration of the coverages.

i. The CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers shall be included as additional insureds, to the extent of CONTRACTOR'S indemnification obligations under this Agreement and up to the required insurance coverage amount, on the CONTRACTOR's general liability and automobile policies of insurance

j. The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement including the CITY, its officers, employees, agents and volunteers as additional insureds where required by written contract. Coverage may be provided by a blanket endorsement that covers additional insureds where required by written contract. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to the CITY. The CONTRACTOR agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

k. The insurance provided by the CONTRACTOR shall be primary to any coverage available to the CITY. Any insurance or self-insurance maintained by the CITY, its officers, employees, agents, or volunteers, shall be in excess of CONTRACTOR's insurance and shall not contribute with it.

l. All insurance coverage provided pursuant to this Agreement shall not prohibit the CONTRACTOR, and CONTRACTOR's employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. The CONTRACTOR hereby waives all rights of subrogation against the CITY.

m. Any deductibles or self-insured retentions must be declared to and approved by the CITY. Approval of self-insured retentions and deductibles shall not be unreasonably withheld upon CONTRACTOR's demonstration of financial capacity to carry said deductibles and self-insured retentions. At the option of the CITY, the CONTRACTOR shall procure a financial guarantee of CONTRACTOR's parent company guaranteeing payment of losses and related claims investigation, administration and defense expenses that fall within the policy self-insured retentions and deductibles.

n. Procurement of insurance by the CONTRACTOR shall not be construed as a limitation of the CONTRACTOR'S liability or as full performance of CONTRACTOR's duties to indemnify, hold harmless and defend under the indemnity covenants of this Agreement.

SECTION 16. SUBCONTRACT, ASSIGNMENT OR DELEGATION.

The CONTRACTOR shall not subcontract, delegate, or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of the CITY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed sub-contractor, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

PROFESSIONAL SERVICES AGREEMENT NO. 4040

Page 9 of 13

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

SECTION 17. NO WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition, or covenant hereof.

SECTION 18. DISPUTE RESOLUTION; GOVERNING LAW.

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, expert fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded. The venue for any litigation shall be County of Los Angeles, California. The Parties agree that the covenants contained in this Section shall survive the expiration or termination of this Agreement.

SECTION 19. ATTORNEY'S FEES AND COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled.

SECTION 20. WARRANTIES.

Each of the parties represents and warrants to one another as follows:

- a. It has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement;
- b. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of any matter whatsoever; and
- c. It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

PROFESSIONAL SERVICES AGREEMENT NO. 4040

Page 10 of 13

SECTION 21. MISCELLANEOUS.

a. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction of interpretation of any of its provisions.

b. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.

c. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.

d. The representations and warranties made by the parties to this Agreement shall survive the consummation of the transaction herein described.

e. This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.

f. Each of the parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party's failure to perform under this Agreement or any agreement referred to in this Agreement.

SECTION 22. NOTICE.

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered via e-mail (an "Electronic Notice" as further defined below), personally or on the second (2nd) business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

If to CITY: City of Montebello
Attn: René Bobadilla, City Manager
1600 West Beverly Boulevard
Montebello, CA 90640
(323) 887-1200

PROFESSIONAL SERVICES AGREEMENT NO. 4040

Page 11 of 13

With a copy to: City of Montebello – Montebello Bus Lines
Attn: Adrianna Kendricks, Director of Transportation
400 South Taylor Avenue
Montebello, CA 90640
(323) 558 -1625 x 201
akendricks@cityofmontebello.com

If to Contractor: Universal Protection Service, LP dba Allied Universal
Security Services
Attn: Steve Claton, President
450 Exchange
Irvine, CA 92602
(714) 360 - 5077
steve.claton@aus.com

An electronic communication ("**Electronic Notice**") shall be deemed written notice for purposes of this section if sent to the electronic mail address specified above. Electronic Notice shall be deemed received at the time the party sending Electronic Notice receives verification of receipt by the receiving party. Any party receiving Electronic Notice may request and shall be entitled to receive the notice on paper, in a nonelectronic form.

SECTION 23. NON-DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER.

In the performance of this Agreement, the CONTRACTOR shall not discriminate against any employee, sub-contractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. The CONTRACTOR will take affirmative action to ensure that sub-contractor and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

SECTION 24. CONFLICT OF INTEREST.

The CONTRACTOR covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by the CONTRACTOR under this Agreement, or which would conflict in any manner with the performance of its services hereunder. The CONTRACTOR further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, the CONTRACTOR shall avoid the appearance of having any interest that would conflict in any manner with the performance of its services pursuant to this Agreement.

The CONTRACTOR covenants not to give or receive any compensation, monetary or otherwise, to or from the ultimate vendor(s) of services to the CITY as a result of the performance of this Agreement, or the services that may be procured by the CITY as a result of the recommendations made by the CONTRACTOR. The CONTRACTOR's covenant under this section shall survive the termination of this Agreement.

PROFESSIONAL SERVICES AGREEMENT NO. 4040

Page 12 of 13

SECTION 25. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between the CITY and the CONTRACTOR. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by each party. If any term, condition, or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

[SIGNATURE PAGE TO FOLLOW]

PROFESSIONAL SERVICES AGREEMENT NO. 4040

Page 13 of 13

IN WITNESS WHEREOF, the parties, through their respective authorized representatives, have executed this Agreement as of the date first written above.

("CITY")

CITY OF MONTEBELLO

("CONTRACTOR")

**UNIVERSAL PROTECTION
SERVICE, LP dba ALLIED
UNIVERSAL SECURITY
SERVICES**

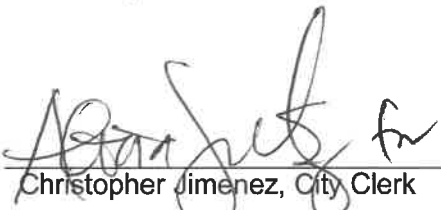


René Bobadilla, City Manager
for Assistant City Manager
Date: 1/25/23



Steve Claton, President
Date: 1/26/23

ATTEST:



Christopher Jiménez, City Clerk

APPROVED AS TO FORM:



Arnold M. Alvarez-Glasman, City Attorney

EXHIBITS

- Exhibit A – RFP No. 22-7
- Exhibit B – Contractor's Proposal and "Best and Final Offer" to RFP No. 22-7 dated October 14, 2022

CITY OF MONTEBELLO

**AMENDMENT NO. 1
TO PROFESSIONAL SERVICES AGREEMENT NO. 4040
WITH UNIVERSAL PROTECTION SERVICE, LP dba ALLIED UNIVERSAL
SECURITY SERVICES**

This Amendment No. 1 to PROFESSIONAL SERVICES AGREEMENT No. 4040 (**"Amendment No. 1"**) is made and entered into as of the 14th day of May 2025 ("Effective Date"), by and between the CITY OF MONTEBELLO, a California municipal corporation (the "CITY") and UNIVERSAL PROTECTION SERVICE, LP dba ALLIED UNIVERSAL SECURITY SERVICES (the "CONTRACTOR"). The CITY and the CONTRACTOR are sometimes referred to herein individual as the "Party," and jointly as the "Parties."

RECITALS

WHEREAS, CITY and CONTRACTOR are Parties to that certain Agreement No. 4040 to provide unarmed, fixed post and mobile security guard services for the CITY's Transportation Department with an "Effective Date" of November 16, 2022 ("Agreement"), pursuant to which CITY contracted with CONTRACTOR to provide services as defined in the Agreement; and

WHEREAS, Section 25 ("Entire Agreement") of the Agreement allows for amendments to the Agreement by a writing executed by the Parties;

WHEREAS, the Parties each being mutually satisfied with the other's performance thereof, hereby desire to amend the Agreement to extend services for an additional two (2) year term on the conditions set forth in the Agreement and as provided herein; and

WHEREAS, due to the anticipation extension of the term, an amendment to the compensation schedule is required

NOW, THEREFORE, based upon the foregoing recitals, which the Parties agree are true and correct, and for good and adequate consideration the receipt and adequacy of which is acknowledged by the Parties, the Parties agree as follows:

AMENDMENT

SECTION 1: RECITALS. The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference.

SECTION 2: EXTENSION OF TERM. Through this **Amendment No. 1**, the Parties hereto agree to extend the term of Agreement from July 1, 2025, to June 30, 2027; unless such time is further extended in writing by a subsequent amendment and executed by both Parties.

SECTION 3: AMENDMENT TO COMPENSATION. Through this **Amendment No. 1**, the Parties hereto agree to amend the compensation for the purposes of incorporating costs associated with the extension of the Agreement for an additional one (2) year follows:

*“The agreed-upon compensation for the contract services contemplated in the Agreement and memorialized in **Amendment No. 1** shall not exceed the to not exceed amount of **Three million, six hundred thirty-three thousand, six hundred two dollars (\$3,633,602)**. Such sum shall include all amounts payable to CONTRACTOR for its subcontracts, leases, materials, and cost arising from, or due to termination of the Agreement. CITY shall pay CONTRACTOR upon thirty (30) days of receipt of invoice and full acceptance of product and services by the CITY. Said compensation of the **Amendment No. 1** shall cover all expenses, losses, damages, and consequences arising out of the nature of work during its progress or prior to its acceptance including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid Agreement; and also include those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risk of any description connected with the work.”*

SECTION 4: INCORPORATION OF REMAINING TERMS. Other than as expressly modified in this **Amendment No. 1** with respect to the term of the Agreement, all remaining terms, conditions, and provisions of the Agreement, and the entirety thereof, shall remain in full force and effect, and is incorporated fully herein by this reference.

IN WITNESS WHEREOF, the Parties have executed this **Amendment No. 1** to Agreement No. 4040 to provide unarmed, fixed post and mobile security guard services for the CITY's Transportation Department as of the day and year first above written.

AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT NO. 4040

Page 3 of 3

(the "CITY")

(the "CONSULTANT")

CITY OF MONTEBELLO

UNIVERSAL PROTECTION SERVICE, LP

By: _____
Raul Alvarez, City Manager

By: _____
Steve Claton, President

ATTEST:

By: _____
Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

By: _____
Arnold M. Alvarez-Glasman,
City Attorney

ATTACHMENTS:

Exhibit "A" –Cost Proposal

ALLIED UNIVERSAL SECURITY BUDGET PROPOSAL/AMENDMENT

AUS Job #232374 - City of Montebello - Transit Officers

400 S. Taylor Ave.
Montebello, CA 90640

Applicable Period(s): 06/21/25 - 06/20/26 and 06/21/26 - 06/20/27

1. **REQUIREMENT:** Provide unarmed, uniformed professional Security Professionals who are capable of exercising good judgment, will be highly visible at all times, deter crime, and perform other duties as outlined by the client.

SHIFT	FRI	SAT	SUN	MON	TUE	WED	THUR
6:00 AM - 2:30 PM	2 Sec. Prof.	xxx	xxx	2 Sec. Prof.	2 Sec. Prof.	2 Sec. Prof.	2 Sec. Prof.
11:00 AM - 7:30 PM	2 Sec. Prof.	xxx	xxx	2 Sec. Prof.	2 Sec. Prof.	2 Sec. Prof.	2 Sec. Prof.
2:00 PM - 10:30 PM	2 Sec. Prof.	xxx	xxx	2 Sec. Prof.	2 Sec. Prof.	2 Sec. Prof.	2 Sec. Prof.
10:00 AM - 6:30 PM	xxx	1 Sec. Prof.	1 Sec. Prof.	xxx	xxx	xxx	xxx

2. LABOR BUDGET: Job #232374 - Transit Supervisors 06/21/25 - 06/20/26

STAFF POSITION	WEEKLY HOURS	BILL RATE	HOLIDAY& OT RATE	MONTHLY	ANNUALLY
Shift Supervisor	256	\$32.56	\$48.84	\$36,564.45	\$438,773.35
Sub Total (Labor)	256			\$36,564.45	\$438,773.35

WAGE RATE
\$22.00

3. Direct Bill Items	UNIT PRICE	QUANTITY	MONTHLY	ANNUALLY
HELIAUS Devices - Job #232508	\$ 199.00	4	\$796.00	\$9,552.00
Holiday	\$ 4,980.68	1	\$415.06	\$4,980.68
Total			\$1,211.06	\$14,532.68

4. Annualized Costs - 06/21/25-06/20/26	MONTHLY	ANNUALLY
Labor - All Jobs	\$36,564.45	\$438,773.35
Direct Bill Items	\$1,211.06	\$14,532.68
Total	\$37,775.50	\$453,306.03

5. LABOR BUDGET: Job #232374 - Transit Supervisors 06/21/26 -06/21/27

STAFF POSITION	WEEKLY HOURS	BILL RATE	HOLIDAY& OT RATE	MONTHLY	ANNUALLY
Shift Supervisor	256	\$33.86	\$50.79	\$38,027.02	\$456,324.28
Sub Total (Labor)	256			\$38,027.02	\$456,324.28

WAGE RATE
\$22.88

6. Direct Bill Items	UNIT PRICE	QUANTITY	MONTHLY	ANNUALLY
HELIAUS Devices - Job #232508	\$ 199.00	4	\$796.00	\$9,552.00
Holiday	\$ 5,179.90	1	\$431.66	\$5,179.90
Total			\$1,227.66	\$14,731.90

7. Annualized Costs - 06/21/26-06/20/27	MONTHLY	ANNUALLY
Labor - Job #232374	\$38,027.02	\$456,324.28
Direct Bill Items	\$1,227.66	\$14,731.90
Total	\$39,254.68	\$471,056.18

Notes:

- a) Extra coverage and specials are billed at an agreed upon hourly rate not to be less than the holiday/O.T. rate.
- b) Allied Universal may bill any costs incurred as a result of change in federal, state, or local legislation or taxes, including but not limited to FUTA, FUTA billbacks/penalties, sick or other mandated compensable time.
- c) All other terms in the existing agreement between client and provider remain applicable and in force.

5. HOLIDAYS: Allied Universal recognizes the following holidays. Security Professionals working on these days will be

New Years Day	President's Day	Memorial Day	Juneteenth
Independence Day	Labor Day	Thanksgiving Day	Christmas Day



Client Approval

Name: _____
 Signature: _____
 Title: _____
 Date: _____



ITEM # 26

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: John Soria, Director

SUBJECT: **REJECT ALL PROPOSALS RECEIVED IN RESPONSE TO REQUEST FOR PROPOSALS (RFP) NO. 25-03 FOR CITYWIDE VEHICLE BODY REPAIR AND PAINTING SERVICES**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council

1. Reject all proposals received in response to Request for Proposals (RFP) No. 25-03 for citywide vehicle body repair and painting services in accordance with the City of Montebello Municipal Code Section 3.20.080; and
2. Authorize staff to re-issue a Request for Proposals for similar services at a future date if so desired; and,
3. Take such additional, related, action that may be desirable.

FISCAL IMPACT:

There is no fiscal impact related to the recommended actions.

BACKGROUND/DISCUSSION:

On October 9, 2024, the City Council approved releasing RFP No. 25-03 (Attachment A). On December 5, 2024, the RFP closed with three (3) bids submitted. Each proposal was evaluated based on six (6) distinct categories, and one (1) "bonus points" category for local vendor participation.

During the evaluation process, staff identified a crucial need to expand the scope of work to include transit buses and ensure the efficiency of vital operational functions and the basic delivery of transportation services are not compromised. While the original intent

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 2 of 2

of the RFP was to secure a qualified vendor for all citywide vehicle body repair services, the City's fleet of transit buses were excluded without an established backstop plan to address this required service.

To ensure that the City's basic delivery of transit services are not compromised, staff recommend the City Council reject all bids received for RFP No. 25-03 in accordance with the City's Municipal Code, Section 3.20.080. The City will consider a new RFP process at a future date that incorporates these crucial services and aligns with the City's long-term goals. The recommended action authorizes staff, at a future date, to issue a RFP for similar services.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

Staff recommend that the City Council reject all proposals received in response to RFP No. 25-03; authorize staff to issue a new RFP for similar services at a future date if so desired; and take such additional, related, action that may be desirable.

ATTACHMENT(S)

1. Attachment A: RFP No. 25-03

City of Montebello



REQUEST FOR PROPOSALS (RFP) No. 25-03



VEHICLE BODY REPAIR AND PAINTING SERVICES

October 10, 2024

ONLINE PROPOSAL SUBMITTAL ONLY THROUGH PLANET BIDS

NOTE: Updates, changes or addendums to the RFP are posted at:
<https://pbsystem.planetbids.com/portal/33072/portal-home>

TABLE OF CONTENT

Section	Page(s)
INTRODUCTION	4
COVER LETTER	5
TIMETABLE & SCHEDULE OF EVENTS	6
PROPOSAL SUBMISSION CHECKLIST	7
SECTION 1 - INSTRUCTIONS TO PROPOSERS	8
Proposal Format and Submittal	
Examination of Proposal Documents	
SECTION 2 - GENERAL TERMS AND CONDITIONS	9-16
Addenda	
Clarifications	
Discrepancies and Misunderstandings	
Withdrawals of Proposal	
References	
Proposal Signatures	
Pre Contractual Expenses	
City of Montebello Rights	
State Credentials and Taxes	
Responsibility for Compliance with Legal Requirements	
Confidentiality and Public Record	
Joint Offers	
Company Personnel	
Single Proposal Response	
Protest Procedures	
Incorporation of Proposal into Agreement	
Time of Completion	
Payment	
Contract Documents	
Scope of Contract	
Performance of Work	
Award of Contract	
Point of Contact	
Evaluation of Proposals	
Proposal Evaluation Criteria	
SECTION 3 - OTHER REQUIREMENTS	17-18
Licensing and Permit Requirement	
Liquidation Damages	
Bond Requirements	
SECTION 4 - SCOPE OF WORK	19-22
SECTION 5 - QUALIFICATIONS	22

SECTION 6 - FORM OF CONTRACT**23-33****SECTION 7 - FORMS AND CERTIFICATIONS**

Letter of Transmittal

34

EXHIBITS

Exhibit A - Indemnification and Hold Harmless Agreement and
Waiver of Subrogation and Contribution

Exhibit B – References

Exhibit C – Insurance

Exhibit D – Cost Proposal Sheet

Exhibit E – Statement of Disadvantaged Business Enterprise Participation

Exhibit F – Bidder’s List of Subcontractor (DBE and Non- DBE)

Exhibit G – Certification Regarding Debarment, Suspension and Other Responsibility
Matters - Primary Covered Transactions

Exhibit H – Performance Guarantee Certification

Exhibit I – Performance Bond

Exhibit J – Irrevocable Standby Letter Of Credit Certificate

Exhibit K – Bank Draft

INTRODUCTION

The City of Montebello (City) is soliciting proposals from highly qualified vendors (vendors) to provide vehicle body repair and painting services for over 200 City-owned and operated vehicles on an as-needed basis. It is essential to maintain all operated vehicles and equipment in an effort to ensure the city provides reliable and efficient public services to the residents of Montebello and neighboring communities.

The city operates MBL to provide reliable and efficient public transportation services to the residents of Montebello and neighboring communities. As the third-largest municipal bus system in Los Angeles County, MBL proudly serves 2.6 million passengers a year throughout the communities of Alhambra, Bell Gardens, San Gabriel, Boyle Heights, Commerce, Downtown Los Angeles, East Los Angeles, La Mirada, Montebello, Monterey Park, Pico Rivera, Rosemead, South Gate, and Whittier.

The City's intent of this Request for Proposal (RFP) is to solicit a vendor to provide auto body repair and painting services for all City-owned vehicles on an as-needed basis. The Vendor must have a minimum of five (5) years of recent experience performing similar work/services. The city seeks to form a partnership with a vendor committed to delivering exceptional results while adhering to safety and environmental standards. The City reserves the right to increase or decrease the quantity listed and to delete any item from the contract.

In addition, the City reserves the right to reject any or all proposals, to waive information or irregularities to the extent permitted by law in any proposal received, and to be the sole judge of the merits of the respective proposals received.

DATE: October 10, 2024
ATTENTION: PROSPECTIVE PROPOSERS
SUBJECT: REQUEST FOR PROPOSAL (RFP) NO. 25-03
TITLE: CITY OF MONTEBELLO and MONTEBELLO BUS LINES

VEHICLE BODY REPAIR AND PAINTING SERVICES

The City of Montebello (City), Montebello Bus Lines (MBL), invite proposals from fully qualified and experienced vendors, licensed in the State of California, to supply and deliver fleet/utility vehicles. The project's scope of work is to supply and deliver

The term of the proposed agreement shall be a **three-year (3-year) term, with the option to extend for an additional two (2), one-year (1-year) terms**, commencing upon the date of execution between the City and the successful vendor.

A Pre-Proposal Meeting will be held on **Tuesday, October 22, 2024**. The meeting will convene at **3:00pm** Pacific Standard Time in the Transportation Building located at 400 South Taylor Avenue, Montebello. A facility walk-thru will follow the meeting.

It is highly recommended that all potential proposers ("Proposers") attend this important meeting. All correspondence, communications, and contact concerning any aspect of this solicitation or offers shall be only with the following person [or his designated representative if applicable] (hereinafter, the "City's Point of Contact").

Name: Robert Fierro
Title: Management Analyst
Address: 400 S. Taylor Ave.
Montebello, CA 90640
Telephone: (323) 558-1625 ext.1115
E-mail: RFierro@montebellocal.ca.gov

Only substantive inquiries will receive a response. All substantive questions submitted in writing as outlined below will be responded to according to the guidelines contained herein. Responses will be in writing and will be provided to all prospective Proposers and placed on the City's website. Responses to questions or comments regarding this RFP provided by any other department, employee, or City department other than the City's Point of Contact set forth above shall not be considered valid and the City will not be bound by any such comments or responses. Inquiries received via telephone or orally in-person will not receive a response.

Proposals must be received by **12:00pm** Pacific Standard Time, on **Thursday, November 14, 2024**, and submitted in accordance with the instructions contained in this RFP. No exceptions will be granted regardless of reason or circumstances.

All proposals must contain an original signature by an authorized officer of the company.

The successful proposer will be required to comply with all applicable Equal Opportunity Laws and Regulations. The City hereby notifies all prospective Proposers that the City will require each proposer

affirmatively demonstrate that Disadvantaged Business Enterprises are afforded full opportunity to participate in the performance of contracts and sub-contracts financed in part or in whole under this RFP and will not be discriminated against on the grounds of race, color, gender, age, or national origin in consideration for an award.

The City reserves the right to reject any or all proposals, to accept all or any part of any proposal, to waive any informality or minor irregularities in any proposal received to the extent permitted by law and where such action best serves the interest of the City, and to be the sole judge of the merits of the respective proposal received.

The City and MBL is committed to ensuring that no person is excluded from participation in, or denied the benefits of its programs and/or services on the basis of race, color or national origin in accordance with FTA Circular 4704.1 and Title VI of the Civil Rights Act of 1964, as amended ("Title VI"). In addition to Title VI, NTS also prohibits discrimination based on sex, age or disability.

Any person who believes he or she has been subjected to discrimination under Title VI can file a complaint with MBL. For more information on MBL's Civil Rights Program, and the procedures to file a complaint, contact:

Name: John Soria
 Title: Director of Transportation
 Address: 400 S. Taylor Ave.
 Montebello, CA 90640
 Telephone: (323) 558-1625, ext. 1315
 Fax Number: (323) 887-4643
 E-mail: RideMBL.com

You may also contact the Federal Coordination and Compliance Office, Civil Rights Division at the Title VI Hotline: 888-TITLE-06 (888-848-5306) or send a letter to:

U.S. Department of Justice
 Civil Rights Division
 Federal Coordination and Compliance Section, NWB
 950 Pennsylvania Avenue, N.W. Washington, D.C. 20530
 More information on Title VI is available from the Justice Department online at www.justice.gov

TIMETABLE & SCHEDULE OF EVENTS (30-90 Days)

Scheduled Tasks	Scheduled Date	
Issuance of RFP	Thursday	October 10, 2024
Pre-Proposal Meeting	Tuesday	October 22, 2024, at 3:00 PM PST
Deadline to Submit Questions	Tuesday	October 29, 2024, at 12:00 PM PST
Responses to Questions Provided	Tuesday	November 5, 2024
Deadline to Submit Proposals	Thursday	November 14, 2024, at 12:00 PM PST
Presentations & Intent to Award	December 2024 /January 2025	

PROPOSAL SUBMISSION CHECKLIST

This checklist must be completed and returned with the Proposal. Failure to return this checklist may be cause for considering the Proposal non-responsive.

	Description	Section/ Page	Proposer shall initial here
1	Proposal	Page # 5	
2	Letter of Transmittal	Page # 36	
3	Licensing, Permits, and Certificates	Page # 17	
4	Indemnification and Hold Harmless Agreement and Waiver of Subrogation and Contribution	Exhibit A	
5	References	Exhibit B	
6	Insurance	Exhibit C	
7	Cost Proposal Sheet	Exhibit D	
8	Statement Of Disadvantaged Business Enterprise Participation	Exhibit E	
9	Bidder's List of Subcontractor(s) (DBE and Non-DBE)	Exhibit F	
10	Certification Regarding Debarment, Suspension....	Exhibit G	
11	Performance Guarantee Certification	Exhibit H	
12	Performance Bond	Exhibit I	
13	Irrevocable Standby Letter Of Credit Certificate	Exhibit J	
14	Bank Draft	Exhibit K	

Company Name:	
Name of Proposer initialing document (print):	
Email address of Company Contact:	
Signature:	
Title:	
Date:	

SECTION 1 - INSTRUCTIONS TO PROPOSERS

PROPOSAL FORMAT AND SUBMITTAL

Proposals can be submitted via the <https://pbsystem.planetbids.com/portal/33072/portal-home> Portal (accessed through the City of Montebello's official website at <https://cityofmontebello.hosted2.civiclive.com/cms/One.aspx?portalId=58756&pageId=84839>) up to the hour of **12:00 p.m. on Thursday, November 14, 2024.**

All proposals must contain an original signature by an authorized officer of the company. Proposals received after the above-mentioned date and time will not be considered.

Proposals shall not include a photocopy of the following:

- INSTRUCTIONS TO PROPOSERS,
- QUALIFICATIONS,
- SCOPE OF WORK.

Proposals shall be typed, single-spaced and submitted on 8 1/2"x11" paper. Proposals shall not include any unnecessarily elaborate or promotional material. Proposals may not be modified or corrected after being opened unless an addendum is issued requesting resubmissions. Proposals will not be valid until all information has been verified and proposers' references have been checked. All proposals shall be accompanied by a completed and signed letter of transmittal provided as a part of this RFP.

All requests for exceptions or deviations because of this RFP shall be clearly identifiable by a separate section of the Proposer's submitted proposal for review by the City. It shall be the City's right to accept or reject any portion of the submitted requests.

Proposals shall be submitted in accordance with the form prescribed herein. Failure to respond in this manner may render the proposal non-responsive. Unauthorized conditions, limitations, or provisions attached to a Proposal will render the proposal non-conforming and non-responsive and may cause its rejection. The completed proposal shall be without interlineations, alterations, or erasures. Proposer submitting basic conforming proposals may choose to submit alternate proposals as complete and separate offers, if the alternate proposal offers technical or other improvements or modifications, which are to the overall benefit to the City. Any and all alternate proposals must be submitted in writing and included with the original proposal, conforming to the requirements as stated herein. No verbal modifications will be accepted.

Proposal documents shall be deemed to include by reference each and every one of the following:

1. Request for Proposal (RFP)
2. Addenda to RFP
3. Supplements to RFP
4. All other required forms

EXAMINATION OF PROPOSAL DOCUMENTS

By submitting a proposal, proposer represents that: (1) Proposer has thoroughly examined and become familiar with the Scope of Work required under this RFP, (2) Proposer comprehends all conditions that may impact the proposal, (3) Proposer has reviewed all addenda, and (3) Proposer is capable of providing the equipment, goods and services necessary to perform the Scope of Work and/or meet the specifications outlined in this RFP, in a manner that meets the City's objectives. Failure to examine the documents and inform itself shall be at the proposers' own risk. A proposer shall have no claim against the City based upon ignorance of or misunderstanding of the RFP documents. Once the award has been made, failure of a proposer to have read all the conditions, instructions and the agreement shall not be cause to alter any term of the agreement nor shall such failure provide valid grounds for a Proposer to withdraw its proposal or to seek additional compensation.

SECTION 2 – GENERAL TERMS AND CONDITIONS

ADDENDA

Any changes made by the city to the requirements in this RFP will be made by written addenda. Any written addenda issued to this RFP shall be incorporated into the terms and conditions of any resulting Agreement. The city will not be bound by any modifications to or deviations from the requirements set forth in this RFP as the result of oral instructions. The City reserves the right to revise or withdraw this RFP at any time and for any reason.

CLARIFICATIONS

Should a proposer require clarifications of this RFP, the proposer shall notify the contact person identified in this RFP in writing. Should the City, in its sole discretion, determine that the point in question is not clearly and fully set forth; the City will issue a written addendum clarifying the matter. Said addendum shall be posted on the <https://pbsystem.planetbids.com/portal/33072/portal-home> web page.

All questions, clarifications or comments must be submitted to or no later than **12:00 pm, Tuesday, October 29, 2024**. No questions will be answered individually by the City or Transportation Departments.

Requests for clarification, questions and comments must be clearly posted on the PlanetBids Q & A section. The City is not responsible for failure to respond to a request that has not been submitted in accordance with this section.

Responses by the City to the clarifications, comments and questions will be communicated via PlanetBids. Every attempt will be made to provide responses to all proposers in accordance with the procurement schedule for this RFP. Inquiries received after the deadline will not be accepted and will be returned to the sender without a response.

Requests for clarifications and questions should be formatted in the following manner:

1. Section
2. Paragraph number
3. Page number
4. Text of passage being questioned
5. Question

DISCREPANCIES AND MISUNDERSTANDINGS

Proposing companies must satisfy themselves by personal examination of any work site, drawings, Scopes of Work and by any other means as they may believe necessary, as to the actual physical conditions, requirements and difficulties under which the work must be performed. No proposing company shall at any time, after submission of the proposal, make any claim or assertion that there was any misunderstanding or lack of information regarding the nature or amount of work necessary for the satisfactory completion of the job. Any errors, omissions, or discrepancies found in any plans, specifications, or other documents provided, shall be called to the attention of the Buyer and clarified prior to the submission of proposals.

WITHDRAWAL OF PROPOSALS

Proposers may withdraw their proposals in writing, provided that such requests are received by the City prior to the scheduled deadline for Proposal submission or within six months following the scheduled deadline for Proposal submission when no contract has been awarded.

REFERENCES

All reference information requested in this RFP and specified in the form included in this RFP must be submitted with the proposal. Refer to Exhibit B.

At the discretion of the Evaluation Committee, the City may elect to perform site visits at the proposer's customer locations. These optional site visits will be in addition to any presentations and/or technical demonstrations. Some or all RFP Evaluation Committee members may travel, at City expense, to sites at which finalist proposers are performing like services. The purpose of such visits shall be to provide the evaluation team with an increased understanding of the process and assess the proposer's implementation and performance.

PROPOSAL SIGNATURES

If an individual makes the proposal, it shall be signed, and the full name and address of the proposer shall be given.

If a partnership makes the proposal, it shall be signed with the partnership name, by a member of the partnership who shall sign by name and the name and address of each partner shall be given.

If a corporation prepares the proposal, the name of the corporation shall be provided and signed by two (2) duly authorized Officers and, if available, stamped with the corporate seal, and the names and titles of all officers of the corporation shall be given. If a corporation provides a certified letter stating that one (1) duly authorized officer signature is binding for the corporation, this will suffice to omit the second signature requirement in the proposal. Certified letter is to be included in the proposal accompanied with the Letter of Transmittal.

PRE-CONTRACTUAL EXPENSES

The City will be under no obligation for payment of pre-contractual expenses. Pre-contractual expenses are defined as expenses incurred by proposer in:

- Preparing the proposal in response to this request.
- Submitting that proposal to the City.
- Negotiating with the City any matter related to this proposal, and/or
- Any other expenses incurred by the Proposer prior to date of award.

CITY OF MONTEBELLO RIGHTS

In its discretion, the City reserves the right to:

1. Reject any and/or all proposals for no reason or any reason including but not limited to the following:
 - a. The proposal is incomplete, non-responsive, obscure, irregular or lacking necessary detail and specificity.
 - b. The Proposer, in the sole judgment of the City, lacks the qualifications, experience, and/or responsibility necessary to provide the services.
 - c. The Proposer failed or neglected to complete and submit any information within the time specified by the City, and as may be otherwise required herein.
2. Reject any proposal that, in the opinion of the City, is so unbalanced in comparison to other proposals received and/or to the City's internal estimates that it does not accurately reflect the cost to perform.
3. Accept all or any part of a proposal.
4. Cancel the entire RFP;
5. Issue subsequent RFPs; and/or
6. Waive any errors or informalities in any proposal, to the extent permitted by law.

STATE CREDENTIALS AND TAXES

The Proposer shall be appropriately licensed in accordance with the laws of the State of California for the work to be performed. The cost for any required licenses and/or permits shall be the responsibility of the successful Proposer. The successful Proposer is liable for any and all taxes due as a result of the contract.

RESPONSIBILITY FOR COMPLIANCE WITH LEGAL REQUIREMENTS

The Proposer's products, services, and facilities shall be in full compliance with all applicable Federal, State and local regulations, standards and ordinances, regardless of whether or not they are referred to in the RFP.

CONFIDENTIALITY AND PUBLIC RECORD

All Proposers are hereby put on notice that each Proposal received shall become the exclusive property of the City. Notwithstanding authorized exemptions and privileges, each Proposal shall be subject to disclosure according to the California Public Records Act and/or the Federal Freedom of Information Act. The City shall not in any way be liable or responsible for the disclosure if required to do so by law.

JOINT OFFERS

Where two (2) or more Proposers desire to submit in response to this RFP, they shall do so on a prime-sub contractor basis rather than as a joint venture. The City intends to contract with a single firm and not with multiple firms doing business as a joint venture. Any proposal submitted on behalf of any form of joint venture or partnership between two (2) existing Proposers may be considered collusive and may be rejected as non-responsive.

COMPANY PERSONNEL

It shall be the burden of the successful proposer to ensure all personnel possesses qualifications and/or experience. All personnel required in performing the services herein shall be secured at the expense of the successful proposer. Personnel shall not be employees of or have any contractual relationship with the City. Successful proposer's personnel shall always conduct themselves in a professional manner to all City employees. Rude or discourteous behavior by the successful proposer will not be tolerated and the offense can be justification for termination of contract. All sub-contractors of successful proposer shall abide by all the requirements set forth in this section.

SINGLE PROPOSAL RESPONSE

If only one proposal is received in response to this RFP, a detailed cost/price proposal may be requested of the proposer. A cost or cost and price analysis and evaluation and/or audit of the cost may be performed in order to determine if the price is fair and reasonable. If the City determines a cost analysis is required, proposer must be prepared to provide, upon request, cost summaries of estimated costs (i.e. labor, equipment, supplies, overhead costs etc.) and documentation supporting all cost elements.

PROTEST PROCEDURES

All protests must be filed in accordance with the following:

1. The protest must be in writing and identify the solicitation (RFP) number.
2. The protest must be submitted by some return receipt method or guarantee of delivery that insures that the protest was received in a timely manner. The City is not responsible for lost or delayed deliverables.
3. The party's standing to protest must be identified.
4. Identification of the specific provision, law, regulation, specification, procedure or policy violated.
5. A statement of the relief requested.

Protests related to the content of the RFP shall be received no later than ten (10) days before the Proposal due date. Protests related to matters other than the content of the RFP shall be received no later than five (5) days after proposal opening. If the Protest does not comply with the preceding requirements it may not be evaluated and may be returned to the Protestor.

All protests shall be submitted to the contact person identified in this solicitation. If the solicitation is funded with Federal Transit Administration (FTA) monies, a protest may be filed with the FTA. However, the FTA only accepts protests alleging that a grantee failed to have written protest procedures or did not comply with those procedures or protests that involve a conflict of interest or fraud.

INCORPORATION OF PROPOSAL INTO AGREEMENT

This RFP and the proposer's response, including all promises, warranties, commitments and representations made in the successful proposal, shall be binding and incorporated by reference in the City's contract with the successful proposer.

TIME OF COMPLETION

The Contract time shall commence from the date on the Notice to Proceed (NTP) as authorized in writing by the City. The services shall be completed within the time period specified in the Request for Proposal. In case the services under the terms of these provisions and related professional contract shall be necessarily delayed because of strike, injunctions, government controls, or by reasons of any cause or circumstances beyond the control of the successful vendor (the "Vendor"), the time of completion shall be extended by a number of days to be determined in each instance by mutual agreement between the Vendor and MBL.

PAYMENT

A separate invoice, referencing the respective purchase order number, shall be issued in duplicate for each invoice shown in the payment schedule, and addressed to: **City of Montebello, Attn: Accounts Payable, 1600 West Beverly Boulevard, Montebello, California, 90640.**

Payment will be made within thirty (30) days after acceptance and approval of invoice.

Payment Schedule: Monthly
Provide (1) One invoice monthly.

CONTRACT DOCUMENTS: ORAL CHANGES / CONTRACT TERMINATION

Oral Changes: Oral changes and oral change orders are not permitted. All proposed changes must be submitted in writing to, and approved by, MBL prior to becoming a contract modification.

Contract Termination: MBL may terminate any resulting contract for convenience at any time by giving the Vendor five (5) days' written notice thereof. Upon termination, MBL shall pay the Vendor his allowable cost incurred to date of termination, and those costs deemed reasonably necessary by MBL to affect such termination, determined in accordance with Part 1-8.705-1 of the Federal Procurement Regulations (41CFR 1-8) or other applicable portion(s) of said Regulations. In addition, MBL shall pay the Vendor a percentage of the project, which relates to contract work accomplished to date of termination. The effective date of termination shall be the date of Notice of Termination.

In the event the Vendor breaches the terms or violates the conditions of the contract, and does not within ten days, thereafter, cure such breach of violation, MBL may immediately terminate the Contract for default. The vendor shall be liable for all costs incurred by MBL because of such default.

SCOPE OF CONTRACT

The Vendor shall provide all services necessary as per the Scope of Work described in this Request for Proposal.

PERFORMANCE OF WORK

It is the intent of these specifications to provide only services of the highest quality. The cost to be quoted and submitted shall include all items of service and any other costs necessary to fully complete the work pursuant to the provisions. It is the aim of these specifications that the Vendor provide complete services of the type prescribed. Any items omitted from such specifications which are clearly necessary for the

completion of such services shall be considered a portion of such services, although not directly specified or called for in these specifications. No advantage shall be taken by the Vendor in the omission of any detail which goes to make the services complete, even though such detail is not mentioned in these specifications.

AWARD OF CONTRACT

The contract resulting from this RFP (or the "Agreement") will be awarded to the responsive and responsible proposer whose proposal, conforming to the requirements of the RFP, is determined to be the most advantageous ("Best Value" as described in the Federal Transit Administration Circular 4220.1F) to the City, based on the Evaluation Criteria. No agreement shall exist until the City Council or the City Manager has awarded the Agreement and it has been mutually executed. The City reserves the right to:

- (a) Accept all or any part of a proposal;
- (b) Reject any or all proposals for any reason;
- (c) Waive any informality or minor errors to the extent permitted by law;
- (d) Award the Agreement as the interest of the City may require;
- (e) Cancel the entire RFP; or
- (f) Issue subsequent RFPs.

An Evaluation Committee comprised of MBL staff, in accordance with the proposal Evaluation Criteria set forth in Evaluation Criteria section of this RFP, will evaluate all the proposals. During the evaluation period, the City may interview some or all the proposing firms. Proposers should be aware; however, that award may be made without interviews or further discussions.

The City may negotiate contract terms with the selected proposer prior to award, and expressly reserves the right to negotiate with several Proposers simultaneously and, thereafter, to award a contract to the Proposer offering the most favorable terms to the City. However, negotiations may or may not be conducted with Proposers; therefore, the proposal submitted should contain the most favorable terms and conditions, since the selection and award may be made without discussion with any proposer.

No agreement shall exist until the City Council or City Manager has awarded the Agreement and it has been mutually executed. The City reserves the right to reject any and all proposals for any reason, to waive any informality or minor errors as determined by the City in any proposal and to award the Agreement as the best interests of the City may require. The award, if any, may be made by the City within ninety (90) calendar days after the opening of the proposals.

Point of Contact

This RFP is issued by the City, and the Management Analyst will be the sole point of contact ("Point of Contact") during the RFP submission and procurement process. Communications initiated by respondents to this RFP with members of the City Council, or officers, personnel or employees of the City, other than as coordinated by the Point of Contact, may be grounds for disqualification. Any inquiries or requests during this submission or procurement process shall be submitted in writing to the following Point of Contact:

City of Montebello Transportation Department
 Attention: Robert Fierro
 Management Analyst
 400 South Taylor Ave.
 Montebello, CA 90640
 (323) 558-1625 ext. 1115
 Email: RFierro@montebelloca.gov

If the Point of Contact determines a response to any such inquiry is warranted, said response will be issued to all prospective Proposers via PlanetBids.com

EVALUATION OF PROPOSALS

MBL uses a selection process in which proposals contain both price and qualitative components, and award is based upon a combination of price and qualitative considerations. Qualitative considerations may include experience and qualifications, technical approach, quality of proposed personnel, and/or management plan. The award selection is based upon consideration of a combination of technical and price factors to determine the offer deemed most advantageous to MBL.

An evaluation committee will be appointed to review all proposals. The committee will be comprised of MBL staff. Committee members will initially evaluate each proposal using the pass or fail criteria identified herein. Proposers who pass this first stage of testing will progress to the next step in the evaluation.

MBL will evaluate the offers based on the following criteria: Pass/Fail Criteria

- Proposer has demonstrated the ability to meet the insurance requirements described in the Agreement. Proof of ability, for example a sample certificate with another agency, or a statement that the proposer can meet the insurance requirements in the RFP should be attached to proposal.
- Proposer has demonstrated evidence of good standing. If the proposer is a corporation or limited liability company, provide evidence that it is in good standing in the state of its incorporation/organization and qualified to do business in California. If the Proposer is a partnership or joint venture, provide such evidence for all partners or members. The evidence provided must be in the form of (i) an official certificate of good standing issued by the state of incorporation/organization and (ii) qualification to do business issued by the California Secretary of State. If the proposer is operating under a fictitious name or trade name, provide evidence that the proposer has filed for and/or registered the fictitious name with the county where the proposer's business is located.

On the completion of the initial Pass/Fail review, the committee will evaluate proposals using the two-step process. Qualitative considerations will be reviewed and scored first without attention to the price. The committee will then present the cost and price proposals and evaluate and score them accordingly. During the qualitative evaluation, the committee, at its sole discretion, may contact any or all the proposers with specific questions or requests for clarification. After both the qualitative and cost/price proposals have been evaluated and scored, the committee will arrive at a "comprehensive proposal score" for each proposal. A list of top-ranked proposals within a competitive range will be developed based upon the total comprehensive scores provided by committee members. At this time, the committee may decide

that the evaluation process is complete and submit a final recommendation to the Director of Transportation.

The committee may ask the proposers to consider the dialog of negotiations and revise their proposals. A deadline will be set for the submission of the revised proposals. If a Proposer is unable to meet the deadline or chooses not to revise its proposal, its existing proposal will be rescored along with revised proposals in the same manner as the original proposals.

EVALUATION CRITERIA

Award will be made to the Offeror whose proposal offers the best value to the City. Proposals that meet the pass/ fail criteria now will be evaluated in accordance with the following criteria:

Qualitative Considerations

The proposer's Qualitative Proposal will be evaluated based on the following factors, each having the weighted value set forth below (100 potential points in total):

1	<u>Project Management Plan</u> The proposal shall contain a detailed explanation of the project and not a reiteration of the RFP itself. The information offered should be a compendium of the proposer's knowledge of the standards outlined in the Scope of Work.	20 points
2	<u>Proposed Project Team</u> Qualifications and experience of management and staff and other personnel; comprehensiveness of plan and team's familiarity with the provision of auto body repair services.	10 points
3	<u>Qualifications and Experience</u> Demonstrate experience completing auto body repair services of the same or similar magnitude. Presentation of a catalog of auto body repair services experience and expertise most advantageous to the City.	15 points
4	<u>Technical Approach</u> Vendor will submit with their proposal a written plan of action. Plan of action shall include contact persons and schedule adherence, as well as invoicing process. Understanding of the RFP requirements and illustrating the ability to meet performance objectives, compliance with all technical and administrative requirements, financial viability, accounting, and reporting.	30 points
TOTAL		75 points

Price Considerations

The Price proposals will be evaluated as follows:

6	<u>Price</u> The proposer's price proposal will be compared to the proposal with the Best Value to the City. The best value responsive price will receive the total weighted value for this criterion.	25 points
TOTAL		25 points

SECTION 3 - OTHER REQUIREMENTS

LICENSING AND PERMITS

The Vendor shall be licensed, bonded, and experienced in performing the services described in the Scope of Work and shall provide evidence of current licensing and permits as required by local, State, and Federal regulations in providing such services.

LIQUIDATION DAMAGES

MBL commits to working cooperatively with the Vendor to resolve personnel and Contract performance challenges as they may arise, however, certain proven contractual violations may result in the assessment of liquidated damages at MBL's discretion.

Whenever assessed, the Vendor will provide a credit letter in the amount specified to be applied to a subsequent invoice. Each such credit letter will include information concerning the date, time and nature of the violation(s), the amount assessed for each and the total amount credited. Failure to comply with any aspect of the Scope of Work may result in a credit to MBL of **\$150 per violation**.

BOND REQUIREMENTS

Bid Guarantee

The Vendors shall furnish a bid guarantee in the form of a bid bond, or certified treasurer's or cashier's check issued by a responsible bank or trust company, made payable to the City. The amount of such guaranty shall be equal to 50% of the bid price.

In submitting this bid, it is understood and agreed by the Vendor that the City reserves the right to reject all proposals, or part of any proposal, and it is agreed that the Bid may not be withdrawn for a period of (90) days subsequent to the opening of the proposals, without the written consent of City.

It is also understood and agreed that if the undersigned bidder should withdraw any part or all of his bid within (90) days after the bid opening without the written consent of the City, or refuse or be unable to enter into an agreement as provided above, or refuse or be unable to furnish adequate and acceptable Performance and Payment Bonds, or refuse or be unable to furnish adequate and acceptable insurance, as provided above, it shall forfeit its bid guarantee to the extent City's damages occasioned by such withdrawal, or refusal, or inability to enter into an agreement, or provide adequate security thereof.

It is further understood and agreed that to the extent the defaulting Vendor's bid guarantee shall prove inadequate to fully recompense the City for the damages occasioned by default, then the undersigned Vendor agrees to indemnify the City and pay over to the City the difference between the bid guarantee and City's total damages so as to make City whole.

The undersigned understands that any material alteration of any of the above or any of the material contained herein, other than that requested will render the bid unresponsive (Exhibit H. Performance Bid Guarantee). A copy of the bid bond can be submitted via the <https://pbsystem.planetbids.com/portal/33072/portal-home> Portal.

Performance Guarantee

A Performance Guarantee in the amount of 50% of the Agreement value is required by the City to ensure faithful performance of the Agreement. Either a Performance Bond or an Irrevocable Standby Letter of Credit shall be provided by the Vendor and shall remain in full force for the term of the Agreement.

The successful Vendor shall certify that it will provide the requisite Performance Guarantee to the City within ten (10) business days from Agreement execution (Exhibit I. Performance Bond). The City requires all Performance Bonds to be provided by a fully qualified surety company acceptable to the City and listed as a company currently authorized under 31 C.F.R. part 22 as possessing a Certificate of Authority as described hereunder. The City may require additional performance bond protection when the contract price is increased. The increase in protection shall generally equal 100 percent of the increase in the contract price. The City may secure additional protection by directing the Vendor to increase the amount of the existing bond or to obtain an additional bond.

If the Vendor chooses to provide a Letter of Credit as its Performance Guarantee, the City shall furnish with its bid, certification that an Irrevocable Standby Letter of Credit will be furnished should the Bidder become the successful Vendor. The Vendor shall also provide a statement from the banking institution certifying that an Irrevocable Standby Letter of Credit for the action will be provided if the Contract is awarded to the Bidder. The Irrevocable Stand-By Letter of Credit will only be accepted by the City if:

1. A bank in good standing issues it. The City will not accept a Letter of Credit from an entity other than a bank.
2. It is in writing and signed by the issuing bank.
3. It conspicuously states that it is an irrevocable, non-transferable, "standby" Letter of Credit.
4. The City is identified as the Beneficiary.
5. It is in an amount equal to 100% of the Contract first year value. This amount must be in U.S. dollars.
6. The effective date of the Letter of Credit is the same as the effective date of the Contract.
7. The expiration date of the Letter of Credit coincides with the term of this Agreement.
8. It indicates that it is being issued to support the obligation of the Vendor to perform under the Contract. It must specifically reference the Contract between the City and the Vendor the work stipulated herein.

The issuing bank's obligation to pay will arise upon the presentation of the original Letter of Credit and a certificate and draft (similar to the attached forms contained in Exhibit J. Irrevocable Stand-By Letter of Credit Certificate and Exhibit K. Bank Draft) to the issuing bank's representative at a location and time to be determined by the parties. This documentation will indicate that the Vendor is in default under the Contract.

SECTION 4 – SCOPE OF WORK

PROJECT DESCRIPTION

The Request for Proposal 25-03 (RFP No. 25-03) seeks a Vendor to provide auto body repair and painting services for all City-owned vehicles on an as-needed basis. The Vendor must have a minimum of five (5) years of recent experience performing similar work/services. The work will be performed at the Vendor's auto body shop unless otherwise agreed to in writing by the city. Compensation will be based on the cost sheet proposed in the Vendor's bid form (see Exhibit D).

Auto Body Repair and Painting

The Vendor will provide auto body repair and painting services for City-owned and operated vehicles (e.g. conventional, transit, and passenger vehicles) and equipment, including, but not limited to, general auto body repair, dent repair, component replacement for exterior/interior body components, collision damage repair, glass repair/replacement, painting vehicle bodies, and other repair services.

Bent parts are to be straightened and reinforced or replaced if necessary. If vehicle decals are damaged, the Vendor will obtain new decals from the City and apply new decals to the repaired vehicle. Decal removal and installation will be included in the repair estimate.

All auto body work will receive at least three (3) coats of primer: two (2) during bodywork repair, and a minimum of one (1) during the painting process.

Painting Process Requirements

The painting process will utilize the latest state-of-the-art painting and paint matching systems, mixing tools, and spraying tools and consist of the following in the order listed:

1. Primer
2. Base Coat
3. Clear Coat (either Solvent or Water-Based)

Acceptable Paint Manufacture:

All paints used will be supplied from a qualified and reputable paint manufacturer, including, but not limited to, Diamont, DuPont, Duramix, Kustom Shop, PPG, and Sherwin-Williams. The Vendor will provide the name of the paint manufacturer used in each estimate.

General Auto Body Shop Requirements:

The Vendor will have a complete auto body shop that meets the following minimum requirements:

- A. Legally be able and authorized to perform complete auto body repairs, as well as paint vehicles and equipment.
- B. Federal, State, and Local licenses and/or certifications are current and in good standing.
- C. Maintain a paint booth in legal compliance with all applicable laws and regulations.
- D. Maintain a secure storage area for all City-owned vehicles and have a 24/7 centrally monitored alarm system and outdoor security cameras.

- E. Possess a MIG and TIG welder or other electric spot-welding equipment for auto body welding. Gas welding is not acceptable. The Vendor will ensure that the vehicle computer systems are disconnected from the vehicle prior to any welding operation. The Vendor is to replace, at his/her expense, any onboard vehicle computer damaged by not disconnecting the computer before any welding operations.
- F. Be available during normal business hours Monday through Friday, 8:00 AM to 5:00 PM.

Estimate Process Requirements:

The Vendor will provide an estimate for auto body repair and painting on an as-needed basis as requested. All repairs will be approved by the City in writing prior to work being performed. A notice to proceed will be provided in the form of a purchase order.

Prior to any repair, the Vendor and Vehicle Maintenance Manager will conduct a vehicle inspection to identify and describe the condition of the vehicle and list the detailed description on the estimate. The Vendor will assume full liability and responsibility for all vehicles and contents (including radios and other standard or installed equipment) placed in its custody by the City under the agreement.

- A. Year, make, model, and mileage of the vehicle
- B. License plate number, VIN number, and City identification number
- C. In **BOLD**, state the estimate is in relation to an incident and note the incident report number and date, if applicable
- D. Itemized list of description of work to be performed
- E. Estimated number of labor hours of task
- F. Itemized list of parts and paint materials costs
- G. All incidentals or miscellaneous shop supplies and charges will be included and priced accordingly
- H. Sales tax and total repair estimate
- I. Approximate schedule to complete the repairs after receiving a notice to proceed
- J. If applicable, any recommendations for future repairs
- K. All estimates will be provided from an applicable industry standard Collision and Estimating Reference Guide used by insurance appraisers. The Vendor will provide the name and version of the guide or software used.

Parts:

All parts used to provide auto body repair will be new Original Equipment Manufacturer (OEM). All incidentals, materials, shop supplies, and charges will be included in the Vendor's hourly rate. The Vendor will furnish new unused OEM auto body parts, materials, and labor as required in accordance with the provisions and specifications contained herein.

Alignment:

The Vendor agrees to perform realignment of all vehicles when needed. This will be a thrust alignment for frame vehicles and four-wheel alignment for unibody vehicles. A printout of the readings after the alignment will be included in each repair order. The Vendor will ensure personnel or sub-contractor are qualified to perform alignment work.

Framework:

The Vendor agrees to perform frame straightening of all vehicles when needed. The Vendor will ensure personnel or sub-contractor is qualified to perform all frameworks.

Airbag Components:

All airbag components will be replaced with NEW OEM parts when the decision has been made to replace the components.

Major Repairs:

If the metal body or plastic components are damaged beyond repair, the damaged area will be cut out and replaced with new metal or plastic that is equal to or greater than the original thickness of the component.

Warranty:

The Vendor will specify warrantable periods for materials and work performed. Unsatisfactory repairs include, but are not limited to, paint swirls, fisheye blemishes, mismatched paint color, buffer burns, as well as any other defects and/or imperfection in auto body work or paint finish.

Pickup and Delivery:

The Vendor will prompt free pickup and delivery of vehicles and equipment, including vehicle tow as necessary, when repairs or painting are required. The repaired vehicles will be returned to the City's Transportation Department by personnel with the knowledge necessary to review and discuss the quality or completeness of the repairs and review the vehicle condition report with the City's representative. If it is determined that the vehicle is not repaired properly, the vehicle will be returned to the Vendor's auto body shop for repair and delivery at no additional cost to the City. All vehicles will be returned to the City within 24 hours of completion of repairs.

Time for Performance:

Time is of the essence in returning City vehicles to service. The successful Vendor agrees that work assigned under the contract will receive priority over the other work in its auto shop unless specific prior approval has been obtained from the City.

If the City determines that the workload of the Vendor is such that timeliness is not possible in a given situation, the City reserves the unilateral right to solicit for proposals and award to a backup service provider. Repeated assignments to a backup service provider may result in contract termination.

Estimated Amount of Work:

The Vendor will perform such work as required by the City as needs are determined. The City has estimated that \$100,000 will be spent on auto body work during each year of the agreement. This figure is only an estimate and is not a binding guarantee of the work to be done under the agreement. Actual requirements may be more or less than the amounts estimated.

During the evaluation phase the city can request a site visit of the location.

The items listed in RFP No. 25-03 are for evaluation purposes only. The quantities and items specified are estimates only of the City's requirements. RFP No. 25-03 intends to provide one comprehensive award for all City vehicles and equipment with a single discount structure. However, the City reserves the right to make multiple contract awards.

SECTION 5 – QUALIFICATIONS

DESIRED QUALIFICATION

- Provide a brief profile of the firm, including: the types of services offered, the year founded, form of the organization (corporation, partnership, sole proprietorship) number, size and location of offices, and the number of employees.
- Describe the firm's experience in performing work of a similar nature to that solicited in this RFP, and highlight the participation in such work by the key personnel proposed for assignment to this project. Describe an experience in similar projects, particularly in the transit and public sector environments. The Vendor must demonstrate to the satisfaction of MBL that it has sufficient resources, capabilities and experience to meet the business needs as stated in this document. The Vendor will state and identify its involvement with other clients for both past and present projects. The Vendor will state the client's name, and references for similar projects, particularly those conducted for public transit and the public sector in general. Be specific with respect to past and current assignments elaborating on those projects of similar type, magnitude and complexity. The Vendor's involvement and responsibility should be defined for each project.
- Identify any subcontractors by company name, address, contact person, and telephone number and project function.
- Briefly describe other projects currently in process and how those projects affect the company's current capacity and capacity during this proposed project. Identify any capacity or availability issues for any major subcontractors proposed.

FIRM QUALIFICATIONS

To be considered responsive to the RFP, firms must demonstrate that they meet the following minimum qualifications by providing a thorough response and verifiable evidence of compliance. Non-compliance with these requirements may disqualify your proposal from further consideration.

- A. Firm has not defaulted on a contract within the past five (5) years or declared bankruptcy or been placed in receivership or been denied credit within the past three (3) years.
- B. Firm has not been assessed any penalties for non-compliance with any federal, state, local, city, or county labor laws and/or regulations within the past five (5) years.
- C. Firm is currently not under investigation for any charge or claim for noncompliance with any federal, state, local, city, or county labor laws and/or regulations including, without limitation prevailing wage laws and apprenticeship laws.
- D. The firm must have a minimum of five years of experience and demonstrated track record of quality work, knowledge, skills, and abilities in safety and security for public transit agencies, preferably in an environment of similar size and scope to the MBL.
- E. Licensed to do business in the State of California.
- F. Experience with projects of similar size and scope.

SECTION 6 – FORM OF CONTRACT
PROFESSIONAL SERVICES AGREEMENT FOR
VEHICLE BODY REPAIR AND PAINTING SERVICES

THIS AGREEMENT (“Agreement”) is made and entered into on, 2024, by the CITY OF MONTEBELLO, a municipal corporation (hereinafter referred to as “CITY”) and (Hereinafter referred to as “VENDOR”). CITY and VENDOR are sometimes referred to herein individually as a “Party,” and jointly as the “Parties.”

RECITALS

WHEREAS, CITY desires to retain a qualified professional VENDOR to provide vehicle body repair and painting services for over 200 City-owned and operated vehicles on an as-needed basis; and

WHEREAS, VENDOR represents the degree of specialized expertise contemplated within California Government Code, Section 37103, and is qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees; and

WHEREAS, no official or employee of CITY has a financial interest, within the provisions of Sections 1090 – 1092 of the California Government Code, in the subject matter of this Agreement; and

WHEREAS, VENDOR responded to CITY’s Request for Proposals dated October 10, 2024 (RFP No. [25-03]), as such is set forth fully in **Exhibit “A”** hereto and incorporated fully herein by this reference (hereinafter “Consultant Proposal”).

NOW THEREFORE, in consideration of performance by the Parties of the covenants and conditions herein contained, the Parties hereto agree as follows:

SECTION 1. INCORPORATION OF RECITALS AND OTHER CONTRACT DOCUMENTS

A. The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference. Moreover, this Agreement consists of the following documents, in order of precedence, all of which are incorporated herein and made part of this Agreement, as though fully set forth herein:

- a. This Agreement.
- b. RFP No. 25-03, attached hereto as **Exhibit “A.”**
- c. VENDOR’S Proposal to RFP No. 25-03 dated, 2024, attached hereto as **Exhibit “B”**.
- d. VENDOR’S “Best and Final Offer” to RFP No. 25-03 dated, 2024, attached hereto as **Exhibit “C”**.
- e. All other documents, including but not limited to all applicable bonds, insurance certificates, permits, notices, schedules, forms, certifications, and affidavits.

B. These documents shall be collectively referred to herein as the “Contract Documents.” In the event of a conflict among the Contract Documents, the order of precedence.

SECTION 2. SERVICES / COMPENSATION.

A. VENDOR shall provide to CITY those services that are set forth fully in the Scope of Services, as such is set forth fully in **Exhibit "A"** hereto and incorporated fully herein by this reference (hereinafter "Professional Services").

B. VENDOR shall complete the Scope of Services within the time set forth in the Schedule of Performance, as such is set forth in **Exhibit "B"** hereto and incorporated fully herein by this reference.

B. VENDOR shall be compensated a sum not-to-exceed \$..... (the "Maximum Compensation") for performance of the Professional Services as set forth in the Schedule of Compensation attached hereto as **Exhibit "C"** and incorporated fully herein by this reference ("Compensation"). VENDOR shall provide an itemized billing statement to CITY each month for Professional Services performed. VENDOR shall not incur fees or costs which exceed the Maximum Compensation without the prior written consent of CITY.

C. CITY will be invoiced at the end of the first billing period following commencement of work and at the end of each billing period thereafter. Payment in full of an invoice must be received by VENDOR within thirty (30) days of the date of such invoice.

D. Work performed shall be deemed approved and accepted by CITY as and when invoiced unless CITY objects within fifteen (15) days of invoice date by written notice specifically stating the details in which CITY believes such work is incomplete or defective, and the invoice amount(s) in dispute. CITY shall pay undisputed amounts as provided for in the preceding paragraph.

E. Failure of CITY to submit full payment of an invoice within thirty (30) days of the date thereof subjects this agreement and the work herein contemplated to suspension or termination at CONSULTANT's discretion.

SECTION 3. TERM.

This Agreement shall commence on, 2024 and shall be valid for an initial term of three years with the option to extend for an additional two (2), one year periods.

The Parties agree that Sections 4(B), 9, 10, 11, 13, 16, 17, 18, and 19 shall survive for three (3) years following the expiration or termination of this Agreement.

SECTION 4. PERFORMANCE.

A. VENDOR shall at all times, faithfully, competently, and to the best of its ability, experience and talent, perform all tasks described herein.

B. VENDOR shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of VENDOR hereunder, in meeting its obligations under this Agreement.

C. VENDOR shall be knowledgeable of and subject to all CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.

D. VENDOR shall have the right to retain, subject to CITY's written approval, additional individuals, Vendors, or sub-contractors to assist in the completion of services as herein defined. Compensation for additional individuals, Vendors, or sub-contractors shall be the sole and exclusive responsibility of the VENDOR.

E. VENDOR shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three (3) years unless otherwise provided for in **Exhibit "A."** Upon CITY providing twenty-four (24) hours advanced prior notice, VENDOR shall make all records, invoices, timecards, cost control sheets and other records maintained by VENDOR in connection with this Agreement available during VENDOR's regular working hours to CITY for review and audit by CITY.

F. All reports, documents, or other written material developed by VENDOR in the performance of this Agreement shall be and remain the property of CITY without restriction or limitation upon its use or dissemination by CITY. Such material shall not be the subject of a copyright application by VENDOR. Any alteration or reuse by the CITY of any such materials on any project other than the Project shall be at CITY's sole risk unless CITY compensates VENDOR for such reuse.

SECTION 5. WORK PRODUCT.

A. VENDOR hereby agrees that all work produced pursuant to this Agreement and provided to CITY during and upon completion of this Agreement, shall be the property of CITY, and ownership of said work product shall be retained by CITY. VENDOR may take and retain copies of such written products as desired.

B. All data, documents, discussion, or other information developed or received by VENDOR or provided for performance of this Agreement are deemed confidential and shall not be disclosed by VENDOR without prior written consent by CITY. CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to CITY upon the termination or expiration of this Agreement. VENDOR agrees that the covenants contained in this Article shall survive the expiration or termination of this Agreement.

C. Documents are provided in VENDOR's standard software formats. CITY recognizes that electronic or magnetic data and its transmission can be easily damaged, may not be compatible with CITY's software formats and systems, may develop inaccuracies during conversion or use, and may contain viruses or other destructive programs, and that software and hardware operating systems may become obsolete. As a condition of delivery of electronic or magnetic data, CITY agrees to defend indemnify and hold VENDOR, its sub-contractors, agents and employees harmless from and against all claims, loss, damages, expense and liability arising from or connected with its use, reuse, misuse, modification or misinterpretation. In no event shall the VENDOR be liable for any loss of use, profit or any other damage.

SECTION 6. EXTRA SERVICES.

No extra services over and above the Compensation shall be rendered by VENDOR under this Agreement unless such extra services first shall have been duly authorized in writing by CITY's City Manager ("City Manager").

SECTION 7. CITY SUPERVISION.

The Transportation Director shall have the right of general supervision of all work performed by VENDOR and shall be CITY's agent with respect to obtaining VENDOR's compliance hereunder. No payment for services rendered under this Agreement shall be made without the prior approval of the City Manager.

SECTION 8. TERMINATION.

If either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

A. Termination for Cause. In the event that any of the provisions of the Agreement are violated by either party, the non-defaulting Party may terminate the Agreement by serving written notice upon the other Party, listing the violation(s) and its intent to terminate such Agreement unless within ten (10) days after the serving of such notice, such violation shall cease or be rectified, the contract shall upon the expiration of an additional thirty (30) days cease and terminate. Violations by VENDOR which cannot be corrected within ten (10) days, said contract shall at the option of CITY cease and terminate upon the giving of like notice. In the event of any such termination for default by VENDOR, CITY may take over the work and prosecute the same to completion by contract or otherwise for the account and at the expense of VENDOR. VENDOR and his sureties shall be liable to CITY for any excess cost occasioned in the event of any such termination. This change shall not be construed to prevent the termination, for other causes authorized by law or other provisions of this contract. In the event of a termination for cause, VENDOR shall only be entitled to Compensation for those Professional Services satisfactory performed on or before the effective date of termination.

B. Termination for Convenience. CITY shall have the option, at its sole discretion and without cause, to terminate this Agreement in whole, or in part, after giving written notice to VENDOR at least five (5) business days before the termination is to be effective. Upon the termination of this Agreement as provided herein, CITY shall provide to VENDOR the part of Compensation which would otherwise be payable to VENDOR for services VENDOR had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation. Further, upon such a termination for convenience by CITY, the Parties agree that VENDOR shall be reimbursed for any "non-refundable" costs that VENDOR has incurred for its services under this Agreement, provided that: (1) such "non-refundable" costs were incurred by VENDOR prior to the date of termination; (2) that VENDOR provides CITY with adequate proof that VENDOR incurred the costs, and is unable to seek a refund for such costs; and (3) such costs were within the scope of work or services to be performed under this Agreement. Such "non-refundable" costs may include, but are not limited to, travel reservations incurred by VENDOR for its performance of services under this Agreement. VENDOR agrees to cease all work under this Agreement on or before the effective date of any notice of termination.

SECTION 9. EMPLOYMENT OF CITY EMPLOYEES.

No regular employee of CITY shall be employed by VENDOR during the Term of this Agreement.

SECTION 10. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No official or employee of CITY shall be personally liable to VENDOR in the event of any default or

breach by CITY, or for any amount which may become due to VENDOR.

SECTION 11. INDEPENDENT CONTRACTOR.

A. VENDOR is and shall, at all times, remain as to CITY a wholly independent vendor. Neither CITY nor any of its elected officials, officers, employees or agents shall have control over the conduct of VENDOR except as expressly set forth in this Agreement. VENDOR shall not at any time or in any manner represent that he is in any manner an elected official, officer, employee or agent of CITY. No employee benefits shall be available to VENDOR in connection with the performance of this Agreement. Except as provided in this Agreement, CITY shall not pay salary, wages, or other compensation to VENDOR for performance hereunder for CITY. CITY shall not be liable for compensation to VENDOR, VENDOR's employees or VENDOR's sub-contractors for injury or sickness arising out of performing services hereunder.

B. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

C. CITY shall not deduct from the Compensation paid to VENDOR any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to VENDOR. CITY shall have no responsibility to provide VENDOR, its employees or sub-contractors with workers' compensation insurance or any other insurance.

SECTION 12. PERS ELIGIBILITY INDEMNITY.

A. In the event that VENDOR or any employee, agent, or sub-contractor of VENDOR providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of CITY, VENDOR shall indemnify, defend, and hold harmless CITY for the payment of any employee and/or employer contributions for PERS benefits on behalf of VENDOR or its employees, agents, or sub-contractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of CITY.

B. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, VENDOR and any of its employees, agents, and sub-contractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by CITY, including but not limited to eligibility to enroll in PERS as an employee of CITY and entitlement to any contribution to be paid by CITY for employer contribution and/or employee contributions for PERS benefits.

SECTION 13. LEGAL RESPONSIBILITIES.

VENDOR shall at all times observe and comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments including, but not limited to the Montebello Municipal Code. The CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of VENDOR to comply with this section.

SECTION 14. INDEMNIFICATION.

VENDOR agrees to, and shall defend, indemnify, protect and hold harmless, CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of VENDOR'S negligent or wrongful act, or omission under the terms of this Agreement, except only liability arising out of the sole negligence of CITY.

SECTION 15. INSURANCE COVERAGE.

During the Term of this Agreement, VENDOR shall carry, maintain, and keep in full force and effect all following minimum scope of insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with VENDOR's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

Commercial General Liability (CGL): Broad-form, Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including premise-operations, products-completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury, and advertising injury, with limits no less than **Two Million Dollars and Zero Cents** (\$2,000,000), combined single limits, per occurrence. If a general aggregate limit applies, the limit shall be twice the required occurrence limit.

Business Automobile Liability Insurance: For owned vehicles, hired, and non-owned vehicles, Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if VENDOR has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **One Million Dollars and Zero Cents** (\$1,000,000.00) per accident for bodily injury and property damage.

Worker's Compensation insurance as required by the laws of the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **One Million Dollars and Zero Cents** (\$1,000,000.00) per accident for bodily injury or disease. VENDOR agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers for losses arising from work performed by VENDOR for CITY and to require each of its sub-contractors, if any, to do likewise under their workers' compensation insurance policies.

By executing this Agreement, VENDOR further certifies as follows:

I am aware of, and will comply with, Section 3700 of the Labor Code, requiring every employer to be insured against liability of Workers' Compensation or to undertake self-insurance before commencing any of the work contemplated herein.

Professional Errors and Omissions (E&O) Liability insurance appropriate to the VENDOR's profession, with limit no less than **Two Million Dollars and Zero Cents** (\$2,000,000.00) per occurrence or claim, **Two Million Dollars and Zero Cents** (\$2,000,000.00) aggregate. Architects' and engineers' coverage shall be endorsed to include contractual liability. If the policy is written as a "claims made" policy, the retroactivity date shall be prior to the start of work set forth herein, VENDOR shall obtain and maintain said E&O

liability insurance during the Term of this Agreement and for five (5) years after completion of work hereunder. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of this Agreement, VENDOR shall purchase "extended reporting" coverage for a minimum of five (5) years after completion of the work.

If VENDOR maintains higher limits than the minimums shown above, CITY requires and shall be entitled to coverage for the higher limits maintained by VENDOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to CITY.

VENDOR shall require each of its sub-contractors, if any, to maintain insurance coverage that meets all requirements of this Agreement.

The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California, with a current rating of at least A: VII in the latest edition of Best's Insurance Guide and approved by CITY.

Each insurance policy required herein shall state that coverage shall not be canceled, except after providing CITY thirty (30) days' (or ten [10] calendar days for non-payment) prior written notice. VENDOR agrees that if it does not keep the aforesaid insurance in full force and effect CITY may either: (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at VENDOR'S expense, the premium thereon.

At all times during the Term of this Agreement, VENDOR shall maintain on file with CITY's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming CITY, its officers, agents, employees and volunteers as an additional insured. VENDOR shall, prior to commencement of work under this Agreement, file with CITY's Risk Manager such certificate(s).

VENDOR shall provide proof that policies of insurance required herein expiring during the Term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two (2) weeks prior to the expiration of the coverages.

The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers as additional insureds. All policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days' prior written notice to CITY. VENDOR agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

Except for professional liability and workers' compensation policies, the policies herein are primary and non-contributing with any insurance that may be carried by CITY. Any insurance or self-insurance maintained by CITY, its officers, employees, agents or volunteers, shall be in excess of VENDOR's insurance and shall not contribute with it.

All insurance coverage provided pursuant to this Agreement shall not prohibit VENDOR and VENDOR's employees, agents or sub-contractors, from waiving the right of subrogation prior to a loss. VENDOR hereby waives all rights of subrogation against CITY. VENDOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether CITY has received a waiver of subrogation endorsement from the insurer.

Coverage not affected. Any failure to comply with the reporting provisions of the policies contemplated herein, shall not affect coverage provided to CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers.

Coverage applies separately. VENDOR's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, VENDOR shall either reduce or eliminate the deductibles or self-insured retentions with respect to CITY, or VENDOR shall procure a bond guaranteeing payment of losses and expenses.

Procurement of insurance by VENDOR shall not be construed as a limitation of VENDOR's liability or as fall performance of VENDOR's duties to indemnify, hold harmless and defend under Section 9 of this Agreement.

CITY, its officers and employees shall not be responsible for any claims in law or in equity occasioned by the failure of VENDOR to comply with this section.

SECTION 16. SUBCONTRACT, ASSIGNMENT OR DELEGATION.

VENDOR shall not subcontract, delegate or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of CITY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed sub-contractor, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

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

SECTION 17. NO WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition or covenant hereof.

SECTION 18. DISPUTE RESOLUTION; GOVERNING LAW.

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, expert fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded. The venue for any litigation shall be County of Los Angeles, California. The Parties agree that the covenants contained in this Article shall survive the expiration or termination of this Agreement.

SECTION 19. ATTORNEY'S FEES AND COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled.

SECTION 20. WARRANTIES.

Each of the parties represents and warrants to one another as follows:

- A. It has received independent legal advice from its attorneys with respect to the advisability of entering and executing this Agreement;
- B. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of *any* matter whatsoever; and
- C. It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

SECTION 21. MISCELLANEOUS.

- A. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction of interpretation of any of its provisions.
- B. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.
- C. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.
- D. The representations and warranties made by the parties to this Agreement shall survive the consummation of the transaction herein described.
- E. This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.
- F. Each of the parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party's failure to perform under this Agreement or any agreement

referred to in this Agreement.

G. To the extent of a conflict between the terms of this Agreement and those set forth in any exhibits or attachments hereto, the terms of this Agreement shall govern.

SECTION 22. NOTICE.

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

CITY MANAGER
City of Montebello
1600 West Beverly Boulevard
Montebello, California 90640

VENDOR

SECTION 23. NON-DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER.

In the performance of this Agreement, VENDOR shall not discriminate against any employee, sub-contractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. VENDOR will take affirmative action to ensure that sub-contractor and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

SECTION 24. CONFLICT OF INTEREST.

VENDOR and its officers, employees, associates and sub-contractors, if any, shall comply with all California conflict of interest statutes applicable to Vendor's Services under this Agreement, including, but not limited to, the Political Reform Act (Gov. Code, § 81000 et seq.) and Government Code Section 1090. VENDOR further covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by VENDOR under this Agreement, or which would conflict in any manner with the performance of its services hereunder. VENDOR further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, VENDOR shall avoid the appearance of having any interest that would conflict in any manner with the performance of its services pursuant to this Agreement.

VENDOR covenants not to give or receive any compensation, monetary or otherwise, to or from the ultimate vendor(s) of services to CITY because of the performance of this Agreement, or the services that may be procured by CITY because of the recommendations made by VENDOR. VENDOR's covenant

under this section shall survive the termination of this Agreement.

SECTION 25. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between CITY and VENDOR. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by each party. If any term, condition or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

CITY OF MONTEBELLO

VENDOR

Raul Alvarez
City Manager

Name and Title

Dated: _____

Dated: _____

ATTEST:

Christopher Jimenez
City Clerk

APPROVED AS TO FORM

Arnold M. Alvarez-Glasman
City Attorney

SECTION 7 - FORMS AND CERTIFICATIONS

LETTER OF TRANSMITTAL

CITY OF MONTEBELLO

Transportation Department

SUBJECT: REQUEST FOR PROPOSAL NO. 25-03

VEHICLE BODY REPAIR AND PAINTING SERVICES

In response to the subject Request for Proposal ("RFP") and in accordance with the accompanying Instructions to proposers, the proposer hereby commits to the City of Montebello to perform the work in accordance with the provisions in the proposal Level Contract Documents and any addenda thereto and at the prices stated in the Revenue Price Sheet, which will be included and made a part of any subsequent agreement.

The proposer agrees that the proposal constitutes a firm offer that cannot be withdrawn for ninety (90) calendar days from the Proposal opening or until the Contract for the work is fully executed between the City and a third party, whichever is earlier.

If awarded a contract, the Proposer agrees to execute an agreement and deliver it to the City of Montebello within seven (7) calendar days after receiving a Letter of Award together with the necessary certificates of insurance and any applicable performance or payment bonds. The Vendor shall only proceed with the work upon receipt of a Notice to Proceed.

The proposer certifies that it has:

1. Examined and is fully familiar with all the provisions of the RFP Documents and any addenda thereto:
2. Satisfied itself as to the requirements of the Contract, the nature and location of the work, the general and local conditions to be encountered in performance of the work, and all other matters that can in any way affect the Work and/or the cost thereof.
3. Examined the experience, skill and certification requirements in Scope of Services and that the entities performing the work can fulfill the specified requirements; and
4. Carefully reviewed the accuracy of all statements and figures shown in the Proposal and attachment hereto.

Therefore, the undersigned hereby agrees that the City of Montebello will not be responsible for any errors or omissions in the Proposal.

The proposer further certifies that:

1. The only persons, firms, corporations, joint ventures/partnerships, and/or other parties interested in the Proposal as principals are those listed as such in the Proposal Forms and that,

2. The Proposal has been prepared without collusion with any other person, firm, corporation, joint venture/partnership, and/or other party.

The undersigned acknowledges receipt, understanding and full consideration of the following addenda to the Proposal Documents:

Addenda No(s)

Dated _____

Dated _____

Dated _____

Dated _____

Dated _____

Dated _____

Failure to acknowledge receipt of all addenda may cause the Proposal to be considered non-responsive to the solicitation. Acknowledged receipt of each addendum must be clearly established and included with the Proposal /offer.

Proposer's Name

Business Address

Contact Person

Email Address

Phone

Fax

Signature of Authorized Official

Signature of Authorized Official

Typed or Printed Name

Typed or Printed Name

Title

Title

Date

Date

(Joint ventures/partnerships are to provide a signed copy of their agreement with their Proposal.)

