

CITY COUNCIL
SPECIAL MEETING AGENDA

CITY OF MONTEBELLO CITY COUNCIL/SUCCESSOR AGENCY
CITY HALL COUNCIL CHAMBERS
1600 WEST BEVERLY BOULEVARD
MONTEBELLO, CALIFORNIA^{1 1[2]}
WEDNESDAY, MAY 15, 2019

5:30 P.M.

MONTEBELLO CITY COUNCIL

JACK HADJINIAN
MAYOR

SALVADOR MELENDEZ
MAYOR PRO TEM

KIMBERLY A. COBOS-CAWTHORNE
COUNCILMEMBER

ANGIE M. JIMENEZ
COUNCILMEMBER

DAVID N. TORRES
COUNCILMEMBER

CITY CLERK
IRMA BARAJAS

CITY TREASURER
RAFAEL GUTIERREZ

CITY STAFF

INTERIM CITY MANAGER
Paul L. Talbot

CITY ATTORNEY
Arnold M. Alvarez-Glasman

DEPARTMENT HEADS

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

Danilo Batson
Fernando Pelaez
Brad Keller
Robert Mescher
Bob Franco
Manuel Mancha
David Sosnowski
Tom Barrio

OPENING CEREMONIES

1. **CALL MEETING TO ORDER:** Mayor Hadjinian
2. **ROLL CALL:** City Clerk I. Barajas

¹In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Building Official at 323/887-1497. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.102-35.104 ADA Title III203)

3. STATEMENT OF PUBLIC ORAL COMMUNICATIONS FOR CLOSED SESSION ITEMS:

Members of the public interested in addressing the City Council on Closed Session items must fill out a form provided at the door, and turn it in to the City Clerk prior to the announcement of Closed Session items.

Please be aware that the maximum time allotted for individuals to speak shall not exceed three (3) minutes per speaker. Please be aware that in accordance with State Law, the City Council may not take action or entertain extended discussion on a topic not listed on the agenda. Please show courtesy to others and direct all of your comments to the Mayor.

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

ORAL COMMUNICATIONS ON CLOSED SESSION ITEMS

CLOSED SESSION

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

4. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

Government Code Section 54956.9(d)(1)
Name of case: M. Zuniga, et al. v. City of Montebello
Case No. BC700712

5. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Government Code Section 54956.9(d)(1)
Name of Case: V. Creswell v. City of Montebello
Claim No. MBGA1424A1

6. CONFERENCE WITH LABOR NEGOTIATORS

Government Code section 54957.6
Agency designated representative: Paul L. Talbot, Interim City Manager
Employee organization: Montebello Mid-Management Association,
Montebello Police Officers Association, Montebello Police Management
Association, Montebello Fire Management Association

REGULAR SESSION

7. INVOCATION

8. PLEDGE OF ALLEGIANCE

9. PRESENTATIONS

10. STATEMENT OF PUBLIC ORAL COMMUNICATIONS: Members of the public interested in addressing the City Council on any agenda item or topic must fill out a form provided at the door, and turn it in to the City Clerk prior to the beginning Oral communications. A form does not need to be submitted for public hearing items.

Speakers wishing to address the City Council on an item that is not on the agenda will be called upon in the order that their speaker card was received. Those persons not accommodated during this thirty (30) minute period will have an opportunity to speak under "Oral Communications - Continued" after all scheduled matters have been considered.

Please be aware that the maximum time allotted for individuals to speak shall not exceed three (3) minutes per speaker. Please be aware that in accordance with State Law, the City Council may not take action or entertain extended discussion on a topic not listed on the agenda. Please show courtesy to others and direct all of your comments to the Mayor.

11. PUBLIC ORAL COMMUNICATIONS ON OPEN SESSION ITEMS (30 MINUTES)

12. STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST

13. CORRECTIONS TO THE AGENDA – INTERIM CITY MANAGER

- 14. APPROVAL OF AGENDA:** Any items a Councilmember wishes to discuss should be designated at this time. All other items may be approved in a single motion with the exception of Item No. 15 and any item which a member of the public or City Council has requested to speak upon. Such approval will also waive the reading of any ordinance.

NEW BUSINESS

15. FORMATION OF CITY CENTENNIAL CELEBRATION AD-HOC COMMITTEE

RECOMMENDATION: It is recommended that the City Council:

- (1) Form a City Centennial Celebration Ad-Hoc Committee;
- (2) Appoint Councilmember Torres as Chairperson of the Ad-Hoc Committee;
- (3) Appoint a Councilmember as a Co-Chair, OR
- (4) Create a rotation for Co-Chair position, OR
- (5) Have Councilmembers chair individual events; and
- (6) Take such additional, related action that may be desirable.

CONSENT MATTERS (16-22)

16. 2019/2020 CDBG AND HOME PROGRAM ANNUAL ACTION PLAN

RECOMMENDATION: It is recommended that the City Council:

- (1) Approve the Annual Action Plan and the recommended public service agency grant allocations.
- (2) Authorize the City Manager to execute the grant application and certifications for submission to the U.S. Department of Housing and Urban Development (HUD).
- (3) Authorize the Mayor and/or City Manager to execute the CDBG and HOME Funding Agreements upon HUD's approval of the Action Plan.
- (4) Take such additional, related action that may be desirable.

17. DESIGNATION OF SEAACA COMMITTEE MEMBER

RECOMMENDATION: It is recommended that the City Council:

- (1) Designate the Finance Director as the SEAACA Committee Member representing the City of Montebello; and
- (2) Take such additional, related action that may be desirable

18. QUARTERLY FINANCIAL REPORT AS OF MARCH 31, 2019

RECOMMENDATION: It is recommended that the City Council:

- (1) Review and Accept the quarterly Financial Report for the FY 2018-2019 Budget; and
- (2) Take such additional, related action that may be desirable.

19. RESOLUTION APPROVING THE LEASE AGREEMENT FOR FIRE ENGINE

RECOMMENDATION: It is recommended that the City Council:

- (1) Adopt a resolution which accepts and approves the lease agreement between the City of Montebello and Leasing 2, Incorporation, for the financing of a new fire engine (previously approved by City Council on December 19, 2018); and
- (2) Take such additional, and/or related action that may be desirable.

20. MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE CITY OF MONTEBELLO AND THE MONTEBELLO SUPERVISORS' ASSOCIATION (MSA)

RECOMMENDATION: It is recommended that the City Council:

- (1) Approve the attached resolution approving the Memorandum of Understanding with an effective date of May 15, 2019; and
- (2) Take such additional, related, action that may be desirable.

21. PAYMENT OF BILLS: RESOLUTION APPROVING THE CITY/SUCCESSOR AGENCY WARRANT REGISTER OF DEMANDS DATED MAY 15, 2019

RECOMMENDED ACTION: It is recommended that the City Council:

- (1) Adopt the proposed resolution approving the Warrant Register dated May 15, 2019; and
- (2) Take such additional, related action that may be desirable.

22. APPROVAL OF MINUTES: REGULAR MEETING OF APRIL 10 AND APRIL 22, 2019

RECOMMENDED ACTION: It is recommended that the City Council:

- (1) Approve the minutes as written
- (2) Take such additional, related action that may be desirable.

23. PUBLIC ORALS - IF NEEDED

COUNCIL ORALS

24. COUNCILMEMBER TORRES

- a. Expanding recording of meetings to include commission and ad hoc committee meetings
- b. Optimizing performance of recording playback so it either 1) works consistently on one platform or 2) is available on a variety of browsers
- c. Posting weekly department reports as provided to council on Thursdays
- d. Decorum
- e. Monthly events invitation

25. MAYOR PRO TEM MELENDEZ

None.

26. COUNCILMEMBER COBOS-CAWTHORNE

- a. Passing of an ordinance to allow free feminine products in our City facility restrooms
- b. Adopt a city proclamation or resolution supporting the 2020 U.S. Census.
- c. Improvement to our City Website

27. COUNCILMEMBER JIMENEZ

None.

28. MAYOR HADJINIAN

Update from the San Gabriel Valley Council of Governments (ACE Project) recent delegation to Washington DC.

ADJOURNMENT

CITY OF MONTEBELLO

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and Members of the City Council
FROM: Paul Talbot, Interim City Manager
BY: David Sosnowski, Director of Recreation & Community Services
SUBJECT: Formation of City Centennial Celebration Ad-Hoc Committee
DATE: May 15, 2019

RECOMMENDATION

It is recommended that the City Council:

- (1) Form a City Centennial Celebration Ad-Hoc Committee;
- (2) Appoint Councilmember Torres as Chairperson of the Ad-Hoc Committee;
- (3) Appoint a Councilmember as a Co-Chair, OR
- (4) Create a rotation for Co-Chair position, OR
- (5) Have Councilmembers chair individual events; and
- (6) Take such additional, related action that may be desirable.

BACKGROUND

The City of Montebello was incorporated on October 16, 1920. The City will be celebrating its 100th Anniversary of incorporation in the year 2020.

At the April 10, 2019 City Council Meeting, Councilmember Torres suggested that the City Council create a sub-committee to celebrate the City's upcoming centennial celebration. The City Council entertained limited discussion on the matter and directed staff to bring the item back to the City Council for formal action.

It is common for cities to create a committee of Councilmembers, staff and community members to help in the celebration of city anniversaries. This committee engages in the planning and execution of various activities for the celebration.

ANALYSIS

To commemorate the City's Centennial in 2020, it is recommended that a formal Ad-Hoc Committee be created. Councilmember Torres initially brought the idea of forming the committee to the City Council in April and expressed an interest in assuming the position of the Committee Chair.

The City Council has a few options in determining the Committee's makeup including the appointment of a co-chair, a rotation of the co-chair position among councilmembers, noticing all meetings as public meetings, allowing all councilmembers to participate, having councilmembers sit on the committee as specific event/program chairperson(s), etc.

Some events that the Committee may consider implementing are the annual Anniversary Parade, Concerts in the Park, Snow event, 4th of July Celebration, among others.

FISCAL IMPACT

There is no immediate fiscal impact to the formation of the City Centennial Celebration Ad-Hoc Committee. The Committee's activities may require a one-time budget allocation for Fiscal Year 2019-2020.

SUMMARY

The City Council will consider options for formation of a City Centennial Celebration Ad-Hoc Committee.

ATTACHMENT

None

CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and Members of the City Council
FROM: Paul Talbot, Interim City Manager
SUBJECT: 2019/2020 CDBG and HOME Program Annual Action Plan
DATE: May 15, 2019

RECOMMENDATION

It is recommended that the City Council:

- 1) Approve the Annual Action Plan and the recommended public service agency grant allocations.
- 2) Authorize the City Manager to execute the grant application and certifications for submission to the U.S. Department of Housing and Urban Development (HUD).
- 3) Authorize the Mayor and/or City Manager to execute the CDBG and HOME Funding Agreements upon HUD's approval of the Action Plan.
- 4) Take such additional, related action that may be desirable.