For proposals requiring licenses the following information is required:

Vendor's License No. _____

Expiration Date: _____

License Classification: _____

EXHIBIT A

INDEMNIFICATION AND HOLD HARMLESS AGREEMENT AND WAIVER OF SUBROGATION AND CONTRIBUTION

Contract/Agreement/License/Permit No. or description: RFP No.25-03, VEHICLE BODY REPAIR AND PAINTING SERVICES

Indemnitor(s): _____

(List all names)

To the fullest extent permitted by law, Indemnitor hereby agrees, at its sole cost and expense, to protect, indemnify, and hold harmless the City of Montebello and its elected officials, officers, attorneys, agents, employees, designated volunteers, successors, and assigns (collectively "Indemnitees") from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, expenses, judgments, penalties, liens, and losses of any nature whatsoever, including fees of accountants, attorneys, or other professionals and all costs associated therewith (collectively "Liabilities"), resulting from any wrongful or negligent act, failure to act, error, or omission of Indemnitor or any of its officers, agents, servants, employees, subcontractors, material men, suppliers or their officers, agents, servants or employees, arising or claimed to arise, directly or indirectly, out of, in connection with, resulting from, or related to the above-referenced: RFP No. 25-03 **VEHICLE BODY REPAIR AND PAINTING SERVICES** (the "Waiver") or the performance or failure to perform any term, provision, covenant, or condition of the Waiver, including this indemnity provision. This indemnity provision is effective regardless of any prior, concurrent, or subsequent passive negligence by Indemnitees and shall operate to fully indemnify Indemnitees against any such negligence. This indemnity provision shall survive the termination of the Waiver and is in addition to any other rights or remedies which Indemnitees may have under the law. Payment is not required as a condition precedent to an Indemnitee's right to recover under this indemnity provision, and an entry of judgment against the Indemnitor shall be conclusive in favor of the Indemnitee's right to recover under this indemnity provision. Indemnitor shall pay Indemnitees for any attorney's fees and costs incurred in enforcing this indemnification provision. Notwithstanding the foregoing, nothing in this instrument shall be construed to encompass (a) Indemnitees' active negligence or willful misconduct to the limited extent that the underlying agreement is subject to Civil Code § 2782(a), or (b) the contracting public agency's active negligence to the limited extent that the underlying agreement is subject to Civil Code § 2782(b). This indemnity is effective without reference to the existence or applicability of any insurance coverages which may have been required under the Waiver or any additional insured endorsements which may extend to Indemnitees.

City agrees to promptly inform Indemnitor in writing of any claim that City believes to be subject to this Waiver.

Indemnitor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees, while acting within the scope of their duties, from all claims, losses and liabilities arising out of or incident to activities or operations performed by or on behalf of the Indemnitor regardless of any prior, concurrent, or subsequent non-active negligence by the Indemnitees.

In the event there is more than one person or entity named in the Waiver as an Indemnitor, then all obligations, liabilities, covenants and conditions under this instrument shall be joint and several.

“Indemnitor”

Name: _____ Name: _____
(Print) (Print)

By: _____ By: _____
(Signature) (Signature)

Title: _____ Title: _____

Date: _____ Date: _____

EXHIBIT B
REFERENCES

List at Least Three (3) Professional References:

1	Project City/Agency/Other:		
	Person of Contact:		
	Phone Number:		
	E-mail Address:		
	Address:		
	City, State, Zip Code:		
	Description of Contract <i>(Please include contract value, award date, term of contract, and description of work):</i>	Contract Value:	\$
		Award Date:	
		Term of Contract:	
		Description of Work:	

2	Project City/Agency/Other:		
	Person of Contact:		
	Phone Number:		
	E-mail Address:		
	Address:		
	City, State, Zip Code:		
	Description of Contract <i>(Please include contract value, award date, term of contract, and description of work):</i>	Contract Value:	\$
		Award Date:	
		Term of Contract:	
		Description of Work:	

3	Project City/Agency/Other:		
	Person of Contact:		
	Phone Number:		
	E-mail Address:		
	Address:		
	City, State, Zip Code:		
	Description of Contract <i>(Please include contract value, award date, term of contract, and description of work):</i>	Contract Value:	\$
		Award Date:	
		Term of Contract:	
		Description of Work:	

EXHIBIT C

INSURANCE

The Proposal shall include a statement that the insurance requirements set forth in the contract documents can be obtained and will be carried without reservation or exclusion should Proposer be awarded a contract pursuant to this RFP.

The successful Proposer shall at all times during the term of the awarded Agreement, carry, maintain, and keep in force and effect, with an insurance company admitted to do business in California, rated "A" or better in the most recent A.M. Best's Insurance Rating Guide, and approved by the CITY, a policy or policies of:

- A. Commercial General Liability Insurance using Insurance Services Office Commercial General Liability form CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross-liability exclusion for claims or suits by one insured against another. Limits shall be no less than \$2,000,000 per occurrence for all covered losses and the general aggregate limit shall be twice the required occurrence limit.
- B. Business Auto Coverage on ISO Business Auto Coverage form CA 00 01 including symbol 1 (Any Auto) or the exact equivalent. Limits shall be no less than \$1,000,000 per accident, combined single limit. If Vendor owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described in the preceding subsection. If Vendor or Vendor's employees will use personal autos in any way on this project, Vendor shall provide evidence of personal auto liability coverage for each such person.
- C. Workers' Compensation insurance on a state approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000 per accident for all covered losses.
- D. Professional Liability or Errors and Omissions Insurance as appropriate to the profession, written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Vendor and "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy limit shall be not less than \$2,000,000 per claim and in the aggregate. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this Agreement. City, its officers, employees, attorneys, and designated volunteers shall be named as additional insured on the policy, or policies, as to commercial general liability bodily injury and property damage coverages and automobile coverages with respect to liability arising out of successful Proposer's work under this Agreement.
- E. All insurance policies shall provide that the insurance coverage shall not be non-renewed, canceled, reduced, or otherwise modified (except through the addition of additional insureds to the policy) by the insurance carrier without the insurance carrier giving City thirty (30) days' prior written notice thereof. Any such thirty (30) day notice shall be submitted to City via certified mail, return receipt requested, addressed to "Risk Manager," City of Montebello, 1600 West Beverly

Boulevard, Montebello, California, 90640. Vendor agrees that it will not cancel, reduce or otherwise modify said insurance coverage.

- F. Vendor shall submit to City (i) insurance certificates indicating compliance with the minimum worker's compensation insurance requirements above, and (ii) insurance policy endorsements indicating compliance with all other minimum insurance requirements above, not less than one (1) day prior to beginning of performance under this Agreement. Endorsements shall be executed on City's appropriate standard forms entitled "Additional Insured Endorsement".

EXHIBIT D

RFP No. 25-03

VEHICLE BODY REPAIR AND PAINTING SERVICES

COST PROPOSAL SHEET

In accordance with the Request for Proposal issued by the City of Montebello Transportation Department (hereinafter referred to as "Vendor/Proposer), the undersigned proposing company hereby agrees to furnish all necessary labor, materials and incidentals required for the above stated contract as set forth in the Scope of Work and any addenda thereto, and to perform all work in the manner and time prescribed therein. Please provide a description of a products proven equal as well as additional costs/fees below.

Quantity	Description of Work	Cost of Needs
Lump sum	Vehicle Body Repair and Painting Services	\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
<i>TOTAL</i>		\$

List other costs/fees:	:	Description	Cost/Fees
-------------------------------	---	-------------	-----------

Contact Information:

Name & Job Title:	
Business Name:	
Address:	
City, State, Zip Code:	
Phone Number:	
E-mail Address:	
Authorized Signature:	Date:

EXHIBIT E
STATEMENT OF
DISADVANTAGED BUSINESS ENTERPRISE PARTICIPATION

This proposal provides for the following Disadvantaged Business Enterprise participation:

Disadvantaged Business Enterprise

Firm Name

Address

Phone Number

Type of Business

Current DBE Certification? _____ Yes* _____ *No

*(If "Yes," attach copy of current Letter of Certification and copy of current Statement of Personal Net Worth.)

Total \$ _____

% of Total Contract _____

Signature: _____ Date: _____

EXHIBIT F**Bidder's List of Subcontractors (DBE and Non-DBE)****Part I**

The bidder shall list all subcontractors (both DBE and non-DBE) in accordance with Section 2-1.054 the Standard Specification and per Title 49, Section 26.11 of the Code of Federal Regulations. This listing is required in addition to listing DBE Subcontractors elsewhere in the proposal. Photocopy this form for additional firms.

Firm Name/ Address/ City, State, ZIP	Phone/ Fax	Annual Gross Receipts	Description of Portion of Work to be Performed	<u>Local Agency Use Only</u> (Certified DBE?)	
<i>Name</i>	<i>Phone</i>	☐ < \$1 million		☐ YES	
		☐ < \$5 million		☐ NO	
		☐ < \$10 million		<i>If YES list DBE #:</i>	
	<i>Address</i>	<i>Fax</i>	☐ < \$15 million		
			<i>City State ZIP</i>	☐ > \$15 million	
<i>Name</i>	<i>Phone</i>	☐ < \$1 million		☐ YES	
		☐ < \$5 million		☐ NO	
		☐ < \$10 million		<i>If YES list DBE #:</i>	
	<i>Address</i>	<i>Fax</i>	☐ < \$15 million		
			<i>City State ZIP</i>	☐ > \$15 million	
<i>Name</i>	<i>Phone</i>	☐ < \$1 million		☐ YES	
		☐ < \$5 million		☐ NO	
		☐ < \$10 million		<i>If YES list DBE #:</i>	
	<i>Address</i>	<i>Fax</i>	☐ < \$15 million		
			<i>City State ZIP</i>	☐ > \$15 million	

Part II

The bidder shall list all subcontractors who provided a quote or bid but were not selected to participate as a subcontractor on this project. This is required for compliance with Title 49, Section 26 of the Code of Federal Regulations. Photocopy this form for additional firms.

Firm Name/ Address/ City, State, ZIP	Phone/ Fax	Annual Gross Receipts	Description of Portion of Work to be Performed	<u>Local Agency Use Only</u> (Certified DBE?)
<i>Name</i>	<i>Phone</i>	☐ < \$1 million		☐ YES
		☐ < \$5 million		☐ NO
<i>Address</i>		☐ < \$10 million		<i>If YES list DBE #:</i>
	<i>Fax</i>	☐ < \$15 million		
<i>City State ZIP</i>		☐ > \$15 million		Age of Firm (Yrs.)
<i>Name</i>	<i>Phone</i>	☐ < \$1 million		☐ YES
		☐ < \$5 million		☐ NO
<i>Address</i>		☐ < \$10 million		<i>If YES list DBE #:</i>
	<i>Fax</i>	☐ < \$15 million		
<i>City State ZIP</i>		☐ > \$15 million		Age of Firm (Yrs.)

EXHIBIT G**CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS -
PRIMARY COVERED TRANSACTIONS**

The _____ certifies to the best of it's
(Firm Name/ Principle)

knowledge and belief, that it and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
2. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or Local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property;
3. Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and
4. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause of default.

If unable to certify to any of the statements in this certification, the participant shall attach an explanation to this certification.

THE PRIMARY PARTICIPANT _____ CERTIFIES
(Firm Name/Principal)

OR AFFIRMS THE TRUTHFULNESS AND ACCURACY OF THE CONTENTS OF THE STATEMENTS SUBMITTED ON OR WITH THIS CERTIFICATION AND UNDERSTANDS THAT THE PROVISIONS OF 31 U.S.C. SECTIONS 3801 ET SEQ. ARE APPLICABLE THERETO.

Signature and Title of Authorized Official

The undersigned chief legal counsel for the _____ hereby certifies that the _____ has authority under State and Local law to comply with the subject assurances that the certification above has been legally made.

Signature of Attorney

Date

EXHIBIT H

PERFORMANCE GUARANTEE CERTIFICATION

The undersigned hereby certifies that the Vendor shall provide a Performance Guarantee in accordance with Specifications.

Designate below which form of Performance Guarantee shall be provided:

_____ Performance Bond

_____ Irrevocable Stand-By-Letter of Credit

Vendor's Name: _____

Authorized Signature: _____

Title: _____

Date: _____

EXHIBIT I

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS: that _____

(Insert full name and address and legal title of Vendor) as Principal, hereinafter called Vendor,
 and,

(Insert full name and address or legal title of Surety)

as Surety, hereinafter called Authority, in the amount of \$_____ for the payment whereof Vendor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Vendor has by written agreement dated _____, 20____, entered into a contract with the City for Contract No. _____, which contract is by reference made a part hereof, and is hereinafter referred to as the "Contract".

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if Vendor shall promptly and faithfully perform said Contract, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

The Surety hereby waives notice of any alteration or extension of time made by the City.

Whenever Vendor shall be, and is declared by the City to be in default under the Contract, the City having performed City's obligations thereunder, the Surety may promptly remedy the default, or shall promptly

1. Complete the Contract in accordance with its terms and conditions, or
2. Obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by Surety of the lowest responsible bidder, or, if the City elects, upon determination by the City and the Surety jointly of the lowest responsible bidder, arrange for a contract between such bidder and the Authority, and make available as Work progresses (even though there should be a default or a succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price; but not exceeding, the amount set forth in the first paragraph hereof. The term "balance of the contract price," as used in this paragraph, shall mean the total amount payable by the City to Vendor under the Contract and any amendments thereto, less the amount properly paid by the City to Vendor.

Any suit under this bond must be instituted before the expiration of two (2) years from the date on which final payment under the Contract falls.

No right of action shall accrue on this bond to or for the use of any person or corporation other than the RECIPIENT or the heirs, executors, administrators or successors of the City.

Signed and sealed this _____ day of 20____.

WITNESS

PRINCIPLE

(SEAL)
(TITLE)

WITNESS

SURETY

(SEAL)
(TITLE)

Attach hereto proof of authority of officers or agents to sign bond.

EXHIBIT J**IRREVOCABLE STANDBY LETTER OF CREDIT CERTIFICATE**

The undersigned states that he/she is of the _____ of the
(Title)

(Name of Beneficiary) (The "Beneficiary") and hereby

Certifies on behalf of the Beneficiary to _____ (the "Bank), with
(Name of Issuing Bank)

Reference to Irrevocable Standby Letter of Credit No. _____ Issued by the

Bank (the "Letter of Credit"), that:

1. The undersigned is duly authorized to execute and deliver this certificate on behalf of the Beneficiary.
2. The Beneficiary is making a drawing under the Letter of Credit.
3. An Event of Default has occurred under Contract No.
4. The amount of the draft presented with this certificate does not exceed the total maximum amount drawable today under the Letter of Credit as provided therein.

IN WITNESS WHEREOF, this certificate is executed this _____ day of _____, 20____.

NAME OF BENEFICIARY

By: _____

Its: _____

EXHIBIT K
Bank Draft

FOR VALUE RECEIVED

Pay on the presentment to _____ the sum of _____
(Name of Beneficiary) Dollars (\$)

Charge to the Account of _____ Irrevocable Standby Letter of
(Name of Issuing Bank)

Credit No. _____ Dated: _____

To _____
(Name of Issuing Bank)

NAME OF BENEFICIARY

By _____

Its _____

[THIS PAGE WAS INTENTIONALLY LEFT BLANK]



ITEM # 27

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: John Soria, Director

SUBJECT: **APPROVE AMENDMENT NO. 6 TO AGREEMENT NO. 3733 WITH LPM CONSULTING INC., TO PROVIDE MONITORING AND OVERSIGHT CONSULTING SERVICES FOR MONTEBELLO BUS LINES' SUBSTANCE ABUSE PROGRAM**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council

1. Approve Amendment No. 6 to Agreement No. 3733 with LPM Consulting Inc. to provide monitoring and oversight consulting services for Montebello Bus Lines' (MBL) Substance Abuse Program; and
2. Authorize the City Manager to execute Amendment No. 6 on behalf of the City of Montebello; and
3. Take such additional, related, action that may be desirable.

FISCAL IMPACT:

There is no fiscal impact associated with the recommended action.

BACKGROUND/DISCUSSION:

On June 1, 2019, the City entered into Agreement No. 3733 with LPM Consulting to provide monitoring and oversight services for MBLs Substance Abuse Program. These services support compliance with federal regulations, including 49 CFR Part 40 and 49 CFR Part 655, which govern drug and alcohol screening in safety-sensitive positions across public transit systems. Enforced by the U.S. Department of Transportation and the Federal Transit Administration, these regulations aim to ensure safety, integrity, and accountability in transportation operations.

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 2 of 2

The agreement has been amended several times, including Amendment No. 5, executed on June 26, 2024, to extend services through June 30, 2026 (Attachment A). Through Amendment No. 5, LPM Consulting formally notified the City of its intent to wind down operations in preparation for full retirement and to not pursue or renew any long-term contracts that were set to expire within 12 months. As we approach Fiscal Year 2025-26, LPM Consulting is accelerating its transition into full retirement and has shifted all consulting services to remote operations. However, the agreement still includes a provision requiring LPM Consulting to continue carrying automobile liability insurance, a requirement that is now obsolete since no in-person or on-site work involving vehicle use is being performed.

Given these circumstances, staff recommend that the City Council consider amending Agreement No. 3733 to remove the automobile insurance requirement while allowing LPM Consulting to continue providing remote consulting services through June 30, 2026. This recommendation was assessed to safeguard against any potential financial or operational risk and approved by the City's Principal Risk Officer.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

Staff recommend the City Council approve Amendment No. 6 to Agreement No. 3733 with LPM Consulting, removing the automobile insurance requirements for monitoring and oversight services for MBLs Substance Abuse Program (Attachment B); authorize the City Manager to execute Amendment No. 6 on the City's behalf; and take such additional, related, action that may be desirable.

ATTACHMENT(S)

1. Attachment A – Amendment No. 5 to Agreement No. 3733
2. Attachment B - Proposed Amendment No. 6 to Agreement No. 3733

CITY OF MONTEBELLO

**AMENDMENT NO. 5
TO AGREEMENT NO. 3733
WITH LPM CONSULTING, INC.**

This Amendment No. 5 to Agreement No. 3733 ("**Amendment No. 5**") is made and entered into as of the 26th day of June 2024 ("**Effective Date**"), by and between the City of Montebello, a California municipal corporation duly organized and existing under the law of the State of California ("**City**"), and LPM Consulting, Inc., a corporation duly organized and existing under the law of the State of California ("**Consultant**"). City and Consultant are sometimes hereinafter referred to collectively as the "**Parties**".

RECITALS

WHEREAS, **City** and **Consultant** are Parties to that certain Agreement No. 3733 to provide Consulting Services for the Substance Abuse Program Monitoring and Oversight with an "Effective Date" of June 1, 2019 ("Agreement"), pursuant to which **City** contracted with **Consultant** to provide services as defined in the Agreement; and

WHEREAS, Section 20 ("Entire Agreement") of the Agreement allows for amendments to the Agreement by a writing executed by the Parties; and

WHEREAS, on or about July 1, 2020, the Parties executed a "First Amendment" exercising an option to extend the Agreement from July 1, 2020, to June 30, 2021, and included language authorizing three (3) additional one-year renewal options; and

WHEREAS, on or about July 1, 2021, the Parties executed a "Second Amendment" exercising an option to extend the Agreement from July 1, 2021, to June 30, 2022, and add two (2) additional, one-year optional renewal terms; and

WHEREAS, on or about July 1, 2022, the Parties executed "Amendment No. 3" exercising an option to extend the Agreement from July 1, 2022, to June 30, 2023; and

WHEREAS, on or about July 1, 2023, the Parties executed "Amendment No. 4" exercising the final option to extend the Agreement from July 1, 2023, to June 30, 2024; and

AMENDMENT NO. 5 TO AGREEMENT NO. 3733

Page 2 of 3

WHEREAS, any reference to a "First" or "Second" Amendment shall mean and have the same effect and as an "Amendment No.1", "Amendment No. 2", and so on; and

WHEREAS, the Parties each being mutually satisfied with the other's performance thereof, desire to amend the Agreement once more to extend the consulting services by two (2) additional years beyond the initial five years contemplated in Amendments No. 1 through No. 4, on the same conditions set forth in the Agreement and as otherwise proved herein; and

WHEREAS, by exercising the option to extend the Agreement by an additional two (2) years, an amendment to the Compensation is also required.

NOW, THEREFORE, based upon the foregoing recitals, which the Parties agree are true and correct, and for good and adequate consideration the receipt and adequacy of which is acknowledged by the Parties, the Parties agree as follows:

AMENDMENT

SECTION 1: RECITALS. The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference.

SECTION 2: EXTENSION OF TERM. Through this **Amendment No. 5**, the Parties hereto agree to extend the term of the Agreement from July 1, 2024; to June 30, 2026; unless such time is further extended in writing by a subsequent amendment and executed by both Parties.

SECTION 3: AMENDMENT TO COMPENSATION. Through this **Amendment No. 5**, the Parties hereto agree to amend the compensation for the purposes of incorporating costs associated with the extension of the Agreement for an additional two (2) years as follows:

*"The agreed-upon compensation for the contract services contemplated in the Agreement and memorialized in **Amendment No. 5** shall not exceed the annual amount of **Fifty-Thousand Dollars (\$50,000)** for performance of the professional services outlined in the Agreement and any applicable amendment thereto. City shall pay **Consultant** upon thirty (30) days of receipt of itemized billing statement and/or invoice and full acceptance of product and services by **City**. **Contractor** shall not incur fees or costs which exceed the amount above without prior written consent of **City**."*

AMENDMENT NO. 5 TO AGREEMENT NO. 3733

Page 3 of 3

SECTION 4: INCORPORATION OF REMAINING TERMS. Other than as expressly modified in this **Amendment No. 5** with respect to the term of the Agreement, all remaining terms, conditions, and provisions of the Agreement (and any applicable amendment thereto), and the entirety thereof, shall remain in full force and effect, and is incorporated fully herein by this reference.

In WITNESS WHEREOF, the Parties have executed this **Amendment No. 5** to Agreement No. 3733 provide Consulting Services for the Substance Abuse Program Monitoring and Oversight as of the day and year first above written.

(the "CITY")

(the "CONSULTANT")

CITY OF MONTEBELLO

LPM CONSULTING, INC.

By: 
Raul Alvarez, City Manager

By: 
Leila Procopio-Makuh, President

ATTEST:

By: 
Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

By: 
Arnold M. Alvarez-Glasman,
City Attorney

ATTACHMENTS:

Exhibit "A" – LPM Consulting, Inc. Renewal Letter



LPM Consulting Inc.

Your Guide to a Drug-free Workplace

Montebello Bus Lines

Attn: Timothy Grensavitch, DAPM/DER

400 So. Taylor Ave.

Montebello, CA 90640

Dear Mr. Grensavitch:

For the past 13+ years, the City of Montebello and LPM Consulting Inc. have enjoyed an excellent and mutually beneficial working relationship. LPM has provided a variety of consulting, training, and professional services to the Montebello Bus Lines (MBL) and its covered contractors to ensure their compliance with the federal drug and alcohol testing rules (DOT 49 CFR Part 40 and FTA 49 CFR Part 655). As you know, the City's compliance with these rules is a condition of their continued receipt of FTA funds. With our professional assistance, the City has passed FTA Triennial Reviews with flying colors.

LPM's current contract with the City of Montebello is scheduled to expire on June 30, 2024. However, due to the recent changes in Part 40 with the introduction of oral fluid testing (OFT) as an alternative to test for prohibited drugs, as well as changes in regulatory interpretations, there will be a need to revise the City's Drug and Alcohol Policy and train the D&A Program staff on how to communicate the options it has chosen to the collection sites, the Third Party Administrator, the HHS laboratory and the Medical Review Officer through a "Standing Order." The periodic audits will also become more critical at this point. Although the new Part 40 rule has been in effect since June 2023, the implementation date for OFT has not been announced yet. It has also been rumored that DOT is considering the addition of another drug in the DOT panel. In short, there are very significant changes that are expected to happen within the next 18 - 24 months that will make it necessary for the City's Drug & Alcohol Program team to continue to engage the services of LPM Consulting Inc. to help with the transition and ensure DOT-FTA compliance.

As I start to prepare for full retirement, I have started to thin out the number of clients I provide consulting services for. I do not intend to renew long-term contracts that are scheduled to expire in the next 12 months. But in view of the long and productive working relationship I have had with the City of Montebello, I am willing to extend my existing contract with the City for another two years, if you feel you need me.

Thank you very much for your interest and appreciation for the work that I have done and continue to do for the City. Please let me know what you decide to do.

Sincerely,

Leila Procopio-Makuh
Leila Procopio-Makuh, CSAPA

President

18017 Chatsworth St. #25, Granada Hills, CA 91344
E-mail: LPMConsulting2000@gmail.com • Phone: 818-723-6927

CITY OF MONTEBELLO

**AMENDMENT NO. 6
TO AGREEMENT NO. 3733
WITH LPM CONSULTING, INC.**

This Amendment No. 6 to Agreement No. 3733 (“**Amendment No. 6**”) is made and entered into as of the 14th day of May 2025 (“Effective Date”), by and between the City of Montebello, a California municipal corporation duly organized and existing under the law of the State of California (“**City**”), and LPM Consulting, Inc., a corporation duly organized and existing under the law of the State of California (“**Consultant**”). City and Consultant are sometimes hereinafter referred to collectively as the “Parties”.

RECITALS

WHEREAS, **City** and **Consultant** are Parties to that certain Agreement No. 3733 to provide Consulting Services for the Substance Abuse Program Monitoring and Oversight with an “Effective Date” of June 1, 2019 (“Agreement”), pursuant to which **City** contracted with **Consultant** to provide services as defined in the Agreement; and

WHEREAS, Section 20 (“Entire Agreement”) of the Agreement allows for amendments to the Agreement by a writing executed by the Parties; and

WHEREAS, on or about July 1, 2020, the Parties executed a “First Amendment” exercising an option to extend the Agreement from July 1, 2020, to June 30, 2021, and included language authorizing three (3) additional one-year renewal options; and

WHEREAS, on or about July 1, 2021, the Parties executed a “Second Amendment” exercising an option to extend the Agreement from July 1, 2021, to June 30, 2022, and add two (2) additional, one-year optional renewal terms; and

WHEREAS, on or about July 1, 2022, the Parties executed “Amendment No. 3” exercising an option to extend the Agreement from July 1, 2022, to June 30, 2023; and

WHEREAS, on or about July 1, 2023, the Parties executed “Amendment No. 4” exercising the final option to extend the Agreement from July 1, 2023, to June 30, 2024; and

WHEREAS, on or about July 1, 2024, the Parties executed “Amendment No. 5” exercising the final option to extend the Agreement from July 1, 2024, to June 30, 2026; and

AMENDMENT NO. 6 TO AGREEMENT NO. 3733

Page 2 of 3

WHEREAS, any reference to a “First” or “Second” Amendment shall mean and have the same effect and as an “Amendment No.1”, “Amendment No. 2”, and so on; and

WHEREAS, the Parties each being mutually satisfied with the other’s performance thereof, desire to amend the Agreement once more to revise the insurance requirements in the agreement; and

NOW, THEREFORE, based upon the foregoing recitals, which the Parties agree are true and correct, and for good and adequate consideration the receipt and adequacy of which is acknowledged by the Parties, the Parties agree as follows:

AMENDMENT

SECTION 1: RECITALS. The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference.

SECTION 2: INSURANCE Through this **Amendment No. 6**, the Parties hereto agree to amend the insurance requirements as follows:

“A. Without limiting Consultant’s indemnification of indemnities pursuant to Section 3 of this agreement, Consultant shall obtain and provide and maintain at its own expense during the term of this agreement the types and amounts of insurance as described below:

(1) Commercial General Liability Insurance using insurance services office commercial general liability form CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross-liability exclusion for claims or suits by one insured against another. Limits shall be no less than \$500,000 per occurrence for all covered losses and no less than \$1,000,000 general aggregate.

~~*(2) Business Auto Coverage on ISO business Auto Coverage form CA-0001 including symbol 1 (Any Auto) or the exact equivalent. Limits shall be no less than \$500,000 per accident, combined single limit. If consultant owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described in the preceding subsection. If consultant or consultant’s employees will use personal autos in any way on this project, Consultant shall provide evidence of personal auto liability coverage for each such person.*~~

AMENDMENT NO. 6 TO AGREEMENT NO. 3733

Page 3 of 3

(3) Workers' Compensation insurance on a state approval policy form providing statutory benefits as required by law with employers' liability limits no less than \$500,000 per accident for all covered cost....."

SECTION 3: INCORPORATION OF REMAINING TERMS. Other than as expressly modified in this **Amendment No. 6** with respect to the term of the Agreement, all remaining terms, conditions, and provisions of the Agreement (and any applicable amendment thereto), and the entirety thereof, shall remain in full force and effect, and is incorporated fully herein by this reference.

In WITNESS WHEREOF, the Parties have executed this **Amendment No. 6** to Agreement No. 3733 provide Consulting Services for the Substance Abuse Program Monitoring and Oversight as of the day and year first above written.

(the "CITY")

(the "CONSULTANT")

CITY OF MONTEBELLO

LPM CONSULTING, INC.

By: _____
Raul Alvarez, City Manager

By: _____
Leila Procopio-Makuh, President

ATTEST:

By: _____
Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

By: _____
Arnold M. Alvarez-Glasman, City Attorney



ITEM # 28

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: John Soria, Director

SUBJECT: **APPROVE THE CITY OF MONTEBELLO DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council

1. Approve the City of Montebello Disadvantaged Business Enterprise (DBE) Program; and
2. Take such additional, related action that may be desirable.

FISCAL IMPACT:

There is not fiscal impact related to the recommended actions. However, the City receives U.S. Department of Transportation (U.S. DOT) funding through its participation in the DBE program. The U.S.. DOT uses 49 C.F.R. Part 26 to regulate Transportation DBE programs. This staff report provides revision to a guiding document that the City uses to administer the DBE program under these regulations.

BACKGROUND/DISCUSSION:

The City is required to implement and monitor established DBE goals as a recipient of U.S. DOT funding. A DBE is a for-profit small business owned and operated, with at least a 51% interest, by an individual from a presumed socially or economically disadvantaged background. The City calculates a DBE goal by evaluating local market conditions on a triennial basis (, i.e., every three (3) years). The DBE goal is then monitored and reported to the U.S. DOT on a regular basis.

On October 9, 2024, the Federal Transit Administration (FTA) moved to a two-tiered

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 2 of 2

system for DBE program compliance for recipients that receive planning, capital, or operating assistance. As outlined in the U.S. DOT's updated DBE Final Rule at 49 CFR § 26.21(a), which went into effect May 9, 2024, the City is categorized as a Tier I recipient. Tier I recipients are those recipients that will award prime contracts exceeding a cumulative total value of \$670,000 in FTA funds in a federal fiscal year, excluding transit vehicle purchases. Tier I recipients are required to submit an updated DBE program that meets all the requirements outlined in 49 CFR Part 26.

ENVIRONMENTAL:

N/A

ANALYSIS:

Staff recommend revisions be made to the DBE Program to conform with U.S. DOT regulations by updating specific sections of the program.

The FTA requires recipients to update and submit DBE Goal-Setting Methodology. On January 31, 2025, staff submitted the updated DBE Goal-Setting Methodology for Federal Fiscal Year 2025-27. The updated DBE Goal-Setting Methodology was incorporated into the DBE Program.

The DBE Liaison Officer (DBELO) is responsible for the implementation and compliance of the City's DBE Program. The current DBELO position is classified as an individual who holds the "Senior Management Analyst" title. The updated DBELO has changed to the Transit Administrative Manager and is reflected in the DBE Program without a specified name attached to the position.

Bidders/proposers who fail to meet the DBE contract goal or fail to provide documentation of Good Faith Efforts to provide DBE opportunities may be provided an administrative reconsideration by the DBE Reconsideration Official (DBERO). The DBE Program has identified the "Deputy Director of Transportation or designated position" as the DBERO.

Additionally, the DBE Organizational chart is updated to only include the titles of positions that monitor the City's DBE Program without specific names attached.

SUMMARY:

Staff recommend that the City Council approve revisions to the City's DBE Program; and direct staff to take such additional, related, action that may be desirable.

ATTACHMENT(S)

1. Attachment A: City of Montebello Disadvantaged Business Enterprise (DBE) Program



City of Montebello

DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM MANUAL

May 28, 2025

Submitted to

**U.S. Department of Transportation
Federal Transit Administration**

The City of Montebello (City)
DBE PROGRAM MANUAL

TABLE OF CONTENTS

	PAGE
I. POLICY AND GENERAL REQUIREMENTS	4
A. Policy Statement	
B. Objectives	
C. Applicability	
D. Non-Discrimination Requirements	
II. DEFINITION OF TERMS	6
III. RECORD KEEPING REQUIREMENTS	12
A. Uniform Reports of DBE Awards/Commitments and Payments	
B. Bidders List	
IV. ASSURANCES AND REQUIRED CONTRACT PROVISIONS	14
A. Non-Discrimination Assurances	
B. Contractor Assurance Clause	
C. Prompt Payment Clause	
V. ADMINISTRATIVE REQUIREMENTS AND STAFFING	16
A. DBE Program Updates	
B. DBE Liaison Officer (DBELO)	
C. DBE Program Staffing	
D. DBE Organizational Chart	
E. DBE Reconsideration Official	
F. Prompt Payment Mechanisms	
G. DBE Financial Institutions	
H. DBE Directory	
I. Overconcentration	
J. Business Development Programs	
K. City Written Certification	
L. Small Business Participation and Small Business Element	
VI. GOALS, GOOD FAITH EFFORTS AND COUNTING	23
A. Use of Set-asides or Quotas	
B. Overall and Contract-Specific DBE Goals	
C. Overall DBE Goal-Setting Methodology	
D. Public Participation	
E. Annual Review and Remedy Reports	
F. Transit Vehicle Manufacturers	
G. Methods for Meeting Goals	
H. Contract-Specific Goal-Setting Methodology	
I. Design-Build Contracts (Federal Register / Vol.68, No.1151)	
J. Evaluation and Award of Contracts with DBE Goals	

The City of Montebello (City)
DBE PROGRAM MANUAL

- K. Meeting Established Goals or Demonstrating Good Faith Efforts**
- L. Counting DBE Participation**

VII.	DBE CERTIFICATION AND ELIGIBILITY	38
	A. California Unified Certification Program	
	B. Scope of Work Covered by Certification	
	C. Annual Affidavit of Continuing Eligibility	
	D. Notification of Change in Circumstances	
	E. Lapse in Certification Status	
	F. Procedures for Removal of DBE Eligibility	
	G. Certification Denials and Appeals	
VIII.	COMPLIANCE AND ENFORCEMENT OVERSIGHT	42
	A. Information, Confidentiality, Cooperation	
	B. Monitoring Payments to DBEs	
	C. Compliance Monitoring	
	D. Submission of DBE Information and Ongoing Reporting Requirements	
	E. DBE Participation Change Requests	
	F. Dispute Resolution	
	G. Administrative Sanctions for Non-Compliance	
	ATTACHMENT – DBE Organizational Chart	53

The City of Montebello (City)

DBE PROGRAM MANUAL

I. POLICY AND GENERAL REQUIREMENTS

A. Policy Statement (§26.1, §26.3)

The City of Montebello's (hereinafter referred to as "City") is a recipient of U.S. Department of Transportation (U.S. DOT) Federal Assistance funds through the Federal Transportation Administration (FTA). As a condition of receiving such assistance, the City has established a Disadvantaged Business Enterprise (DBE) Program in conformance with the federal DBE Program and its regulations published under U.S. DOT 49 CFR Part 26. The City is committed to fulfilling the spirit and intent of the federal DBE Program and its regulations by ensuring that DBEs have equitable access to participate in all federally funded City contracting opportunities.

The FTA has a two-tiered system for its DBE program compliance for recipients that receive planning, capital, or operating assistance. The City is a Tier I recipient because it will award prime contracts exceeding a cumulative total value of \$670,000 in FTA funds in a federal fiscal year, excluding transit vehicle purchases. Tier I recipients must have a DBE program that meets all the requirements outlined in 49 CFR Part 26 (DOT has published a Summary of Rule Changes). In accordance with the U.S DOT's DBE Program, the goal of the City's DBE Program is to ensure that minority-owned, women-owned, and other disadvantaged small businesses can fairly compete for contracts and subcontracts financed in whole, or in part, with U.S. DOT funds.

Notices setting forth this policy are posted at the City's office and website at: www.montebellocal.gov and they are available to the public and to the DBE and non-DBE business communities that perform or are interested in performing work on City contracts. Questions regarding City's DBE Program should be addressed to DBE Liaison Officer, 23920 Valencia Blvd., Montebello, CA 91355, or by telephone at 661-286-4188.

B. Objectives (§26.1, §26.23)

In accordance with the intent of the U.S. DOT's DBE Program regulations, the City is firmly committed to its DBE Program objectives, which are as follows:

1. Ensure non-discrimination in the award and administration of City's U.S. DOT-assisted contracts;
2. Create a level playing field by which DBEs can fairly compete for the City's U.S. DOT-assisted contracts;
3. Ensure that the DBE Program and Overall Goal are narrowly tailored in accordance with applicable law;
4. Ensure that only firms that meet 49 CFR Part 26 eligibility standards are permitted to participate as DBEs in the City's DBE program;

The City of Montebello (City) DBE PROGRAM MANUAL

5. Help remove barriers which impede the participation of DBEs in the City's U.S DOT-assisted contracts.
6. Promote the use of DBEs in all types of U.S. DOT-assisted agreements and procurement activities conducted by the City.
7. Provide training and other assistance through our resource partners to address capital, bonding, and insurance needs.
8. Assist in the development of DBE firms that can compete successfully in the marketplace outside of the DBE Program; and
9. Establish and provide opportunities for DBEs by providing flexibility in the implementation of the City's DBE Program.
10. Monitor and enforce contractor compliance in meeting established DBE goals and/or exercising Good Faith Efforts (GFE) to do so as defined in 49 CFR Part 26. Contractor shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of subcontracts.

To oversee the DBE Program, the City has designated the Transit Administration Manager to serve as the City's DBE Liaison Officer (DBELO). However, all City executives, management and staff share the responsibility for making the City's DBE Program a success and shall give their full cooperation to the DBELO in the implementation of this Policy. Implementation of the DBE Program has the same priority as all other legal obligations incurred by the City as contained within its financial assistance agreement with the U.S. DOT.

To formalize its commitment, the City of Montebello's City Council hereby adopts the DBE Program applicable to the City of Montebello's contracting operations.

City Manager
The City of Montebello

Date

The City of Montebello (City)

DBE PROGRAM MANUAL

C. Applicability (§26.3)

The City is a direct recipient of federal transit funds authorized by Titles I, III, V, and VI of ISTEA, Pub. L. 102-240 or by Federal transit laws in Title 49, U.S. Code, or Titles I, II, and V of the Teas-221, Pub.L. 105-178. These funds were received from the U.S. DOT, and as a condition of receiving U.S. DOT assistance, the City is required to submit for approval, to the U.S. DOT Operating Administration from which it receives the majority of its federal funding, a DBE Program developed in accordance with federal regulations published under Title 49 CFR, Part 26 and subsequent Guidance. This Program sets forth the policies and procedures to be implemented by the City to ensure that DBEs have an equitable opportunity to participate in the City's U.S. DOT-assisted contracting opportunities.

D. Non-Discrimination Requirements (§26.7)

The City will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR part 26 on the basis of race, color, sex, or national origin.

In administering its DBE program, the City will not, directly or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the DBE program with respect to individuals of a particular race, color, sex, or national origin.

Through such efforts, the City will ensure that its contracting and procurement-related processes promote equity in access, consideration, and opportunity for DBEs in response to the requirements set forth under Title 49 CFR, Part 26: *"Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs."*

Any terms used in this section that are defined in 49 CFR Part 26, or elsewhere in the Regulations, shall have the meaning set forth in the Regulations. In the event of any conflicts or inconsistencies between the Regulations and the City's DBE Program with respect to U.S. DOT-assisted contracts, the Regulations shall prevail.

II. DEFINITION OF TERMS (§26.5)

The City will adopt the definitions contained in 49 CFR Part 26 Section 26.5 for this program. Some of the most common terms are defined below:

Affiliation: has the same meaning that the term has in the Small Business Administration (SBA) regulations, 13 CFR part 121.

(1) Except as otherwise provided in 13 CFR part 121, concerns are affiliates of each other when, either directly or indirectly:

The City of Montebello (City) DBE PROGRAM MANUAL

- (i) One concern controls or has the power to control the other; or
- (ii) A third party or parties controls or has the power to control both; or
- (iii) An identity of interest between or among parties exists such that affiliation may be found.

(2) In determining whether affiliation exists, it is necessary to consider all appropriate factors, including common ownership, common management, and contractual relationships. Affiliates must be considered together in determining whether a concern meets small business size criteria and the statutory cap on the participation of firms in the DBE program.

Alaska Native: A citizen of the United States who is a person of one-fourth degree or more Alaskan Indian (including Tsimshian Indians not enrolled in the Metlaktla Indian Community), Eskimo, or Aleut blood, or a combination of those bloodlines. The term includes, in the absence of proof of a minimum blood quantum, any citizen whom a Native village or Native group regards as an Alaska Native if their father or mother is regarded as an Alaska Native.

Alaska Native Corporation (ANC): Any Regional Corporation, Village Corporation, Urban Corporation, or Group Corporation organized under the laws of the State of Alaska in accordance with the Alaska Native Claims Settlement Act, as amended (43 U.S.C. 1601, *et seq.*).

Assets: All the property of a person available for paying debts or for distribution, including one's respective share of jointly held assets. This includes, but is not limited to, cash on hand and in banks, savings accounts, IRA or other retirement accounts, accounts receivable, life insurance, stocks and bonds, real estate, and personal property.

Business, Business Concern or Business Enterprise: An entity organized for profit with a place of business located in the United States, and which operates primarily within the United States or which makes a significant contribution to the United States economy through payment of taxes or use of American products, materials, or labor.

Compliance: Correct and accurate implementation of U.S. DOT DBE Program requirements.

Contingent Liability: A liability that depends on the occurrence of a future and uncertain event. This includes, but is not limited to, guaranty for debts owed by the applicant concern, legal claims and judgments, and provisions for federal income tax.

Contract: A legally binding relationship obligating a seller to furnish supplies or services (including, but not limited to construction and professional services) and the buyer to pay for them. For purposes of this part, a lease is considered to be a contract.

The City of Montebello (City) DBE PROGRAM MANUAL

Contractor: One who participates, through a prime or subcontract (at any tier), in a DOR-assisted program.

Days: In computing any period of time described in this part, the day from which the period begins to run is not counted, and when the last day of the period is a Saturday, Sunday, or Federal holiday, the period extends to the next day that is not a Saturday, Sunday, or Federal holiday. Similarly, in circumstances where the recipient's offices are closed for all or part of the last day, the period extends to the next day on which the agency is open.

Disadvantaged Business Enterprise (DBE): A for-profit small business concern—

1. That is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged or, in the case of a corporation, in which 51 percent of the stock is owned by one or more such individuals.
2. Whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it; and

Department or U.S. DOT: The U.S. Department of Transportation, including the Office of the Secretary, the Departmental Office of Civil Rights, the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA), and the Federal Aviation Administration (FAA).

U.S. DOT-Assisted Contract: means any contract between a recipient and a contractor (at any tier) funded in whole or in part with DOT financial assistance, including letters of credit or loan guarantees, except a contract solely for the purchase of land.

FTA Tier I Recipient: An FTA recipient to whom this part applies that will award prime contracts (excluding transit vehicle purchases) the cumulative total value of which exceeds \$670,000 in FTA funds in a Federal fiscal year.

FTA Tier II Recipient: An FTA recipient to whom this part applies who will award prime contracts (excluding transit vehicle purchases) the cumulative total value of which does not exceed \$670,000 in FTA funds in a Federal fiscal year.

Good Faith Efforts (GFE): Efforts to achieve a DBE goal or other requirement of this Part, which, by their scope, intensity, and appropriateness to the objective, can reasonably be expected to fulfill the program requirement.

Immediate Family Member: Father, mother, husband, wife, son, daughter, brother, sister, grandfather, grandmother, father-in-law, mother-in-law, sister-in-law, brother-in-law, and domestic partner and civil unions recognized under State law

Indian Tribe or Native American Tribe: means any Indian tribe, band, nation, or other organized group or community of Indians, including any ANC, which is recognized as eligible for the special programs and services provided by the United States to Indians

The City of Montebello (City)

DBE PROGRAM MANUAL

because of their status as Indians, or is recognized as such by the State in which the tribe, band, nation, group, or community resides. See definition of “tribally-owned concern” in this section.

Joint Venture: An association between a DBE firm and one or more other firms to carry out a single, for profit business enterprise, for which the parties combine property, capital, efforts, skills and knowledge, and in which the DBE is responsible for a distinct, clearly defined portion of the work of the contract and whose share in the capital contribution, control, management, risks and profits of the joint venture are commensurate with its ownership interest.

Liabilities: Financial or pecuniary obligations. This includes, but is not limited to, accounts payable, notes payable to bank or others, installment accounts, mortgages on real estate, and unpaid taxes.

Native Hawaiian: Any individual whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.

Native Hawaiian Organization: Any community service organization serving Native Hawaiians in the State of Hawaii which is a not-for-profit organization chartered by the State of Hawaii, is controlled by Native Hawaiians, and whose business activities will principally benefit such Native Hawaiians.

Non-compliance: Failure, either willful or inadvertent, to correctly and accurately implement DBE Program requirements.

Notice of decision or NOD: Determination that denies a firm's application or decertifies a DBE.

Notice of intent or NOI: Recipients letter informing a DBE of a suspension or proposed decertification.

Operating Administration or OA: Any of the following agencies of the U.S. Department of Transportation (U.S. DOT): Federal Highway Administration (FHWA), Federal Transit Administration (FTA) and Federal Aviation Administration (FAA). The “Administrator” of an operating administration includes his or her designees.

Personal Net Worth or PNW: The net values of the assets of an individual reportable assets and liabilities, per the calculation rules in Section 26.68.

Primary Industry Classification: means the most current North American Industry Classification System (NAICS) designation which best describes the primary business of a firm. The NAICS is described in the North American Industry Classification Manual—United States, which is available on the Internet at the U.S. Census Bureau Web site: www.census.gov/naics/.

The City of Montebello (City) DBE PROGRAM MANUAL

Primary recipient: means a recipient which receives U.S. DOT financial assistance and passes some or all of it on to another recipient.

Principal Place of Business: means the business location where the individuals who manage the firm's day-to-day operations spend most working hours. If the offices from which management is directed and where the business records are kept are in different locations, the recipient will determine the principal place of business. The term does not include construction trailers or other temporary construction sites.

Program: means any undertaking on a recipient's part to use DOT financial assistance, authorized by the laws to which this part applies.

Race-Conscious: measure or program is one that is focused specifically on assisting only DBEs, including women-owned DBEs.

Race-Neutral: measure or program is one that is, or can be, used to assist all small businesses. For the purposes of this part, *race-neutral* includes gender-neutrality.

Recipient: means any entity, public or private, to which DOT financial assistance is extended, whether directly or through another recipient, through the programs of the FAA, FHWA, or FTA, or that has applied for such assistance

Secretary: means DOT's Secretary of Transportation or the Secretary's designee.

Set-Aside: means a contracting practice restricting eligibility for the competitive award of a contract solely to DBE firms.

Small Business Administration or SBA: means the United States Small Business Administration.

SBA Certified Firm: A firm refers to firms that have a current, valid certification from or recognized by the SBA under the 8(a) BD or SDB programs.

Small Business Concern: means, with respect to firms seeking to participate as DBEs in DOT-assisted contracts, a small business concern as defined pursuant to section 3 of the Small Business Act and Small Business Administration regulations implementing it ([13 CFR part 121](#)) that also does not exceed the cap on average annual gross receipts specified in [§ 26.65\(b\)](#).

Socially and Economically Disadvantaged Individual: means any individual who is a citizen (or lawfully admitted permanent resident) of the United States and who has been subjected to racial or ethnic prejudice or cultural bias within American society because of his or her identity as a member of a group and without regard to his or her individual qualities. The social disadvantage must stem from circumstances beyond the individual's control.

The City of Montebello (City) DBE PROGRAM MANUAL

(1) Any individual who a recipient finds to be a socially and economically disadvantaged individual on a case-by-case basis. An individual must demonstrate that he or she has held himself or herself out, as a member of a designated group if you require it.

(2) Any individual in the following groups, members of which are rebuttably presumed to be socially and economically disadvantaged:

(i) "Black Americans," which includes persons having origins in any of the Black racial groups of Africa;

(ii) "Hispanic Americans," which includes persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race;

(iii) "Native Americans," which includes persons who are enrolled members of a federally or State recognized Indian tribe, Alaska Natives, or Native Hawaiians;

(iv) "Asian-Pacific Americans," which includes persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), Republic of the Northern Mariana Islands, Samoa, Macao, Fiji, Tonga, Kiribati, Tuvalu, Nauru, Federated States of Micronesia, or Hong Kong;

(v) "Subcontinent Asian Americans," which includes persons whose origins are from India, Pakistan, Bangladesh, Bhutan, Maldives, Nepal or Sri Lanka;

(vi) Women;

(vii) Any additional groups whose members are designated as socially and economically disadvantaged by the SBA, at such time as the SBA designation becomes effective.

(3) Being born in a particular country does not, standing alone, mean that a person is necessarily a member of one of the groups listed in this definition.

Spouse: means a married person, including a person in a domestic partnership or a civil union recognized under State law.

Transit Vehicle Manufacturer (TVM): means any manufacturer whose primary business purpose is to manufacture vehicles built for mass transportation. Such vehicles include, but are not limited to buses, rail cars, trolleys, ferries, and vehicles manufactured specifically for paratransit purposes. Businesses that perform retrofitting or post-production alterations to vehicles so that such vehicles may be used for public transportation purposes are also considered TVMs. Businesses that manufacture, mass-produce, or distribute vehicles primarily for personal use are not considered TVMs.

The City of Montebello (City) DBE PROGRAM MANUAL

Tribally-owned Concern: Any concern at least 51 percent owned by an Indian tribe as defined in this section.

Unsworn Declaration: An unsworn statement, dated and in writing, subscribed as true under penalty of perjury.

You: A recipient, unless a statement in the text of this part or the context requires otherwise (i.e., 'You must do XYZ' means that recipients must do XYZ).

III. RECORD KEEPING REQUIREMENTS (§26.11)

The City maintains a recordkeeping system which identifies U.S. DOT-assisted contract awards and tracks prime contractors' progress in achieving DBE goal commitments throughout the performance of the contract. The City verifies payments made to DBEs and keeps record of actual DBE attainments. Any areas of identified non-compliance by Prime Contractors are subject to administrative sanctions against the contractor as outlined in this manual.

The City's records serve to document all information, for each U.S. DOT-assisted contract, needed to comply with U.S. DOT regulations. Records will include, but will not be limited to, the following information:

1. Contract funding source(s);
2. Contract title and number;
3. Type of contract (e.g., construction, professional services, material supplies, TVM or other);
4. DBE contract goal, if applicable, and methodology used in establishing the goal;
5. Prime contractor/consultant name, address and primary contact;
6. DBE commitment (percentage and dollar value of contract allocated to DBEs);
7. Good Faith Effort (GFE) analysis and evaluation results, if applicable;
8. Name, certification status (DBE or non-DBE) and subcontract dollar value for each listed subcontractor;
9. DBE status, gender, ethnicity, and dollar value of participation for each listed DBE;
10. Type of work performed by each listed DBE (i.e., subcontractor, regular dealer/supplier, broker, manufacturer, trucking company, etc.);

The City of Montebello (City) DBE PROGRAM MANUAL

11. Tally of DBE utilization throughout the life of the contract, including final DBE utilization reported at contract close-out;
12. Field observation/on-site interview forms;
13. Monthly Report measuring DBE commitment percentage and dollar amount vs. actual attainment;
14. Certification by the City, attesting to having monitored contractor compliance, documentation submittal requirements, and on-site performance; and
15. Outreach efforts made by the City to inform DBEs of the contracting opportunity and inform prime bidders/proposers of DBE availability and interest in the contract.

A. Uniform Reports of DBE Awards/Commitments and Payments (§26.11(a))

The City's DBELO or designee shall submit, for FTA review and approval, a semi-annual *Report of DBE Awards or Commitments and Payments (Exhibit D)*. In conformance with FTA direction the City will submit reports through FTA's Transit Award Management System (TrAMS) by June 1 and December 1 of each federal fiscal year. The reports shall list the dollar value of DBE participation for U.S. DOT-assisted contracts and subcontracts awarded and closed and shall demonstrate the City's progress toward reaching the FTA-approved overall/triennial DBE goal. All dollar amounts reported will reflect the federal share of such contracts. The report will identify the dollar amount awarded to certified DBEs through the use of race conscious methods and race neutral methods. The City will also report DBE participation and payments on ongoing contracts.

The City will adhere to the following reporting period based on the Federal Fiscal Year

- Reporting period: October 1st through March 31st report due June 1st
- Reporting period: April 1st through September 30th due December 1st

B. Bidders List: §26.11(c)

49 CFR §26.11 requires the City to create and maintain a Bidders List. All U.S. DOT-assisted contracts shall include a contract clause requiring all prime bidders/proposers to submit a completed Bidders List to the City, for their firm and for all firms (DBE and non-DBE) that submitted a bid, proposal or quote, to the prime bidder/proposer on U.S. DOT-assisted contracts, including firms who were contracted by the prime bidder. The Bidders List shall, at a minimum, contain the following information for each firm:

1. Firm name

The City of Montebello (City) DBE PROGRAM MANUAL

2. DBE certification status
3. Address
4. Phone #
5. Email
6. Age
7. Contract/Agreement amount
8. Contact name and title
9. Type of product/service provided/NAICS
10. Range of annual gross receipts
11. DBE Certification Status
12. DIR Registration No.

"MBL will include a contract clause requiring prime bidders to report the names, addresses, and potentially other relevant details of all firms that submit subcontractor quotes. Additionally, MBL will conduct a recipient-directed survey of a statistically valid sample of firms from the collected list to gather information on business age and size."

IV. ASSURANCES AND REQUIRED CONTRACT PROVISIONS

A. Non-Discrimination Assurances (§26.13(a))

Pursuant to the requirements of this Part, the City will sign the following assurance as a condition of financial assistance agreements with the U.S. DOT, and which is hereby made applicable to all of the City's U.S. DOT-assisted contracts:

"The City shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any U.S. DOT-assisted contract or in the administration of its DBE Program or the requirements of Title 49 CFR, Part 26. The City shall take all necessary and reasonable steps under Title 49 CFR, Part 26 to ensure nondiscrimination in the award and administration of U.S. DOT-assisted contracts. The City's DBE Program, as required by Title 49 CFR, Part 26 and as approved by U.S. DOT Operating Administrations, is incorporated by reference in this agreement.

Implementation of this Program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the City of its failure to carry out its approved Program, the Department may impose sanctions as provided under Title 49 CFR, Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.)."

B. Contractor Assurance Clause (49 CFR §26.13b)

For the period for this report the Clause is not applicable to the City. However, in the future if City has a sub-recipient the City shall ensure that the following language and/or procedures are included in all financial assistance agreements with sub-recipients:

The City of Montebello (City) DBE PROGRAM MANUAL

The City shall require that the prime contractor include the following clause in every U.S. DOT- assisted contract and subcontract:

"The Contractor, City or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Contract. Contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of U.S. DOT-assisted contracts. Failure by Contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the City deems appropriate, which may include, but is not limited to:

- (1) Withholding monthly progress payments;*
- (2) Assessing sanctions;*
- (3) Liquidated damages; and/or*
- (4) Disqualifying the Contractor from future bidding/proposing as non-responsible.*

Contractor agrees to include these requirements in all subcontracts at any tier."

This language is to be used verbatim, as it is stated in 26.13(b).

C. Prompt Payment Clause

The City has adopted a prompt payment provision on all U.S. DOT-assisted contracts to facilitate timely payment to all subcontractors in accordance with regulatory mandates. Pursuant to 49 CFR Part 26.29, the City will include the following clause in each U.S. DOT-assisted contract:

"Contractor/Consultant agrees to pay each subcontractor under this Contract for satisfactory performance of its contract no later than seven (7) days from the receipt of each payment Contractor/Consultant receives from the City. Contractor/Consultant agrees further to return retainage payments to each subcontractor within thirty (30) days after receiving payment for work satisfactorily completed and accepted including incremental acceptances of portions of the Agreement work by the City. Any delay or postponement of payment from the above referenced time frame may take place only for good cause and with the City's prior written approval."

Contractor/Consultant shall incorporate this clause verbatim set forth above, in all subcontract, broker, dealer, vendor, supplier, purchase order or other source agreements issued to both DBE and non-DBE firms.

Any violation of the provisions listed above shall subject the violating Contractor/Consultant to the penalties, sanctions, and other remedies specified in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative or judicial remedies otherwise available to Contractor/Consultant or subcontractor in the event of a dispute

The City of Montebello (City)
DBE PROGRAM MANUAL

involving late payment or nonpayment by Contractor/Consultant; deficient subcontractor performance and/or noncompliance by a subcontractor.

Failure to comply with this provision without prior approval from the City will constitute noncompliance, which may result in the application of appropriate administrative sanctions, including, but not limited to, a penalty of two percent (2%) of the invoice amounts due per month, for every month that full payment is not made.

V. ADMINISTRATIVE REQUIREMENTS AND STAFFING

A. DBE Program Updates (§26.21)

As a recipient of more than \$250,000 of U.S. DOT financial assistance over a Federal Fiscal Year and pursuant to 49 CFR §26.21, the City shall continue to implement the DBE Program unless and until all funds from U.S. DOT financial assistance have been expended.

The City will regularly review directives issued by U.S. DOT and update its DBE Program as necessary to fully comply with the intent of the US DOT's DBE Program. The City will promptly advise all applicable U.S. DOT Operating Administrations, of any significant updates and/or changes to the City's DBE Program.

B. DBE Liaison Officer (DBELO) (§26.25)

The City Manager, while maintaining ultimate responsibility for the City's DBE Program, has designated the Senior Management Analyst to serve as the DBE Liaison Officer (DBELO) with responsibility for the implementation of all aspects of the City's DBE Program and ensuring that the City complies with all provisions of 49 CFR Part 26. DBELO has direct, independent access to the City Manager concerning DBE Program matters. DBELO is responsible for developing, implementing and monitoring the DBE Program, in coordination with other appropriate officials. A DBE Program Implementation Organizational Chart demonstrating the DBELO's position in the organization can be found in Exhibit A "DBE Program Organizational Chart". Contact information for the City's DBELO is as follows:

Transit Administration Manager

DBE Liaison Officer
City of Montebello
400 S. Taylor Avenue
Montebello, CA 90640
Telephone: (323) 558-1625

The DBELO and or their support staff's duties include, but are not limited to, the following activities:

The City of Montebello (City) DBE PROGRAM MANUAL

- Analyze and revise DBE program policies and procedures as necessary.
- Submit updates to the U.S. DOT, regarding any significant changes to the City's DBE Program.
- Works with the City departments and DBE consultant to perform goal-setting analysis, establish methodology, and calculate overall triennial DBE goals.
- Review triennial/overall DBE goal commitments at the end of each Federal Fiscal Year (FFY); analyze any goal shortfall(s); provide to the FTA (within 90 days after FFY end), a written analysis of why the overall goal was not achieved, as well as a written plan for corrective actions that the City will take, to remedy the goal shortfall.
- Conduct and coordinate outreach efforts to DBEs and small businesses to provide information regarding contracting opportunities with the City.
- Participates in development of DBE information to be presented at pre-bid/pre-proposal meetings for purposes of reviewing DBE solicitation and contract requirements with potential bidders and/or offerors.
- Ensure that solicitation documents and contract templates include all relevant DBE Program elements, contractor documentation submittal requirements and required contract provisions.
- Work with the City's contracting/procurement staff to remove, where feasible, barriers which may limit DBE participation, by ensuring that Invitations for Bids (IFBs) and Requests for Proposals (RFPs) do not contain unduly restrictive requirements; ensure that sufficient time is allowed during the pre-bid phase, for DBEs to schedule attendance at pre-bid/pre-proposal meetings and for non-DBEs to perform adequate good faith efforts established .
- Maintain a Bidders List of firms that submit a bid, quote or proposal for participation on a City contract; ensure that the Bidder List contains all information required by 49 CFR §26.11.
- Ensure Good Faith Efforts are reviewed for responsiveness when bids/proposals do not meet DBE contract goals.
- Develop and implement technical assistance programs for DBEs, including resources and referrals to supportive services.
- Investigate services and resources offered by banks and/or financial institutions owned and controlled by socially and economically disadvantaged individuals.

The City of Montebello (City)

DBE PROGRAM MANUAL

- Ensure that any DBE subcontractor terminations by the prime Contractor are for “good cause” only, and that any such terminations receive prior written approval by the City.
- Monitor and enforce contractor compliance with all DBE Program provisions including goal commitments, documentation submittal requirements, reporting requirements, prompt payment to subcontractors, and DBE utilization requirements; impose administrative sanctions and/or monetary penalties for contractor’s willful non-compliance.
- Ensure procedures are in place that require upon completion of each contract on which DBEs were utilized, a written affidavit attesting to monitoring and verification of contractor compliance with all DBE Program provisions.
- Provide timely DBE reports to the FTA, including the annual *Uniform Report of DBE Awards or Commitments and Payments*.
- Implement provisions to facilitate participation of small businesses on U.S. DOT-assisted contracts.

C. DBE Program Staffing (§26.25)

The DBELO is supported by a support staff of two and a DBE consultant. The DBELO will work closely with support staff and the management staff to ensure the DBE Program is implemented uniformly and that all pertinent DBE information is captured within the City’s reports to the FTA.

The consultant provides assistance to the City in updating its approved Disadvantaged Business Enterprise (DBE) Program in accordance with U.S. Department of Transportation (U.S. DOT) DBE Program set forth under Title 49 Code of Federal Regulations (CFR) Part 26.

D. DBE Organizational Chart (§26.25)

See Exhibit A “DBE Program Organizational Chart.”

E. DBE Reconsideration Official (§26.53 (d)(2))

In instances where contract goals are established and the bidder/proposer either fails to satisfy the requirements for meeting the contract goal or fails to document a sufficient Good Faith Effort (GFE) to do so, the City will afford the bidder/proposer, prior to award of the contract, an opportunity for administrative reconsideration of the City’s determination of non-responsiveness.

Unless otherwise specified, the bidder/proposer may, within two (2) business days of being informed by the City of its non-responsiveness due to its failure to document and

The City of Montebello (City)

DBE PROGRAM MANUAL

provide sufficient and adequate Good Faith Efforts in the subject procurement, request administrative reconsideration. Bidders/Proposers must make this request in writing to the Reconsideration Official as designated herein.

To ensure integrity in the process, the Reconsideration Official will not have played any role in the original determination that the bidder/proposer did not meet the established contract-specific DBE goal or adequately document Good Faith Efforts as specified in the subject procurement. The City has designated the following individual to serve as DBE Reconsideration Official:

Deputy Director of Transportation

DBE Reconsideration Official
City of Montebello
400 S. Taylor Avenue
Montebello, CA 90640
Telephone: (323) 558-1625

The City, at its discretion, may utilize another U.S. DOT recipient agency's DBELO or Reconsideration Official who is a member of the California Unified Certification Program as an independent, impartial party to serve in the capacity of Reconsideration Official.

As part of this reconsideration, the bidder/proposer will have the opportunity to provide written evidence/documentation or argument concerning the issue of whether it met the goal or made adequate Good Faith Efforts to do so. Further, the bidder/proposer will have the opportunity to meet with the Reconsideration Official in person to discuss the issue of whether it met the goal or made adequate Good Faith Efforts to do so. The City will document the basis for the reconsideration determination and forward the final written determination to the bidder/proposer within seven (7) working days of the hearing date. All parties shall be advised that reconsideration final decisions are NOT administratively appealable to U.S. DOT.

Further, the City's Reconsideration Official and/or designee shall also perform oversight of the reconsideration process. The Reconsideration Official and/or designee's duties include, but are not limited to, the following activities:

1. Ensures that all DBE administrative reconsideration procedural actions are consistent with the requirements and standards specified in Title 49 CFR, Sections 26.53 and 26.87, and that the Program's integrity is maintained at all times.
2. Reviews bidder/proposer written documentation or argument concerning the issue of whether it met the goal or made adequate Good Faith Efforts to do so.
3. Upon review of the bidder's/proposer's request for consideration, the Reconsideration Official sends the bidder/proposer a written decision on reconsideration, explaining the basis for finding that the bidder/proposer did or did not meet the goal or make adequate Good Faith Efforts to do so.

The City of Montebello (City)
DBE PROGRAM MANUAL

4. Maintains records of conducted hearings.
5. Provides determinations in writing to the DBELO.

F. Prompt Payment Mechanisms (§26.29)

The City has adopted a prompt payment provision on all U.S. DOT-assisted contracts to facilitate timely payment to all subcontractors in accordance with regulatory mandates. Pursuant to §26.29 “Prompt Payment Provisions” (DBE Final Rule), the City has selected the following method to comply with the prompt payment of retainage requirement:

The City will hold retainage from prime contractors and provide for prompt and regular incremental acceptances of portions of the prime contract, pay retainage to prime contractors based on these acceptances, and require a contract clause obligating the prime contractor to pay all retainage owed to the subcontractor for satisfactory completion of the accepted work within thirty (30) days after payment to the prime contractor.

Any delay or postponement of payment from the above referenced time frames may take place only for good cause and with the City’s prior written approval. Failure to comply with this provision or delay in payment without prior written approval from City will constitute noncompliance, which may result in appropriate administrative sanctions, including, but not limited to a withhold of two percent (2%) of the invoice amount due per month for every month that payment is not made.

G. DBE Financial Institutions (§26.27)

The City shall thoroughly investigate the full extent of services offered by banks and/or financial institutions owned and controlled by socially and economically disadvantaged individuals in the community, to make reasonable efforts to utilize these institutions, as available, and to encourage prime contractors on the City’s U.S. DOT-assisted contracts to make use of these institutions. The City has made efforts to identify these institutions and has provided a list of them on their website and as an Exhibit to the program. The City will re-evaluate the availability of DBE financial institutions every 24 months. Information on the availability of such institutions can be obtained from the DBE Liaison Officer.

H. DBE Directory (§26.31 and §26.81)

The City is a non-certifying member of the California Unified Certification Program (CUCP). 49 CFR §26.81 requires each state’s UCP to maintain a unified DBE directory containing, for all firms certified by the UCP (including those from other states certified under the provisions of this part), the information required by §26.31.

The City utilizes the CUCP online state-wide DBE Directory, which contains the following information for each certified DBE, as applicable:

1. DBE name
2. Contact name

The City of Montebello (City)

DBE PROGRAM MANUAL

3. Business address
4. County(ies) of performance
5. Telephone number
6. Fax number
7. Email address
8. NAICS code(s) under which the firm is certified
9. Work category code(s) (optional)
10. Contractor's license classification
11. Gender
12. Ethnicity
13. Certification status
14. Certifying agency

This directory is made available to the public electronically (on the internet) and in print. The electronic version is downloadable into a searchable and sortable Excel spreadsheet. The City refers interested parties to CUCP Database of Certified DBE Firms, and includes DBEs listed in the directory in the City's outreach efforts. The DBE Directory is published in the California Department of Transportation's (Caltrans) "Business and Economic Opportunity" website, which can be accessed at <https://ucp.dot.ca.gov/licenseForm.htm>

I. Overconcentration (§26.33)

The City has developed policies and procedures to address overconcentration of DBE utilization in certain types of work. This is accomplished through regular tracking of contract awards and compliance monitoring.

Areas that have been identified to demonstrate over concentration of DBE participation will not be assigned a contract-specific goal and will be procured under race-neutral measures to ensure compliance with regulatory overconcentration provisions. Currently, the City identifies and analyses areas of the City's contracting work that demonstrate over-concentration on an annual basis.

J. Business Development Programs (§26.35; Appendices C and D)

The City has implemented race and gender-neutral efforts to promote small business concerns, including DBEs. The City's Small Business Element, which was developed to facilitate competition by small business concerns, taking all reasonable steps to eliminate obstacles to their participation that may preclude small business participation in procurements as prime contractors or subcontractors can be found within Section L of this Program.

K. City Written Certification (§26.37)

To further ensure the integrity of the DBE Program's intent, and in accordance with the City's DBE Compliance Close-Out Report Process, the City's DBELO or a designee will

The City of Montebello (City)

DBE PROGRAM MANUAL

complete and file, a written certification attesting to having reviewed and monitored contractor DBE documentation, on-site performance when applicable, and payments to DBEs to verify compliance with DBE requirements.

Additionally, as part of the Commercially Useful Function Monitoring procedures conducted by the City, written certification is be provided during the City's commercially useful function review process that includes an on-site observation, survey and a desk audit to compare on-site observations against submitted DBE reporting.

L. Small Business Participation and Small Business Element (\$26.39)

The City has established a Small Business Element as a supplement to their existing DBE Program, to facilitate competition by small business concerns, taking all reasonable steps to eliminate obstacles to their participation, including unnecessary and unjustified bundling of contract requirements that may preclude small business participation in procurements as prime contractors or subcontractors in direct response to regulatory requirements, 49 CFR Part 26.39 "Fostering Small Business Participation" (Federal Register/ Vol. 76, No. 19/ Friday, January 28, 2011/ Rules and Regulations).

For purposes of capturing Small Business utilization, the City adheres to the U.S. Department of Transportation's Small Business definition for determining what constitutes a Small Business Enterprise. The City accepts Small Business certifications certified through the State of California's Department of General Services.

This Small Business Element will include, but is not limited to the following assertive strategies:

- The City of Montebello will hold a pre-proposal conference for key procurement releases that will include a networking component to encourage teaming and partnering between primes and Small Businesses as well as providing them access to the City of Montebello's key procurement individuals. This networking component will provide Small Businesses valuable access and opportunity needed to promote their capabilities and strengthen competitiveness, marketability and participation of Small Businesses firms within the City of Montebello's contracting program. Additionally, it will encourage Prime Contractors to partner and communicate with the Small Business community.
- The City will develop a schedule for Key Procurement and Contracting Staff to attend Small Business related conferences and functions to establish the importance placed on fostering Small Business Opportunities in the City of Montebello's contracting program and provide small businesses valuable access to key procurement individuals, in order to promote their capabilities and strengthen relationships and participation of small businesses firms within the City's contracting program.

The City of Montebello (City) DBE PROGRAM MANUAL

- The City provides Small Business firms the ability to utilize and review bid/procurement plans at no cost online. The City will inform the procurement community and small business firms that this resource has been made available to them at proposal/bid conferences. The City is confident that providing Small Business firms online access to these crucial plans at no additional cost will aid in leveling the playing field and enable them to submit quality proposals and bids.
- The City will actively implement the Small Business element to foster small business participation as a requirement of good faith implementation of the City's DBE program. The small business element applies to sub-recipients in the same way as the City's DBE Program.

VI. GOALS, GOOD FAITH EFFORTS AND COUNTING

A. Use of Set-asides or Quotas (§26.43)

The City shall not permit the use of quotas for DBEs on U.S. DOT-assisted contracts, in accordance with 49 CFR Part 26.43. Further, the City shall not set aside contracts for DBEs. Overall DBE Goal-Setting Methodology (§26.45)

B. Overall and Contract-Specific DBE Goals

The City will establish an overall DBE goal covering a three-year federal fiscal year period if the City anticipates awarding U.S. DOT/FTA funded prime contracts for a cumulative total value of which exceeds \$670,000 during any one or more of the reporting fiscal years within the three-year goal period.

In accordance with Section 26.45(f) the City will submit its overall goal to FTA on August 1 of each three-year goal period. The City's current goal covers the goal period of Federal Fiscal Years 2025-2027 and the City is projected to submit its next overall goal on August 1, 2025, and every August 1, thereafter.

C. Overall DBE Goal-Setting Methodology

A description of the methodology utilized to calculate the overall goal submitted for FFYs 2025-2027 and the goal calculations can be found on the City's website at: www.montebellocal.gov

The following delineates the federally prescribed goal-setting methodology (Step 1, Step 2 and Step 3) and other components the City will follow in establishing an Overall DBE goal, as follows:

1. Projecting Federal Assisted Contract Expenditures for Three Fiscal Year Period

The City of Montebello (City)

DBE PROGRAM MANUAL

In conjunction with the preparation and adoption of the budget for each fiscal year, the DBELO, in consultation with the appropriate divisions and departments responsible for contracting activities, will conduct a thorough analysis of the projected number, types of work and dollar amounts of contracting opportunities that will be funded, in whole or in part, by U.S. DOT federal financial assistance for the upcoming three year fiscal period.

2. Establishing a Base Figure

Once the City defines its contracting markets for the upcoming three fiscal year period, the City will establish a base figure following one of the methodologies, in accordance with 49 CFR §26.45, as an initial step in the goal-setting process.

The City may determine the relative availability of DBEs accordingly:

- i. Utilize the CUCP online DBE Directory to establish the number of certified DBEs located within the City's market area, in each NAICS code/category representing a contract scope of work;
- ii. Utilize the U.S. Census Bureau's County Business Patterns (CBP) data to establish the number of all businesses (DBEs and non-DBEs) located within the City's market area, in each NAICS code/category representing a contract scope of work;
- iii. Determine the ratio of DBEs to all business located within the City's market area, in each NAICS code/category representing a contract scope of work;
- iv. Apply a weighting factor each resulting ratio, based on the percentage of federal funds the City is projected to award and/or expend on various industries; and/or
- v. Utilize a Bidders List.

3. Adjusting the Base Figure

As a mandatory second step, the City will consider, as a basis for adjusting the overall DBE base figure, additional factors/indicators determined to be relevant to DBE availability. These factors may include, but are not limited to:

- A. Demonstrated evidence of DBE capacity to perform work in the City's program;
- B. Real market conditions;
- C. Disparity studies conducted within the jurisdiction;

The City of Montebello (City)

DBE PROGRAM MANUAL

- D. Other recipients' goal results in similar contracting opportunities and markets, and the reasons for the level of those results;
- E. Methods used by the City to increase DBE participation in U.S. DOT-assisted contracts;
- F. Demographics and business activity of the geographical area in which the City will solicit bids or proposals;
- G. Data from statistical disparities of DBEs to obtain financing, bonding and/or insurance;
- H. Data on employment, self-employment, education and training programs, to the extent that the City can relate it to opportunities for DBEs to perform on federally assisted contracts; and
- I. Input from public participation.

D. Public Participation (§26.45)

1. Consultation with Community Groups and Constituents

In accordance with Public Participation Regulatory Requirements of Title 49 CFR Part 26, minority, women, local business chambers, and community organizations within the City of Montebello's local market area will be provided an opportunity to review the goal methodology of the proposed DBE goal and its availability for review.

Prior to the adoption of the Overall DBE Goal, the City of Montebello will issue a public notice on its website www.montebellocalca.gov informing the public of the proposed DBE goal and its rationale, ensuring the information is available for 20-day inspection. The City will offer various engagement channels, such as online surveys where stakeholders can provide their feedback on the proposed goal.

In accordance with the April 2024 Final Rule and current FTA guidance, the City is not required to conduct 30-day public notice when developing its overall triennial DBE goal.

However, the City may consult with local small business organizations, chamber of commerce, and certified DBEs to enhance transparency and ensure equitable access to contracting opportunities.

2. Advertising Proposed Overall DBE Goals

Pursuant to new DBE Program regulations effective April 9, 2024, the City understands that commercial advertising of the overall DBE goal is now at the City's discretion. The City will post a public notice to the City's website announcing the

The City of Montebello (City) DBE PROGRAM MANUAL

City's proposed Overall Goal. Advertisements of the proposed triennial goal, will be titled "Public Notice" and shall include the following:

- i. Proposed triennial goal percentage for DBE participation
- ii. A statement that the proposed goal and methodology are available for public inspection for a period of 30 days from the date of publication.
- iii. A statement that the City will accept public comments on the proposed goal and methodology for a period of 30 days from the date of publication.
- iv. Contact information and instructions for viewing the City's proposed goal/methodology and/or submitting a public comment.

Upon receipt of any public comments, the City's DBELO will analyze the comments, summarize the results, and modify the overall goal, if appropriate. This will occur prior to final adoption of the triennial goal and submission to FTA for review.

E. Annual Review and Remedy Reports (49 CFR §26.47)

Pursuant to 49 CFR §26.47(c), the City is required to analyze, on a semi-annual basis, the DBE awards and commitments reported to the FTA. If the City's DBE awards/commitments are less than the City's overall DBE goal for that Federal Fiscal Year (FFY), the City is required to develop a written analysis of the shortfall, as well as establish specific steps and milestones to correct the problems identified in the analysis. As the City is not currently listed as one of the largest 50 transit agencies in the U.S. (based on level of U.S. DOT/FTA assistance), the City will not submit their written analysis to their FTA Civil Rights Regional Office but will keep it on file and ready for review within 90 day of the FFY end, or by the end of the calendar year.

A. Race Neutral Measure to Address DBE Goal Shortfall

The City has not met the previous Overall DBE Goal for 2021-2024. Therefore, MBL will implement the following procedures to address the DBE shortfall. The City plans to place emphasis on the DBE program in future bidding processes and anticipates that the following race-neutral measures will increase DBE participation to help the City meet its DBE goal:

1. Increase staff to coordinate and facilitate DBE participation through the procurement process.
2. All procurement solicitations (Request for Proposal, Request for Quote, etc.) will include DBE participation forms and language.
3. The procurement team will continue to research and contact known DBE vendors to bring awareness of potential bid opportunities.
4. Monitor contracts quarterly to assess the impact of race-neutral measures and identify potential shortfalls.

The City of Montebello (City)

DBE PROGRAM MANUAL

5. Conduct more outreach to DBE vendors to increase DBE participation.
6. The City will consult with minority groups and organizations to directly solicit input on DBE opportunities and any real and/or perceived barriers to DBE participation

F. Transit Vehicle Manufacturers (§26.49)

Under the U.S. DOT DBE regulations, a transit vehicle manufacturer (TVM) means any manufacturer whose primary business purpose is to build vehicles specifically for public mass transportation. Such vehicles include, but are not limited to, buses, rail cars, trolleys, ferries and vehicles manufactured specifically for paratransit purposes. The definition includes producers of vehicles that receive post-production alterations or retrofitting to be used for public transportation purposes. Businesses that manufacture vehicles solely for personal use and for sale "off the lot" are not considered transit vehicle manufacturers.

Further, to the extent that a vehicle remanufacturer is responding to a solicitation for new or remanufactured vehicles with a vehicle to which it has provided post-production alterations or retrofitting (e.g., replacing major components such as an engine to provide a "like new" vehicle), the vehicle remanufacturer is considered a transit vehicle manufacturer.

The City shall require all TVMs to certify that they have complied with 49 CFR §26.49 and have established an overall DBE participation goal that has been approved (or not disapproved) by the FTA before they can bid on any City transit vehicle procurement. Only those transit vehicle manufacturers listed on FTA's eligible TVMs list, or that have submitted a goal methodology to FTA that has been approved or has not been disapproved, at the time of solicitation are eligible to bid.

The City will also utilize the FTA's online TVMs list, accessible at: <https://www.transit.dot.gov/regulations-and-guidance/civil-rights-ada/eligible-transit-vehicle-manufacturers>, to verify that the TVM is authorized to bid or propose on U.S. DOT-assisted transit vehicle procurements.

Expenditures for U.S. DOT-assisted transit vehicle procurements are not included in the funding base used to calculate the City's Overall goal or reported on Semi-Annual Uniform Reports. If non-TVM vehicles are purchased, DBE TVMs are not available, contracts will be included in the City's Overall DBE goal Methodology and Semi-Annual Uniform Reporting.

G. Methods for Meeting Goals (§26.51)

The City will endeavor to meet its overall DBE goal and increase DBE participation on the City's U.S. DOT-assisted contracts, by utilizing race-neutral DBE Program elements.

The City of Montebello (City) DBE PROGRAM MANUAL

1. Race and Gender-Neutral Measures

The City intends to use race and gender-neutral methods to the maximum extent feasible to achieve its overall DBE goal. DBE participation that is obtained on contracts that have no established DBE contract goal, or where prime contractors use a strictly competitive bidding process and do not consider the DBE's status as a factor in awarding a subcontract shall be considered race and gender-neutral DBE participation.

In addition, the City will use the following measures as appropriate:

- i. Identify components of the work which represent subcontracting opportunities and identify the availability of DBE subcontractors to participate in proportion to total available subcontractors. Contractors will be encouraged to consider subcontractors for components of the work for which there is a known supply of ready, willing, and able subcontractors, including DBE subcontractors, in preparing their bids;
- ii. Provide technical assistance to DBEs, in areas relevant to public contracting success; provide referrals to small/minority business assistance organizations.
- iii. Facilitate the distribution of the CUCP DBE Directory to the widest feasible universe of potential prime contractors.
- iv. Assist DBEs in overcoming limitations in bonding and financing.
- v. Include small and disadvantaged businesses in the City's outreach, public information, and communications programs, to ensure that DBEs are made aware of the City's contracting opportunities.
- vi. Provide business development assistance to DBEs, to facilitate business growth and success beyond participation in the City's DBE Program.
- vii. Increase staff to coordinate and facilitate DBE participation through the procurement process.
- viii. All procurement solicitations (Request for Proposal, Request for Quote, etc.) will include DBE participation forms and language.
- ix. The procurement team will continue to research and contact known DBE vendors to bring awareness of potential bid opportunities.
- x. Monitor contracts quarterly to assess the impact of race-neutral measures and identify potential shortfalls.

The City of Montebello (City) DBE PROGRAM MANUAL

- xi. Conduct more outreach to DBE vendors to increase DBE participation.
- xii. The City will consult with minority groups and organizations to directly solicit input on DBE opportunities and any real and/or perceived barriers to DBE participation.

H. Contract-Specific Goals (§26.51)

To strengthen the City's Disadvantaged Business Enterprise (DBE) program and ensure compliance with U.S. Department of Transportation (U.S. DOT) regulations, the City will implement robust data collection and monitoring practices designed to improve transparency, enhance goal-setting accuracy, and support program accountability. These procedures will provide the City with meaningful insights into subcontracting activities and the characteristics of firms engaged in, or seeking to engage in, City-assisted contracts.

As part of the procurement process for all U.S. DOT-assisted contracts, the City will include a contract clause requiring prime bidders to report detailed information regarding all subcontractors that submit quotes, regardless of whether they are ultimately selected. This clause will require prime bidders to provide at a minimum:

- The full legal name of each subcontractor that submitted a quote.
- The business address of the subcontractor.
- The type of work quoted or the nature of the service offered.
- The estimated dollar amount of the quote.
- Whether or not the firm is a certified DBE.

This data collection effort will provide the City with critical insights into the bidding process, help identify barriers to DBE participation and allow for a more comprehensive understanding of the competitive landscape for subcontracting opportunities. This information will also support analysis of whether DBEs are being fairly considered during the procurement process.

In addition to subcontractor quote reporting, the City will conduct a recipient-directed survey aimed at gathering demographic and business profile information from a statistically valid sample of firms listed in the City's business directory or those known to participate in public contracting opportunities. The survey will collect key data points such as:

- The age of the business (years in operation);
- Business size, including number of employees and annual revenue;
- Ownership structure (e.g., minority-owned, woman-owned, veteran-owned);
- Certification status (including DBE, Small Business Enterprise (SBE), etc.);
- Geographic location and service area;

The City of Montebello (City) DBE PROGRAM MANUAL

- Types of goods and services offered.

The survey will be designed and administered in a manner that ensures statistical reliability and compliance with privacy standards. The data collected will be used to:

- Assist in establishing the availability of DBEs in the relevant market area.
- Inform the setting of future overall and contract-specific DBE goals.
- Assess market conditions and identify any disparities in participation.
- Support program evaluation, reporting, and continuous improvement initiatives.

Together, these measures will help the City maintain a fair, open, and competitive contracting environment while ensuring that the DBE program is implemented in a data-driven and equitable manner. They also demonstrate the City's commitment to increasing access and opportunity for small and disadvantaged businesses.

If warranted via disparity study or other relevant data, the City may establish a DBE contract goal that is higher or lower than its overall goal, depending on such factors as the type of work involved, the location of the work, and the availability of DBEs for the work of the particular contract. The City's contract goals may provide for participation by all certified DBEs and may not be subdivided into group-specific goals.

I. Design-Build Contracts (Federal Register / Vol. 68, No. 1151)

The City recognizes that certain modifications are necessary to adapt the DBE Program for use in connection with Design-Build projects and will therefore follow the prescribed regulatory U.S. DOT requirements and subsequent guidance.

J. Evaluation and Award of Contracts with DBE Goals (§26.53(a))

In cases where a contract goal has been established, the contract in question will only be awarded to a bidder/proposer that has made good faith efforts to meet the contract goal. The City shall award contracts to the lowest responsive and responsible bidder/proposer as required by California Public Contract Code, where applicable. However, for such contracts, as well as for contracts awarded pursuant to a competitive negotiation procedure, a prime bidder/proposer that 1) fails to demonstrate its commitment to meet the established DBE contract goal by listing sufficient DBEs on its "DBE Participation Commitment" form due with the bid/proposal or within 48 hours after bids/proposals are due and/or 2) fails to demonstrate that it made an adequate Good Faith Effort to meet the goal, shall be deemed "non-responsive" and shall be ineligible for contract award.

1. Evaluation of Bids and Proposals

After the bid opening or proposal due date, the DBELO shall evaluate all bids/proposals to determine whether the bidders/proposers submitted all

The City of Montebello (City)

DBE PROGRAM MANUAL

information required by 49 CFR §26.53(b). On contracts with established DBE contract goals, the lowest successful bidder or highest ranked proposer who demonstrates its commitment to meet the DBE contract goal or demonstrates an adequate Good Faith Effort (GFE) shall be recommended for contract award. In the event that the lowest bidder or highest ranked proposer fails to either meet the contract goal or demonstrate an adequate GFE, or is otherwise unresponsive or not responsible, the DBELO shall evaluate the second lowest bidder or second highest ranked proposer. Should the DBELO determine that additional information is needed to evaluate a bid or proposal with regard to DBE requirements, the DBELO shall request the bidder/proposer to submit the required information or may contact the listed DBE(s) directly.

2. Evaluation of DBE Certification Status and DBE Eligibility

The DBELO shall require that all DBEs listed by bidders/proposers for participation in contracts with goals, be certified as such before bids/proposals are due, in order for the DBE participation to be counted towards meeting the DBE contract goal.

The City accepts DBE certifications from all certifying members of the California UCP, and any other U.S. DOT recipients, which certify DBEs in accordance with 49 CFR Part 26. It is the bidder's/proposer's responsibility to verify certification status of all proposed DBEs, prior to listing them on the "DBE Participation Commitment" form which is due with the bid or proposal.

When evaluating DBE certification status, the City ensures that the DBE: 1) is certified before bids/proposals are due (§26.81(c)) and 2) is certified in the NAICS code that represents the scope of work to be performed by the DBE on the contract (§26.71).

After award of the contract, it is the prime contractor's responsibility to monitor the DBE certification expiration dates of its DBEs, and to ensure that credit for DBE participation is only granted to DBEs with current DBE certification status.

K. Meeting Established Goals or Demonstrating Good Faith Efforts (§26.53)

If a bidder's/proposer's value of DBE participation does not meet the established DBE contract goal, the DBELO shall review the bidder's/proposer's Good Faith Effort (GFE) documentation to determine responsiveness and shall determine whether the bidder/proposer has performed the quality, quantity, and intensity of efforts that demonstrates a reasonably active and aggressive attempt to meet the DBE contract goal.

The following sections outline the requirements of firms competing for City contracts to comply with either meeting the DBE contract goal by committing to utilizing sufficient DBEs or by documenting an adequate GFE. Failure for a bidder/proposer to meet a DBE goal or demonstrate that an adequate GFE was made, will deem the bid/proposal non-responsive.

The City of Montebello (City) DBE PROGRAM MANUAL

1. Meeting Established Goals

For each solicitation on which a DBE contract goal has been established, the City shall require bidders/proposers to submit the following information to the City at the time of bid/proposal submission.

- i. Written and signed documentation of the bidder's/proposer's commitment to utilize DBEs, to be submitted on the City's "DBE Participation Commitment" form. Information listed on the form shall include:
 - a. Name, address and contact information for each DBE listed on the contract;
 - b. Description of the work that each DBE will perform;
 - c. Dollar amount of participation of each DBE;
 - d. Percentage of total contract value allocated to each DBE;
 - e. Prime bidder's/proposer's name, title and contact information;
 - f. The City's contract number;
 - g. Total dollar amount of participation of all DBEs;
 - h. Percentage of total contract value allocated to all DBEs;
 - i. DBE commitment percentage;
 - j. Prime bidder's/proposer's signature and date
 - k. For each listed DBE, proof of valid and current DBE certification in the NAICS code directly applicable to the work the DBE will perform on the contract.
- ii. The prime bidder/proposer shall also submit, for each DBE to perform under this contract, a written confirmation signed and dated from each the DBE listed, acknowledging that the DBE is participating in the contract for the it is participating in the contract for a specified dollar value and scope of work listed on the DBE Participation Commitment Form.

2. Demonstrating Good Faith Efforts (§26.53(b)(2)(vi))

If a bidder/proposer does not list sufficient DBEs on its "DBE Participation Commitment" form, to meet the established DBE contract goal, and/or if the City's evaluation of the "DBE Participation Commitment" form reveals that the bidder/proposer did not meet the established DBE contract goal, the bidder/proposer must demonstrate an adequate Good Faith Effort (GFE) to be deemed responsive to the City's DBE requirements. The bidder/proposer must demonstrate that it took all necessary and reasonable steps to meet the DBE goal, even if not fully successful.

Bidder/proposer/proposer shall submit the following information to document adequate good faith efforts to the City no later than 4:00 p.m. on the 2nd business day after the City's bid/proposal due date, or as otherwise specified in the solicitation but never to exceed 5 days after bid/proposal due date. Bidder/proposer should submit the following information even if the "DBE Participation Commitment Form" indicates that the bidder/proposer has met the DBE goal. This will protect the

The City of Montebello (City) DBE PROGRAM MANUAL

bidder/proposer's eligibility for award of the contract if City determines that the bidder/proposer failed to meet the goal for various reasons, e.g., a DBE firm was not certified at bid opening/ proposal due date, or the bidder/proposer made a mathematical error.

Submittal of only the form may not provide sufficient documentation to demonstrate that adequate good faith efforts were made.

The following good faith efforts items (A through H) shall be minimally performed prior to bid/proposal submission. Bidder/proposer to complete the following items in sufficient detail to effectively demonstrate that good faith efforts were undertaken to meet the established DBE goal:

- i. Items of Work the Bidder/Proposer Made Available to DBE Firms; a description of work items and approximate dollar amounts made available to DBE firms by the bidder/proposer, value of work items as a percentage of total contract work, breakdown of bid/proposal items or larger scopes of contract work (including those items normally performed by the bidder/proposer with its own forces) into economically feasible units to facilitate DBE participation sufficient to meet the DBE contract goal. It is the bidder/proposer's responsibility to demonstrate that sufficient work was made available to facilitate DBE participation.
- ii. Solicitation Effort Documentation; the names and dates of written notices sent to certified DBEs soliciting bids/proposals for this project and the dates and methods used to following up initial solicitations to determine with certainty whether the DBEs were interested (attach all copies of solicitation, telephone records, fax confirmations, email communications, etc.), amount of DBEs to respond, documentation to demonstrate DBE firms were provided information about the contract (location of project, contract number, bid/proposal date, items of work made available and contact information) in the Invitation to Bid/Propose from the bidder/proposer, the bidder/proposer solicited through all reasonable means (e.g. attendance at pre-bid/proposal meetings, advertising and written notices) the interest of all certified DBEs who have the capability to perform the work of the contract, bidder/proposer to provide proof of aforementioned items.(Note: Solicitations should occur at a minimum no later than 14 calendar days prior to the City's bid/proposal due date and follow up to the solicitations should allow DBE firms reasonable time to respond). DBE firms solicited must be advised if the original bid/proposal due date has been extended.

The City of Montebello (City)
DBE PROGRAM MANUAL

- iii. Rejected DBE Bid/proposal Documentation; the names, addresses, phone numbers, and amount of rejected DBE firms, the reasons for the bidder/proposer's rejection of the DBE firms, the firms selected and accepted for that work (attach all copies of quotes from all firms involved inclusive of a detailed cost breakdown if opted to self-perform work) and the price difference for each DBE if the selected firm is not a DBE, include an explanation of quote(s) rejected.
- iv. Publication Efforts Made to Advertise the Projects to Solicit DBE Participation; names and dates of each publication in which a request for DBE participation for this project was placed by the bidder/proposer (attach copies of advertisements or proof of publications). Publications should be placed at a minimum 14 calendar days before the City's bid/proposal due date. If bid/proposal due date is extended, bidder/proposer is to re-advertise new bid/proposal due date.
- v. Agencies, Organizations, or Groups Contacted to Provide Assistance in Contracting, Recruiting, and Using DBEs; the names of agencies, organizations or groups contacted to provide assistance in contacting, recruiting and using DBE firms (Attach copies of requests to agencies, responses received, and efforts made by the bidder/proposer in response).
- vi. Efforts to Provide Information About the Plans, Specifications, and Contract Requirements; efforts made to assist interested DBEs in obtaining necessary materials, or related assistance or services, bidder/proposer to provide evidence of effort.
- vii. Assistance with Lines of Credit, Insurance, and/or other Services; efforts made to assist interested DBEs in obtaining bonding, lines of credit or insurance, and any technical assistance or information related to the plans, specifications and requirements for the work which was provided to DBEs, bidder/proposer to provide a list of any assistance provided to DBEs:
- viii. Additional Data to Support a Demonstration of Good Faith Efforts; in determining whether a bidder/proposer made adequate good faith efforts, the City will take into account the performance of other bidder/proposers in meeting the DBE contract goal. Attach any additional information to support demonstration of good faith in this section.

The City of Montebello (City)

DBE PROGRAM MANUAL

3. Recommendation for Award

Following the determination of the bidder's/proposer's responsiveness and responsibility to DBE requirements set forth in the solicitation, the DBELO shall prepare a responsiveness report relative to contract-specific DBE requirements.

4. Bidder/Proposer's Right to Administrative Reconsideration

In the event that the DBELO determines that the apparent successful bidder/proposer has not demonstrated its commitment to meet the DBE contract goal and has not demonstrated an adequate Good Faith Effort, the bidder/proposer will be notified in writing. Please refer to Section V. E of this Program for further details regarding the Administrative Reconsideration process.

L. Counting DBE Participation (§26.55)

The City will count DBE participation toward overall and contract goals as provided in 49 CFR 26.55.

1. DBE "Frauds" and "Fronts"

Only legitimate DBEs are eligible to participate in federally funded contracts. Therefore, bidders/proposers are cautioned against knowingly and willfully using "fronts" to meet DBE goals. The use of "fronts" and "pass through" subcontracts to non-disadvantaged firms constitute criminal violations. Further, any indication of fraud, waste, abuse, or mismanagement of Federal funds should be immediately reported to the Office of Inspector General (OIG), U.S. Department of Transportation, via the toll-free hotline at 800-424-9071, email at <https://www.oig.dot.gov/hotline> or U.S. mail at U.S. DOT Inspector General, 1200 New Jersey Avenue SE, West Bldg. 7th Floor, Washington, CA 20590. The hotline is open 24 hours per day, seven days per week. Additional information can be found on www.oig.dot.gov/hotline.

2. Commercially Useful Function (§26.55)

To be considered as performing a commercially useful function, the DBE shall meet all of the following:

- i. The DBE is responsible for the execution of a distinct element of work in the Contract;
- ii. The DBE carries out its obligation by actually performing, managing, and supervising the work involved;
- iii. The DBE performs work that is normal for its business, services, and function; and

The City of Montebello (City) DBE PROGRAM MANUAL

- iv. The DBE performs or exercises responsibility for at least 30 percent of the total cost of its Contract with its own work for and is not further subcontracting a portion of the work that is greater than that expected to be subcontracted by normal industry practice.

The following factors shall be used in determining whether a DBE trucking company is performing a commercially useful function:

- i. The DBE must be responsible for the management and supervision of the entire trucking operation for which it is responsible on a particular contract, and there cannot be a contrived arrangement for the purpose of meeting DBE goals.
- ii. The DBE must itself own and operate at least one fully licensed, insured, and operational truck used on the contract.
- iii. The DBE receives credit for the total value of the transportation services it provides on the contract using trucks it owns, insures, and operates using drivers it employs.
- iv. The DBE may lease trucks from another DBE firm, including an owner-operator who is certified as a DBE. The DBE who leases trucks from another DBE receives credit for the total value of the transportation services the lessee DBE provides on the contract.
- v. The DBE may also lease trucks from a non-DBE firm, including from an owner-operator. The DBE who leases trucks from a non-DBE is entitled to credit for the total value of transportation services provided by non-DBE lessees not to exceed the value of transportation services provided by DBE-owned trucks on the contract. Additional participation by non-DBE lessees receives credit only for the fee or commission it receives as a result of the lease arrangement. If a recipient chooses this approach, it must obtain written consent from the appropriate City Operating Administration.

During the course of the contract containing a DBE commitment, the City or an agent of the City may conduct on-site monitoring interview/observation to ensure that work committed to DBEs is actually being performed by DBEs in the same capacity as the DBE participation being reported. This monitoring effort is fully incorporated into the City's DBE On-site Compliance field observation process. This observed work will be reconciled against the DBE subcontractor agreement(s) and Prime Contractor Form 103.

The City of Montebello (City) DBE PROGRAM MANUAL

3. DBE Participation Credit

The City requires that all DBEs listed by bidders/proposers for participation in contracts with goals, be certified as eligible DBEs at the time of bid/proposal submission, in order for their participation to be counted towards meeting the established DBE contract goal and/or the City's overall DBE goal.

In accordance with 49 CFR §26.55 and §26.71, the following guidelines apply in calculating/ counting DBE participation:

- i. Only work (represented by NAICS code(s)) for which the firm is certified as a DBE may be counted as DBE participation.
- ii. Only the participation of firms certified in accordance with 49 CFR Part 26 may be counted as DBE participation.
- iii. Only work performed by a DBE's own work forces (including cost of supplies, materials and equipment leases obtained by the DBE for the work of the contract, except supplies and equipment the subcontractor purchases and/or leases from the prime contractor or its affiliate), may be counted as DBE participation.
- iv. When a DBE subcontracts part of its work of its contract to another firm, the value of the subcontracted work may be counted as DBE participation only if the DBE subcontractor is itself a certified DBE. Work that a DBE subcontracts to a non-DBE firm does not count as DBE participation. A DBE should perform at least thirty percent (30%) of the total cost of its contract with its own workforce.
- v. When a DBE performs as a participant in a joint venture with a non-DBE, only the portion of the total contract dollar value equal to the distinct, clearly defined portion of the work to be performed by the DBE's own forces may be counted as DBE participation.
- vi. Only work considered to perform a commercially useful function may be counted as DBE participation.
- vii. For transportation services that are required under the contract and provided by a DBE trucking company, DBE participation is counted on the total value of the transportation services the DBE trucking company provides using trucks it owns, insures, and operates and using drivers it employs.
- viii. For materials and supplies that are required under the contract and obtained from a DBE manufacturer, one hundred percent (100%) of the

The City of Montebello (City)

DBE PROGRAM MANUAL

materials/supplies may be counted as DBE participation. For purposes of this section, a manufacturer is a firm that operates or maintains a factory or establishment that produces on the premises the materials and supplies obtained by the contractor.

- ix. For materials and supplies that are required under the contract and obtained from a DBE supplier/regular dealer, sixty percent (60%) of the materials/supplies may be counted as DBE participation. For purposes of this section, a supplier/regular dealer is a firm that owns, operates, or maintains a store, warehouse, or other establishment in which the materials or supplies required for performance of the contract are bought, kept in stock, and regularly sold to the public in the usual course of business.
- x. A bidder/proposer may count as DBE participation, fees and commissions paid to DBE firms that are not manufacturers or regular dealers, provided that the fees or commissions are determined to be reasonable and not excessive, as compared with fees customarily allowed for similar services.
- xi. A bidder/proposer may count as DBE participation, all transportation services provided by a DBE trucking firm that can demonstrate control of trucking operations for which it seeks credit and it owns, insures, and operates, using drivers it employs in the performance of the contract. The DBE must itself own and operate at least one fully licensed, insured, and operation truck used on the contract. The DBE trucking firm may lease trucks from another DBE firm, including an owner-operator who is certified as a DBE. The DBE receives credit for the total value of the transportation services the lessee DBE provides on the contract. The DBE who leases trucks from a non-DBE is entitled to credit only for the fees or commissions it receives as a result of the lease arrangement.
- xii. Prime contractors are advised not to count participation of DBE subcontractors towards DBE attainment until the amount being counted has been paid to the DBE.
- xiii. In cases where a DBE's certification has ceased during the performance period of the contract, although the prime contractor will continue to report to the City, the dollar value of the work performed by the firm, any work performed after the DBE ceases to be certified will not count towards DBE participation credit or the City's Overall DBE Goal.

VII. DBE CERTIFICATION AND ELIGIBILITY

Certification is the process by which all businesses seeking to participate in the City's DBE Program are determined to be legitimate DBEs as defined by U.S. DOT at 49 CFR Part 26.61-26.91, Subpart D and Appendix E, as amended and as defined by SBA at 13 CFR Part 121.

The City of Montebello (City)

DBE PROGRAM MANUAL

A. California Unified Certification Program (\$26.81)

49 CFR §26.81 requires all public agencies that receive U.S. DOT financial assistance to participate in a statewide Unified Certification Program (UCP). A UCP is a “one-stop shopping” certification program that standardizes DBE eligibility criteria and the application process and eliminates the need for a DBE to certify with multiple agencies within the state.

The City is a non-certifying member of a Unified Certification Program (UCP) administered by the California Unified Certification Program (CUCP). The UCP will meet all of the requirements of this section. The City will use and count for DBE credit only those DBE firms certified by the CUCP.

CUCP agencies are classified as certifying and non-certifying members. CUCP certifying members perform DBE certifications which apply to all U.S. DOT funded contracts. Certification activities include processing applications, reviewing financial and company ownership information, performing site visit and employee interviews, making certification decisions, investigating certification complaints and appeals, and maintaining a single Statewide directory of certified DBEs. A business certified as a DBE by any CUCP certifying member is automatically accepted by all U.S. DOT recipients in California.

Effective August 1, 2013, the California UCP (including Caltrans) is no longer issuing DBE Certificates as evidence of certification. A copy of a printout from the DBE Database should be sufficient proof of a firm's certification. Prime contractors and awarding agencies should not impose on DBE firms the burden of providing a DBE certificate in their bid packages - it is not required.

A non-certifying member agency adheres to all aspects of the U.S. DOT DBE program, except that it does not perform DBE certification activities. The City is a NON-certifying member of the CUCP; therefore, the City accepts DBE certifications from all CUCP certifying members. The City maintains a copy of the latest CUCP Memorandum of Agreement (MOA) on file, as well as a Declaration of Status Letter signed by the City's Department Manager and the CUCP Secretary and Chair.

For certification inquiries, contact one of the agencies listed below:

Agency	Business Address	Telephone No.
City of Los Angeles Office of Contract Compliance	1149 South Broadway Street, Room 300 Los Angeles, CA 90015	(213) 847-2684

The City of Montebello (City)
DBE PROGRAM MANUAL

Los Angeles County Metropolitan Transportation City (METRO) Diversity and Economic Opportunity Department	One Gateway Plaza Los Angeles, CA 90012	(213) 922-2600
S. F. Bay Area Rapid Transit District (BART) Office of Civil Rights	300 Lakeside Drive, 18th Floor Oakland, CA 94612	(510) 464-7580
City of Fresno DBE Program	2600 Fresno St., Room 2156 Fresno, CA 93721-3622	(559) 621-1163
Santa Clara Valley Transportation Authority (VTA) Small & Disadvantaged Businesses	3331 North First Street San Jose, CA 95134	(408) 321-5962
San Francisco Municipal Transportation Agency (SFMTA) Contract Compliance Office San Francisco Municipal Railway	1 South Van Ness Avenue, 6th Floor San Francisco, CA 94103	(415) 701-4436
San Mateo County Transit District (SAMTRANS) / Peninsula Corridor Joint Powers Board (CALTRAIN) DBE Office	1250 San Carlos Avenue San Carlos, CA 94070	(650) 508-7939
California Department of Transportation (CALTRANS) Office of Business & Economic Opportunity	1823 14th Street Sacramento, CA 95811	(916) 324-1700

B. Scope of Work Covered by Certification (\$26.71(n))

Firms must be DBE certified in the scope of work (represented by NAICS code(s)) directly applicable to their performance on a contract. If a firm wishes to participate on a contract under a scope of work for which the firm is not currently certified (i.e., if the firm wishes to add one or more NAICS codes to its certification), the firm must contact its certifying agency and submit all required documentation to demonstrate DBE ownership and control of the specific type(s) of work the firm wishes to add to its DBE certification. The firm shall then submit proof of DBE certification in the applicable scope(s) of work to the City, in order to receive DBE credit for performing that scope of work. For a firm's DBE

The City of Montebello (City) DBE PROGRAM MANUAL

participation to be counted towards a bidder's/proposer's initial DBE commitment, the firm must be DBE certified in the applicable scope of work prior to the bid/proposal due date.

C. Annual Affidavit of Continuing Eligibility

Each certified DBE is required to submit a written affidavit to its certifying agency once annually, on the anniversary date of the firm's initial certification, to certify that the firm continues to meet DBE eligibility criteria as defined in 49 CFR Part 26. The affidavit must affirm that there have been no changes in the firm's circumstances affecting its ability to meet DBE eligibility, including size, gross receipts, DBE status, ownership, or control requirements. The affidavit must also affirm that there have been no material changes to the information provided in the original certification application.

If the DBE fails to submit an affidavit, or any required supporting documentation, in a timely manner, it will be deemed to have failed to cooperate with 49 CFR Part 26 and will no longer be considered a certified DBE. It is DBE's sole responsibility to maintain its certification status with the certifying agency and the City.

D. Notification of Change in Circumstances

If a DBE's circumstances affecting the firm's DBE eligibility change at any time after the firm has been identified as a DBE participant on an City contract, the DBE must provide written notification of such change(s) to its certifying agency, the City and the prime contractor, if applicable. Such changes include, but are not limited to, business size, gross receipts, disadvantaged status, ownership, and/or control requirements. The written notification shall be provided by the DBE within thirty (30) days of the occurrence of the change(s). If the DBE fails to make timely notification of such changes, it will be deemed to have failed to cooperate with 49 CFR Part 26.

E. Lapse in Certification Status

If a DBE participant on a City contract ceases to be certified at any time during the life of the contract, any participation by that DBE after the firm ceases to be certified will not count as DBE participation.

F. Decertification Procedures (§26.87)

Pursuant to 49 CFR §26.87, any person may file a written complaint alleging that a currently certified DBE is ineligible to be certified as such and specifying the alleged reasons why the firm is ineligible. Because the City is a NON-certifying member of the CUCP, the Department of Transportation will implement the following procedures upon receipt of a written complaint challenging a firm's DBE certification status. The City will also protect the confidentiality of complainants' identities as required by 49 CFR §26.09(b).

1. Obtain the name of the CUCP certifying member agency that issued the DBE's certification;

The City of Montebello (City) DBE PROGRAM MANUAL

2. Provide the complainant(s) with contact information for the CUCP certifying member agency;
3. Provide the complainant(s) with a copy of 49 CFR §26.87, which outlines the DBE eligibility removal process; and
4. Provide a written notification to the DBE in question, stating that the firm's DBE eligibility has been challenged, and that the complainant has been referred to the DBE's certifying agency; include a copy of 49 CFR §26.87. If the DBE in question is a current participant in the City's DBE Program, remind the DBE of its obligation to notify the City of any change in the DBE's certification status within 30 days of the change.

G. Certification Denials and Appeals (§26.89)

Firms that have applied for and were denied DBE certification under one or more NAICS codes, and/or firms whose certification has been removed by a CUCP certifying member agency, may file an administrative appeal with the U.S. DOT within 45 days from the date of denial, in accordance with 49 CFR §26.89. Certification decisions are NOT appealable to the City.

To file a DBE certification appeal, firms should send a letter to the U.S. DOT Office of Civil Rights. The appeal should, at a minimum, include information and arguments concerning why the recipient's decision should be reversed, a copy of the denial letter, and any additional information the denied firm believes to be pertinent to the appeal. Firms must provide the name(s) and address(es) of any U.S. DOT recipient the firm is currently certified with or who has rejected its application for certification or removed the firm's eligibility within one year prior to the date of the appeal. This includes applications currently pending certification action.

All appeals should be submitted to the U.S. Department of Transportation, Office of Civil Rights, External Policy & Programs Division, 400 7th Street SW – Room 5414, Washington, DC 20590, Phone: (202) 366-4754, TTY: (202) 366-9696, Fax: (202) 366-5575.

VIII. COMPLIANCE AND ENFORCEMENT OVERSIGHT

A. Information, Confidentiality, Cooperation, Intimidation or Retaliation (§ 26.109)

The City will comply with the requirements of §26.109, as applicable.

B. Monitoring Payments to DBEs (§ 26.37)

The City requires prime contractors to maintain records and documents of payments to DBEs for three years following the performance of the contract. These records will be made available for inspection upon request by any authorized representative of the City or U.S.

The City of Montebello (City)

DBE PROGRAM MANUAL

DOT. This reporting requirement also extends to any certified DBE subcontractor. The use of joint checks will not be allowed without prior written Authorization from the City.

The City will perform monthly audits of contract payments to DBEs. The audit will review payments to DBE subcontractors to ensure that the actual amount paid to DBE subcontractors equals or exceeds the dollar amounts committed in the “DBE Participation Commitment” form or DBE subcontract.

Additionally, the City’s DBE Program will include a monitoring and enforcement mechanism to ensure that work committed to DBEs at contract award is actually performed by DBEs. Such mechanism will provide a running tally of actual DBE attainments (e.g., payments actually made to DBE firms), including a means of comparing these attainments to commitments. The City will display both DBE commitments and attainments in its reports of DBE participation to the U.S. DOT.

C. Compliance Monitoring (§26.37)

The City shall implement appropriate mechanisms to ensure prime and subcontractor compliance with DBE Program requirements as stated in 49 CFR Part 26, including but not limited to the following activities:

1. Once a DBE begins work, obtain proof of each DBE’s participation on the contract, by collecting a copy of a signed subcontractor agreement between the prime contractor/consultant and the DBE;
2. Collecting/reviewing monthly DBE utilization reports;
3. Verifying payments made to DBEs;
4. Tracking DBE participation throughout the life of the contract;
5. Conducting site visits, field observations and construction worker interviews on applicable contracts;
6. Imposing administrative sanctions for contractor’s willful contractor non-compliance with DBE Program requirements;
7. Recording and reporting final DBE participation at contract close-out; and
8. Measuring achieved DBE participation in comparison to committed participation.

In addition, at contract close-out, the City will certify that it has monitored the contract to ensure compliance with DBE Program regulations and requirements.

The City of Montebello (City)
DBE PROGRAM MANUAL

D. Submission of DBE Information and Ongoing Reporting Requirements (Post-Award)

If there is a DBE goal and/or DBE commitment on the Agreement, Contractor/Consultant must complete and submit within the specified timelines the following DBE documentation, electronically through the City's reporting system consistent with Contractor/Consultant's DBE goal commitment:

- i. "Monthly DBE Subcontractor Commitment and Attainment Report Summary and Payment Verification"

The purpose of this form is to ensure Contractor/Consultant DBE commitments are attained, properly reported, and credited in accordance with DBE crediting provisions based on the capacity the DBE performs the scope of work/service. This form further serves to collect DBE utilization data required under 49 CFR, Part 26.

Contractor/Consultant is required to complete and submit this Form to the City by the 15th of each month until completion of the Agreement. Contractor/Consultant must submit this report following the first month of Agreement activity. Even if no DBE participation will be reported within a period, the Contractor/Consultant must execute and return the form.

The report must include the following information:

1. General Agreement Information – Including Agreement Number and Title, Contractor/Consultant Name and the following:
 - a) Original Agreement Amount
 - b) Running Total of Change Order Amount
 - c) Current Agreement Amount
 - d) Amount Paid to Contractor/Consultant during Month
 - e) Amount Paid to Contractor/Consultant from Inception to Date
 - f) DBE Contract Goal
 - g) Total Dollar Amount of DBE Commitment
 - h) DBE Commitment as Percentage of Current Agreement Amount
2. Listed and Proposed Contractor/Consultant/Subcontractor Information – For All DBE participation being claimed either race-neutrally or race-consciously, regardless of tier:
 - a) DBE Firm Name, Address, Phone Number, DBE Capacity Type,

The City of Montebello (City) DBE PROGRAM MANUAL

- Certification Type and Certification Number.
- b) DBE Firm Contract Value Information:
- c) Original Contract Amount, running total of change order amount, Current Contract Amount, Amount Paid to Contractor/Consultant or Subcontractor(s)/Subcontractor(s) During Month and Amount Paid to Contractor/Consultant or Subcontractor(s) to date.

Contractor/Consultant is advised not to report the participation of DBE(s) toward the Contractor/Consultant's DBE attainment until the amount being claimed has been paid to the DBE.

ii. Contractor/Consultant Assurance of Full Compliance with Prompt Payment Provisions

By submitting prompt payment data through the system, the vendor is providing assurance that timely payments have been issued to all subcontractors in accordance with regulatory mandates and as required by 49 CFR Part 26.29.

iii. Contractor/Consultant Payment Verification Summary

Contractor/Consultant is to further maintain and submit a Verification of Payment Summary inclusive of a detailed running tally of related invoices submitted by DBE(s) and non-DBE(s), including dates of invoice submission, dates accepted and corresponding dates and amount of payments made. The Verification of Payment Summary must also include:

DBE(s) and non-DBE(s) invoice number, invoice amount, invoice date, Contractor/Consultant's invoice number that incorporated the corresponding DBE and non-DBE invoice(s) for billing purposes, date of invoice submission to the City, date and amount the City paid on Contractor/Consultant's Invoice. The report must reflect a breakout of retention withheld (including retention as specified in subcontract agreement(s) and disputed invoice retention) and retention payments made, check number and date paid to DBEs and non-DBEs.

Contractor/Consultant's Verification of Payment Summary will be sent to the applicable subcontractor/subconsultant for validation and confirmation.

iv. Monthly DBE Trucking Verification Form

Prior to the 15th of each month, Contractor/Consultant must submit documentation on the "Monthly DBE Trucking Verification," Form to the City showing the amount

The City of Montebello (City) DBE PROGRAM MANUAL

paid to DBE trucking companies. Contractor/Consultant must also obtain and submit documentation to the City showing the amount paid by DBE trucking companies to all firms, including owner-operators, for the leasing of trucks. If the DBE leases trucks from a non-DBE, Contractor/Consultant may count only the fee or commission the DBE receives as a result of the lease arrangement.

The Contractor/Consultant must also obtain and submit documentation to the City showing the truck number, owner's name, California Highway Patrol CA number, and if applicable, the DBE certification number of the owner of the truck for all trucks used during that month.

v. DBE Subcontract Agreements

Contractor/Consultant must submit to the City copies of executed subcontracts and/or purchase orders (PO) for all DBE firms participating on the contract within ten (10) working days of the award. Contractor/Consultant must immediately notify the City in writing of any problems it may have in obtaining the subcontract agreements from listed DBE firms within the specified time.

vi. Semi-Annual Subcontractor/Subconsultant Paid Report Summary

The City will require Contractor/Consultant (inclusive of DBE primes) to report payment data to lower tiers on a semi-annual basis each year, using the "Semi-Annual Subcontractor Paid Report Summary." These reports will capture payments to Contractor/Consultant and payments to non-DBEs within the respective reporting period. Reported payments to lower tiers must include a signed payment verification form.

Contractor/Consultant will adhere to the following submittal schedule:

- April 15th Report, reporting period: October 1st through March 31st
- October 15th Report, reporting period: April 1st through September 30th

vii. Final Report-Utilization of Disadvantaged Business Enterprises (DBE)

Upon completion of the project, Contractor/Consultant must complete and submit a "Final Report-Utilization of Disadvantaged Business Enterprises (DBE) Subcontractors," certified correct by Contractor/Consultant or Contractor/Consultant's authorized representative, to facilitate reporting and capturing DBE attainments at conclusion of the project. The form must be furnished to the City within thirty (30) days from the date of project acceptance. The amount

The City of Montebello (City) DBE PROGRAM MANUAL

of ten thousand dollars (\$10,000) will be withheld from payment until a satisfactory form is submitted.

viii. Disadvantaged Business (DBE) Certification Status Change

If a DBE subcontractor is decertified during the life of the project, the decertified subcontractor must notify Contractor/Consultant in writing with the date of decertification. If a subcontractor becomes a certified DBE during the life of the project, the subcontractor must notify Contractor/Consultant in writing with the date of certification (Attach DBE certification/decertification letter). Contractor/Consultant must furnish the written documentation to the City within ten (10) days of receipt. Upon completion of the project, the "Disadvantaged Business Enterprises (DBE) Certification Status Change," must be signed and certified correct by Contractor/Consultant indicating the DBEs existing certification status. If there are no changes, indicate "No Changes." The signed and certified form must be furnished to the City within thirty (30) days from the date of project acceptance.

Failure to submit any of the required submittals above and their support documentation within the specified timeline shall result in a penalty of ten dollars (\$10) per day, per submittal document.

The City requires Contractor/Consultant to maintain records and documents of payments to lower tiers, including DBEs, for a period of four (4) years from the date of final payment by the City, unless otherwise provided by applicable record retention requirements for Contractor/Consultant's agreement, whichever is longer. These records will be made available for inspection upon request by any authorized representative of the City. This reporting requirement extends to all lower-tiers, both DBE and non-DBE.

The City reserves the right, at its sole discretion, to demonstrate responsiveness to the requirements of CFR 49 Part 26.37 by implementing the following method(s):

- a) Posting contractor payment data to a website, database, or other place accessible to subcontractors to assist them in determining when they should expect to receive payment.
- b) Requiring Contractor/Consultant to use an automated reporting system, inclusive of, but not limited to, real time entry of payments made and received by Contractor/Consultant and their lower tiers.

The City of Montebello (City)
DBE PROGRAM MANUAL

E. DBE Participation Change Requests (§26.53 (f) and (g))

1. DBE Additions

In the event Contractor/Consultant identifies additional DBE Subcontractor/subconsultants or suppliers not previously identified by Contractor/Consultant for DBE participation under the Agreement, Contractor/Consultant must notify the City by submitting a "Request for Additional DBE Firm," to enable the City to verify the firm's eligibility, capacity, CUF and ensure there is not a scope conflict with another listed firm. Proposed firms cannot be applied towards Contractor/Consultant's DBE participation until approved by the City.

Contractor/Consultant must also submit, for each DBE identified after contract execution, a written confirmation from the DBE acknowledging that it is participating in the contract for a specified value, including the corresponding scope of work (a subcontract agreement can serve in lieu of the written confirmation).

2. DBE Substitution, Termination and On-going Good Faith Efforts

The City requires that Contractor/Consultant not terminate a DBE without the City's prior written consent. This includes, but is not limited to, instances in which Contractor/Consultant seeks to perform work originally designated for a DBE with its own work force or those of an affiliate, a non-DBE firm, or with another DBE firm.

The City will provide such written consent only if it agrees, for reasons stated in the concurrence document, that Contractor/Consultant has good cause to terminate the DBE firm. For purposes of this section, good cause includes the following circumstances:

- i. The listed DBE subcontractor/subconsultant fails or refuses to execute a written contract;
- ii. The listed DBE subcontractor/subconsultant fails or refuses to perform the work of its subcontract in a way consistent with normal industry standards. Provided, however, that good cause does not exist if the failure or refusal of the DBE subcontractor/subconsultant to perform its work on the subcontract results from the bad faith or discriminatory action of Contractor/Consultant;
- iii. The listed DBE subcontractor/subconsultant fails or refuses to meet Contractor/Consultant's reasonable, nondiscriminatory bond requirements;
- iv. The listed DBE subcontractor/subconsultant becomes bankrupt, insolvent, or exhibits credit unworthiness;

The City of Montebello (City) DBE PROGRAM MANUAL

- v. The listed DBE subcontractor/subconsultant is ineligible to work on public works projects because of suspension and debarment proceedings pursuant 2 CFR Parts 180, 215 and 1,200 or applicable state law;
- vi. Contractor/Consultant has determined that the listed DBE subcontractor/subconsultant is not a responsible contractor;
- vii. The listed DBE subcontractor/subconsultant voluntarily withdraws from the project and provides to you written notice of its withdrawal;
- viii. The listed DBE is ineligible to receive DBE credit for the type of work required;
- ix. A DBE owner dies or becomes disabled with the result that the listed DBE contractor is unable to complete its work on the contract;
- x. Other documented good cause that you determine compels the termination of the DBE. Provided, that good cause does not exist if Contractor/Consultant seeks to terminate a DBE it relied upon to obtain the Agreement so that Contractor/Consultant can self-perform the work for which the DBE contractor was engaged or so that Contractor/Consultant can substitute another DBE or non-DBE contractor after contract award.

Before transmitting to the City its request to terminate and/or substitute a DBE subcontractor/subconsultant, Contractor/Consultant must give notice in writing to the DBE, with a copy to the City, of its intent to request to terminate and/or substitute, and the reason for the request.

Contractor/Consultant must give the DBE five (5) days to respond to Contractor/Consultant's notice and advise the City and Contractor/Consultant of the reasons, if any, why it objects to the proposed termination of its subcontract or purchase order and why the City should not approve Contractor/Consultant's action. If required in a particular case as a matter of public necessity (e.g. safety), Contractor/Consultant may provide a response period shorter than five (5) days.

In the event of an approved DBE substitution, termination, or failure of a DBE to complete its work on the contract for any reason, the DBE must be substituted with another DBE or adequate good faith efforts must be documented by Contractor/Consultant within five (5) days, to the extent needed to meet the contract-specific DBE goal. Note: The five (5) day period may be extended for an additional five (5) days if necessary, at the request of the Contractor/Consultant.

The City of Montebello (City)

DBE PROGRAM MANUAL

The substitute DBE must be certified as a DBE at the time of request for substitution. Contractor/Consultant shall not be entitled to any payment for work or materials unless it is performed or supplied by the listed DBE, unless the DBE is terminated in accordance with this section and is approved by the City.

Should Contractor/Consultant elect to submit good faith effort documentation in lieu of proposing additional DBE participation, the City will review the documentation and provide a written determination to Contractor/Consultant stating whether or not good faith efforts have been adequately demonstrated.

The substitute DBE cannot work on the Agreement until its work eligibility has been confirmed and required subcontracts, supplies, trucking commitments, or other services have been approved by the City.

F. Dispute Resolution

All contracts U.S. DOT-assisted contracts shall contain provisions or conditions which will allow for dispute resolution remedies in instances where contractors/ consultants violate or breach DBE Program requirements, inclusive but not limited to, prompt payment and provide for such sanctions and penalties as may be appropriate.

Contractors/Consultants shall incorporate this Section into each subcontract related to work arising under a U.S. DOT-assisted agreement and shall not incorporate by reference.

Contractor/Consultant and subcontractor/subconsultant agree to notify the City within five (5) business days of any prompt payment and/or DBE Program disputes which cannot be settled by discussions between the parties involved.

Contractor/Consultant and subcontractor/subconsultant further agree to proceed through informal meetings, mediation, or any combination thereof as further detailed below. Dispute submittals shall include the method(s) of dispute resolution selected, terms, timeframes, and a detailed summary of assistance being requested (as applicable).

i. Informal Meetings:

The City is available to assist Contractor/Consultant with coordination of informal meeting requests to assist in the resolution of disputes between Contractor/Consultant and subcontractor/subconsultant. The City's DBELO or a designated DBE support representative, will conduct informal meetings with parties in dispute. Representatives from Contractor/Consultant and subcontractor/subconsultant for the purpose of dispute resolution must include individuals authorized to bind each interested party. All parties must agree to the procedure.

The City of Montebello (City) DBE PROGRAM MANUAL

ii. Mediation

The parties to a contract may agree to endeavor to settle a dispute through informal mediation under independent third-party organizations. The City's DBELO and its designated support staff is considered an independent third party. Submission to informal mediation is voluntary; it is not binding and offers advisory opinions.

Performance During Dispute: Unless otherwise directed by the City, Contractor/Consultant and its sub tiers shall continue performance under the Agreement while matters in dispute are being resolved.

Flow Down Requirements: The dispute resolution provisions flow down to all tiers.

These provisions shall not apply to disputes between Contractor/Consultant and the City. These provisions do not alter in any way or waive compliance with other provisions in the Agreement.

G. Administrative Sanctions for Non-Compliance

Contractor/Consultant must fully comply with the DBE Agreement requirements, including the City's DBE Program and Title 49 CFR Part 26 "Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs," and ensure that all subcontractors, regardless of tier, are also fully compliant. Failure by Contractor/Consultant to carry out these requirements is a material breach of this Agreement, which may result in the termination of this Agreement, or such other remedy as the City deems appropriate, which may include, but is not limited to:

1. Withholding monthly progress payments;
2. Assessing sanctions;
3. Liquidated damages; and/or
4. Disqualifying Contractor/Consultant from future bidding as non-responsible.

In instances of identified non-compliance, a Cure Notice will be issued to Contractor/Consultant identifying the DBE non-compliance matter(s) and specifying the required course of action for remedy.

Contractor/Consultant must be given ten (10) working days from the date of the Cure Notice to remedy or to: (1) File a written appeal accompanied with supporting documentation; and/or (2) Request a hearing with the City to reconsider the City's DBE determination.

The City of Montebello (City)

DBE PROGRAM MANUAL

Failure to respond within the ten (10) working day period will constitute a waiver of Contractor/Consultant's right to appeal. If Contractor/Consultant files an appeal, the City, must issue a written determination and/or set a hearing date within ten (10) working days of receipt of the written appeal, as applicable. A final Determination will be issued within ten (10) working days after the hearing, as applicable.

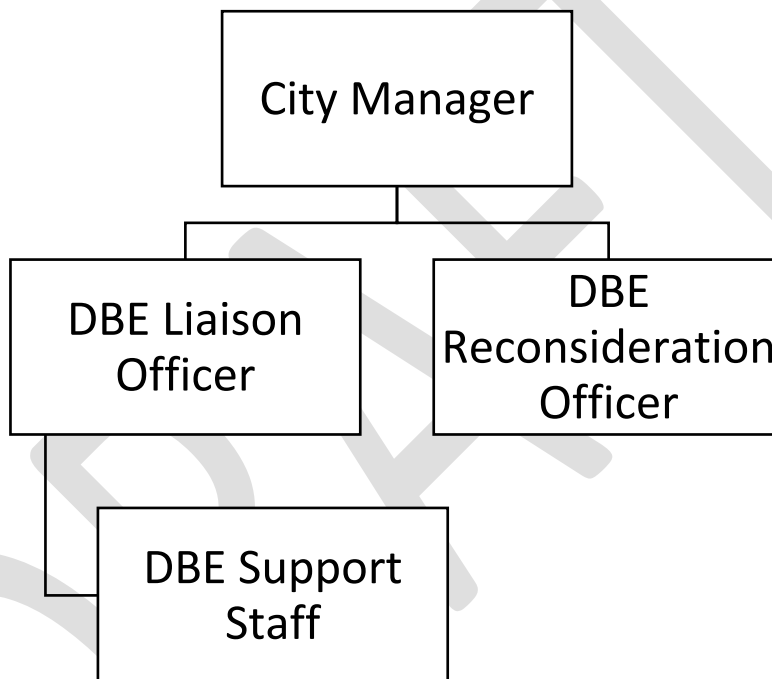
If after review of Contractor/Consultant's appeal, the City decides to uphold the decision to impose DBE administrative remedies on Contractor/Consultant, the written determination must state the specific remedy(ies) to be imposed.

Failure to comply with the Cure Notice and/or to remedy the identified DBE non-compliance matter(s) is a material breach of the Agreement and is subject to administrative remedies including withholding at a minimum of two percent (2%) of the invoice amount due per month for every month that the identified non-compliance matter(s) is not remedied. Upon satisfactory compliance, the City will release all withholdings.

In addition to the administrative remedies defined in this section, the City is not precluded from invoking other contractual and/or legal remedies available under federal, state or local laws.

ATTACHMENT A

City of Montebello DBE Organizational Chart





ITEM # 29

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: John Soria, Director

SUBJECT: **AWARD AGREEMENT NO. 4280 TO PALADIN TECHNOLOGIES FOR THE PURCHASE AND INSTALLATION OF A SECURITY AND SURVEILLANCE CAMERA SYSTEM FOR THE TRANSPORTATION DEPARTMENT**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Award Agreement No. 4280 with Paladin Technologies (Paladin), for a one-year (1-year) term, to purchase and install a security and surveillance camera system for the Transportation Department, for a total not-to-exceed amount of \$545,850; and
2. Amend the Fiscal Year 2024-25 adopted operating budget to increase appropriations by \$136,472 in Account No. 600-90-915-6040.95 (Transit, Administration, Corporate Shop, Contract Services - Other Professional Services); and
3. Authorize the City Manager to approve change orders up to an additional ten percent (10%) or \$54,585 of the total agreement amount; and
4. Take such additional, related, action that may be desirable.

FISCAL IMPACT:

Funding for the project has been allocated from Senate Bill 1 (SB1) / State Transit Assistance (STA) 2019-2020 funds (Account No. 202-922-2019-6040.75, SB1-State of Good Repairs, STA, Contract Services - Other Professional Services) in the amount of \$463,963. The remaining balance of \$136,472 will be allocated through an amendment to the Fiscal Year 2024-25 adopted operating budget, Account No. 600-90-915-6040.95 (Transit, Administration, Corporate Shop, Contract Services - Other Professional

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 2 of 3

Services). The total cost will be split across the identified funding sources for a total not-to-exceed amount of \$600,435, which includes a 10% contingency or \$54,585. Staff confirmed that sufficient balances exist in each account.

BACKGROUND/DISCUSSION:

On September 22, 2023, the City of Montebello issued Request for Proposals (RFP) No. 24-5 (Attachment A), to secure a qualified contractor to install security cameras within the Police Department and City Hall areas. On March 27, 2024, the City Council awarded Agreement No. 4185 to Paladin for the security camera project (Attachment B), following a comprehensive evaluation process.

Part of the contract negotiations included the City and the vendor mutually agreeing to include a provision (Section 26 – Extension to Other Public Agencies) that enabled other public agencies to benefit from the same terms and conditions outlined in the agreement, in accordance with the procurement process outlined in the Montebello Municipal Code (MMC) Section 3.20.125(A) – “Piggybacking Purchasing Agreement.” A key objective for the City was to ensure the agreement could support potential security needs across additional City departments and locations, including the Transportation Department.

ENVIRONMENTAL:

N/A

ANALYSIS:

In October 2024, transportation staff contacted the Division of Information Technology (DoIT) for assistance with evaluating the existing security and surveillance camera system in Transit. A comprehensive assessment of Transportation’s camera system infrastructure determined that the current system was antiquated and no longer met the department’s operational needs. It was determined that the system, initially installed to enhance safety for visitors, employees, and to deter criminal activity, no longer aligned with the City’s security expectations and needs.

In November 2024, a walkthrough was conducted by both transportation staff and the vendor (Paladin) to identify the department’s current needs. During the walkthrough, Paladin provided valuable insight and identified major deficiencies in the current camera system. In addition to the system’s age, the system was found to be fragmented with multiple disconnected components across various locations and facilities. The hardware and software varied widely in technology and capacity and capability, creating unnecessary complexity in both maintenance and operations. Furthermore, the system’s limited motion-detection recording capability does not meet the department’s requirement for continuous 24-hour loop recording.

To address these issues, Paladin proposed to install or upgrade a total of 110 cameras, strategically located inside and outside Transportation’s facility, surrounding parking lots, and the Metrolink Station (Attachment C). The upgrade will also include installing the necessary network infrastructure, updating data retention policies, enhancing software,

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 3 of 3

and providing training for staff to ensure the efficient operation of the new system.

Therefore, Staff recommend that the City Council approve Agreement No. 4280 with Paladin (Attachment D), to purchase and install a security and surveillance camera system for the Transportation Department. Through this modernization, the Transportation Department seeks to create a safer and more secure environment for both the community and staff.

SUMMARY:

Staff recommend that the City Council approve Agreement No. 4280 with Paladin in accordance with MMC Section 3.20.125(A), for the purchase and installation of a security and surveillance camera system for the Transportation Department; amend the FY 2024-25 adopted operating budget by increasing appropriations by \$136,472 in Account No. 600-90-915-6040.95 (Transit, Administration, Corporate Shop, Contract Services - Other Professional Services); authorize the City Manager to approve change orders up to an additional 10% of the total agreement amount; and take such additional, related, action that may be desirable.

ATTACHMENT(S)

1. Attachment A - RFP 24-5
2. Attachment B - Agreement No. 4185
3. Attachment C - Paladin Proposal
4. Attachment D - Proposed Agreement No. 4280



CITY OF MONTEBELLO

Request for Proposals

RFP No. 24 – 5

Camera System Upgrade Project

Release Date: Friday, September 22, 2023

**Mandatory Site Walk: Tuesday, October 10, 2023,
at 10 a.m. PDT**

Due Date: Thursday, November 2, 2023, at 11 a.m. PDT

TO PROSPECTIVE PROPOSERS

The City of Montebello ("City") invites proposal submissions under this Request for Proposals ("RFP"). The City will evaluate responses to this solicitation to determine qualifications. Submissions must adhere to the format and content described. Only proposals that adhere to the requirements will be evaluated. The information set forth is the minimum required to qualify for consideration. The successful Proposer will be required to enter into a Professional Services Agreement based on the specifications outlined in this RFP.

DATE OF SOLICITATION

September 22, 2023

PROJECT

Camera System Upgrade Project

PROPOSAL OWNER

City of Montebello – Department of Finance & Information Technology
1600 West Beverly Boulevard
Montebello, CA 90640
Attn: Michael Solorza, Director of Finance & Information Technology
Contact Phone: (323) 887-1200
Contact E-Mail: msolorza@montebellocagov

PROPOSAL CONTACT

City of Montebello – Department of Finance & Information Technology
1600 West Beverly Boulevard
Montebello, CA 90640
Attn: Micah Herd Senior Management Analyst
Contact Phone: (323) 887- 1200
Contact E-Mail: mherd@montebellocagov

Any questions about this RFP should be submitted via the City's PlanetBids Portal by Wednesday, October 18, 2023, at 11:00 a.m. PST. Prospective vendors must register their business with PlanetBids before being able to view or submit a response. To access the City's PlanetBids Portal, please go to:

<https://www.montebellocagov/cms/one.aspx?portalId=58756&pageId=84839>

Table of Contents	Page
1.0 Notice Inviting Proposals	5
2.0 Introduction/About the City of Montebello	6
3.0 Timeline	6
4.0 Purpose	6
5.0 Scope of Work	7
6.0 Mandatory Site Visit/Non-Disclosure Agreement	11
7.0 Proposal Submittal	12
8.0 Evaluation of Proposal	12
9.0 Proposal Protests	13
10.0 Execution of Agreement	14
11.0 Insurance	14
12.0 Use of Federal Funds	16
13.0 Non-Commitment of City	17
14.0 Labor Requirements	17
15.0 Records	18
16.0 Subcontractors	18
17.0 Modifications/Changes	18
18.0 Disclosure of Information	18
19.0 Ex-Parte Communications	19
20.0 City of Montebello Rights	19

Appendix A – Proposal Content and Format

Appendix B – Sample Professional Services Agreement

Appendix C – Non-Disclosure Agreement¹

Appendix D – Site Plans – City Hall & Police Department²

¹ To be returned at the site visit

² Site Plans will be provided to vendors who attend the mandatory site visit

1.0 Notice Inviting Proposals

The City of Montebello seeks proposals from qualified vendors to assist with upgrading the video camera system following the specifications, terms, and conditions identified in this RFP. Prospective respondents are advised to carefully read information related to this opportunity before submitting a response.

To view the complete RFP package, please visit:

<https://www.montebellocal.gov/cms/one.aspx?portalId=58756&pageId=84839>

Prospective vendors must register with PlanetBids before being able to view or submit a response.

Vendors must attend a mandatory site visit on **Tuesday, October 10, 2023, at 10 a.m. PDT**. The site visit will commence at Montebello City Hall (located at 1600 West Beverly Boulevard, Montebello, CA 90640). Failure to attend may result in the vendor's response to the RFP being rejected. Please see Section 6.0 of this solicitation for details.

Questions must be submitted by **Wednesday, October 18, 2023, at 11:00 a.m. PST**.

*******QUESTIONS MUST BE SUBMITTED VIA PLANETBIDS*******

Proposals must be submitted via PlanetBids by **Thursday, November 2, 2023, at 11:00 a.m. PST**.

Responses will be evaluated to determine the vendor that is the most qualified and responsive to the requirements. Responses must adhere to the format and content described.

2.0 Introduction

The City of Montebello invites prospective vendors to submit a proposal to provide the necessary items and services to upgrade/replace the existing video security system. Currently, the City has a very antiquated video security system installed at various buildings and facilities. The system was initially installed as a method to enhance safety for visitors and employees by acting as a crime deterrent, providing situational awareness for security personnel and law enforcement responding to incidents, and to provide evidentiary video if an incident occurs.

In addition to age, the current solution is comprised of multiple disjointed systems at various locations and facilities. The hardware and software vary in brand, technology, capacity, and capability. The City wishes to create a unified, centralized system that is capable of future expansion. Furthermore, the City is seeking on-going support services to ensure staff is trained how to properly operate the system and for maintenance and repair services.

About the City of Montebello

Montebello ("beautiful mountain" in Spanish and Italian) is a city in the County of Los Angeles. Founded in 1899 and incorporated in 1920, the City is an 8.37 square mile General Law City located east of Downtown Los Angeles. Currently, the City has a population of approximately 63,000 residents. It hosts a mix of various industries that represent the business diversity of the County of Los Angeles. It is a full-service City that provides a long list of services, employing approximately 600 full-time and part-time employees in public safety, transit, and non-safety functions.

3.0 Timeline

- | | |
|---------------------------------|--|
| • Release RFP | Friday, September 22, 2023 |
| • Mandatory Site Visit | Tuesday, October 10, 2023, 10 a.m. PDT |
| • Online Q&A Deadline | Wednesday, October 18, 2023, 11 a.m. PDT |
| • Deadline to Submit Responses | Thursday, November 2, 2023, at 11 a.m. PDT |
| • City Review of Submissions | Early/Mid-November 2023 |
| • Interviews | TBD (If Necessary) |
| • Notifications Sent to Vendors | Early/Mid-December 2023 |
| • Award | January 2024 |

4.0 Purpose

The purpose of this solicitation is to identify a qualified vendor to assist the City with updating/replacing the City's existing video security system in order to increase reliability. At the same time, the City is seeking to procure a system that can be easily expanded in the future. At the completion of the initial phases of this project, all cameras and network equipment, should be integrated and manageable from a single video

monitoring software and viewable at designated user stations.

The City is seeking to establish an agreement with a minimum term of two (2) years with up to three (3), one (1) year extension options for a total of up to five (5) years. This requirement may change during the process of finalizing the agreement with the selected vendor.

5.0 Scope of Work/Services

City of Montebello is requesting proposals from qualified vendors capable of providing interior and exterior video cameras, network hardware, video monitoring software, installation services, software support, maintenance and repair services, and related items and services. The requested solution will be used to replace the City's existing video security system.

The current, primary video system is located at the Police Department. It consists of approximately twenty-seven (27) interior and exterior cameras. The camera system operates using a video monitoring system manufactured by HIKVision. Many of the cameras have a resolution of 960x480, 1792 bitrate, and encoding is H.264. Retention is thirty (30) to ninety (90) days. Other buildings and facilities in the City have cameras that operate independently of the Police Department's solution. These solutions range from video solutions made for consumer/home use to a solution that uses Genetec software.

The City is seeking to replace the existing system with a significantly improved solution with high-definition video, increased storage capacity, and improved features. In addition, the City would like to integrate the existing camera solutions (if possible) into a single, unified solution.

In general, the City is looking for a turn-key solution. The vendor will be responsible for providing any camera hardware as well as installation of networking equipment at City facilities. The vendor will also be responsible for coordinating with the City's Information Technology Division, as needed, for any configuration necessary for integration.

The City envisions this project being completed through a series of phases. This approach is being taken to ensure the project team can efficiently and effectively manage tasks. Below is a list of each of areas/tasks associated with the proposed phases. The City has also made recommendations for the number of cameras to be installed in each of the impacted areas, but proposers are encouraged to make recommendations regarding the quantity and type of cameras depending on the needs. The following is a list of the phases and the number of cameras required for each:

Phase 1 – Installation of Network Equipment

During Phase 1, the vendor is expected to install network equipment in the designated area(s) (2nd Floor Police Department IDF Room and/or City Hall Basement). When creating plans for network equipment, vendors should keep in mind the potential for expansion to new areas within the City and integration with existing cameras.

Phase 2 – Police Department Jail & Evidence Rooms (25 Cameras)

The Police Department requires a total of fourteen (14) cameras in the jail. At least one (1) camera should be placed in each jail cell and provide an overview of the entire cell. The remaining cameras will be installed at entry/exit points, hallways, and the sallyport area. Six (6) cameras are needed in the evidence rooms and hallways. An additional five (5) cameras will be installed at public entry/exit points and publicly accessible areas of the police station on the first and third floors.

Phase 3 – Police Department Building Exterior & Parking Lot (10 Cameras)

For Phase 3, the City requires a minimum of ten (10) cameras. Six (6) cameras should be used for the exterior of the Police Department building. The remaining four (4) cameras should be used for the Department's parking lot with two (2) cameras, covering vehicle entry/exit, one (1) camera covering pedestrian entry/exit, and the remaining camera providing an overview of the entire area. The Police Department's parking lot secured by a gate and separate from the City Hall parking lot.

Phase 4 – City Hall Lobby & Exterior (8 Cameras)

For the City Hall Lobby and Exterior, the City is seeking a total of eight (8) cameras. Two (2) cameras will be placed in the lobby area and the remaining cameras will be placed around the perimeter of the exterior.

Phase 5 – City Hall Parking Lot (10 Cameras)

The vendor will be responsible for installing a minimum of ten (10) cameras in the City Hall Parking Lot. Cameras should be installed in a manner to capture pedestrian and vehicle traffic in the parking lot, as well as providing a clear view of the entry/exit points onto the lot from the surrounding streets.

Upon completion of each phase and system acceptance by the City's project team, the selected vendor will be required to provide documentation which inventories of all items/equipment installed, by the make, model, serial number, description, and location of the items/equipment. In addition, the documentation should include a diagram which details the field of view.

As previously mentioned, the City is seeking a video security system that can be expanded in the future. Beyond the initial phases mentioned above, the City will engage with the selected vendor for the procurement of necessary items and services if it is within the term of the agreement.

Advanced Camera Features

To ensure the solution is effective, the City is seeking a solution which includes features to enhance performance. These features, include but are not limited to:

- Pan-Tilt-Zoom (PTZ)
- Two-way Audio
- High-Definition
- Night Vision/Low-light
- Motion/Trigger Activation

Vendor proposals should make recommendations regarding the use of these features and others if determined to improve performance. Recommendations should identify which cameras should include these features.

Video Retention

Except for cameras installed in the City's Evidence Rooms and Jail Facility, all cameras must have a retention period of thirty (30) days. Cameras installed in Evidence Rooms and Jail Facility must have a retention period of 366 days. The retention period is subject to change at any time at the request of the City.

Video Monitoring Stations

As part of the initial implementation plan, the City expects to receive a total of six (6) video viewing stations. The viewing stations will be installed at the Watch Commander's Office/Desk (Police Department), Jail Facility (Police Department), Dispatch Center (Police Department), Information Technology Office (City Hall), and two (2) additional locations that will be determined later.

Vendors are only expected to provide and install the software required for the video monitoring. The City will reserve the option to procure the necessary hardware for installation of the monitoring software at its own discretion. Upon request, the selected vendors will need to provide minimum hardware/software requirements for operating the video monitoring software.

Staff Training

The vendor selected is expected to conduct system administrator and user training sessions for the City. At least three (3) training sessions are conducted for the groups (1 – System Administrator Training, 2 – User Trainings). Furthermore, the vendor will also

be required to provide all reference manuals, booklets, and/or other materials required for training. Vendors are requested to indicate their availability to conduct training and provide the cost in their proposal.

Training sessions can be facilitated remotely (e.g. Zoom, Microsoft Teams) or in-person.

Warranty Requirement

Unless otherwise specified, the selected vendor is expected to unconditionally guarantee the materials and workmanship on all products and equipment furnished by it FOR A PERIOD OF ONE (1) YEAR from the date of system acceptance by the City. If within the guarantee period, any defects or signs of deterioration are noted which, in the opinion of the City, are due to faulty design and installation, workmanship, or materials, the City shall notify the vendor. At the vendor's expense, the vendor shall repair or adjust the equipment or parts to correct the condition or replace the part or entire unit to the complete satisfaction of the City.

Maintenance and Repair Services

After the warranty period ends, the City will seek on-going support, maintenance, and repairs services to continue. The vendors should include the cost of extended maintenance and repair services after the warranty period ends for up to two (2) years.

Vendor Qualifications

The selected vendor must have the following minimum qualifications:

- A.** The vendor shall have full time personnel that have attended manufacturer training and obtained certification in:
 - i.** Genetec Security Center – Synergis Technical Certification (or similar certification related to the proposed solution).
 - ii.** Genetec Security Center – Omnicast Technical Certification (or similar certification related to the proposed solution).
- B.** The vendor shall be a Genetec certified partner (or similar certification related to the proposed solution)
- C.** The vendor shall submit confirmation from Genetec (or similar certification related to the proposed solution).
- D.** Demonstrate their experience facilitating services for a project of similar size and scale (or similar certification related to the proposed solution).

Background Check

Vendor representatives working on-site and in some remote capacities, will be required to undergo a background check conducted by the City.

Work Schedule

All work associated with the system build/implementation phases must be completed during normal operating hours, Monday – Thursday, 7:00am – 5:00pm, excluding City observed holidays. The vendor’s designated project manager is expected to inform the City’s representative(s) where and when work will be completed to ensure accessibility and to minimize disruption of normal City business. Any work that is necessary to be conducted outside of normal business hours must be coordinated and approved by the City’s project management team.

6.0 Mandatory Site Visit/Non-Disclosure Agreement

All prospective vendors must attend the scheduled site visit to the Montebello Police Department and Montebello City Hall. The City reserves the right to disqualify proposal submissions from any vendor who fails to attend the site visit. The site visit will begin at the following date, time, and location:

Site Visit Date/Time

Tuesday, October 10, 2023, at 10 a.m. PST

Meeting Location

***Montebello City Hall
1600 West Beverly Boulevard
Montebello, CA 90640***

Upon arrival, proposers should park their vehicles in the areas designated “visitor parking” located on the east and west side of City Hall. The check-in area will be located in the City Hall lobby. Please use the entrance located on the northside of the building to enter. After signing in, vendor representatives will then be directed to the meeting area where they will be met by the City’s project team and escorted to the project areas. The City reserves the right to allow a grace period up to ten (10) minutes for late arrivals. The site visit is expected to take up to two (2) hours.

Vendors are asked to send no more than two (2) representatives to the site walk to help ensure sufficient space for attendees.

Prior to the site walk, vendor representatives will be required to sign a Non-Disclosure Agreement. A copy of the agreement has been attached as Appendix C. Vendors should print and sign the non-disclosure agreement prior to the site visit. Each vendor

representative much sign the agreement.

Upon completion of the site visit, the City will post sign-in sheet as Addendum. The City reserves the right to reject any proposals submitted by vendors who did not attend the site walk and sign-in.

Vendors attending the site visit will be emailed copies of site plans associated with this project. Once issued, these site plans will be referred to as Appendix D.

7.0 Proposal submittal

Please review Appendix A - Proposal Format and Content, attached hereto and incorporated herein by this reference, for specific details regarding the information that needs to be included in your submission. Failure to provide all requested information may be considered “non-responsive” and rejected.

Responses to this RFP must be submitted electronically via the City’s PlanetBids Portal by the deadline. Any responses transmitted and/or time-stamped after the deadline will not be accepted. Vendors planning to submit responses to this request are highly encouraged to submit all documentation before the deadline to avoid technical difficulties/errors.

8.0 Evaluation Criteria

The City will establish an evaluation committee to review and rate each proposal. The proposal evaluation process will be conducted using a multi-step method which will include the following steps:

- A. **Preliminary Proposal Review** - The evaluation committee will review each submission to ensure adherence to the minimum/proposal format requirements.
- B. **Proposal Evaluation** - In the second part of this process, the evaluation committee will review and rate proposals based on the following:
 - i. Qualifications as they relate to this project (50%)
 - a. Thoroughness and understanding of the tasks to be completed
 - b. Background and experience
 - c. Knowledge of the City of Montebello
 - d. Experience of personnel assigned to the work
 - e. Communication Skills
 - ii. Reputation for integrity and competence (30%)
 - a. Positive Reference Checks
 - b. Work Samples

- iii. Proposed fees for services (20%)

9.0 Protest Procedures

Proposal Protest Procedures (Before Proposal Opening)

A protest filed before the proposal opening must be filed in writing no later than ten (10) working days before opening. The most common types of protest that might be filed before a proposal opening include those based upon restrictive specifications or alleged improprieties in any solicitation that is apparent before the scheduled proposal opening.

When a protest is filed before a scheduled proposal opening, certain steps must be followed:

- A. The protest must be submitted in writing within the specified time frame (no later than ten (10) working days prior to a proposal opening). All protests must be filed with the Director of Finance for determination. Protest must be submitted to the Director of Finance by mail or e-mail within the specified time frame. Protests can be sent to:

Mail:

Michael Solorza, Director of Finance/Information Technology
City of Montebello
Attn: Department of Finance
1600 W. Beverly Blvd
Montebello, CA 90640

or

E-mail:

msolorza@montebellocity.gov

- B. The protest must contain factual and legal reason(s) and should recommend a proposed remedy. Nevertheless, it should be noted that the City reserves the right not to implement the proposed remedy but to offer alternative solutions where applicable.
- C. Where appropriate, the City will hold an informal conference on the merits of a protest with all interested parties allowed to attend. Interested parties may include all proposers, subcontractors, or suppliers, provided they have a substantial economic interest in a portion of the RFP.
- D. All potential proposers will be advised of a pending protest.

E. The City shall not open proposals prior to the resolution of the protest unless it is determined that:

- The items to be procured are urgently required;
- Delivery or performance will be unduly delayed by failure to make the award promptly; or
- Failure to make a prompt award will otherwise cause undue harm to the City.

The City will respond in writing within ten (10) working days after receipt of a properly filed protest. The Director of Finance will respond and include a response to each substantive issue raised in the protest.

After the exhaustion of administrative remedies, the protesting party will be given the City's final decision. The Director of Finance has the authority to decide on all protests.

Proposal Protest Procedures (After Proposal Opening/Post Award)

A protest filed after a proposal opening must be filed within three (3) working days after the proposal opening date. The City will grant the protesting Vendor a fair review and shall have up to ten (10) working days to review the protest and render its decision.

10.0 Execution of Agreement

The resulting agreement (see attached sample Appendix B) shall be signed by the successful Vendor and returned within the required insurance within ten (10) business days after the City has provided written notice that the Vendor has been awarded. Failure to execute the agreement and file acceptable insurance documents as provided herein shall cause, at the City's option, for annulment of the award. Please review the insurance requirements and indemnification clause in the attached sample agreement.

Should the successful Vendor decline to execute the agreement, the City can either reject all proposals, accept one of the other proposals, or issue a new solicitation.

11.0 Insurance

The Vendor selected must meet the following minimum insurance requirements upon execution of the City's Professional Services Agreement:

A. Commercial General Liability

Commercial General Liability (CGL) (equivalent in coverage scope to Insurance Services Office, Inc. Form CG 00 01) shall cover on an "occurrence" basis for bodily injury and property damage, including premise-operations, products-completed, broad form property damage, blanket contractual liability, independent contractors,

personal injury or bodily injury, and advertising injury with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, the limit shall be twice the required occurrence limit.

If requested, the "City of Montebello, its officials, employees, and agents" must be separately endorsed to the policy as additional insureds on an endorsement equivalent to the Insurance Services Office, Inc. Form CG 20 10 11 85 of CG 20 26 1185.

B. Business Automobile Liability

For owned vehicles, hired, and non-owned vehicles, Insurance Services Office Form CA 00 01 covering, Code 1 (any auto), or if the vendor has not owned autos, Code 8 (hired) and 9 (non-owned) with a limit no less than \$1,000,000 per accident for bodily injury and property damage.

If an automobile is not necessary to perform services, the Firm must submit a written request for a waiver of this requirement.

C. Professional Liability or Errors and Omissions

Depending on the work or services to be performed, professional liability or errors and omissions liability insurance may be required. The City will require the vendor to provide professional liability or errors and omissions liability insurance in an amount not less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate. Architects' and engineers' coverage shall be endorsed to include contractual liability.

D. Workers' Compensation and Employer's Liability

Workers' compensation as required by the California Labor Code and Employer's Liability in an amount not less than \$1,000,000 per accident for bodily injury or disease.

Required Insurance Documentation

Certificate of Insurance

The Certificate Holder must be listed as follows:

City of Montebello
1600 West Beverly Boulevard
Montebello, CA 90640

Endorsements (if requested)

In addition to the Certificate of Insurance, the vendor must provide the following endorsements:

Additional insured endorsements to the general liability and auto liability* insurance policies. The "City of Montebello, its officials, employees, and agents" must be endorsed to the vendor's general liability policy as well as the auto liability policy as additional insureds on an endorsement equivalent to ISO forms CG 20 10 11 85 or CG 20 26 11 85.

Cancellation notice endorsements. Each policy must be endorsed to certify that it will not be canceled or non-renewed by either party or reduced in coverage or limits (except by paid claims) unless the insurer has provided the City with thirty (30) days prior written notice of cancellation (ten (10) days for cancellation due to nonpayment of premium is acceptable).

Primary, non-contributory coverage endorsements. The general liability and professional liability (if required) policies must be endorsed to provide that each policy shall apply on a primary, non-contributing basis with any insurance or self-insurance, primary or excess, maintained by or available to the City or its officials, employees, and agents.

Waiver and Modifications of Insurance Requirements

To the extent permitted by law, the City may modify these insurance requirements at any time and at its sole discretion.

In general, any contract deemed sole source, professional/professional services, involves the disclosure of proprietary information, and/or a public works project may require revisions to the City's standard insurance requirements. Any revisions to the insurance requirements will be identified within the associated service contract terms and conditions.

Vendors may request a waiver or modification of these insurance requirements. Waiver or modification requests must be submitted in writing. The request should state the specific insurance requirement that is being considered for waiver or modification and provide a brief explanation for the request. Requests will be reviewed on a case-by-case basis, and the decision will ultimately depend on the scope of services. The final decision to approve or deny a request will be at the City's legal authority and/or an authorized designee's discretion.

12.0 Use of Federal Funds

The City may elect to use funding from Federal sources for a portion of or all expenses related to this project. The United States Federal Government requires purchases of items and services to meet specific standards when using Federal funds, including grants, cooperative agreements, contracts, and Federal funds "passed-through" to the

City from a non-Federal entity (i.e., sub-recipient agreements). These requirements are codified under the Code of Federal Regulation's (CFR) Title 2, Subtitle A, Chapter II, Part 200 (also referred to as "2 CFR 200" or "Uniform Guidance") and the Federal Acquisition Regulations (FAR), as applicable.

The following standards apply to all purchases of items and services using Federal funds:

- Transactions shall be conducted lawfully and ethically
- Unnecessary/duplicative purchases are not permitted
- Utilizing a vendor or supplier on the U.S. Federal Government's Debarred and Suspended List (available at SAM.gov) is prohibited
- All individuals involved in the expenditure of federal monies must avoid any actual or apparent conflict of interest
- Procurement transactions must be conducted in a manner providing full and open competition
- Opportunities should be provided to minority businesses, women's business enterprises, and labor surplus area firms when possible
- Contracts and purchase orders should include the contract provisions required by 2 CFR 200 Appendix A
- Purchases of goods and services must include documentation detailing the procurement history

In addition to Federal standards, purchases must adhere to applicable local policies and procedures as defined in Montebello Municipal Code Chapters 3.20 and 3.21 and any relevant administrative policies. The most restrictive terms prevail when a conflict is present.

13.0 Non-Commitment of City

While the City intends to select a vendor through this process, this intention is subject to change at any time during the process. The City does not commit to awarding an agreement, paying any costs incurred in preparing the proposal for this request, and/or procuring or contracting any items or services.

14.0 Labor Requirements

- A. **Background:** All personnel engaged in the performance of this work shall be employees of the Vendor and, as such, shall be warranted to possess sufficient experience and reliability to perform this work.
- B. **Health:** All personnel engaged in the performance of this work shall be in good

health and free of contagious diseases. The Vendor shall not allow any person(s) under the influence of alcohol or drugs on the premises or in the building. Neither shall the Vendor allow the use of or presence of alcohol or drugs on the premises or in the building.