BACKGROUND

HUD requires every state and local government that receives CDBG and HOME funding to prepare a five-year comprehensive plan brings community needs and resources together to achieve statutory goals, and thereby addressing decent housing, creating a suitable living environment and expanding economic opportunities for City residents; particularly for low- and moderate-income persons. As an Entitlement Community, the City of Montebello is required to prepare and submit a 5-Year Consolidated Plan that serves as the federal planning document for receiving CDBG and HOME Program funds.

The purpose of the Consolidated Plan is to identify the City's housing and community development priority needs and develop strategies and goals to stipulate how CDBG funds will be allocated over the next five (5) years to address those needs. An essential part of the Consolidated Plan process is to solicit input from the community on housing and community development needs.

The City is also required to prepare and submit an Annual Action Plan to HUD which serves to update and delineate efforts in the program year ahead toward meeting the priorities established by the City in its Consolidated Plan. The Annual Action Plan operates on a single program year established by the City (*i.e.*, July 1, 2019 through June 30, 2020), whereas the Consolidated Plan covers a five-year planning period (July 1, 2015 through June 30, 2020).

ANALYSIS

The City of Montebello is eligible to receive CDBG and HOME Program funds. For Fiscal Year 2019-2020, the City was informed that they will receive an allocation of \$677,645 in CDBG funds and \$269,841 in HOME funds. In the event the allocations differ from these expectations, all proposed activities' budgets will be proportionally increased or decreased from the estimated funding levels to match the actual allocation amounts. Staff is presenting proposed programs to support the eligible activities as prioritized by the City Council in its 2015-2020 Consolidated Plan.

FISCAL IMPACTS

No impact to the General Fund. The HOME program does require a twenty-five percent match on housing activities. This requirement has been passed on to the Affordable Housing Developer and the Developer has complied using different methods such as donations. The City also has an excess Match carry-over from previous years that will be used in case the Affordable Housing Developer cannot produce the required amount. This Match carry-over amount is remaining from previous affordable developments.

ATTACHMENTS

Final 2019-2020 Annual Action Plan



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Executive Summary

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

1. Introduction

As a recipient of Federal funds from the US Department of Housing and Urban Development (HUD), the City of Montebello (City) is required to prepare and submit a Consolidated Plan every five years. The City's current Consolidated Plan covers the five-year period from 2015 through 2019 and applies to the following Federal grant programs:

- Community Development Block Grant (CDBG)
- HOME Investment Partnerships Grant (HOME)

2. Summarize the Objectives and Outcomes Identified in the Plan

The Consolidated Plan is a multifaceted document developed through a collaborative process whereby Montebello stakeholders have helped identify community improvement needs and priorities to address with Federal grant funds and other available resources. To ensure the maximum participation of the community's residents and to comply with the City's HUD-approved Citizen Participation Plan, the City implemented an extensive process that included a multilingual survey, numerous community meetings, and public hearings. Through this process, the residents of Montebello participated in a multitude of opportunities to shape the priorities and strategies of the Consolidated Plan.

The Annual Action Plan for Fiscal Year (FY) 2019-2020 includes activities the City will undertake to address its priority needs and objectives as outlined in the 2015–2020 Consolidated Plan. These activities will be undertaken with CDBG and HOME program funds in the amounts of approximately \$669,491 and \$299,865, respectively. The City's Application for Federal Assistance and HUD-required certifications are presented in Appendix A. Activities proposed for FY 2019-2020 will each meet one of the following three national objectives:

- Activities which benefit low- and moderate-income persons
- Activities which aid in the prevention or elimination of slums or blight
- Activities that are designated as having a particular urgency

The City has established the following objectives to address the community needs identified in the Consolidated Plan; each objective has a specific course of action and projected outcomes that are discussed further throughout the Annual Action Plan.

1. Safe/Quality Neighborhoods:

- i. Objective No. 1 – Increase the affordable for-sale and rental housing stock
- ii. Objective No. 2 – Preserve the existing housing stock
- iii. Objective No. 3 – Promote fair housing and equal opportunity

2. Homelessness/Special Needs Population:

- i. Objective No. 1 – Prevent individuals and families from becoming homeless
- ii. Objective No. 2 – Reduce the number of homeless individuals and families

3. Non-homeless Special Needs:

- i. Objective No. 1 – Enable the non-homeless special needs population to live independently
- ii. Objective No. 2 – Increase the quality of life of the non-homeless special needs population

4. Community Development Priority Needs:

The City has established various community development objectives that promote activities and programs that benefit low- and moderate-income households. The overall objective is to address community development needs by implementing activities and programs related to the following CDBG-eligible categories: infrastructure; public facilities; code enforcement; public services; property acquisition and disposition; relocation; and economic development.

3. Evaluation of Past Performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The City prepares the Consolidated Annual Performance and Evaluation Report (CAPER), which outlines how the City met the needs and objectives outlined in the prior 2015–2020 Consolidated Plan and Annual Action Plan. The City’s most recent 2017–2018 CAPER reports on the first three

years of the five-year 2015–2020 Consolidated Plan. The City’s key accomplishments over the 2015–2020 Consolidated Plan period include the following:

- Provided housing rehabilitation loans to assist four homeowners improve their primary residence.
- Housing Authority of the County of Los Angeles provided rental assistance utilizing the Section 8 Housing Choice Voucher program to about 726 Montebello households annually.
- Assisted approximately 700 households with fair housing services to address impediments to fair housing.
- Provided financial support to public and nonprofit agencies that assisted 30 lower-income youth.
- Provided financial support to public and nonprofit agencies that provided services to homeless and special needs low- and moderate-income persons (totaling 3,591 persons).
- Provided financial assistance for CDBG-eligible projects that improved or upgraded the city’s public facilities or infrastructure, benefitting 23,112 low- and moderate-income persons.

The loss of low- and moderate-income housing funds as a result of the dissolution of statewide redevelopment agencies has impacted the City’s ability to implement its goals for affordable rental housing unit development and affordable purchase units. Despite these challenges, the City and its partners have worked to achieve the objectives established in the Consolidated Plan.

4. Summary of Citizen Participation Process and Consultation Process

Summary from citizen participation section of plan.

1. Citizen Participation

The following section describes specific actions taken to encourage citizen participation during the development of the City’s FY 2019-2020 Annual Action Plan. The City’s complete Citizen Participation Plan is attached as Appendix B.

- i. Public Service Applications – A public notice was posted in the *San Gabriel Valley Tribune* on January 16, stating that CDBG funds were available for public services. The notice was also placed on the website. A total of six applications were received.

- ii. The Montebello City Council held a public hearing on April 10, 2019 to receive and solicit public input on the 2019-2020 Annual Action Plan.
- iii. The FY 2019-2020 Annual Action Plan was released for citizen review and comment on April 11, 2019. During the 30-day public comment period from April 11 through May 12, 2019, the Annual Action Plan was available to the public at the City's Community Development Department and on the City's website.
- iv. Following the 30-day public comment period and recommendations from the public, the Montebello City Council held another public hearing to either approve or deny the FY 2019-2020 Annual Action Plan on May 15, 2019. A copy of the public hearing notice is presented in Appendix C. A copy of the Montebello City Council agenda is presented in Appendix D.

5. Summary of Public Comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

As required by Federal regulations and the City's Citizen Participation Plan, the City advertised notices inviting nonprofits, social service providers, community groups, lenders, real estate agents, and interested citizens to attend the public hearings to provide the public with an opportunity to participate in the development of the FY 2019-2020 Annual Action Plan. The primary purpose of the citizen participation effort was to obtain input from the community before and during the City's preparation of the FY 2019-2020 Annual Action Plan.

A Notice of Funding Availability and Request for Proposals was published in the San Gabriel Valley Tribune on January 16, 2019. On March 28, the City of Montebello published a notice of a public meeting before City Council announcing the availability of FY 2019-2020 CDBG and HOME funds and to plan for the FY 2019-2020 program year. A notice was also published on March 28 announcing the availability of the draft FY 2019-2020 Annual Action Plan for public review. The notice advised the public that a copy of the FY 2019-2020 Annual Plan was placed in the City's two public libraries (i.e., Montebello and Chet Holifield) and the City Clerk's office. The 30-day public comment period commenced on April 11 and ran through May 12, 2019.

The City Council approved the FY 2019-2020 Action Plan on May 15, 2019.

6. Summary of Comments or Views Not Accepted and the Reasons for Not Accepting Them

All comments received from the public during the Public Hearing were addressed in the Action Plan. Comments received were from Public Service providers expressing their gratitude for funding.

7. Summary

No public comments received to date.

DRAFT

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

1. Agency/Entity responsible for preparing/administering the Consolidated Plan

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

Agency Role	Name	Department/Agency
CDBG Administrator	City of Montebello	Community Development Department
HOME Administrator	City of Montebello	Community Development Department

Table 1 – Responsible Agencies

The Community Development Department is responsible for overseeing the administration of the City's CDBG and HOME programs, including administration of the grants, preparation of required reports, and implementation of grant-funded programs. The Community Development Analyst in the Community Development Department oversees the day-to-day administration of the CDBG and HOME programs with the assistance of program consultants, as needed.

Consolidated Plan Public Contact Information:

City of Montebello
Community Development Department
1600 West Beverly Boulevard
Montebello, California 90640
Attn: Damien Delany

AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

1. Introduction

Below is a discussion of the consultation process conducted during the development of the Consolidated Plan.

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(l))

During the preparation of the Annual Action Plan, the City consulted with a variety of agencies including local and regional social services agencies, Los Angeles Homeless Services Authority (LAHSA), County of Los Angeles Department of Public Health, and the Housing Authority of the County of Los Angeles (HACoLA).

The goal of the consultation process was to solicit input and gather data on priority needs of the City of Montebello and to identify opportunities for coordination to improve availability and access to 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.

1. Summary of Consultation Process

The City consulted with other grantees and surrounding jurisdictions to discuss the CDBG and HOME regulations and to plan for the portion of the FY 2019-2020 allocation that is restricted to public service agencies and affordable housing developers.

The City will continue to coordinate with surrounding jurisdictions and local grantees to develop coordinated and consistent performance standards and outcome measurements to assist the neediest populations.

Consultation efforts are made throughout the year through meetings, telephone conferences, and written communication with the Housing Authority of the County of Los Angeles, Los Angeles County Department of Health Services, and community-based

organizations to identify mutual problem areas and explore potential solutions to social problems.

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

The City does not meet the threshold to receive ESG funds.

- 2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities**

Refer to Table 2 below.

1.	Agency/Group/Organization:	Housing Authority of the County of Los Angeles (HACoLA)
	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
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination	Through a telephone conversation, additional information was gathered on the affordable housing resources of HACoLA and the agency was identified as a valuable partner with the City in meeting the needs for publicly assisted housing.
2.	Agency/Group/Organization:	West San Gabriel Valley Worksource
	Agency/Group/Organization Type:	Services-Education Services-Employment
	What section of the Plan was addressed by Consultation?	Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	City consultant met with representatives of the agency to discuss programs available particularly for low-income persons and how the City can best continue to utilize employment development services.
3.	Agency/Group/Organization:	Montebello Code Enforcement
	Agency/Group/Organization Type:	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment

Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	City consultant met with representatives of the City department to discuss operation of the code enforcement program, need for these services in the city, and the condition of housing and neighborhoods.
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Table 2 – Agencies, Groups, and Organizations Who Participated

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

The City consulted with a variety of agencies serving Montebello residents and the region. No agency types were specifically left out of the consultation process.

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	Los Angeles Homeless Services Authority	Both address issues pertaining to homelessness and special needs housing

Table 3 – Other Local / Regional / Federal planning efforts

AP-12 Participation – 91.105, 91.200(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 of Montebello followed its approved Citizen Participation Plan, which meets HUD's Federal requirements for citizen participation.

The City of Montebello offered several opportunities for participation and comment throughout the Action Plan process. There was a public hearing before City Council on April 10, 2019 to solicit public input on the Action Plan process and community needs. A 30-day public review of the Action Plan was conducted from April 11 through May 12, 2019. A final City Council public meeting was held on May 15, 2019 for the adoption of the Action Plan.

The comments received through the citizen participation process were essential to identifying priority needs along with the results of the Consolidated Plan survey. Most of the needs identified throughout the Action Plan process were incorporated into the Plan.

Citizen Participation Outreach

Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of Comments received
Public Meeting	Non-targeted/broad community	Presentation to City Council and Public on the process.	No comments received.

Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of Comments received
Public Hearing	Non-targeted/broad community	Some Public Service Agencies attended the meeting.	Comments were positive in nature, expressing gratitude to the Council for their continued support.
Internet Outreach	Non-targeted/broad community	The Draft Annual Action Plan was placed on City's website for public review. No comments received.	No comments received.

Table 4 – Citizen Participation Outreach

Expected Resources

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

Introduction

The City has access to a variety of Federal, state, and local resources to address its housing and community development priorities. Specific funding sources will be utilized based on the opportunities and constraints of each project or program. The table below summarizes the major sources of funding available to carry out housing and community development activities in Montebello and specifically identifies the City's current funding levels. In addition, the City has Federally mandated match requirements for the HOME programs. The City will provide an estimated \$75,000 to meet the match requirement for the HOME program. This amount equates to 25 percent of the estimated FY's 2019-2020 HOME entitlement of \$299,000 exclusive of administrative costs of \$20,000.

Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder 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	677,645	0	0	677,645	0	Based on HUD FY 2018-2019 allocation and projection through the Consolidated Plan period
HOME	Public - Federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	269,841	0	0	269,841	0	The City anticipated participating in a three-year voluntary grant reduction. That started during FY 2019-2020.
Continuum of Care	Public - Federal	Other	0	0	0	0	0	Credit to Letter of Credit for repayment.

Table 5 - 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

CDBG funds are often coupled with local funds, such as State and Local funds, for capital improvement projects and private funding from nonprofits to generate a sufficient budget for a project to move forward. All sources and types of funds are more limited now due to the current economic climate, along with the demise of statewide redevelopment tax-increment funds and housing set-aside funds. The HOME program requires a local match which leverages local funds.

Leveraging multiple funding sources is often necessary to achieve the City's housing and community development objectives. Key funding sources available for housing and community development needs in the City of Montebello include the following.

Montebello Community Redevelopment Agency Set-Aside Funds: During FY 2011–2012, the California state legislature and Supreme Court implemented the dissolution of all community redevelopment agencies. With that decision, affordable housing is no longer funded through redevelopment in California, except for funds and assets already in use to further affordable housing prior to dissolution, which are now administered by the Housing Successor Agency of the City. The City will evaluate opportunities to leverage existing Housing Successor Agency resources with HOME funds to further affordable housing in the community. However, with the loss of ongoing redevelopment housing set-aside funds, a major funding resource for affordable housing is no longer available.

Section 8 Housing Choice Voucher Program: In Montebello, Los Angeles County manages the Federal Section 8 Housing Choice Voucher Program, which provides rental assistance as a voucher to very low-income persons in need of affordable housing. Typically, the voucher pays for the difference between the fair market rent for the dwelling unit and 30 percent of the voucher recipient's household income. As of January 2019, the Housing Authority of the County of Los Angeles provided Section 8 housing choice vouchers to households in Montebello. Last year the total monthly subsidy expended by the Housing Authority was approximately \$532,019.

General Fund: The City of Montebello utilizes its local general fund to leverage CDBG funds for the Code Enforcement Program and the Summer Youth Employment Program.

Other Public and Private Resources: Health services and other social services are provided by the appropriate County departments. The Housing Authority of the County of Los Angeles receives HUD funding to provide low-income housing assistance that benefits Montebello residents. Public services are also provided by nonprofit agencies, especially by those organizations intended to assist the very low income, the elderly, the abused, the homeless, and other special needs populations. Many of these organizations depend on private contributions and fundraising for their support.

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 does not have any publicly owned land that is being considered for affordable housing.

Discussion

The Olson Project includes a residential townhome component and a small food incubator component. The residential component, located at 520-528 West Whittier Blvd., 114 and 116 N. 6th Street, and 117-125 N. 5th Street consists of 28 three-story townhomes on 0.97 acres of the 1.2-acre site. Four floor plans will be featured offering 1,361 to 1,660 square feet of living space with two to four bedrooms, two and one-half to four bathrooms, and attached two-car side-by-side and tandem garages. The proposed plan includes parking for the residential component offering 74 spaces (56 garage spaces and 18 guest spaces) for a ratio of 2.6 spaces per unit.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3) &(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Safe / Quality Neighborhoods	2019	2020	Affordable Housing Public Housing	Citywide	Safe Quality Neighborhoods	CDBG HOME	Housing Rehabilitation Loans: 10
2	Homeless / Special Needs Populations	2019	2020	Homeless	Citywide	Homeless / Special Needs Populations	CDBG	Homelessness Prevention: 464 Persons Assisted
3	Fair Housing	2019	2020	Affordable Housing	Citywide	Fair Housing	CDBG	Other: 50 Other
4	Expanded Economic Opportunities	2019	2020	Repayment of Section 108 Loan	Citywide	Expanded Economic Opportunities	CDBG	Other: 1 Other
5	Improvement of Public Services for Low/Mod Income	2019	2020	Homeless Non-Homeless Special Needs	Citywide	Improvement of Public Services for Low/Mod income	CDBG	Public service activities other than Low/Moderate Income Housing Benefit: 0 Persons Assisted

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Safe / Quality Neighborhoods
	Goal Description	i. Objective No. 1 – Increase the affordable for-sale and rental housing stock 1. Provide additional affordable rental and for-sale housing units through the development of new units and the rehabilitation of existing units. 2. Develop additional activities and programs that support affordable housing opportunities. ii. Objective No. 2 – Preserve the existing housing stock 1. Prevent at-risk affordable housing units from converting to market-rate prices if feasible. 2. Continue to preserve the housing stock by operating a rehabilitation program. 3. Develop additional activities and programs that support the preservation of the existing housing stock.
2	Goal Name	Homeless / Special Needs Populations
	Goal Description	i. Objective No. 1 – Prevent individuals and families from becoming homeless 1. Continue to make funds available to nonprofit organizations that offer homelessness prevention programs and services. 2. Continue to aid individuals and families at risk of homelessness who face a one-time extenuating circumstance of financial hardship. 3. Develop additional activities and programs that prevent individuals and families from becoming homeless. ii. Objective No. 2 – Reduce the number of homeless individuals and families 1. Continue to make funds available to nonprofit organizations that provide assistance to homeless families and individuals. 2. Develop additional activities and programs that provide assistance to homeless individuals and families.

3	Goal Name	Fair Housing
	Goal Description	i. Objective No. 1 – Enable the non-homeless special needs population to live independently 1. Provide resources to nonprofit organizations to implement fair housing activities and programs. 2. Develop additional activities and programs that are consistent with the goals of the Analysis of Impediments. 3. Provide housing relocation assistance to individuals and families permanently and/or temporarily displaced due to activities carried out by the City. 4. Prevent segregation and concentration of poverty and race.
4	Goal Name	Expanded Economic Opportunities
	Goal Description	i. Objective No. 1 - Repayment of Section 108 Loan 1. Continue to repay the Section 108 Loan 2. Develop additional activities and opportunities for businesses in the City of Montebello. 3. The City has established various community development objectives that provide activities and programs that benefit low- and moderate-income households, and reduce or eliminate slums and blight. The overall objective is to address community development needs by implementing activities and programs related to the following CDBG-eligible categories: infrastructure; public facilities; code enforcement; public services; property acquisition and disposition; relocation and economic development. Among infrastructure improvements on the Consolidated Plan Priority Needs Survey, street improvements, sidewalk improvements, pedestrian crosswalks, and alley improvements were ranked amongst the highest priority needs. Street and alley improvements and ADA-accessible curb ramps were all identified as priority needs in the 2015-2020 Consolidated Plan.
5	Goal Name	Improvement of Public Services for Low/Mod Income
	Goal Description	The City will continue to utilize CDBG funds to address housing and service needs for low- and moderate-income and special needs households.

Table 7 – Goal Descriptions

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 91.215(b):

The City anticipates assisting approximately four low- to moderate income families during the 2019 – 2020 fiscal year.

DRAFT

AP-35 Projects – 91.220(d)

Introduction

In FY 2019-2020, the City will use Federal funds to address its priority housing and community development needs by undertaking the activities listed below. These activities are consistent with needs identified in the Consolidated Plan and are further described, including a brief description and proposed funding, in the Project Summary table below.

#	Project Name
1	Section 108 Loan Repayment
2	CDBG Planning & Administration
3	Southern California Housing Rights Center Fair Housing Program
4	The Whole Child
5	East San Gabriel Valley Coalition for the Homeless
6	Heart of Compassion
7	Montebello / Commerce YMCA
8	Summer Youth Employment Program
9	HOME funds used as the Voluntary Grant Reduction to repay HUD
10	Economic Development Activities

Table 8 – Project Information

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

The City recognizes that special needs populations encounter challenges due to low income and the special conditions that they face. Special needs populations are more likely to become homeless because of these factors. Special needs populations require housing and supportive services. The City considers supportive services and housing for special needs populations a high priority. Supportive services are also considered a high priority in the Continuum of Care. In 2019-2020, the City will fund several public service agencies that aid with housing and supportive services.

In making project recommendations, consideration was given to a variety of thresholds that projects must meet to comply with CDBG objectives, including meeting one of the national objectives and addressing one of the community priorities set out in the Consolidated Plan. Staff also considered activity need and justification, cost reasonableness and effectiveness, activity management and implementation, experience with similar activities, past performance, leveraged funds, and completeness of the application. Project recommendations are for those projects determined most likely to be successful and maintain compliance with CDBG regulations.