- C. **Non-Discrimination:** The Vendor shall not engage in discrimination in the employment of persons because of race, color, national origin, ancestry, mental/physical disabilities, sex, or religion of such persons.
- D. **Conduct:** No person(s) shall be employed for this work that is found to be incompetent, disorderly, and troublesome, under the influence of alcohol and drugs, which fails or otherwise refuses to perform the work properly and acceptably or is otherwise objectionable. Any person found to be objectionable shall be discharged immediately and not re-employed for this work.

15.0 Records

The vendor agrees to permit the City Manager or designee access to records, reports, files, and other papers or property of the Vendor to audit any performance aspect under this agreement.

16.0 Subcontractors

The vendor shall be responsible for all work performed under the final agreement and shall keep all work under his control. No portion of the work may be subcontracted without the prior written consent of the City. All subcontractors used on this work shall be under the direct supervision of the Vendor and shall be considered as their employees. Any approved subcontractors must provide insurance indemnifying the City with limits at or exceeding the limits of the Contractor's insurance.

17.0 Modifications/Changes

Changes in the areas serviced and/or specifications may be necessary during the agreement term. Changes in the agreement requirements and corresponding changes in compensation may be implemented upon mutual understanding between the City and the Vendor. These changes will be processed by the City Manager.

18.0 Disclosure of Information

- A. The Vendor agrees that it will not during or after the term of the agreement, disclose any proprietary information or confidential business information of the City, including but not limited to its costs, charges, operating procedures, or methods of doing business to any person, vendor, corporation, association, or other entity or the general public for any reason or purpose whatsoever, without the prior written consent of the City. Such confidential or proprietary information received by the Vendor shall be used exclusively in connection with the

performance of services.

- B. The Vendor shall not issue or release for publication any articles, advertising, or publicity matters relating to the services performed by the Vendor hereunder or mentioning or implying the name of the City or its respective personnel without the prior written consent of the City.

19.0 Ex-Parte Communications

Vendor and vendor representatives should not engage in unauthorized communications with elected officials, officers, employees, or agents of the City about this RFP. This requirement also includes any evaluation panel member, except for designated RFP facilitators. This requirement remains in effect until after award notifications have been made.

This restriction does not prohibit vendors and their representatives from making oral statements or presentations to City representatives during a scheduled public meeting.

20.0 City of Montebello Rights

At its discretion, the City reserves the right to:

- A. Reject any and/or all proposals for no reason or any reason including, but not limited to, the following:
 - i. The proposal is incomplete, non-responsive, obscure, irregular, or lacking necessary detail and specificity.
 - ii. The Vendor, in the sole judgment of the City, lacks the qualifications, experience, and/or responsibility necessary to provide the services.
 - iii. The Vendor failed or neglected to complete and submit any information within the time specified by the City and as may be otherwise required herein.
- B. Reject any proposal that, in the opinion of the City, is so unbalanced in comparison to other proposals received and/or to the City's internal estimates that it does not accurately reflect the cost to perform;
- C. Accept all or any part of a proposal;
- D. Cancel the entire RFP;
- E. Issue subsequent RFPs; or
- F. Waive any errors or informalities in any proposal to the extent law permits.

Please review:

Appendix A – Proposal Content and Format

Appendix B – Sample Professional Services Agreement

Appendix C – Non-Disclosure Agreement (Please sign and provide a copy at the site visit)

Appendix D – Site Plans – City Hall & Police Department (Provided after site visit)

**CITY OF MONTEBELLO
PROFESSIONAL SERVICES AGREEMENT NO. 4185
WITH PALADIN TECHNOLOGIES**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into on **March 27, 2024** ("Effective Date"), by and between the CITY OF MONTEBELLO, a California municipal corporation (the "CITY") and **PALADIN TECHNOLOGIES** (the "CONTRACTOR"). The CITY and the CONTRACTOR are sometimes referred to herein individually as the "Party," and jointly as the "Parties."

RECITALS

WHEREAS, the CITY desires to retain a qualified contractor to install cameras within the Police Department and City Hall areas; and

WHEREAS, the City issued Request for Proposals (RFP) No. 24 – 5 on September 22, 2023; and

WHEREAS, the CONTRACTOR submitted a response to the RFP; and

WHEREAS, the City evaluated the responses and determined that the Contractor will meet the requirements in a satisfactory manner.

NOW THEREFORE, in consideration of performance by the Parties of the covenants and conditions herein contained, the Parties hereto agree as follows:

SECTION 1. INCORPORATION OF RECITALS AND OTHER CONTRACT DOCUMENTS

A. The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference. Moreover, this Agreement consists of the following documents, in order of precedence, all of which are incorporated herein and made part of this Agreement, as though fully set forth herein:

- a. This Agreement and its Exhibits, including any and all addenda or supplemental agreements.
- b. **RFP 24 - 5**
- c. Proposal referenced
- d. All other documents, including but not limited to all applicable bonds, insurance certificates, permits, notices, schedules, forms, certifications, and affidavits.

B. These documents shall be collectively referred to herein as the "Contract Documents." In the event of a conflict among the Contract Documents, the order of precedence list above shall apply.

SECTION 2. SERVICES / COMPENSATION.

A. All terms, conditions, requirements, and provisions of the services in RFP 24 – 5 and consultant's responses, as such is set forth fully in **Exhibit "A"** hereto, are hereby incorporated fully herein by this reference and shall be binding on the Parties. To the extent of a conflict between the terms of this Agreement and that set forth in any exhibits or attachments hereto, the terms of this Agreement shall govern.

PROFESSIONAL SERVICES AGREEMENT NO.

Page 2 of 12

B. The CONTRACTOR shall provide to the CITY all labor, equipment, materials and incidental necessary to provide services, as such is set forth fully in **Exhibit "A"** hereto and incorporated fully herein by this reference (hereinafter "Professional Services").

C. The CONTRACTOR shall be compensated for performance of the Professional Services as set forth in the Schedule of Compensation attached hereto as **Exhibit "B"** and incorporated fully herein by this reference ("Compensation"). The CONSULTANT shall provide an itemized billing statement to the CITY each month for Professional Services performed. The CONTRACTOR shall not incur fees or costs which exceed the Compensation without the prior written consent of the CITY.

SECTION 3. TERM.

a. This Agreement shall commence upon issuance of a written "Notice to Proceed" (as further defined below) by the CITY and shall expire on December 31, 2027, unless terminated earlier as hereinafter provided. This Agreement may be extended for two (2), one (1) year periods, with mutual agreement from both parties.

b. Notice to Proceed. Any work or service contemplated under this Agreement shall not commence until the CITY has issued a written Notice to Proceed issued by CITY's applicable, department head.

SECTION 4. PERFORMANCE.

a. The CONTRACTOR shall at all times, faithfully, competently, and to the best of its ability, experience, and talent, perform all tasks described herein.

b. The CONTRACTOR shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of Consultant hereunder, in meeting its obligations under this Agreement.

c. The CONTRACTOR shall be knowledgeable of and subject to all CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.

d. The CONTRACTOR shall have the right to retain, subject to the CITY's approval, additional individuals, consultants or subconsultants to assist in the completion of services as herein defined. Compensation for additional individuals, consultants or subconsultants shall be the sole and exclusive responsibility of the CONTRACTOR.

e. The CONTRACTOR shall retain all original reports, field and office notes, correspondence, calculations, maps, and other documents specifically related to the services provided by the CONTRACTOR pursuant to this Agreement, other than documents which are exempt from disclosure pursuant to the attorney-client privilege or any other law. Said documents shall be made available for inspection by the CITY upon request.

SECTION 5. WORK PRODUCT.

a. The CONTRACTOR hereby agrees that all work product produced pursuant to this Agreement and provided to the CITY during and upon completion of this Agreement, shall be the property of the CITY, and ownership of said work product shall be retained by the CITY.

b. All data, documents, discussion, or other information developed or received by the

PROFESSIONAL SERVICES AGREEMENT NO. 4185

Page 3 of 12

CONTRACTOR or provided for performance of this Agreement are deemed confidential and shall not be disclosed by the CONTRACTOR without prior written consent by the CITY. The CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to the CITY upon the termination or expiration of this Agreement. The CONTRACTOR agrees that the covenants contained in this Section shall survive the expiration or termination of this Agreement.

SECTION 6. EXTRA SERVICES.

No extra services over and above the Compensation shall be rendered by the CONTRACTOR under this Agreement unless such extra services first shall have been duly authorized in writing by the CITY'S City Manager (the "City Manager").

SECTION 7. CITY SUPERVISION.

The City Manager shall have the right of general supervision of all work performed by the CONTRACTOR and shall be the CITY's agent with respect to obtaining the CONTRACTOR'S compliance hereunder. No payment for services rendered under this Agreement shall be made without the prior approval by the City Manager.

SECTION 8. TERMINATION.

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

a. Termination for Cause. In the event that any of the provisions of the Agreement are violated by either party, the non-defaulting Party may terminate the Agreement by serving written notice upon the other Party, listing the violation(s) and its intent to terminate such Agreement unless within ten (10) days after the serving of such notice, such violation shall cease or be rectified, the contract shall upon the expiration of an additional thirty (30) days cease and terminate. Violations by the CONTRACTOR which cannot be corrected within ten (10) days, said contract shall at the option of the CITY cease and terminate upon the giving of like notice. In the event of any such termination for default by the CONTRACTOR, the CITY may take over the work and prosecute the same to completion by contract or otherwise for the account and at the expense of the CONTRACTOR. The CONTRACTOR and his sureties shall be liable to the CITY for any excess cost occasioned in the event of any such termination. This change shall not be construed to prevent the termination, for other causes authorized by law or other provisions of this contract. In the event of a termination for cause, the CONTRACTOR shall only be entitled to the Compensation for those Professional Services satisfactory performed on or before the effective date of termination.

b. Termination for Convenience. The CITY shall have the option, at its sole discretion and without cause, to terminate this Agreement in whole, or in part, by giving thirty (30) business days' written notice to the CONTRACTOR. Upon the termination of this Agreement as provided herein, the CITY shall provide to the CONTRACTOR the part of Compensation which would otherwise be payable to the CONTRACTOR for services the CONTRACTOR had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation. Further, upon such a termination for convenience by the CITY, the Parties agree that the CONTRACTOR shall be reimbursed for any "non-refundable" costs that the CONTRACTOR has incurred for its services under this Agreement, provided that: (1) such

PROFESSIONAL SERVICES AGREEMENT NO. 4185

Page 4 of 12

"non-refundable" costs were incurred by the CONTRACTOR prior to the date of termination, and (2) that the CONTRACTOR provides the CITY with adequate proof that the CONTRACTOR incurred the costs, and is unable to seek a refund for such costs. Such "non-refundable" costs may include, but are not limited to, travel reservations incurred by the CONTRACTOR for its performance of services under this Agreement. The CONTRACTOR agrees to cease all work under this Agreement on or before the effective date of any notice of termination.

SECTION 9. EMPLOYMENT OF CITY EMPLOYEES.

No regular employee of the CITY shall be employed by the CONTRACTOR during the term of this Agreement.

SECTION 10. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No official or employee of the CITY shall be personally liable to the CONTRACTOR in the event of any default or breach by the CITY, or for any amount which may become due to the CONTRACTOR.

SECTION 11. INDEPENDENT CONTRACTOR.

a. The CONTRACTOR is and shall, at all times, remain as to the CITY a wholly independent contractor. Neither the CITY nor any of its elected officials, officers, employees, or agents shall have control over the conduct of the CONTRACTOR except as expressly set forth in this Agreement. The CONTRACTOR shall not at any time or in any manner represent that he or she is in any manner an elected official, officer, employee, or agent of the CITY. No employee benefits shall be available to the CONTRACTOR in connection with the performance of this Agreement. Except as provided in this Agreement, the CITY shall not pay salary, wages, or other compensation to the CONTRACTOR for performance hereunder for the CITY, the CITY shall not be liable for compensation to the CONTRACTOR, the CONTRACTOR's employees or the CONTRACTOR's subcontractors for injury or sickness arising out of performing services hereunder.

b. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

c. The CITY shall not deduct from the Compensation paid to the CONSULTANT any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to the CONSULTANT. The CITY shall have no responsibility to provide the CONSULTANT, its employees or subconsultants with workers' compensation insurance or any other insurance.

SECTION 12. CalPERS ANNUITANTS AND ELIGIBILITY INDEMNITY.

a. If the CONTRACTOR is a California Public Employees' Retirement System ("CalPERS") annuitant, the CONTRACTOR must provide the City with written notification of such fact a minimum of 14 calendar days prior to commencement of services under this Agreement. Failure to provide such notification may result in termination of the Agreement, and any penalties or other costs relating thereto shall be borne by the CONTRACTOR. If this Agreement remains in place, the CONTRACTOR shall execute any amendment(s) to this

PROFESSIONAL SERVICES AGREEMENT NO. 4185

Page 5 of 12

Agreement requested by the City in order to comply with all laws and regulations applicable to CalPERS annuitants.

b. In the event that the CONTRACTOR or any employee, agent, or subcontractor of the CONTRACTOR 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 the CITY, the CONTRACTOR shall indemnify, defend, and hold harmless the CITY for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of the CONTRACTOR or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of the CITY.

c. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, the CONTRACTOR and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by the CITY, including but not limited to eligibility to enroll in PERS as an employee of the CITY and entitlement to any contribution to be paid by the CITY for employer contribution and/or employee contributions for PERS benefits.

SECTION 13. LEGAL RESPONSIBILITIES.

The CONTRACTOR shall at all times observe and comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local governments including, but not limited to the Montebello Municipal Code. The CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of the CONSULTANT to comply with this section.

SECTION 14. INDEMNIFICATION.

The CONTRACTOR agrees to, and shall defend, indemnify, protect and hold harmless, the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of the CONTRACTOR's negligent or wrongful act, or omission under the terms of this Agreement, except only liability arising out of the sole negligence of the CITY.

SECTION 15. INSURANCE COVERAGE.

a. During the term of this Agreement, the CONTRACTOR shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with CONTRACTOR's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury, and advertising injury, with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, the limit shall be twice the required occurrence limit.

PROFESSIONAL SERVICES AGREEMENT NO. 4185

Page 6 of 12

Automobile Liability Insurance: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if CONTRACTOR has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.

Worker's Compensation insurance as required by the laws of the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

Professional Liability insurance appropriate to the CONTRACTORS'S profession, with limit no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

b. If the CONTRACTOR maintains higher limits than the minimums shown above, the CITY requires and shall be entitled to coverage for the higher limits maintained by the CONTRACTOR.

c. The CONTRACTOR shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

d. The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a current rating of at least A:VII in the latest edition of Best's Insurance Guide.

e. Each insurance policy required above shall state that coverage shall not be canceled, except after thirty (30) days' prior written notice (ten [10] days for non-payment) has been given to the CITY. The CONTRACTOR agrees that if it does not keep the aforesaid insurance in full force and effect the CITY may either (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at the CONTRACTOR's expense, the premium thereon.

f. **Evidence of Insurance prior to commencement.** The Contractor shall provide to the CITY Certificate(s) of Insurance evidencing such coverage together with copies of the required policy endorsements no later than five (5) business days prior to commencement of service and at least fifteen (15) business days prior to the expiration of any policy. Unreasonable failure to provide such evidence may be cause for termination of the Agreement as provided herein or delay the services' commencement date. The evidence of insurance shall be U.S. mail or email to:

City of Montebello
Attn: Risk Manager
1600 West Beverly Boulevard
Montebello, CA 90640
Email: gskibar@cityofmontebello.com

g. Coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits, non-renewed, or materially changed for any reason, without thirty (30) days prior written notice thereof given by the insurer to the CITY by U.S. mail, or by personal delivery, except for nonpayment of premiums, in which case ten (10) days prior notice shall be provided.

h. **Evidence of Insurance during the entire term of the Agreement.** At all times during the term of this Agreement, the CONTRACTOR shall maintain on file with the CITY's Risk

PROFESSIONAL SERVICES AGREEMENT NO. 4185

Page 7 of 12

Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming the CITY as an additional insured. The CONTRACTOR shall, prior to the commencement of work under this Agreement, file with the CITY's Risk Manager such certificate(s).

i. The CONTRACTOR shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two (2) weeks prior to the expiration of the coverages.

j. The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming the CITY, its officers, employees, agents and volunteers as additional insured's. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to the CITY. The CONTRACTOR agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

k. The insurance provided by the CONTRACTOR shall be primary to any coverage available to the CITY. Any insurance or self-insurance maintained by the CITY, its officers, employees, agents, or volunteers, shall be in excess of CONTRACTOR's insurance and shall not contribute with it.

l. All insurance coverage provided pursuant to this Agreement shall not prohibit the CONTRACTOR, and CONTRACTOR's employees, agents or subconsultants, from waiving the right of subrogation prior to a loss. The CONTRACTOR hereby waives all rights of subrogation against the CITY.

m. Any deductibles or self-insured retentions must be declared to and approved by the CITY. At the option of the CITY, the CONTRACTOR shall either reduce or eliminate the deductibles or self-insured retentions with respect to the CITY, or the CONTRACTOR shall procure a bond guaranteeing payment of losses and expenses.

n. Procurement of insurance by the CONTRACTOR shall not be construed as a limitation of the CONTRACTOR'S liability or as full performance of CONTRACTOR's duties to indemnify, hold harmless and defend under the indemnity covenants of this Agreement.

SECTION 16. SUBCONTRACT, ASSIGNMENT OR DELEGATION.

The CONTRACTOR shall not subcontract, delegate, or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of the CITY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed sub-consultant, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

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

PROFESSIONAL SERVICES AGREEMENT NO. 4185

Page 8 of 12

SECTION 17. NO WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition, or covenant hereof.

SECTION 18. DISPUTE RESOLUTION; GOVERNING LAW.

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, expert fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded. The venue for any litigation shall be County of Los Angeles, California. The Parties agree that the covenants contained in this Section shall survive the expiration or termination of this Agreement.

SECTION 19. ATTORNEY'S FEES AND COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled.

SECTION 20. WARRANTIES.

Each of the parties represents and warrants to one another as follows:

- a. It has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement;
- b. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of any matter whatsoever; and
- c. It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

SECTION 21. MISCELLANEOUS.

- a. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction or interpretation of any of its provisions.
- b. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.
- c. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or

Page 9 of 12

f. Each of the parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party's failure to perform under this Agreement or any agreement referred to in this Agreement.

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered via e-mail (an "Electronic Notice" as further defined below), personally or on the second (2nd) business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

If to Consultant: Paladin Technologies
Mick Barber, Executive Vice President
12742 Knott St
Garden Grove, CA 92841
(619) 788-4199
Email: mbarber@paladintechologies.com

Page 1296 of 1500

request and shall be entitled to receive the notice on paper, in a nonelectronic form.

SECTION 23. NON-DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER.

In the performance of this Agreement, the CONTRACTOR shall not discriminate against any employee, sub-consultant, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. The CONTRACTOR will take affirmative action to ensure that sub-consultant and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

SECTION 24. CONFLICT OF INTEREST.

The CONTRACTOR covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by the CONSULTANT under this Agreement, or which would conflict in any manner with the performance of its services hereunder. The CONTRACTOR further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, the CONTRACTOR shall avoid the appearance of having any interest that would conflict in any manner with the performance of its services pursuant to this Agreement.

The CONTRACTOR covenants not to give or receive any compensation, monetary or otherwise, to or from the ultimate vendor(s) of services to the CITY as a result of the performance of this Agreement, or the services that may be procured by the CITY as a result of the recommendations made by the CONTRACTOR. The CONTRACTOR's covenant under this section shall survive the termination of this Agreement.

SECTION 25. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between the CITY and the CONTRACTOR. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by each party. If any term, condition, or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

SECTION 26. EXTENSION TO OTHER PUBLIC AGENCIES

Unless otherwise specified in writing, the CONTRACTOR agrees that the prices, terms, and conditions identified in the Proposal (Exhibit "A") and Agreement may be extended to other governmental agencies at the mutual agreement of both the public agency and awarded CONTRACTOR. All requirements of the specifications, purchase orders, invoices, and payments with other agencies shall be directly with the CONTRACTOR. CONTRACTOR acknowledges and agrees to the extension of these contract terms to other governmental agencies conditioned upon the agreement of the CONTRACTOR with the governmental agency. This provision in no way guaranteed that the CONTRACTOR will agree to enter into a contract with a governmental agency pursuant to this Section.

[SIGNATURE PAGE TO FOLLOW]

PROFESSIONAL SERVICES AGREEMENT NO. 4185

Page 11 of 12

IN WITNESS WHEREOF, the parties, through their respective authorized representatives, have executed this Agreement as of the date first written above.

("CITY")

("CONTRACTOR")

CITY OF MONTEBELLO

PALADIN TECHNOLOGIES



Raul Alvarez, City Manager



[Mick Barber \(Feb 29, 2024 16:39 PST\)](#)
Mick Barber, Executive Vice President-
Business Development

ATTEST:



Christopher Jimenez, City Clerk

APPROVED AS TO FORM:



Arnold M. Alvarez-Glasman, City Attorney

EXHIBITS:

- Exhibit A – Response to RFP 24-5
- Exhibit B – Schedule of Compensation
- Exhibit C – Labor Law Requirements
- Exhibit D – Live Scan Fingerprinting Requirement

Exhibit “A”

Response to RFP 24-5

Exhibit "B"

SCHEDULE OF COMPENSATION

PHASE 1	\$206,502.33
PHASE 2	\$56,341.34
PHASE 3	\$29,065.68
PHASE 4	\$21,248.32
PHASE 5	\$40,117.77
 Total Project Cost :	 \$353,275.44

EXHIBIT "C"

Terms for Compliance with California Labor Law Requirements

1. This Agreement calls for services that, in whole or in part, constitute "public works" as defined in Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code ("Chapter 1"). Further, Consultant acknowledges that this Agreement is subject to (a) Chapter 1 and (b) the rules and regulations established by the Department of Industrial Relations ("DIR") implementing such statutes. Therefore, as to those Services that are "public works", Consultant shall comply with and be bound by all the terms, rules and regulations described in 1(a) and 1(b) as though set forth in full herein.
2. California law requires the inclusion of specific Labor Code provisions in certain contracts. The inclusion of such specific provisions below, whether or not required by California law, does not alter the meaning or scope of Section 1 of this Exhibit, above.
3. Consultant shall be registered with the Department of Industrial Relations in accordance with California Labor Code Section 1725.5 and has provided proof of registration to City prior to the Effective Date of this Agreement. Consultant shall not perform work with any subconsultant that is not registered with DIR pursuant to Section 1725.5. Consultant and subconsultants shall maintain their registration with the DIR in effect throughout the duration of this Agreement. If the Consultant or any subconsultant ceases to be registered with DIR at any time during the duration of the project, Consultant shall immediately notify City.
4. Pursuant to Labor Code Section 1771.4, Consultant's Services are subject to compliance monitoring and enforcement by DIR. Consultant shall post job site notices, as prescribed by DIR regulations.
5. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Agreement are on file at City Hall and will be made available to any interested party on request. Consultant acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and Consultant shall post such rates at each job site covered by this Agreement.
6. Consultant shall comply with and be bound by the provisions of Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. The Consultant shall, as a penalty to City, forfeit \$200.00 for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any public work done pursuant to this Agreement by Consultant or by any subconsultant.
7. Consultant shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Consultant and each subconsultant to: keep accurate payroll records and verify such records in writing under penalty of perjury, as specified in Section 1776; certify and make such payroll records available for inspection as provided by Section 1776; and inform City of the location of the records.

8. Consultant shall comply with and be bound by the provisions of Labor Code seq. concerning the employment of apprentices on public works projects. Consultant shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Prior to commencing work under this Agreement, Consultant shall provide City with a copy of the information submitted to any applicable apprenticeship program. Within 60 days after concluding work pursuant to this Agreement, Consultant, and each of its subconsultants shall submit to City a verified statement of the journeyman and apprentice hours performed under this Agreement.

9. The Consultant shall not perform Work with any Subconsultant that has been debarred or suspended pursuant to California Labor Code Section 1777.1 or any other federal or state law providing for the debarment of consultants from public works. The Consultant and Subconsultants shall not be debarred or suspended throughout the duration of this Contract pursuant to Labor Code Section 1777.1 or any other federal or state law providing for the debarment of consultants from public works. If the Consultant or any subconsultant becomes debarred or suspended during the duration of the project, the Consultant shall immediately notify City.

10. Consultant acknowledges that eight hours labor constitutes a legal day's work. Consultant shall comply with and be bound by Labor Code Section 1810. Consultant shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. The Consultant shall, as a penalty to City, forfeit \$25.00 for each worker employed in the performance of this Agreement by the Consultant or by any subconsultant for each calendar day during which such worker is required or permitted to work more than eight hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the Labor Code. Pursuant to Labor Code section 1815, work performed by employees of Consultant in excess of eight hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay.

11. California Labor Code Sections 1860 and 3700 provide that every employer will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, Consultant hereby certifies as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

12. For every subconsultant who will perform work on the project, Consultant shall be responsible for such subconsultant's compliance with Chapter 1 and Labor Code Sections 1860 and 3700, and Consultant shall include in the written contract between it and each subconsultant a copy of those statutory provisions and a requirement that each subconsultant shall comply with those statutory provisions. Consultant shall be required to take all actions necessary to enforce such contractual provisions and ensure subconsultant's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subconsultant and upon becoming aware of the failure of the subconsultant to pay his or her workers the specified prevailing rate of wages. Consultant shall diligently take corrective action to halt or rectify any failure.

13. To the maximum extent permitted by law, Consultant shall indemnify, hold harmless and defend (at Consultant's expense with counsel reasonably acceptable to City) City, its officials, officers, employees, agents and independent consultants serving in the role of City officials, and volunteers from and against any demand or claim for damages, compensation, fines, penalties or other amounts arising out of or incidental to any acts or omissions listed above by any person or entity (including Consultant, its subconsultants, and each of their officials, officers, employees and agents) in connection with any work undertaken or in connection with the Agreement, including without limitation the payment of all consequential damages, attorneys' fees, and other related costs and expenses. All duties of Consultant under this Section shall survive the termination of the Agreement.

Exhibit “D”

LIVE SCAN FINGERPRINTING REQUIREMENT

The CONTRACTOR may be required to successfully pass a Department of Justice fingerprinting background check (“Live Scan”) performed by a certified fingerprinting service provider or at the City of Montebello Police Department. The CONTRACTOR shall be responsible for obtaining the Live Scan for its staff and shall bear the cost thereof. The agency completing the fingerprints must provide the City of Montebello Human Resources with the background check results and subsequent records for review. The CONTRACTOR may be required to obtain a “Temporary Consultant’s Badge” issued by the City of Montebello Human Resources prior to performing work on-site.

City of Montebello - Transportation Facility Video Surveillance Upgrade - CA – SEC – 60 Days of Retention

Client: City of Montebello – Transportation Facility

PTI Rep: Casey West

Contact: Cesar Lopez

Proposal Date: 1/09/2025





Project Description & Investment

Name: City of Montebello - Transportation Facility Video Surveillance Upgrade - CA - SEC

Site

City of Montebello
400 S. Taylor Ave.
Montebello, CA 90640

Billing

City of Montebello
1600 W Beverly Blvd.
Montebello, CA 90640
US

Paladin Technologies

Casey West
P: (619) 788-4199
E: cwest@paladintechologies.com

Client Contact

Cesar Lopez
P:
E: celopez@montebellocity.gov

General Scope

Paladin is pleased to provide this proposal regarding the installation of an electronic security system. As a general summary, this proposal is for a defined labor and material scope of work based on the following information:

- Montebello Transit VSS Upgrade Layout 12-6-2024 (1) drawings dated 7/26/2013.
- Montebello Transit - Site Matrix 12-13-2024.

Paladin installation effort shall include the below listed tasks along with (but not be limited to) all project management duties such as formal scheduling, client interface, submission of formal requests for information, system engineering and documentation, system testing and commissioning, and coordination with all subcontractors to complete said scope of work, etc.; Any additional requirements beyond the breadth of this initial proposal effort shall be priced separately.

Paladin interprets the scope of work to include labor and material for the installation of the following:

Video Surveillance Scope

1. A total of (2) Hanwha PNM-1208RVD dual sensor cameras to be ceiling mounted.
2. A total of (3) Hanwha PNM-1208RVD dual sensor cameras to be wall mounted.
3. A total of (2) Hanwha PNM-1208RVD dual sensor cameras to be pole mounted.
4. A total of (1) Hanwha PNM-8082VT multi sensor cameras to be ceiling mounted.



5. A total of (3) Hanwha PNM-8082VT multi sensor cameras to be wall mounted.
6. A total of (3) Hanwha PNM-9085RQZ1 multi sensor cameras to be ceiling mounted.
7. A total of (2) Hanwha PNM-9085RQZ1 multi sensor cameras to be wall mounted.
8. A total of (4) Hanwha PNM-9085RQZ1 multi sensor cameras to be corner mounted.
9. A total of (17) Hanwha PNM-9085RQZ1 multi sensor cameras to be pole mounted.
10. A total of (2) Hanwha PNM-9085RQZ1 multi sensor cameras to be pendant mounted.
11. A total of (26) Hanwha QND-7082R dome cameras to be ceiling mounted.
12. A total of (5) Hanwha QND-7082R dome cameras to be beam pendant mounted.
13. A total of (3) Hanwha QND-7082R dome cameras to be wall-arm mounted.
14. A total of (4) Hanwha QND-7082R dome cameras to be wall-vertically mounted.
15. A total of (14) Hanwha QNV-7082R dome cameras to be wall-arm mounted.
16. A total of (2) Hanwha QNV-7082R dome cameras to be pole mounted.
17. A total of (7) wireless bridges are to be installed.
18. A total of (9) network switches are to be installed.
19. A total of (9) patch panels are to be installed.
20. Camera licensing is included for a total of (93) cameras.
21. A total of (2) network video recorders with 416TB of storage each will be rack mounted in the IDF room for recording the cameras provided per this scope of work. Storage calculations are estimated based on 30FPS, with continuous recording. Video retention for 60 days.
22. A total of (1) Network Management Server will be rack mounted in the IDF room to manage the network video recorders.

Proposal Date: 1/9/2025

This Quotation is confidential. Pricing is valid for 30 days unless otherwise noted.



Financial Summary

Summary	Total
City of Montebello - Transportation Facility Video Surveillance Upgrade - CA - SEC	\$517,032.04
Expense	\$111,935.78
Labor	\$123,954.85
Material	\$281,141.41
Total	\$517,032.04
TAX1 - 10.25%	\$28,817.00
Grand Total	\$545,849.04

*Sales Tax amount is an estimate and is subject to change based on local, city, state/provincial, or federal laws.

Detailed Breakdown

Item Type	Part Number	Description	QTY
Material	PNM-12082RVD	6MP 2-Sensor Outdoor Multidirectional Vandal Rated	7
Material	PNM-8082VT	Hanwha PNM-8082VT Wisenet P-Series 2MP 3-Channel M	4
Material	PNM-9085RQZ1	Wisenet P series network vandal outdoor multi-sens	28
Material	QND-7082R	4MP Network IR Dome Camera - 3.2 ~ 10mm Motorized	38
Material	QNV-7082R	QNV-7082R:4MP IR VANDAL DOME	16
Material	SBP-122HMW	Camera Hanging Mount Adapter, Indoor, 5.05" Diamet	28
Material	SBP-215HMW	Cap Adapter, Hanging Mount, for PNM-C7083RVD/7082RVD and PNM-C12083RVD/12082RVD	5
Material	SBP-250HMW	Hanging Cap, for PNM-9084QZ, PNM-9084QZ1, PNM-C16083RVQ, PNM-C32083RVQ, White,	3
Material	SBP-300CMI	Pendant Mount Accessory	7
Material	SBP-300KMW1	Corner Mount Base	4
Material	SBP-300PMW2	Pole Mount Adapter, for use with SBP-300WMW1, Aluminum, White	21
Material	SBP-300WMW	Wall Mount Gooseneck White	29
Material	SBP-300WMW1	Wall Mount White	25
Material	SBP-315HMW	Cap Adapter, for PNM-9084RQZ, and PNM-9085RQZ	23
Material	556600	Cable, Cat6, 23/4P, Plenum, White Jacket	20
Material	MH-N367-CCP-PoE-MWB	MultiHaul™ TG Enhanced Node, 360°, 4 x 1900Mbps (Full Duplex), 1 RJ-45 10GE & 1 RJ-45 1GE & 1 SFP+ 10GE, Mounting Kit included, IP-67, White	3
Material	MH-T265-CCP-PoE-MWB	MultiHaul™ TG TU, 90°, 1900Mbps (Full Duplex), 2 RJ-45 & 1 SFP+, MK & PoE injector included, IP-67, White	21
Material	AX-IN-10G-60W-AC-PoE-US	PoE Injector 60W, E.L ,VI, 10Gbps	3
Material	AX-SRG-10G-OD	10 GbE Ethernet/PoE Surge Protector (outdoor) 802.3ab/bz/an	8
Material	SR-ELITE-3Y-MH-N366	SikluCare "Elite" support plan - 3-year plan (N366, N367 & N265)	3
Material	SR-ELITE-3Y-MH-TG-T-3P	SikluCare "Elite" support plan - 3-year plan (T265-CCP & T280)	21
Material	SR-TS-Rem	Remote Config and Audit expert service. Per hour.	3
Material	EH-1200FX-ODU-H-EXT	EtherHaul-1200FX ODU with ADAPTER;Tx High; Ports: 2xcopper; Power: POE	1
Material	EH-1200FX-ODU-L-EXT	EtherHaul-1200FX ODU with ADAPTER;Tx Low; Ports: 2xcopper; Power: POE	1
Material	EH-ANT-1ft-B	EtherHaul 1 ft. antenna (FCC/ETSI)	2



Material	AX-MK-1ft-B	EtherHaul Mounting Kit for 1 ft Antenna	2
Material	AX-IN-10G-60W-AC-PoE-US	PoE Injector 60W, E.L, VI, 10Gbps	2
Material	AX-SRG-10G	PoE Surge Protector, Indoor, 10GbE Ethernet,	2
Material	SR-ELITE-3Y-F	SikluCare "Elite" support plan - 3-year plan (EH1200FX)	2
Material	SR-FCC-REG	Link FCC Registration includes 2 registration attempts	1
Material	HPE-R8N87A#ABA	Aruba 6000 24G CL4 4SFP Switch U.S. - Engl	9
Material	HPE-H54B2E	Aruba 1Y FC NBD ExchHW 600024GCL44SFP SVC	9
Material	HPE-Q9Y68AAE	Aruba Central 25/6100 F 1y E-STU	9
Material	IL-R228-DG3-D416-416T-16-S	IronLink R228 Dual 5416S 416TB STD 2022	2
Material	IL-R104-DG3-S436-BM-S	IronLink R104 E-2436 Base Model STD 2022	1
Material	AC027075-IL	IRONLINK 16GB DDR5 UDIMM ECC MEMORY (Upgrade base model to 32GB total)	1
Material	NK6PPG24Y	NetKey 24-port category 6 punch down flat patch pan	9
Material	AC6WHT-1	1' C6 Patch Cbl White	186
Material	GSC-OM-E-1C	Genetec Camera License - Omnicast	93
Material	ADV-CAM-E-5Y	Genetec Advantage For Camera Connection 5-Years	93



Clarifications and Exclusions

1. This quote is proprietary information and may not be used, reproduced, or disclosed to any other parties for any other purpose without the express permission of Paladin.
2. All 120VAC, conduit and electrical infrastructure where required are to be provided by others.
3. All network switches, infrastructure and network connection that may be required for the support of this scope of work are to be provided by others unless otherwise stated in the scope of work.
4. Paladin cost proposal was developed based on information received in the RFP, SOW, drawings, site walk, etc.
5. Equipment types/counts other than those identified in the SOW or proposal are subject to change upon field verification.
6. Recommended modifications to this proposal will be identified and immediately communicated to the salesperson upon discovery.
7. Paladin's proposal assumes that accurate and usable drawings will be provided in both hard copy and electronic formats.
8. Equipment cabinets/rack are to be provided by the structured cabling contractor.
9. Delays and/or interruptions in the performance of the proposed work that are a result of lack of required access, information or current pandemic/virus crisis and circumstances may incur additional charges.
10. This proposal is not inclusive of prevailing wage or union labor rates.
11. This proposal is based on assumptions and interpretation and of documents provided. Paladin is not responsible for any discrepancies that are found within the drawings or specifications and reserves the right to provide additional pricing upon clarification of the scope of work.
12. All workstations for use of the security systems as part of this proposal are to be provided by others.
13. Static IP Addresses will be provided by the site/customer.
14. Wall/Ceiling Patching and Painting, concrete coring, underground work is excluded.
15. Paladin assumes all owners of furnished equipment (OFE) are in good working condition. Paladin Technologies shall not be responsible for non-functioning OFE. Delays and/or additional required materials may result in additional costs.



16. If during the performance of the contract, the price of the material significantly increases, through no fault of Paladin Technologies, the price shall be equitably adjusted through a change order, by an amount reasonably necessary to cover any such significant price increases.
17. Where the delivery of material is delayed, through no fault of Paladin Technologies, because of the shortage or unavailability from manufactures, Paladin Technologies shall not be liable for any additional costs or damages associated with such delay(s).
18. Taxes are excluded unless specifically shown as included in the pricing summary.
19. All work to be completed during normal business hours (8:30am to 5:00pm, Monday to Friday, excluding Holidays) unless otherwise noted.
20. All prices quoted herein are valid for 30 days unless otherwise noted.
21. Any existing equipment, including cable, found to be faulty and in need of repair or replacement to ensure the proper installation and functioning of the equipment covered by this order may result in additional charges.
22. If installation workflow is delayed due to a lack of site readiness including but not limited to inaccessibility, incompleteness, or construction, then extra charges may apply.
23. Warranty Limitation. Unless otherwise specified, Paladin provides a one-year warranty on all parts and labor.
24. Metrolink location was not walked and is not included in this proposal.



Proposal Acceptance

I have read the **General Terms and Conditions (Appendix A)** of the sale, understand them fully, and agree to abide by them.

I hereby certify that I am authorized by my company to sign this agreement. Paladin Technologies is hereby authorized to perform the work as specified.

Accepted By: Paladin Technologies

Proposal No. P0013802_02
Accepted By: City of Montebello

Name: _____

Name: _____

Signature: _____

Signature: _____

Title: _____

Title: _____

Date: _____

Date: _____



Appendix A - General Terms & Conditions

1. DEFINITIONS AND ENTIRE AGREEMENT

"Customer" means the party named as Client in the attached Project Description & Investment document.

"Paladin Technologies" means Paladin Technologies (USA) Inc.

"Paladin Goods and Services" means the goods and services described in the attached Project Description & Investment document and any schedules attached by Paladin Technologies.

"Quotation" means the agreement between Paladin Technologies and the Customer, comprised of the attached Project Description & Investment document, any schedules attached by Paladin Technologies, and these General Terms and Conditions.

"Site" means the site for the work listed in the attached Project Description & Investment document.

This Quotation may be accepted by the Customer by either signing where indicated in the attached Project Description & Investment document or by issuance to Paladin Technologies of a purchase order or similar document, which will constitute acceptance of these terms and conditions. This Quotation represents the entire agreement between the Customer and Paladin Technologies. No change, modification, amendment, or other agreement about this Quotation will be binding on Paladin Technologies unless agreed to in writing by an authorized Paladin Technologies representative. No Paladin Technologies sales agent or representative is authorized to make any representations, warranties, or agreements, or to bind Paladin Technologies in any way, except for the representations, warranties and obligations provided for in this Quotation. The laws of the jurisdiction where the Site is located, including builders' lien legislation, will apply to this Quotation and Paladin Technologies will have all rights of a contractor under such builders' lien legislation.

2. WARRANTY

Paladin Technologies warrants that the services provided by Paladin Technologies and its employees and subcontractors as part of the Paladin Goods and Services will be free from defects in design or workmanship for a period of one (1) year from the date of completion of the installation, provided that:

- (a) the installation remains in 'as installed' condition, without any damage, abuse, modification, addition, or alteration by the Customer or any other party; and
- (b) all regular maintenance and inspections as recommended by Paladin Technologies have been performed.

In the event of any defects in such services, Paladin Technologies will immediately upon notification by the Customer make the necessary repairs, at no cost to the Customer.

Paladin Technologies does not make any representation or warranty regarding any goods or equipment forming part of the Paladin Goods and Services; however, Paladin Technologies will assist the Customer to enforce all manufacturers' warranties applicable to such goods and equipment. On-site service charges may apply in connection with such assistance.

Prior to returning any goods or equipment, a Return Material Authorization (RMA) form must be completed and can be obtained by contacting service@paladintechologies.com. Shipping, handling, administration, and/or



insurance charges may apply for Paladin Technologies to facilitate product RMA returns and manufacturer repairs.

Except as expressly provided in this Warranty section, Paladin Technologies disclaims all warranties, expressed, implied or statutory, in relation to the Paladin Goods and Services and/or any other goods or services provided by Paladin Technologies to the Customer pursuant to this Quotation, and all such statutory or implied warranties are hereby waived and excluded.

3. PRICING AND PAYMENT TERMS

All pricing provided for in this Quotation is a best estimate only, based upon the information available at the time of quoting. Pricing is valid assuming completion of supply of the Paladin Goods and Services within thirty (30) days from the date of this Quotation. All prices and charges for the Paladin Goods and Services are subject to change due to Site, environmental, economic, and other conditions, including without limitation currency exchange fluctuations and pricing changes by suppliers, and may be modified as determined by Paladin Technologies from time to time.

On approved credit ("O.A.C."), all charges must be paid in full, without any offset, deduction, or delay within thirty (30) days of the date of an invoice. Credit privileges may be revoked at any time at the sole discretion of Paladin Technologies Credit Department or Senior Finance Executives. Interest will apply at 1.5% per month (18% per annum) on any amounts which are not paid in full within such thirty (30) day period, calculated from the date that the invoice was originally issued. A fee of twenty-five percent (25%) of the applicable price provided in this Quotation will be charged for any product returns, if they are returned in their original and unopened packaging within fifteen (15) days of delivery. The Customer will be responsible for, and will pay on demand, all costs incurred by Paladin Technologies in connection with the enforcement of the terms of this Quotation including, but not limited to, travel expenses, court costs, collection agent costs, litigation costs and all legal fees incurred by Paladin Technologies.

All applicable federal, provincial, state, and/or local taxes are payable in addition to the pricing in this Quotation.

For travel outside the municipal boundaries of the cities in which a Paladin Technologies office is located, the applicable hourly charge per Paladin Technologies personnel member and \$1.25 per kilometer per vehicle will be charged from the point of origin to the Customer's Site and return. Where applicable, airfare costs will be billed in addition to the hourly personnel charge.

Incidentals such as freight, disposal fees, equipment rental fees for non-Paladin Technologies owned equipment, per diem/meals, accommodations, parking and airfare will be charged at cost plus ten (10%) percent, where applicable. The Paladin Technologies Bucket Truck rental will be charged out at One Hundred and Twenty-Five (\$125.00) dollars per hour with a two (2) hour minimum.

Paladin Technologies may delay or discontinue the Paladin Goods and Services and/or terminate this Quotation without any liability or obligation whatsoever to Customer if (a) any equipment or component of the Customer's system is altered, modified, changed or moved without written authorization from Paladin Technologies; (b) the Customer defaults under any agreement with Paladin Technologies, including without limitation any default in payment under this Quotation; (c) Paladin Technologies' business and/or operations are disrupted or adversely affected due to causes beyond Paladin Technologies' reasonable control; (d) goods, labour, transportation and/or capital are not readily available; and/or (e) the Customer is or becomes bankrupt, insolvent, makes an



assignment for the benefit of its creditors, fails to pay its debts as due, and/or otherwise suspends its business operations. The Customer may not terminate this Quotation unless Paladin Technologies has failed to fulfill its obligations hereunder for a period of thirty (30) days after written notice from the Customer. In the event Customer terminates this Quotation for any reason, the Customer will indemnify Paladin Technologies and save it harmless from any and all losses, costs and expenses associated with such termination, including, but not limited to loss of profit, lost opportunities, direct, consequential, and incidental damages, and injury to goodwill and reputation.

4. CREDIT APPROVAL

Paladin Technologies' obligations under this Quotation are always subject to Paladin Technologies' Credit Policy ("Credit Policy") and the approval by Paladin Technologies' Finance department, at its sole discretion. If credit is not approved, alternative full or partial prepayment methods may be required to proceed. The Customer specifically consents to the collection and use by Paladin Technologies of Customer credit and financial information, including the Customer's credit file with any credit reporting agencies.

5. SITE ACCESS AND CONDITION

The Customer must provide Paladin Technologies and its personnel and subcontractors with access to the Site as and when required, and the Customer is responsible for ensuring that the Site is a safe workplace in conformity with all applicable workers' compensation and workplace safety laws and regulations.

6. RISK

All risks and liability for loss or damage to any goods or equipment forming part of the Paladin Goods and Services will immediately pass to the Customer upon delivery to the Customer or to its carrier. Notwithstanding such passage of risk, in default of payment Paladin Technologies may, without limiting its other rights and remedies, remove from the Site any Paladin Goods and Services which have not been paid for in full.

7. SCHEDULE AND DELAYS

Paladin Technologies will make commercially reasonable efforts to meet the scheduled dates for delivery or installation of the Paladin Goods and Services provided for in this Quotation, subject always to actions, omissions or delays of others or other circumstances beyond the reasonable control of Paladin Technologies. Under no circumstances will Paladin Technologies have any liability or obligation to the Customer or to any other person for any loss or damage resulting from any delay unless such delay was caused solely by Paladin Technologies' breach of this section.

8. INDEPENDENT CONTRACTORS

Paladin Technologies and the Customer are independent contractors, and neither will be considered to be the agent, representative, master or servant of the other party for any purpose whatsoever. Nothing in this relationship will be construed to create a joint venture, partnership, fiduciary or other similar relationship between the parties.

9. LIMITATION OF LIABILITY

Under no circumstances, including any breach by Paladin Technologies of its obligations under this Quotation, any breakdown or non-performance of any equipment or system forming part of the Paladin Goods and Services, or any negligence by Paladin Technologies or any of its employees, agents or subcontractors, will Paladin



Technologies or any of its officers, directors, employees, shareholders or representatives have any liability to the Customer or any of the Customer's officers, directors, employees, shareholders or representatives for any loss, costs, or damages in excess of the aggregate of the amounts actually received by Paladin Technologies from the Customer pursuant to this Quotation, regardless of the form of action or the basis for the claim.

10. CONFIDENTIALITY

This Quotation and its terms, including all pricing terms and the system design, as well as any other information, material or documents provided to the Customer by Paladin Technologies either prior to or after this Quotation has been signed (collectively, "Confidential Information") are to be kept strictly confidential by the Customer and its employees and agents. No disclosure of any Confidential Information may be made to anyone outside the Customer's organization (other than to its professional advisors or as the Customer may be legally obligated to make) without the prior written consent of Paladin Technologies.

CITY OF MONTEBELLO

PROFESSIONAL SERVICES AGREEMENT NO. 4280 WITH PALADIN TECHNOLOGIES

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into on **May 14, 2025** ("Effective Date"), by and between the CITY OF MONTEBELLO, a California municipal corporation (the "CITY") and **PALADIN TECHNOLOGIES** (the "CONSULTANT"). The CITY and the CONSULTANT are sometimes referred to herein individual as the "Party," and jointly as the "Parties."

RECITALS

WHEREAS, the CITY desires to retain a qualified contractor to install cameras within the transportation department; and

WHEREAS, the City issued Request for Proposals (RFP) No. 24 - 5 on September 22, 2023, to secure a qualified contractor to install security cameras within the Police Department and City Hall areas of the CITY; and

WHEREAS, the CONSULTANT submitted a response to the RFP; and

WHEREAS, the City evaluated the responses and determined that the CONSULTANT met the requirements in a satisfactory manner; and

WHEREAS, as a result, CITY awarded CONSULTANT Agreement No. 4185 which included a provision permitting a "piggybacking purchasing agreement" provision in which additional CITY departments may obtain the same security camera and related services as those provided under Agreement No. 4185; and

WHEREAS the CITY's Transportation Department is in need of security camera and related services which fall within the scope of services of Agreement No. 4185, and desires to invoke the piggyback purchasing agreement provision of said agreement

NOW THEREFORE, in consideration of performance by the Parties of the covenants and conditions herein contained, the Parties hereto agree as follows:

SECTION 1. INCORPORATION OF RECITALS AND OTHER CONTRACT DOCUMENTS

a. The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference. Moreover, this Agreement consists of the following documents, in order of precedence, all of which are incorporated herein and made part of this Agreement, as though fully set forth herein:

1. This Agreement and its Exhibits, including any and all addenda or supplemental agreements, including Agreement No. 4185.
2. Proposal referenced and Best Final Offer received by the successful proposer.
3. All other documents, including but not limited to all applicable bonds, insurance certificates, notices, schedules, forms, certifications, and affidavits.

PROFESSIONAL SERVICES AGREEMENT NO. 4280

Page 2 of 12

b. These documents shall be collectively referred to herein as the "Contract Documents." In the event of a conflict among the Contract Documents, the order of precedence list above shall apply.

SECTION 2. SERVICES / COMPENSATION.

a. All terms, conditions, requirements, and provisions of the Request for Proposals for purchasing and installation of surveillance cameras in the City of Montebello (RFP 24-5) Request for Proposals"), as such is set forth fully in **Exhibit "A"** hereto, are hereby incorporated fully herein by this reference and shall be binding on the Parties. To the extent of a conflict between the terms of this Agreement and that set forth in any exhibits or attachments hereto, the terms of this Agreement shall govern.

b. The CONSULTANT shall provide to the CITY all labor, equipment, materials and incidental necessary to provide Installation services as set forth fully in the Request for Proposals, as such is set forth fully in **Exhibit "A"** hereto and incorporated fully herein by this reference (hereinafter "Professional Services").

c. The CONSULTANT shall be compensated for performance of the Professional Services as set forth in the Schedule of Compensation attached hereto as **Exhibit "B"** and incorporated fully herein by this reference ("Compensation"). The CONSULTANT shall provide an itemized billing statement to the CITY each month for Professional Services performed. The CONSULTANT shall not incur fees or costs which exceed the Compensation without the prior written consent of the CITY.

SECTION 3. TERM.

a. This Agreement shall commence upon issuance of a written "Notice to Proceed" (as further defined below) by the CITY and shall expire three (3) years from the Effective Date, unless terminated earlier as hereinafter provided.

b. Notice to Proceed. Any work or service contemplated under this Agreement shall not commence until the CITY has issued a written Notice to Proceed issued by CITY's applicable, department head.

SECTION 4. PERFORMANCE.

a. The CONSULTANT shall at all times, faithfully, competently, and to the best of its ability, experience, and talent, perform all tasks described herein.

b. The CONSULTANT shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of CONSULTANT hereunder, in meeting its obligations under this Agreement.

c. The CONSULTANT shall be knowledgeable of and subject to all CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.

d. The CONSULTANT shall have the right to retain, subject to the CITY's

PROFESSIONAL SERVICES AGREEMENT NO. 4280

Page 3 of 12

approval, additional individuals, consultants or subconsultants to assist in the completion of services as herein defined. Compensation for additional individuals, consultants or subconsultants shall be the sole and exclusive responsibility of the CONSULTANT.

e. The CONSULTANT shall retain all original reports, field and office notes, correspondence, calculations, maps, and other documents specifically related to the services provided by the CONSULTANT pursuant to this Agreement, other than documents which are exempt from disclosure pursuant to the attorney-client privilege or any other law. Said documents shall be made available for inspection by the CITY upon request.

SECTION 5. WORK PRODUCT.

a. The CONSULTANT hereby agrees that all work product produced pursuant to this Agreement, and provided to the CITY during and upon completion of this Agreement, shall be the property of the CITY, and ownership of said work product shall be retained by the CITY. The CONSULTANT may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by the CONSULTANT.

b. All data, documents, discussion, or other information developed or received by the CONSULTANT or provided for performance of this Agreement are deemed confidential and shall not be disclosed by the CONSULTANT without prior written consent by the CITY. The CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to the CITY upon the termination or expiration of this Agreement. The CONSULTANT agrees that the covenants contained in this Section shall survive the expiration or termination of this Agreement.

SECTION 6. EXTRA SERVICES.

No extra services over and above the Compensation shall be rendered by the CONSULTANT under this Agreement unless such extra services first shall have been duly authorized in writing by the CITY's City Manager (the "City Manager").

SECTION 7. CITY SUPERVISION.

The City Manager shall have the right of general supervision of all work performed by the CONSULTANT and shall be the CITY's agent with respect to obtaining the CONSULTANT's compliance hereunder. No payment for services rendered under this Agreement shall be made without the prior approval of the City Manager.

SECTION 8. TERMINATION.

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

a. Termination for Cause. In the event that any of the provisions of the Agreement are violated by either party, the non-defaulting Party may terminate the Agreement by serving written notice upon the other Party, listing the violation(s) and

PROFESSIONAL SERVICES AGREEMENT NO. 4280

Page 4 of 12

its intent to terminate such Agreement unless within ten (10) days after the serving of such notice, such violation shall cease or be rectified, the contract shall upon the expiration of an additional thirty (30) days cease and terminate. Violations by the CONSULTANT which cannot be corrected within ten (10) days, said contract shall at the option of the CITY cease and terminate upon the giving of like notice. In the event of any such termination for default by the CONSULTANT, the CITY may take over the work and prosecute the same to completion by contract or otherwise for the account and at the expense of the CONSULTANT. The CONSULTANT and his sureties shall be liable to the CITY for any excess cost occasioned in the event of any such termination. This change shall not be construed to prevent the termination, for other causes authorized by law or other provisions of this contract. In the event of a termination for cause, the CONSULTANT shall only be entitled to the Compensation for those Professional Services satisfactory performed on or before the effective date of termination.

b. Termination for Convenience. The CITY shall have the option, at its sole discretion and without cause, to terminate this Agreement in whole, or in part, by giving ten (10) business days' written notice to the CONSULTANT. Upon the termination of this Agreement as provided herein, the CITY shall provide to the CONSULTANT the part of Compensation which would otherwise be payable to the CONSULTANT for services the CONSULTANT had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation. Further, upon such a termination for convenience by the CITY, the Parties agree that the CONSULTANT shall be reimbursed for any "non-refundable" costs that the CONSULTANT has incurred for its services under this Agreement, provided that: (1) such "non-refundable" costs were incurred by the CONSULTANT prior to the date of termination, and (2) that the CONSULTANT provides the CITY with adequate proof that the CONSULTANT incurred the costs, and is unable to be seek a refund for such costs. Such "non-refundable" costs may include, but are not limited to, travel reservations incurred by the CONSULTANT for its performance of services under this Agreement. The CONSULTANT agrees to cease all work under this Agreement on or before the effective date of any notice of termination.

SECTION 9. EMPLOYMENT OF CITY EMPLOYEES.

No regular employee of the CITY shall be employed by the CONSULTANT during the term of this Agreement.

SECTION 10. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No official or employee of the CITY shall be personally liable to the CONSULTANT in the event of any default or breach by the CITY, or for any amount which may become due to the CONSULTANT.

SECTION 11. INDEPENDENT CONSULTANT.

a. The CONSULTANT is and shall, at all times, remain as to the CITY a wholly independent consultant. Neither the CITY nor any of its elected officials, officers, employees, or agents shall have control over the conduct of the CONSULTANT except as expressly set forth in this Agreement. The CONSULTANT shall not at any time or in any manner represent that he or she is in any manner an elected official, officer, employee, or agent of the CITY. No employee benefits shall be

PROFESSIONAL SERVICES AGREEMENT NO. 4280

Page 5 of 12

available to the CONSULTANT in connection with the performance of this Agreement. Except as provided in this Agreement, the CITY shall not pay salary, wages, or other compensation to the CONSULTANT for performance hereunder for the CITY, the CITY shall not be liable for compensation to the CONSULTANT, the CONSULTANT's employees or the CONSULTANT's subconsultants for injury or sickness arising out of performing services hereunder.

b. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

c. The CITY shall not deduct from the Compensation paid to the CONSULTANT any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to the CONSULTANT. The CITY shall have no responsibility to provide the CONSULTANT, its employees or subconsultants with workers' compensation insurance or any other insurance.

SECTION 12. CalPERS ANNUITANTS AND ELIGIBILITY INDEMNITY.

a. If the CONSULTANT is a California Public Employees' Retirement System ("CalPERS") annuitant, the CONSULTANT must provide the City with written notification of such fact a minimum of 14 calendar days prior to commencement of services under this Agreement. Failure to provide such notification may result in termination of the Agreement, and any penalties or other costs relating thereto shall be borne by the CONSULTANT. If this Agreement remains in place, the CONSULTANT shall execute any amendment(s) to this Agreement requested by the City in order to comply with all laws and regulations applicable to CalPERS annuitants.

b. In the event that the CONSULTANT or any employee, agent, or subconsultant of the 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 the CITY, the CONSULTANT shall indemnify, defend, and hold harmless the CITY for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of the CONSULTANT or its employees, agents, or subconsultants, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of the CITY.

c. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, the CONSULTANT and any of its employees, agents, and subconsultants providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by the CITY, including but not limited to eligibility to enroll in PERS as an employee of the CITY and entitlement to any contribution to be paid by the CITY for employer contribution and/or employee contributions for PERS benefits.

SECTION 13. LEGAL RESPONSIBILITIES.

The CONSULTANT shall at all times observe and comply with all applicable laws,

PROFESSIONAL SERVICES AGREEMENT NO. 4280

Page 6 of 12

ordinances, codes, and regulations of the federal, state, and local governments including, but not limited to the Montebello Municipal Code. The CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of the CONSULTANT to comply with this section.

SECTION 14. INDEMNIFICATION.

The CONSULTANT agrees to, and shall defend, indemnify, protect and hold harmless, the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of the CONSULTANT's negligent or wrongful act, or omission under the terms of this Agreement, except only liability arising out of the sole negligence of the CITY.

SECTION 15. INSURANCE COVERAGE.

a. During the term of this Agreement, the CONSULTANT shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with CONSULTANT's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

- **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury, and advertising injury, with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, the limit shall be twice the required occurrence limit.
- **Automobile Liability Insurance:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if CONSULTANT has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
- **Worker's Compensation** insurance as required by the laws of the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
- **Professional Liability** insurance appropriate to the CONSULTANT'S profession, with limit no less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate.

b. If the CONSULTANT maintains higher limits than the minimums shown above, the CITY requires and shall be entitled to coverage for the higher limits maintained by the CONSULTANT.

c. The CONTACTOR shall require each of its subconsultants, if any, to

PROFESSIONAL SERVICES AGREEMENT NO. 4280

Page 7 of 12

maintain insurance coverage that meets all of the requirements of this Agreement.

d. The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a current rating of at least A:VII in the latest edition of Best's Insurance Guide.

e. Each insurance policy required above shall state that coverage shall not be canceled, except after thirty (30) days' prior written notice (ten [10] days for non-payment) has been given to the CITY. The CONSULTANT agrees that if it does not keep the aforesaid insurance in full force and effect the CITY may either (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at the CONSULTANT's expense, the premium thereon.

f. **Evidence of Insurance prior to commencement.** The Contractor shall provide to the CITY Certificate(s) of Insurance evidencing such coverage together with copies of the required policy endorsements no later than five (5) business days prior to commencement of service and at least fifteen (15) business days prior to the expiration of any policy. Unreasonable failure to provide such evidence may be cause for termination of the Agreement as provided herein or delay the services' commencement date. The evidence of insurance shall be U.S. mail or email to:

City of Montebello
Attn: Risk Manager
1600 West Beverly Boulevard
Montebello, CA 90640
Email: [tjacobs-strange@montebelloca.gov]

Coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits, non-renewed, or materially changed for any reason, without thirty (30) days prior written notice thereof given by the insurer to the CITY by U.S. mail, or by personal delivery, except for nonpayment of premiums, in which case ten (10) days prior notice shall be provided.

g. **Evidence of Insurance during the entire term of the Agreement.** At all times during the term of this Agreement, the CONSULTANT shall maintain on file with the CITY's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming the CITY as an additional insured. The CONSULTANT shall, prior to commencement of work under this Agreement, file with the CITY's Risk Manager such certificate(s).

h. The CONSULTANT shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two (2) weeks prior to the expiration of the coverages.

i. The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming the CITY, its officers, employees, agents and volunteers as additional insureds. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to the CITY. The CONSULTANT agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written

PROFESSIONAL SERVICES AGREEMENT NO. 4280

Page 8 of 12

notice of cancellation imposes no obligation, and to delete the word “endeavor” with regard to any notice provisions.

j. The insurance provided by the CONSULTANT shall be primary to any coverage available to the CITY. Any insurance or self-insurance maintained by the CITY, its officers, employees, agents, or volunteers, shall be in excess of CONSULTANT’s insurance and shall not contribute with it.

k. All insurance coverage provided pursuant to this Agreement shall not prohibit the CONSULTANT, and CONSULTANT’s employees, agents or subconsultants, from waiving the right of subrogation prior to a loss. The CONSULTANT hereby waives all rights of subrogation against the CITY.

l. Any deductibles or self-insured retentions must be declared to and approved by the CITY. At the option of the CITY, the CONSULTANT shall either reduce or eliminate the deductibles or self-insured retentions with respect to the CITY, or the CONSULTANT shall procure a bond guaranteeing payment of losses and expenses.

m. Procurement of insurance by the CONSULTANT shall not be construed as a limitation of the CONSULTANT’S liability or as full performance of CONSULTANT’S duties to indemnify, hold harmless and defend under the indemnity covenants of this Agreement.

SECTION 16. SUBCONTRACT, ASSIGNMENT OR DELEGATION.

The CONSULTANT shall not subcontract, delegate, or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of the CITY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed sub-consultant, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

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

SECTION 17. NO WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition, or covenant hereof.

SECTION 18. DISPUTE RESOLUTION; GOVERNING LAW.

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the

PROFESSIONAL SERVICES AGREEMENT NO. 4280

Page 9 of 12

prevailing party in such action shall be entitled to reasonable attorney's fees, expert fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded. The venue for any litigation shall be County of Los Angeles, California. The Parties agree that the covenants contained in this Section shall survive the expiration or termination of this Agreement.

SECTION 19. ATTORNEY'S FEES AND COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled.

SECTION 20. WARRANTIES.

Each of the parties represents and warrants to one another as follows:

- a. It has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement;
- b. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of any matter whatsoever; and
- c. It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

SECTION 21. MISCELLANEOUS.

- a. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction of interpretation of any of its provisions.
- b. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.
- c. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.
- d. The representations and warranties made by the parties to this Agreement shall survive the consummation of the transaction herein described.
- e. This Agreement may be signed in any one or more counterparts all of which

PROFESSIONAL SERVICES AGREEMENT NO. 4280

Page 10 of 12

taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.

f. Each of the parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party's failure to perform under this Agreement or any agreement referred to in this Agreement.

SECTION 22. NOTICE.

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered via e-mail (an "Electronic Notice" as further defined below), personally or on the second (2nd) business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

If to CITY:	City of Montebello Attn: Raul Alvarez, City Manager 1600 West Beverly Boulevard Montebello, CA 90640 (323) 887-1200 Email: ralvarez@montebelloca.go
With a copy to:	City of Montebello – Transportation Attn: John Soria, Director of Transportation 1600 West Beverly Boulevard Montebello, CA 90640 (323) 887-1200 ext. 1315 Email: jsoria@montebelloca.gov
If to Consultant:	Paladin Technologies Attn: Joe Morris, Senior Vice President Address: 127 42 Knott St Garden Grove, CA 92841 (619)788-4199 Email: cwest@paladintechologies.com

An electronic communication ("**Electronic Notice**") shall be deemed written notice for purposes of this section if sent to the electronic mail address specified above. Electronic Notice shall be deemed received at the time the party sending Electronic Notice receives verification of receipt by the receiving party. Any party receiving Electronic Notice may request and shall be entitled to receive the notice on paper, in a nonelectronic form.

SECTION 23. NON-DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER.

In the performance of this Agreement, the CONSULTANT shall not discriminate against any employee, sub-consultant, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. The CONSULTANT will take affirmative action to ensure that sub-consultant and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

SECTION 24. CONFLICT OF INTEREST.

The CONSULTANT covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by the CONSULTANT under this Agreement, or which would conflict in any manner with the performance of its services hereunder. The CONSULTANT further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, the CONSULTANT shall avoid the appearance of having any interest that would conflict in any manner with the performance of its services pursuant to this Agreement.

The CONSULTANT covenants not to give or receive any compensation, monetary or otherwise, to or from the ultimate vendor(s) of services to the CITY as a result of the performance of this Agreement, or the services that may be procured by the CITY as a result of the recommendations made by the CONSULTANT. The CONSULTANT's covenant under this section shall survive the termination of this Agreement.

SECTION 25. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between the CITY and the CONSULTANT. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by each party. If any term, condition, or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

SECTION 26. EXTENSION TO OTHER PUBLIC AGENCIES

Unless otherwise specified in writing, the CONTRACTOR agrees that the prices, terms, and conditions identified in the Proposal (Exhibit "A") and Agreement may be extended to other governmental agencies at the mutual agreement of both the public agency and awarded CONTRACTOR. All requirements of the specifications, purchase orders, invoices, and payments with other agencies shall be directly with the CONTRACTOR. CONTRACTOR acknowledges and agrees to the extension of these contract terms to other governmental agencies conditioned upon the agreement of the CONTRACTOR with the governmental agency. This provision in no way guaranteed that the CONTRACTOR will agree to enter into a contract with a governmental agency pursuant to this Section.

PROFESSIONAL SERVICES AGREEMENT NO. 4280

Page 12 of 12

[SIGNATURE PAGE TO FOLLOW]

PROFESSIONAL SERVICES AGREEMENT NO. 4280

Page 13 of 12

IN WITNESS WHEREOF, the parties, through their respective authorized representatives, have executed this Agreement as of the date first written above.

("CITY")

("CONSULTANT")

CITY OF MONTEBELLO

PALADIN TECHNOLOGIES

Raul Alvarez, City Manager

Joe Morris, Senior Vice President

ATTEST:

Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman, City Attorney

EXHIBITS:

- Exhibit A – Request for Proposals for Services and Consultant's Proposal
- Exhibit B – Schedule of Compensation

EXHIBIT “A”

Request for Proposals for Services and Consultant’s Proposal

EXHIBIT “B”

Schedule of Compensation



ITEM # 30

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Joseph Palombi, Director of Planning & Community Development
Michael Solorza, Director of Finance

**SUBJECT: APPROVE PURCHASE TWO (2) LOW-EMISSIONS VEHICLES FOR
THE PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT
UTILIZING SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
(AQMD) FUNDING**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Approve the purchase of two (2) vehicles for the Planning and Community Development Department, including one (1) vehicle for the Code Enforcement Division and one (1) vehicle for the Building and Safety Division, using South Coast Air Quality Management District (AQMD) funds; and
2. Declare that the purchase of these vehicles is exempt from Montebello Municipal Code Section 3.20.080 since the acquisition of these vehicles would be impractical and uneconomic to procure through the standard bidding process to maintain the public safety for the proper operation of the City's Code Enforcement and Building and Safety divisions; and
3. Authorize the City Manager to execute all necessary documents related to the purchase of two vehicles using AQMD funding (Account No. 245-99-6082) to fully cover the purchase of vehicles in an amount not-to-exceed \$120,000; and
4. Declare the vehicles to be replaced as surplus and authorize the City Manager to dispose of them as per the City's Municipal Code and related administrative policies; and
5. Take such additional, related action that may be desirable.

FISCAL IMPACT:

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 2 of 4

The total cost for the purchase of two (2) 2025 Chevrolet Equinox LT vehicles will not exceed \$120,000. This expenditure will be fully funded through the AQMD Fund (Account No. 245-99-6082), which is restricted to the purchase or lease of low- or zero-emission vehicles that contribute to reducing air pollution. Therefore, no budget amendment is needed.

Historically, the AQMD Fund has been underutilized by the City. In recent years, however, the City has made notable progress by integrating hybrid, electric, and other clean-air vehicles into the municipal fleet to support regional and state sustainability goals. Sufficient funds are currently available to support this purchase, which includes one vehicle each for the Code Enforcement and the Building and Safety divisions. These new units will replace aging, high-maintenance gas-powered vehicles and improve the operational efficiency of both divisions.

Given the critical operational needs for reliable Code Enforcement and Building Inspection vehicles—and the significant lead time currently needed to secure vehicles of any type—staff recommends proceeding outside the City's standards procurement process. Moreover, given the uncertainty in the automotive market due to recent tariff action by the Federal Government, it is in the City's best interest to move quickly in acquiring these necessary vehicles before costs increase substantially.

Therefore, Staff is recommending procurement of these two (2) vehicles utilizing the exception to normal bidding procedures allowed by Municipal Code Section 3.20.050(D):

“City Council Authorization: When the city council by a four-fifths vote determines to dispense with such bidding and other procedures required by the above-mentioned sections in every individual instance upon a finding by the city council that it would be impractical, useless, or uneconomical in such instance to follow the procedures, and that the welfare of the public would be promoted by dispensing with the same”

The 2025 Chevrolet Equinox LT vehicles are immediately available at Chevrolet of Montebello. Procuring these readily available vehicles will allow the City to avoid delays, reduce ongoing repair costs, and maintain essential service delivery, while making the most economical decision given the pending impacts tariffs will have on automotive pricing. Procuring these units now ensures operational continuity and supports the City's continued commitment to sustainability and fleet modernization.

BACKGROUND/DISCUSSION:

The Code Enforcement and Building and Safety divisions, within the Planning and Community Development Department, are responsible for performing daily field inspections, enforcing regulations, responding to resident complaints, and ensuring citywide construction and building safety compliance. These duties require staff to be in the field for extended periods throughout the week, traveling between various locations with safety protective gear, enforcement materials, documentation, and field equipment.

On October 14, 2020, the City Council approved the purchase of 2021 Ford Escape vehicles for the Code Enforcement Division to support field operations and replace aging

vehicles. At that time, two (2) 2013 Toyota Camrys remained in service due to limited funding and operational flexibility.

Currently, staff heavily rely on these twelve-year-old, high-mileage Camrys, which have exceeded their useful service life. These vehicles have become increasingly unreliable due to high mileage and recurring mechanical issues, resulting in increased maintenance costs. Repair invoices have significantly increased over the past year, and frequent downtime has caused operational challenges within the department. With both divisions fully staffed, vehicle availability and dependability is paramount for efficiency in serving the community's needs.

To address these operational challenges, staff recommends replacing the aging Toyota Camrys with new vehicles. The new vehicles are necessary to support the expanded staff and growing operational demands, ensuring that each Code Enforcement Officer and Building Inspector has reliable, safe, dedicated transportation to perform their duties effectively while also acknowledging the need for functional air conditioning and heating when the climates drastically change.

Staff confirmed that the above-referenced vehicles meet the eligibility criteria for AQMD funding and will significantly reduce maintenance costs, enhance field capabilities, and support the City's long-term sustainability and fleet modernization goals.

ENVIRONMENTAL:

This item is not subject to the California Environmental Quality Act (CEQA) pursuant to the State CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, sections: 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment); 15060(c)(3) (the activity is not a project as defined in Section 15378); and 15061(b)(3), because the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Because there is no possibility that this item may have a significant adverse effect on the environment, the item is exempt from CEQA.

ANALYSIS:

N/A

SUMMARY:

Using existing AQMD funds, the Planning and Community Development Department is requesting approval to purchase two (2) new vehicles to replace the aging 2013 Toyota Camrys to support the Code Enforcement and Building and Safety divisions. The vehicles selected—two (2) 2025 Chevrolet Equinox LT low-emission models—meet the operational needs of the divisions while complying with the Air Quality Management District (AQMD) program requirements. The total cost of the vehicles, not-to-exceed \$120,000, will be fully funded through the AQMD Fund.

This purchase will enhance staff efficiency, reduce ongoing maintenance expenses, and

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 4 of 4

support the City's continued commitment to fleet modernization and environmental sustainability. Accordingly, this procurement is exempt from the City's standard purchasing method and the City Council hereby approves the purchase of these vehicles by the provisions of the Montebello Municipal Code Section 3.20.050(D) with a 4/5ths vote.

ATTACHMENT(S)

1. Attachment A_Vehicle Quotes

BUYER		CO-BUYER		Deal #: 173627	
CITY OF MONTEBELLO 1600 W BEVERLY BLVD MONTEBELLO, CA 90640				Deal Type: Retail	
Cell #: (213) 713-4651				Deal Date: 04/29/2025	
Email:				Print Time: 03:56pm	
Salesperson:					
VEHICLE					
New ☒	Stock #:	Description:	VIN:	Mileage:	
Used ☐	A0422	2025 CHEVROLET TRUCK EQUINOX EV	3GN7DLRP1SS182895	5	
Demo ☐					
TRADE					
AFTERMARKETS					
			MSRP:	\$	45,090.00
			Sale Price:	\$	45,090.00
			Total Financed Aftermarkets:	\$	0.00
			Total Trade Allowance:	\$	0.00
			Trade Difference:	\$	45,090.00
			Doc Fee:	\$	85.00
			State & Local Taxes:	\$	4,743.37
			Total License and Fees:	\$	666.00
			Total Cash Price:	\$	50,584.37
			Total Trade Payoff:	\$	0.00
			Delivered Price:	\$	50,584.37
Total Aftermarkets:				\$	0.00
			Cash Down Payment + Deposit:	\$	0.00
			Sub Total:	\$	50,584.37
			Service Agreement:	\$	0.00
			Maintenance Agreement:	\$	0.00
			GAP Insurance:	\$	0.00
			Credit Life, Accident & Health:	\$	0.00
			Other:	\$	0.00
			Amount Financed:	\$	50,584.37
Rate: Amount Financed: \$ 50,584.37					
The final terms of the loan may differ, depending on the actual terms of the financial institution's acceptance and final terms are negotiable. Actual payments may vary. Loan payments subject to credit approval and terms and conditions of the loan.					

Deal

Deal #

Deal Date

Deal Type

Financial Inst.

Program

Deal Status **Stored**

Sales Price

MSRP

Discount

Selling Price

Aftermarkets

Doc Fee

VSI Premium

ESC Premium

Maintenance

GAP Premium

LAH/IUI

Prior Lease Bal

License Fee

Dealer Fees

Total Fees

Total Taxes

Total Price

Trade Difference

Down Payment

Cash Down

Deposit

Total Rebates

Total Trade Allow

Total Trade Payoff

Total Net Trade

Total Trade ACV

Total Def Down

Total Down Payment

Payment

Term

Sell Rate

Buy Rate

% Amt Financed

AOR

Days 1st Payment

Payments Per Year

1st Payment Date

Prepaid Fin Charge

APR

Amount Financed

Finance Charge

Total of Payments

Total Sales Price

Payment 50,584.37

Gross Payable

Back End Gross

Total

Vehicle

☒ New ☐ Used ☐ Demo ☐ Cert.

Stock #

Year

Make ☒

Model

Style

Odometer

Vehicle Cost

Buyer

Customer #

Last

First

Company

Reg State

County

Alerts

Max Adv %	Current %	Under Amt
120	112	3,523.63
LTV %	Current %	Under Amt
120	112	3,523.63

2025 EQUINOX EV LT 2 CONVENIENCE PDE GENERAL MOTORS LLC
 GAZ SUMMIT WHITE /EOE
 EKD SKY COOL GRAY RENAISSANCE CENTER
 ORDER NO. DZWTSM/TRE STOCK NO. DETROIT MI 48243-1114
 VIN 3GN 7DNR P1 S199286 VEHICLE INVOICE 10D50003837
 *****5000*****13*201208

MODEL & FACTORY OPTIONS	MSRP	INV AMT	RETAIL - STOCK
1MB48 EQUINOX EV LT 2 CONVENIENC	41900.00	41900.00	INVOICE 03/18/25
CAJ PANORAMIC SUNROOF	1500.00	1500.00	SHIPPED 03/13/25
PSC DUAL LEVEL CHARGE CORD	295.00	295.00	EXP I/T 04/05/25
			INT COM 04/07/25
			PRC EFF 03/13/25
			KEYS XXXXX XXXXX
			WFP-S QTR OPT-1
			BANK: ALLY-061
			CHG-TO 20-120
			SHIP WT: 4913
			HP:
			GVWR: 6060
			GAWR.FT: 3197
			GAWR.RR: 3142
			EMPLOY: 45090.00
			SUPPLR: 45090.00
			DAN:
			EMPINC: 0.00
			SUPINC: 0.00

TOTAL MODEL & OPTIONS:	43695.00	43695.00	ACT 237	43779.15
DESTINATION CHARGE	1395.00	1395.00	H/B 261	1310.85

TOTAL	45090.00	45090.00	PAY 310	45090.00
MEMO: TOTAL LESS HOLDBACK		43779.15		

 INVOICE DOES NOT REFLECT DEALER'S ULTIMATE COST BECAUSE OF MANUFACTURER
 REBATES, ALLOWANCES, INCENTIVES, HOLDBACK, FINANCE CREDIT AND RETURN TO
 DEALER OF ADVERTISING MONIES, ALL OF WHICH MAY APPLY TO VEHICLE.

COMMUNITY CHEVROLET COMPANY



ITEM # 31

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: David Sosnowski, Director of Recreation and Community Services

SUBJECT: **AUTHORIZE INCREASING THE BLANKET PURCHASE ORDER WITH DELL MARKETING LP IN THE AMOUNT OF \$100,000 TO PURCHASE COMPUTER TECHNOLOGY EQUIPMENT FOR FISCAL YEAR 2024-25.**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. It is recommended that the City Council increase the blanket purchase order amount to \$100,000 for Dell Marketing LP for information technology-related purchases for Fiscal Year 2024-25; and,
2. Take such additional, related action that may be desirable.

FISCAL IMPACT:

The Information Technology (DoIT) Division utilizes Dell Marketing LP (Dell) for equipment purchases such as laptops, webcams, speakers, keyboard/mouse combos, monitors, servers, and network switches for various departments within the City.

The City has reached the \$50,000 spending limit and requires City Council approval to make additional purchases. Staff is requesting additional spending authority of up to \$100,000 to continue purchasing supplies/equipment for the remainder of Fiscal Year 2024-25. No budget appropriations are required, as each department will continue to use its existing approved budget for these purchases.