While there are several constraints to meeting the needs of low-income residents, the primary obstacle is a lack of funding to fully address all needs. Economic downturns have forced many nonprofits to cut

services at a time when governmental entities and others are least able to provide them. Another obstacle is the number of nonprofits that need assistance with basic management and fiscal policies. These agencies can benefit from assistance with setting up more sophisticated bookkeeping systems and management procedures.

DRAFT

Projects

AP-38 Projects Summary

Project Summary Information

1	Project Name	Section 108 Loan Repayment
	Target Area	WHITTIER REVITALIZATION AREA
	Goals Supported	Expanded Economic Opportunities
	Needs Addressed	Expanded Economic Opportunities
	Funding	CDBG: \$440,848
	Description	Completed improvements included the replacement of sidewalks, curb and gutter, street irrigation, lighting, water and sewer lines, sidewalk improvements compliant with the Americans with Disabilities Act, landscaping, and street furniture.
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	1600 West Beverly Boulevard, Montebello CA
	Planned Activities	Section 108 loan repayment
2	Project Name	CDBG Planning & Administration
	Target Area	Citywide
	Goals Supported	Safe / Quality Neighborhoods
	Needs Addressed	Safe / Quality Neighborhoods
	Funding	CDBG: \$100,000
	Description	Planning and Administration
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	1600 West Beverly Boulevard, Montebello CA

3	Planned Activities	Planning and Administration
	Project Name	Southern California Housing Rights Center
	Target Area	Citywide
	Goals Supported	Fair Housing
	Needs Addressed	Fair Housing
	Funding	CDBG: \$20,000
	Description	Activity provides program designed to limit discrimination in housing based on race, color, national origin, handicap, gender, or creed.
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	140 Beneficiaries
	Location Description	3255 Wilshire Boulevard, Los Angeles CA
4	Planned Activities	Fair housing services, including counseling and discrimination investigation.
	Planned Activities	The program assists homeless and displaced Montebello families to find affordable, permanent housing by providing a range of supportive services to eliminate barriers and assist families to return into housing.
	Project Name	The Whole Child
	Target Area	Citywide
	Goals Supported	Homeless / Special Needs Populations
	Needs Addressed	Homeless / Special Needs Populations
	Funding	CDBG: \$5,750
	Description	Provide for a variety of services and programs designed to assist homeless persons and families
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	2 – 3 Homeless families

	Location Description	10155 Colima Road, Whittier CA
	Planned Activities	The program assists homeless and displaced Montebello families to find affordable, permanent housing by providing a range of supportive services to eliminate barriers and assist families to return into housing.
5	Project Name	East San Gabriel Valley Coalition for the Homeless
	Target Area	Citywide
	Goals Supported	Homeless / Special Needs Populations
	Needs Addressed	Homeless / Special Needs Populations
	Funding	CDBG: \$5,750
	Description	Provide for a variety of services and programs designed to assist homeless persons and families
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	100 homeless persons will receive services.
	Location Description	1345 Turnbull Canyon Road, Hacienda Heights CA
	Planned Activities	Provides emergency meals, hygiene kits, clothing, resource assistance and emergency shelter vouchers for homeless and displaced residents of Montebello.
6	Project Name	Heart of Compassion
	Target Area	Citywide
	Goals Supported	Homeless / Special Needs Populations
	Needs Addressed	Homeless / Special Needs Populations
	Funding	CDBG: \$8,500
	Description	Food bank for homeless and seniors
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	100 seniors and persons with special needs plan to be served.
	Location Description	600 South Maple Avenue, Montebello CA

	Planned Activities	Fighting Hunger Feeding Hope - offers Montebello residents much needed food and essential goods twice weekly as part of their program. Duplicated service numbers are expected to exceed 1000 people.
7	Project Name	Montebello/Commerce YMCA
	Target Area	Citywide
	Goals Supported	Improvement of Public Services for Low/Mod Income
	Needs Addressed	Improvement of Public Services for Low/Mod income
	Funding	CDBG: \$9,000
	Description	Supportive services to benefit seniors and frail elderly
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	75 youth will benefit
	Location Description	2000 West Beverly Boulevard, Montebello CA
	Planned Activities	Services include scholarship of youth at risk programming including residence camp, swim programs, youth sports, youth fitness and youth and government programming.
8	Project Name	Summer Youth Employment Program
	Target Area	Citywide
	Goals Supported	Improvement of Public Services for Low/Mod Income
	Needs Addressed	Improvement of Public Services for Low/Mod income
	Funding	CDBG: \$15,491
	Description	Hiring of local low-income students who may be at risk.
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	10 youth and community members will benefit.
	Location Description	1600 West Beverly Boulevard, Montebello CA
	Planned Activities	Employ low income at risk youths for summer jobs.

9	Project Name	Voluntary Grant Reduction to repay HUD
	Target Area	Citywide
	Goals Supported	Safe / Quality Neighborhoods
	Needs Addressed	Safe Quality Neighborhoods
	Funding	HOME: \$299,865
	Description	Administration of HOME Program
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	1600 West Beverly Boulevard, Montebello CA
	Planned Activities	Repayment to HUD
10	Project Name	Economic Development
	Target Area	Citywide
	Goals Supported	Safe / Quality Neighborhoods
	Needs Addressed	Safe Quality Neighborhoods
	Funding	CDBG: \$72,306
	Description	Business Attraction and Retention activities
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	1600 West Beverly Boulevard, Montebello CA
	Planned Activities	Fund an Economic Development Program

Table 9 – Project Summary

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 anticipates spending at least 70 percent of its entitlement funds in target areas, including areas that have low- and moderate-income concentrations or minority concentrations. Maps of low- and moderate-income concentrations and minority concentrations are presented in Appendix E.

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

CDBG program funds will be expended based on program criteria. For example, public services are available on a citywide basis for qualified beneficiaries; fair housing and program administration activities will also be carried out on a citywide basis. Housing code enforcement and community development projects (e.g., street and park improvement projects) will be carried out in the city's low- and moderate-income areas, i.e., areas where most residents meet HUD's low- and moderate-income definition.

Geographic Distribution

Target Area	Percentage of Funds
Citywide	70%

Table 9 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City generally does not allocate funds on a geographic basis. Funds are allocated to subrecipients that provide low-income households with housing and supportive services. On an annual basis, the City prioritizes the use of its CDBG funding for citywide housing and community development activities including housing, public services, fair housing, and a portion of code enforcement. Activities identified under the public services category and targeted to special needs populations are offered on a citywide basis and/or where resources can be coordinated with existing facilities or services. Public improvements and public facilities are qualified as benefitting low- and moderate-income persons.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

In FY 2019-2020, the City will continue to encourage and facilitate the development of affordable housing. The City will also continue to expedite discretionary entitlement and plan check processes for lower-income housing developments. The expedited processing program currently provides approximately 20 days in time savings. Expedited processing is provided as an incentive to encourage development of affordable housing projects as shorter development time frames result in lower housing production costs. The City continues to evaluate the effectiveness of the expedited processing program and modify as needed to further encourage affordable housing development.

One Year Goals for the Number of Households to be Supported	
Homeless	5
Non-Homeless	7
Special-Needs	0
Total	12

Table 10 - 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	4
Rehab of Existing Units	10
Acquisition of Existing Units	0
Total	14

Table 11 - One Year Goals for Affordable Housing by Support Type

Discussion

The City's strategies relating to affordable housing efforts include maintaining the affordable housing stock through the Home Improvement and Preservation Program; providing affordable housing for low-income and special needs groups as HOME funds are available; and support for rental assistance programs through the County, such as the Section 8 Housing Choice Voucher. The City is also committed to rezoning sites found to be adequate to provide housing types for lower-income households. The City supports housing through the implementation of its Code Enforcement Program, which is essential to assist in the maintenance and conservation of existing housing stock. The Code Enforcement Program is an effort to preserve and protect existing neighborhoods against the harmful effects of deterioration caused by

neglect, graffiti, and deferred maintenance. The Program also includes the objective of bringing substandard housing units into compliance with City building and zoning codes. The City also works with nonprofit organizations and community groups to help eliminate slum and blight through rehabilitation activities and public improvement projects.

The City's housing policies support a Rental Rehabilitation Program by providing loans to investor owned properties to assist in the ability to improve the City's rental housing stock in need of rehabilitation, to provide safe, decent, and sanitary housing for lower income families. The City also puts funding toward the preservation of existing at-risk affordable housing for technical assistance to property owners and by monitoring Section 8 legislation.

To facilitate the development of affordable units, the City uses the State's density bonus law by offering a density bonus of between 20 and 35%. A density bonus is a financial incentive to developers to provide units affordable to low income households.

The City has several HOME activities in progress, funded with prior year funds. These prior year activities include several HOME-funded loans for homeowner residential rehabilitations; an agreement with a housing developer for the development of two HOME units on two properties owned by the City; and a predevelopment agreement to explore the option of purchasing two properties for future land assemblage for the development of affordable housing. It is estimated that four homeowner units for moderate-income households and the rehabilitation of three residential units for low-income households will be completed.

For example, the Olson Project includes a residential townhome component and a small food incubator component. The residential component, located at 520-528 West Whittier Blvd., 114 and 116 N. 6th Street, and 117-125 N. 5th Street consists of 28 three-story townhomes on 0.97 acres of the 1.2-acre site. The townhome units are clustered in an L-shaped pattern with a centralized community gathering space, and diagonal parking along the south side of Emmett Williams Way to provide the required resident guest parking. Four floor plans will be featured offering 1,361 to 1,660 square feet of living space with two to four bedrooms, two and one-half to four bathrooms, and attached two-car side-by-side and tandem garages.

The City of Montebello also uses HOME funds for rehabilitation of owner-occupied single-family properties. To qualify as affordable housing, the housing to be rehabilitated must be determined to be modest housing. The use of HOME funds for homeowner rehabilitation activities requires that the value of the HOME assisted property after rehabilitation must not exceed 95 percent of the median purchase price for the area. The HOME Final Rule offers two options for determining the 95 percent of median purchase price limit for owner-occupied single-family housing, as noted below:

- (1) HUD will provide limits for affordable housing based on 95 percent of the median purchase price for the area; OR
- (2) Perform a local market survey to determine the 95 percent of median purchase price limit.

After review of the published 2019 FHA figures for Los Angeles County for determining 95 percent of the median purchase price limit, it was determined that the FHA median price for Montebello homes is \$451,000. Based on a comparison of local housing market listing prices and sales information, it was determined that the FHA limits do not accurately reflect current actual home purchase prices for the area. Therefore, a local market survey was conducted for Montebello home sales for three-month period using HdL data. This survey shows a median price of \$550,000 in the City of Montebello and a 95% median value price of \$522,500.

FHA – Market Median Price	\$451,000
FHA – Market Median Price for newly constructed	\$491,000
Montebello Local Market Survey Median Price	\$550,000
95% of Montebello Local Market Survey Median Price	\$522,500

As a result of this conclusion, it is our recommendation that the City of Montebello use the local market survey price as the determinant of the 95 percent median purchase price limit as it is higher than the FHA-Market Median Price.

City of Montebello
3 Months Home Sales Data
January 2019 to March 2019

	Sale Date	Parcel	Situs Address	Price
1	03/14/19	6353016025	1161 S Maple Ave	\$310,000
2	03/03/19	6354017038	1420 S Greenwood Ave	\$403,000
3	01/31/19	5267019021	625 Leonard St	\$460,000
4	01/09/19	6343011005	317 Morris Pl	\$451,384
5	03/28/19	6343019021	454 Via Luneto	\$457,032
6	01/29/19	5267014007	824 Leonard St	\$500,000
7	03/05/19	5294001023	2109 Merle Dr	\$500,000
8	01/22/19	6343012014	444 Concourse Ave	\$507,000
9	01/24/19	6337005029	141 S Vail Ave	\$515,000
10	02/22/19	6352006077	800 Frankel Ave	\$523,000
11	01/09/19	6349017006	128 Mountain View Ave	\$525,000

12	03/22/19	5278022036	413 Andruss Pl	\$528,000
13	01/30/19	6337027014	506 Joyce St	\$529,000
14	03/12/19	5278022013	432 Katherine Dr	\$537,000
15	01/02/19	6352018001	856 S 6th St	\$549,888
16	01/14/19	6343007009	2416 W Via Corona	\$550,000
17	03/27/19	6337024003	2041 Hereford Dr	\$550,000
18	03/28/19	5294002011	2124 W Lincoln Ave	\$550,000
19	02/14/19	5267025018	3008 Via San Delarro	\$553,000
20	03/18/19	5278020005	400 N Raywood Ave	\$558,000
21	01/08/19	6346011021	313 N 7th St	\$562,000
22	03/08/19	6346011023	305 N 7th St	\$595,000
23	02/07/19	6343011024	420 N Via Val Verde	\$600,000
24	01/02/19	5295008024	1725 Westmoreland Dr	\$640,000
25	01/03/19	6350013004	1409 W Olympic Blvd	\$660,000
26	02/06/19	5295011020	828 Marconi St	\$679,900
27	03/01/19	5295009017	805 Perry Ave	\$680,000
28	03/29/19	5295006016	840 Gardner Dr	\$692,000
29	03/12/19	5269024025	716 De Palma Way	\$705,000
30	03/20/19	5293018027	840 N Taylor Ave	\$725,000
31	01/15/19	5278001008	1009 N Las Flores Ave	\$765,000
32	03/21/19	5293017004	865 N Juarez St	\$800,000
33	02/06/19	6351002003	6685 Allston St	\$2,800,000

AP-60 Public Housing – 91.220(h)

Introduction

The City of Montebello does not own or manage public housing.

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

The City of Montebello does not own or manage public housing.

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

The Housing Authority of the County of Los Angeles offers the Family Self-Sufficiency Program to assist residents toward greater independence and homeownership opportunities.

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

The Housing Authority of the County of Los Angeles is not designated as troubled.

Discussion

The City supports the efforts of the Housing Authority in making rental assistance available to low-income households through the Section 8 program, but the City has no direct involvement in the ownership or management of public housing.

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

Introduction

To address the needs of homeless individuals and families, the City continues its efforts to identify efficient and effective means to distribute limited resources for homeless needs. The City has designated emergency and transitional housing as high priorities for addressing homelessness. Other efforts undertaken by the City are identified below:

1. Homeless Shelters

To accommodate its share of the region's homeless, the City utilizes numerous nonprofit organizations to offer shelter and services to homeless persons. Nonprofit organizations that have received funding through the City's CDBG program include East San Gabriel Valley Coalition for the Homeless and Heart of Compassion and The Whole Child. The City also participates in the Los Angeles County Continuum of Care Community Forum. The City works within this collaborative to help identify needs and gaps in the housing/service needs of the region's homeless.

2. Transitional and Supportive Housing

Supportive housing, as defined by Section 50675.14 of the California Health and Safety Code, is housing with no limit on the length of stay and that is occupied by a target population. The target population for supportive housing includes low-income persons having one or more disabilities. These disabilities may include mental illness, HIV or AIDS, substance abuse, or other chronic health conditions. Such housing is also linked to on-site or off-site services that assist residents in retaining their housing, improving their health status, and maximizing their ability to live and, when possible, work in the community. On- and off-site services may include, but are not limited to, tutoring, child care, and career counseling.

Transitional housing, as defined by Section 50675.2 of the California Health and Safety Code, is housing configured as rental housing developments, which may include multifamily housing, single-family housing, or group homes. Such housing is operated under state or Federal program requirements that call for termination of assistance and recirculation of the housing unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months. Additional services that help individuals gain necessary life skills that support independent living are also allowed but not mandated.

State law allows a distinction in the permitting requirements for certain residential uses in single-family homes based on whether there are six or fewer, or seven or more, people served by the

housing type. This size distinction currently exists in the City's Zoning Code for residential and group care facilities. Residential and group care facilities provide 24-hour per day residential living accommodations in exchange for the payment of money or other consideration, where the duration of tenancy is determined, in whole or in part, by the individual resident's participation in group or individual activities, such as counseling, recovery planning, or medical or therapeutic assistance. Residential or group care facilities include, but are not limited to, residential care facilities for persons with chronic, life-threatening illnesses, and alcoholism or drug abuse recovery or treatment facilities. Residential care facilities provide living accommodations for six or fewer persons and group care facilities provide living accommodations for seven or more persons.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

The City of Montebello contracts with local service providers to assist in reducing homelessness.

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

Los Angeles County is divided into eight Service Planning Areas (SPAs), 1 through 8. The division of the County makes it easier for the Department of Public Health to target and track the needs of each area. Montebello is located in SPA 7.

Every year, the Los Angeles Continuum of Care coordinates a Shelter/Housing Inventory Count (HIC), which is a point-in-time (PIT) inventory of service projects, and a record of utilization of services. HIC records how many beds and units are dedicated to serving people experiencing homelessness (e.g., emergency shelter, transitional housing, and safe haven) or people who have experienced homelessness and are now in permanent housing. The homeless count for the City of Montebello in 2018 was 336 unsheltered and 10 sheltered. The City will fund projects within SPA 7 in the 2019-2020 program year. The SPA 7 region offers a variety of homeless housing facilities serving different client groups including:

Emergency Shelter

541 beds serving individuals and families with children

Transitional Housing

462 beds serving individuals and families with children

Safe Haven

3 beds serving single men and women 18 years and over

For the 2019-2020 program year, the City will allocate CDBG funds to The Whole Child to provide

emergency shelter and transitional housing to Montebello residents or families who require such assistance. The City also funds East San Gabriel Valley Coalition for the Homeless, an organization that assists homeless or at-risk populations in finding permanent housing and in becoming self-supporting. The City will also be a participant of the Los Angeles Continuum of Care.

Several programs, detailed farther below, offered in SPA 7 target different homeless client groups. The program presented below focuses on assessing the individual needs of homeless persons:

Coordinated Entry System (CES) – The CES is a framework that unites regional providers working collaboratively to house chronically homeless individuals. Using a common assessment tool, individuals are prioritized into the most appropriate housing based on their needs. The CES also coordinates county and Federal resources from agencies such as the Department of Mental Health, the Department of Health Services, housing authorities, and the US Department of Veterans Affairs.

Addressing the emergency shelter and transitional housing needs of homeless persons

SPA 7 offers a variety of homeless housing facilities serving different client groups, and includes:

Emergency Shelters

657 beds serving individuals and families with children

Transitional Housing

615 beds for individuals and families with children

Permanent Supportive Housing

847 beds serving individuals and families with children

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 has the goal of assisting 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.

Homeless Family Solutions System – This program is a network of family homeless service providers that address the needs of homeless families or those at imminent risk of losing their housing. It works cooperatively with system partners to help families complete housing and service plans.

First 5 LA Supportive Housing Program (First 5 LA) – This program is a needs-based assistance program aimed at serving homeless or at-risk families with children from birth to age 5, some with current or past involvement with the County Department of Children and Family Services.

Supportive Services for Veteran Families (SSVF) – This program is a community-based, competitive grant program that rapidly rehouses homeless veteran families and prevents homelessness for those at imminent risk due to a housing crisis. The program's objective is to achieve housing stability through a short-term, focused intervention. The SSVF employs a housing-first model, which focuses on helping individuals and families access and sustain permanent rental housing as quickly as possible and without precondition, while facilitating access to those services that will help the veteran's family keep their housing.

HUD-VASH Vouchers (VASH) – The HUD-VASH program combines Housing Choice Voucher rental assistance for homeless veterans with case management and clinical services provided by the US Department of Veterans Affairs. The department provides these services for participating veterans at Veterans Affairs medical centers and community-based outreach clinics.

Unaccompanied Youth – Several programs serve this target group, including 1736 Emergency Youth Shelter, Hathaway-Sycamores: Independent Living Program, Divinity Prophet: Independent Living Program, and Richstone: Transitional Housing Program and Transitional Living.

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.

Agencies involved with persons discharged from institutions and systems of care, including the Los Angeles County Department of Children and Family Services, Department of Health Services, Department of Mental Health, and Los Angeles County Sheriff's Department, all have requirements stipulated by state law or county regulations requiring effective discharge planning and a specific transition plan to ensure

that individuals and families are not discharged into homelessness.

Discussion

The programs identified above, which address the needs of homeless persons and subpopulations of homeless, indicate that serving the homeless is a complex issue requiring a network of agencies, departments, and nonprofit community services agencies. It is fortunate that the City can utilize this network of agencies to provide housing and supportive services in addition to using limited CDBG funding.

DRAFT

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

Introduction

Barriers to affordable housing exist in the form of governmental regulations and market factors.

The supply and availability of housing may be constrained by governmental actions, environmental conditions, infrastructure capacity, and economic conditions related to the housing market. Barriers or impediments to affordable housing are caused when there is little incentive to develop affordable housing due to excessive development costs and/or the lack of land availability and community commitment. Public policy and community issues potentially affect the cost of all development projects through the design and implementation of land use ordinances, fees, and development standards. While these policies constrain residential development to some extent, they are necessary to support other public policies. Cities also often require developers to provide on-site and off-site improvements necessary to serve their projects. The City of Montebello's 2014–2021 Housing Element concludes that the development review process does not put a constraint on development; building permit and plan check fees are in line with those charged by other jurisdictions in the area; and a development impact fee is not imposed for new multifamily housing. Thus, the building codes and development standards in Montebello are not overly restrictive.

Land and construction costs are key market factors that may serve as a barrier to affordable housing. Construction costs make up a large portion of development costs; however, these costs are regionally determined and the City has no influence over materials and labor costs. Land represents one of the most significant costs of new housing. Montebello is a predominantly urban area that is mostly built-out, which affects the availability and cost of land. The per unit land cost is directly affected by density, and one way to affect this cost is to develop at higher densities which allows the cost to be spread across more units, thus reducing the total price. The City's 2014–2021 Housing Element points out that state law provides for density bonuses, which serve to facilitate the development of affordable housing. While the City already abides by state density bonus requirements, the City Zoning Code will be updated to incorporate these requirements. Also as part of the comprehensive update of the Zoning Code, the City is proposing a very high-density zone to accommodate high-density housing for up to 22.1 to 35.0 units per acre.