BACKGROUND/DISCUSSION:

The City's Information Technology Division (DoIT) manages all Dell purchase orders on

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 2 of 2

behalf of all City departments. Dell provides essential technology equipment products such as desktops, laptops, webcams, speakers, keyboard/mouse combos, monitors, servers, switches, and other related accessories that support operational efficiency and service delivery. Departments submit their equipment needs or requests to DoIT for review, who then opens purchase orders for Dell as needed, maintaining an organized and efficient purchasing process. Requests and purchases are frequently made when new staff are onboarded and bulk orders are made for programs such as the Fire Academy, EOC operations, and Transit operations. Additionally, the Fiscal Year 2024-25 adopted budget includes supplemental funding for DoIT to purchase stock laptops to have on hand in the event they need to be loaned out to departments.

The City is requesting additional purchasing authority for Dell due to the cost savings on technology equipment purchases and its compatibility with a wide range of hardware and software. Pricing is often significantly lower for the equipment needed when purchasing directly from Dell. Additionally, the vendor provides next-day delivery at no additional cost and includes a three (3)-year on-site, next-day warranty by default. Dell offers a wide variety of items and access to discounted software, making it a cost-effective and reliable option for essential computer technology needs.

A cooperative purchasing contract through the National Association of the State Procurement Officials (NASPO) is utilized for purchases with Dell. NASPO offers competitively bid contracts which meet or exceed local purchasing requirements for use by the public sector. Cooperative contract purchasing opportunities save participating agencies time and money for procurement of needed equipment and services. The City is eligible to utilize pre-negotiated pricing through their publicly vetted agreement with Dell. Therefore, purchases do not require quotes - per Municipal Code Chapter 3.20.050(F) which allows for purchases to be made through cooperative purchasing programs.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

It is recommended that the City Council authorize increasing the blanket purchase order amount to \$100,000 for Dell Marketing LP for purchases during Fiscal Year 2024-2025.

ATTACHMENT(S)

1. Attachment A - Dell Marketing NASPO Agreement

ASSIGNMENT OF NASPO MASTER AGREEMENT 23004

This Assignment Agreement is by and among the State of Minnesota, acting through its Commissioner of Administration (State), Dell Inc., One Dell Way, Round Rock, TX 78682 (Original Contractor), and Dell Marketing L.P., One Dell Way, Mailstop RR1-33 Legal, Round Rock, TX 78682 (Assigned Contractor).

WHEREAS, the State has an agreement with the Original Contractor identified as Contract 23004, effective July 14, 2023, through June 30, 2025 (Contract), to provide Computer Equipment, Peripherals & Related Services; and

WHEREAS, the Original Contractor wishes to assign all its interests in the Contract to the Assigned Contractor; and

WHEREAS, the assignment provision of the Contract provides assignment of the agreement only upon written consent of the State.

NOW, THEREFORE, it is agreed by the parties to amend the Contract as follows:

1. The Assigned Contractor is assigned Contract 23026 to accommodate participating addenda under the Master Agreement.
2. This Assignment Agreement will become effective upon its approval and execution by the parties and approval of the appropriate State officials, pursuant to Minn. Stat. § 16C.05, subd. 2.
3. The State hereby approves the request of the Original Contractor to assign the Assigned Contractor all its interests, rights, and responsibilities, duties, and other provisions set forth in the Contract, which is attached and incorporated as Exhibit A, provided the Original Contractor and the Assigned Contractor agree to all provisions set forth in this Assignment Agreement.
4. Representations and Warranties:
 - a. The Original Contractor represents and warrants to the State that it is not in default of any of its obligations under the Contract.
 - b. The Assigned Contractor represents and warrants to the State that: (i) as of the effective date of this Assignment Agreement, the Assigned Contractor will have received sufficient information, right to technology, and key personnel sufficient to properly perform the duties, responsibilities, obligations, and all other provisions assigned to it, and (ii) the Assigned Contractor is ready, willing, and able to perform all of the duties, obligations, and responsibilities of the Contract.
 - c. The representations and warranties set forth in this Section 4 are for the sole benefit of the State and its permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity (including the Original Contractor and the Assigned Contractor) any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Assignment Agreement.
5. The Assigned Contractor accepts assignment of all of the provisions of the Contract.
6. Any and all amounts due to the Original Contractor by a Participating Entity for goods or services provided by the Original Contractor prior to July 14, 2023, under the Contract will be paid to the Original Contractor by the Participating Entity. Any and all amounts due under the Contract on or after July 14, 2023, will be paid to the Assigned Contractor by the Participating Entity and the Original Contractor.
7. When applicable, payment for remaining work and travel expenses from the Contract will be paid at the rates set in the Contract. The amount to be paid to the Assigned Contractor will not exceed the Contract's total costs, minus the

total payments made to the Original Contractor.

8. If applicable, the Assigned Contractor will provide proof of insurance with the coverage and in the amounts called for in the original solicitation document, attached herein.
9. If applicable, the Assigned Contractor will provide a copy of its Affirmative Action Certification as approved by the Minnesota Department of Human Rights.
10. If applicable, the Assigned Contractor will provide a copy of its Equal Pay Certification as approved by the Minnesota Department of Human Rights.

This Assignment Agreement is effective upon the date that the final required signatures are obtained.

IN WITNESS WHEREOF, the parties have caused this Assignment Agreement to be duly executed intending to be bound thereby.

1. ORIGINAL CONTRACTOR

Dell Inc.

The Original Contract Vendor certifies that the appropriate person(s) have executed this document on behalf of the Contract Vendor as required by applicable articles, bylaws, resolutions, or ordinances.

DocuSigned by:

By: Christopher Alan Garcia
Signature: E99192885E4FE...
Christopher Alan Garcia
Printed Name

Title: Asst. Corp Secretary & SVP Legal

Date: 9/7/2023

By: _____

Title: _____

Date: _____

3. OFFICE OF STATE PROCUREMENT

In accordance with Minn. Stat. §16C.03, Subd. 3.

DocuSigned by:

By: Elizabeth M. Randa
Signature: 42DE739C8ED492...
Elizabeth M. Randa
Printed Name

Title: Acquisition Management Specialist

Date: 9/7/2023

2. ASSIGNED CONTRACTOR

Dell Marketing L.P.

The Assigned Contract Vendor certifies that the appropriate person(s) have executed the Contract on behalf of the Contract Vendor as required by applicable articles, bylaws, resolutions, or ordinances.

DocuSigned by:

By: Katherine Castillo
Signature: EF23302D0B4B8...
Katherine Castillo
Printed Name

Title: ParaLegal Advisor

Date: 9/7/2023

By: _____

Title: _____

Date: _____

4. COMMISSIONER OF ADMINISTRATION

Or delegated representative.

DocuSigned by:

By: Andy Doran
Signature: 68D02A26D7604BA...
Andy Doran
Printed Name

Title: IT Acquisitions Supervisor

Date: 9/7/2023

EXHIBIT A: CONTRACT

Attached and incorporated into Exhibit A is the following document(s):

- NASPO Master Agreement 23004.



NASPO ValuePoint Master Agreement No.: 23004

This Contract is between the State of Minnesota, acting through its Commissioner of Administration (“Lead State”) and Dell Inc., whose designated business address is One Dell Way, Round Rock, TX 78682 (“Contractor”). State and Contractor may be referred to jointly as “Parties.”

Recitals

1. The State of Minnesota, Department of Administration, Office of State Procurement, on behalf of the State of Minnesota and NASPO ValuePoint Cooperative Procurement Program (“NASPO ValuePoint”) issued a solicitation to establish Minnesota NASPO ValuePoint Master Agreement(s) (“Contract”) with qualified manufacturers for Computer Equipment (Desktops, Laptops, Tablets, Servers, and Storage, including related Peripherals & Services);
2. Contractor provided a response to the Solicitation indicating its interest in and ability to provide the goods or services requested in the Solicitation; and
3. Subsequent to an evaluation in accordance with the terms of the Solicitation and negotiation, the Parties desire to enter into a contract; and
4. All authorized governmental entities in any state or participating US Territory are welcome to use the resulting Master Agreement through NASPO ValuePoint with the approval of the State Chief Procurement Official. Upon final award of the overarching Master Agreement, Contractors are able to sign Participating Addendums (PA) at the option of Participating States. Participating States reserve the right to add state specific terms and conditions and modify the scope of the contract in their Participating Addendum as allowed by the Master Agreement.

Accordingly, the Parties agree as follows:

Contract

1. Term of Contract

- a. Effective date. July 1, 2023, or the date the Lead State obtains all required signatures under Minn. Stat. § 16C.05, subd. 2, whichever is later.
- b. Expiration date. June 30, 2025. This Master Agreement may be extended for up to an additional 36 months, in increments as determined by the Lead State, through a duly executed amendment.
- c. If, in the judgment of the Lead State, a follow-on, competitive procurement will be unavoidably delayed beyond the planned date of execution of the follow-on master agreement, this Master Agreement may be extended for a reasonable period of time, not to exceed six months. This subsection shall not be deemed to limit the authority of a Lead State under its state law otherwise to negotiate contract extensions.

2. **Representations and Warranties**

- a. Under Minn. Stat. §§ 15.061 and 16C.03, subd. 3, and other applicable law the Lead State is empowered to engage such assistance as deemed necessary.
- b. Contractor warrants that it is duly qualified and shall perform its obligations under this Master Agreement in accordance with the commercially reasonable standards of care, skill, and diligence in Contractor’s industry, trade, or profession, and in accordance with the specifications set forth in this Master Agreement, to the satisfaction of the Lead State.
- c. Contractor warrants that it possesses the legal authority to enter into this Master Agreement and that it has taken all actions required by its procedures, by-laws, and applicable laws to exercise that authority, and to lawfully authorize its undersigned signatory to execute this Master Agreement, or any part thereof, and to bind Contractor to its terms.

3. **Awarded Band(s)**

The solicitation included three product Bands: Band 1, Personal Computing Devices – Windows Operating Systems: Desktops, Laptops, Tablets; and Band 2, Personal Computing Devices – Non-Windows Operating Systems: Desktops, Laptops, Tablets; and Band 3, Servers and Storage. The Contractor is awarded the following Band(s):

- Band 1, Personal Computer Devices – Windows Operating Systems
- Band 2, Personal Computer Devices - Non-Windows Operating Systems
- Band 3, Servers and Storage

4. **Configuration Dollar Limits**

The following configuration limits apply to the Master Agreement. Participating Entities may define their configuration limits in their Participating Addendum. The Participating Entity’s Chief Procurement Official may increase or decrease the configuration limits, as defined in their Participating Addendum. The Participating Entity will determine with the Contractor how to approve these modifications to the Product and Service Schedule.

The dollar limits identified below are based on a SINGLE computer/system configuration. This is NOT a restriction on the purchase of multiple configurations (e.g., an entity could purchase 10 laptops at \$15,000 each, for a total purchase price of \$150,000).

ITEM	CONFIGURATION
Band One	\$15,000
Band Two	\$15,000
Band Three	\$1,000,000
Peripherals	\$10,000
Services	Addressed in the Participating Addendum

5. **Restrictions**

The following restrictions apply to the Master Agreement. A Participating Entity may set further restrictions of products in their Participating Addendum. The Participating Entity will determine with the Contractor how to approve these modifications to the Entity’s Product and Service Schedule.

- a. Software
 - 1. Software is restricted to operating systems and commercial off-the-shelf (COTS) software and is subject to equipment configuration limits.

2. Any software purchased must be related to the procurement of equipment.
3. Software must be pre-loaded or provided as an electronic link with the initial purchase of equipment, except for the exceptions allowed under Paragraph 5.a.4.
4. Software such as middleware which is not always installed on the equipment, but is related to storage and server equipment (Band 3) purchased, is allowed and may be procured after the initial purchase of equipment.

b. General Services

1. Services must be related to the procurement of equipment.
2. Service limits will be addressed by each State.
3. Wireless phone and internet service is not allowed.
4. Managed Print Services are not allowed.

c. Cloud Services

1. Cloud Services are restricted to Services that function as operating systems and software needed to support or configure hardware purchased under the scope of the contract and is subject to equipment configuration limits.
2. Any Cloud Service purchased must be related to the procurement of equipment.

d. Third-Party Products

1. Third-Party Products can be offered only in the Bands they have been awarded. All third-party products must meet the definition(s) of the Band(s) in which they are being offered.
2. Products manufactured by another Contractor holding a Minnesota NASPO ValuePoint Master Agreement for Computer Equipment cannot be offered unless approved by the Lead State.

e. Additional Product/Services

1. Hardware and software required to solely support wide area network (WAN) operation and management are not allowed.
2. Lease/Rentals of equipment may be allowed and will be addressed by each State.
3. Cellular Phone Equipment is not allowed.
4. EPEAT Bronze requirement may be waived, on a State case-by-case basis, if approved by the State's Chief Procurement Officer. EPEAT Bronze requirement does not currently apply to storage.

6. Authorized Representative

- a. Master Agreement Administrator. The Master Agreement Administrator designated by NASPO ValuePoint and the State of Minnesota, Department of Administration is Elizabeth Randa, Acquisition Management Specialist.

Elizabeth Randa, Acquisition Management Specialist
Department of Administration
Office of State Procurement
112 Administration Building
50 Sherburne Avenue
St. Paul, MN 55155
E-mail: elizabeth.randa@state.mn.us
Phone: 651.201.3122

- b. Contractor's Authorized Representative. The Contractor's Authorized Representative is Ashley Salinas, SLED Contract Program Manager.

Ashley Salinas, SLED Contract Program Manager
Dell Inc.
One Dell Way
Round Rock, TX 78682
A.Salinas@dell.com
Phone: 512.542.1237

If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify the Lead State.

7. Notices

If one party is required to give notice to the other under the Master Agreement, such notice shall be in writing and shall be effective upon receipt. Delivery may be by certified United States mail or by hand, in which case a signed receipt shall be obtained. An email shall constitute sufficient notice, provided the receipt of the transmission is confirmed by the receiving party. Either party must notify the other of a change in address for notification purposes. All notices to the Lead State shall be addressed to the Master Agreement Administrator.

8. Exhibits

The following Exhibits are attached and incorporated into this Contract. In the event of a conflict between the terms of this Contract and its Exhibits, or between Exhibits, the order of precedence is first the Contract, and then in the following order:

Exhibit A: NASPO ValuePoint Terms and Conditions
Exhibit B: Minnesota Terms and Conditions
Exhibit C: Requirement
Exhibit D: Price Schedule
Exhibit E: Contractor Terms and Conditions

9. Survival of Terms:

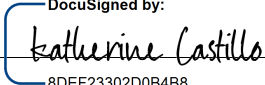
The following clauses survive the expiration or cancellation of this Master Agreement: Indemnification; State Audits; Government Data Practices and Intellectual Property; Publicity and Endorsement; Governing Law, Jurisdiction, and Venue; and Data Disclosure. Any other Contract term that states it shall survive, shall survive.

10. Entire Agreement

This Contract and any written addenda thereto constitute the entire agreement of the parties to the Master Agreement.

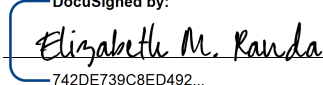
1. Contractor

The Contractor certifies that the appropriate person(s) have executed the Contract on behalf of the Contractor as required by applicable articles, bylaws, resolutions, or ordinances.

Print name: Katherine Castillo
Signature: 
Title: Paralegal Advisor Date: 7/14/2023

2. State Agency

With delegated authority

Print name: Elizabeth M. Randa
Signature: 
Title: Acquisition Management Specialist Date: 7/14/2023

3. Commissioner of Administration

As delegated to The Office of State Procurement

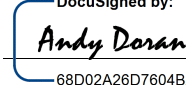
Print name: Andy Doran
Signature: 
Title: IT Acquisitions Supervisor Date: 7/14/2023

Exhibit A: NASPO ValuePoint Master Agreement Terms and Conditions

1. Conflict of Terms/Order of Precedence.

- a. Any order placed under this Master Agreement shall consist of the following documents:
 1. A Participating Entity's Participating Addendum ("PA");
 2. Minnesota NASPO ValuePoint Master Agreement, as negotiated, including all exhibits;
 3. A Purchase Order issued against a PA (terms and conditions set forth in a Purchase Order will not be deemed to modify, diminish, or otherwise derogate the terms and conditions set forth in a Participating Addendum or Minnesota NASPO ValuePoint Master Agreement).
- b. These documents shall be read to be consistent and complementary. Any conflict among these documents shall be resolved by giving priority to these documents in the order listed above. Contractor terms and conditions that apply to this Master Agreement are only those that are expressly accepted by the Lead State and must be in writing and attached to this Master Agreement as an Exhibit or Attachment.
- c. Contractor terms and conditions may be incorporated if expressly accepted by the Lead State and attached to the Master Agreement as an Exhibit or Attachment, or by written reference (including reference to information contained in a URL or referenced policy). A written reference, including by URL or policy, is incorporated into the Master Agreement only if the Master Agreement expressly identifies that reference. URL's must be explicitly referenced to be incorporated into the Master Agreement. URL's contained within the URL's that are explicitly referenced are not incorporated into the Master Agreement. Any Contractor term or condition incorporated by URL or written reference applies to this Master Agreement only to the extent such term or condition is not prohibited by applicable law. Any change to information contained in a URL or referenced policy will not affect any financial obligation, place any additional material obligation on an ordering entity, or materially diminish an ordering entity's ability to use the product or service.
- d. A written Master Agreement (which may include the contents of the RFP and selected portions of Contractor's response incorporated therein by reference) will constitute the entire agreement of the parties to the Master Agreement. No other terms and conditions shall apply, including terms and conditions listed in the Contractor's response to the RFP, or terms listed or referenced on the Contractor's website not otherwise incorporated into the Master Agreement, in the Contractor quotation/sales order, or in similar documents subsequently provided by the Contractor.
- e. Additional Agreement with NASPO. Upon request by NASPO ValuePoint, awarded Contractor shall enter into a direct contractual relationship with NASPO ValuePoint related to Contractor's obligations to NASPO ValuePoint under the terms of the Master Agreement, the terms of which shall be the same or similar (and not less favorable) than the terms set forth in the Master Agreement.

2. Definitions.

- a. **Acceptance** is defined by the applicable commercial code, except Acceptance shall not occur before the completion of delivery in accordance with the Order, installation if required, and a reasonable time for inspection of the Product.
- b. **Accessory** means a product that enhances the user experience but does not extend the functionality of the computer (e.g. mouse pad or monitor stand). For the purposes of this Contract, accessories are considered peripherals.

- c. **_____ as a Service (_aaS)** refers to any good provided in a subscription-based model that is defined in the industry as “_____ as a Service”. Examples are “Software as a Service”, “Infrastructure as a Service”, and “Storage as a Service”, and shall follow the NIST definitions of those services. _____ as a Service are permitted only when they meet the restrictions found in Paragraph 5.c, above.
- d. **Band** means a category of products. There are three product bands which may be awarded through this Contract. Each product band includes related peripherals and services.
- e. **Components** are the parts that make up a computer configuration.
- f. **Contractor** means the person or entity delivering Products or performing services under the terms and conditions set forth in this Master Agreement.
- g. **Configuration** means the combination of hardware and software components that make up the total functioning system.
- h. **Customer** (see Purchasing Entity).
- i. **Desktop** means a personal computer intended for regular use at a single location. A desktop computer typically comes in several units connected together during installation: (1) the processor, 2) display monitor, and 3) input devices usually a keyboard and a mouse. Desktops, including desktop virtualization endpoints such as zero and thin clients, are included in Bands 1 and 2 of this Contract.
- j. **Embedded Software** means one or more software applications which permanently reside on a computing device.
- k. **Energy Star®** is a voluntary energy efficiency program sponsored by the U.S. Environmental Protection Agency. The Energy Star program makes it easy to identify energy efficient computers by labeling products that deliver the same or better performance as comparable models while using less energy and saving money. For additional information on the Energy Star program, including product specifications and a list of qualifying products, visit the Energy Star website at <http://www.energystar.gov>.
- l. **EPEAT** is a type-1 ecolabel for identifying and purchasing sustainable IT products. EPEAT-registered products must meet sustainability criteria detailed in voluntary consensus-based standards that are free and publicly available on the Green Electronics Council’s website at www.greenelectronicscouncil.org. Products are classified as Bronze, Silver, or Gold based on meeting criteria that address the life cycle of the products. Product life cycle includes material extraction, hazardous substance reduction, end-of-life management, packaging, and corporate sustainability. Only products listed as Active in the online EPEAT Registry are considered to meet the EPEAT criteria.
- m. **FOB Destination** means that shipping charges are included in the price of the item and the shipped item becomes the legal property and responsibility of the receiver when it reaches its destination unless there is acceptance testing required.
- n. **FOB Inside Delivery** means that shipping charges are included in the price of the item, and that the shipped item becomes the legal property and responsibility of the receiver when it reaches the inside delivery point, which is beyond the front door or loading dock. FOB Inside Delivery is a special shipping arrangement that may include additional fees payable by the Purchasing Entity. FOB Inside Delivery must be annotated on the Purchasing Entity ordering document.

- o. **Intellectual Property** means any and all patents, copyrights, service marks, trademarks, trade secrets, trade names, patentable inventions, or other similar proprietary rights, in tangible or intangible form, and all rights, title, and interest therein.
- p. **Laptop** means a personal computer for mobile use. A laptop includes a display, keyboard, point device such as a touchpad, and speakers in a single unit. A laptop can be used away from an outlet using a rechargeable battery. Laptops include notebooks, ultrabooks, netbooks, Zero and thin client devices, and computers with mobile operating systems. Laptops are included in Bands 1 and 2 of this Contract.
- q. **Lead State** means the State centrally administering any resulting Master Agreement(s).
- r. **Mandatory Requirement** is a requirement that the failure to meet results in the rejection of the responder's proposal unless all responders are unable to meet the mandatory requirement. The terms "must" and "shall" identify a mandatory requirement. Any objection to a mandatory requirement should be identified by responders in the Question and Answer period.
- s. **Manufacturer** means a company that, as one of its primary business functions, designs, assembles, owns the trademark/patent for, and markets branded computer equipment.
- t. **Master Agreement** means the underlying agreement executed by and between the Lead State, acting on behalf of NASPO ValuePoint, and the Contractor.
- u. **Middleware** means the software "glue" that helps programs and databases (which may be on different computers) work together. The most basic function of middleware is to enable communication between different pieces of software.
- v. **NASPO ValuePoint** is a division of the National Association of State Procurement Officials ("NASPO"), a 501(c)(3) limited liability company. NASPO ValuePoint facilitates administration of the NASPO cooperative group contracting consortium of state chief procurement officials for the benefit of state departments, institutions, agencies, and political subdivisions and other eligible entities (i.e., colleges, school districts, counties, cities, some nonprofit organizations, etc.) for all states, the District of Columbia, and territories of the United States. NASPO ValuePoint is identified in the Master Agreement as the recipient of reports and may perform contract administration functions relating to collecting and receiving reports as well as other contract administration functions as assigned by the Lead State.
- w. **Option** means an item of equipment or a feature that may be chosen as an addition to or replacement for standard equipment and features.
- x. **Order or Purchase Order** means any purchase order, sales order, contract or other method used by a Purchasing Entity to order the Products.
- y. **Participating Addendum** means a bilateral agreement executed by a Contractor and a Participating Entity incorporating this Master Agreement and any other additional Participating Entity specific language or other requirements, e.g. ordering procedures specific to the Participating Entity, other terms and conditions.
- z. **Participating Entity** means a state (as well as the District of Columbia and U.S territories), city, county, district, other political subdivision of a State, or a nonprofit organization under the laws of some states properly authorized to enter into a Participating Addendum, that has executed a Participating Addendum.
- aa. **Participating State** means a state that has executed a Participating Addendum.

bb. **Partner** means a company, authorized by the Contractor and approved by the Participating Entity, to provide marketing, support, or other authorized contract services on behalf of the Contractor in accordance with the terms and conditions of the Contractor's Master Agreement. A Partner may include, but is not limited to, an agent, subcontractor, fulfillment partner, channel partner, business partner, servicing subcontractor, etc.

cc. **Peripherals** means any hardware product that can be attached to, added within, or networked with personal computers, servers, or storage. Peripherals extend the functionality of a computer without modifying the core components of the system.

dd. **Per Transaction Multiple Unit Discount** means a contractual volume discount based on dollars in a single purchase order or combination of purchase orders submitted at one time by a Participating Entity or multiple entities conducting a cooperative purchase.

ee. **Premium Savings Package(s) (PSP)** are deeply discounted standard configurations available to Purchasing Entities using the Master Agreement. NASPO ValuePoint reserves the right to expand and modify the PSP throughout the life of the contract. For more information see: <https://www.naspovaluepoint.org/portfolio/57/>.

ff. **Product** means any equipment, software (including embedded software), documentation, service, or other deliverable supplied or created by the Contractor pursuant to this Master Agreement. The term Products, supplies and services, and products and services are used interchangeably in these terms and conditions.

gg. **Purchasing Entity** means a state (including the District of Columbia and U.S. territories), city, county, district, other political subdivision of a state, other public entities domestic or foreign, and nonprofit organizations under the laws of some states if authorized by a Participating Addendum, that issues a Purchase Order under the terms of the Master Agreement, or any Participating Addendum thereto, and becomes financially committed to the purchase.

hh. **Ruggedized** means equipment specifically designed to operate reliably in harsh usage environments and conditions, such as strong vibrations, extreme temperatures, and wet or dusty conditions. Ruggedized equipment may be proposed under the band that most closely fits the equipment being proposed.

ii. **Server** means computer hardware dedicated to run one or more services or applications (as a host) to serve the needs of the users of other computers on a network. Servers may be either physical or virtual. Servers, including server appliances, are included in Band 3 of this Contract. Server appliances have their hardware and software preconfigured by the manufacturer, and include embedded networking components such as those found in blade chassis systems.

jj. **Services** are broadly classified as installation or de-installation, maintenance, support, training, migration, and optimization of products offered or supplied under the Master Agreement. These classifications of services may include, but are not limited to: warranty services, maintenance, installation, de-installation, factory integration (software or hardware components), asset management, recycling or disposal, training and certification, pre-implementation design, disaster recovery planning and support, service desk or helpdesk, imaging, and any other directly related technical support service required for the effective operation of a product offered or supplied. Contractors may offer limited professional services related ONLY to the equipment and configuration of the equipment purchased through the resulting contracts.

EACH PARTICIPATING ENTITY WILL DETERMINE RESTRICTIONS AND NEGOTIATE TERMS FOR SERVICES THROUGH THEIR PARTICIPATING ADDENDUM.

kk. **Software** means, for the purposes of this Contract, commercial operating off the shelf machine-readable object code instructions including microcode, firmware, and operating system software that meet the restrictions specified

in Paragraph 5.a. “Software” applies to all parts of software and documentation, including new releases, updates, and modifications of software.

ll. **Storage** means hardware or a virtual appliance with the ability to store large amounts of data. Storage, including SAN switching necessary for the proper functioning of storage equipment, is included in Band 3 of this Contract

mm. **Storage Area Network (SAN)** is a high-speed special-purpose network (or subnetwork) that interconnects different kinds of data storage devices with associated data servers on behalf of a larger network of users.

nn. **Tablet** means a mobile computer that provides a touchscreen that acts as the primary means of control. Tablets, including notebooks, ultrabooks, and netbooks with touchscreen capabilities, are included in Bands 1 and 2 of this Contract.

oo. **Takeback Program** means the Contractor’s process for accepting the return of equipment or other products at the end of the product’s life.

pp. **Thin Client** is a lightweight computer that has been optimized for establishing a remote connection with a server-based computing environment.

qq. **Third Party Product** is a good sold by the Contractor that is manufactured by another company. Third Party Products are intended to enhance or supplement a Contractor’s own product line, and are not intended to represent more than a third of any Contractor’s total sales under this Master Agreement.

rr. **Upgrade** means the replacement of existing software, hardware, or hardware component with a newer version.

ss. **Warranty** means the Manufacturer’s general warranty tied to the product at the time of purchase.

tt. **Wide Area Network (WAN)** is a data network that serves users across a broad geographic area and often uses transmission devices provided by common carriers.

3. **Term of the Master Agreement.**

a. The initial term of this Master Agreement is for 2 years. This Master Agreement may be extended beyond the original contract period for 36 additional months at the Lead State’s discretion and by mutual agreement and upon review of requirements of Participating Entities, current market conditions, and Contractor performance.

b. The Master Agreement may be extended for a reasonable period of time if in the judgment of the Lead State a follow-on, competitive procurement will be unavoidably delayed (despite good faith efforts) beyond the planned date of execution of the follow-on master agreement. This subsection shall not be deemed to limit the authority of a Lead State under its state law otherwise to negotiate contract extensions.

4. **Amendments.**

The terms of this Master Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever without a written amendment to the Master Agreement executed by the Contractor and Lead State as required by law. Master Agreement amendments will be negotiated by the Lead State with the Contractor whenever necessary to address changes in the terms and conditions, costs, timetable, or increased or decreased scope of work.

5. **Participants and Scope.**

a. **Canadian Participation.** Subject to the approval of Contractor, any Canadian provincial government or provincially funded entity in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador,

Nova Scotia, Ontario, Prince Edward Island, Quebec, or Saskatchewan, and territorial government or territorial government funded entity in the Northwest Territories, Nunavut, or Yukon, including municipalities, universities, community colleges, school boards, health authorities, housing authorities, agencies, boards, commissions, and crown corporations, may be eligible to use Contractor's Master Agreement. Canadian Participation. Subject to the approval of the Contractor, any Canadian provincial government or provincially funded entity in Ontario, Quebec, Nova Scotia, New Brunswick, Manitoba, British Columbia, Prince Edward Island, Saskatchewan, Alberta, Northwest Territories, Nunavut, Yukon, and Newfoundland and Labrador, including municipalities, universities, community colleges, school boards, health authorities, housing authorities, agencies, boards, commissions, and crown corporations, may be eligible to use Contractor's Master Agreement.

b. Contractor may not deliver Products under this Master Agreement until a Participating Addendum acceptable to the Participating Entity and Contractor is executed. The NASPO ValuePoint Master Agreement Terms and Conditions are applicable to any Order by a Participating Entity (and other Purchasing Entities covered by their Participating Addendum), except to the extent altered, modified, supplemented or amended by a Participating Addendum. By way of illustration and not limitation, this authority may apply to unique delivery and invoicing requirements, confidentiality requirements, defaults on Orders, governing law and venue relating to Orders by a Participating Entity, indemnification, and insurance requirements. Statutory or constitutional requirements relating to availability of funds may require specific language in some Participating Addenda in order to comply with applicable law. The expectation is that these alterations, modifications, supplements, or amendments will be addressed in the Participating Addendum or, with the consent of the Purchasing Entity and Contractor, may be included in the ordering document (e.g. purchase order or contract) used by the Purchasing Entity to place the Order.

c. Use of specific NASPO ValuePoint Master Agreements by state agencies, political subdivisions and other Participating Entities (including cooperatives) authorized by individual state's statutes to use state contracts are subject to the approval of the respective State Chief Procurement Official. Issues of interpretation and eligibility for participation are solely within the authority of the respective State Chief Procurement Official.

d. Obligations under this Master Agreement are limited to those Participating Entities who have signed a Participating Addendum and Purchasing Entities within the scope of those Participating Addenda. States or other entities permitted to participate may use an informal competitive process to determine which Master Agreements to participate in through execution of a Participating Addendum. Financial obligations of Participating Entities who are states are limited to the orders placed by the departments or other state agencies and institutions having available funds. Participating Entities who are states incur no financial obligations on behalf of other Purchasing Entities. Contractor shall email a fully executed PDF copy of each Participating Addendum to PA@naspovaluepoint.org to support documentation of participation and posting in appropriate data bases.

e. NASPO and NASPO ValuePoint are not parties to the Master Agreement.

f. Participating Addenda shall not be construed to amend the following provisions in this Master Agreement between the Lead State and Contractor that prescribe NASPO ValuePoint requirements: Term of the Master Agreement; Amendments; Participants and Scope; Administrative Fee; NASPO ValuePoint Summary and Detailed Usage Reports; NASPO ValuePoint Cooperative Program Marketing and Performance Review; Right to Publish; Price and Rate Guarantee Period; and Individual Customers. Any such language shall be void and of no effect.

g. Participating Entities who are not states may under some circumstances sign their own Participating Addendum, subject to the consent to participation by the Chief Procurement Official of the state where the Participating Entity is located. Coordinate requests for such participation through NASPO ValuePoint. Any permission to participate through execution of a Participating Addendum is not a determination that procurement authority exists in the Participating Entity; they must ensure that they have the requisite procurement authority to execute a Participating Addendum.

h. Resale. "Resale" means any payment in exchange for transfer of tangible goods, software, or assignment of the right to services. Subject to any specific conditions included in the Master Agreement, or as explicitly permitted in a Participating Addendum, Purchasing Entities may not resell Products (the definition of which includes services that are deliverables). Absent any such condition or explicit permission, this limitation does not prohibit: payments by employees of a Purchasing Entity for Products; sales of Products to the general public as surplus property; and fees associated with inventory transactions with other governmental or nonprofit entities and consistent with a Purchasing Entity's laws and regulations. Any sale or transfer permitted by this subsection must be consistent with license rights granted for use of intellectual property.

6. Individual Customers.

Except to the extent modified by a Participating Addendum, each Purchasing Entity shall follow the terms and conditions of the Master Agreement and applicable Participating Addendum and will have the same rights and responsibilities for their purchases as the Lead State has in the Master Agreement, including but not limited to, any indemnity or right to recover any costs as such right is defined in the Master Agreement and applicable Participating Addendum for their purchases. Each Purchasing Entity will be responsible for its own charges, fees, and liabilities. The Contractor will apply the charges and invoice each Purchasing Entity individually.

7. Independent Contractor.

The Contractor is an independent contractor. Contractor shall have no authorization, express or implied, to bind the Lead State, Participating States, other Participating Entities, or Purchasing Entities to any agreements, settlements, liability or understanding whatsoever, and agrees not to hold itself out as an agent except as expressly set forth herein or as expressly agreed in any Participating Addendum.

8. Contracting Personnel.

Contractor must provide adequate contracting personnel to assist states with the completing and processing Participating Addenda. It is preferred that each Contractor be able to provide each Participating Entity with a primary contact person for that Participating Entity.

9. Changes in Contractor Representation.

The Contractor must notify the Lead State of changes in the Contractor's key administrative personnel managing the Master Agreement in writing within 10 calendar days of the change. The Lead State reserves the right to approve changes in key personnel, as identified in the Contractor's proposal. Such approval shall not be unreasonably withheld. The Contractor agrees to propose replacement key personnel having substantially equal or better education, training, and experience as was possessed by the key person proposed and evaluated in the Contractor's proposal.

10. Contractor Verification.

The Contractor is responsible for delivering products or performing services under the terms and conditions set forth in the Master Agreement. The Contractor must ensure partners utilized in the performance of this contract adhere to all the terms and conditions. The term Partner will be utilized in naming the relationship a Contractor has with another company to market and sell under the contract. Participating Entities will have final determination/approval if a Partner may be approved for that state in the role identified by the Contractor.

11. Contractor Performance Meeting.

An annual performance meeting may be held each year with the NASPO ValuePoint Sourcing Team. Historically performance meetings have been held in Minnesota, but the Lead State may hold the meetings in person or virtually at the Lead State's discretion.

All contractors that are invited to participate must send their Primary Account Representative, unless an exception is granted in writing by the Lead State. It is possible that not all contractors will be invited to participate in a performance meeting.

12. Laws and Regulations.

Any and all Products offered and furnished shall comply fully with all applicable Federal, State, and local laws and regulations, including Minn. Stat. § 181.59 prohibiting discrimination and business registration requirements of the Office of the Minnesota Secretary of State. To the extent any purchase is subject to Federal Acquisition Regulations, as may be required by the terms of a federal grant, a Participating Entity and Contractor may include in their Participating Addendum terms that reflect such a requirement.

13. Price and Rate Guarantee Period.

All minimum discounts and rates must be guaranteed for the initial term of the Master Agreement. Following the initial Master Agreement period, any request for minimum discount or rate adjustment must be for a guarantee period as offered by the Contractor, and must be made at least 30 days prior to the effective date. Requests for minimum discount or rate adjustment must include sufficient documentation supporting the request. Any adjustment or amendment to the Master Agreement shall not be effective unless approved by the Lead State. No retroactive adjustments to minimum discounts or rates will be allowed.

14. Premium Savings Package Program.

The Lead State reserves the right to create a Premium Savings Package Program (PSP) as outlined in the Definitions, Paragraph 2.ee of Exhibit A. Participation by Contractor is voluntary. The details and commitments of the PSP will be detailed as a part of any request for Contractor to participate.

15. Services.

Participating Entities must explicitly allow services in their Participating Addenda for the approved services to be allowed under that Participating Addendum. The Participating Addendum by each Participating Entity will address service agreement terms and related travel.

16. Ordering.

- a. Master Agreement and purchase order numbers shall be clearly shown on all acknowledgments, packing slips, invoices, and on all correspondence.
- b. Purchasing Entities may define entity or project-specific requirements and informally compete the requirement among companies having a Master Agreement on an "as needed" basis. This procedure may also be used when requirements are aggregated or other firm commitments may be made to achieve reductions in pricing. This procedure may be modified in Participating Addenda and adapted to the Purchasing Entity's rules and policies. The Purchasing Entity may in its sole discretion determine which Master Agreement Contractors should be solicited for a quote. The Purchasing Entity may select the quote that it considers most advantageous, cost and other factors considered.
- c. Each Purchasing Entity will identify and utilize its own appropriate purchasing procedure and documentation. Contractor is expected to become familiar with the Purchasing Entities' rules, policies, and procedures regarding the ordering of supplies or services contemplated by this Master Agreement.
- d. Contractor shall not begin work without a valid Purchase Order or other appropriate commitment document under the law of the Purchasing Entity.
- e. Orders may be placed consistent with the terms of this Master Agreement during the term of the Master Agreement.
- f. All Orders pursuant to this Master Agreement, at a minimum, shall include:
 1. The service description or supplies being delivered;

2. The place and requested time of delivery;
3. A billing address;
4. The name, phone number, and address of the Purchasing Entity representative;
5. The price per hour or other pricing elements consistent with this Master Agreement and the contractor's proposal;
6. A ceiling amount of the order for services being ordered;
7. The Master Agreement identifier; and
8. Statement of Work, when applicable.

g. All communications concerning administration of Orders placed shall be furnished solely to the authorized purchasing agent within the Purchasing Entity's purchasing office, or to such other individual identified in writing in the Order.

h. Orders must be placed pursuant to this Master Agreement prior to the termination date thereof, but may have a delivery date or performance period up to 120 days past the then-current termination date of this Master Agreement. Contractor is reminded that financial obligations of Purchasing Entities payable after the current applicable fiscal year are contingent upon agency funds for that purpose being appropriated, budgeted, and otherwise made available.

i. Notwithstanding the expiration, cancellation or termination of this Master Agreement, Contractor agrees to perform in accordance with the terms of any Orders then outstanding at the time of such expiration or termination. Contractor shall not honor any Orders placed after the expiration, cancellation or termination of this Master Agreement, or otherwise inconsistent with its terms. Orders from any separate indefinite quantity, task orders, or other form of indefinite delivery order arrangement priced against this Master Agreement may not be placed after the expiration or termination of this Master Agreement, notwithstanding the term of any such indefinite delivery order agreement.

17. Trade-In.

Any trade-in programs offered during the life of the Master Agreement must be approved by the Lead State. Participating Entities must explicitly allow trade-in programs in their Participating Addenda for the approved programs to be allowed under that Participating Addendum. Trade-in value shall not decrease the discounts offered through the Master Agreement.

18. Shipping and Delivery.

a. The prices are the delivered price to any Purchasing Entity for standard 3-5 day shipping. If an order is requested with expedited shipping, the Contractor must provide a firm "not to exceed" price for the expedited shipping on the quote. All deliveries shall be FOB Destination, freight pre-paid, with all transportation and handling charges paid by the Contractor. Responsibility and liability for loss or damage shall remain the Contractor's until final inspection and acceptance when responsibility shall pass to the Purchasing Entity except as to latent defects, fraud and Contractor's warranty obligations. Any order for less than the specified amount is to be shipped with the freight prepaid and added as a separate item on the invoice. Any portion of an Order to be shipped without transportation charges that is back ordered shall be shipped without charge.

- b. Specific delivery instructions, including FOB Inside Delivery, will be noted on the order form or Purchase Order. Any damage to the building interior, scratched walls, damage to the freight elevator, etc., will be the responsibility of the Contractor. If damage does occur, it is the responsibility of the Contractor to promptly notify the Purchasing Entity placing the Order.
- c. All products must be delivered in the manufacturer's standard package. Costs shall include all packing and crating charges. Cases shall be of durable construction, good condition, properly labeled and suitable in every respect for storage and handling of contents. Each shipment shall be marked with the Purchasing Entity's Purchase Order number and other information sufficient for the Purchasing Entity to properly identify the shipment as outlined in the Participating Addendum of the Purchasing Entity.

19. Inspection and Acceptance.

- a. Where the Master Agreement, a Participating Addendum, or an Order does not otherwise specify a process for inspection and Acceptance, this section governs. This section is not intended to limit rights and remedies under the applicable commercial code.
- b. Acceptance. Purchasing Entity shall determine whether all Products and Services delivered meet the Contractor's published specifications. No payment shall be made for any Products or Services until the Purchasing Entity has accepted the Products or Services. The Purchasing Entity will make every effort to notify the Contractor within thirty (30) calendar days following delivery of non-acceptance of a Product or completion of Service. In the event that the Contractor has not been notified within 30 calendar days from delivery of Product or completion of Service, the Product and Services will be deemed accepted on the 31st day after delivery of Product or completion of Services. Failure to reject upon receipt, however, does not relieve the Contractor of liability for latent or hidden material defects. Acceptance of such goods may be revoked in accordance with the provisions of the applicable commercial code, and the Contractor is liable for any resulting expense incurred by the Purchasing Entity related to the preparation and shipping of Product rejected and returned, or for which Acceptance is revoked. The warranty period shall begin upon Acceptance. If the parties agree to acceptance testing, the terms of subsection (c), below, apply.
- c. Acceptance Testing. The Purchasing Entity and the Contractor shall determine if Acceptance Testing is applicable and required for the purchase. "Acceptance Testing" means the process for ascertaining that the Product meets the standard of performance prior to Acceptance by the Purchasing Entity.
 - 1. The Acceptance Testing period shall be thirty (30) calendar days starting from the day after the Product is delivered or, if installed, the day after the Product is installed and Contractor certifies that the Product is ready for Acceptance Testing. If the Product does not meet the standard of performance during the initial period of Acceptance Testing, Purchasing Entity may, at its discretion, continue Acceptance Testing on a day-to-day basis until the standard of performance is met. Upon rejection, the Contractor will have fifteen (15) calendar days to cure the standard of performance issue(s). If after the cure period, the Product still has not met the standard of performance, the Purchasing Entity may, at its option: (a) declare Contractor to be in breach and terminate the Order; (b) demand replacement Product from Contractor at no additional cost to Purchasing Entity; or, (c) continue the cure period for an additional time period agreed upon by the Purchasing Entity and the Contractor.
 - 2. No Product shall be deemed Accepted and no charges shall be paid until the standard of performance is met. Products that do not meet specifications may be rejected. Failure to reject upon receipt, however, does not relieve the Contractor of liability for material (nonconformity that substantially impairs value) latent or hidden defects subsequently revealed when goods are put to use. Acceptance of such goods may be revoked in accordance with the provisions of the applicable commercial code, and the Contractor is liable for any resulting expense incurred by the Purchasing Entity related to the preparation and shipping of Product rejected and returned, or for which Acceptance is revoked. The warranty period shall begin upon Acceptance.

d. If any services do not conform to contract requirements, the Purchasing Entity may require the Contractor to perform the services again in conformity with contract requirements, at no increase in Order amount. When defects cannot be corrected by re-performance, the Purchasing Entity may require the Contractor to take necessary action to ensure that future performance conforms to contract requirements; and reduce the contract price to reflect the reduced value of services performed.

20. Title of Product.

a. Definitions. For purposes of this section, the following terms are defined as follows:

1. "Deliverables" means any reports, analyses, scripts, code, or other work results that Contractor delivers to Purchasing Entity within the framework of fulfilling Contractor's obligations to Purchasing Entity.
2. "Equipment" means Contractor-branded hardware products.
3. "Proprietary Rights" means all patents, copyrights, trademarks, trade secrets, and other intellectual property rights of a party.

b. Upon Acceptance by the Purchasing Entity, Contractor shall convey to Purchasing Entity title to the Equipment free and clear of all liens, encumbrances, or other security interests. Purchasing Entity's rights to use the software delivered by Contractor are governed by the terms of the applicable end-user license agreement. Unless different terms have been agreed between the parties, the terms posted on www.dell.com/eula (the "EULA") shall apply. Contractor's EULA must be made available to Purchasing Entities for review prior to negotiating a Participating Addendum or the issuance of an Order and shall meet or exceed the terms set forth in this Master Agreement. Unless expressly otherwise agreed, microcode, firmware or operating system software required to enable the Equipment with which it is shipped to perform its basic or enhanced functions, is licensed for use solely on such Equipment.

c. Contractor grants Purchasing Entity a non-exclusive, non-transferable, irrevocable license to use (without the right to sublicense) the Deliverables provided by Contractor for Purchasing Entity's internal business and governmental purposes, only and solely in accordance with the applicable service specification and subject to this Master Agreement. The grant of this license is subject to Purchasing Entity's compliance with the terms of this Master Agreement and Purchasing Entity's payment of applicable amounts due. Such license shall be perpetual unless granted pursuant to the purchase of a subscription, in which case the license shall be for the term of the subscription. Purchasing Entity may authorize its service providers to use the Deliverables, but solely on Purchasing Entity's behalf, solely for Purchasing Entity's internal business or governmental purposes, and Purchasing Entity shall be responsible for service provider's compliance with these restrictions. This section shall not affect a Purchasing Entity's right to transfer ownership of a product, and transfer, if permitted by Contractor or its licensors, licenses associated with such product, to another individual or entity as part of the Purchasing Entity's surplus program or sale of used products to employees or former employees.

d. Contractor reserves for itself all Proprietary Rights that it has not expressly granted to Purchasing Entity herein. The license granted in this clause 20(c) does not apply to: (i) Equipment; (ii) Contractor-branded generally available software; or (iii) items licensed or otherwise provided under a separate agreement. Contractor is not limited in developing, using, or marketing services or products that are similar to the Deliverables or Professional Services provided hereunder, any service, specification, or, subject to Contractor's confidentiality obligations to Purchasing Entity, in using the Deliverables or performing similar Professional Services for any other projects. Notwithstanding the previous, Contractor's use of Deliverables created specifically for and paid for by a Purchasing Entity is subject to Purchasing Entity approval.

e. Any and all licensing, maintenance, cloud services, or order specific agreements referenced within the terms and conditions of this Master Agreement are agreed to only to the extent that the terms do not conflict with the terms of the Participating Addendum or the terms of the Master Agreement as incorporated into the Participating Addendum, and to the extent the terms are not in conflict with the Participating Entity's applicable laws. In the event of a conflict in the terms and conditions, the conflict shall be resolved as detailed in the Order of Precedence defined herein. Notwithstanding the foregoing, licensing, maintenance, cloud services agreements, or order specific agreements may be further negotiated by the Contractor or, if applicable, the Licensor, and the potential Purchasing Entity, provided the contractual documents are duly executed in writing.

f. If (i) Contractor is or becomes aware of any infringement claim made against a third-party branded product offered by Contractor through this Master Agreement, (ii) the third-party branded product is determined to infringe upon the intellectual property rights of another third party, and (iii) such infringement is not remedied by the third party so that the product is no longer infringing, Contractor shall immediately cease offering the product under this Master Agreement and notify the Lead State, NASPO, Participating Entities, and purchasers of the product.

21. Warranty.

The Contractor must ensure warranty service and maintenance for all equipment, including third party products provided. The Contractor must facilitate the Manufacturer or Publisher warranty and maintenance of third party products furnished through the Master Agreement. The Contractor shall provide the warranty service and maintenance for equipment and all peripherals on the Master Agreement.

22. System Failure or Damage.

In the event of system failure or damage caused by the Contractor or its Product, the Contractor shall use reasonable efforts to restore or assist in restoring the system to operational capacity. The Contractor shall be responsible under this provision to the extent a 'system' is defined at the time of the Order; otherwise the rights of the Purchasing Entity shall be governed by the Warranty.

23. Payment.

Payment after Acceptance is normally made within 30 days following the date the entire order is delivered or the date a correct invoice is received, whichever is later. After 45 days the Contractor may assess overdue account charges up to a maximum rate of one percent per month on the outstanding balance, unless a different late payment amount is specified in a Participating Addendum, Order, or otherwise prescribed by applicable law.

Payments will be remitted by mail or electronically. Payments may be made via a State or political subdivision "Purchasing Card" with no additional charge.

Prices are exclusive of taxes, duties, and fees, unless otherwise quoted. If a withholding tax is required by law, the tax will be added and identified on the applicable invoice. All applicable taxes, duties, and fees must be identified on the quote.

24. Leasing or Alternative Financing Methods.

Lease purchase and term leases are allowable only for Purchasing Entities whose rules and regulations permit leasing of software. Individual Purchasing Entities may enter into a lease agreement for the products covered in this Master Agreement, if they have the legal authority to enter into these types of agreements without going through a competitive process and if the applicable PAs permit leasing. No lease agreements will be reviewed or evaluated as part of the RFP evaluation process.

25. Contract Provisions for Orders Utilizing Federal Funds.

Pursuant to Appendix II to 2 Code of Federal Regulations (CFR) Part 200, Contract Provisions for Non-Federal Entity Contracts Under Federal Awards, Orders funded with federal funds may have additional contractual requirements or certifications that must be satisfied at the time the Order is placed or upon delivery. These federal requirements may be

proposed by Participating Entities in Participating Addenda and Purchasing Entities for incorporation in Orders placed under this Master Agreement.

26. Self Audit.

The Contractor must conduct at a minimum a quarterly self-audit, unless approved by the Lead State. The audit will sample a minimum of one tenth of one percent (.001) of orders with a maximum of 100 audits per quarter conducted. For example: Up to 1,000 sales = 1 audit; 10,000 sales = 10 audits; Up to 100,000 sales = 100 audits. This will be a random sample of orders and invoices and must include documentation of pricing. Summary findings must be reported to Lead State with actions to correct documented findings.

27. Assignment/Subcontracts.

- a. Contractor shall not assign, sell or otherwise transfer all or any part of this Master Agreement without prior written consent from the Lead State, such consent not to be unreasonably withheld.
- b. The Lead State, or Participating Entity, shall not assign, delegate or otherwise transfer all or any part of this Master Agreement without prior written consent from Contractor, except for assignment or delegation to a Participating Entity State agency or eligible Purchasing Entity. The Lead State reserves the right to assign any rights or duties, including written assignment of contract administration duties to NASPO ValuePoint and other third parties.

28. Insurance.

- a. Contractor shall, during the term of this Master Agreement, maintain in full force and effect, the insurance described in this section. Contractor shall acquire such insurance from an insurance carrier or carriers legally authorized to conduct business in the Lead State and in each Participating Entity's state and having a rating of A-, Class VII or better, in the most recently published edition of A.M. Best's Insurance Reports. Failure to buy and maintain the required insurance may result in this Master Agreement's termination or, at a Participating Entity's option, result in termination of its Participating Addendum.
- b. Coverage shall be written on an occurrence basis. The minimum acceptable limits shall be as indicated below:
 1. Commercial General Liability covering premises operations, independent contractors, products and completed operations, blanket contractual liability, personal injury (including death), advertising liability, and property damage, with a limit of not less than \$1 million per occurrence/\$2 million general aggregate;
 2. Contractor must comply with any applicable State Workers Compensation or Employers Liability Insurance requirements.
- c. Contractor shall pay premiums on all insurance policies. Contractor will use reasonable efforts to give thirty (30) days prior written notice to State prior to cancellation or non-renewal of any of the policies providing such coverage; provided, however that Contractor shall not be obligated to provide such notice if, concurrently with such cancellation or non-renewal, Contractor obtains coverage from different insurer(s) meeting the requirements described herein.
- d. Prior to commencement of performance, Contractor shall provide to the Participating Entity a certificate of insurance showing the Contractor's general liability insurance policy or other documentary evidence acceptable to the Lead State that (1) names the Participating Entity as an additional insured, (2) provides that written notice of cancellation shall be delivered in accordance with the policy provisions, and (3) provides that the Contractor's liability insurance policy shall be primary, with any liability insurance of any Participating Entity as secondary and noncontributory. Unless otherwise agreed in any Participating Addendum, other state Participating Entities' rights

and Contractor's obligations are the same as those specified in the first sentence of this subsection except the endorsement is provided to the applicable state.

e. During the term of this Master Agreement, Contractor shall upon request provide to the Lead State and Participating Entities evidence of coverage that meets the requirements of this Section and the applicable Participating Addendum. Failure to provide evidence of coverage, within thirty (30) calendar days of receipt of request may, at the sole option of the Lead State, or any Participating Entity, result in this Master Agreement's termination or the termination of any Participating Addendum.

f. Coverage and limits shall not limit Contractor's liability and obligations under this Master Agreement, any Participating Addendum, or any Purchase Order.

29. Administrative Fees.

a. The Contractor shall pay to NASPO ValuePoint, or its assignee, a NASPO ValuePoint Administrative Fee of one-quarter of one percent (0.25% or 0.0025) no later than sixty (60) days following the end of each calendar quarter. The NASPO ValuePoint Administrative Fee shall be submitted quarterly and is based on all sales of products and services under the Master Agreement (less any charges for taxes or shipping). The NASPO ValuePoint Administrative Fee is not negotiable.

b. The NASPO ValuePoint Administrative Fee in this section shall be based on the gross amount of all sales (less any charges for taxes or shipping) at the adjusted prices (if any) in Participating Addenda.

c. Additionally, some states may require an additional fee be paid directly to the state only on purchases made by Purchasing Entities within that state. For all such requests, the fee level, payment method and schedule for such reports and payments will be incorporated into the Participating Addendum that is made a part of the Master Agreement. The Purchasing Entity may allow the Contractor to adjust the Master Agreement pricing to account for these additional fees for purchases made by Purchasing Entities within the jurisdiction of the Participating Entity. All such agreements shall not affect the NASPO ValuePoint Administrative Fee percentage or the prices paid by the Purchasing Entities outside the jurisdiction of the state requesting the additional fee.

30. NASPO ValuePoint Reports

a. **Sales Data Reporting.** In accordance with this section, Contractor shall report to NASPO ValuePoint all Orders under this Master Agreement for which Contractor has invoiced the ordering entity or individual, including Orders invoiced to Participating Entity or Purchasing Entity employees for personal use if such use is permitted by this Master Agreement and the applicable Participating Addendum ("Sales Data"). Timely and complete reporting of Sales Data is a material requirement of this Master Agreement. Reporting requirements, including those related to the format, contents, frequency, or delivery of reports, may be updated by NASPO ValuePoint with reasonable notice to Contractor and without amendment to this Master Agreement. NASPO ValuePoint shall have exclusive ownership of any media on which reports are submitted and shall have a perpetual, irrevocable, non-exclusive, royalty free, and transferable right to display, modify, copy, and otherwise use reports, data, and information provided under this section.

b. **Summary Sales Data.** "Summary Sales Data" is Sales Data reported as cumulative totals by state. Contractor shall, using the reporting tool or template provided by NASPO ValuePoint, report Summary Sales Data to NASPO ValuePoint for each calendar quarter no later than thirty (30) days following the end of the quarter. If Contractor has no reportable Sales Data for the quarter, Contractor shall submit a zero-sales report.

c. **Detailed Sales Data.** "Detailed Sales Data" is Sales Data that includes for each Order all information required by the Solicitation or by NASPO ValuePoint, including customer information, Order information, and line-item details.

Contractor shall, using the reporting tool or template provided by NASPO ValuePoint, report Detailed Sales Data to NASPO ValuePoint for each calendar quarter no later than thirty (30) days following the end of the quarter. Detailed Sales Data shall be reported in the format provided in the Solicitation or provided by NASPO ValuePoint. The total sales volume of reported Detailed Sales Data shall be consistent with the total sales volume of reported Summary Sales Data.

d. Sales Data Crosswalks. Reserved.

e. Executive Summary. Contractor shall, upon request by NASPO ValuePoint, provide NASPO ValuePoint with an executive summary that includes but is not limited to a list of states with an active Participating Addendum, states with which Contractor is in negotiations, and any Participating Addendum roll-out or implementation activities and issues. NASPO ValuePoint and Contractor will determine the format and content of the executive summary.

31. NASPO ValuePoint Cooperative Program Marketing, Training, and Performance Review.

a. Contractor agrees to work cooperatively with NASPO ValuePoint personnel. Contractor agrees to present plans to NASPO ValuePoint for the education of Contractor's contract administrator(s) and sales/marketing workforce regarding the Master Agreement contract, including the competitive nature of NASPO ValuePoint procurements, the Master agreement and participating addendum process, and the manner in which qualifying entities can participate in the Master Agreement.

b. Contractor agrees, as Participating Addendums become executed, if requested by ValuePoint personnel to provide plans to launch the program within the Participating Entity. Plans will include time frames to launch the agreement and confirmation that the Contractor's website has been updated to properly reflect the contract offer as available in the Participating Entity.

c. Contractor agrees, absent anything to the contrary outlined in a Participating Addendum, to consider customer proposed terms and conditions, as deemed important to the customer, for possible inclusion into the customer agreement. Contractor will ensure that their sales force is aware of this contracting option.

d. Contractor agrees to participate in an annual contract performance review at a location selected by the Lead State and NASPO ValuePoint, which may include a discussion of marketing action plans, target strategies, marketing materials, as well as Contractor reporting and timeliness of payment of administration fees.

e. Contractor acknowledges that the NASPO ValuePoint logos may not be used by Contractor in sales and marketing until a logo use agreement is executed with NASPO ValuePoint.

f. The Lead State expects to evaluate the utilization of the Master Agreement at the annual performance review. Lead State may, in its discretion, cancel the Master Agreement pursuant to Paragraph 42 of Exhibit A, or not exercise an option to renew, when Contractor utilization does not warrant further administration of the Master Agreement. The Lead State may exercise its right to not renew the Master Agreement if contractor fails to record or report revenue for three consecutive quarters, upon 60-calendar day written notice to the Contractor. Cancellation based on nonuse or under-utilization will not occur sooner than two years after award of the Master Agreement. This subsection does not limit the discretionary right of either the Lead State or Contractor to cancel the Master Agreement pursuant to Paragraph 42 of Exhibit A or to terminate for default pursuant to Paragraph 44 of Exhibit A.

g. Contractor agrees to notify the Lead State and NASPO ValuePoint of any contractual most-favored-customer provisions in any Cooperative Purchasing Agreements that may affect the promotion of this Master Agreements or whose terms provide for adjustments to future rates or pricing based on rates, pricing in, or Orders from this master agreement. Upon request of the Lead State or NASPO ValuePoint, Contractor shall provide a copy of any such provisions. For the purposes of this paragraph, Cooperative Purchasing Agreement shall mean a cooperative

purchasing program facilitating public procurement solicitations and agreements using a lead agency model. This does not include contracts with any federal agency or any federal contract.

32. Right to Publish.

Throughout the duration of this Master Agreement, Contractor must secure from the Lead State prior approval for the public release of information that pertains to the potential work or activities covered by the Master Agreement. This limitation does not preclude publication about the award of the Master Agreement or marketing activities consistent with any proposed and accepted marketing plan. The Contractor shall not make any representations of NASPO ValuePoint's opinion or position as to the quality or effectiveness of the services that are the subject of this Master Agreement without prior written consent. Failure to adhere to this requirement may result in termination of the Master Agreement for cause.

33. Records Administration and Audit.

- a. The Contractor shall maintain books, records, documents, and other evidence pertaining to this Master Agreement and Orders placed by Purchasing Entities under it to the extent and in such detail as shall adequately reflect performance and administration of payments and fees. Contractor shall permit the Lead State, a Participating Entity, a Purchasing Entity, the federal government (including its grant awarding entities and the U.S. Comptroller General), and any other duly authorized agent of a governmental agency, to audit, inspect, examine, copy and transcribe Contractor's books, documents, papers and records directly pertinent to this Master Agreement or orders placed by a Purchasing Entity under it for the purpose of making audits, examinations, excerpts, and transcriptions. This right shall survive for a period of six (6) years following termination of this Agreement or final payment for any order placed by a Purchasing Entity against this Agreement, whichever is later, or such longer period as is required by the Purchasing Entity's state statutes, to assure compliance with the terms hereof or to evaluate performance hereunder.
- b. Without limiting any other remedy available to any governmental entity, the Contractor shall reimburse the applicable Lead State, Participating Entity, or Purchasing Entity for any overpayments inconsistent with the terms of the Master Agreement or Orders or underpayment of fees found as a result of the examination of the Contractor's records.
- c. The rights and obligations herein exist in addition to any quality assurance obligation in the Master Agreement requiring the Contractor to self-audit contract obligations and that permits the Lead State to review compliance with those obligations.

34. Indemnification

- a. General Indemnity. Contractor shall indemnify, defend (to the extent permitted by a state's Attorney General), and hold harmless an Indemnified Party from any claims or causes of action, including attorney's fees, to the extent arising from Contractor's intentional, willful, or negligent acts or omissions; actions that give rise to strict liability; and actions arising from breach of contract or warranty.

"Indemnified Party" means NASPO, NASPO ValuePoint, the Lead State, Participating Entities, and Purchasing Entities, along with their officers and employees.

The indemnification obligations of this section do not apply in the event the claim or cause of action is the result of the Indemnified Party's sole negligence. This clause will not be construed to bar any legal remedies the Contractor may have for the Indemnified Party's failure to fulfill its obligation under this Contract.

- b. Intellectual Property Indemnification.

1. In the event of any such claim by any third party against the Indemnified Party that Products, Software, Services or Deliverables prepared, produced, or branded by Contractor and delivered pursuant to this Master Agreement infringe or misappropriate that third party's U.S. patent, copyright, trade secret, or other intellectual property rights ("Indemnified Claims"), the Indemnified Party shall promptly notify the Contractor. The Contractor, at its own expense, shall indemnify, defend to the extent permitted by the Indemnified Party's laws, and hold harmless the Indemnified Party against any loss, cost, expense, or liability (including legal fees) arising out of such a claim, whether or not such claim is successful against the Indemnified Party.

2. If Contractor receives prompt notice of such a claim that in the Contractor's opinion is likely to result in an adverse ruling, the Contractor shall at its option (1) obtain a right for the Indemnified Party to continue using such Products, Deliverables, or Software or allow Contractor to continue performing the Services; (2) modify such Products, Software, Services, or Deliverables to make them non-infringing without materially affecting their utility or functionality; (3) replace such Products, Software, Services, or Deliverables with a non-infringing equivalent; or (4) refund any pre-paid fees for the allegedly infringing Services that have not been performed or provide a reasonable depreciated or pro rata refund for the allegedly infringing Product, Deliverables, or Software.

3. Notwithstanding the foregoing, Contractor shall have no obligation under this Section for any claim resulting or arising from (1) modifications of the Products, Software, Services, or Deliverables that were not performed by, on behalf of, or at the direction of Contractor; (2) the combination, operation, or use of the Products, Software, Services, or Deliverables in connection with a third-party product, software or service (the combination of which causes the claimed infringement); or (3) Contractor's compliance with Indemnified Party's written specifications or directions, including the incorporation of any software or other materials or processes provided by or requested by Indemnified Party. Contractor's duty to indemnify and defend under this Section is contingent upon: (a) Contractor receiving prompt written notice of the third-party claim or action for which Contractor must indemnify Indemnified Party, (b) Contractor having the right to solely control the defense and resolution of such claim or action, unless the Indemnified Party's law requires approval for a third party to defend the Indemnified Party and such approval is not received, and (c) Indemnified Party's cooperation with Contractor in defending and resolving such claim or action. This Section states Indemnified Party's exclusive remedies for any third-party intellectual property claim or action and nothing in this Master Agreement or elsewhere will obligate Contractor to provide any greater indemnity to Indemnified Party.

35. Limitations of Liability

a. The Parties agree that neither Contractor nor the indemnified party shall be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages except any claim related to bodily injury or death; an unauthorized release or breach of not public data as set forth more fully in Minn. Ch. 13; or a claim or demand based on patent, copyright, or other intellectual property infringement.

b. Contractor's liability is limited to 2 times the amount paid by Purchasing Entity to Contractor during the 12 months preceding the date of the dispute concerning any products and services, or \$5,000,000, whichever is greater. This limit on liability does not apply to claims for bodily injury or death or for intellectual property infringement.

c. Contractor's obligations under this section shall not extend to any combination of the Product with any other product, system or method, unless the Product, system or method is:

1. provided by the Contractor or the Contractor's subsidiaries or affiliates;
2. specified by the Contractor to work with the Product; or

3. reasonably required, in order to use the Product in its intended manner, and the infringement could not have been avoided by substituting another reasonably available product, system or method capable of performing the same function; or

4. It would be reasonably expected to use the Product in combination with such product, system or method.

36. License of Pre-Existing Intellectual Property.

Intentionally deleted.

37. Assignment of Antitrust Rights.

Contractor irrevocably assigns to a Participating Entity who is a state any claim for relief or cause of action which the Contractor now has or which may accrue to the Contractor in the future by reason of any violation of state or federal antitrust laws (15 U.S.C. § 1-15 or a Participating Entity's state antitrust provisions), as now in effect and as may be amended from time to time, in connection with any goods or services provided in that state for the purpose of carrying out the Contractor's obligations under this Master Agreement or Participating Addendum, including, at the Participating Entity's option, the right to control any such litigation on such claim for relief or cause of action.

38. Debarment.

The Contractor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract) by any governmental department or agency. This certification represents a recurring certification made at the time any Order is placed under this Master Agreement. If the Contractor cannot certify this statement, attach a written explanation for review by the Lead State.

39. Governing Law and Venue.

a. The construction and effect of the Master Agreement after award shall be governed by the law of the state serving as Lead State. The construction and effect of any Participating Addendum or Order against the Master Agreement shall be governed by and construed in accordance with the laws of the Participating Entity's or Purchasing Entity's State.

b. Venue for any claim, dispute or action concerning the terms of the Master Agreement shall be in the state serving as Lead State. Venue for any claim, dispute, or action concerning any Order placed against the Master Agreement or the effect of a Participating Addendum shall be in the Purchasing Entity's State.

c. If a claim is brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for (in decreasing order of priority): the Lead State for claims relating to contract performance or administration if the Lead State is a party; a Participating State if a named party; the state where the Participating Entity or Purchasing Entity is located if either is a named party.

40. Confidentiality, Non-Disclosure, and Injunctive Relief.

a. Confidentiality. Contractor acknowledges that it and its employees or agents may, in the course of providing a Product under this Master Agreement, be exposed to or acquire information that is confidential to Purchasing Entity or Purchasing Entity's clients.

1. Any and all information of any form that is marked as confidential by one party (the "originating party") and is or would by its nature be deemed confidential obtained by the other party or its employees or agents (the "receiving party") in the performance of this Master Agreement, including, but not necessarily limited to (1) any Purchasing Entity's records, (2) personnel records, and (3) information concerning individuals, is confidential information of the originating party ("Confidential Information").

2. Any reports or other documents or items (including software) that result from the use of the Confidential Information by the receiving party shall be treated in the same manner as the Confidential Information.

3. Confidential Information does not include information that (1) is or becomes (other than by disclosure by the receiving party) publicly known; (2) is furnished by the originating party to others without restrictions similar to those imposed by this Master Agreement; (3) is rightfully in the receiving party's possession without the obligation of nondisclosure prior to the time of its disclosure under this Master Agreement; (4) is obtained from a source other than the originating party without the obligation of confidentiality, (5) is disclosed with the written consent of the originating party or; (6) is independently developed by employees, agents or subcontractors of the receiving party who can be shown to have had no access to the Confidential Information.

b. Non-Disclosure. The receiving party shall hold Confidential Information in confidence, using at least the industry standard of confidentiality, and shall not copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties or use Confidential Information for any purposes whatsoever other than what is necessary to the performance of Orders placed under this Master Agreement.

1. Each party shall advise each of its employees and agents of their obligations to keep Confidential Information confidential. Contractor shall use commercially reasonable efforts to assist Purchasing Entity in identifying and preventing any unauthorized use or disclosure of any Confidential Information.

2. Without limiting the generality of the foregoing, the receiving party shall advise the originating party, and the applicable Participating Entity, and the Lead State if the originating party is a Purchasing Entity, and the Lead State if the originating party is a Participating Entity, immediately if the receiving party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Master Agreement, and the receiving party shall at its expense cooperate with advise the originating party in seeking injunctive or other equitable relief in the name of either party against any such person.

3. Except as directed by the originating party, the receiving party will not at any time during or after the term of this Master Agreement disclose, directly or indirectly, any Confidential Information to any person, except in accordance with this Master Agreement, and that upon termination of this Master Agreement or at the originating party's request, the receiving party shall turn over to the originating party all documents, papers, and other matter in the receiving party's possession that embody Confidential Information.

4. Notwithstanding the foregoing, Contractor may keep one copy of such Confidential Information necessary for quality assurance, audits and evidence of the performance of this Master Agreement, and Purchasing Entity may retain Confidential Information to the extent and for the duration required by applicable law.

c. Injunctive Relief. Each party acknowledges that the other party's breach of this section, including disclosure of any Confidential Information, will cause irreparable injury to originating party that is inadequately compensable in damages. Accordingly, the originating party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available. Contractor acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interests of Purchasing Entity and are reasonable in scope and content.

d. Purchasing Entity Law. These provisions shall be applicable only to extent they are not in conflict with the applicable public disclosure laws of any Purchasing Entity.

e. The rights granted Purchasing Entities and Contractor obligations under this section shall also extend to the cooperative's Confidential Information, defined to include Participating Addenda, as well as Orders or transaction data relating to Orders under this Master Agreement that identify the entity/customer, Order dates, line item

descriptions and volumes, and prices/rates. This provision does not apply to disclosure to the Lead State, a Participating State, or any governmental entity exercising an audit, inspection, or examination pursuant to Paragraph 33 of Exhibit A. To the extent permitted by law, Contractor shall notify the Lead State of the identity of any entity seeking access to the Confidential Information described in this subsection.

41. Public Information.

This Master Agreement and all related documents are subject to disclosure pursuant to the Lead State's public information laws.

42. Cancellation.

Unless otherwise set forth in this Master Agreement, this Master Agreement may be canceled by either party upon 60 days written notice prior to the effective date of the cancellation. Further, any Participating Entity may cancel its participation upon 30 days written notice, unless otherwise stated in the Participating Addendum. Cancellation may be in whole or in part. Any cancellation under this provision shall not affect the rights and obligations attending orders outstanding at the time of cancellation, including any right of a Purchasing Entity to indemnification by the Contractor, rights of payment for Products delivered and accepted, rights attending any warranty or default in performance in association with any Order, and requirements for records administration and audit. Cancellation of the Master Agreement due to Contractor default may be immediate as set forth in Paragraph 44 of Exhibit A.

43. Force Majeure.

Neither party to this Master Agreement shall be held responsible for delay or default caused by fire, riot, unusually severe weather, other acts of God, or war which are beyond that party's reasonable control. The Lead State may terminate this Master Agreement after determining such delay or default will reasonably prevent successful performance of the Master Agreement.

44. Defaults and Remedies.

a. The occurrence of any of the following events shall be an event of default under this Master Agreement:

1. Nonperformance of contractual requirements; or
2. A material breach of this Master Agreement; or
3. Any certification, representation or warranty by Contractor in response to the RFP or in this Master Agreement that proves to be untrue or materially misleading; or
4. Institution of proceedings under any bankruptcy, insolvency, court-ordered reorganization or similar law, by or against Contractor, or the appointment of a receiver or similar officer for Contractor or any of its property, which is not vacated or fully stayed within thirty (30) calendar days after the institution or occurrence thereof; or
5. Any default specified in another section of this Master Agreement.

b. Upon the occurrence of an event of default, except for material breach, the Lead State shall issue a written notice of default, identifying the nature of the default, and providing a period of 30 calendar days in which Contractor shall have an opportunity to cure the default. The Lead State shall not be required to provide advance written notice or a cure period and may immediately terminate this Master Agreement in whole or in part if the Lead State, in its sole discretion, determines that it is reasonably necessary to preserve public safety or prevent immediate public crisis. Time allowed for cure shall not diminish or eliminate Contractor's liability for damages, including liquidated damages to the extent provided for under this Master Agreement. The Lead State may immediately terminate this Master Agreement upon material breach of the Master Agreement by Contractor.

c. If Contractor is afforded an opportunity to cure and fails to cure the default within the period specified in the written notice of default, Contractor shall be in breach of its obligations under this Master Agreement and the Lead State shall have the right to exercise any or all of the following remedies:

1. Exercise any remedy provided by law; and
2. Terminate this Master Agreement and any related contracts or portions thereof; and
3. Impose liquidated damages as provided in this Master Agreement; and
4. Suspend Contractor from being able to respond to future bid solicitations; and
5. Suspend Contractor's performance; and
6. Withhold payment until the default is remedied.

d. Unless otherwise specified in the Participating Addendum, in the event of a default under a Participating Addendum, a Participating Entity shall provide a written notice of default as described in this section and shall have all of the rights and remedies under this paragraph regarding its participation in the Master Agreement, in addition to those set forth in its Participating Addendum. Unless otherwise specified in a Purchase Order, a Purchasing Entity shall provide written notice of default as described in this section and have all of the rights and remedies under this paragraph and any applicable Participating Addendum with respect to an Order placed by the Purchasing Entity. Nothing in these Master Agreement Terms and Conditions shall be construed to limit the rights and remedies available to a Purchasing Entity under the applicable commercial code.

45. Waiver of Breach.

Failure of the Lead State, Participating Entity, or Purchasing Entity to declare a default or enforce any rights and remedies shall not operate as a waiver under this Master Agreement or Participating Addendum. Any waiver by the Lead State, Participating Entity, or Purchasing Entity must be in writing. Waiver by the Lead State or Participating Entity of any default, right or remedy under this Master Agreement or Participating Addendum, or by Purchasing Entity with respect to any Purchase Order, or breach of any terms or requirements of this Master Agreement, a Participating Addendum, or Purchase Order shall not be construed or operate as a waiver of any subsequent default or breach of such term or requirement, or of any other term or requirement under this Master Agreement, Participating Addendum, or Purchase Order.

46. Notices.

If one party is required to give notice to the other under the Master Agreement, such notice shall be in writing and shall be effective upon receipt. Delivery may be by certified United States mail or by hand, in which case a signed receipt shall be obtained. A facsimile or electronic transmission shall constitute sufficient notice, provided the receipt of the transmission is confirmed by the receiving party. Either party must notify the other of a change in address for notification purposes. All notices to the Lead State shall be addressed as follows:

Elizabeth Randa, Acquisition Management Specialist
 112 Administration Bldg.
 50 Sherburne Avenue
 St. Paul, MN 55155
elizabeth.randa@state.mn.us

47. No Waiver of Sovereign Immunity.

In no event shall this Master Agreement, any Participating Addendum or any contract or any Purchase Order issued thereunder, or any act of the Lead State, a Participating Entity, or a Purchasing Entity be a waiver of any form of defense

or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court.

This section applies to a claim brought against the Participating Entities who are states only to the extent Congress has appropriately abrogated the state's sovereign immunity and is not consent by the state to be sued in federal court. This section is also not a waiver by the state of any form of immunity, including but not limited to sovereign immunity and immunity based on the Eleventh Amendment to the Constitution of the United States.

Exhibit B: Minnesota Terms and Conditions

1. Change Requests.

The Lead State reserves the right to request, during the term of the Master Agreement, changes to the products offered within the Band(s). Products introduced during the term of the Master Agreement shall go through a formal review process. The process for updating the products offered within a Band is outlined in Paragraph 2 of Exhibit B. The Contractor shall evaluate and recommend products for which agencies have an expressed need. The Lead State shall require the Contractor to provide a summary of its research of those products being recommended for inclusion in the Master Agreement as well as defining how adding the product will enhance the Master Agreement. The Lead State may request that products, other than those recommended, are added to the Master Agreement.

In the event that the Lead State desires to add new products and services that are not included in the original Master Agreement, the Lead State requires that independent manufacturers and resellers cooperate with the already established Contractor in order to meet the Lead State's requirements. Evidence of the need to add products or services should be demonstrated to the Lead State. The Master Agreement shall be modified via supplement or amendment. The Lead State will negotiate the inclusion of the products and services with the Contractor. No products or services will be added to the Master Agreement without the Lead State's prior approval.

2. Product and Service Schedule (PSS).

- a. Creating the Product and Service Schedule (PSS). Contractor will use the attached sample PSS to create and maintain a complete listing of all products and services offered under the Master Agreement. The PSS must conform to the contracted minimum discounts. Contractor may create and maintain a separate PSS for a Participating Entity based on the requirements and restrictions of the Participating Entity.

Contractors are encouraged to provide remote learning bundles for K-12 Education. These bundles can be included in the response to the PSS.

- b. Maintaining the PSS.

1. In General. Throughout the term of the Master Agreement, on a quarterly basis, Contractor may update the PSS to make model changes, add new products or services, or remove obsolete or discontinued products or services. Any updates to the PSS must conform to the Master Agreement requirements, including the scope of the Master Agreement and contracted minimum discounts.

2. Process. Contractor must provide notification to the Lead State of any changes to their PSS using the attached Action Request Form (ARF).

- a) The Lead State does not need to approve Contractor's request to make model changes, add their own manufactured products, or remove discontinued or obsolete products or services, and Contractor does not need the Lead State's approval prior to posting an updated PSS.
- b) The Lead State must approve Contractor's request to add new third party manufacturers to Contractor's PSS. If the proposed third-party manufacturer holds a NASPO Master Agreement for Computer Equipment, Contractor must obtain written authorization from that manufacturer. Contractor must have the Lead State's approval prior to posting the updated PSS.
- c) Contractor must maintain a historic record of all past PSSs on their dedicated NASPO ValuePoint website.

d) Pursuant to the audit provisions of the Master Agreement, upon the request of NASPO ValuePoint, the Lead State, or a Participating Entity, Contractor must provide an historic version of any Baseline Price List.

3. Purchase Orders.

There will be no minimum order requirements or charges to process an individual purchase order. The Participating Addendum number and the PO number must appear on all documents (e.g., invoices, packing slips, etc.). The Ordering Entity's purchase order constitutes a binding contract.

4. Risk of Loss or Damage.

The Purchasing Entity is relieved of all risks of loss or damage to the goods or equipment during periods of transportation, and installation by the Contractor and in the possession of the Contractor or their authorized agent.