The elimination of California redevelopment low/mod housing funds in February 2012 has directly impacted a primary funding source of the City of Montebello for subsidizing the cost of affordable housing.

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

To remove or ameliorate the barriers to affordable housing, the City has adopted the following goals in

the 2014–2021 Housing Element:

- The City shall strive to maintain and improve the quality of existing housing and residential neighborhoods in Montebello.
- The City will remove potential constraints to housing production and housing affordability.
- The City will continue to identify adequate housing sites through appropriate land use, zoning, and specific plan designations to accommodate the City's share of regional housing needs and will provide land use policy that encourages, promotes, and provides for the development of various housing types.
- The City will continue to pursue programs and funding sources and adoption of policies which allow for continued affordability of housing units.

Additionally, the City will utilize HOME funds to help facilitate the development of affordable housing, as funding is available.

AP-85 Other Actions – 91.220(k)

Introduction

One of the primary constraints to meeting the needs of low-income residents is a lack of funding to fully address all the needs. Economic challenges and cuts in grant funding have resulted in budgetary constraints on nonprofit service providers.

Actions planned to address obstacles to meeting underserved needs

The City of Montebello recognizes that special needs populations encounter challenges due to low income and the special conditions that they face. Special needs populations are more likely to become homeless as a result of these factors. Special needs populations require housing and supportive services. The City considers supportive services and housing for special needs populations a high priority. Supportive services are also considered a high priority in the Continuum of Care. In 2019-2020, the City will fund several public service agencies that aid with housing and supportive services.

Actions planned to foster and maintain affordable housing

The City's strategies relating to CDBG-funded affordable housing efforts include maintaining the affordable housing stock through the Home Improvement and Preservation Program; maintaining rental assistance programs such as the Section 8 Housing Voucher program; and providing assistance to households before they lose their housing. The City will utilize a combination of Federal and non-Federal funds to maintain existing affordable housing units and foster the creation of new affordable housing opportunities.

Actions planned to reduce lead-based paint hazards

The City's HOME-funded Home Improvement and Preservation Program follows the requirements of Lead Safe Housing Regulation 24 CFR Part 35 effective September 15, 2000, and the subsequent September 2000 HUD transition assistance policy. The City will use, when required, state of California-certified lead-based paint inspectors/risk assessors to test for lead paint and perform risk assessments on houses testing positive, and certified lead-based paint contractors to remove and/or abate lead paint.

Actions planned to reduce the number of poverty-level families

The City of Montebello continues to look for ways to expand economic activities to include all people and provide programs to those people who are less fortunate. The City has focused on the creation of jobs for low- and moderate-income persons through youth employment programs, capital improvement projects, and the extensive projects related to the Whittier Boulevard Corridor Revitalization (funded by

Section 108 loan funds). Programs related to housing improvement, homeless shelters, supporting the County's rental assistance program, and funding affordable housing creation have resulted in housing the homeless and improving the living conditions of the elderly and low-income families.

Many factors can contribute to persons living at or below the poverty level. Lack of higher education opportunities, lack of marketable skills, unemployment or underemployment, lack of affordable child care, lack of effective transportation, and lack of affordable housing all contribute to homelessness or persons living in poverty. These factors must be addressed to reduce the number of persons living in poverty.

While the City has no control over most of these factors, the City regularly provides referrals to those living below the poverty line. The City also provides a listing of public services agencies and homeless resources, and links to social service agencies. In addition, the City supports other government agencies, private developers, and nonprofit agencies that are involved in creating affordable housing and economic opportunities for low- and moderate-income residents. The City has supported, and will continue to support, a City youth employment program that offers summer youth employment benefitting low-income households.

Actions planned to develop institutional structure

CDBG funds received by the City are administered by the Finance Department. The City relies on a number of governmental departments and agencies, for-profit developers, and private, nonprofit organizations to carry out the City's housing and community development program. The City's Community Development Department's functions directly impact and facilitate the development of housing. Housing developers are an important partner and essential for the development of market-rate and affordable housing. Private developers are unable to build affordable units without government or other subsidies because of the high cost of land in the city. The Public Works Department is responsible for the design, construction, maintenance, and operation of public facilities as well as for administering infrastructure projects. The Housing Authority of the County of Los Angeles administers the HUD Section 8 Housing Choice Voucher Program and public housing, which benefits the city's low-income population with publicly assisted rental housing. A number of nonprofit public services agencies provide emergency shelter, transitional and special needs housing, and services to the homeless population and to low- and moderate-income households.

Many gaps or weaknesses in the institutional structure must be addressed. The loss of the redevelopment program presents a significant challenge for continued support for affordable housing. The end of redevelopment funding resulted in the loss of a primary funding source for affordable housing and a loss of administrative resources for housing programs that worked in combination with HOME funds. The reductions in CDBG funding have forced a reduction in community development programs. The cutbacks in funding have impacted public services programming, resulting in limited staff and limited budgets. While the City has limited control over tight budgets, City staff will continue to work closely with these

entities to work to achieve housing and community development goals.

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

CDBG and HOME funds received by the City are administered by the Community Development Department. The City relies on several governmental departments and agencies to carry out the City's housing and community development program. The Community Development Department will work with the following departments and agencies during the 2019-2020 program year:

- Finance Department
- Public Works Department
- Housing Authority of the County of Los Angeles
- Nonprofit Social Service Agencies
- Contractors
- Housing Developers

Program Specific Requirements

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

Introduction

The program-specific requirements that apply to the City are those for the CDBG and HOME programs.

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(l)(1)

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

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

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.	70.00%

**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 does not receive any atypical loans, grant instruments, nonconforming loan guarantees, or other forms of investments.

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:

The City has general recapture and resale provisions in its HOME program guidelines which apply only to CHDOs. The City will impose HOME recapture provisions on any property sold by a CHDO to a homebuyer when the City provides a direct subsidy for down payment and or closing costs to the homebuyer.

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 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. The resale provision shall remain in force from that date the legal documents are executed at loan closing until the expiration of the affordability period.

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

The City has no current plans to use HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds.

Discussion

The City will rely on its HOME Policies and Procedures Manual to follow compliance requirements of the HOME program.

Attachments

DRAFT

CITY OF MONTEBELLO

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and Members of the City Council
FROM: Paul Talbot, Interim City Manager
BY: Robert Mescher, Finance Director
SUBJECT: Designation of SEAACA Committee Member
DATE: May 15, 2019

RECOMMENDATION

It is recommended that the City Council:

- (1) Designate the Finance Director as the SEAACA Committee Member representing the City of Montebello; and
- (2) Take such additional, related action that may be desirable.

BACKGROUND

The Southeast Area Animal Control Authority (SEAACA) was established in 1975. The City of Montebello joined SEAACA in 1984. Membership requires each city to designate its City Administrator, or City Treasurer, or Director of Finance as an Administrative Committee Member of SEAACA. The City employees shall assist the SEAACA Administrative Committee in carrying out the policies and directions of SEAACA.

ANALYSIS

The designated SEAACA Committee Member will attend meetings and communicate to the City of Montebello SEAACA policies and directions for the implementation of such policies. City employees shall assist the SEAACA Administrative Committee by working with the City designated SEAACA Committee Member, here, the Director of Finance, to ensure the proper administration of SEAACA's directives. The Director of Finance is available and willing to fulfill this role for the City.

SUMMARY

It is recommended that the City Council designate the Director of Finance as the SEAACA Committee Member on behalf of the City.

FISCAL IMPACT

There is no direct fiscal impact associated with this item.

ATTACHMENT

None

CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members
FROM: Paul Talbot, Interim City Manager
BY: Robert Mescher, Finance Director
SUBJECT: Quarterly Financial Report as of March 31, 2019
DATE: May 15, 2019

RECOMMENDATION

It is recommended that the City Council:

- 1) Review and Accept the quarterly Financial Report for the FY 2018-2019 Budget;
and
- 2) Take such additional, related action that may be desirable.

BACKGROUND

In June 13, 2018, the City Council adopted the FY18-19 Budget.

On March 13, 2019, the Finance Department submitted a mid-year financial report for the first six months of the fiscal year which indicated the City was on target with the adopted FY18-19 Budget.

The Finance Department prepared a Third Quarter Financial Report comparing the results of the first nine months of revenues and expenditures with the amended FY18-19 Budget.

Overall, the City financial performance is still on target with the amended FY18-19 Budget.

The first nine months represent 75% of the budget. Therefore, favorable revenue results will be higher than 75% and favorable expenditure results will be lower than 75% of the budget.

Explanations of the larger variances can be found on the last page of the report.

General Fund

The General Fund is the primary operating fund of the City. The year-to-date General Fund revenues were only 73% of the budget, due to the fact that property tax in lieu of

vehicle license revenue for the second half of the year will be received in May and the \$1.3 million Prop A Exchange, which was budgeted, has not been exchanged. However, the Prop A Exchange was offset by the \$1.3 million commercial cannabis application fees which were not included in the budget. The General Fund expenditures were 68% of the budget due to cost reductions throughout all of the various departments. The General Fund revenues net of expenditures are on track to meet or exceed the adopted budget.

Retirement Fund

The Retirement Fund is used to account for the tax revenue, investment income, and the payments to the pension plan.

Self-Insurance Fund

The Self-Insurance Fund is an internal services fund used to allocate the insurance expenditures to other funds. The revenues of the Self-Insurance Fund are recorded as an insurance expense in the other funds. The revenues of the Self-Insurance Fund are greater than expenditures to allocate some of the prior year fund balance deficit to the other funds.

Water Fund

The Water Fund accounts for the revenues and expenditures of the City's water utility. The revenues were higher than budgeted due to the timing of seasonal usage.

Golf Course and Quiet Cannon

The Golf Revenues are lower due to inclement weather and hotel construction. Quiet Cannon net revenue after expenditures is higher than budget.

Transit

The year-to-date Transit revenues were only 68.4% of budget, primarily due to the timing of the annual grant not yet received. Bus fare revenue was also down due to lower ridership. Expenditures were only 68% of budget. Once the grants are received, the year-end-results will outperform the budget.

FISCAL IMPACT

There is no fiscal impact with this item. No budget amendments are recommended.

SUMMARY

This quarterly financial report indicates the City's financial performance is projected to meet or exceed the adopted budget.

ATTACHMENT

Financial Report for July 1, 2018 through March 31, 2019.