5. Payment Card Industry Data Security Standard and Cardholder Information Security.

Contractor assures all of its Network Components, Applications, Servers, and Subcontractors (if any) comply with the Payment Card Industry Data Security Standard ("PCIDSS"). "Network Components" shall include, but are not limited to, Contractor's firewalls, switches, routers, wireless access points, network appliances, and other security appliances; "Applications" shall include, but are not limited to, all purchased and custom external (web) applications. "Servers" shall include, but are not limited to, all of Contractor's web, database, authentication, DNS, mail, proxy, and NTP servers. "Cardholder Data" shall mean any personally identifiable data associated with a cardholder, including, by way of example and without limitation, a cardholder's account number, expiration date, name, address, social security number, or telephone number.

Subcontractors (if any) must be responsible for the security of all Cardholder Data in its possession; and will only use Cardholder Data for assisting cardholders in completing a transaction, providing fraud control services, or for other uses specifically required by law. Contractor must have a business continuity program which conforms to PCIDSS to protect Cardholder Data in the event of a major disruption in its operations or in the event of any other disaster or system failure which may occur to operations; will continue to safeguard Cardholder Data in the event this Agreement terminates or expires; and ensure that a representative or agent of the payment card industry and a representative or agent of the Purchasing Entity shall be provided with full cooperation and access to conduct a thorough security review of Contractor's operations, systems, records, procedures, rules, and practices in the event of a security intrusion in order to validate compliance with PCIDSS.

6. Foreign Outsourcing of Work.

Upon request, the Contractor is required to provide information regarding the location of where services, data storage, and location of data processing under the Master Agreement will be performed.

7. State Audits (Minn. Stat. § 16C.05, subd. 5).

The books, records, documents, and accounting procedures and practices of the Contractor or other party, that are relevant to the Master Agreement or transaction are subject to examination by the contracting agency and either the Lead State's Legislative Auditor or State Auditor as appropriate for a minimum of six years after the end of the Master Agreement or transaction. The Lead State reserves the right to authorize delegate(s) to audit this Master Agreement and transactions.

8. Certification of Nondiscrimination (in accordance with Minn. Stat. § 16C.053).

If the value of this Contract, including all extensions, is \$50,000 or more, Contractor certifies it does not engage in and has no present plans to engage in discrimination against Israel, or against persons or entities doing business in Israel, when making decisions related to the operation of the contractor's business. For purposes of this section, "discrimination" includes but is not limited to engaging in refusals to deal, terminating business activities, or other actions that are intended to limit commercial relations with Israel, or persons or entities doing business in Israel, when such actions are taken in a manner that in any way discriminates on the basis of nationality or national origin and is not based on a valid business reason.

9. Human Rights/Affirmative Action.

The Lead State requires affirmative action compliance by its Contractors in accordance with Minn. Stat. § 363A.36 and Minn. R. 5000.3400 to 5000.3600.

- a. Covered Contracts and Contractors. If the Contract exceeds \$100,000 and the Contractor employed more than 40 full-time employees on a single working day during the previous 12 months in Minnesota or in the state where it has its principal place of business, then the Contractor must comply with the requirements of Minn. Stat. § 363A.36 and Minn. R. 5000.3400-5000.3600.
- b. Minn. R. 5000.3400-5000.3600 implement Minn. Stat. § 363A.36. These rules include, but are not limited to, criteria for contents, approval, and implementation of affirmative action plans; procedures for issuing certificates of compliance and criteria for determining a contractor's compliance status; procedures for addressing deficiencies, sanctions, and notice and hearing; annual compliance reports; procedures for compliance review; and contract consequences for noncompliance. The specific criteria for approval or rejection of an affirmative action plan are contained in various provisions of Minn. R. 5000.3400 5000.3600 including, but not limited to, parts 5000.3420-5000.3500 and parts 5000.3552 5000.3559.
- c. Disabled Workers. Minn. R. 5000.3550 provides the Contractor must comply with the following affirmative action requirements for disabled workers.

AFFIRMATIVE ACTION FOR DISABLED WORKERS

- (a) The Contractor must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The Contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
 - (b) The Contractor agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.
 - (c) In the event of the Contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with Minn. Stat. § 363A.36 and the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.
 - (d) The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the commissioner of the Minnesota Department of Human Rights. Such notices must state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified disabled employees and applicants for employment, and the rights of applicants and employees.
 - (e) The Contractor must notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of Minn. Stat. § 363A.36 of the Minnesota Human Rights Act and is committed to take affirmative action to employ and advance in employment physically and mentally disabled persons.
- d. Consequences. The consequences of a Contractor's failure to implement its affirmative action plan or make a good faith effort to do so include, but are not limited to, suspension or revocation of a certificate of compliance by

the commissioner, refusal by the commissioner to approve subsequent plans, and termination of all or part of the Contract by the commissioner or the State.

e. Certification. The Contractor hereby certifies that it is in compliance with the requirements of Minn. Stat. § 363A.36, subd. 1 and Minn. R. 5000.3400-5000.3600 and is aware of the consequences for noncompliance. It is agreed between the parties that Minn. Stat. 363.36 and Minn. R. 5000.3400 to 5000.3600 are incorporated into any contract between these parties based upon this specification or any modification of it. A copy of Minn. Stat. § 363A.36 and Minn. R. 5000.3400 to 5000.3600 are available upon request from the contracting agency.

10. Equal Pay Certification.

If required by Minn. Stat. §363A.44, the Contractor must have a current Equal Pay Certificate prior to Contract execution. If Contractor's Equal Pay Certificate expires during the term of this Contract, Contractor must promptly re-apply for an Equal Pay Certificate with the Minnesota Department of Human Rights and notify the State's Authorized Representative once the Contractor has received the renewed Equal Pay Certificate. If Contractor claims to be exempt, the Lead State may require Contractor to verify its exempt status.

11. Americans with Disabilities Act (ADA).

Products provided under the Master Agreement must comply with the requirements of the Americans with Disabilities Act (ADA). The Contractor's catalog and other marketing materials utilized to offer products under the Master Agreement must state when a product is not in compliance. If any descriptive marketing materials are silent as to these requirements, the Contractor agrees that the customer can assume the product meets or exceeds the ADA requirements.

12. Nonvisual Access Standards.

Pursuant to Minn. Stat. § 16C.145, the Contractor shall comply with the following nonvisual technology access standards:

- a. That the effective interactive control and use of the technology, including the operating system applications programs, prompts, and format of the data presented, are readily achievable by nonvisual means;
- b. That the nonvisual access technology must be compatible with information technology used by other individuals with whom the blind or visually impaired individual must interact;
- c. That nonvisual access technology must be integrated into networks used to share communications among employees, program participants, and the public; and
- d. That the nonvisual access technology must have the capability of providing equivalent access by nonvisual means to telecommunications or other interconnected network services used by persons who are not blind or visually impaired.

These standards do not require the installation of software or peripheral devices used for nonvisual access when the information technology is being used by individuals who are not blind or visually impaired.

13. Accessibility Standards.

Contractor acknowledges and is fully aware that the Lead State (Executive branch state agencies) has developed IT Accessibility Standard effective September 1, 2010. The standard entails, in part, the Web Content Accessibility Guidelines (WCAG) and Section 508 which can be viewed at: <https://mn.gov/mnit/government/policies/accessibility/>.

The Standards apply to web sites, software applications, electronic reports and output documentation, training delivered in electronic formats (including, but not limited to, documents, videos, and webinars), among others. As upgrades are made to the software, products, or subscriptions available through this Contract, the Contractor agrees to

develop functionality which supports accessibility. If any issues arise due to nonconformance with the above-mentioned accessibility Standards, the Contractor agrees to provide alternative solutions upon request at no additional charge to the State.

When updates or upgrades are made to the products or services available through this Contract, the Contractor agrees to document how the changes will impact or improve the product's or service's accessibility and usability. This documentation, upon request, must be provided to the Lead State in advance of the change, occurring within an agreed upon timeframe sufficient for the state to review the changes and either approve them or request a remediation plan from the Contractor. Contractor warrants that its Products comply with the above-mentioned accessibility Standards and agrees to indemnify, defend, and hold harmless the Lead State against any claims related to non-compliance of Contractor's Product with the above-mentioned accessibility Standards. If agreed-upon updates fail to improve the product or service's accessibility or usability as planned, the failure to comply with this requirement may be cause for contract cancellation or for the Lead State to consider the Contractor in default.

14. Conflict Minerals.

Contractor agrees to provide information upon request regarding adherence to the Conflict Minerals section of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Section 1502).

See: <http://beta.congress.gov/111/bills/hr4173/111hr4173enr.pdf#page=838>
<http://www.sec.gov/news/press/2012/2012-163.htm>

15. Hazardous Substances.

To the extent that the goods to be supplied by the Contractor contain or may create hazardous substances, harmful physical agents or infectious agents as set forth in applicable state and federal laws and regulations, the Contractor must provide Material Safety Data Sheets regarding those substances. A copy must be included with each delivery.

16. Copyrighted Material Waiver.

The Lead State reserves the right to use, reproduce and publish proposals in any manner necessary for State agencies and local units of government to access the responses, including but not limited to photocopying, State Intranet/Internet postings, broadcast faxing, and direct mailing. In the event that the response contains copyrighted or trademarked materials, it is the responder's responsibility to obtain permission for the Lead State to reproduce and publish the information, regardless of whether the responder is the manufacturer or reseller of the products listed in the materials. By signing its response, the responder certifies that it has obtained all necessary approvals for the reproduction and distribution of the contents of its response and agrees to indemnify, protect, save and hold the Lead State, its representatives and employees harmless from any and all claims arising from the violation of this section and agrees to pay all legal fees incurred by the Lead State in the defense of any such action.

17. Publicity.

The Contractor shall make no representations of the State's opinion or position as to the quality or effectiveness of the products or services that are the subject of the Master Agreement without the prior written consent of the State's Assistant Director or designee of Office of State Procurement. Representations include any publicity, including but not limited to advertisements, notices, press releases, reports, signs, and similar public notices.

18. Performance While Dispute is Pending.

Notwithstanding the existence of a dispute, the parties shall continue without delay to carry out all of their responsibilities under the Master Agreement that are not affected by the dispute. If a party fails to continue without delay to perform its responsibilities under the Master Agreement, in the accomplishment of all undisputed work, any additional cost incurred by the other parties as a result of such failure to proceed shall be borne by the responsible party.

19. Organizational Conflicts of Interest.

An organizational conflict of interest exists when, because of existing or planned activities or because of relationships with other persons:

- a. the Contractor is unable or potentially unable to render impartial assistance or advice to the State;
- b. the Contractor's objectivity in performing the work is or might be otherwise impaired; or
- c. the Contractor has an unfair competitive advantage.

The Contractor agrees that if an organizational conflict of interest is discovered after award, an immediate and full disclosure in writing shall be made to the Assistant Director of the Lead State's Department of Administration's Office of State Procurement that shall include a description of the action the Contractor has taken or proposes to take to avoid or mitigate such conflicts. If an organizational conflict of interest is determined to exist, the Lead State may, at its discretion, cancel the Master Agreement. In the event the Contractor was aware of an organizational conflict of interest prior to the award of the Master Agreement and did not disclose the conflict to the Master Agreement Administrator, the Lead State may terminate the Master Agreement for default. The provisions of this clause shall be included in all subcontracts for work to be performed, and the terms "Contract," "Contractor," "Master Agreement", "Master Agreement Administrator" and "Contract Administrator" modified appropriately to preserve the State's rights.

20. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion

- a. Certification regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions. Instructions for certification:

1. By signing and submitting this proposal, the prospective lower tier participant [responder] is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to whom this proposal [response] is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
4. The terms covered transaction, debarred, suspended, ineligible lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverages section of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this response that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction [subcontract equal to or exceeding \$25,000] with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled, "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion – Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the list of parties excluded from federal procurement and nonprocurement programs.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and debarment.

b. **Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions.**

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

21. Government Data Practices.

The Contractor and the Lead State must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, (and where applicable, if the Lead State contracting party is part of the judicial branch, with the Rules of Public Access to Records of the Judicial Branch promulgated by the Minnesota Supreme Court as the same may be amended from time to time) as it applies to all data provided by the Lead State to the Contractor and all data provided to the Lead State by the Contractor. In addition, the Minnesota Government Data Practices Act applies to all data created, collected, received, stored, used, maintained, or disseminated by the Contractor in accordance with the Master Agreement that is private, nonpublic, protected nonpublic, or confidential as defined by the Minnesota Government Data Practices Act, Ch. 13 (and where applicable, that is not accessible to the public under the Rules of Public Access to Records of the Judicial Branch).

In the event the Contractor receives a request to release the data referred to in this article, the Contractor must immediately notify the Lead State. The Lead State will give the Contractor instructions concerning the release of the data to the requesting party before the data is released. The civil remedies of Minn. Stat. § 13.08, apply to the release of the data by either the Contractor or the Lead State.

The Contractor agrees to indemnify, save, and hold the Lead State, its agent and employees, harmless from all claims arising out of, resulting from, or in any manner attributable to any violation of any provision of the Minnesota

Government Data Practices Act (and where applicable, the Rules of Public Access to Records of the Judicial Branch), including legal fees and disbursements paid or incurred to enforce this provision of the Master Agreement. In the event that the Contractor subcontracts any or all of the work to be performed under the Master Agreement, the Contractor shall retain responsibility under the terms of this article for such work.

22. Survivability.

Certain rights and duties of the Lead State and Contractor will survive the expiration or cancellation of the RFP and resulting Master Agreement. These rights and duties include but are not limited to paragraphs: Indemnification; Limitations of Liability; State Audits; Government Data Practices; Governing Law and Venue; Publicity; and Administrative Fees.

23. Severability.

If any provision of the Master Agreement, including items incorporated by reference, is found to be illegal, unenforceable, or void, then both the Lead State and the Contractor shall be relieved of all obligations arising under such provisions. If the remainder of the Master Agreement is capable of performance it shall not be affected by such declaration or finding and shall be fully performed.

Exhibit C: Requirements

1. Contractor Verification.

Contractor must be a manufacturer of a Product in the Band(s) it is awarded a Master Agreement. "Re-branding" a product that is manufactured by another company does not meet this requirement. If the Contractor ceases production, sells or assigns their manufacturing to another vendor, or otherwise no longer manufactures a product during the life of the Master Agreement the Lead State reserves the right to terminate the Contractor's Master Agreement.

2. Warranty and Maintenance.

Contractor must ensure warranty service and maintenance for all equipment, including third party products provided. The Contractor must facilitate the Manufacturer or Publisher warranty and maintenance of third party products furnished through the Master Agreement. The Contractor shall provide the warranty service and maintenance for equipment and all peripherals on the Master Agreement.

3. Website.

Contractor must develop and maintain a URL to a web site specific to the awarded Master Agreement. Contractor's Master Agreement website must offer twenty-four (24) hours per day, seven (7) days per week availability, except for regularly scheduled maintenance times. The website must be separate from the Contractor's commercially available (i.e., public) on-line catalog and ordering systems. No other items or pricing may be shown on the website without written approval from the Lead State

a. Mandatory Specifications:

- Designated Baseline Price List(s) (e.g., MSRP, List, or Education)
- Product and Service Schedule (PSS)
- Product specifications, pricing, and configuration aids for the major product categories proposed that can be used to obtain an on-line quote,
- Service options and service agreements available on the contract. Please refer to Paragraph 5.
- Contact information for order placement, service concerns (warranty and maintenance), problem reporting, and billing concerns
- Sales representatives for participating entities
- Links to environmental certification, including but not limited to take-back/recycling programs, EPEAT, Energy Star, etc.

b. Desirable Specifications:

- Purchase order tracking
- Information on accessibility and accessible products
- Signed Master Agreement
- Online ordering capability with the ability to remember multiple ship to locations (if applicable to product)
- List of approved partners, if applicable

Within 30 calendar days of the notice of intent to award a Master Agreement, Contractor must provide a sample URL of the Master Agreement webpage to the Lead State for review and approval. The Lead State will review and determine acceptability of the website format and data. If the information is determined to be unacceptable or incorrect, the Contractor will have 15 calendar days to provide revisions to the Lead State. After the Lead State approves the website, Contractor may not make material changes to the website without notifying the Lead State through the ARF process and receiving written approval of the changes.

4. **Environmental Certifications.**

Contractor must include environmental or supply chain responsibility certifications and registrations for products sold through this Contract on their website. Contractor must provide these certifications and registrations for specific products to Participating Entities upon request.

5. **EPEAT Registration.**

Contractor agrees that applicable products offered that have EPEAT Standards provided under the Master Agreement must have achieved a minimum EPEAT Bronze registration. This requirement does not apply to Band 3.

Contractor may propose the addition of a product that has not yet achieved a minimum EPEAT Bronze registration. The Lead State, in its sole discretion may require Contractor to provide the following documentation to support the addition of the proposed product:

- A letter from the Green Electronics Council (GEC) on GEC's letterhead confirming that the verification process is underway; or
- A copy of Contractor's GEC contract, Conformity Assurance Board (CAB) contract, and a letter from Contractor's CAB stating that the relevant product has been registered with the CAB and that verification is underway.

The Lead State reserves the right to reject the inclusion of such product, or if approved, require Contractor to remove the product at a later date if the product does not achieve a minimum EPEAT Bronze registration. The Contractor must remove any products that subsequently exit the verification process without achieving EPEAT Bronze or greater from the Master Agreement.

6. **Third-Party Products.**

Some products offered may be manufactured by a third party. Contractor, however, must provide or facilitate the warranty service and maintenance for all Third-Party Products on the Master Agreement either directly or pass-through from the manufacturer. Contractor may not offer products manufactured by another Contractor holding a Minnesota NASPO ValuePoint Master Agreement for Computer Equipment without approval from the Lead State. Warranty for third-party products must be provided by the Contractor. Warranty documents for products manufactured by a third party are preferred to be delivered to the Participating Entity with the products. Contractor can only offer Third-Party Products in a Band they have been awarded.

Third-Party Products are intended to enhance or supplement a Contractor's own product line, and are not intended to represent more than a third of Contractor's total sales under this Master Agreement. The Lead State may limit the sale of Third-Party Products through the Master Agreement during the life of the Master Agreement should Third-Party Product sales be determined to consistently exceed one third of the total sales under this Master Agreement. Such limitation may take the form of any action the Lead State so chooses, up to and including non-renewal or cancellation of the Master Agreement.

7. **Partner Utilization.**

If utilizing partners, the Contractor is responsible for the partners providing products and services, as well as warranty service and maintenance for equipment the partner provides. Participating Entities have the option of utilizing partners. Contractor must provide a Participating Entity a copy of its plan for partner utilization upon request. Contractor must make available a list of approved partners for each Participating Entity. Participating Entities must approve specific Partners as outlined within the relevant Participating Addendum, and only partners approved by the Participating Entity may be deployed. The Participating Entity will define the process to add and remove partners in their Participating Addendum.

8. **2019 National Defense Authorization Act, Section 889(f)(3).**

Under the 2019 National Defense Authorization Act, Section 889(f)(3), the US military is prohibited from purchasing video surveillance and telecommunications equipment from certain Chinese-owned technology firms. While US state are

not subject to this act, there is increasing concern for the security of state data. Contractor certifies for the term of this Master Agreement that it is not subject to laws, rules, or policies potentially requiring disclosure of, or provision of access to, customer data to foreign governments or entities controlled by foreign governments, and that Contractor's Products do not contain, include, or utilize components or services supplied by any entity subject to the same. Contractor also certifies that its Products do not contain, include, or utilize any covered technology prohibited under Section 889 of the National Defense Authorization Act, as amended.

Exhibit D: Pricing Schedule

Attached and incorporated into this Master Agreement as Exhibit D is the Price Schedule.

Exhibit D: Price Schedule

NASPO ValuePoint Computer Equipment (2023-2028)

CONTROL SET

Master Agreement: 23004
Contractor Name: Dell Marketing, LP

Awarded Bands:

- ☒ Band 1: Personal Computing Devices (Windows)
- ☒ Band 2: Personal Computing Devices (Non-Windows)
- ☒ Band 3: Servers and Storage

Band	Category Code	Category Description	Discount off Baseline List
1	1B	Band 1 - Minimum Discount	18.0%
1	1T	Band 1 - Third Party Product Minimum Discount	5.5%
2	2B	Band 2 - Minimum Discount	18.0%
2	2T	Band 2 - Third Party Product Minimum Discount	5.5%
3	3B	Band 3 - Minimum Discount	18.0%
3	3T	Band 3 - Third Party Product Minimum Discount	5.5%
	S-1	Standalone Services	4.0%
	S-2	Warranty Services	4.0%
	S-3	Training and Other Professional Services	4.0%

Exhibit D: Price Schedule**Discount Structure**

Master Agreement: 23004
Contractor Name: Dell Marketing, LP
Baseline Price List: Posted on Contractor's dedicated NASPO ValuePoint website

Band 1: Personal Computer Equipment (Windows OS)

Band	Category Code	Category Description	Discount off Baseline List
1	1B	Band 1 - Minimum Discount	18.0%
1	1B-1	Desktops - Alienware, Inspiron, Vostro, XPS	0.5%
1	1B-2	Notebooks - Alienware, Inspiron, Vostro, XPS	2.5%
1	1B-3	Projectors/Monitors/Other Electronics	2.5%
1	1B-4	Displays	2.5%
1	1B-5	Imaging	2.5%
1	1B-6	Dell Branded - Printer accessories, parts, and toner	1.5%
1	1B-7	Spare Parts related to Band 1	0.5%
1	1B-8	Customer Kits	15.0%
1	1B-9	Ready to Ship configurations	4.0%
1	1T	Band 1 - Third Party Product Minimum Discount	5.5%
1	1T-1	Selected Third Party - Software and Peripherals	0.5%

Band 2: Personal Computer Equipment (Non-Windows OS)

Band	Category Code	Category Description	Discount off Baseline List
2	2B	Band 2 - Minimum Discount	18.0%
2	2B-1	Commercial Chromebooks	15.0%
2	2B-2	Consumer Chromebooks	15.0%
2	2B-3	Projectors/Monitors/Other Electronics	2.5%
2	2B-4	Displays	2.5%
2	2B-5	Imaging	2.5%
2	2B-6	Dell Branded - Printer accessories, parts, and toner	1.5%
2	2B-7	Spare Parts related to Band 2	0.5%
2	2B-8	Customer Kits	15.0%
2	2B-9	Ready to Ship configurations	4.0%
2	2T	Band 2 - Third Party Product Minimum Discount	5.5%
2	2T-1	Selected Third Party - Software and Peripherals (Non-discountable)	0.5%

Band 3: Servers and Storage

Band	Category Code	Category Description	Discount off Baseline List
3	3B	Band 3 - Minimum Discount	18.0%
3	3B-1	Spare Parts related to Band 3	0.5%
3	3B-2	Customer Kits	15.0%
3	3T	Band 3 - Third Party Product Minimum Discount	5.5%
3	3T-1	Selected Third Party - Software and Peripherals	0.5%

Exhibit D: Price Schedule**Volume-Based Discounts**

Master Agreement: 23004
Contractor Name: Dell Marketing, LP

Bands 1 & 2**1. Per Transaction Multiple Unit Discount(s)**

Contractor provides a contractual volume discount program as follows based on dollars in a single purchase order or combination of purchase orders submitted at one time by a Purchasing Entity, or multiple entities conducting a cooperative purchase.

Min \$ Single Transaction	Max \$ Single Transaction	Per Transaction Multiple Unit Discount
\$100,000.00	\$199,999.99	1.0%
\$200,000.00	\$399,999.99	2.0%
\$400,000.00	\$599,999.99	4.0%
\$600,000.00	\$999,999.99	6.0%
\$1,000,000.00	No Maximum	8.0%

Note: Per Transaction Multiple Unit Discount does not apply to Category Exceptions, 3rd party products, services, and special promotional offers

2. Cumulative Discount(s)

Contractor provides a cumulative volume discount as follows based on dollars resulting from the cumulative purchases by all purchases made by Purchasing Entities for the duration of the Master Agreement.

Threshold	Discount Level
Up to 2B	0.0%
\$2B to \$4B	1.0%
\$4B to \$6B	2.0%
\$6B to \$8B	3.0%
\$8B to \$10B	4.0%
Greater than \$10B	5.0%

Note: Cumulative Discount does not apply to Category Exceptions, 3rd party products, services, and special promotional offers

3. Other Discount(s)

none

Band 3**1. Per Transaction Multiple Unit Discount(s)**

Contractor provides a contractual volume discount program as follows based on dollars in a single purchase order or combination of purchase orders submitted at one time by a Purchasing Entity, or multiple entities conducting a cooperative purchase.

Min \$ Single Transaction	Max \$ Single Transaction	Per Transaction Multiple Unit Discount
\$250,000.00	\$499,999.99	1.0%
\$500,000.00	\$999,999.99	2.0%
\$1,000,000.00	\$1,499,999.99	4.0%
\$1,500,000.00	\$1,999,999.99	6.0%
\$2,000,000.00	No Maximum	8.0%

Note: Per Transaction Multiple Unit Discount does not apply to Category Exceptions, 3rd party products, services, and special promotional offers.

Exhibit D: Price Schedule

Volume-Based Discounts

2. Cumulative Discount(s)

Contractor provides a cumulative volume discount as follows based on dollars resulting from the cumulative purchases by all purchases made by Purchasing Entities for the duration of the Master Agreement.

Column1	Discount Level
Up to 2B	0.0%
\$2B to \$4B	1.0%
\$4B to \$6B	2.0%
\$6B to \$8B	3.0%
\$8B to \$10B	4.0%
Greater than \$10B	5.0%

Note: Cumulative Discount does not apply to Category Exceptions, 3rd party products, services, and special promotional offers.

3. Other Discount(s)

Additional discount(s) available.

none

Exhibit D: Price Schedule

Services

Master Agreement: 23004
Contractor Name: Dell Marketing, LP

Each Purchasing Entity will determine if and how services will be offered in the Participating

Travel for Services will be negotiated with each Participating Entity in the Participating Addendum.

All Awarded Bands		
Category Code	Description of Service	Percent Discount
S-1	Standalone Services	4.0%
S-2	Warranty Services	4.0%
S-3	Training and Other Professional Services	4.0%

Exhibit D: Price Schedule

Lease Rates

Master Agreement: 23004
Contractor Name: Dell Marketing, LP

All Awarded Bands

Optional: Lease Rates

Dell Financial Services (DFS') payment solutions offer flexible end-of term options designed to suit each entity's unique needs. Payment terms are generally from 24 through 60 months and are tailored to match the essential useful life of the equipment to the payment term. Payments can be billed monthly, quarterly, semi-annually or annually.

DFS payment solution rates are adjusted quarterly in accordance with a formula based on fluctuations in treasury notes. Our rates are a function of several factors including estimates of future residual values, prevailing interest rates, borrowing costs, general and administrative expenses, and solution structure. Once a payment schedule has commenced, the rate remains constant for the term of the schedule.

Exhibit D: Price Schedule

Prompt Payment Discount

Master Agreement: 23004
Contractor Name: Dell Marketing, LP

All Awarded Bands

		in 30
		in 15, Net 30
		in 10, Net 30
X		Net 30
	Other (specify):	

Exhibit E: Contractor Terms and Conditions

Attached by reference as Exhibit E are the following Contractor document(s):

- **Software Licenses.** Customer's rights to use the Software delivered by Supplier are governed by the terms of the applicable end-user license agreement. Unless different terms have been agreed between the parties, the terms posted on www.dell.com/eula (the "EULA") shall apply. Supplier will provide a hard copy of the applicable terms upon request. Unless expressly otherwise agreed, microcode, firmware or operating system software required to enable the Equipment with which it is shipped to perform its basic or enhanced functions, is licensed for use solely on such Equipment.
- **Dell Return Policy.** Customer may return Products to Supplier pursuant to the return policy at www.dell.com/returnspolicy.
- **Equipment Warranty.** Unless provided otherwise in a Schedule, additional terms governing the limited warranties for Equipment are found at <https://www.dell.com/learn/us/en/uscorp1/terms-of-sale-commercial-and-public-sector-warranties?c=us&l=en&s=corp> or in the applicable documentation or Product Notice for the specific Equipment.
- **Product- and Service-Specific Terms.** Scope and details of Services and Product-specific terms are specified in the applicable standard service description that is attached to or referred in a Schedule or Quote, or is made available through the then-current Supplier website for product- or service-specific terms, currently located at www.dell.com/offeringspecificterms. Such standard descriptions are from time to time referred to as "Service Description(s)", "Product Notices" or "Service Briefs." The version of the applicable document that is effective as of the date of the applicable Quote, shall be deemed incorporated into the Order. Scope and details of customized Professional Services not covered by such a standard description shall be documented in a mutually agreed Statement of Work ("SOW").

These Contractor terms and conditions are being provided for **informational purposes only**. They are intended to be negotiated by Contractor and a Participating Entity as part of a Participating Addendum, or by Contractor and a Purchasing Entity as part of an Order, and shall apply only as agreed to in writing by the parties. Unless such terms are expressly accepted in writing, terms in the following document(s) that derogate the application to a Purchasing Entity of a corresponding term in this Master Agreement or applicable Participating Addendum shall be deemed void.



ITEM # 32

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: John Soria, Director

SUBJECT: **APPROVE PURCHASE OF NON-REVENUE SUPPORT VEHICLES FOR THE TRANSIT DEPARTMENT FROM MONTEBELLO AUTO GROUP LLC AND FORD OF MONTEBELLO, INC.**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Approve establishing a Purchase Order (PO) with the Montebello Auto Group LLC (Montebello Chevrolet), for a total not-to-exceed amount of \$273,540, to purchase eight (8) non-revenue support vehicles; and
2. Approve establishing a Purchase Order (PO) with Ford of Montebello, Inc. (Montebello Ford), for a total not-to-exceed amount of \$155,192, to purchase three (3) non-revenue support vehicles; and
3. Authorize the City Manager and/or his designee to approve change orders up to ten percent (10%) for each PO; and
4. Amend the Fiscal Year 2024-25 adopted operating budget to increase appropriations by \$471,605 in Account No. 600-90-900-6082 (Transit – Administration – Vehicle Purchase); and
5. Authorize the disposal of vehicles per the City's surplus property policy; and
6. Take such additional, related, action that may be desirable.

FISCAL IMPACT:

The total cost to purchase eleven (11) support vehicles for use by Montebello Bus Lines (MBL) is \$428,732, plus a ten percent (10%) contingency (\$42,873), for a total amount of \$471,605. If approved, a budget amendment will be required to appropriate \$471,605 into Account No. 600-90-900-6082 (Transit – Administration – Vehicles Purchase) for Fiscal Year 2024-25.

BACKGROUND/DISCUSSION:

On March 26, 2025, the City Council approved Ordinance No. 2481, amending the municipal code government procurement guidelines (Attachment A). Specifically, the Montebello Municipal Code (MMC), Chapter 3.20.50(C), was updated with the intent to streamline citywide processes related to procurement, contract management, bidding, purchasing, and project oversight. This ordinance highlights the importance of standardizing goods and services to ensure consistent operation, compatibility, and sustainability of technologies and systems already integrated into municipal operations—particularly those supporting public safety. The proposed procurement of eleven (11) support vehicles directly aligns with the intent of MMC Section 3.20.50(C).

Primarily utilized by Montebello Bus Lines (MBL), these vehicles are essential mobile components of the city's transit response and public safety infrastructure. By selecting vehicles compatible with the existing citywide fleet and response protocols, the city ensures operational continuity, reduces training and maintenance complexity, and improves response efficiency when delivering direct services. These efficiencies are crucial to maintaining a reliable public safety network that can effectively respond to MBL's needs.

In addition, the vendors selected for this procurement are local businesses operating within city limits. This aligns with the city's commitment to support local businesses as outlined in MMC Section 3.20.130, which provides for a local vendor preference in the procurement process. By engaging local vendors, the city not only fosters economic growth within the community but also ensures timely and efficient service delivery due to the proximity and established relationships with these vendors.

ENVIRONMENTAL:

N/A

ANALYSIS:

MBL relies on its non-revenue support fleet to carry out essential daily operations. The current fleet consists of four (4) supervisor vehicles and two (2) administrative vehicles, which have exceeded the Federal Transit Administration (FTA) Useful Life Benchmark (ULB) of eight (8) years. To meet operational demands and maintain service reliability, these vehicles will be replaced in accordance with the city's Capital Asset Policy and MBL's Surplus Property Disposition Procedures. All vehicles to be replaced will either be transitioned to another City Department or disposed of according to the City's surplus property policies.

In response to the department's growth and increased operational needs, MBL will also purchase three (3) additional non-revenue vehicles to support the Maintenance Division. The remaining (2) vehicles will be purchased to support the Montebello Police Department (MPD). The MPD plays a critical role in ensuring the safety and security of bus operators and passengers throughout MBL's transit system, and these vehicles will

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 3 of 3

be used to support transit-related activities under MPD's Parks Division.

MBL intends to purchase a total of eleven (11) support vehicles as follows (Attachment B)

Vendor	Make	Model	Quantity
Montebello Chevrolet	Chevrolet	Equinox	4 (Gas)
Montebello Chevrolet	Chevrolet	Equinox	2 (Hybrid)
Montebello Chevrolet	Chevrolet	Colorado	2 (PD)
Montebello Ford	Ford	F150	2
Montebello Ford	Ford	Escape	1

Staff recommend that the City Council approve this purchase in accordance with MMC Section 3.20.050 (D), which states, “[w]hen the City Council by a four-fifths vote determines to dispense with such bidding and other procedures required by the above-mentioned sections in every individual instance upon a finding by the City Council that it would be impractical, useless, or uneconomical in such instance to follow the procedures, and that the welfare of the public would be promoted by dispensing with the same.”

Given the unique circumstances described above, staff request that the City Council find that dispensing with the bidding requirements set forth in the MMC is appropriate and promotes the welfare of the public. Furthermore, given the uncertain nature of national tariff policy that directly impacts the cost of automobiles, moving quickly to procure these vehicles will help ensure the purchases are completed before the full effect of the tariffs is realized.

SUMMARY:

Staff recommend that the City Council approve purchases of vehicles from Montebello Chevy and Montebello Ford (Attachment C) for a total not-to-exceed amount of \$273,540 and \$155,192, to purchase eleven (11) non-revenue support vehicles; authorize the City Manager and/or his designee to approve change orders up to ten percent (10%); amend the FY 2024-25 adopted operating budget to increase appropriations by \$471,605 in the Transit – Administration – Vehicle Purchase, Account No. 600-90-900-6082; and take such additional, related actions that may be desirable.

ATTACHMENT(S)

1. Attachment A - Ordinance No. 2481
2. Attachment B - Support Vehicles Quotes
3. Attachment C - Purchase Orders

ORDINANCE NO. 2481

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO, CALIFORNIA, AMENDING CHAPTERS 3.20 PURCHASING SYSTEM AND 3.21 CONTRACTS FOR PROFESSIONAL AND SPECIAL SERVICES OF THE MONTEBELLO MUNICIPAL CODE

WHEREAS, the City of Montebello ("City") is a general law city, incorporated under the laws of the State of California, with the power to make and enforce within its jurisdictional limits all local, police, sanitary, land use, and other ordinances and regulations not in conflict with general laws of the state; and

WHEREAS, an amendment to Chapter 3.20 *PURCHASING SYSTEM*, and Chapter 3.21 *CONTRACTS FOR PROFESSIONAL AND SPECIAL SERVICES*, of the Montebello Municipal Code ("MMC"), are necessary to ensure that the MMC aligns with state and federal procurement requirements, to ensure uniformity amongst various bidding procedures, and to establish best practices for procurement; and

WHEREAS, pursuant to sections 54201 et seq. of the California Government Code, policies and procedures that govern the purchase of supplies and equipment must be adopted by an ordinance; and

WHEREAS, the City finds that the proposed amendments to MMC Chapters 3.20 and 3.21 are necessary to ensure a fair, efficient, and transparent procurement process in compliance with the regulations applicable to state and federal funding sources.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF MONTEBELLO HEREBY ORDAINS AS FOLLOWS:

SECTION 1. RECITALS. The above recitals are true and correct and made part of this Ordinance.

SECTION 2. AMENDMENT; RESERVATION. Chapter 3.20 of the Montebello Municipal Code is hereby amended to read as follows (deletions in ~~strikethrough~~ and additions in double underline):

Chapter 3.20 – PURCHASING SYSTEM

3.20.050 Conformance with bidding procedures.

Purchases of supplies and equipment for city use shall be made and accomplished in conformity with Section 3.20.080 or Section 3.20.090 except:

ORDINANCE NO. 2481

Page 2 of 14

- A. Emergency Procurement: When an emergency, as determined by the purchasing agent with the approval of the city manager in writing, is deemed to require that an order be placed with the nearest available source of supply;
- B. Sole/Single Source Goods and/or Services: When the supplies and equipment needed can be obtained from one source only, such that written declaration of such will be required and noted by standard forms;
- C. ~~Reserved.~~ Standardization of Goods and/or Services: When goods and/or services are required to maintain consistent operation or function to an existing technology or public safety system or program already in use by the city. Examples of items lending themselves to standardization are computer equipment, computer hardware and software products, public safety equipment such as ammunition, ballistic vests, light bars, mobile radios, camera systems, and fire apparatus. The purchasing officer shall have discretion in determining what goods and/or services fall within this category;
- D. City Council Authorization: When the city council by a four-fifths vote determines to dispense with such bidding and other procedures required by the above-mentioned sections in every individual instance upon a finding by the city council that it would be impractical, useless, or uneconomical in such instance to follow the procedures, and that the welfare of the public would be promoted by dispensing with the same;
- E. Less than Two Thousand Dollars: When the amount of the purchase involved is less than two thousand dollars and cumulative citywide purchases from a single vendor/consultant/firm/etc. have not exceeded this amount during the fiscal year (July 1 - June 30);
- F. Cooperative Purchase - Purchases for goods and/or services that are identical or nearly identical in scope to the goods and/or services listed in any valid, current and competitively bid cooperative governmental purchase program. Pricing shall be the same or better than the pricing contained in the cooperative purchase agreement. For the purposes of this Section, the term "cooperative governmental purchase program" means any combination between the city and any other public agency or public agencies for the joint purchase of goods and/or services.
- G. Piggyback Purchase - If the Purchasing Officer determines it to be in the best interest of the city, the Purchasing Officer is authorized to "piggyback" onto or join into an existing written purchase contract obtained through a competitive bidding process prepared by and awarded by another local, state or federal government agency.
- H. ~~Reserved.~~ Professional Services – Nothing shall be construed to preclude the city from awarding a written contract for professional type services, as defined by case or statutory law, without complying with the provisions of this article. The term "professional services" means services entailing a high degree of specialized technical or mental skill, in a recognized field of expertise. Such services include attorneys, physicians, architects, engineers, appraisers,

accountants, collection agency, detective agency, draftsman, mortuary, hospitals, escrow agency, travel agency, insurance broker, employment agency, advertising agency, real estate, chiropractic and optometry.

- I. Solicitation of Bids with No Response: Where competitive bids or proposals have been solicited and no bid or proposal has been received. In such a situation the Purchasing Manager may proceed to have the services performed or the goods procured without further competitive bidding;
- J. Compliance: Compliance with the requirements set forth in the provisions of this chapter shall apply to all contracts awarded after the effective date of this subsection, as may be amended.
- K. Maximum Contract Term: Notwithstanding the exceptions under this section, no commitment or contract with a definitive term may exceed five years.
- L. Not to Exceed Amount: All agreements executed shall include a maximum dollar limit, i.e., a "not-to-exceed amount." The maximum dollar limit shall be established by the term of the agreement, when applicable. Any use or application of the bidding procedure exceptions listed herein for the purchase of supplies and equipment for city use shall require the making of a written record of such use or application, including the existence of a valid reason for such use or application. This written record shall be kept for at least five years.

3.20.080 Formal contract procedure.

Except as otherwise provided herein, purchases and contracts for supplies and equipment of an estimated value of fifty thousand dollars or more for contracts which do not constitute a public project as defined by Section 22002 of the Public Contract Code, shall be by written contract with the lowest responsible bidder pursuant to the procedure prescribed herein.

- A. Notice Inviting Bids. Notices inviting bids shall include a general description of the articles to be purchased, shall state where bid blanks and specifications may be secured and the time and place for opening bids.
 - 1. Published Notice. Notices inviting bids shall be published at least ten days before the date of opening of the bids. Notice shall be published at least once via the city's website or in a newspaper of general circulation, printed and published in the city, or if there is none, it shall be posted in at least three public places in the city that have been designated by ordinance as the places for posting public notices.
 - 2. Bidders' List. The purchasing officer shall also solicit sealed bids from all responsible prospective suppliers whose names are on the bidders' list or who have requested their name be added thereto.

- B. Bidders' Security. When deemed necessary by the purchasing officer, bidders' security may be prescribed in the public notices inviting bids. Bidders shall be entitled to return of bid security; provided that a successful bidder shall forfeit his bid security upon refusal or failure to execute the contract within ten days after the notice of award of contract has been made, unless the city is responsible for the delay. The city council may, on refusal or failure of the successful bidder to execute the contract, award it to the next lowest responsible bidder. If the city council awards the contract to the next lowest bidder, the amount of the lowest bidders' security shall be applied by the city to the difference between the low bid and the second lowest bid, and the surplus, if any, shall be returned to the lowest bidder.
- C. Bid Opening Procedure. Sealed bids shall be submitted to the purchasing officer and shall be identified as bids on the envelope or via electronic method. Bids shall be opened in public at the time and place stated in the public notices. A tabulation of all bids received shall be open for public inspection via the city's website or posted during regular business hours for a period of not less than thirty calendar days after the bid closing.
- D. Rejection of Bids. In its discretion, the city council may reject any and all bids presented and re-advertise for bids. City staff shall confirm, prior to any award, that bidders are in good standing with all applicable agencies, and maintain all required licenses, including but not limited to SAM.gov, the Contractors State Licensing Board, business licenses, etc. Any bidders lacking the required licensure requirements or are not in good standing with the applicable agencies may not be eligible for the award pursuant to the applicable regulations.
- E. Award of Contracts. Contracts shall be awarded by the city council to the lowest responsible bidder except as otherwise provided herein.
- F. Tie Bids. If two or more bids received are for the same total amount or unit price, quality and service being equal, and if the public interest will not permit the delay or re-advertising for bids, the city council may accept the one it chooses or accept the lowest bid made by negotiation with the tie bidders at the time of bid opening.
- G. Performance Bonds. The city council shall have authority to require a performance bond before entering a contract in such amount as it shall find reasonably necessary to protect the best interests of the city. If the city council requires a performance bond, the form and amount of the bond shall be described in the notice inviting bids.
- H. No commitment or contract with a definitive term may exceed five years unless determined to be in the public's best interest by the city council.

3.20.110 Bidding procedure prescribed.

Whenever bids are required by law or by this code for the letting of contracts, the doing of work or the furnishing of supplies, equipment or materials, all of the steps, acts and proceedings required by law or by this code shall be fully complied with, and in particular and supplementary to the acts, steps and procedures, the procedure hereinafter set forth in this section regulating the notices inviting bids, the publication and posting of the notices, and the opening of the bids shall be followed:

- A. Notice—Contents. The notice inviting bids shall set a date for the opening of bids. All such notices, whether mailed, published, or posted, shall state the date, the hour, and the place at which the bids called for are to be opened, and shall also state the date, the hour, and the place of the city council meeting at which the city council intends to take action on the bids.
- B. Bids—Opening. All bids shall be returnable to the purchasing officer or to the office of the city clerk, and at the hour and date stated in the notice, all bids shall be publicly opened at the office of the city clerk in the presence of the city clerk, purchasing officer, a representative of the department, or departments, to which the purchase or contract is to be charged, and all other interested parties who wish to attend and witness the opening of the bids. As each bid is opened, it shall be read aloud so that all persons interested in the bidding may hear the contents thereof, although no more of the bid need be read or announced than would ordinarily be announced in an open city council meeting for the same purpose. From and after the time of their opening, the city clerk shall, upon request of any interested party, read or give such further information from the bid as may be requested.
- C. Bids—Compiling. After they have been opened, all bids shall be examined and studied by the city clerk, purchasing officer and any other officials necessary for the proper analysis of the bids to see if they comply with the notice inviting bids and are in all other respects in good order. City staff shall confirm, prior to any award, that bidders are in good standing with all applicable agencies, and maintain all required licenses, including but not limited to SAM.gov, the Contractors State Licensing Board, business licenses, etc. Any bidders lacking the required licensure requirements or are not in good standing with the applicable agencies may not be eligible for the award pursuant to the applicable regulations. A report shall then be made by the appropriate department to the city council announcing the results of the investigation and particularly designate which bid is found to be the lowest bid, the next lowest bid, and all of the other bids in ascending order of the figure or figures quoted.
- D. Bids—Report—Awarding.
 - 1. At the meeting of the city council at which the bids are acted upon, the report shall be read publicly and the bid of the lowest bidder shall be publicly announced.

2. After having complied with the foregoing procedure, the city council shall proceed in accordance with applicable provisions of law or this code either to award the bid and to let the contract therein referred to, or to take such other action as may be authorized by law.
- E. Officer—Deputies. In the absence of the city clerk or purchasing officer, a duly authorized assistant or deputy may act in his place.

3.20.140 Public works projects (uniform public construction cost accounting act).

- A. Adoption of Uniform Public Construction Cost Accounting Act. The city has elected to be subject to the Uniform Public Construction Cost Accounting Act (hereinafter referred to as the "UPCCA" or the "Act"). City contracts for public projects and maintenance work shall be governed by applicable state laws including the Act, Public Contract Code Section 22000 et seq, and the California Uniform Construction Cost Accounting Commission's (hereinafter, "UPCCA Commission") policies and procedures manual and cost accounting review procedures, as amended from time to time.

The term "public works" shall mean the same as the term "public project," as defined by the Act, which means any of the following: (1) construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility; (2) painting or repainting of any publicly owned, leased, or operated facility; and (3) in the case of a publicly owned utility system, "public project" shall include only the construction, erection, improvement, or repair of dams, reservoirs, power plants, and electrical transmission lines of two hundred thirty thousand volts and higher.

The term "maintenance work," as defined by the Act, includes: (1) routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes; (2) minor repainting; (3) resurfacing of streets and highways at less than one inch; (4) landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems; and (5) work performed to keep, operate, and maintain publicly owned water, power, or waste disposal systems, including, but not limited to, dams, reservoirs, power plants, and electrical transmission lines of two hundred thirty thousand volts and higher.

Public projects and maintenance work shall be procured through the procedures and at the monetary thresholds set forth in the Act and as further described in this chapter.

- B. Pre-Bid Contractors List for Public Projects and Maintenance Work. The city shall develop and maintain a list of qualified contractors, identified according to categories of work for all projects and any scheduled projects, on an annual basis in accordance with the Act (Public Contract Code Section 22034(a)).
- C. Contracts for Public Projects and Maintenance Work of Sixty Thousand Dollars or Less. Public projects and maintenance work of sixty thousand dollars or less (or the

current amount specified in the Act) may be performed by city employees, by force account, by negotiated contract or by purchase order. Where it is anticipated that a project may be conducted and finished at a cost of sixty thousand dollars (or the amount as specified the Act) or less, the city manager or his/her designee is authorized to approve the project, provided the expenditure is within the approved budget.

- D. **Contracts for Public Projects and Maintenance Work of Two Hundred Thousand Dollars or Less.** Public projects and maintenance work estimated to cost two hundred thousand dollars (or the amount as specified in the Act) or less may be procured through the following informal procedures prescribed by the Act:
1. **Notice Inviting Informal Bids.** The city manager or his/her designee shall send a notice inviting informal bids not less than ten calendar days before bids are due to: (a) all contractors on the list of qualified contractors developed by the UPCCA Commission; or (b) all contractors on the list of qualified contractors and to the designated construction trade journals specified in Section 22036 of the Public Contract Code. The notice inviting informal bids shall describe the project, how to obtain more detailed information about the project, and the time, date and place for the submission of bids. Additional contractors and/or construction trade journals may be notified at the discretion of the department soliciting bids, provided however:
 - a. If there is no list of qualified contractors maintained by the city for the particular category of work performed, the notice inviting bids shall be sent only to the construction trade journals specified by the commission.
 - b. If the product or service is proprietary in nature such that it can be obtained only from a certain contractor or contractors, the notice inviting informal bids may be sent exclusively to such contractor or contractors.
 2. **Distribution of Bid Documents.** Bid documents may be transmitted and/or received via mail, facsimile, or email notice inviting informal bids to all construction trade journals specified in Section 22036 of the Public Contract Code.
 3. **Award of Contracts.** The city manager or his/her designee is authorized to award such informal public projects and maintenance work, provided the expenditure is within the approved budget and in a form approved by the city attorney. The city manager or his/her designee may, at his/her sole discretion, reject any or all bids presented and waive any minor irregularity or informality in such bids. City staff shall confirm, prior to any award, that bidders are in good standing with all applicable agencies, and maintain all required licenses, including but not limited to SAM.gov, the Contractors State Licensing Board, business licenses, etc. Any bidders lacking the required licensure requirements or are not in good standing with the applicable agencies may not be eligible for the award pursuant to the applicable regulations. The contract shall be awarded to the lowest responsive, responsible bidder. If two or more bids are the same and the lowest, the city manager may accept the one he/she chooses. If no bids are received through the informal procedure, the project

may be performed by city employees, by force account or negotiated contract without further complying with this section.

4. Informal Bids Between Two Hundred Thousand Dollars and Two Hundred and Twelve Thousand Five Hundred Dollars. If all bids received are in excess of the amount specified in this section, the city council may, by adoption of a resolution by a four-fifths vote, award the contract, at two hundred and twelve thousand five hundred dollars or less, to the lowest responsible bidder, if it determines the cost of the estimate of the city was reasonable.
- E. Contracts for Public Projects and Maintenance Work Greater Than Two Hundred Thousand Dollars. Public projects and maintenance work of more than two hundred thousand dollars (or the current amount as specified in the Act) shall be procured through the following formal bidding procedures prescribed by the Act:
1. Notice Inviting Formal Bids. The city manager or his/her designee shall publish a notice inviting formal bids for public projects and maintenance work at least fourteen calendar days before the bid opening date in a newspaper of general circulation in the city. Additionally, the city manager or his/her designee shall send a notice inviting formal bids to all contractors on the list of qualified contractors and to the designated construction trade journals specified in Section 22036 at least fifteen calendar days before bids are due. The notice shall describe the project, how to obtain more detailed information about the project, and the time and place for submission of bids.
 2. Bidder's Security. All bids presented in connection with the public project shall be accompanied by bidder's security in the form and amount prescribed by Public Contract Code Section 20170, which security shall be dealt with as prescribed therein. In all cases bidders shall be entitled to return of bid security provided that a successful bidder shall forfeit its bid security upon refusal or failure to execute the contract within ten days after the notice of award of contract has been mailed, unless the city is responsible for the delay. The city council may, on refusal or failure of the successful bidder to execute the contract, award it to the next lowest responsible bidder. If the city council awards the contract to the next lowest bidder, the amount of the lowest bidder's security shall be applied by the city to the difference between the low bid and the second lowest bid, and the surplus, if any, shall be returned to the lowest bidder.
 3. Bid Opening Procedure. Sealed bids shall be submitted to the department identified in the invitation for bid documents and shall be identified as bids on the envelope. Bids shall be opened in public at the time and place stated in the public notice. A tabulation of all bids received shall be open for public inspection during regular business hours for a period of not less than thirty calendar days after the bid opening.
 4. Award of Contracts. Contracts shall be awarded by the city council to the lowest responsible bidder. The city council may, in its sole discretion, waive minor irregularities in the bids or in the bidding procedures. City staff shall confirm, prior to any award, that bidders are in good standing with all

applicable agencies, and maintain all required licenses, including but not limited to SAM.gov, the Contractors State Licensing Board, business licenses, etc. Any bidders lacking the required licensure requirements or are not in good standing with the applicable agencies may not be eligible for the award pursuant to the applicable regulations. The city council may reject all bids presented, and re-advertise for bids.

5. Tie Bids and No Bids. If two or more bids are the same and the lowest, the city council may accept the one it chooses. If no bids are received through the formal procedure, the project may be performed by city employees, by force account or negotiated contract without complying with this section.
6. Rejecting Bids and Performing Project through City Employees. In its discretion, the city council may reject any bids presented, if the city, prior to rejecting all bids and declaring that the project can be more economically performed by employees of the city, furnishes a written notice to an apparent low bidder. The notice shall inform the bidder of the city's intention to reject the bid and shall be mailed at least two business days prior to the hearing at which the city intends to reject the bid. If after the first invitation of bids, all bids are rejected, the city shall reevaluate its cost estimates of the project and either:
 - a. Abandon the project or re-advertise for bids in the manner described by this section; or
 - b. May have the project completed by force account without further complying with this section, if it passes a resolution by a four-fifths vote of the city council declaring that the project can be performed more economically by the employees of the city.
7. Performance Bonds. The department head shall have authority to require a performance bond before entering a contract in such amount as he or she finds reasonably necessary to protect the best interests of the city. If the city manager requires a performance bond, the form and amount of the bond shall be described in the notice inviting bids.

F. Emergencies.

1. In cases of emergency when repair or replacements are necessary, the city council, pursuant to a four-fifths vote, may proceed at once to replace or repair any public facility without adopting plans, specifications, strain sheets, or working details, or giving notice for bids to let contracts. The work may be done by day labor under the direction of the city council, by contractor, or by a combination of the two. The city council's authority under this section may be exercised pursuant to Public Contract Code Section 22035.
2. In case of emergency, if notice for bids to let contracts will not be given, the city shall comply with Chapter 2.5 of Part 3 of Division 2 of the Public Contracting Code (commencing with Section 22050).
3. City council delegates to the city manager, the authority to order any direct and immediate action necessary to repair or replace a public facility, procure the

necessary equipment, services and supplies for the purposes of addressing an emergency, without giving notice for bids to let contracts per Paragraph 2 of this section. If the city manager orders any action specified under this section, the city manager shall report to city council at its next meeting as required under Section 22050 of the Public Contract Code.

G. Contracts for Public Works Transportation Construction Projects Funded by Federal and State Funds. The requirements herein apply to the procurement and administration of Federal Highway Administration (FHWA) federal-aid funded construction projects subject to the provisions of 23 U.S.C. 112(a) (related to construction). The California Department of Transportation (Caltrans) Local Assistance Procedures Manual shall be used when the City administers a federal-aid construction project. The following grant and contract management procedures shall apply:

1. Bidding Procedures. One of the most basic tenets of federal-aid contracting is that construction contracts are to be awarded competitively to the contractor which submits the lowest responsive bid. This federal mandate is set forth in 23 U.S.C.112 and reinforced by 23 CFR 635.114(a) which states: Federal-aid contracts shall be awarded only on the basis of the lowest responsive bid submitted by a bidder meeting the criteria of responsibility as may have been established by the SHA. Project advertisement is the process used in soliciting such competitive bids from contractors. Chapter 15 of the LAPM, titled: Advertise and Award Project, shall be followed for all bidding activities beginning with advertising of a construction contract and continuing through the bid opening, award, and detail estimate procedures.
2. Advertisement. For construction contracts administered by Caltrans, the advertisement period of the project should be a minimum of three weeks per LAPM. A failure to advertise for the appropriate amount of time could result in the loss of federal and/or state funding for the project.
3. Required Federal Contract Language. The city shall ensure all required federal contract language is included and shall refer to Chapter 12 of the LAPM, titled Plans, Specifications, and Estimates, for the most current requirements.
4. Person in Responsible Charge. Federal statutes require the local public agency to provide a full-time agency employee who is accountable for any federal-funded project they administer. This individual is the person in responsible charge of the project (23 CFR 172.9(d)(1)). The person designated in responsible charge must be a public agency employee but does not need to be an engineer. The city shall follow Chapter 16 of the LAPM, titled Administer Construction Contracts, for procedures and guidelines local public agencies must follow when administering the construction of federal-aid projects.
5. Records Retention/Contract Project Files. Federal-aid highway program funding recipients and sub-recipients must maintain adequate and readily accessible project performance and financial records, supporting documents, and other records considered pertinent to the grant agreement and in

compliance with federal laws and regulations (e.g. 23 USC 112, 40 USC 1101-1104, 23 CFR 172, 48 CFR 31, and 2 CFR Part 200). These records must be maintained for a minimum of three (3) years. Chapter 16 of the LAPM, titled Administer Construction Contracts, shall be the procedures and guidelines for the city when administering the construction of federal-aid projects.

6. Invoicing. When requesting reimbursement of federal funds for construction contracts, the city must follow the procedures given in Chapter 5 of the LAPM, titled Invoicing. The city must ensure only eligible costs are claimed on invoices submitted to Caltrans, that billing is reviewed and approved prior to invoicing Caltrans, and Request for Reimbursement are submitted to Caltrans at least once every six months, or as required in the agreement between Caltrans and the city.
7. Project Responsibility. All responsibility of a construction contract funded by state and/or federal dollars will reside with the City and not the State of California. Language in the contracts should read that the state does not have the right to assume full and direct control of the contract.

SECTION 3. AMENDMENT; RESERVATION. Chapter 3.21 of the Montebello Municipal Code is hereby amended to read as follows (deletions in ~~strikethrough~~ and additions in double underline):

Chapter 3.20 – CONTRACTS FOR PROFESSIONAL AND SPECIAL SERVICES

3.21.010 - Definitions.

For purposes of this chapter, the following words shall have the following meanings:

~~"Professional/special services" means services which require special performance criteria; special or specific equipment; specific experience, knowledge, training, personal judgment, quality of work or factors other than simply obtaining the service at the lowest cost to the city. Such services include, but are not limited to, those provided by attorneys, architects, engineers, land surveyors, construction managers, appraisers, experts, accounting firms, security firms, computer consultants/programmers and/or other specialized consultants. Professional/special services do not include services rendered by city officers or employees, entailing a high degree of specialized technical or mental skill, in a recognized field of expertise. Such services include attorneys, physicians, architects, engineers, appraisers, accountants, collection agency, detective agency, draftsman, mortuary, hospitals, escrow agency, travel agency, insurance broker, employment agency, advertising agency, real estate, chiropractic and optometry.~~

3.21.020 - Experience and qualifications of professional/special service providers.

- A. In contracting for professional/special services, such contracts shall only be awarded to firms or persons who have demonstrated adequate levels of experience, competence, resources/equipment, staffing and other professional

qualifications necessary for more than a satisfactory performance of the services required in the time period needed. City staff shall confirm, prior to any award, that service providers are in good standing with all applicable agencies, and maintain all required licenses, including but not limited to SAM.gov, the State of California, business licenses, etc. Any service providers lacking the required licensure requirements or are not in good standing with the applicable agencies may not be eligible for the award pursuant to the applicable regulations.

- B. Once the department requesting the professional/special service has determined a firm has an adequate level of competence, the cost of the service may be considered, however, price may not be the sole factor in determining to whom a contract shall be awarded. The city's best interests may be served by awarding the contract to a higher priced contractor based on the scope of services available, unique skills, staffing levels, timing, prior experience, past working relationship, and other factors required by the department or proposed by the contractor.
- C. No commitment or contract with a definitive term may exceed five years.

3.21.025 - Conformance with bidding procedures.

The acquiring of professional/special services shall be made and accomplished in conformity with [Section 3.21.050](#) or [Section 3.21.060](#) except:

- A. When an emergency, as determined by the purchasing agent with the written approval of the city manager, is deemed to require that an order be placed with the nearest available source;
- B. When the professional/special services needed can be obtained from one source only;
- C. When the city council by a four-fifths vote determines to dispense with such bidding and other procedures required by the above-mentioned sections in every individual instance upon a finding by the city council that it would be impractical, useless, or uneconomical in such instance to follow the procedures, and that the welfare of the public would be promoted by dispensing with the same; or
- D. When the amount of the professional/special services involved is less than two thousand dollars.
- ~~E. Compliance with the requirements set forth in the provisions of this chapter shall apply to all contracts awarded after the effective date of this subsection, as may be amended.~~

~~F. Notwithstanding the exceptions under this section, no commitment or contract with a definitive term may exceed five years.~~

E. Cooperative Purchase - Purchases for goods and/or services that are identical or nearly identical in scope to the goods and/or services listed in any valid, current and competitively bid cooperative governmental purchase program. Pricing shall be the same or better than the pricing contained in the cooperative purchase agreement. For the purposes of this Section, the term "cooperative governmental purchase program" means any combination between the city and any other public agency or public agencies for the joint purchase of goods and/or services.

F. Piggyback Purchase - If the Purchasing Officer determines it to be in the best interest of the city, the Purchasing Officer is authorized to "piggyback" onto or join into an existing written purchase contract obtained through a competitive bidding process prepared by and awarded by another local, state or federal government agency.

Compliance with the requirements set forth in the provisions of this chapter shall apply to all contracts awarded after the effective date of this subsection, as may be amended. Notwithstanding the exceptions under this section, no commitment or contract with a definitive term may exceed five years. All agreements executed shall include a maximum dollar limit, i.e., a "not-to-exceed amount." The maximum dollar limit shall be established by the term of the agreement, when applicable. Nothing shall be construed to preclude the city from awarding a written contract for professional type services, as defined by case or statutory law, without complying with the provisions of this Article.

Any use or application of the bidding procedure exceptions listed herein for the acquisition of professional/special services shall require the making of a written record of such use or application, including the existence of a valid reason for such use or application. In addition, the exception identified and the reason for applying the exception, along with the written record of such use or application, shall be included and explained in the agenda report submitted to the City Council seeking approval of the exception. This written record shall be kept for at least five years.

SECTION 4. SEVERABILITY. If any action, subsection, line, sentence, clause, phrase, or word of this Ordinance is for any reason held to be invalid or unconstitutional, either facially or as applied, by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance, and each and every individual section, subsection, line, sentence, clause, phrase, or word without regard to any such decision.

SECTION 5. EFFECTIVE DATE. This Ordinance shall become effective thirty (30) days after approval by the City Council.

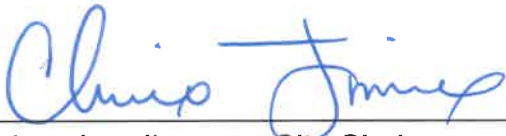
SECTION 6. PUBLICATION. The City Clerk shall certify to the adoption of this Ordinance and shall cause the same to be published or posted according to law.

PASSED, APPROVED, AND ADOPTED 26TH DAY OF MARCH 2025.



Salvador Melendez, Mayor

ATTEST:



Christopher Jimenez, City Clerk

APPROVED AS TO FORM:



Arnold M. Alvarez-Glasman, City Attorney

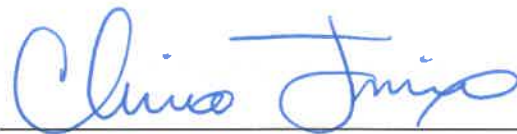
I HEREBY CERTIFY that the foregoing Ordinance was introduced at the regular meeting of the City Council on the 12th day of March 2025, and was adopted by the City Council of the City of Montebello at its meeting held on the 26th day of March 2025 by the following vote:

AYES: Romero, Tamayo, Peralta, Alonzo, Melendez

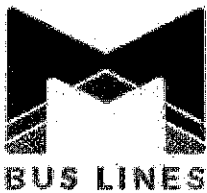
NOES: None

ABSENT: None

ABSTAIN: None



Christopher Jimenez, City Clerk



REQUEST FOR QUOTE

400 S Taylor Ave, Montebello, CA 90640 Ph: (323)558-1625 x 1105

ISSUE DATE:
4-28-25

QUOTE NUMBER:
EQUINOX LT

QUOTE DATE:
4-28-25

VENDOR	SHIP TO
Company: <u>Chevrolet of Montebello</u> Address: <u>310 W. Whittier Blvd.</u> <u>Montebello, CA 90640</u> Phone: <u>323-728-9281</u> E-Mail: <u>jesper@chevroletofmontebello.com</u>	Company: Montebello Bus Lines Contact: Mark Jimenez Address: 400 S. Taylor Ave, Montebello, CA, 90640 Phone: (323)558-1625 x 1105 E-Mail: Mjimenez@Montebelloca.gov

Payment Terms	Ship VIA	F.O.B	Freight Terms	Need Date
Net 90	Best Way	Montebello Bus Lines	Prepaid	

Unit	Description	Unit Price	Extended Price
4	Vehicles	\$ 27,495	\$ 109,980
4	Document / E plate/ DMV Fees	\$ 119	\$ 476
4	Tire Fee	\$ 8.75	\$ 35
-	Delivery Fees	\$	\$
	Additional Charges or Fees (If Any)	\$	\$

SPECIAL INSTRUCTION:

Sub Total	\$ 110,491
Shipping:	\$
Tax (10.5%):	\$ 11,583.60
Total:	\$ 122,074.60

Vendor Commitment Date: _____

Vendor Signature: _____



REQUEST FOR QUOTE

400 S Taylor Ave, Montebello, CA 90640 Ph: (323)558-1625 x 1105

ISSUE DATE:
4.28.25

QUOTE NUMBER:
COLORADO WT

QUOTE DATE:
4.28.25

VENDOR	SHIP TO
Company: <u>Chevrolet of Montebello</u> Address: <u>310 W. Whittier Blvd.</u> <u>Montebello CA. 90640</u> Phone: <u>323-728-9181</u> E-Mail: <u>sespinoza@chevroletofmontebello.com</u>	Company: <u>Montebello Bus Lines</u> Contact: <u>Mark Jimenez</u> Address: <u>400 S. Taylor Ave,</u> <u>Montebello, CA, 90640</u> Phone: <u>(323)558-1625 x 1105</u> E-Mail: <u>Mjimenez@Montebelloca.gov</u>

Payment Terms	Ship VIA	F.O.B	Freight Terms	Need Date
Net 90	Best Way	Montebello Bus Lines	Prepaid	

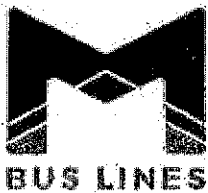
Unit	Description	Unit Price	Extended Price
2	Vehicles	\$ 34,995	\$ 69,990
2	Document / E plate/ DMV Fees	\$ 119	\$ 238
2	Tire Fee	\$ 8.75	\$ 17.5
	Delivery Fees	\$	\$
	Additional Charges or Fees (If Any)	\$	\$

SPECIAL INSTRUCTION:

Sub Total	\$ 70,245.50
Shipping:	\$ 0
Tax (10.5%):	\$ 7,366.80
Total:	\$ 77,612.30

Vendor Commitment Date: _____

Vendor Signature: _____



REQUEST FOR QUOTE

400 S Taylor Ave, Montebello, CA 90640 Ph: (323)558-1625 x 1105

ISSUE DATE:
4-28-25

QUOTE NUMBER:
Equinox EV

QUOTE DATE:
4-28-25

VENDOR	SHIP TO
Company: Chevrolet of Montebello Address: 310 W. Whittier Blvd Montebello, CA 90640 Phone: 323-728-9651 E-Mail: sespinoza@chevroletofmontebello.com	Company: Montebello Bus Lines Contact: Mark Jimenez Address: 400 S. Taylor Ave, Montebello, CA, 90640 Phone: (323)558-1625 x 1105 E-Mail: Mjimenez@Montebelloca.gov

Payment Terms	Ship VIA	F.O.B	Freight Terms	Need Date
Net 90	Best Way	Montebello Bus Lines	Prepaid	

Unit	Description	Unit Price	Extended Price
2	Vehicles	\$ 33,295	\$ 66,590
2	Document / E plate/ DMV Fees	\$ 119	\$ 238
2	Tire Fee	\$ 7	\$ 14
	Delivery Fees	\$	\$
	Additional Charges or Fees (If Any)	\$	\$

SPECIAL INSTRUCTION:

Sub Total	\$ 66,842
Shipping:	\$ 0
Tax (10.5%):	\$ 7,009.80
Total:	\$ 73,851.80

Vendor Commitment Date: _____

Vendor Signature: _____

BUYER		CO-BUYER			
MONTEBELLO BUS LINES 400 S TAYLOR AVE MONTEBELLO, CA 90640				Deal #: 149799 Deal Type: Retail Deal Date: 04/28/2025 Print Time: 03:05pm	
Work #: Email:				Salesperson:	
VEHICLE					
New ☒ Used ☐ Demo ☐	Stock #: 540875	Description: 2024 FORD TRUCK F-150 SERIES	VIN: 1FTEW2LP5RKD03978	Mileage: 64	
TRADE					
AFTERMARKETS					
ALARM \$ 695.00 WHEEL LOCKS \$ 199.00 RUNNING BOARD \$ 1,395.00		Sale Price: \$ 48,203.00 Total Financed Aftermarkets: \$ 2,289.00 Total Trade Allowance: \$ 0.00 Trade Difference: \$ 50,492.00 Doc Fee: \$ 85.00 State & Local Taxes: \$ 5,310.59 Total License and Fees: \$ 42.75 Total Cash Price: \$ 55,930.34 Total Trade Payoff: \$ 0.00 Delivered Price: \$ 55,930.34 Cash Down Payment + Deposit: \$ 0.00 Total Rebates: \$ 1,500.00 Sub Total: \$ 54,430.34 Service Agreement: \$ 0.00 Maintenance Agreement: \$ 0.00 GAP Insurance: \$ 0.00 Credit Life, Accident & Health: \$ 0.00 Other: \$ 0.00 Amount Financed: \$ 54,430.34			
Total Aftermarkets: \$ 2,289.00					
Rate: Amount Financed: \$ 54,430.34					

BUYER		CO-BUYER		Deal #:		149798	
MONTEBELLO BUS LINES				Deal Type:		Retail	
400 S TAYLOR AVE				Deal Date:		04/28/2025	
MONTEBELLO, CA 90640				Print Time:		03:04pm	
Work #:				Salesperson:			
Email:							
VEHICLE							
New	☒	Stock #:	Description:		VIN:	Mileage:	
Used	☐	540326	2024 FORD TRUCK EDGE		2FMPK4J92RBB09421	2	
Demo	☐						
TRADE							
AFTERMARKETS							
ALARM		\$	695.00	MSRP:		\$	43,870.00
WHEEL LOCKS		\$	199.00	Discount:		\$	3,500.00
				Sale Price:		\$	40,370.00
				Total Financed Aftermarkets:		\$	894.00
				Total Trade Allowance:		\$	0.00
				Trade Difference:		\$	41,264.00
				Doc Fee:		\$	85.00
				State & Local Taxes:		\$	4,341.65
				Total License and Fees:		\$	42.75
				Total Cash Price:		\$	45,733.40
				Total Trade Payoff:		\$	0.00
Total Aftermarkets:		\$	894.00	Delivered Price:		\$	45,733.40
				Cash Down Payment + Deposit:		\$	0.00
				Sub Total:		\$	45,733.40
				Service Agreement:		\$	0.00
				Maintenance Agreement:		\$	0.00
				GAP Insurance:		\$	0.00
				Credit Life, Accident & Health:		\$	0.00
				Other:		\$	0.00
Rate:				Amount Financed:		\$	45,733.40
Amount Financed:		\$	45,733.40	Amount Financed:		\$	45,733.40

BUYER		CO-BUYER		Deal #:		149797	
MONTEBELLO BUS LINES 400 S TAYLOR AVE MONTEBELLO, CA 90640				Deal Type:		Retail	
Work #:				Deal Date:		04/28/2025	
Email:				Print Time:		03:03pm	
				Salesperson:			
VEHICLE							
New	☒	Stock #:	550344	Description:	2025 FORD TRUCK F-150 SERIES	VIN:	1FTFW1L53SKD82084
Used	☐						
Demo	☐						
						Mileage:	16
TRADE							
AFTERMARKETS							
ALARM				\$	695.00	MSRP:	
WHEEL LOCKS				\$	199.00	Discount:	
						\$ 52,765.00	
						\$ 3,985.00	
						Sale Price:	
						\$ 48,780.00	
						Total Financed Aftermarkets:	
						\$ 894.00	
						Total Trade Allowance:	
						\$ 0.00	
						Trade Difference:	
						\$ 49,674.00	
						Doc Fee:	
						\$ 85.00	
						State & Local Taxes:	
						\$ 5,224.70	
						Total License and Fees:	
						\$ 42.75	
						Total Cash Price:	
						\$ 55,026.45	
						Total Trade Payoff:	
						\$ 0.00	
Total Aftermarkets:				\$	894.00	Delivered Price:	
						\$ 55,026.45	
						Cash Down Payment + Deposit:	
						\$ 0.00	
						Sub Total:	
						\$ 55,026.45	
						Service Agreement:	
						\$ 0.00	
						Maintenance Agreement:	
						\$ 0.00	
						GAP Insurance:	
						\$ 0.00	
						Credit Life, Accident & Health:	
						\$ 0.00	
						Other:	
						\$ 0.00	
						Amount Financed:	
						\$ 55,026.45	
Rate:							
Amount Financed:				\$	55,026.45		



CITY OF MONTEBELLO

FINANCE DEPARTMENT

PURCHASE ORDER COVER LETTER

Vendor: **CHEVROLET OF MONTEBELLO**
310 WEST WHITTIER BLVD
MONTEBELLO, CA 90640

Vendor No. **45170**
 Agreement/Contract No. : **N/A**

Item(s) Being Purchased/Services: **FY 24-25 VEHICLE PURCHASE**

Reason for Purchase: **FY 24-25 VEHICLE PURCHASE**

Purchase Requestor: **MARK JIMENEZ**

Signature: _____

Supplies: **\$273,540** Service: \$ Account Number: **600-90-900-6082**

Total Amount of Purchase: **\$273,540** Shipping Cost: **\$0**

Bid/Quote Summary

	Amount	Vendor Name	Quote/Bid Format	Date Received
1 st Bid/Quote:				
2 nd Bid/Quote:				
3 rd Bid/Quote:				

☐ Check here if purchase is sole source; "Sole Source Declaration" form must be attached.

Other Notes:

Purchase Order Input By: _____ Date: _____

Purchase Order Approved By: _____ Date: _____

Assistant City Manager [\$15- \$25k]: _____ Date: _____

City Manager [\$25-\$50k] : _____ Date: _____



CITY OF MONTEBELLO

FINANCE DEPARTMENT

PURCHASE ORDER COVER LETTER

Vendor: **FORD OF MONTEBELLO**
2747 VIA CAMPO
MONTEBELLO, CA 90640

Vendor No. **29160**
Agreement/Contract No. : **N/A**

Item(s) Being Purchased/Services: **FY 24-25 VEHICLE PURCHASE**

Reason for Purchase: **FY 24-25 VEHICLE PURCHASE**

Purchase Requestor: **MARK JIMENEZ** Signature: _____

Supplies: **\$155,192** Service: \$ Account Number: **600-90-900-6082**

Total Amount of Purchase: **\$155,192** Shipping Cost: **\$0**

Bid/Quote Summary

	Amount	Vendor Name	Quote/Bid Format	Date Received
1 st Bid/Quote:				
2 nd Bid/Quote:				
3 rd Bid/Quote:				

☐ Check here if purchase is sole source; "Sole Source Declaration" form must be attached.

Other Notes:

Purchase Order Input By: _____ Date: _____

Purchase Order Approved By: _____ Date: _____

Assistant City Manager [\$15- \$25k]: _____ Date: _____

City Manager [\$25-\$50k] : _____ Date: _____



ITEM # 33

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: John Soria, Director

SUBJECT: **APPROVE PURCHASE OF NON-REVENUE SUPPORT VEHICLES FOR THE TRANSIT DEPARTMENT FROM FLEET VEHICLE SOURCE, INC**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Approve establishing a Purchase Order (PO) with Fleet Vehicle Source, Inc. (Fleet Source), for a total not-to-exceed amount of \$250,960, to purchase nine (9) non-revenue relief vehicles; and
2. Authorize the City Manager and/or his designee to approve change orders up to ten percent (10%) of the PO; and
3. Authorize the disposal of vehicles per the City's surplus property policy; and
4. Take such additional, related, action that may be desirable.

FISCAL IMPACT:

The total cost to purchase nine (9) non-revenue relief vehicles is \$250,960, including a 10% contingency (\$25,096). Funding for this project has been allocated from the Federal Transit Administration (FTA) Section 5307 Formula Funds, Account No. 270-9066-2024-198-6082, in the amount of \$276,056. On October 23, 2024, the City Council approved amending the Fiscal Year 2024-25 adopted operating budget (Attachment A) to appropriate FTA funding into the aforesaid account. Therefore, a budget amendment is not required as part of the recommended actions.

BACKGROUND/DISCUSSION:

On February 13, 2025, Montebello Bus Lines (MBL) issued Request for Quote (RFQ) No. 25-01, seeking qualified vendors to supply nine (9) non-revenue relief vehicles

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 2 of 3

(Attachment B). MBL relies on a fleet of non-revenue relief vehicles for essential daily operations, including relieving bus operators during shift changes, transporting staff to various locations, and providing support during emergencies.

The current fleet of relief vehicles has exceeded the Federal Transit Administration's (FTA) Useful Life Benchmark (ULB) of eight (8) years. To meet operational demands and maintain service reliability, these vehicles will be replaced in accordance with the city's Capital Asset Policy and MBL's Surplus Property Disposition Procedures. All vehicles to be replaced will either be transitioned to another City Department or disposed of according to the City's surplus property policies.

The Toyota Corolla LE Hybrid was selected as the replacement vehicle due to its superior fuel efficiency, lower emissions, and enhanced reliability. This model supports MBL's commitment to operational efficiency and environmental sustainability while minimizing downtime and ensuring uninterrupted staff transportation. On March 20, 2025, RFQ No. 25-01 closed with two responsive quotes received as follows:

Table: 1 RFQ Submission

Vendor	Total Quote
Fleet Vehicle Source, Inc., dba US Fleet Source	\$250,959.87
Longo Toyota	\$263,146.14

Staff recommend that the City Council consider approving this purchase with Fleet Source, since the vendor provided the lowest responsive and responsible bid. In addition, Fleet Source met all the technical specifications outlined in RFQ No. 25-01 (Attachment C).

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

Staff recommend that the City Council approve the purchase of vehicles from Fleet Source for a total not-to-exceed amount of \$250,960, to purchase nine (9) non-revenue relief vehicles; authorize the City Manager and/or his designee to approve change orders up to 10% of the PO; authorize the disposal of vehicles per the City's surplus property policy; and take such additional, related actions that may be desirable.