CITY OF MONTEBELLO

QUARTERLY FINANCIAL REPORT

Fiscal Year July 1, 2018 through March 31, 2019

	9 mos YTD Prior Year	Annual Budget Amount	9 mos YTD Actual Amount	% of Budget
<u>GENERAL FUND</u>				
REVENUES				
Sales and Use Taxes	\$ 10,109,411	\$ 12,921,000	\$ 10,384,912	80.4%
Property Taxes	\$ 3,027,147	\$ 4,212,182	\$ 2,824,757	67.1% (1)
Property Tax Residual	\$ 478,952	\$ 912,822	\$ 588,523	64.5% (1)
Franchise Taxes	\$ 1,122,378	\$ 1,550,379	\$ 1,181,799	76.2%
Other Taxes	\$ 445,521	\$ 615,413	\$ 471,055	76.5%
Licenses and Permits	\$ 3,419,749	\$ 4,613,087	\$ 5,169,849	112.1% (2)
Charges for Services	\$ 4,387,531	\$ 6,855,127	\$ 4,348,864	63.4%
Fines & Forfeitures	\$ 1,656,797	\$ 2,131,890	\$ 1,653,641	77.6%
Investment Income	\$ 45,450	\$ 30,720	\$ 56,555	184.1% (3)
Other Revenues	\$ 1,354,278	\$ 3,481,117	\$ 2,095,453	60.2% (4)
Intergovernmental Revenues	\$ 3,096,262	\$ 6,401,329	\$ 3,281,854	51.3% (5)
TOTAL REVENUES	\$ 29,143,477	\$ 43,725,066	\$ 32,057,262	73.3%
EXPENDITURES				
Department 10 - Electoral				
Salaries and Wages	\$ 68,909	\$ 96,503	\$ 63,186	65.5%
Payroll Benefits	\$ 53,134	\$ 75,216	\$ 49,920	66.4%
Retirement	\$ 12,068	\$ 18,820	\$ 6,378	33.9%
Maintenance and Operations	\$ 236,699	\$ 194,350	\$ 92,517	47.6%
Unfunded Pension Liability	\$ 13,078	\$ 16,838	\$ 12,626	75.0%
Department 10 - Electoral Totals	\$ 383,888	\$ 401,727	\$ 224,628	55.9%
Department 15 - City Attorney				
Maintenance and Operations	\$ 331,502	\$ 450,000	\$ 336,290	74.7%
Department 15 - City Attorney Totals	\$ 331,502	\$ 450,000	\$ 336,290	74.7%
Department 20 - Administration				
Salaries and Wages	\$ 260,917	\$ 836,675	\$ 777,982	93.0% (6)
Payroll Benefits	\$ 52,260	\$ 94,572	\$ 59,221	62.6%
Retirement	\$ 66,350	\$ 85,478	\$ 55,548	65.0%
Maintenance and Operations	\$ 116,487	\$ 348,647	\$ 207,762	59.6%
Unfunded Pension Liability	\$ 55,313	\$ 88,299	\$ 66,224	75.0%
Department 20 - Administration Totals	\$ 551,327	\$ 1,453,671	\$ 1,166,737	80.3%
Department 25 - Human Resources				
Salaries and Wages	\$ 66,227	\$ 209,901	\$ 88,572	42.2%
Payroll Benefits	\$ 10,230	\$ 43,430	\$ 26,577	61.2%
Retirement	\$ 27,305	\$ 52,628	\$ 26,070	49.5%
Maintenance and Operations	\$ 76,693	\$ 114,605	\$ 89,637	78.2%
Unfunded Pension Liability	\$ 12,604	\$ 46,051	\$ 34,537	75.0%
Department 25 - Human Resources Totals	\$ 193,059	\$ 466,615	\$ 265,393	56.9%
Department 30 - Public Works				
Salaries and Wages	\$ 489,189	\$ 669,542	\$ 451,401	67.4%
Payroll Benefits	\$ 160,017	\$ 228,240	\$ 166,341	72.9%
Retirement	\$ 111,012	\$ 129,187	\$ 107,494	83.2%
Maintenance and Operations	\$ 5,031,437	\$ 7,206,598	\$ 4,870,627	67.6%
Capital Outlay	\$ -	\$ 548,557	\$ -	0.0%
Unfunded Pension Liability	\$ 88,549	\$ 144,881	\$ 108,658	75.0%
Debt and Lease Payments Totals		\$ 77,741	\$ 13,871	17.8%
Department 30 - Public Works Totals	\$ 5,880,204	\$ 9,004,746	\$ 5,718,392	63.5%



CITY OF MONTEBELLO

QUARTERLY FINANCIAL REPORT

Fiscal Year July 1, 2018 through March 31, 2019

	9 mos YTD Prior Year	Annual Budget Amount	9 mos YTD Actual Amount	% of Budget
Department 40 - Finance				
Salaries and Wages	\$ 668,336	\$ 1,112,632	\$ 660,149	59.3%
Payroll Benefits	\$ 191,651	\$ 342,192	\$ 192,344	56.2%
Retirement	\$ 138,796	\$ 154,774	\$ 103,013	66.6%
Maintenance and Operations	\$ 937,752	\$ 1,303,244	\$ 948,602	72.8%
Unfunded Pension Liability	\$ 115,809	\$ 219,155	\$ 164,365	75.0%
Department 40 - Finance Totals	\$ 2,052,342	\$ 3,131,997	\$ 2,068,473	66.0%
Department 50 - Community Development				
Salaries and Wages	\$ 394,121	\$ 850,938	\$ 357,938	42.1%
Payroll Benefits	\$ 134,776	\$ 293,381	\$ 115,560	39.4%
Retirement	\$ 84,600	\$ 132,297	\$ 62,603	47.3%
Maintenance and Operations	\$ 498,547	\$ 1,300,453	\$ 765,437	58.9%
Unfunded Pension Liability	\$ 88,387	\$ 156,792	\$ 117,587	75.0%
Department 50 - Community Development Totals	\$ 1,200,432	\$ 2,733,861	\$ 1,419,125	51.9%
Department 70 - Parks & Recreation				
Salaries and Wages	\$ 790,640	\$ 1,305,956	\$ 869,516	66.6%
Payroll Benefits	\$ 276,885	\$ 407,511	\$ 282,357	69.3%
Retirement	\$ 162,839	\$ 166,905	\$ 126,308	75.7%
Maintenance and Operations	\$ 803,848	\$ 1,386,359	\$ 947,602	68.4%
Unfunded Pension Liability	\$ 139,035	\$ 155,186	\$ 141,005	90.9%
Debt and Lease Payments Totals	\$ 6,486	\$ 23,228	\$ 3,939	17.0%
Department 70 - Parks & Recreation Totals	\$ 2,179,733	\$ 3,445,145	\$ 2,370,727	68.8%
Department 80 - Police				
Salaries and Wages	\$ 7,144,054	\$ 9,747,522	\$ 6,588,703	67.6%
Payroll Benefits	\$ 2,108,888	\$ 3,074,512	\$ 2,111,129	68.7%
Retirement	\$ 2,192,951	\$ 2,108,636	\$ 1,736,541	82.4%
Maintenance and Operations	\$ 1,038,262	\$ 2,489,578	\$ 1,585,414	63.7%
Capital Outlay	\$ 66,652	\$ 520,431	\$ 380,065	73.0%
Unfunded Pension Liability	\$ 2,011,556	\$ 3,171,261	\$ 2,399,032	75.6%
Department 80 - Police Totals	\$ 14,562,363	\$ 21,111,940	\$ 14,800,884	70.1%
Department 85 - Fire				
Salaries and Wages	\$ 4,999,996	\$ 6,527,563	\$ 4,865,526	74.5%
Payroll Benefits	\$ 1,317,869	\$ 1,895,687	\$ 1,289,188	68.0%
Retirement	\$ 1,187,014	\$ 1,588,614	\$ 975,203	61.4%
Maintenance and Operations	\$ 897,636	\$ 2,109,393	\$ 1,269,963	60.2%
Unfunded Pension Liability	\$ 1,191,290	\$ 1,902,458	\$ 1,426,620	75.0%
Debt and Lease Payments Totals	\$ 56,271	\$ 120,000	\$ 56,271	46.9%
Department 85 - Fire Totals	\$ 9,650,075	\$ 14,143,715	\$ 9,882,771	69.9%
TOTAL OPERATING EXPENDITURES	\$ 36,984,924	\$ 56,343,417	\$ 38,253,419	67.9%
Transfer in				
Transfer In from Retirement Fund	\$ 7,626,673	\$ 10,166,061	\$ 7,050,985	69.4%
Transfer In from Gas Tax Fund	\$ 1,875,000	\$ 1,600,000	\$ 1,200,000	75.0%
Transfer In from Corporate Shop Fund		\$ 1,400,000	\$ -	0.0%
Debt Service & Transfer out				
Debt Service (Bonds)	\$ (1,230,019)	\$ (1,515,330)	\$ (1,290,043)	85.1% (7)
Transfers Out to Golf Fund	\$ -	\$ (800,000)	\$ -	0.0%
GF NET TOTAL	\$ 430,207	\$ (1,767,620)	\$ 764,784	



CITY OF MONTEBELLO

QUARTERLY FINANCIAL REPORT

Fiscal Year July 1, 2018 through March 31, 2019

	9 mos YTD Prior Year	Annual Budget Amount	9 mos YTD Actual Amount	% of Budget
<u>RETIREMENT FUND</u>				
REVENUES				
Property Taxes	\$ 6,719,855	\$ 11,551,734	\$ 7,090,191	61.4% (1)
Investment Income	\$ 17,591	\$ 35,886	\$ 149,049	415.3%
TOTAL REVENUES	\$ 6,737,446	\$ 11,587,620	\$ 7,239,240	62.5%
EXPENDITURES				
Transfer out				
For Retirement Expense Payment	\$ 2,310,388	\$ 2,132,471	\$ 1,124,524	52.7%
For Unfunded Liability Payment	\$ 5,540,296	\$ 8,317,390	\$ 6,238,043	75.0%
TOTAL OPERATING EXPENDITURES	\$ 7,850,684	\$ 10,449,861	\$ 7,362,567	70.5%
RETIREMENT NET TOTAL	\$ (1,113,238)	\$ 1,137,759	\$ (123,327)	
<u>SELF-INSURANCE FUND</u>				
REVENUES				
Non Transit	\$ 3,126,897	\$ 4,221,437	\$ 3,230,173	76.5%
Transit	\$ 1,982,142	\$ 2,568,211	\$ 2,307,671	89.9%
TOTAL REVENUES	\$ 5,109,039	\$ 6,789,648	\$ 5,537,844	81.6% (8)
EXPENDITURES				
Non Transit	\$ 3,894,304	\$ 4,221,437	\$ 3,207,621	76.0%
Transit	\$ 940,336	\$ 2,568,211	\$ 1,427,512	55.6%
TOTAL OPERATING EXPENDITURES	\$ 4,834,640	\$ 6,789,648	\$ 4,635,134	68.3%
SELF INSURANCE FUND NET TOTAL	\$ 274,399	\$ -	\$ 902,710	(9)
<u>WATER FUND</u>				
REVENUES				
Charges for Services	\$ 2,336,409	\$ 2,845,613	\$ 2,325,605	81.7%
Investment Income	\$ -	\$ -	\$ 7,449	
TOTAL REVENUES	\$ 2,336,409	\$ 2,845,613	\$ 2,333,054	82.0%
EXPENSES				
Salaries and Wages	\$ 4,562	\$ 6,466	\$ 4,626	71.5%
Payroll Benefits	\$ 1,261	\$ 1,850	\$ 1,285	69.5%
Maintenance and Operations	\$ 1,468,724	\$ 2,332,366	\$ 1,745,109	74.8%
Capital Outlay	\$ -	\$ 252,561	\$ -	0.0%
Debt and Lease Payments	\$ -	\$ -	\$ 241	
TOTAL EXPENSES	\$ 1,474,547	\$ 2,593,243	\$ 1,751,261	67.5%
WATER FUND NET TOTAL	\$ 861,862	\$ 252,370	\$ 581,793	