ATTACHMENT(S)

1. Attachment A – Staff Report – October 23, 2024
2. Attachment B – RFQ No. 25-01

3. Attachment C – Fleet Source Proposal



ITEM # 16

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: John Soria, Director

SUBJECT: **AMEND THE FISCAL YEAR 2024-25 BUDGET TO APPROPRIATE FEDERAL TRANSIT ADMINISTRATION GRANT FUNDING FOR THE PURCHASE OF A MOBILE HYDROGEN FUELING STATION, AN ENTERPRISE ASSET MANAGEMENT SYSTEM, AND NON-REVENUE RELIEF VEHICLES**

DATE: October 23, 2024

RECOMMENDATIONS:

It is recommended that the City Council:

1. Approve receipt of Six million, Four Hundred and Thirty-Six Thousand Dollars (\$6,436,000) in federal grant funding awarded by the Federal Transit Administration (FTA) to purchase a mobile hydrogen fueling station, an enterprise asset management system (EAM System), and non-revenue relief vehicles; and,
2. Amend the Fiscal Year 2024-25 adopted operating budget to appropriate the FTA grant funds by increasing appropriations by a total amount of \$6,838,500 as detailed in the Fiscal Impact section below (Table 1); and,
3. Take such additional, related, action that may be desirable.

FISCAL IMPACT:

On September 6, 2024, the FTA awarded the City of Montebello grant funding of \$6,436,000 under Grant No. CA-2024-198-00 (Attachment A) for use by Montebello Bus Lines (MBL) to purchase a mobile hydrogen fueling station, an enterprise asset management (EAM) system, and non-revenue relief vehicles. This grant is categorized under FTA Section 5307 (5307 Funding) and distributed through the Los Angeles County Metropolitan Transportation Authority (Metro), Bus Operators Subcommittee (BOS).

The FY 2024-25 adopted budget must be amended to utilize these funds. The budget

CITY COUNCIL AGENDA REPORT - MEETING OF OCTOBER 23, 2024

Page 2 of 3

amendment will also include a local non-Federal twenty percent (20%) match, utilizing Senate Bill 1/State Transit Assistance (SB1/STA) funds for the EAM System project, in accordance with FTA requirements. The funding allocations for Grant No. CA-2024-198-00 and the matching funds for each project are as follows:

Table 1

Project	5307 Funding		Local Match	Total Project Funding	Account No.
	FY2020	FY2021			
Mobile Hydrogen Fuel Cell Fueling Station	413,244	4,097,756		4,511,000	270-9066-2024-198-6010.10
Asset Management System	1,610,000			1,610,000	270-9066-2024-198-6010.40
Asset Management System			402,500	402,500	202-922-2024-6010.40
Non-Revenue Relief Vehicles	315,000			315,000	270-9066-2024-198-6082
Total FY2024-25 Budget Appropriation	2,338,244	4,097,756	402,500	6,838,500	

The recommended actions include amending the FY 2024-25 budget by the amounts and in the accounts listed in Table 1.

BACKGROUND/DISCUSSION:

On June 26, 2024, the City Council approved Resolution No. 24-49 (Attachment B), authorizing the submission of applications to the FTA to secure funding to purchase a mobile hydrogen fueling station, an EAM System, and non-revenue relief vehicles. Subsequently, the City was awarded Grant No. CA-2024-198-00 through the FTA Urbanized Area Formula Funding Program.

A. Mobile Hydrogen Fuel Cell Fueling Station

On October 27, 2021, the City Council adopted Resolution No. 21-80 approving MBL's Zero Emission Bus (ZEB) Rollout Plan to serve as a blueprint for how MBL plans to achieve a full transition to zero-emissions (ZE) technologies by 2040. The ZEB Rollout Plan provides information on strategies necessary to address MBL's current bus fleet composition, future bus purchases, facilities and infrastructure modifications, and potential funding sources. Following the ZEB Rollout Plan, MBL identified 5307 Funding as an additional funding opportunity to assist with the purchase of a mobile hydrogen fueling station.

B. Enterprise Asset Management System

Upgrading the EAM System is a pivotal component to MBL's strategic transition to a ZE fleet, as detailed in the ZEB Rollout Plan. The proposed upgrade aims to streamline operations by automating key functions such as work order tracking, staff productivity, and warehouse inventory management. The EAM System will support the integration of the new hydrogen fuel cell electric buses (FCEBs) by facilitating preventative maintenance schedules based on mileage and enhancing warranty tracking.

C. Non-Revenue Relief Vehicles

MBLs aging fleet of non-revenue relief vehicles have met or exceeded FTA's useful life benchmark (ULB). Replacing these vehicles is crucial for maintaining operational

CITY COUNCIL AGENDA REPORT - MEETING OF OCTOBER 23, 2024

Page 3 of 3

reliability and efficiency. These vehicles are essential for supporting day-to-day operations, including staff transportation, to ensure services go uninterrupted during each operator shift change.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

Staff recommend the City Council approve receipt of \$6,436,000 in FTA grant funds awarded to the City under Grant No. CA-2024-198-00 to purchase a mobile hydrogen fueling station, an EAM System, and non-revenue relief vehicles; amend the FY 2024-25 adopted operating budget to appropriate the FTA grant funds in the amounts and in the accounts listed in Table 1 (see Fiscal Impact section); and take such additional, related, action that may be desirable.

ATTACHMENT(S)

1. Attachment A - Grant CA-2024-198-00
2. Attachment B - Resolution No 24-49

City of Montebello



REQUEST FOR QUOTE (RFQ) No. Q-25-01



RELIEF VEHICLES

February 13, 2025

ONLINE QUOTE SUBMITTAL ONLY THROUGH PLANET BIDS

NOTE: Updates, changes, or addendums to the RFQ are posted at:
<https://pbsystem.planetbids.com/portal/33072/portal-home>

NOTICE TO OFFERORS

TO: Prospective Vendors

RE: Request for Quotes (RFQ) 25-01 Relief Vehicles

City of Montebello – Montebello Bus Lines (MBL) is requesting online quotes from all qualified vendors (Vendors) to engage a Vendor to perform the tasks as described in the RFQ. The quote should include price, delivery date, and all information needed to understand and evaluate the quote, as well as any exception from MBL specifications. The award will be made based on price and length of delivery. Copies of MBL's specifications for this work and standard terms & conditions are included with this packet and will become part of any purchase order/contract resulting from this solicitation.

For any clarifying questions regarding this RFQ, please submit them online through PlanetBids by Thursday, February 27, 2025, at 3:00 p.m. After the deadline, responses will be provided within one week. Please direct all inquiries to Mark Jimenez at Mjimenez@Montebelloca.gov.

Online quote for "Relief Vehicles" will be received until 3:00pm Pacific Standard Time, Thursday March 20, 2025, through PlanetBids. Quotes received after that time will not be considered. MBL reserves the right to accept or reject any quote and to waive minor informalities or irregularities in the quote process



Mark Jimenez
Senior Management Analyst
Mjimenez@montebelloca.gov
(323) 558-1625 x 1105



REQUEST FOR QUOTE

400 S Taylor Ave, Montebello, CA 90640 Ph: (323)558-1625 x 1105

ISSUE DATE:
2/13/2025

QUOTE NUMBER:
RFQ 25-01

QUOTE DATE:
3/20/2025

<u>VENDOR</u>
Company: _____
Address: _____
Phone: _____
E-Mail: _____

<u>SHIP TO</u>
Company: Montebello Bus Lines
Contact: Mark Jimenez
Address: 400 S. Taylor Ave,
Montebello, CA, 90640
Phone: (323)558-1625 x 1105
E-Mail: Mjimenez@Montebelloca.gov

Payment Terms	Ship VIA	F.O.B	Freight Terms	Need Date
Net 90	Best Way	Montebello Bus Lines	Prepaid	

Unit	Description	Unit Price	Extended Price
9	Relief Vehicles	\$	\$
9	Document / E plate/ DMV Fees	\$	\$
9	Tire Fee	\$	\$
9	Delivery Fees	\$	\$
9	Additional Charges or Fees (If Any)	\$	\$

<u>SPECIAL INSTRUCTION:</u> SEE EXHIBIT A – SCOPE OF REQUIREMENTS
--

Sub Total	\$ _____
Shipping:	\$ _____
Tax (10.25%):	\$ _____
Total:	\$ _____

Vendor Commitment Date: _____

Vendor Signature: _____

EXHIBIT A

SCOPE OF REQUIREMENTS

1. INTRODUCTION

The City of Montebello (City) is inviting quotes from qualified vendors for the procurement of nine (9) new “Relief Vehicles” for Montebello Bus Lines (MBL). These vehicles play a crucial role in supporting MBL operations, such as facilitating the relief of bus operators from their routes, operational purposes and transporting staff to various locations. This Request for Quotes (RFQ) aims to replace the current fleet of personnel transportation vehicles, ensuring MBL's continued efficiency and service reliability.

2. BACKGROUND

As the third-largest municipal bus system in Los Angeles County, MBL proudly serves 4.5 million passengers annually throughout the communities of Alhambra, Bell Gardens, San Gabriel, Boyle Heights, Commerce, Downtown Los Angeles, East Los Angeles, La Mirada, Montebello, Monterey Park, Pico Rivera, Rosemead, South Gate, and Whittier. To provide reliable and efficient public transportation services to the residents of Montebello and neighboring communities, the agency relies on the Maintenance Division to have the relevant equipment required to maintain and service MBL's fleet.

3. PURPOSE

MBL is seeking to replace its Relief Vehicle Fleet with nine (9) 2025 Toyota Corolla LE Hybrid or newest model, or equivalent matching the following salient characteristics and specifications.

The vehicle must be new, free of damage and unrepaired. The awarded Bidder will be responsible for completing and filing with payment all related documents and forms including applying for EXEMPT LICENSE PLATES with the California Department of Motor Vehicles. Vehicles must be cleaned inside and out and delivered to 400 S Taylor Ave, Montebello, CA 90640. The vehicles will be subject to a pre-acceptance inspection.

4. TERMS

Net 90 Days: MBL plans to present this item and a related purchase order and/or agreement to the Montebello City Council in April or May 2025. If awarded, MBL will issue a check to the vendor within three weeks of the award date upon mutual completion of a purchase order. Therefore, quotes must remain valid, at a minimum, through **June 30, 2025**.

5. REQUIREMENTS

Deliverables

- Nine (9) total- 2025 Toyota Corolla LE Hybrid [or newest Toyota Corolla LE hybrid model], or hybrid equivalent matching the following salient characteristics and specifications.
- **Delivered to:** Montebello Bus Lines, 400 South Taylor Ave., Montebello, CA 90640

- **Two (2) sets of keys per each vehicle.**
 - **Owner's Manual per each vehicle.**
 - **120 VAC Charging Cord per each vehicle** (for hybrid model, typically used for charging accessories or maintaining auxiliary battery charge)
-

Vehicle Mechanical Specifications

- **Engine:** 1.8L 4-Cylinder Hybrid Engine with Atkinson Cycle
 - **Electric Drive Motor:** Hybrid Powertrain with Electric Motor Assist
 - **Transmission:** Continuously Variable Transmission (CVT)
 - **Drive System:** Front-Wheel Drive (FWD)
 - **Brakes:** Four-Wheel Anti-Lock Disc Brakes with Regenerative Braking System
 - **Suspension:** Independent Suspension (Front and Rear)
 - **Traction Control System**
 - **Lithium-Ion Hybrid Battery:** 13.8 kWh, Battery Range 500 miles combined (with gas and electric power)
 - **Electric Power Steering**
 - **Steering Column Tilt and Telescopic**
 - **Fuel Economy:** Estimated 53 MPG City / 52 MPG Highway / 52 MPG Combined
-

Vehicle Exterior Specifications

- **Exterior Color:** Super White (or Equal)
 - **Door Frame Molding:** Color-matched to the body
 - **Bumpers:** Upper Rear Body-Color, Lower Rear Self-Colored
 - **Chrome Trim:** Exterior chrome accents
 - **Door Handles:** Body-Colored
 - **Rear Spoiler:** Body-Colored
 - **Moldings:** Rocker Panel Self-Colored
 - **Backup Lamps:** LED
 - **LED Signature Lighting:** Front and Rear
 - **LED Tail Lamps**
 - **Tires:** 15-inch alloy wheels with low-rolling resistance tires (Optional upgrade to 17-inch available)
 - **Windshield Wipers:** Intermittent Front and Rear with variable speed control
-

Vehicle Interior/Comfort Specifications

- **Interior Color:** Ash (Light Gray) or Black, Fabric seat trim (or Equal)
- **Seat Adjustments:** 6-way Manual Driver and Passenger Seat Adjustments
- **Rear Seats:** 60/40 Split-Folding Rear Seats for added cargo space
- **Digital Speedometer and Instrumentation:** 7-inch color TFT multi-information display
- **Climate Control:** Automatic Climate Control with Air Filter
- **Rear Heat Vents:** Standard

- **Driver's Side Footrest**
 - **Dual Illuminated Visor Vanity Mirrors**
 - **Floor Console, Armrest, and Storage**
 - **Power Windows:** Express Down (Driver-side only)
 - **Windshield Solar Absorbing Glass**
 - **Floor Mats:** 1st and 2nd Row
 - **Illuminated Entry**
 - **Map Lights**
 - **Overhead Console**
 - **Power Door-Locks:** Remote Central Locking
 - **PowerPoints:** 12V Power Outlet in Console, one (1)
 - **Rear Coat Hooks**
 - **Audio:** AM/FM, Apple CarPlay, Android Auto, SiriusXM, Bluetooth hands-free
 - **Defogger:** Rear Window Electric
 - **Premium Audio System:** 6 speakers with a 7-inch touchscreen display
-

Vehicle Safety and Security Specifications

- **Airbags:** Driver Knee Airbag, Dual-Stage Front Airbags, Side Airbags, Side Curtain Airbags (Front and Rear)
- **Toyota Safety Sense 2.5 (TSS 2.5):** Includes Pre-Collision System with Pedestrian Detection, Lane Departure Alert with Steering Assist, Lane Tracing Assist, Road Sign Assist, Automatic High Beams
- **Center High-Mounted Stop Lamp (CHMSL)**
- **Front-Passenger Sensing System**
- **Blind Spot Monitor with Rear Cross-Traffic Alert**
- **Backup Camera:** Integrated with guidelines and parking assistance
- **Stability Control:** Electronic Stability Control (ESC) and Traction Control
- **Anti-Theft System:** Engine Immobilizer
- **Tire Pressure Monitoring System (TPMS)**

6. SUBMISSION

Quotes must be received no later than **Thursday, March 20, 2025, at 3:00 PM** Pacific Standard Time and submitted in accordance with the instructions contained in this RFQ. It is solely the responsibility of Vendor to see that its Quote is properly submitted to PlanetBids in proper form and prior to the stated closing time. No exceptions will be granted regardless of reason or circumstances. Quote Submittals will be accepted only through PlanetBids.

The RFQ Submission shall include the following:

- Cover sheet stating the following:
 - Company/Vendor Name
 - Name of Representative
 - Contact telephone and email
 - Signature
 - Title
 - Date

- Request For Quote Documentations + Company Quote
- Images of Each Vehicle
- Buy America Document signed

If MBL determines a response to any such inquiry is warranted, the response will be issued to all prospective Vendors via: <https://pbsystem.planetbids.com/portal/33072/portal-home>

7. ANTICIPATED TIMETABLE & SCHEDULE OF EVENTS

Scheduled Tasks	Scheduled Date	
Issuance of RFQ	Thursday	February 13, 2025
Deadline to Submit Questions	Thursday	February 27, 2025, at 3:00 PM PST
Responses to Questions Provided	Thursday	March 13, 2025
Deadline to Submit Quotes	Thursday	March 20, 2025 @ 3:00 PM PST
Presentations & Intent to Award	April 2025/May 2025	

8. ADDENDA

Any changes made by MBL to the requirements in this RFQ will be made by written addenda. Any written addenda issued to this RFQ shall be incorporated into the terms and conditions of any resulting Purchase Order. The City will not be bound by any modifications to or deviations from the requirements outlined in this RFQ as the result of oral instructions. MBL reserves the right to revise or withdraw this RFQ at any time and for any reason.

9. TIME OF COMPLETION

The Purchase Order time shall commence from the date on the Notice to Proceed (NTP) as authorized in writing by the City. The services shall be completed within the period specified in the RFQ. In case the services under the terms of these provisions and related purchase shall be necessarily delayed because of a strike, injunctions, government controls, or by reasons of any cause or circumstances beyond the control of the successful Vendor, the time of completion shall be extended by a number of days to be determined in each instance by mutual agreement between Vendor and MBL.

10. EVALUATION CRITERIA

The purchase order resulting from this RFQ will be awarded to the responsive bid by a responsible Vendor whose quote, offering the needed quality of supply and conforming to the requirements of this RFQ, at the lowest quote. No purchase order shall exist until the City Council, or the City Manager has awarded the purchase order and it has been mutually executed.

An Evaluation Committee comprised of MBL staff in accordance with the Quote Evaluation Criteria set forth in the Evaluation Criteria section of this RFQ will evaluate all the Quotes.

11. CITY OF MONTEBELLO RIGHTS

In its discretion, the City reserves the right to:

1. Reject any and/or all Quotes for no reason or any reason including but not limited to the following:

- a. The Quote is incomplete, non-responsive, obscure, irregular, or lacking necessary detail and specificity.
 - b. The Vendor, in the sole judgment of the City, lacks the qualifications, experience, and/or responsibility necessary to provide the services.
 - c. The Vendor failed or neglected to complete and submit any information within the time specified by the City, and as may be otherwise required herein.
2. Reject any Quote that, in the opinion of the City, is so unbalanced in comparison to other Quotes received and/or to the City's internal estimates that it does not accurately reflect the cost to perform;
3. Accept all or any part of a Quote.
4. Cancel the entire RFQ.
5. Issues subsequent RFQs; or
6. Waive any errors or informalities in any Quote, to the extent permitted by law

12. JOINT OFFERS

Where two (2) or more Vendors desire to submit in response to this RFQ, they shall do so on a prime-sub-Vendor basis rather than as a joint venture. The City intends to award a single firm and not with multiple firms doing business as a joint venture. Any Quote submitted on behalf of any form of a joint venture or partnership between two (2) existing Vendors may be considered collusive and may be rejected as non-responsive.

13. SINGLE QUOTE RESPONSE

If only one Quote is received in response to this RFQ, a detailed cost/price Quote may be requested of the Vendor. A cost or cost and price analysis and evaluation and/or audit of the cost may be performed to determine if the price is fair and reasonable. If the City determines a cost analysis is required, Vendor must be prepared to provide, upon request, cost summaries of estimated costs (i.e. labor, equipment, supplies, overhead costs, etc.) and documentation supporting all cost elements

EXHIBIT B
GENERAL TERMS AND CONDITIONS

1. TERM OF AGREEMENT

- A. Delivery of the vehicles will be no later than **June 30th, 2025**.
- B. Quotes provided by the Vendor should reflect the maximum cost and remain valid through, at a minimum, June 30, 2025. The City may purchase the vehicles in phases, with all purchases being completed by **June 30, 2025**.
- C. The City intends to use Federal Transit Administration (FTA) funds for vehicle purchases. As a result, the selected vendor must comply with all federal requirements outlined in **Exhibit C**. Additionally, Vendor must comply with all applicable provisions of the Buy American Act in **Exhibit D**. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

2. PACKING SLIPS

Packing slips must accompany each shipment unit (included with each package in shipment), showing MBL P.O. number, description, and part number for each item.

3. DELIVERY

Unless otherwise indicated on the face of the P.O., delivery shall be FOB destination unless otherwise specified by MBL. COD shipments will not be accepted. Unless otherwise provided in the P.O., Vendor shall have title to and bear the risk of any loss or damage to the goods ordered until they are delivered in conformity with the P.O. at the specified F.O.B. point. Upon such delivery, title shall pass from Vendor to MBL and Vendor's responsibility for losses or damage shall cease, except for loss or damage occurring prior to or upon delivery, or loss or damage resulting from Vendor's negligence or intentional acts. Passing of title upon such delivery shall not constitute acceptance of the goods and services by MBL.

4. WARRANTY

Vendor warrants that the good(s) provided under the P.O. comply with all specifications, are free of lines and encumbrances, and that workmanship, design, engineering and materials are free from defects. Equipment shall carry the manufacturers' most favorable commercial warranties. The warranty period shall begin from the date of final written acceptance of the item(s) by City. Vendor further warrants that all machinery, equipment, or process included in this RFQ will meet the performance requirements and specifications specified in Exhibit "A" and shall be fit for the purpose intended. Vendor agrees to remedy by replacing or repairing any goods(s) that are damaged or defective during normal usage within the warranty period, at no additional cost to MBL. Such repair or replacement shall occur within a reasonable time frame and to the satisfaction of MBL. Vendor agrees that by acceptance of this warranty and acceptance of the goods provided

by Vendor, MBL does not waive any warranty, either expressed or implied in Sections 2312-2317, inclusive, of the Commercial Code of the State of California or of the United States.

5. POINT OF CONTACT

This RFQ is issued by the City, and the Senior Management Analyst will be the sole point of contact ("Point of Contact") during the RFQ submission and procurement process. Communication initiated by respondents to this RFQ with members of the City Council, officers, personnel, or employees of the city, other than as coordinated by the Point of Contact, may be grounds for disqualification. Any inquiry or request during this submission or procurement process shall be submitted in writing to the following Point of Contact:

City of Montebello Transportation Department
Attention: Mark Jimenez
Senior Management Analyst
400 South Taylor Ave.
Montebello, CA 90640
(323) 558-1625 ext. 1105
Email: mjimenez@montebellocity.gov

6. FEDERAL, STATE AND LOCAL LAWS

All goods or services furnished pursuant to the P.O. shall comply with all applicable federal, state and local laws and regulations.

7. GOVERNING LAW

The P.O. shall be deemed to be made in the State of California and shall in all respects be construed and governed by the laws of that state.

8. PATENT PROTECTION

To the extent the goods are not manufactured pursuant to design originated by MBL, Vendor agrees it will indemnify and hold MBL and its officers, agents, and employees harmless from any loss, damage or liability which may be incurred on account of any alleged infringement of any United States patent with respect to such articles or materials, and that it will, at its own expense, defend any action, suit or claim in which such infringement is alleged. MBL agrees to notify Vendor promptly of any suit or claim against MBL for any alleged infringement of patent.

9. INDEMNIFICATION

The Vendor shall indemnify, keep and save harmless MBL, its agents, officials and employees from any and all claims, actions, losses, damages, and/or liability arising out of the goods or performance of the purchase order from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by MBL on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnitees. The Vendor's indemnification obligation applies to MBL's "active" as well as "passive" negligence

but does not apply to MBL's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782.

10. **INSURANCE**

If Vendor is providing services to MBL, Vendor shall maintain workers' compensation insurance in accordance with state requirements. Also all vendors shall also maintain commercial general liability insurance, including automobile liability insurance, in the amount of at least \$2,000,000 per claim. MBL reserves the right to require submittal of a certificate of insurance naming the MBL, its directors, officers, employees and agents as additional insureds. In addition, Vendor shall maintain professional liability insurance if applicable.

Vendor shall ensure that third party shippers contracted by Supplier have adequate insurance coverage for the shipped goods.

11. **FORCE MAJEURE**

Vendor will not be held liable for failure of delay in fulfillment if hindered or prevented by act of God, fire, strike, loss or shortage of transportation facilities, lock-out, commandeering of materials, products, plants or facilities by government that are not reasonably foreseeable.

12. **ACKNOWLEDGMENT**

By delivery of the goods or services purchased herein, the Vendor agrees to all the terms and conditions herein.

13. **TERMINATION**

MBL may terminate the P.O. in whole or in part for MBL's convenience or because of the failure of the Vendor to fulfill the purchase order obligation. MBL shall terminate by specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Vendor shall: (a) immediately discontinue all services affected and (b) deliver to MBL all data, drawings, specifications, reports, estimates, summaries and other information and materials accumulated in performing this purchase, whether completed or in process. If the termination is for the convenience of MBL, MBL shall make an equitable adjustment in the P.O., but shall not allow anticipated profit on unperformed services.

EXHIBIT C
FTA CLAUSES, TERMS AND CONDITIONS

1 Incorporation of FTA Terms

The following provisions include, in part, certain Standard Terms and RFQ 25-01 Support Vehicles Conditions required by the Federal Transit Administration (FTA), whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by FTA, as set forth in FTA Circular 4220.1 and in accordance with the FTA federal clauses as outlined in the Master Agreement hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this P.O. The Vendor shall not perform any act, fail to perform any act, or refuse to comply with any MBL requests which would cause MBL to be in violation of the FTA terms and conditions.

PLEASE REFER TO **ATTACHMENT A** OF THIS PACKAGE ON PLANETBIDS

EXHIBIT D

BUY AMERICA CERTIFICATION

This procurement is subject to the Federal Transit Administration Buy America Requirements in 49 CFR 661.

A Buy America Certificate, as per attached format, must be completed and submitted with the bid. A bid, which does not include the certificate, will be considered non-responsive. If steel, iron, or manufactured products (as defined in §§ 661.3 and 661.5 of this part) are being procured, the appropriate certificate as set forth below shall be completed and submitted by each Bidder or Offeror in accordance with the requirement contained in §661.13(b) of this part.

Certificate of Compliance with Buy America Requirements

The Bidder or Offeror hereby certifies that it will comply with the requirements of 49 U.S.C.5323(j)(1), and the applicable regulations in 49 CFR part 661.

Date: _____

Signature: _____

Company: _____

Name: _____

Title: _____

Certificate of Non-Compliance with Buy America Requirements

The Bidder or Offeror hereby certifies that it cannot comply with the requirements of 49 U.S.C. 5323(j), but it may qualify for an exception to the requirement pursuant to 49 U.S.C. 5323(j)(2), as amended, and the applicable regulations in 49 CFR 661.7.

Date: _____

Signature: _____

Company: _____

Name: _____

Title: _____

Table of Contents

FEDERAL CLAUSES	3
ACCESS TO RECORDS AND REPORTS	3
AMERICANS WITH DISABILITIES ACT (ADA).....	3
BUY AMERICA REQUIREMENTS.....	4
CARGO PREFERENCE REQUIREMENTS	4
CHANGES TO FEDERAL REQUIREMENTS	5
CHARTER SERVICE	5
CIVIL RIGHTS LAWS AND REGULATIONS	6
CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT.....	8
CONTRACT WORK HOURS AND SAFETY STANDARDS ACT	9
DAVIS BACON ACT AND COPELAND ANTI-KICKBACK ACT	10
DEBARMENT AND SUSPENSION	11
DISADVANTAGED BUSINESS ENTERPRISE (DBE)	11
ENERGY CONSERVATION	12
EQUAL EMPLOYMENT OPPORTUNITY.....	12
FLY AMERICA	14
INCORPORATION OF FEDERAL TRANSIT ADMINISTRATION (FTA) TERMS.....	14
NO GOVERNMENT OBLIGATION TO THIRD PARTIES.....	15
NOTICE TO FTA AND U.S. DOT INSPECTOR GENERAL OF INFORMATION RELATED TO FRAUD, WASTE, ABUSE, OR OTHER LEGAL MATTERS	15
PATENT RIGHTS AND RIGHTS IN DATA.....	16
PRE-AWARD AND POST-DELIVERY AUDITS OF ROLLING STOCK PURCHASES	17
PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS AND RELATED ACTS.....	18
PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT.....	18
PROMPT PAYMENT	20
RESTRICTIONS ON LOBBYING	20
SAFE OPERATION OF MOTOR VEHICLES	23

SIMPLIFIED ACQUISITION THRESHOLD	23
SOLID WASTES (RECOVERED MATERIALS)	23
SPECIAL DOL EEO CLAUSE FOR CONSTRUCTION PROJECTS	25
SUBSTANCE ABUSE REQUIREMENTS	27
TERMINATION	27
VETERANS HIRING PREFERENCE.....	31
VIOLATION AND BREACH OF CONTRACT	32
OTHER RECOMMENDED CONTRACT REQUIREMENTS.....	33
FEDERAL TAX LIABILITY AND RECENT FELONY CONVICTIONS.....	33
SEVERABILITY.....	33
TRAFFICKING IN PERSONS	34

FEDERAL CLAUSES

ACCESS TO RECORDS AND REPORTS

a. Record Retention. The Contractor will retain, and will require its subcontractors of all tiers to retain, complete and readily accessible records related in whole or in part to the contract, including, but not limited to, data, documents, reports, statistics, leases, subcontracts, arrangements, other third-party Contracts of any type, and supporting materials related to those records.

b. Retention Period. The Contractor agrees to comply with the record retention requirements in accordance with 2 C.F.R. § 200.334. The Contractor shall maintain all books, records, accounts and reports required under this Contract for a period of at not less than three (3) years after the date of termination or expiration of this Contract, except in the event of litigation or settlement of claims arising from the performance of this Contract, in which case records shall be maintained until the disposition of all such litigation, appeals, claims or exceptions related thereto.

c. Access to Records. The Contractor agrees to provide sufficient access to FTA and its contractors to inspect and audit records and information, including such records and information the contractor or its subcontractors may regard as confidential or proprietary, related to performance of this contract in accordance with 2 CFR § 200.337.

d. Access to the Sites of Performance. The Contractor agrees to permit FTA and its contractors access to the sites of performance under this contract in accordance with 2 CFR § 200.337.

AMERICANS WITH DISABILITIES ACT (ADA)

The contractor agrees to comply with all applicable requirements of section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, which prohibits discrimination on the basis of handicaps, with the Americans with Disabilities Act of 1990 (ADA), as amended, 42 U.S.C. §§ 12101 et seq., which requires that accessible facilities and services be made available to persons with disabilities, including any subsequent amendments to that Act, and with the Architectural Barriers act of 1968, as amended, 42 U.S.C. §§ 4151 et seq., which requires that buildings and public accommodations be accessible to persons with disabilities, including any subsequent amendments to that Act. In addition, the contractor agrees to comply with any and all applicable requirements issued by the FTA, DOT, DOJ, U.S. GSA, U.S. EEOC, U.S. FCC, any subsequent amendments thereto and any other nondiscrimination statute(s) that may apply to the Project.

BUY AMERICA REQUIREMENTS

The contractor agrees to comply with 49 U.S.C. 5323(j) and 49 C.F.R. part 661 and 2 CFR § 200.322 Domestic preferences for procurements, which provide that Federal funds may not be obligated unless all 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. General waivers are listed in 49 C.F.R. § 661.7.

Build America, Buy America Act. Construction materials used in the Project are subject to the domestic preference requirement of the Build America, Buy America Act, Pub. L. 117-58, div. G, tit. IX, §§ 70911 – 70927 (2021), as implemented by the U.S. Office of Management and Budget’s “Buy America Preferences for Infrastructure Projects,” 2 CFR Part 184. The Recipient acknowledges that this agreement is neither a waiver of § 70914(a) nor a finding under § 70914(b). In accordance with 2 CFR § 184.2(a), the Recipient shall apply the standards of 49 CFR Part 661 to iron, steel, and manufactured products.

Separate requirements for rolling stock are set out at 49 U.S.C. 5323(j)(2)(C), 49 U.S.C. § 5323(u) and 49 C.F.R. § 661.11. Domestic preferences for procurements

The bidder or offeror must submit to the Agency the appropriate Buy America certification. Bids or offers that are not accompanied by a completed Buy America certification will be rejected as nonresponsive. For more information, please see the FTA’s Buy America webpage at: <https://www.transit.dot.gov/buyamerica>

CARGO PREFERENCE REQUIREMENTS

The contractor agrees:

a. to use privately owned United States-Flag commercial vessels to ship at least 50 percent of any equipment, materials or commodities procured, contracted for or otherwise obtained with funds granted, guaranteed, loaned, or advanced by the U.S. Government under this agreement, and which may be transported by ocean vessel, shall be transported on privately owned United

States-flag commercial vessels, if available. 46 U.S.C. § 55305, and U.S. Maritime Administration regulations, “Cargo Preference – U.S.-Flag Vessels,” 46 CFR Part 381.

b. to furnish within 20 days following the date of loading for shipments originating within the United States or within 30 working days following the date of loading for shipments originating outside the United States, a legible copy of a rated, ‘on-board’ commercial ocean bill-of-lading in English for each shipment of cargo described in 46 CFR § 381.7(a)(1) shall be furnished to both the recipient (through the prime contractor in the case of subcontractor bills-of-lading) and to the Division of National Cargo, Office of Market Development, Maritime Administration, Washington, DC 20590; and

c. to include these requirements in all subcontracts issued pursuant to this contract when the subcontract may involve the transport of equipment, material, or commodities by ocean vessel.

CHANGES TO FEDERAL REQUIREMENTS

Federal requirements that apply to the Recipient or the Award, the accompanying Underlying Agreement, and any Amendments thereto may change due to changes in federal law, regulation, other requirements, or guidance, or changes in the Recipient’s Underlying Agreement including any information incorporated by reference and made part of that Underlying Agreement; and

Applicable changes to those federal requirements will apply to each Third-Party Agreement and parties thereto at any tier.

CHARTER SERVICE (N/A)

The contractor agrees to comply with 49 U.S.C. 5323(d), 5323(r), and 49 C.F.R. part 604, which provides that Recipients and subrecipients of FTA assistance are prohibited from providing charter service using federally funded equipment or facilities if there is at least one private charter operator willing and able to provide the service, except as permitted under:

1. Federal transit laws, specifically 49 U.S.C. § 5323(d);
2. FTA regulations, “Charter Service,” 49 C.F.R. part 604;
3. Any other federal Charter Service regulations; or
4. Federal guidance, except as FTA determines otherwise in writing.

The contractor agrees that if it engages in a pattern of violations of FTA’s Charter Service regulations, FTA may require corrective measures or impose remedies on it. These corrective measures and remedies may include:

1. Barring it or any subcontractor operating public transportation under its Award that has provided prohibited charter service from receiving federal assistance from FTA;
2. Withholding an amount of federal assistance as provided by Appendix D to part 604 of FTA's Charter Service regulations; or
3. Any other appropriate remedy that may apply.

The contractor should also include the substance of this clause in each subcontract that may involve operating public transit services.

CIVIL RIGHTS LAWS AND REGULATIONS

The following Federal Civil Rights laws and regulations apply to all contracts.

The Contractor and any subcontractor agree to comply with all the requirements prohibiting discrimination on the basis of race, color, or national origin of the Title VI of the Civil Rights Act of 1964, as amended 42 U.S.C 2000d, and U.S. DOT regulation "Nondiscrimination in Federally-Assisted Programs of the Department of Transportation – Effectuation of the Title VI of the Civil rights Act," 49 C.F. R. Part 21 and any implementing requirement FTA may issue.

- 1 **Federal Equal Employment Opportunity (EEO) Requirements.** These include, but are not limited to:
 - a) Nondiscrimination in Federal Public Transportation Programs. 49 U.S.C. § 5332, covering projects, programs, and activities financed under 49 U.S.C. Chapter 53, prohibits discrimination on the basis of race, color, religion, national origin, sex (including sexual orientation and gender identity), disability, or age, and prohibits discrimination in employment or business opportunity.
 - b) Prohibition against Employment Discrimination. Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e, and Executive Order No. 11246, "Equal Employment Opportunity," September 24, 1965, as amended, prohibit discrimination in employment on the basis of race, color, religion, sex, or national origin.
- 2 **Nondiscrimination on the Basis of Sex.** Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. § 1681 et seq. and implementing Federal regulations, "Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance," 49 C.F.R. part 25 prohibit discrimination on the basis of sex.
- 3 **Nondiscrimination on the Basis of Age.** The "Age Discrimination Act of 1975," as amended, 42 U.S.C. § 6101 et seq., and Department of Health and Human Services implementing regulations, "Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance," 45 C.F.R. part 90, prohibit discrimination by participants in federally assisted programs against individuals on the basis of age. The Age Discrimination in Employment Act (ADEA), 29 U.S.C. § 621 et seq., and Equal Employment Opportunity

Commission (EEOC) implementing regulations, "Age Discrimination in Employment Act," 29 C.F.R. part 1625, also prohibit employment discrimination against individuals age 40 and over on the basis of age.

- 4 **Federal Protections for Individuals with Disabilities.** The Americans with Disabilities Act of 1990, as amended (ADA), 42 U.S.C. § 12101 et seq., prohibits discrimination against qualified individuals with disabilities in programs, activities, and services, and imposes specific requirements on public and private entities. Third party contractors must comply with their responsibilities under Titles I, II, III, IV, and V of the ADA in employment, public services, public accommodations, telecommunications, and other provisions, many of which are subject to regulations issued by other Federal agencies.

Civil Rights and Equal Opportunity

The Agency is an Equal Opportunity Employer. As such, the Agency agrees to comply with all applicable Federal civil rights laws and implementing regulations. Apart from inconsistent requirements imposed by Federal laws or regulations, the Agency agrees to comply with the requirements of 49 U.S.C. § 5323(h) (3) by not using any Federal assistance awarded by FTA to support procurements using exclusionary or discriminatory specifications. Under this Contract, the Contractor shall at all times comply with the following requirements and shall include these requirements in each subcontract entered into as part thereof.

1. **Nondiscrimination.** In accordance with Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, disability, or age. In addition, the Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.
2. **Race, Color, Religion, National Origin, Sex.** In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e et seq., and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. chapter 60, and Executive Order No. 11246, "Equal Employment Opportunity in Federal Employment," September 24, 1965, 42 U.S.C. § 2000e note, as amended by any later Executive Order that amends or supersedes it, referenced in 42 U.S.C. § 2000e note. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, national origin, or sex (including sexual orientation and gender identity). Such action shall include, but not be limited to, the following: employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

3. **Age.** In accordance with the Age Discrimination in Employment Act, 29 U.S.C. §§ 621-634, U.S. Equal Employment Opportunity Commission (U.S. EEOC) regulations, "Age Discrimination in Employment Act," 29 C.F.R. part 1625, the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6101 et seq., U.S. Health and Human Services regulations, "Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance," 45 C.F.R. part 90, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any Implementing requirements FTA may issue.
4. **Disabilities.** In accordance with section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12101 et seq., the Architectural Barriers Act of 1968, as amended, 42 U.S.C. § 4151 et seq., and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against individuals on the basis of disability. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.
5. **Promoting Free Speech and Religious Liberty.** The Contractor shall ensure that Federal funding is expended in full accordance with the U.S. Constitution, Federal Law, and statutory and public policy requirements: including, but not limited to, those protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination.

CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT

The Contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251-1387). Violations must be reported to FTA and the Regional Office of the Environmental Protection Agency. The following applies for contracts of amounts in excess of \$150,000:

Clean Air Act

- (1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
- (2) The contractor agrees to report each violation to the Agency and understands and agrees that the Agency will, in turn, report each violation as required to assure notification to the Agency, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
- (3) The contractor agrees to include these requirements in each subcontract

exceeding \$150,000 financed in whole or in part with Federal assistance provided by FTA.

Federal Water Pollution Control Act

- (1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
- (2) The contractor agrees to report each violation to the Agency and understands and agrees that the Agency will, in turn, report each violation as required to assure notification to the Agency, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
- (3) The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FTA."

CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

- a. Applicability: This requirement applies to all FTA grant and cooperative agreement programs.
- b. Where applicable (see 40 U.S.C. § 3701), all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations at 29 C.F.R. Part 5. See 2 C.F.R. Part 200, Appendix II.
- c. Under 40 U.S.C. § 3702, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week.
- d. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
- e. The regulation at 29 C.F.R. § 5.5(b) provides the required contract clause concerning compliance with the Contract Work Hours and Safety Standards Act:

Compliance with the Contract Work Hours and Safety Standards Act.

- (1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
- (2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.
- (3) Withholding for unpaid wages and liquidated damages. The agency shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.
- (4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section."

DAVIS BACON ACT AND COPELAND ANTI-KICKBACK ACT

For all prime construction, alteration or repair contracts in excess of \$2,000 awarded by FTA, the Contractor shall comply with the Davis-Bacon Act and the Copeland "Anti-Kickback" Act. Under 49 U.S.C. § 5333(a), prevailing wage protections apply to laborers and mechanics employed on FTA assisted construction, alteration, or repair projects. The Contractor will comply with the Davis-Bacon Act, 40 U.S.C. §§ 3141-3144, and 3146-3148 as supplemented by DOL regulations at 29 C.F.R. part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction." In accordance with the statute, the Contractor shall pay wages to laborers and mechanics at a rate not less than the prevailing

wages specified in a wage determination made by the Secretary of Labor. In addition, the Contractor agrees to pay wages not less than once a week. The Contractor shall also comply with the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by DOL regulations at 29 C.F.R. part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in part by Loans or Grants from the United States.” The Contractor is prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled.

DEBARMENT AND SUSPENSION

Debarment and Suspension (Executive Orders 12549 and 12689). A covered transaction (see 2 C.F.R. §§ 180.220 and 1200.220) must not be entered into with any party listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. 180 that implement Executive Orders 12549 (31 U.S.C. § 6101 note, 51 Fed. Reg. 6370,) and 12689 (31 U.S.C. § 6101 note, 54 Fed. Reg. 34131), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. The Recipient agrees to include, and require each Third Party Participant to include, a similar provision in each lower tier covered transaction, ensuring that each lower tier Third Party Participant:

- (1) Complies with federal debarment and suspension requirements; and
- (2) Reviews the SAM at <https://www.sam.gov>, if necessary to comply with U.S. DOT regulations, 2 CFR Part 1200.

DISADVANTAGED BUSINESS ENTERPRISE (DBE)

It is the policy of the Agency and the United States Department of Transportation (“DOT”) that Disadvantaged Business Enterprises (“DBE’s”), as defined herein and in the Federal regulations published at 49 C.F.R. part 26, shall have an equal opportunity to participate in DOT-assisted contracts.

The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 C.F.R. part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the Agency deems appropriate, which may include, but is not limited to:

- (1) Withholding monthly progress payments;
- (2) Assessing sanctions;
- (3) Liquidated damages; and/or
- (4) Disqualifying the contractor from future bidding as non-responsible. 49 C.F.R. § 26.13(b).

Prime contractors are required to pay subcontractors for satisfactory performance of their contracts no later than 30 days from receipt of each payment the Agency makes to the prime contractor. 49 C.F.R. § 26.29(a).

Finally, for contracts with defined DBE contract goals, the contractor shall utilize the specific DBEs listed unless the contractor obtains the Agency's written consent; and that, unless the Agency's consent is provided, the contractor shall not be entitled to any payment for work or material unless it is performed or supplied by the listed DBE. 49 C.F.R. § 26.53(f) (1).

ENERGY CONSERVATION

The contractor agrees to comply with mandatory standards and policies relating to energy efficiency, which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. § 6201).

EQUAL EMPLOYMENT OPPORTUNITY

During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. 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. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
- (2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- (3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has

inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

- (4) The contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (7) In the event of the contractor's non-compliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (8) The contractor will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

FLY AMERICA

a) Definitions. As used in this clause—

- 1) “International air transportation” means transportation by air between a place in the United States and a place outside the United States or between two places both of which are outside the United States.
- 2) “United States” means the 50 States, the District of Columbia, and outlying areas.
- 3) “U.S.-flag air carrier” means an air carrier holding a certificate under 49 U.S.C. Chapter 411.

- b) When Federal funds are used to fund travel, Section 5 of the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. 40118) (Fly America Act) requires contractors, Agencies, and others use U.S.-flag air carriers for U.S. Government-financed international air transportation of personnel (and their personal effects) or property, to the extent that service by those carriers is available. It requires the Comptroller General of the United States, in the absence of satisfactory proof of the necessity for foreign-flag air transportation, to disallow expenditures from funds, appropriated or otherwise established for the account of the United States, for international air transportation secured aboard a foreign-flag air carrier if a U.S.-flag air carrier is available to provide such services.
- c) If available, the Contractor, in performing work under this contract, shall use U.S.-flag carriers for international air transportation of personnel (and their personal effects) or property.
- d) In the event that the Contractor selects a carrier other than a U.S.-flag air carrier for international air transportation, the Contractor shall include a statement on vouchers involving such transportation essentially as follows:

Statement of Unavailability of U.S.-Flag Air Carriers

International air transportation of persons (and their personal effects) or property by U.S.-flag air carrier was not available or it was necessary to use foreign-flag air carrier service for the following reasons. See FAR § 47.403. [State reasons]:

- e) Contractor shall include the substance of this clause, including this paragraph (e), in each subcontract or purchase under this contract that may involve international air transportation.

INCORPORATION OF FEDERAL TRANSIT ADMINISTRATION (FTA) TERMS

The provisions within include, in part, certain Standard Terms and Conditions required under the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR § 200), whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by DOT, detailed in 2 CFR § 200 or as amended by 2 CFR §

1201, or the most recent version of FTA Circular 4220.1 are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Contract. The Contractor shall not perform any act, fail to perform any act, or refuse to comply with any request which would cause a violation of the FTA terms and conditions.

NO GOVERNMENT OBLIGATION TO THIRD PARTIES

The Recipient and Contractor acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying Contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this Contract and shall not be subject to any obligations or liabilities to the Recipient, Contractor or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying Contract. The Contractor agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by the FTA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

NOTICE TO FTA AND U.S. DOT INSPECTOR GENERAL OF INFORMATION RELATED TO FRAUD, WASTE, ABUSE, OR OTHER LEGAL MATTERS

If a current or prospective legal matter that may affect the Federal Government emerges, the Recipient must promptly notify the FTA Chief Counsel and FTA Regional Counsel for the Region in which the Recipient is located. The Recipient must include a similar notification requirement in its Third-Party Agreements and must require each Third-Party Participant to include an equivalent provision in its subagreements at every tier, for any agreement that is a “covered transaction” according to 2 C.F.R. §§ 180.220 and 1200.220.

(1) The types of legal matters that require notification include, but are not limited to, a major dispute, breach, default, litigation, or naming the Federal Government as a party to litigation or a legal disagreement in any forum for any reason.

(2) Matters that may affect the Federal Government include, but are not limited to, the Federal Government’s interests in the Award, the accompanying Underlying Agreement, and any Amendments thereto, or the Federal Government’s administration or enforcement of federal laws, regulations, and requirements.

(3) The Recipient must promptly notify the U.S. DOT Inspector General in addition to the FTA Chief Counsel or Regional Counsel for the Region in which the Recipient is located, if the Recipient has knowledge of potential fraud, waste, or abuse occurring on a Project receiving assistance from FTA. The notification provision applies if a person has or may have submitted a

false claim under the False Claims Act, 31 U.S.C. § 3729 et seq., or has or may have committed a criminal or civil violation of law pertaining to such matters as fraud, conflict of interest, bribery, gratuity, or similar misconduct. This responsibility occurs whether the Project is subject to this Agreement or another agreement between the Recipient and FTA, or an agreement involving a principal, officer, employee, agent, or Third Party Participant of the Recipient. It also applies to subcontractors at any tier. Knowledge, as used in this paragraph, includes, but is not limited to, knowledge of a criminal or civil investigation by a Federal, state, or local law enforcement or other investigative agency, a criminal indictment or civil complaint, or probable cause that could support a criminal indictment, or any other credible information in the possession of the Recipient.

PATENT RIGHTS AND RIGHTS IN DATA

Intellectual Property Rights

This Project is funded through a Federal award with FTA for experimental, developmental, or research work purposes. As such, certain Patent Rights and Data Rights apply to all subject data first produced in the performance of this Contract. The Contractor shall grant the Agency intellectual property access and licenses deemed necessary for the work performed under this Contract and in accordance with the requirements of 37 C.F.R. part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by FTA or U.S. DOT.

The terms of an intellectual property agreement and software license rights will be finalized prior to execution of this Contract and shall, at a minimum, include the following restrictions:

Except for its own internal use, the Contractor may not publish or reproduce subject data in whole or in part, or in any manner or form, nor may the Contractor authorize others to do so, without the written consent of FTA, until such time as FTA may have either released or approved the release of such data to the public. This restriction on publication, however, does not apply to any contract with an academic institution.

For purposes of this Contract, the term "subject data" means recorded information whether or not copyrighted, and that is delivered or specified to be delivered as required by the Contract. Examples of "subject data" include, but are not limited to computer software, standards, specifications, engineering drawings and associated lists, process sheets, manuals, technical reports, catalog item identifications, and related information, but do not include financial reports, cost analyses, or other similar information used for performance or administration of the Contract.

1. The Federal Government reserves a royalty-free, non-exclusive and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use for "Federal Government Purposes," any subject data or copyright described below. For "Federal

Government Purposes,” means use only for the direct purposes of the Federal Government. Without the copyright owner’s consent, the Federal Government may not extend its Federal license to any other party.

a. Any subject data developed under the Contract, whether or not a copyright has been obtained; and

b. Any rights of copyright purchased by the Contractor using Federal assistance in whole or in part by the FTA.

2. Unless FTA determines otherwise, the Contractor performing experimental, developmental, or research work required as part of this Contract agrees to permit FTA to make available to the public, either FTA’s license in the copyright to any subject data developed in the course of the Contract, or a copy of the subject data first produced under the Contract for which a copyright has not been obtained. If the experimental, developmental, or research work, which is the subject of this Contract, is not completed for any reason whatsoever, all data developed under the Contract shall become subject data as defined herein and shall be delivered as the Federal Government may direct.

3. Unless prohibited by state law, upon request by the Federal Government, the Contractor agrees to indemnify, save, and hold harmless the Federal Government, its officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation by the Contractor of proprietary rights, copyrights, or right of privacy, arising out of the publication, translation, reproduction, delivery, use, or disposition of any data furnished under that contract. The Contractor shall not be required to indemnify the Federal Government for any such liability arising out of the wrongful act of any employee, official, or agents of the Federal Government.

4. Nothing contained in this clause on rights in data shall imply a license to the Federal Government under any patent or be construed as affecting the scope of any license or other right otherwise granted to the Federal Government under any patent.

5. Data developed by the Contractor and financed entirely without using Federal assistance provided by the Federal Government that has been incorporated into work required by the underlying Contract is exempt from the requirements herein, provided that the Contractor identifies those data in writing at the time of delivery of the Contract work.

6. The Contractor agrees to include these requirements in each subcontract for experimental, developmental, or research work financed in whole or in part with Federal assistance.

PRE-AWARD AND POST-DELIVERY AUDITS OF ROLLING STOCK PURCHASES

The Contractor agrees to comply with 49 U.S.C. § 5323(m) and FTA's implementing regulation at 49 C.F.R. part 663. The Contractor shall comply with the Buy America certification(s) submitted with its proposal/bid. The Contractor agrees to participate and cooperate in any pre-award and post-delivery audits performed pursuant to 49 C.F.R. part 663 and related FTA guidance.

PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS AND RELATED ACTS

The Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. § 3801 et seq. and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 C.F.R. part 31, apply to its actions pertaining to this Project. Upon execution of the underlying contract, the Contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying contract or the FTA assisted project for which this contract work is being performed. In addition to other penalties that may be applicable, the Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the Contractor to the extent the Federal Government deems appropriate.

The Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. chapter 53, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5323(l) on the Contractor, to the extent the Federal Government deems appropriate.

The Contractor agrees to include the above two clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT.

a) Recipients and subrecipients are prohibited from obligating or expending loan or grant funds to:

- 1) Procure or obtain covered telecommunications equipment or services;
- 2) Extend or renew a contract to procure or obtain covered telecommunications equipment or services; or
- 3) Enter into a contract (or extend or renew a contract) to procure or obtain covered telecommunications equipment or services.

(b) As described in section 889 of Public Law 115-232, “covered telecommunications equipment or services” means any of the following:

(1) Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities);

(2) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);

(3) Telecommunications or video surveillance services provided by such entities or using such equipment;

(4) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country;

(c) For the purposes of this section, “covered telecommunications equipment or services” also include systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

d) In implementing the prohibition under section 889 of Public Law 115-232, heads of executive agencies administering loan, grant, or subsidy programs must prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered telecommunications equipment or services, to procure replacement equipment or services, and to ensure that communications service to users and customers is sustained.

(e) When the recipient or subrecipient accepts a loan or grant, it is certifying that it will comply with the prohibition on covered telecommunications equipment and services in this section. The recipient or subrecipient is not required to certify that funds will not be expended on covered telecommunications equipment or services beyond the certification provided upon accepting the loan or grant and those provided upon submitting payment requests and financial reports.

(f) For additional information, see section 889 of Public Law 115-232 and § 200.471.

PROMPT PAYMENT

The contractor is required to pay its subcontractors performing work related to this contract for satisfactory performance of that work no later than 30 days after the contractor's receipt of payment for that work. In addition, the contractor is required to return any retainage payments to those subcontractors within 30 days after the subcontractor's work related to this contract is satisfactorily completed.

The contractor must promptly notify the Agency, whenever a DBE subcontractor performing work related to this contract is terminated or fails to complete its work and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work. The contractor may not terminate any DBE subcontractor and perform that work through its own forces or those of an affiliate without prior written consent of the Agency.

RESTRICTIONS ON LOBBYING

Conditions on use of funds.

- (a) No appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (b) Each person who requests or receives from an agency a Federal contract, grant, loan, or cooperative agreement shall file with that agency a certification, that the person has not made, and will not make, any payment prohibited by paragraph (a) of this section.
- (c) Each person who requests or receives from an agency a Federal contract, grant, loan, or a cooperative agreement shall file with that agency a disclosure form if such person has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered Federal action), which would be prohibited under paragraph (a) of this section if paid for with appropriated funds.
- (d) Each person who requests or receives from an agency a commitment providing for the United States to insure or guarantee a loan shall file with that agency a statement, whether that person has made or has agreed to make any payment to influence or attempt to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with that loan insurance or guarantee.
- (e) Each person who requests or receives from an agency a commitment providing for the United States to insure or guarantee a loan shall file with that agency a disclosure form if that person has made or has agreed to make any payment to influence or attempt to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with that loan insurance or guarantee.

Certification and disclosure.

(a) Each person shall file a certification, and a disclosure form, if required, with each submission that initiates agency consideration of such person for:

- (1) Award of a Federal contract, grant, or cooperative agreement exceeding \$100,000; or
- (2) An award of a Federal loan or a commitment providing for the United States to insure or guarantee a loan exceeding \$150,000.

(b) Each person shall file a certification, and a disclosure form, if required, upon receipt by such person of:

- (1) A Federal contract, grant, or cooperative agreement exceeding \$100,000; or
- (2) A Federal loan or a commitment providing for the United States to insure or guarantee a loan exceeding \$150,000,

Unless such person previously filed a certification, and a disclosure form, if required, under paragraph (a) of this section.

(c) Each person shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under paragraphs (a) or (b) of this section. An event that materially affects the accuracy of the information reported includes:

- (1) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or
- (2) A change in the person(s) or individual(s) influencing or attempting to influence a covered Federal action; or,
- (3) A change in the officer(s), employee(s), or Member(s) contacted to influence or attempt to influence a covered Federal action.

(d) Any person who requests or receives from a person referred to in paragraphs (a) or (b) of this section:

- (1) A subcontract exceeding \$100,000 at any tier under a Federal contract;
- (2) A subgrant, contract, or subcontract exceeding \$100,000 at any tier under a Federal grant;
- (3) A contract or subcontract exceeding \$100,000 at any tier under a Federal loan exceeding \$150,000; or,
- (4) A contract or subcontract exceeding \$100,000 at any tier under a Federal cooperative agreement,

Shall file a certification, and a disclosure form, if required, to the next tier above.

(e) All disclosure forms, but not certifications, shall be forwarded from tier to tier until received by the person referred to in paragraphs (a) or (b) of this section. That person shall forward all disclosure forms to the agency.

(f) Any certification or disclosure form filed under paragraph (e) of this section shall be treated as a material representation of fact upon which all receiving tiers shall rely. All liability arising from an erroneous representation shall be borne solely by the tier filing that representation and shall not be shared by any tier to which the erroneous representation is forwarded. Submitting an erroneous certification or disclosure constitutes a failure to file the required certification or disclosure, respectively. If a person fails to file a required certification or disclosure, the United States may pursue all available remedies, including those authorized by section 1352, title 31, U.S. Code.

(g) For awards and commitments in process prior to December 23, 1989, but not made before that date, certifications shall be required at award or commitment, covering activities occurring between December 23, 1989, and the date of award or commitment. However, for awards and commitments in process prior to the December 23, 1989 effective date of these provisions, but not made before December 23, 1989, disclosure forms shall not be required at time of award or commitment but shall be filed within 30 days.

(h) No reporting is required for an activity paid for with appropriated funds if that activity is allowable under either subpart B or C.

SAFE OPERATION OF MOTOR VEHICLES

Seat Belt Use

The Contractor is encouraged to adopt and promote on-the-job seat belt use policies and programs for its employees and other personnel that operate company-owned vehicles, company rented vehicles, or personally operated vehicles. The terms “company-owned” and “company-leased” refer to vehicles owned or leased either by the Contractor or Agency.

Distracted Driving

The Contractor agrees to adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers, including policies to ban text messaging while using an electronic device supplied by an employer, and driving a vehicle the driver owns or rents, a vehicle Contractor owns, leases, or rents, or a privately-owned vehicle when on official business in connection with the work performed under this Contract.

SIMPLIFIED ACQUISITION THRESHOLD

Contracts for more than the simplified acquisition threshold, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. § 1908, or otherwise set by law, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate. (Note that the simplified acquisition threshold determines the procurement procedures that must be employed pursuant to 2 C.F.R. §§ 200.317–200.327. The simplified acquisition threshold does not exempt a procurement from other eligibility or processes requirements that may apply. For example, Buy America’s eligibility and process requirements apply to any procurement in excess of \$150,000. 49 U.S.C. § 5323(j)(13).

SOLID WASTES (RECOVERED MATERIALS)

- (a) A Recipient or subrecipient that is a State agency or agency of a political subdivision of a State and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 as amended, 42 U.S.C. 6962. The requirements of Section 6002 include procuring only items designated in the guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

- (b) The recipient or subrecipient should, to the greatest extent practicable and consistent with law, purchase, acquire, or use products and services that can be reused, refurbished, or recycled; contain recycled content, are biobased, or are energy and water efficient; and are sustainable. This may include purchasing compostable items and other products and services that reduce the use of single-use plastic products. See Executive Order 14057, section 101, Policy.

SPECIAL DOL EEO CLAUSE FOR CONSTRUCTION PROJECTS

The applicant hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, the following equal opportunity clause:

During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. 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. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

(4) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments

under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, That if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information

as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

SUBSTANCE ABUSE REQUIREMENTS

The Contractor agrees to establish and implement a drug and alcohol testing program that complies with 49 C.F.R. part 655, produce any documentation necessary to establish its compliance with part 655, and permit any authorized representative of the United States Department of Transportation or its operating administrations, the State Oversight Agency, or Agency, to inspect the facilities and records associated with the implementation of the drug and alcohol testing program as required under 49 C.F.R. part 655 and review the testing process. The Contractor agrees further to certify annually its compliance with part 655 and to submit the Management Information System (MIS) reports to the Agency.

TERMINATION

Termination for Convenience (General Provision)

The Agency may terminate this contract, in whole or in part, at any time by written notice to the Contractor when it is in the Agency's best interest. The Contractor shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination. The Contractor shall promptly submit its termination claim to Agency to be paid the Contractor. If the Contractor has any property in its possession belonging to Agency, the Contractor will account for the same, and dispose of it in the manner Agency directs.

Termination for Default [Breach or Cause] (General Provision)

If the Contractor does not deliver supplies in accordance with the contract delivery schedule, or if the contract is for services, the Contractor fails to perform in the manner called for in the

contract, or if the Contractor fails to comply with any other provisions of the contract, the Agency may terminate this contract for default. Termination shall be effected by serving a Notice of Termination on the Contractor setting forth the manner in which the Contractor is in default. The Contractor will be paid only the contract price for supplies delivered and accepted, or services performed in accordance with the manner of performance set forth in the contract. If it is later determined by the Agency that the Contractor had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of or are beyond the control of the Contractor, the Agency, after setting up a new delivery of performance schedule, may allow the Contractor to continue work, or treat the termination as a Termination for Convenience.

Opportunity to Cure (General Provision)

The Agency, in its sole discretion may, in the case of a termination for breach or default, allow the Contractor [an appropriately short period of time] in which to cure the defect. In such case, the Notice of Termination will state the time period in which cure is permitted and other appropriate conditions.

If Contractor fails to remedy to Agency's satisfaction the breach or default of any of the terms,

covenants, or conditions of this Contract within [10 days] after receipt by Contractor of written notice from Agency setting forth the nature of said breach or default, Agency shall have the right to terminate the contract without any further obligation to Contractor. Any such termination for default shall not in any way operate to preclude Agency from also pursuing all available remedies against Contractor and its sureties for said breach or default.

Waiver of Remedies for any Breach

In the event that Agency elects to waive its remedies for any breach by Contractor of any covenant, term or condition of this contract, such waiver by Agency shall not limit Agency's remedies for any succeeding breach of that or of any other covenant, term, or condition of this contract.

Termination for Convenience (Professional or Transit Service Contracts)

The Agency, by written notice, may terminate this contract, in whole or in part, when it is in the Agency's interest. If this contract is terminated, the Agency shall be liable only for payment under the payment provisions of this contract for services rendered before the effective date of termination.

Termination for Default (Supplies and Service)

If the Contractor fails to deliver supplies or to perform the services within the time specified in this contract or any extension, or if the Contractor fails to comply with any other provisions of this contract, the Agency may terminate this contract for default. The Agency shall terminate by delivering to the Contractor a Notice of Termination specifying the nature of the default. The Contractor will only be paid the contract price for supplies delivered and accepted, or services performed in accordance with the manner or performance set forth in this contract.

If, after termination for failure to fulfill contract obligations, it is determined that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the Agency.

Termination for Default (Transportation Services)

If the Contractor fails to pick up the commodities or to perform the services, including delivery services, within the time specified in this contract or any extension, or if the Contractor fails to comply with any other provisions of this contract, the Agency may terminate this contract for default. The Agency shall terminate by delivering to the Contractor a Notice of Termination specifying the nature of default. The Contractor will only be paid the contract price for services performed in accordance with the manner of performance set forth in this contract.

If this contract is terminated while the Contractor has possession of Agency goods, the Contractor shall, upon direction of the Agency, protect and preserve the goods until surrendered to the Agency or its agent. The Contractor and Agency shall agree on payment for the preservation and protection of goods. Failure to agree on an amount will be resolved under the Dispute clause.

If, after termination for failure to fulfill contract obligations, it is determined that the Contractor

was not in default, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the Agency.

Termination for Default (Construction)

If the Contractor refuses or fails to prosecute the work or any separable part, with the diligence that will ensure its completion within the time specified in this contract or any extension or fails to complete the work within this time, or if the Contractor fails to comply with any other provision of this contract, Agency may terminate this contract for default. The Agency shall terminate by delivering to the Contractor a Notice of Termination specifying the nature of the default. In this event, the Agency may take over the work and complete it by contract or otherwise, and may take possession of and use any materials, appliances, and plant on the work site necessary for completing the work. The Contractor and its sureties shall be liable for any damage to the Agency resulting from the Contractor's refusal or failure to complete the work within specified time, whether or not the Contractor's right to proceed with the work is terminated. This liability includes any increased costs incurred by the Agency in completing the work.

The Contractor's right to proceed shall not be terminated nor shall the Contractor be charged with damages under this clause if:

1. The delay in completing the work arises from unforeseeable causes beyond the control and without the fault or negligence of the Contractor. Examples of such causes include: acts of God, acts of Agency, acts of another contractor in the performance of a contract with Agency, epidemics, quarantine restrictions, strikes, freight embargoes; and
2. The Contractor, within [10] days from the beginning of any delay, notifies Agency in writing of the causes of delay. If, in the judgment of Agency, the delay is excusable, the time for completing the work shall be extended. The judgment of Agency shall be final and conclusive for the parties, but subject to appeal under the Disputes clause(s) of this contract.
3. If, after termination of the Contractor's right to proceed, it is determined that the Contractor was not in default, or that the delay was excusable, the rights and obligations of the parties will be the same as if the termination had been issued for the convenience of Agency.

Termination for Convenience or Default (Architect and Engineering)

The Agency may terminate this contract in whole or in part, for the Agency's convenience or because of the failure of the Contractor to fulfill the contract obligations. The Agency shall terminate by delivering to the Contractor a Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to the Agency's Contracting Officer all data, drawings, specifications, reports, estimates, summaries, and other information and materials accumulated in performing this contract, whether completed or in process. Agency has a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, all such data, drawings, specifications, reports, estimates, summaries, and other information and materials.

If the termination is for the convenience of the Agency, the Agency's Contracting Officer shall make an equitable adjustment in the contract price but shall allow no anticipated profit on unperformed services.

If the termination is for failure of the Contractor to fulfill the contract obligations, the Agency may complete the work by contract or otherwise and the Contractor shall be liable for any additional cost incurred by the Agency.

If, after termination for failure to fulfill contract obligations, it is determined that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of Agency.

Termination for Convenience or Default (Cost-Type Contracts)

The Agency may terminate this contract, or any portion of it, by serving a Notice of Termination on the Contractor. The notice shall state whether the termination is for convenience of Agency or for the default of the Contractor. If the termination is for default, the notice shall state the manner in which the Contractor has failed to perform the requirements of the contract. The Contractor shall account for any property in its possession paid for from funds received from the Agency, or property supplied to the Contractor by the Agency. If the termination is for default, the Agency may fix the fee, if the contract provides for a fee, to be paid the Contractor in proportion to the value, if any, of work performed up to the time of termination. The Contractor shall promptly submit its termination claim to the Agency and the parties shall negotiate the termination settlement to be paid the Contractor.

If the termination is for the convenience of Agency, the Contractor shall be paid its contract close-out costs, and a fee, if the contract provided for payment of a fee, in proportion to the work performed up to the time of termination.

If, after serving a Notice of Termination for Default, the Agency determines that the Contractor has an excusable reason for not performing, the Agency, after setting up a new work schedule, may allow the Contractor to continue work, or treat the termination as a Termination for Convenience.

VETERANS HIRING PREFERENCE

Veterans Employment - Construction contracts of Federal financial assistance shall ensure that contractors working on a capital project funded using such assistance give a hiring preference, to the extent practicable, to veterans (as defined in section 2108 of title 5) who have the requisite skills and abilities to perform the construction work required under the contract. This subsection shall not be understood, construed or enforced in any manner that would require an employer to give a preference to any veteran over any equally qualified applicant who is a member of any racial or ethnic minority, female, an individual with a disability, or a former employee.

VIOLATION AND BREACH OF CONTRACT

Disputes:

Disputes arising in the performance of this Contract that are not resolved by agreement of the parties shall be decided in writing by the authorized representative of the agency. This decision shall be final and conclusive unless within [10] days from the date of receipt of its copy, the Contractor mails or otherwise furnishes a written appeal to the agencies authorized representative. In connection with any such appeal, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the agencies authorized representative shall be binding upon the Contractor and the Contractor shall abide by the decision.

Performance during Dispute:

Unless otherwise directed by the agencies authorized representative, contractor shall continue performance under this contract while matters in dispute are being resolved.

Claims for Damages:

Should either party to the contract suffer injury or damage to person or property because of any act or omission of the party or of any of his employees, agents or others for whose acts he is legally liable, a claim for damages therefore shall be made in writing to such other party within a reasonable time after the first observance of such injury or damage.

Remedies:

Unless this contract provides otherwise, all claims, counterclaims, disputes and other matters in question between the agencies authorized representative and contractor arising out of or relating to this agreement or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State in which the Agency is located.

Rights and Remedies:

Duties and obligations imposed by the contract documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by the Agency or contractor shall constitute a waiver of any right or duty afforded any of them under the contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

OTHER RECOMMENDED CONTRACT REQUIREMENTS

FEDERAL TAX LIABILITY AND RECENT FELONY CONVICTIONS

- (1) The contractor certifies that it:
 - (a) Does not have any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability; and
 - (b) Was not convicted of the felony criminal violation under any Federal law within the preceding 24 months.

If the contractor cannot so certify, the Recipient will refer the matter to FTA and not enter into any Third Party Agreement with the Third Party Participant without FTA's written approval.

- (2) Flow-Down. The Recipient agrees to require the contractor to flow this requirement down to participants at all lower tiers, without regard to the value of any subagreement.

SEVERABILITY

The Contractor agrees that if any provision of this agreement or any amendment thereto is determined to be invalid, then the remaining provisions thereof that conform to federal laws, regulations, requirements, and guidance will continue in effect.

TRAFFICKING IN PERSONS

The contractor agrees that it and its employees that participate in the Recipient's Award, may not:

- (a) Engage in severe forms of trafficking in persons during the period of time that the Recipient's Award is in effect;
- (b) Procure a commercial sex act during the period of time that the Recipient's Award is in effect; or
- (c) Use forced labor in the performance of the Recipient's Award or subagreements thereunder.

**REQUEST FOR QUOTE**

400 S Taylor Ave, Montebello, CA 90640 Ph: (323)558-1625 x 1105

ISSUE DATE:

2/13/2025

QUOTE NUMBER:

RFQ 25-01

QUOTE DATE:

3/20/2025

VENDORCompany: [Fleet Vehicle Source Inc., dba US Fleet Source](#)Address: [6718 W. Sunset Rd. Ste 130](#)Phone: [877-315-9397](#)E-Mail: sales@usfleetsource.com**SHIP TO**

Company: Montebello Bus Lines

Contact: Mark Jimenez

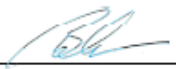
Address: 400 S. Taylor Ave,
Montebello, CA, 90640

Phone: (323)558-1625 x 1105

E-Mail: Mjimenez@Montebelloca.gov

Payment Terms	Ship VIA	F.O.B	Freight Terms	Need Date
Net 90	Best Way	Montebello Bus Lines	Prepaid	

Unit	Description	Unit Price	Extended Price
9	Relief Vehicles	\$ 24,050.00	\$ 216,450.00
9	Document / E plate/ DMV Fees	\$ 85.00	\$ 765.00
9	Tire Fee	\$ 7.00	\$ 63.00
9	Delivery Fees	\$ 1,150.00	\$ 10,350.00
9	Additional Charges or Fees (If Any)	\$	\$

SPECIAL INSTRUCTION:SEE EXHIBIT A – SCOPE OF
REQUIREMENTSSub Total \$ 217,278.00Shipping: \$ 10,350.00Tax (10.25%): \$ 23,331.87Total: \$ 250,959.87Vendor Commitment Date: 150 days AROVendor Signature: 



ITEM # 34

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: David Sosnowski, Director of Recreation and Community Services

SUBJECT: **WAIVE THE SECOND READING AND ADOPTION OF ORDINANCE NO. 2482 ADDING CHAPTER 12.27 - "PUBLIC DOG PARK FACILITIES" - AND AMENDING CHAPTER 12.24 - "CONDUCT IN PUBLIC PARKS" - OF TITLE 12 OF THE MONTEBELLO MUNICIPAL CODE**

DATE: May 14, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1. Waive the Second Reading and adopt Ordinance No. 2482 (Attachment A) to add Chapter 12.27 ("Public Dog Park Facilities") to Title 12 ("Streets, Sidewalks and Public Places") and amend Chapter 12.24 ("Conduct in Public Parks") of the Montebello Municipal Code; and,
2. Take such additional, related action that may be desirable.

FISCAL IMPACT:

There is no fiscal impact related to the adoption of this ordinance.

BACKGROUND/DISCUSSION:

If adopted as presented, the attached ordinance (Attachment A) would add sections to the Montebello Municipal Code that would define and regulate conduct for the dog park that will be opening at Acuña Park. The City's Recreation and Community Services Department, Montebello Police Department and Code Enforcement Division have worked together to identify issues that staff may potentially experience with the opening of the new dog park and have proposed regulations for the dog park that will aid in providing a positive experience for users of this much anticipated amenity.

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 2 of 3

Additionally, the Recreation and Community Services Department reviewed the existing Montebello Municipal Code Chapter 12.24 - "Conduct in Public Parks," which provides rules and regulations for several subject matters, and updated sections to be consistent with current park use and to clarify language.

ENVIRONMENTAL:

N/A

ANALYSIS:

The proposed changes amend Chapter 12.24 - "Conduct in Public Parks" - of the Montebello Municipal Code. The existing section outlining definitions will be updated to include new park amenities such as the City's pickleball courts, exercise station, and dog park (Section 12.24.020). The section on picnics will be updated to prohibit roping-off, caution taping, staking or fencing any park areas to restrict access (Section 12.24.170). The public park reservations section will be updated to prohibit use of park facilities for private instruction, training, classes, camps or clinics (Section 12.24.280). Lastly a section will be added to prohibit amplified sound at parks (Section 12.24.300) and to prohibit unauthorized access to City-owned utilities, such as water spigots, faucets, electrical outlets, irrigation controls, etc. (Section 12.24.310).

A new chapter is being proposed to be added to the Montebello Municipal Code (12.27 - "Public Dog Park Facilities") which establishes rules and regulations to be enforced at off-leash dog parks within the City. The chapter will include designated hours of operation, regulations, signage requirements, violation penalties, and the power of park employees to enforce violations. Specific regulations the City is proposing to be added to the Montebello Municipal Code include, but are not limited to: dogs must be accompanied by persons 18 year of age or older, dogs must be vaccinated and licensed, no more than three dogs per adult, dogs must be spayed or neutered, and aggressive dogs are not allowed in the dog park. The full list of regulations can be found in the attached ordinance (Attachment A).

In addition to regulations that will be added to the Montebello Municipal Code, the City will be implementing additional rules for conduct at the new dog park. This set of rules will not be subject to citation. However, Sections 12.27.060 and 12.27.070 allow City staff to enforce any posted rules which will be posted in a visible area near the dog park facility. Rules will include requiring an adult to accompany each dog, requiring dogs to be vaccinated, licensed, and wear current tags, and prohibiting dogs exhibiting aggressive or dangerous behaviors. Attached is a full list of proposed dog park rules (Attachment "B"). The list of proposed rules to govern the dog park are the result of Recreation and Community Services staff conducting thorough research of other municipal dog parks and researching best practices for dog park operations to fit the needs of the City.

On April 9, 2025, the City Council introduced and approved the first reading of Ordinance No. 2482.

CITY COUNCIL AGENDA REPORT - MEETING OF MAY 14, 2025

Page 3 of 3

SUMMARY:

Staff is recommending that the City Council waive the second reading and adopt Ordinance No. 2482 (Attachment A) to add Chapter 12.27 ("Public Dog Park Facilities") to Title 12 ("Streets, Sidewalks and Public Places") and amend Chapter 12.24 ("Conduct in Public Parks") of the Municipal Code.

ATTACHMENT(S)

1. Attachment A - Ordinance No. 2482
2. Attachment B - Proposed Dog Park Rules

ORDINANCE NO. 2482

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO, CALIFORNIA, AMENDING CHAPTER 12.24 OF THE MONTEBELLO MUNICIPAL CODE TO UPDATE PARK RULES AND REGULATIONS AND ADDING CHAPTER 12.27 TO TITLE 12 OF THE MONTEBELLO MUNICIPAL CODE TO ESTABLISH REGULATIONS FOR THE SAFE USE OF DOG PARK FACILITIES OWNED AND OPERATED BY THE CITY OF MONTEBELLO

WHEREAS, the City of Montebello is a general law city under California Government Code Section 34102; and

WHEREAS, Article XI, Section 7 of the California Constitution provides that the City of Montebello ("City") may make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws; and

WHEREAS, the Recreation and Community Services Department is responsible for the overall administration, operation, and maintenance of the City's public parks; and

WHEREAS, the City Council desires to amend the Montebello Municipal Code to preserve and protect the public peace, health, safety and welfare.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MONTEBELLO, CALIFORNIA DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. The City Council for the City of Montebello finds and declares the foregoing are true and correct and incorporates said recitals fully into this Ordinance as substantive findings.

SECTION 2. Chapter 12.24 - "Conduct in Public Parks" - is hereby amended to read as follows (deletions in Strikethrough and additions in Double Underline):

Chapter 12.24 CONDUCT IN PUBLIC PARKS

Sections:

12.24.020 Definitions.

For the purpose of carrying out the intent of this chapter, words, phrases, and terms used herein shall have their ordinary meaning, unless otherwise indicated as follows:

"Department" means the city of Montebello (city) department of recreation and community services.

"Director" means the director of parks and recreation, or his or her designee.

"Public Park" means any public facility or structure, areas, buildings and facilities that are owned, leased or otherwise controlled by the department, including, but not limited to, parks, athletic fields, tennis courts, pickle ball courts, splash pads, exercise stations, skate parks, dog parks, golf courses, swimming pools, recreation centers, playgrounds, pavilions, medians, park parking lots and recreational trails.

12.24.090 Animals.

A. No person shall bring into any public park any cattle, horses, mule, goat, sheep, swine, dog, cat or any other kind of animal, except that dogs or cats may be permitted in the park if kept on leash not to exceed six feet under the full control of its owner or person in possession. Service animals are exempt, as defined by the Americans with Disabilities Act. The owner must be in physical proximity and have full control of the service animal at all times. No person shall wound, kill, catch or attempt to wound, kill or catch any bird, fowl, fish or other animal located in a public park.

B. The requirement for a dog to be on-leash while in a public park shall not apply to a dog within a posted off-leash area of the park as designated by the city, provided, however, nothing herein shall relieve the owner or person having charge, care, custody or control of such dog from the responsibility to maintain proper control over such dog nor shall this subsection be construed as relieving such person from liability for any damages arising out of his or her use of a leash optional area.

12.24.150 Vehicles.

No person shall propel or cause to be propelled any vehicle of any type, cycle or automobile, on any footpath, walkway, trail or turf in any public park, ~~unless the area is designated for such type of use.~~

12.24.160 Park hours.

No person shall enter, loiter or remain in any public park or parking lot(s) at any time between the hours of ten p.m. and six a.m. of the following day, except when the park facilities are rented to the public and approved by the department director.

12.24.170 Picnics.

No person shall hold, conduct or participate in any picnic except in park areas designated for picnics. Roping-off, caution taping, staking or fencing off or similar actions to restrict access of park areas for any purpose is not permitted.

12.24.280 Public park reservations.

Public park reservations shall be available year-round to accommodate Montebello residents and user groups for informal or neighborhood gatherings. Reservations shall be submitted to the recreation and community services department and are subject to facility usage policies established by the department director.

Park reservations and/or permits are required for the following:

- (1) Use of athletic fields by organized teams for activities such as practices, games and tournaments.
- (2) Use of city facilities outside of normal business operating hours.
- (3) Picnic shelter reservations to guarantee exclusive use for the day of reservation.
- (4) A temporary use permit is required for special events and outdoor activities pursuant to Chapter 12.16.010.

(5) Some uses of park space will require further review and special permits pursuant to Chapter 12.17.040.

(6) Use of facilities for private instruction, training, classes, camps and clinics.

Facility usage policies, rules and regulations, including a park facilities rules of conduct, shall be established by the director for the administration of this policy and made available to the public on the city website and at the recreation and community services office. Said rules and regulations may be amended periodically to address public safety concerns. All pertinent city ordinances shall be enforced.

All fees and charges may be changed by resolution of the city council.

12.24.290 Power of park employees.

Employees of the Montebello police department, code enforcement division, and the parks and recreation manager, director of parks and recreation, and all public employees in the parks and recreation department are given the power and authority to enforce any posted rule, regulation, policy, or violation of this chapter, including the authority to issue citations therefor.

Violations of this chapter regulating public conduct in parks may be addressed in the following manner:

- (1) Verbal warning.
- (2) Immediate eviction from the public park. Immediate eviction shall mean removal from the public park, and banishment from any other public park, for the remaining hours of operation for the day of eviction.
- (3) Suspension of public park privileges. Suspension of public park privileges shall mean denial of access to all public parks for one or more days. The effective date and length of suspension shall be determined by the director, depending on the scope and severity of the violation, and notice of such suspension shall be made in writing.
- (4) Criminal sanctions or any other remedy available under local, state, or federal laws.

Any person who has been suspended from a public park for one or more days may appeal the suspension by submitting a written request for appeal prior to the start of the suspension to the director. The written request for appeal shall include the reason for requesting an appeal and contact information. All appeals shall be heard by the director, or designee, within thirty business days of the receipt of the request. The suspension will be tolled during the appeal process. The decision of the director shall be final.

12.24.300 Musical instruments and amplified sound.

No person shall operate or play any musical instrument, public address system, loudspeaker, or sound amplifying equipment of any kind within the boundaries of any park without a permit which expressly authorizes the use of such equipment for the facility, purpose, time, and group for which the permit is obtained.

12.24.310 City-owned utility access.

No person shall gain unauthorized access to water spigots, faucets, hose bibbs, valves, irrigation controls, electrical outlets, or other utility connections within the park grounds or parking lots.

SECTION 3. Chapter 12.27 “Public Dog Park Facilities” is hereby added to Title 12 “Streets, Sidewalks and Public Places” of the Montebello Municipal Code as follows:

Chapter 12.27 PUBLIC DOG PARK FACILITIES

12.27.010 Statement of purpose.

The purpose of this chapter is to establish a comprehensive set of rules and regulations for the use of public dog park facilities in the City of Montebello. This chapter shall apply to the city’s owned and operated public dog park facilities.

12.27.020 Definitions.

For the purpose of carrying out the intent of this chapter, words, phrases, and terms used herein shall have their ordinary meaning, unless otherwise indicated as follows:

"Department" means the City of Montebello (city) Department of Recreation & Community Services.

"Director" means the director of Recreation & Community Services, or his/her designee.

"Public dog park" means any city property that has been designated by the city as an area where the public can recreate with their dogs, off leash, and within an enclosed space.

12.27.030 Hours of operation.

Public dog park facilities shall be open daily from sunrise until sunset, or as otherwise posted by the director. It shall be unlawful for any person to use or remain in such facilities without written consent of the director. Public dog park facilities shall be closed in the event of rain, wet conditions or other type of inclement weather which renders the facility to be unsafe in the sole opinion and discretion of the director.

12.27.040 Public dog park regulations.

- A. Dogs must be accompanied by at least one person 18 years old or older. Children under the age of 6 are not permitted in the off-leash area. Children 6 to 17 must be accompanied and supervised by an adult.
- B. Dogs must be older than four months, vaccinated, licensed, and wearing current tags. All dogs must be licensed by their respective municipality and display said license/tag while in a public dog park. Non-city residents must have the current rabies vaccine tag as well as a dog license tag issued by the governing body where they reside.

- C. No more than three dogs are allowed per adult.
- D. Aggressive dogs are not allowed in public dog parks. Dogs exhibiting rough, aggressive, or dangerous behavior are to be immediately removed.
- E. Dog trainers may not use public dog parks to conduct business. Permits are required for all commercial or organized activity.
- F. Dogs must be spayed or neutered.
- G. No animals other than dogs are permitted in the public dog park
- H. Each dog owner/handler must be physically capable of controlling their dog(s). All owners/handlers are required to remain inside the public dog park area and be in view of their dog(s) at all times.
- I. Any dog declared vicious or potentially dangerous, pursuant to Montebello Municipal Code Section 6.28.050, or any dog that has been declared "vicious," "dangerous," "potentially dangerous," or a "public nuisance," an attack dog, guard dog, or sentry dog as defined in California Health and Safety Code Section 121875 et seq., is not permitted to enter or remain in the public dog park.

12.27.050 City immunity from liability.

In accordance with California Government Code 831.7.5, a public entity that owns or operates a dog park shall not be held liable for injury or death of a person or pet resulting solely from the actions of a dog in the public dog park. Any person or canine using a public dog park must do so at their own risk.

12.27.060 Signage and postage requirements.

In order to provide reasonable notice to the public, the director shall place and post signs in one or more conspicuous and visible area(s) of the public dog park facilities, designating a facility, structure or area as a public dog park facility, specifying the rules and regulations, and the activities described as prohibited within the public dog park facility.

12.27.070 Other rules and regulations.

The director may set forth any other rules and regulations for the use of a public dog park facility which he/she deems appropriate, provided that signs describing such rules and regulations are placed and posted pursuant to this chapter.

12.27.080 Violation and penalties.

- A. Any violation of this chapter may be punishable as either a misdemeanor or an infraction.
- B. Any city employee may request anyone who violates a posted rule to leave the public dog park. It is unlawful for any person to fail to leave the dog park for violating any posted rule after being requested to do so by a city representative.
- C. Repeat violations (i.e., having three or more violations) may result in suspension or prohibition of the owner or handler and dog from using the public dog park facility.
- D. Repeat violations of this chapter may also constitute a public nuisance and may be abated by the city through civil process by means of restraining order, preliminary or permanent injunction or in any other manner provided by law for the abatement of such nuisances.

12.27.090 Power of park employees.

Employees of the Montebello police department, code enforcement division, director, and all public employees in the recreation and community services department are given the authority to enforce any violation of this chapter, including the authority to issue citations therefor.

Section 4. SEVERABILITY. The City Council declares that, should any provision, section, paragraph, sentence or word of this Ordinance be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation the remaining provisions, sections, paragraphs, sentences, and words of this Ordinance shall remain in full force and effect.

Section 5. EFFECTIVE DATE. This Ordinance shall take effect thirty (30) days after its adoption.

Section 6. PUBLICATION. The City Clerk of the City of Montebello shall certify to the passage of the Ordinance and shall cause the same to be posted in the manner required by law.

PASSED, APPROVED, AND ADOPTED 14th DAY OF MAY 2025.

Salvador Melendez, Mayor

ATTEST:

Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman, City Attorney

I HEREBY CERTIFY that the foregoing Ordinance was introduced at the regular meeting of the City Council on the 9th day of April, 2025, and was adopted by the City Council of the City of Montebello at its meeting held on the **14th** day of **May**, 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Christopher Jimenez, City Clerk

**CITY OF MONTEBELLO
PROPOSED DOG PARK RULES**

1. The dog park area is open daily from sunrise to sunset (MMC 12.27.030).
2. The dog park will close for weekly maintenance TBD .
3. Dogs must be accompanied by at least one person 18 or older. Children under the age of 6 are not permitted in the off-leash area. Children 6 to 17 must be accompanied and supervised by an adult (MMC 12.27.040).
4. Dogs must be older than 4 months, vaccinated, licensed, and wearing current tags (MMC 12.27.040).
5. No more than 3 dogs are allowed per adult (MMC 12.27.040).
6. Dog owners must clean up after their pet.
7. No food allowed (for humans or canines).
8. Aggressive dogs are not allowed in the park. Dogs exhibiting rough, aggressive, or dangerous behavior are to be immediately removed (MMC 12.27.040).
9. Any dog declared vicious or potentially dangerous pursuant to Montebello Municipal Code Section 6.28.050, or any dog that has been declared "vicious," dangerous," "potentially dangerous," or a "public nuisance," an attack dog, guard dog, or sentry dog as defined in California Health and Safety Code Section 121875 et seq., is not permitted to enter or remain in the dog park (MMC 12.27.040).
10. No digging permitted. Any holes created by a dog must be filled by the owner.
11. No choke, pinch, or spiked collars are permitted.
12. Dogs must be leashed upon entering the dog park and upon exiting the dog park.
13. Each dog owner/handler must be physically capable of controlling their dog(s). All owners/handlers are required to remain inside the dog park and be in view of their dog(s) at all times (MMC 12.27.040).
14. Dog owners assume full liability and are legally responsible for any injuries resulting from their actions as well as those of their pets. The owner of any dog is liable for the damages suffered by any person who is bitten by the dog (CA Civil Code Section 3342)
15. Anyone who abandons an animal anywhere, including a dog park, is subject to a \$500 fine and/or up to six months in jail (CA Penal Code Section 597 s.).

ATTACHMENT B

16. Dog trainers may not use this dog park facility to conduct business. Permits are required for all commercial or organized activity (MMC 12.027.040).

17. No dog grooming is permitted in the dog park facility.

18. No ill or injured dogs are permitted.

19. Dogs must be spayed or neutered (MMC 12.027.040).

20. No animals other than dogs are permitted in the dog park facility (MMC 12.27.040).

21. No bicycles, skates, or skateboards are permitted in the dog park facility.

Use of this facility implies consent and agreement to the above policies in addition to all City of Montebello Rules and Regulations.



ITEM # 35

**PAYMENT OF BILLS: ADOPT RESOLUTION NO. 25-27 APPROVING THE CITY
WARRANT REGISTER OF DEMANDS DATED MAY 14, 2025**

RESOLUTION NO 25-27
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO
APPROVING AND ALLOWING CERTAIN CLAIMS AND DEMANDS

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MONTEBELLO
HEREBY RESOLVES, FINDS, AND DECLARES AS FOLLOWS:

SECTION 1. That the reference is hereby made to that certain Register of Audited Demand No.1592, consisting of 14 pages, and including:

Warrant No.

General: Check No. 606651 through 607012
ACH No. 8295 through 8485
Successor Agency: Check No. 1532 through 1532

On file in the office of the City Clerk, the same having been audited and approved by the Assistant Director of Finance as required by law.

SECTION 2. That the said City Council having examined each such demand does hereby approve and direct the payment of same, as set forth in said Register, except the following Warrant No.

SECTION 3. That the City Clerk shall certify to the passage and adoption of this Resolution and that the same shall be in full force and effect.

APPROVED AND ADOPTED ON THIS 14th OF MAY 2025.

Salvador Melendez, Mayor

ATTEST:

APPROVED AS TO FORM:

Christopher Jimenez, City Clerk

Arnold M. Alvarez-Glasman, City Attorney

RESOLUTION NO. 25-27

Page 2 of 2

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 25-27 was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 14th day of May 2025 and that said Resolution was adopted by the following vote, to-wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full, and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____

Christopher Jimenez, City Clerk

- Exhibit A – Warrant Register



City of Montebello
Register of Demands No. 1592
From Payment Date 03/28/25 - To Payment Date 05/01/25

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
General Account					
8295	04/03/2025	\$445.34	SUPPLIES	3163	BANK OF AMERICA
8296	04/03/2025	\$1,232.42	DUES & SUBSCRIPTIONS	3163	BANK OF AMERICA
8297	04/03/2025	\$2,108.42	MACHINERY & EQUIPMENTS	3163	BANK OF AMERICA
8298	04/03/2025	\$60.00	SUPPLIES	3163	BANK OF AMERICA
8299	04/03/2025	\$494.78	SUPPLIES	3163	BANK OF AMERICA
8300	04/03/2025	\$6,472.77	TRAVEL & MEETINGS	3163	BANK OF AMERICA
8301	04/03/2025	\$4,248.20	MACHINERY & EQUIPMENTS	3163	BANK OF AMERICA
8302	04/03/2025	\$342.35	SUPPLIES	3163	BANK OF AMERICA
8303	04/03/2025	\$249.52	SUPPLIES	3163	BANK OF AMERICA
8304	04/03/2025	\$4,949.08	SUPPLIES	3163	BANK OF AMERICA
8305	04/03/2025	\$3,366.80	SUPPLIES	3163	BANK OF AMERICA
8306	04/03/2025	\$3,220.39	SUPPLIES	3163	BANK OF AMERICA
8307	04/03/2025	\$3,600.52	SUPPLIES	3163	BANK OF AMERICA
8308	04/03/2025	\$1,676.70	SUPPLIES	3163	BANK OF AMERICA
8309	04/03/2025	\$402.10	SUPPLIES	3163	BANK OF AMERICA
8310	04/03/2025	\$4,698.81	SUPPLIES	3163	BANK OF AMERICA
8311	04/03/2025	\$900.00	DUES & SUBSCRIPTIONS	3163	BANK OF AMERICA
8312	04/03/2025	\$1,440.00	RETIREMENT	3730	AT RETIREMENT SERVICES LLC
8313	04/03/2025	\$8,423.10	UNIFORM EXPENSE	20350	ALLSTAR FIRE EQUIPMENT INC
8314	04/03/2025	\$1,240.00	SUPPLIES	2586	AMAZON CAPITAL SERVICES INC
8315	04/03/2025	\$40.00	CARPOOL INCENTIVE	289	ANDREA ANDRADE
8316	04/03/2025	\$40.00	CARPOOL INCENTIVE	61470	ERIKA L ANDRADE
8317	04/03/2025	\$38,252.64	CONTRACT SERVICES	3016	ANTARES GOLF LLC
8318	04/03/2025	\$1,272.58	ADVERTISING/PRINTING SERVICES	35980	SAEED RADMEHR
8319	04/03/2025	\$40.00	CARPOOL INCENTIVE	4827	RIJUL BHASKAR
8320	04/03/2025	\$34,203.39	CONTRACT SERVICES	4764	CALIFORNIA LANDSCAPE & DESIGN
8321	04/03/2025	\$9,373.36	UTILITY SERVICES	19120	CENTRAL BASIN MUNICIPAL WATER DISTRICT
8322	04/03/2025	\$3,238.71	SUPPLIES	10000	CLEAN SWEEP SUPPLY CO INC
8323	04/03/2025	\$402.76	CONTRACT SERVICES	2889	COMLOCK SECURITY GROUP INC
8324	04/03/2025	\$421.29	SUPPLIES	70920	DECALS BY DESIGN INC
8325	04/03/2025	\$40.00	CARPOOL INCENTIVE	4159	ROBERT FIERRO
8326	04/03/2025	\$33,575.52	CONTRACT SERVICES	75950	FIESTA TAXI COOPERATIVE INC
8327	04/03/2025	\$40.00	CARPOOL INCENTIVE	3706	ALEX GILLMAN
8328	04/03/2025	\$96.44	CARPOOL INCENTIVE	3123	NEIRA YESSIE GRANADOS
8329	04/03/2025	\$40.00	CARPOOL INCENTIVE	3681	LIZETTE GUERRERO
8330	04/03/2025	\$40.00	CARPOOL INCENTIVE	4280	NADINE HERNANDEZ
8331	04/03/2025	\$82,163.91	CONTRACT SERVICES	4855	HORIZON MECHANICAL CONTRACTORS OF CALIFORNIA
8332	04/03/2025	\$71,129.50	IMPROVEMENTS OTHER THAN BUILDING	4845	INFRASTRUCTURE ARCHITECTS, INC
8333	04/03/2025	\$6,375.26	VEHICLE MAINTENANCE/EXPENSES	1822	JOHNSON EQUIPMENT COMPANY



City of Montebello
Register of Demands No. 1592
From Payment Date 03/28/25 - To Payment Date 05/01/25

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
General Account					
8334	04/03/2025	\$40.00	CARPOOL INCENTIVE	4439	DANESSA DANETTE LLANES
8335	04/03/2025	\$1,540.00	EDUCATION REIMBURSEMENT	4580	JEREMY MELENDEZ
8336	04/03/2025	\$5,495.07	CONTRACT SERVICES	19250	N/S CORPORATION
8337	04/03/2025	\$40.00	CARPOOL INCENTIVE	2203	SAMANTHA NEVAREZ
8338	04/03/2025	\$42,048.00	CONTRACT SERVICES	42180	PCAM LLC DBA PARKING COMPANY OF AMERICA
8339	04/03/2025	\$3,386.00	MACHINERY & EQUIPMENTS	3144	PRODUCTIVE PARKS LLC
8340	04/03/2025	\$20.00	CARPOOL INCENTIVE	4429	ELISEO RAMOS
8341	04/03/2025	\$40.00	CARPOOL INCENTIVE	3712	MATTHEW ROBERT RAMOS
8342	04/03/2025	\$12,916.67	CONTRACT SERVICES	3191	RL CONTROLS LLC
8343	04/03/2025	\$40.00	CARPOOL INCENTIVE	69960	NICOLE I SAUCEDO
8344	04/03/2025	\$40.00	CARPOOL INCENTIVE	2985	KEVIN SAYCOCIE
8345	04/03/2025	\$1,377.02	SUPPLIES	2686	THE SHERWIN-WILLIAMS CO
8346	04/03/2025	\$1,543.49	TRAINING	3610	SARBJEET SINGH
8347	04/03/2025	\$350.00	TRAVEL & MEETINGS	24280	MARTIN SOLANO
8348	04/03/2025	\$40.00	CARPOOL INCENTIVE	3001	MICHAEL SOLORZA
8349	04/03/2025	\$40.00	CARPOOL INCENTIVE	3053	MICHAEL TELLES
8350	04/03/2025	\$540.00	ADVERTISING/PRINTING SERVICES	328	WRITER ANNE COMMUNICATIONS
8351	04/03/2025	\$1,300.00	CONTRACT SERVICES	71170	YOUNG ELECTRIC SIGN COMPANY
8352	04/10/2025	\$3,909.77	SUPPLIES	3163	BANK OF AMERICA
8353	04/10/2025	\$149.30	SUPPLIES	3163	BANK OF AMERICA
8354	04/10/2025	\$660.59	SUPPLIES	3163	BANK OF AMERICA
8355	04/10/2025	\$957.93	TRAVEL & MEETINGS	3163	BANK OF AMERICA
8356	04/10/2025	\$3,745.54	TRAINING	3163	BANK OF AMERICA
8357	04/10/2025	\$57.00	SUPPLIES	3163	BANK OF AMERICA
8358	04/10/2025	\$234.36	SUPPLIES	3163	BANK OF AMERICA
8359	04/10/2025	\$30.00	SUPPLIES	3163	BANK OF AMERICA
8360	04/10/2025	\$156.66	TRAVEL & MEETINGS	3163	BANK OF AMERICA
8361	04/10/2025	\$175.72	SUPPLIES	3163	BANK OF AMERICA
8362	04/10/2025	\$562.71	TRAVEL & MEETINGS	3163	BANK OF AMERICA
8363	04/10/2025	\$446.88	SUPPLIES	3163	BANK OF AMERICA
8364	04/10/2025	\$277.89	TRAVEL & MEETINGS	3163	BANK OF AMERICA
8365	04/10/2025	\$194.27	TRAVEL & MEETINGS	3163	BANK OF AMERICA
8366	04/10/2025	\$382.90	SUPPLIES	3163	BANK OF AMERICA
8367	04/10/2025	\$653.59	SUPPLIES	3163	BANK OF AMERICA
8368	04/10/2025	\$3,192.28	SUPPLIES	3163	BANK OF AMERICA
8369	04/10/2025	\$3,403.25	SUPPLIES	3163	BANK OF AMERICA
8370	04/10/2025	\$1,718.35	SUPPLIES	3163	BANK OF AMERICA
8371	04/10/2025	\$1,219.63	TRAINING	3163	BANK OF AMERICA
8372	04/10/2025	\$1,700.00	TRAINING	3163	BANK OF AMERICA
8373	04/10/2025	\$2,187.93	SUPPLIES	3163	BANK OF AMERICA
8374	04/10/2025	\$194.00	TRAINING	3163	BANK OF AMERICA



City of Montebello
Register of Demands No. 1592
From Payment Date 03/28/25 - To Payment Date 05/01/25

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
General Account					
8375	04/10/2025	\$706.23	SUPPLIES	3163	BANK OF AMERICA
8376	04/10/2025	\$18.57	SUPPLIES	3163	BANK OF AMERICA
8377	04/10/2025	\$130.39	SUPPLIES	3163	BANK OF AMERICA
8378	04/10/2025	\$597.93	SUPPLIES	3163	BANK OF AMERICA
8379	04/10/2025	\$849.92	SUPPLIES	3163	BANK OF AMERICA
8380	04/10/2025	\$513.97	TRAVEL & MEETINGS	3163	BANK OF AMERICA
8381	04/10/2025	\$800.00	ADVERTISING/PRINTING SERVICES	1293	923 MEDIA GROUP INC
8382	04/10/2025	\$627.45	CONTRACT SERVICES	67210	AIR SOURCE INDUSTRIES INC
8383	04/10/2025	\$2,147.29	MACHINERY & EQUIPMENTS	20350	ALLSTAR FIRE EQUIPMENT INC
8384	04/10/2025	\$12,218.57	SUPPLIES	2586	AMAZON CAPITAL SERVICES INC
8385	04/10/2025	\$480.00	CONTRACT SERVICES	2365	LETICIA TORRES
8386	04/10/2025	\$829.08	ADVERTISING/PRINTING SERVICES	35980	SAEED RADMEHR
8387	04/10/2025	\$710.12	SUPPLIES	10000	CLEAN SWEEP SUPPLY CO INC
8388	04/10/2025	\$500.00	MACHINERY & EQUIPMENTS	72	COGRAN SYSTEMS LLC
8389	04/10/2025	\$793.99	CONTRACT SERVICES	2889	COMLOCK SECURITY GROUP INC
8390	04/10/2025	\$465.42	SUPPLIES	70920	DECALS BY DESIGN INC
8391	04/10/2025	\$290.00	CONTRACT SERVICES	3285	DIANA E RAMIREZ DBA RAPID LEGAL CENTER
8392	04/10/2025	\$14,141.00	CONTRACT SERVICES	71920	TOYETTA L BEUKES APNC
8393	04/10/2025	\$58,896.16	CONTRACT SERVICES	2793	IBE DIGITAL
8394	04/10/2025	\$20,480.00	CONTRACT SERVICES	4845	INFRASTRUCTURE ARCHITECTS, INC
8395	04/10/2025	\$14,630.81	CONTRACT SERVICES	3490	INTER-CON SECUIRTY SYSTEMS INC
8396	04/10/2025	\$248.63	CONTRACT SERVICES	1612	JCL TRAFFIC SERVICES
8397	04/10/2025	\$21,868.47	MACHINERY & EQUIPMENTS	26080	L.N. CURTIS AND SONS
8398	04/10/2025	\$4,625.00	TRAINING	16760	LIEBERT CASSIDY WHITMORE
8399	04/10/2025	\$6,340.90	SUPPLIES	26670	LIFE-ASSIST INC
8400	04/10/2025	\$39,963.43	CONTRACT SERVICES	3489	MARK THOMAS & COMPANY INC
8401	04/10/2025	\$8,173.75	CONTRACT SERVICES	19040	MUNICIPAL CONTRACT ADMINISTRATORS INC
8402	04/10/2025	\$173,062.78	CONTRACT SERVICES	35250	NATIONWIDE ENVIRONMENTAL SERVICES
8403	04/10/2025	\$1,125.00	CONTRACT SERVICES	13680	PEERY & ASSOCIATES INC
8404	04/10/2025	\$325.00	CONTRACT SERVICES	3147	PMC PLUMBING INC
8405	04/10/2025	\$1,491.45	SUPPLIES	2686	THE SHERWIN-WILLIAMS CO
8406	04/10/2025	\$31.98	GENERAL	33960	DAVID SOSNOWSKI
8407	04/10/2025	\$20,833.33	MISCELLANEOUS EXPENSE	4761	TREND SPORTS II LLC
8408	04/10/2025	\$535.60	RETIREMENT	27300	ROBERT C TUFANO
8409	04/10/2025	\$28,953.00	CONTRACT SERVICES	4256	VERDANT LANDSCAPING, INC.
8410	04/10/2025	\$8,166.72	CONTRACT SERVICES	47600	VORTEX INDUSTRIES LLC
8411	04/10/2025	\$75.54	SUPPLIES	19070	WALTERS WHOLESALE ELECTRIC CO
8412	04/10/2025	\$490.44	SUPPLIES	3088	WAXIE SANITARY SUPPLY
8413	04/10/2025	\$26,400.00	CONTRACT SERVICES	3021	WEST & ASSOCIATES ENGINEERING INC
8414	04/17/2025	\$3,180.23	CONTRACT SERVICES	3163	BANK OF AMERICA
8415	04/17/2025	\$667.58	TRAVEL & MEETINGS	3163	BANK OF AMERICA



City of Montebello
Register of Demands No. 1592
From Payment Date 03/28/25 - To Payment Date 05/01/25

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
General Account					
8416	04/17/2025	\$180.78	SUPPLIES	3163	BANK OF AMERICA
8417	04/17/2025	\$3,933.33	SUPPLIES	2586	AMAZON CAPITAL SERVICES INC
8418	04/17/2025	\$3,114.57	SUPPLIES	62880	AMERICAN MARKER
8419	04/17/2025	\$389,426.40	CONTRACT SERVICES	40970	ARAKELIAN ENTERPRISES
8420	04/17/2025	\$6,629.56	SUPPLIES	10000	CLEAN SWEEP SUPPLY CO INC
8421	04/17/2025	\$226.60	CONTRACT SERVICES	2889	COMLOCK SECURITY GROUP INC
8422	04/17/2025	\$2,778.30	CONTRACT SERVICES	2624	CRAFCO INC
8423	04/17/2025	\$1,030.16	CONTRACT SERVICES	3982	EVERNORTH CARE SOLUTIONS, INC.
8424	04/17/2025	\$34.00	CONTRACT SERVICES	23660	DAIOHS USA
8425	04/17/2025	\$5,783.00	CONTRACT SERVICES	3213	GEO-COMM INC
8426	04/17/2025	\$13,512.24	CONTRACT SERVICES	3490	INTER-CON SECUIRTY SYSTEMS INC
8427	04/17/2025	\$582.15	SUPPLIES	26670	LIFE-ASSIST INC
8428	04/17/2025	\$200.00	TRAVEL & MEETINGS	4789	CESAR LOPEZ
8429	04/17/2025	\$2,800.00	CONTRACT SERVICES	1585	DR ANGELICA LOZA-GOMEZ MD PC
8430	04/17/2025	\$18,103.55	IMPROVEMENTS OTHER THAN BUILDING - PAVING THE WAY	3489	MARK THOMAS & COMPANY INC
8431	04/17/2025	\$353.64	UNIFORM EXPENSE	4870	ANDREW MARTINEZ
8432	04/17/2025	\$227.85	CONTRACT SERVICES	53120	NATIONAL CONSTRUCTION RENTALS
8433	04/17/2025	\$142,322.71	CONTRACT SERVICES	35250	NATIONWIDE ENVIRONMENTAL SERVICES
8434	04/17/2025	\$39.84	SUPPLIES	1120	BLUETRITON BRANDS INC
8435	04/17/2025	\$439.24	SUPPLIES	2686	THE SHERWIN-WILLIAMS CO
8436	04/17/2025	\$1,041.45	SUPPLIES	31270	STARBOARD TACK SUPPLY INC
8437	04/17/2025	\$16,952.00	CONTRACT SERVICES	3602	THE PUN GROUP LLP
8438	04/17/2025	\$634.62	SUPPLIES	19070	WALTERS WHOLESALE ELECTRIC CO
8439	04/17/2025	\$285.00	CONTRACT SERVICES	2865	WEBSTERS BEE REMOVAL SERVICES
8440	04/24/2025	\$43,770.53	VEHICLE PURCHASES	1700	72 HOUR LLC
8441	04/24/2025	\$800.00	ADVERTISING/PRINTING SERVICES	1293	923 MEDIA GROUP INC
8442	04/24/2025	\$7,050.00	CDBG - ADMINISTRATION	38010	ADVANCED AVANT-GARDE CORPORATION
8443	04/24/2025	\$45,875.65	CONTRACT SERVICES	16120	ALVAREZ-GLASMAN & COLVIN
8444	04/24/2025	\$7,977.73	SUPPLIES	2586	AMAZON CAPITAL SERVICES INC
8445	04/24/2025	\$325.33	TRAVEL & MEETINGS	61470	ERIKA L ANDRADE
8446	04/24/2025	\$91,850.74	CONTRACT SERVICES	3016	ANTARES GOLF LLC
8447	04/24/2025	\$3,263.75	CONTRACT SERVICES	3130	BLAIS & ASSOCIATES LLC
8448	04/24/2025	\$149,009.32	UTILITY SERVICES	19120	CENTRAL BASIN MUNICIPAL WATER DISTRICT
8449	04/24/2025	\$2,149.78	CONTRACT SERVICES	2889	COMLOCK SECURITY GROUP INC
8450	04/24/2025	\$440.34	SUPPLIES	70920	DECALS BY DESIGN INC
8451	04/24/2025	\$41,349.05	OTHER GROUP INSURANCE PAYABLE	4110	DELTA DENTAL OF CALIFORNIA
8452	04/24/2025	\$355.46	TRAVEL & MEETINGS	3706	ALEX GILLMAN
8453	04/24/2025	\$5,739.76	MACHINERY & EQUIPMENTS	26080	L.N. CURTIS AND SONS
8454	04/24/2025	\$1,977.50	SUPPLIES	26670	LIFE-ASSIST INC
8455	04/24/2025	\$4,860.00	CONTRACT SERVICES	11070	LPM CONSULTING INC
8456	04/24/2025	\$41,342.39	CONTRACT SERVICES	3489	MARK THOMAS & COMPANY INC



City of Montebello
Register of Demands No. 1592
From Payment Date 03/28/25 - To Payment Date 05/01/25

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
General Account					
8457	04/24/2025	\$1,689.92	ADVERTISING/PRINTING SERVICES	2594	THE SAUCE CREATIVE SERVICES CORP
8458	04/24/2025	\$109.14	SUPPLIES	2287	STACEY SMITH
8459	04/24/2025	\$3,450.00	MACHINERY & EQUIPMENTS	1933	STRICTLY TECHNOLOGY LLC
8460	04/24/2025	\$456.44	VEHICLE MAINTENANCE/EXPENSES	1657	OSCAR ZAVALAS
8461	05/01/2025	\$1,361.46	SUPPLIES	3163	BANK OF AMERICA
8462	05/01/2025	\$594,462.61	PERS GROUP INSURANCE PAYABLE	17	CAL PERS
8463	05/01/2025	\$453,575.28	PENSION/RETIREMENT PAYABLE	17	CAL PERS
8464	05/01/2025	\$462,364.06	PENSION/RETIREMENT PAYABLE	17	CAL PERS
8465	05/01/2025	\$449,989.02	PENSION/RETIREMENT PAYABLE	17	CAL PERS
8466	05/01/2025	\$460,207.11	PENSION/RETIREMENT PAYABLE	17	CAL PERS
8467	05/01/2025	\$2,742.20	SUPPLIES	2586	AMAZON CAPITAL SERVICES INC
8468	05/01/2025	\$1,673.65	UTILITY SERVICES	19120	CENTRAL BASIN MUNICIPAL WATER DISTRICT
8469	05/01/2025	\$267.19	SUPPLIES	10000	CLEAN SWEEP SUPPLY CO INC
8470	05/01/2025	\$408.03	SUPPLIES	2345	COMMERCE HOSE & INDUSTRIAL PRODUCTS
8471	05/01/2025	\$4,484.48	OTHER GROUP INSURANCE PAYABLE	4110	DELTA DENTAL OF CALIFORNIA
8472	05/01/2025	\$1,027.00	CONTRACT SERVICES	3982	EVERNORTH CARE SOLUTIONS, INC.
8473	05/01/2025	\$646.25	VEHICLE MAINTENANCE/EXPENSES	1259	GRAFFITI SHIELD INC
8474	05/01/2025	\$825.29	SUPPLIES	2059	HASA INC
8475	05/01/2025	\$546.84	VEHICLE MAINTENANCE/EXPENSES	270	HARBOR DIESEL AND EQUIPMENT INC
8476	05/01/2025	\$4,324.41	CONTRACT SERVICES	4855	HORIZON MECHANICAL CONTRACTORS OF CALIFORNIA
8477	05/01/2025	\$71.36	CONTRACT SERVICES	1612	JCL TRAFFIC SERVICES
8478	05/01/2025	\$313.50	CONTRACT SERVICES	3276	MARK ROBERT LOPEZ
8479	05/01/2025	\$55,759.32	CONTRACT SERVICES	35250	NATIONWIDE ENVIRONMENTAL SERVICES
8480	05/01/2025	\$534.13	TRAVEL & MEETINGS	3114	SCARLET PERALTA
8481	05/01/2025	\$5,444.76	CONTRACT SERVICES	3176	PHILS FIRE EXTINGUISHER CO
8482	05/01/2025	\$665.38	SUPPLIES	2686	THE SHERWIN-WILLIAMS CO
8483	05/01/2025	\$196.87	SUPPLIES	19070	WALTERS WHOLESALE ELECTRIC CO
8484	05/01/2025	\$296.14	SUPPLIES	3088	WAXIE SANITARY SUPPLY
8485	05/01/2025	\$1,279.59	VEHICLE MAINTENANCE/EXPENSES	1657	OSCAR ZAVALAS
ACH TOTAL		\$4,472,688.94			
606651	04/03/2025	\$225.00	CONTRACT SERVICES	1674	1st JON INC
606652	04/03/2025	\$36,545.50	CONTRACT SERVICES	3333	A & A FLEET PAINTING INC
606653	04/03/2025	\$306.00	PREVENTIVE MAINTENANCE	64600	A TO Z FIRE PROTECTION COMPANY
606654	04/03/2025	\$11,368.71	SUPPLIES	1670	ADAMSON POLICE PRODUCTS
606655	04/03/2025	\$4,166.66	CONTRACT SERVICES	3557	ADVOCATE INC
606656	04/03/2025	\$2,247.00	TRAINING	3119	AMERICAN BIKE PATROL SERVICES INC
606657	04/03/2025	\$612.49	UTILITY SERVICES	39550	AT&T
606658	04/03/2025	\$1,417.28	UTILITY SERVICES	1732	AT&T CORP
606659	04/03/2025	\$3,658.21	CONTRACT SERVICES	16710	ATKINSON ANDELSON LOYA RUUD & ROMO



City of Montebello
Register of Demands No. 1592
From Payment Date 03/28/25 - To Payment Date 05/01/25

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
General Account					
606660	04/03/2025	\$200.00	CONTRACT SERVICES	2769	KATALINA BELTRAN
606661	04/03/2025	\$250.00	TRAINING	3728	BLUE TO GOLD LLC
606662	04/03/2025	\$2,302.02	CONTRACT SERVICES	3033	OFFICE SOLUTIONS BUSINESS PRODUCTS & SERVICES LLC
606663	04/03/2025	\$19,090.00	CONTRACT SERVICES	4831	BOWMAN CONSULTING GROUP LTD
606664	04/03/2025	\$528.00	CONTRACTORS	4954	CALGREEN ENERGY SOLUTIONS INC
606665	04/03/2025	\$555.01	UTILITY SERVICES	47580	CALIFORNIA WATER SERVICE COMPANY
606666	04/03/2025	\$30,877.50	CONTRACT SERVICES	1619	CAT TRACKING INC
606667	04/03/2025	\$13,147.06	CONTRACT SERVICES	52710	CLEAN ENERGY FUELS
606668	04/03/2025	\$1,271.50	CONTRACT SERVICES	4468	COLLICUTT ENERGY SERVICES INC
606669	04/03/2025	\$412.50	CONTRACT SERVICES	18840	COOPERATIVE PERSONNEL SERVICES
606670	04/03/2025	\$6,845.34	VEHICLE MAINTENANCE/EXPENSES	950	CUMMINS INC
606671	04/03/2025	\$2,854.40	ADVERTISING/PRINTING SERVICES	1354	DAILY JOURNAL CORPORATION
606672	04/03/2025	\$7,230.13	VEHICLE MAINTENANCE/EXPENSES	4419	DARTCO TRANSMISSION SALES & SERVICES INC
606673	04/03/2025	\$1,017.00	TRAINING	3392	EL CAMINO COLLEGE
606674	04/03/2025	\$1,669.86	SUPPLIES	7610	EWING IRRIGATION PRODUCTS
606675	04/03/2025	\$119.48	VEHICLE MAINTENANCE/EXPENSES	29160	FORD OF MONTEBELLO
606676	04/03/2025	\$8,735.60	CONTRACT SERVICES	2827	FOUR STAR INVESTIGATIONS LLC
606677	04/03/2025	\$204.00	SUPPLIES	4767	ELIZABETH FRANCO
606678	04/03/2025	\$279.76	UNIFORM EXPENSE	55650	GALLS LLC
606679	04/03/2025	\$30.83	MAIL/ POSTAL EXPENSE	3167	GLS US
606680	04/03/2025	\$471.99	VEHICLE MAINTENANCE/EXPENSES	75590	ALHAMBRA MOTOR
606681	04/03/2025	\$747.97	SUPPLIES	2059	HASA INC
606682	04/03/2025	\$983.75	MACHINERY & EQUIPMENTS	2012	ICE MACHINE SALES & SERVICE CO
606683	04/03/2025	\$1,054.52	VEHICLE MAINTENANCE/EXPENSES	3192	FRICTION MATERIALS OF LONG BEACH
606684	04/03/2025	\$8,974.58	VEHICLE MAINTENANCE/EXPENSES	27480	R & M HANSEN ENT INC
606685	04/03/2025	\$649.42	CONTRACT SERVICES	1357	IRON MOUNTAIN INC
606686	04/03/2025	\$3,482.80	UNIFORM EXPENSE	1169	JCM AND ASSOCIATES INC
606687	04/03/2025	\$4,120.11	MACHINERY & EQUIPMENTS	4422	KNIGHT TECHNOLOGY GROUP
606688	04/03/2025	\$75.00	PERMITS AND FEES	58760	COUNTY OF LOS ANGELES
606689	04/03/2025	\$12,897.50	DUE TO LA COUNTY	692	LOS ANGELES COUNTY SUPERIOR COURT
606690	04/03/2025	\$361.56	UTILITY SERVICES	4760	MONTEBELLO LAND & WATER CO
606691	04/03/2025	\$14,832.25	UTILITY SERVICES	4760	MONTEBELLO LAND & WATER CO
606692	04/03/2025	\$731.16	MACHINERY & EQUIPMENTS	450	MUNICIPAL EMERGENCY SERVICES INC.
606693	04/03/2025	\$8,505.61	TRAINING	4900	CHARLES MYLES DBA POWERFUL DAYS
606694	04/03/2025	\$253.21	VEHICLE MAINTENANCE/EXPENSES	2480	SOCAL AUTO & TRUCK PARTS INC
606695	04/03/2025	\$350.00	TRAVEL & MEETINGS	58750	JOSE A OCHOA
606696	04/03/2025	\$65.00	TRAINING	3890	ORANGE COUNTY SHERIFFS DEPARTMENT
606697	04/03/2025	\$3,538.51	SUPPLIES	4495	ORANGE INDUSTRIAL HARDWARE
606698	04/03/2025	\$1,800.00	CONTRACT SERVICES	3896	ROBERT J ORTIZ
606699	04/03/2025	\$40.00	CARPPOOL INCENTIVE	4327	ROSEMARY PERICH
606700	04/03/2025	\$7,200.00	CONTRACT SERVICES	4402	PREMIER WALL SYSTEMS INC



City of Montebello
Register of Demands No. 1592
From Payment Date 03/28/25 - To Payment Date 05/01/25

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
General Account					
606701	04/03/2025	\$120.00	MACHINERY & EQUIPMENTS	4860	PRESTIGE OFFICE SOLUTIONS
606702	04/03/2025	\$439.84	UNIFORM EXPENSE	56260	PRUDENTIAL OVERALL SUPPLY
606703	04/03/2025	\$30,623.05	SUPPLIES	43510	QUIET CANNON MONTEBELLO INC
606704	04/03/2025	\$390.00	MACHINERY & EQUIPMENTS	3943	R&S OVERHEAD DOORS OF COMMERCE, INC.
606705	04/03/2025	\$532.18	TRAVEL & MEETINGS	4908	ADAN RAMIREZ
606706	04/03/2025	\$1,840.00	CONTRACT SERVICES	4421	YANNI RAZ
606707	04/03/2025	\$136.00	CONTRACT SERVICES	952	RELIANT IMMEDIATE CARE MEDICAL GROUP INC
606708	04/03/2025	\$1,075.00	CONTRACT SERVICES	134	RHM APPRAISAL SERVICES
606709	04/03/2025	\$4,125.00	TRAINING	51460	RIO HONDO COMMUNITY COLLEGE
606710	04/03/2025	\$774.44	UTILITY SERVICES	14730	SAN GABRIEL VALLEY WATER CO
606711	04/03/2025	\$13,918.39	SUPPLIES	4884	SDK INVESTMENT GROUP DBA SDK BUILDING SUPPLIERS
606712	04/03/2025	\$5,930.84	VEHICLE MAINTENANCE/EXPENSES	54300	SHAK ENTERPRISES INC
606713	04/03/2025	\$250.00	TRAVEL & MEETINGS	3456	JOHN SORIA
606714	04/03/2025	\$35,199.73	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
606715	04/03/2025	\$198.00	CONTRACT SERVICES	9270	TANK SPECIALIST OF CALIFORNIA
606716	04/03/2025	\$21,107.80	VEHICLE MAINTENANCE/EXPENSES	60710	THE AFTERMARKET PARTS COMPANY LLC
606717	04/03/2025	\$40.00	CARPOOL INCENTIVE	4781	TAM TIEU
606718	04/03/2025	\$184.36	SUPPLIES	3110	TOMAS ALVARADO
606719	04/03/2025	\$208.00	CONTRACTORS	4886	V3 ELECTRIC INC
606720	04/03/2025	\$640.79	VEHICLE MAINTENANCE/EXPENSES	2701	VARGAS DIESEL INC
606721	04/03/2025	\$8,153.51	UTILITY SERVICES	23610	VERIZON WIRELESS
606722	04/03/2025	\$280.00	MACHINERY & EQUIPMENTS	1969	WAY SINE LLC
606723	04/03/2025	\$760.73	VEHICLE MAINTENANCE/EXPENSES	25860	WAYNE HARMEIER INC
606724	04/03/2025	\$10,505.80	SUPPLIES	26850	ZUMAR INDUSTRIES INC
606725	04/03/2025	\$250.00	GENERAL GOVERNMENT	1159	BMS HEALTHCARE INC
606726	04/03/2025	\$60.00	GENERAL GOVERNMENT	4552	HECTOR RAMO
606727	04/03/2025	\$950.00	VEHICLE MAINTENANCE/EXPENSES	4484	JOSE CAMACHO DBA JOE'S AUTO UPHOLSTERY
606728	04/10/2025	\$1,125.00	CONTRACT SERVICES	1674	1st JON INC
606729	04/10/2025	\$16,596.50	CONTRACT SERVICES	3983	A-N-W CONSTRUCTION INC
606730	04/10/2025	\$3,161.40	SUPPLIES	1670	ADAMSON POLICE PRODUCTS
606731	04/10/2025	\$415.35	FUEL	22520	HENRY AGUILAR JR
606732	04/10/2025	\$519.00	CONTRACT SERVICES	1287	ALTA LANGUAGE SERVICES INC
606733	04/10/2025	\$156.69	UTILITY SERVICES	39550	AT&T
606734	04/10/2025	\$4.43	UTILITY SERVICES	39550	AT&T
606735	04/10/2025	\$114.24	VEHICLE MAINTENANCE/EXPENSES	74990	AUTOZONE INC
606736	04/10/2025	\$400.00	SUPPLIES	4912	CHRISTOPHER W BARNES
606737	04/10/2025	\$400.00	CONTRACT SERVICES	2769	KATALINA BELTRAN
606738	04/10/2025	\$470.00	SUPPLIES	4319	BUBBLEMANIA AND COMPANY LA LLC
606739	04/10/2025	\$6,970.74	UTILITY SERVICES	47580	CALIFORNIA WATER SERVICE COMPANY
606740	04/10/2025	\$1,195.00	CONTRACT SERVICES	4935	BERTIN CAMPOS DBA BERT COMMUNICATIONS SERVICE
606741	04/10/2025	\$400.00	CONTRACT SERVICES	4481	CENTURY CITYVIEW LP



City of Montebello
Register of Demands No. 1592
From Payment Date 03/28/25 - To Payment Date 05/01/25

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
General Account					
606742	04/10/2025	\$714.00	CONTRACT SERVICES	3055	CHARLES R ONEAL DBA PHOTOBOOTHIE
606743	04/10/2025	\$1,070.98	UTILITY SERVICES	55830	CHARTER COMMUNICATIONS
606744	04/10/2025	\$95.58	VEHICLE MAINTENANCE/EXPENSES	45170	MONTEBELLO AUTO GROUP LLC
606745	04/10/2025	\$817.06	SAFETY PROGRAM	1294	CINTAS CORPORATION NO 2
606746	04/10/2025	\$729.92	CONTRACT SERVICES	36870	CINTAS CORPORATION NO 3
606747	04/10/2025	\$1,951.00	RETIREMENT	3128	CITY OF BELL GARDENS
606748	04/10/2025	\$650.00	CONTRACT SERVICES	4937	HANNAH CLARK DBA MAGIC FROM MAIN
606749	04/10/2025	\$688.00	MACHINERY & EQUIPMENTS	4174	COSTAR REALTY INFORMATION INC
606750	04/10/2025	\$2,896.34	VEHICLE MAINTENANCE/EXPENSES	990	DANIELS TIRE SERVICE
606751	04/10/2025	\$13,172.93	SUPPLIES	13360	DELL MARKETING LP
606752	04/10/2025	\$100.00	CONTRACT SERVICES	1894	ECONOMY RENTAL INC
606753	04/10/2025	\$1,542.86	SUPPLIES	7610	EWING IRRIGATION PRODUCTS
606754	04/10/2025	\$34,329.00	MACHINERY & EQUIPMENTS	4835	FASTER ASSET SOLUTIONS
606755	04/10/2025	\$35.63	MACHINERY & EQUIPMENTS	22400	FEDERAL EXPRESS CORPORATION
606756	04/10/2025	\$9,750.00	MACHINERY & EQUIPMENTS	3148	FIFTH ASSET INC
606757	04/10/2025	\$4,903.66	VEHICLE MAINTENANCE/EXPENSES	29160	FORD OF MONTEBELLO
606758	04/10/2025	\$250.00	GENERAL GOVERNMENT	4957	JENNIFER FRAGOSO
606759	04/10/2025	\$149.54	UNIFORM EXPENSE	55650	GALLS LLC
606760	04/10/2025	\$1,599.01	CONTRACT SERVICES	4694	CRISTINA GARCIA
606761	04/10/2025	\$85.00	SUPPLIES	28730	GARFIELD CAR WASH
606762	04/10/2025	\$7,400.00	CONTRACT SERVICES	4591	GEORGE HILLS COMPANY
606763	04/10/2025	\$11,651.85	CONTRACT SERVICES	33460	GOODYEAR TIRE & RUBBER COMPANY
606764	04/10/2025	\$2,171.56	VEHICLE MAINTENANCE/EXPENSES	75590	ALHAMBRA MOTOR
606765	04/10/2025	\$6,489.00	CONTRACT SERVICES	3524	GOVOS INC
606766	04/10/2025	\$14,951.38	VEHICLE MAINTENANCE/EXPENSES	30190	IB AUTO PARTS INC
606767	04/10/2025	\$2,240.92	VEHICLE MAINTENANCE/EXPENSES	27480	R & M HANSEN ENT INC
606768	04/10/2025	\$4,030.77	DUES & SUBSCRIPTIONS	43680	JJ KELLER & ASSOCIATES INC
606769	04/10/2025	\$6,163.63	UNIFORM EXPENSE	1578	UNIFORM HEADQUARTERS
606770	04/10/2025	\$3,123.19	MACHINERY & EQUIPMENTS	4422	KNIGHT TECHNOLOGY GROUP
606771	04/10/2025	\$32,958.41	AFLAC OTHER	4336	METROPOLITAN LIFE INSURANCE COMPANY
606772	04/10/2025	\$2,054.87	SUPPLIES	2072	MICROMED DIAMOND SEAL SYSTEMS LLC
606773	04/10/2025	\$720.78	MACHINERY & EQUIPMENTS	450	MUNICIPAL EMERGENCY SERVICES INC.
606774	04/10/2025	\$65.00	TRAVEL & MEETINGS	2274	MUNICIPAL MANAGEMENT ASSOCIATION OF SO CAL
606775	04/10/2025	\$1,285.25	VEHICLE MAINTENANCE/EXPENSES	2480	SOCAL AUTO & TRUCK PARTS INC
606776	04/10/2025	\$2,595.00	CONTRACT SERVICES	4010	NESHAMA 456 LLC
606777	04/10/2025	\$1,356.32	SUPPLIES	15620	OFFICE DEPOT INC
606778	04/10/2025	\$528.16	RETIREMENT	42490	LINDA PAYAN
606779	04/10/2025	\$390.00	SUPPLIES	4911	PROFESSOR EGGHEAD SCIENCE ACADEMY
606780	04/10/2025	\$283.94	SUPPLIES	56260	PRUDENTIAL OVERALL SUPPLY
606781	04/10/2025	\$29,492.51	IMPROVEMENTS OTHER THAN BUILDING	4272	PSOMAS
606782	04/10/2025	\$7,635.25	TRAVEL & MEETINGS	43510	QUIET CANNON MONTEBELLO INC



City of Montebello
Register of Demands No. 1592
From Payment Date 03/28/25 - To Payment Date 05/01/25

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
General Account					
606783	04/10/2025	\$1,840.00	CONTRACT SERVICES	4421	YANNI RAZ
606784	04/10/2025	\$537.00	CONTRACT SERVICES	952	RELIANT IMMEDIATE CARE MEDICAL GROUP INC
606785	04/10/2025	\$118.55	TRAINING	51460	RIO HONDO COMMUNITY COLLEGE
606786	04/10/2025	\$140.00	POLICE RELATED FEES	4958	ERMILIO ROJAS CASTRO
606787	04/10/2025	\$1,400.00	TRAINING	2459	OSAE ROMERO
606788	04/10/2025	\$6,209.31	UTILITY SERVICES	14730	SAN GABRIEL VALLEY WATER CO
606789	04/10/2025	\$140.00	POLICE RELATED FEES	4959	ANDREA SERRATOS
606790	04/10/2025	\$628.12	VEHICLE MAINTENANCE/EXPENSES	54300	SHAK ENTERPRISES INC
606791	04/10/2025	\$5,101.69	MACHINERY & EQUIPMENTS	1937	SHI INTERNATIONAL CORP
606792	04/10/2025	\$792.04	VEHICLE MAINTENANCE/EXPENSES	716	SOUTH BAY FORD INC
606793	04/10/2025	\$113,528.94	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
606794	04/10/2025	\$50,494.19	FUEL INVENTORY	40520	SOUTHERN CALIFORNIA GAS CO
606795	04/10/2025	\$1,723.00	PERMITS AND FEES	13330	STATE WATER RESOURCES CONTROL BOARD ACCOUNTING OFFICE
606796	04/10/2025	\$1,602.10	CONTRACT SERVICES	3397	STERICYCLE INC
606797	04/10/2025	\$20,017.44	UTILITY SERVICES	526	T-MOBILE USA INC
606798	04/10/2025	\$5,713.36	VEHICLE MAINTENANCE/EXPENSES	60710	THE AFTERMARKET PARTS COMPANY LLC
606799	04/10/2025	\$35,672.67	FUEL INVENTORY	4844	THE JANKOVICH COMPANY LLC
606800	04/10/2025	\$218.00	MACHINERY & EQUIPMENTS	41430	THOMSON REUTERS - WEST
606801	04/10/2025	\$136,581.60	CONTRACT SERVICES	1639	TRANSTECH ENGINEERS INC
606802	04/10/2025	\$6,750.00	SUPPLIES	2611	TURBOSCAPE INC
606803	04/10/2025	\$7,033.38	MACHINERY & EQUIPMENTS	1188	TYLER TECHNOLOGIES INC
606804	04/10/2025	\$4,920.21	SUPPLIES	45120	ULINE INC
606805	04/10/2025	\$2,318.62	CONTRACT SERVICES	4003	VEOLIA WTS SERVICES USA, INC.
606806	04/10/2025	\$49,824.04	CONTRACT SERVICES	4787	VERDE FACILITIES SERVICES LLC
606807	04/10/2025	\$494.82	SUPPLIES	9470	W W GRAINGER INC DBA: GRAINGER
606808	04/10/2025	\$390.00	CONTRACT SERVICES	3572	JIM WARINO
606809	04/10/2025	\$24.26	SUPPLIES	33390	WHITTIER FERTILIZER COMPANY
606810	04/10/2025	\$11,715.91	CONTRACT SERVICES	3731	YUNEX LLC
606811	04/10/2025	\$12,525.00	CONTRACT SERVICES	4000	LOS ANGELES COMMUNITY GARDEN COUNCIL
606812	04/17/2025	\$675.00	CONTRACT SERVICES	1674	1st JON INC
606813	04/17/2025	\$8,400.00	CONTRACT SERVICES	69480	ALLTECH INDUSTRIES INC
606814	04/17/2025	\$3,965.20	CONTRACT SERVICES	4467	AP TRITON LLC
606815	04/17/2025	\$2,176.68	UTILITY SERVICES	39550	AT&T
606816	04/17/2025	\$9,451.53	UTILITY SERVICES	39550	AT&T
606817	04/17/2025	\$55.00	UTILITY SERVICES	1732	AT&T CORP
606818	04/17/2025	\$149.10	CONTRACT SERVICES	16710	ATKINSON ANDELSON LOYA RUUD & ROMO
606819	04/17/2025	\$171.47	VEHICLE MAINTENANCE/EXPENSES	74990	AUTOZONE INC
606820	04/17/2025	\$99,727.00	IMPROVEMENTS OTHER THAN BUILDING	4831	BOWMAN CONSULTING GROUP LTD
606821	04/17/2025	\$250.00	TRAVEL & MEETINGS	4118	LAMICIA BUTLER
606822	04/17/2025	\$257.60	UTILITY SERVICES	47580	CALIFORNIA WATER SERVICE COMPANY
606823	04/17/2025	\$443.23	TRAINING	4134	ISRAEL CERVANTES



City of Montebello
Register of Demands No. 1592
From Payment Date 03/28/25 - To Payment Date 05/01/25

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
General Account					
606824	04/17/2025	\$156.24	UTILITY SERVICES	55830	CHARTER COMMUNICATIONS
606825	04/17/2025	\$2,749.44	VEHICLE MAINTENANCE/EXPENSES	45170	MONTEBELLO AUTO GROUP LLC
606826	04/17/2025	\$1,000.00	CONTRACT SERVICES	4797	CHILL ENTERTAINMENT
606827	04/17/2025	\$25.13	UTILITY SERVICES	36610	CITY OF PICO RIVERA
606828	04/17/2025	\$3,691.12	VEHICLE MAINTENANCE/EXPENSES	950	CUMMINS INC
606829	04/17/2025	\$668.66	ADVERTISING/PRINTING SERVICES	1354	DAILY JOURNAL CORPORATION
606830	04/17/2025	\$3,628.98	MACHINERY & EQUIPMENTS	13360	DELL MARKETING LP
606831	04/17/2025	\$5,288.75	DUES & SUBSCRIPTIONS	31150	DEPARTMENT OF CONSERVATION
606832	04/17/2025	\$1,180.00	CONTRACT SERVICES	4956	E GALLO INC
606833	04/17/2025	\$848.54	CONTRACT SERVICES	3334	EAGLE PORTABLES SANITATION LLC
606834	04/17/2025	\$821.88	SUPPLIES	7610	EWING IRRIGATION PRODUCTS
606835	04/17/2025	\$326.38	CONTRACT SERVICES	4899	MICHAEL D FUERTE SR DBA MONTEBELLO SPEAKER REPAIR
606836	04/17/2025	\$1,936.14	UNIFORM EXPENSE	55650	GALLS LLC
606837	04/17/2025	\$1,998.02	CONTRACT SERVICES	3846	GREGORY A MILES DBA GMT
606838	04/17/2025	\$862.84	SUPPLIES	2059	HASA INC
606839	04/17/2025	\$2,597.44	CONTRACT SERVICES	4933	HIRSCH PIPE & SUPPLY CO INC
606840	04/17/2025	\$45,135.00	CONTRACT SERVICES	4525	INFRASTRUCUTRE ENGINEERS, A BOWMAN COMPANY
606841	04/17/2025	\$1,155.00	CONTRACT SERVICES	4198	KEEN LOS ANGELES
606842	04/17/2025	\$22,794.00	DUES & SUBSCRIPTIONS	26920	LEAGUE OF CALIFORNIA CITIES
606843	04/17/2025	\$12,306.86	MACHINERY & EQUIPMENTS	15070	LEXIPOL LLC
606844	04/17/2025	\$467.52	CONTRACT SERVICES	3035	LA COUNTY SHERIFF'S DEPARTMENT
606845	04/17/2025	\$96.00	UTILITY SERVICES	1627	MARCOM COMMUNICATIONS SYSTEMS
606846	04/17/2025	\$163.11	UNIFORM EXPENSE	4963	CHRISTOPHER MENDOZA
606847	04/17/2025	\$23,940.00	CONTRACT SERVICES	4008	MITSUBISHI ELECTRIC POWER PRODUCTS INC
606848	04/17/2025	\$3,747.31	VEHICLE MAINTENANCE/EXPENSES	2480	SOCAL AUTO & TRUCK PARTS INC
606849	04/17/2025	\$315.44	SUPPLIES	1474	NATIONAL TRENCH SAFETY INC
606850	04/17/2025	\$351.21	SUPPLIES	15620	OFFICE DEPOT INC
606851	04/17/2025	\$391.00	CONTRACT SERVICES	26460	ORBIT RENTALS INC
606852	04/17/2025	\$2,609.55	CONTRACT SERVICES	1597	PACIFIC COAST ELEVATOR CORP
606853	04/17/2025	\$100.00	CONTRACT SERVICES	2709	ERNEST PERALTA
606854	04/17/2025	\$864.15	UNIFORM EXPENSE	56260	PRUDENTIAL OVERALL SUPPLY
606855	04/17/2025	\$11,751.96	TRAVEL & MEETINGS	43510	QUIET CANNON MONTEBELLO INC
606856	04/17/2025	\$300.00	CONTRACTORS	4960	RL REMODELING
606857	04/17/2025	\$175.00	DUES & SUBSCRIPTIONS	4964	CATHERINE SALVATIERRA
606858	04/17/2025	\$542.00	UTILITY SERVICES	14730	SAN GABRIEL VALLEY WATER CO
606859	04/17/2025	\$1,999.00	VEHICLE MAINTENANCE/EXPENSES	54300	SHAK ENTERPRISES INC
606860	04/17/2025	\$8,449.00	CONTRACT SERVICES	3583	SHOCKWAVE ELECTRIC INC
606861	04/17/2025	\$4,305.00	CONTRACT SERVICES	3201	SIMPLY BACKFLOW INC
606862	04/17/2025	\$4,199.39	UTILITY SERVICES	51430	SOUTH MONTEBELLO IRRIGATION DISTRICT
606863	04/17/2025	\$30,170.30	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
606864	04/17/2025	\$6,810.00	CONTRACT SERVICES	4925	SOUTHSTAR ENGINEERING & CONSULTING INC



City of Montebello
Register of Demands No. 1592
From Payment Date 03/28/25 - To Payment Date 05/01/25

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
General Account					
606865	04/17/2025	\$198.00	CONTRACT SERVICES	9270	TANK SPECIALIST OF CALIFORNIA
606866	04/17/2025	\$2,653.88	VEHICLE MAINTENANCE/EXPENSES	60710	THE AFTERMARKET PARTS COMPANY LLC
606867	04/17/2025	\$2,700.00	CONTRACT SERVICES	71210	STAR-DUST TOURS INC
606868	04/17/2025	\$4,355.02	FUEL INVENTORY	4844	THE JANKOVICH COMPANY LLC
606869	04/17/2025	\$19,607.36	CONTRACT SERVICES	3406	UNIVERSAL PROTECTION SERVICES LP DBA ALLIED UNIVERSAL
606870	04/17/2025	\$2,403.20	UTILITY SERVICES	72570	US TELEPACIFIC CORP
606871	04/17/2025	\$240.00	CONTRACT SERVICES	4934	FRANK VACCARO
606872	04/17/2025	\$195.12	CONTRACT SERVICES	4003	VEOLIA WTS SERVICES USA, INC.
606873	04/17/2025	\$4,746.00	CONTRACT SERVICES	40860	WEST COAST ARBORISTS INC
606874	04/17/2025	\$20,635.16	CONTRACT SERVICES	2857	WOLVERINE FENCE COMPANY INC
606875	04/17/2025	\$1,480.00	SUPPLIES	3437	CHARGEPOINT INC
606876	04/17/2025	\$3,131.60	DUES & SUBSCRIPTIONS	28160	INDEPENDENT CITIES ASSOCIATION
606877	04/17/2025	\$58,796.13	VEHICLE MAINTENANCE/EXPENSES	4786	WRECKS WEST USA INC
606878	04/24/2025	\$32,340.00	CONTRACT SERVICES	4776	ADMINSURE INC
606879	04/24/2025	\$600.00	CONTRACT SERVICES	4409	AKEBIA INVESTMENTS LLC
606880	04/24/2025	\$2,253.05	UTILITY SERVICES	38380	AT&T
606881	04/24/2025	\$335.84	UTILITY SERVICES	39550	AT&T
606882	04/24/2025	\$41.76	UTILITY SERVICES	39550	AT&T
606883	04/24/2025	\$4,019.43	UTILITY SERVICES	1732	AT&T CORP
606884	04/24/2025	\$15,474.92	CONTRACT SERVICES	16710	ATKINSON ANDELSON LOYA RUUD & ROMO
606885	04/24/2025	\$882.49	VEHICLE MAINTENANCE/EXPENSES	74990	AUTOZONE INC
606886	04/24/2025	\$594.00	DUES & SUBSCRIPTIONS	68300	CALIFORNIA BUILDING STANDARDS COMMISSION
606887	04/24/2025	\$645.96	UTILITY SERVICES	47580	CALIFORNIA WATER SERVICE COMPANY
606888	04/24/2025	\$1,800.00	CONTRACT SERVICES	3644	GRACE CHANG
606889	04/24/2025	\$1,890.00	CONTRACT SERVICES	3644	GRACE CHANG
606890	04/24/2025	\$945.00	CONTRACT SERVICES	3644	GRACE CHANG
606891	04/24/2025	\$1,890.00	CONTRACT SERVICES	3644	GRACE CHANG
606892	04/24/2025	\$925.00	CONTRACT SERVICES	3644	GRACE CHANG
606893	04/24/2025	\$1,850.00	CONTRACT SERVICES	3644	GRACE CHANG
606894	04/24/2025	\$1,040.50	CONTRACT SERVICES	3644	GRACE CHANG
606895	04/24/2025	\$950.00	CONTRACT SERVICES	3644	GRACE CHANG
606896	04/24/2025	\$6,879.23	UTILITY SERVICES	55830	CHARTER COMMUNICATIONS
606897	04/24/2025	\$10,934.76	VEHICLE MAINTENANCE/EXPENSES	45170	MONTEBELLO AUTO GROUP LLC
606898	04/24/2025	\$584.68	CONTRACT SERVICES	36870	CINTAS CORPORATION NO 3
606899	04/24/2025	\$37,437.00	CONTRACT SERVICES	30170	CITY OF DOWNEY
606900	04/24/2025	\$13,397.04	CONTRACT SERVICES	52710	CLEAN ENERGY FUELS
606901	04/24/2025	\$160.00	SUPPLIES	438	CODE RED FIRE INC
606902	04/24/2025	\$203.49	UNIFORM EXPENSE	4969	LUIS COKER
606903	04/24/2025	\$1,380.00	CONTRACT SERVICES	4806	CSCDA COMMUNITY IMPROVEMENT AUTHORITY
606904	04/24/2025	\$10,199.57	VEHICLE MAINTENANCE/EXPENSES	950	CUMMINS INC
606905	04/24/2025	\$1,450.00	CONTRACT SERVICES	4956	E GALLO INC



City of Montebello
Register of Demands No. 1592
From Payment Date 03/28/25 - To Payment Date 05/01/25

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
General Account					
606906	04/24/2025	\$382.74	TRAINING	4447	YVETTE FERNANDEZ
606907	04/24/2025	\$142.00	CONTRACTORS	4970	FREEDOM FOREVER LLC
606908	04/24/2025	\$2,499.94	UNIFORM EXPENSE	55650	GALLS LLC
606909	04/24/2025	\$9,727.76	VEHICLE MAINTENANCE/EXPENSES	33720	GILLIG LLC
606910	04/24/2025	\$400.00	CONTRACT SERVICES	3226	EDWIN MARTINEZ
606911	04/24/2025	\$1,812.27	SUPPLIES	2059	HASA INC
606912	04/24/2025	\$2,813.68	VEHICLE MAINTENANCE/EXPENSES	27480	R & M HANSEN ENT INC
606913	04/24/2025	\$3,548.00	CONTRACT SERVICES	3235	ION SECURITY SYSTEMS
606914	04/24/2025	\$100.00	TRAVEL & MEETINGS	18760	FEDERICO JIMENEZ
606915	04/24/2025	\$589.06	TRAVEL & MEETINGS	4926	MARK JIMENEZ
606916	04/24/2025	\$450.00	CONTRACT SERVICES	4883	JK SEVA INC
606917	04/24/2025	\$643.31	TRAINING	3507	MARK KIM
606918	04/24/2025	\$9,252.00	CONTRACT SERVICES	3716	KOA CORPORATION
606919	04/24/2025	\$140.00	POLICE RELATED FEES	4975	PING HUI LIN
606920	04/24/2025	\$14,210.00	DUE TO LA COUNTY	692	LOS ANGELES COUNTY SUPERIOR COURT
606921	04/24/2025	\$143.28	PERMITS AND FEES	28440	LOS ANGELES COUNTY TAX COLLECTOR
606922	04/24/2025	\$128.86	PERMITS AND FEES	28440	LOS ANGELES COUNTY TAX COLLECTOR
606923	04/24/2025	\$1,788.33	VEHICLE MAINTENANCE/EXPENSES	20620	LOS ANGELES TRUCK CENTERS LLC
606924	04/24/2025	\$58,202.83	MACHINERY & EQUIPMENTS	4918	MES SERVICE COMPANY LLC
606925	04/24/2025	\$100.00	TRAINING	4977	DAVID MILLIGAN
606926	04/24/2025	\$862.99	DUES & SUBSCRIPTIONS	2491	MOTION PICTURE LICENSING CORPORATION
606927	04/24/2025	\$288.35	UNIFORM EXPENSE	47860	NATIONAL EMBLEM INC
606928	04/24/2025	\$1,400.00	CONTRACT SERVICES	26370	NAVARROS TOWING SERVICE
606929	04/24/2025	\$2,595.00	CONTRACT SERVICES	4010	NESHAMA 456 LLC
606930	04/24/2025	\$339.98	SUPPLIES	15620	OFFICE DEPOT INC
606931	04/24/2025	\$312.42	UNIFORM EXPENSE	4973	JORGE PEREZ
606932	04/24/2025	\$1,299.51	LEASE PAYMENT	2357	PNC BANK NATIONAL ASSOCIATION
606933	04/24/2025	\$99.47	UNIFORM EXPENSE	56260	PRUDENTIAL OVERALL SUPPLY
606934	04/24/2025	\$1,000.00	MAIL/ POSTAL EXPENSE	697	QUADIENT FINANCE USA INC
606935	04/24/2025	\$1,840.00	CONTRACT SERVICES	4421	YANNI RAZ
606936	04/24/2025	\$88.00	CONTRACTORS	4971	REMODEL YOUR VIBE
606937	04/24/2025	\$3,188.22	UTILITY SERVICES	14730	SAN GABRIEL VALLEY WATER CO
606938	04/24/2025	\$1,182.00	TRAINING	3448	SAVAGE TRAINING GROUP LLC
606939	04/24/2025	\$46,177.08	MACHINERY & EQUIPMENTS	4916	SEA-WESTERN INC
606940	04/24/2025	\$560.46	TRAINING	4974	JOSE SOLIS
606941	04/24/2025	\$23,355.41	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
606942	04/24/2025	\$18,015.40	UTILITY SERVICES	40520	SOUTHERN CALIFORNIA GAS CO
606943	04/24/2025	\$518.44	VEHICLE MAINTENANCE/EXPENSES	60710	THE AFTERMARKET PARTS COMPANY LLC
606944	04/24/2025	\$70.00	POLICE RELATED FEES	4976	FREDERICK RICHARD TORREZ
606945	04/24/2025	\$91,285.24	CONTRACT SERVICES	1639	TRANSTECH ENGINEERS INC
606946	04/24/2025	\$6,691.58	CONTRACT SERVICES	20070	UC REGENTS



City of Montebello
Register of Demands No. 1592
From Payment Date 03/28/25 - To Payment Date 05/01/25

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
General Account					
606947	04/24/2025	\$66,809.80	CONTRACT SERVICES	3406	UNIVERSAL PROTECTION SERVICES LP DBA ALLIED UNIVERSAL
606948	04/24/2025	\$7,233.74	COPIER REPAIR/SERVICES	2747	US BANK EQUIPMENT FINANCE
606949	04/24/2025	\$3,151.95	UTILITY SERVICES	72570	US TELEPACIFIC CORP
606950	04/24/2025	\$209,836.24	CONTRACT SERVICES	4841	VOLTAIRE ENGINEERING INC
606951	04/24/2025	\$602.23	VEHICLE MAINTENANCE/EXPENSES	25860	WAYNE HARMEIER INC
606952	04/24/2025	\$137.00	CONTRACT SERVICES	3006	ASBURY ENVIRONMENTAL SERVICES
606953	04/24/2025	\$49,000.00	PREPAID EXPENSES	2816	ZENCITY TECHNOLOGIES US INC
606954	04/24/2025	\$471.78	SUPPLIES	2905	ZUTRA WATER
606955	05/01/2025	\$1,575.00	CONTRACT SERVICES	1674	1st JON INC
606956	05/01/2025	\$144.11	SUPPLIES	3119	AMERICAN BIKE PATROL SERVICES INC
606957	05/01/2025	\$8,768.70	UTILITY SERVICES	39550	AT&T
606958	05/01/2025	\$61.39	UTILITY SERVICES	39550	AT&T
606959	05/01/2025	\$72.45	CONTRACT SERVICES	16710	ATKINSON ANDELSON LOYA RUUD & ROMO
606960	05/01/2025	\$86.13	UTILITY SERVICES	47580	CALIFORNIA WATER SERVICE COMPANY
606961	05/01/2025	\$918.00	CONTRACT SERVICES	40850	MARIA E CASAS
606962	05/01/2025	\$749.34	SUPPLIES	2922	ARA H BALAYAN
606963	05/01/2025	\$38,360.00	CONTRACT SERVICES	1303	CERTIFIED ROOFING APPLICATORS INC
606964	05/01/2025	\$1,500.00	EDUCATION REIMBURSEMENT	4134	ISRAEL CERVANTES
606965	05/01/2025	\$730.16	CONTRACT SERVICES	36870	CINTAS CORPORATION NO 3
606966	05/01/2025	\$13,204.26	CONTRACT SERVICES	52710	CLEAN ENERGY FUELS
606967	05/01/2025	\$5,250.00	CONTRACT SERVICES	4026	CODE CONSULTING GROUP, LLC
606968	05/01/2025	\$1,890.00	CONTRACT SERVICES	3879	CRIME SCENE STERI-CLEAN LLC
606969	05/01/2025	\$269.00	UTILITY SERVICES	4829	DISH NETWORK LLC
606970	05/01/2025	\$34,950.00	CONTRACT SERVICES	4956	E GALLO INC
606971	05/01/2025	\$457.60	CONTRACT SERVICES	3334	EAGLE PORTABLES SANITATION LLC
606972	05/01/2025	\$724.14	SUPPLIES	7610	EWING IRRIGATION PRODUCTS INC
606973	05/01/2025	\$2,475.26	VEHICLE MAINTENANCE/EXPENSES	29160	FORD OF MONTEBELLO
606974	05/01/2025	\$657.03	VEHICLE MAINTENANCE/EXPENSES	33720	GILLIG LLC
606975	05/01/2025	\$1,383.07	VEHICLE MAINTENANCE/EXPENSES	3914	GRAFIX SYSTEMS
606976	05/01/2025	\$449.23	CONTRACT SERVICES	4933	HIRSCH PIPE & SUPPLY CO INC
606977	05/01/2025	\$7,000.00	CONTRACT SERVICES	4965	HOLLYWOOD FIRE AUTHORITY
606978	05/01/2025	\$2,008.27	VEHICLE MAINTENANCE/EXPENSES	30190	IB AUTO PARTS INC
606979	05/01/2025	\$1,132.24	MACHINERY & EQUIPMENTS	4765	JCB SOUTHERN CALIFORNIA, LLC
606980	05/01/2025	\$10,848.74	CONTRACT SERVICES	3716	KOA CORPORATION
606981	05/01/2025	\$1,500.00	DUES & SUBSCRIPTIONS	40910	LOS ANGELES AREA FIRE CHIEFS ASSOCIATION
606982	05/01/2025	\$1,451.96	MACHINERY & EQUIPMENTS	4918	MES SERVICE COMPANY LLC
606983	05/01/2025	\$130.51	SUPPLIES	2480	SOCAL AUTO & TRUCK PARTS INC
606984	05/01/2025	\$1,135.10	SUPPLIES	1474	NATIONAL TRENCH SAFETY INC
606985	05/01/2025	\$4,200.00	CONTRACT SERVICES	4010	NESHAMA 456 LLC
606986	05/01/2025	\$903.50	CONTRACT SERVICES	41180	MANUEL NUNEZ
606987	05/01/2025	\$1,311.47	SUPPLIES	15620	OFFICE DEPOT INC



City of Montebello
Register of Demands No. 1592
From Payment Date 03/28/25 - To Payment Date 05/01/25

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
General Account					
606988	05/01/2025	\$1,407.60	CONTRACT SERVICES	1597	PACIFIC COAST ELEVATOR CORP
606989	05/01/2025	\$171.55	PERMITS AND FEES	4614	PARAMOUNT TECHNOLOGIES INC
606990	05/01/2025	\$452.00	GENERAL GOVERNMENT	4983	ANA S. PEREZ
606991	05/01/2025	\$3,500.00	CONTRACT SERVICES	4402	PREMIER WALL SYSTEMS INC
606992	05/01/2025	\$518.08	UNIFORM EXPENSE	56260	PRUDENTIAL OVERALL SUPPLY
606993	05/01/2025	\$2,983.10	UTILITY SERVICES	14730	SAN GABRIEL VALLEY WATER CO
606994	05/01/2025	\$60.00	PARKS AND RECREATION	4982	ANYSSA SANCHEZ
606995	05/01/2025	\$4,215.04	VEHICLE MAINTENANCE/EXPENSES	54300	SHAK ENTERPRISES INC
606996	05/01/2025	\$5,200.00	CONTRACT SERVICES	3583	SHOCKWAVE ELECTRIC INC
606997	05/01/2025	\$4,428.85	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
606998	05/01/2025	\$466.22	UTILITY SERVICES	40520	SOUTHERN CALIFORNIA GAS CO
606999	05/01/2025	\$724.91	FRINGE BENEFITS	1990	STANDARD INSURANCE COMPANY
607000	05/01/2025	\$1,700.00	CONTRACT SERVICES	4520	STARBIANO LLC
607001	05/01/2025	\$2,180.00	CONTRACT SERVICES	3921	SUSTAINABLE RESOURCES
607002	05/01/2025	\$15,118.35	UTILITY SERVICES	526	T-MOBILE USA INC
607003	05/01/2025	\$8,954.74	VEHICLE MAINTENANCE/EXPENSES	60710	THE AFTERMARKET PARTS COMPANY LLC
607004	05/01/2025	\$32,404.88	FUEL INVENTORY	4844	THE JANKOVICH COMPANY LLC
607005	05/01/2025	\$146.39	SUPPLIES	45120	ULINE INC
607006	05/01/2025	\$234.00	CONTRACT SERVICES	4943	UNET DANCE STUDIO LLC
607007	05/01/2025	\$7,104.04	UTILITY SERVICES	23610	VERIZON WIRELESS
607008	05/01/2025	\$4,871.12	VEHICLE MAINTENANCE/EXPENSES	25860	WAYNE HARMEIER INC
607009	05/01/2025	\$38.76	SUPPLIES	33390	WHITTIER FERTILIZER COMPANY
607010	05/01/2025	\$1,222.00	CONTRACT SERVICES	51770	WILLDAN FINANCIAL SERVICES
607011	05/01/2025	\$62.00	CONTRACT SERVICES	3006	ASBURY ENVIRONMENTAL SERVICES
607012	05/01/2025	\$55.00	GENERAL GOVERNMENT	4981	ADRIANA ZAPATA
	CHECK TOTAL	\$2,590,382.14			
1532	04/17/2025	\$2,255.00	CONTRACT SERVICES	15180	SCS FIELD SERVICES
	CHECK TOTAL	\$2,255.00			
GRAND TOTAL		\$7,065,326.08			



EXHIBIT

CITY OF MONTEBELLO FORECASTED AGENDA

NOTE: The attached exhibit is a draft version that is to be used for reference purposes only; agenda items, information, and dates are subject to change. The exhibit will be placed at the end of the Agenda Packet.



City Council Forecasted Agenda Calendar - May

May 28th - Regular City Council Meeting

Item #	Description	Session	Department	Presenter
	Proclamation for National Pet Month	Presentation	Public Affairs	David Sosnowski
	Proclamation for Mental Health Month	Presentation	Public Affairs	David Sosnowski
	Proclamation for National Bike Month	Presentation	Public Affairs	David Sosnowski
	Proclamation for Motorcycle Safety Awareness Month	Presentation	Public Affairs	David Sosnowski
	Proclamation for Asian Pacific Heritage Month	Presentation	Public Affairs	David Sosnowski
	Executive Director Hector De La Torre from Gateway COG	Presentation	Gateway COG	Gateway COG
	Approve Central Basin rain barrel program agreement & RFP	Consent	Public Works	Cesar Roldan
	Award Agreement No. XX to Placer Labs, Inc.	Consent	Planning	Joseph Palombi
	Authorize Staff to submit an application for Measure A Funding in the amount of \$617,727 through Agreement No. XXXX with the County of Los Angeles	Consent	Fire	Chief Pelaez/Angelica
	Approve Agreement No. XXXX with the San Gabriel Valley Council of Governments (SGVCOG) to assume the Operation Stay Safe Contract with LA CADA	Consent	Fire	Angelica Palmeros
	Purchase Relief Vehicles	Consent	Transit	John Soria
	Minutes	Consent.	Admin	Kimberly G.
	Reso No. ____ Warrant Register	Consent.	Finance	Michael S.