CITY OF MONTEBELLO

QUARTERLY FINANCIAL REPORT

Fiscal Year July 1, 2018 through March 31, 2019

	9 mos YTD Prior Year	Annual Budget Amount	9 mos YTD Actual Amount	% of Budget
<u>GOLF FUND</u>				
<u>GOLF COURSE OPERATIONS</u>				
REVENUES				
Charges for Services	\$ 1,108,219	\$ 1,628,231	\$ 1,077,275	66.2%
Other Revenues	\$ 459,471	\$ -	\$ 11,095	
TOTAL REVENUES	\$ 1,567,690	\$ 1,628,231	\$ 1,088,370	66.8% (10)
EXPENSES				
Salaries and Wages	\$ 496,970	\$ 760,791	\$ 487,703	64.1%
Payroll Benefits	\$ 213,387	\$ 313,039	\$ 204,888	65.5%
Retirement	\$ 120,165	\$ 141,336	\$ 89,110	63.0%
Maintenance and Operations	\$ 838,175	\$ 1,261,901	\$ 813,269	64.4%
Unfunded Pension Liability	\$ 95,275	\$ 144,239	\$ 108,178	75.0%
Debt and Lease Payments	\$ 370,935	\$ 589,605	\$ 342,929	58.2%
TOTAL EXPENSES	\$ 2,134,908	\$ 3,210,911	\$ 2,046,077	63.7%
Transfer in				
Transfer In from Retirement Fund	\$ -	\$ 282,700	\$ 191,672	67.8%
GOLF OPERATIONS NET TOTAL	\$ (567,218)	\$ (1,299,980)	\$ (766,035)	
<u>QUIET CANNON OPERATIONS</u>				
REVENUES				
Rents	\$ 459,471	\$ 594,570	\$ 514,188	86.5%
TOTAL REVENUES	\$ 459,471	\$ 594,570	\$ 514,188	86.5%
EXPENSES				
Maintenance and Operations	\$ 82,923	\$ 56,590	\$ 78,496	138.7%
Debt and Lease Payments	\$ 221,052	\$ 107,199	\$ 55,981	52.2%
TOTAL EXPENSES	\$ 303,975	\$ 163,789	\$ 134,477	82.1%
QUIET CANNON NET TOTAL	\$ 155,497	\$ 430,781	\$ 379,711	
GOLF FUND NET TOTAL	\$ (411,721)	\$ (869,199)	\$ (386,324)	
<u>TRANSIT FUND</u>				
REVENUES				
Charges for Services	\$ 3,106,955	\$ 4,669,150	\$ 2,938,238	62.9%
Operating Grants	\$ 14,888,115	\$ 27,006,715	\$ 18,756,591	69.5%
Investment Income	\$ -	\$ -	\$ 29,075	
Other Revenues	\$ 136,479	\$ 205,000	\$ 80,573	39.3% (11)
TOTAL REVENUES	\$ 18,131,549	\$ 31,880,865	\$ 21,804,476	68.4% (12)
EXPENSES				
Salaries and Wages	\$ 7,961,967	\$ 12,490,370	\$ 8,061,456	64.5%
Payroll Benefits	\$ 2,565,180	\$ 3,857,637	\$ 2,577,607	66.8%
Retirement	\$ 1,873,957	\$ 1,875,639	\$ 1,276,825	68.1%
Maintenance and Operations	\$ 5,667,265	\$ 9,253,245	\$ 6,502,977	70.3%
Capital Outlay	\$ -	\$ 50,700	\$ -	0.0%
Unfunded Pension Liability	\$ 1,358,166	\$ 2,208,521	\$ 1,656,385	75.0%
Debt and Lease Payments	\$ -	\$ 165,000	\$ 163,746	99.2% (7)
TOTAL EXPENSES	\$ 19,426,535	\$ 29,901,112	\$ 20,238,996	67.7%
TRANSIT FUND NET TOTAL	\$ (1,294,985)	\$ 1,979,753	\$ 1,565,480	



CITY OF MONTEBELLO

QUARTERLY FINANCIAL REPORT

Fiscal Year July 1, 2018 through March 31, 2019

Footnotes:

- (1) This is less than 75% of budget due to timing of large receipts which usually come in during the last quarter of the fiscal year.
- (2) This includes approximately \$1.3 million dollar of Commercial Cannabis Application fees that were not budgeted.
- (3) Investment Income includes: Interest from LAIF and Certificate of Deposits. FY 2019 budget was too conservative.
- (4) Other Revenues include: Administrative Overhead, Prop A Exchange, Sale of Property and other Miscellaneous Revenues. This category is less than 75% of budget mainly due to the fact that the City has not exchanged Prop A.
- (5) Intergovernmental Revenues include: Property Tax in lieu of Vehicle License Fees (VLF) and SB1186. This category is less than 75% of budget mainly due to timing of the 2nd receipt of Property Tax in lieu of VLF which is usually in May of each fiscal year.
- (6) Total expense is projected to come within budget for the fiscal year.
- (7) This is greater than 75% of budget primarily due to timing of principal payments paid earlier in the fiscal year.
- (8) This represents interfund allocations from Self-insurance fund.
- (9) The positive net total is aimed to reduce FY 2018 deficit fund balance.
- (10) Golf fund revenues total is less than 75% of budget mainly due to decreasing green fees revenues affected by weather and construction.
- (11) Other Transit revenues include mainly Bus advertising revenues and other miscellaneous revenues.
- (12) Transit fund revenues total is less than 75% of budget due to decreasing ridership and timing of grants receipt.

CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Paul Talbot, Acting City Manager

BY: Fernando Pelaez, Fire Chief

SUBJECT: Resolution Approving the Lease Agreement for Fire Engine

DATE: May 15, 2019

RECOMMENDATION

It is recommended that the City Council:

- 1) Adopt a resolution which accepts and approves the lease agreement between the City of Montebello and Leasing 2, Incorporation, for the financing of a new fire engine (previously approved by City Council on December 19, 2018); and
- 2) Take such additional, and/or related action that may be desirable.

BACKGROUND

On December 19, 2018, the Fire Department presented to the City Council a Staff Report for the Purchase of a Type I Fire Engine, utilizing a cooperative purchasing agreement or “piggy-back”, on or of the Los Angeles County Fire Departments’ bid award to Kovatch Mobile Equipment (KME) Corporation (KME Fire Apparatus) of Pennsylvania, in the amount of \$637,567.03.

After the approval of the purchase by the City Council, staff was tasked with coordinating the financing with KME Fire Apparatus’ financing company, Leasing 2, Incorporation. Staff has now procured a leasing agreement with Leasing 2, Incorporation [financing component of Kovatch Mobile Equipment (KME) Corporation (KME Fire Apparatus)], to enter into a ten year lease, instead of an outright purchase. The total price over the ten year lease will be \$683,728.33, instead of the one-time expenditure of \$637,567.03.

FISCAL IMPACT

The proposed resolution is necessary to enter into a financing lease agreement with Leasing 2, Incorporation, for the new fire engine. The Fiscal Year 2018/2019 budget identifies sufficient funds, in account 100-85-860-7035-Fire Department-Lease Payment, and will be budgeted in future fiscal years.

SUMMARY

The City Council will consider approval and adoption of a resolution for the lease agreement between the City of Montebello and Leasing 2, Incorporation, and allow the Acting City Manager to execute the documents related to the ten (10) year lease agreement with Leasing 2, Incorporation, to finance the new fire engine, in the amount of \$683,728.32.

ATTACHMENTS

Resolution for Leasing 2, Incorporation
City Council Agenda-December 19, 2018
Approved Agenda Item 29 and Resolution from December 19, 2018
Credit Package with Leasing 2, Incorporation
Amortization Table for Leasing 2, Incorporation

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO, CALIFORNIA, APPROVING A LEASE-PURCHASE AGREEMENT BETWEEN THE CITY OF MONTEBELLO AND LEASING 2, INC. AND AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE THE SAME

WHEREAS, the City of Montebello ("City/Lessee") is a general law city, incorporated under the laws of the State of California, and has the power to enter into contracts which the City Council determines to be in the best interest of the City and its residents; and

WHEREAS, the governing body of Lessee has determined that a true and very real need exists for the acquisition of the Equipment described in the Lease-Purchase Agreement by and between Lessee and Leasing 2, Inc., and has further determined that the Equipment will be used solely for essential governmental functions and not for private business use.

WHEREAS, Lessee has taken the necessary steps, including, without limitation to compliance with legal bidding requirements, under applicable law to arrange for the acquisition of such Equipment.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF MONTEBELLO HEREBY RESOLVES, DECLARES, AND DETERMINES AS FOLLOWS:

SECTION 1. RECITALS. The City Council hereby finds and declares that the foregoing recitals are true and correct and incorporates them herein as a substantive part of this Resolution.

SECTION 2. APPROVAL. The City Council hereby approves the attached Lease-Purchase Agreement and Escrow Agreement, if applicable, and determines such transactions are in the best interest of Lessee for the acquisition of such Equipment, and the governing body of Lessee designates and confirms Paul Talbot, Interim City Manager, to execute and deliver, the Lease-Purchase Agreement and Escrow Agreement and any related documents necessary to the consummation of the transactions contemplated by the Lease-Purchase Agreement and Escrow Agreement.

SECTION 3. PASSAGE AND EFFECTIVE DATE. The City Clerk shall attest and certify to the passage and adoption of this Resolution, and enter it into the book of original resolutions. This Resolution shall be effective immediately upon adoption. The undersigned further certifies that the above resolution has not been repealed or amended and remains in full force and effect and further certifies that the above and foregoing Lease-Purchase Agreement and Escrow Agreement is the same as presented at said meeting of the governing body of Lessee.

PASSED, APPROVED and ADOPTED this ____ day of _____ 2019.

Jack Hadjinian, Mayor

APPROVED AS TO FORM:

ATTEST:

Arnold M. Alvarez-Glasman, City Attorney

Irma Barajas, City Clerk



l e a s i n g 2

April 23, 2019

Sent via Email: wquan@cityofmontebello.com
kjohnson@cityofmontebello.com

William Quan
Kurt Johnson
City of Montebello

Re: Financing for a KME Custom Severe Service Pumper

Thank you for trusting Leasing 2 with your financing needs. Attached to this email are the required documents for execution, and their instructions are below.

PLEASE READ: Carefully follow the instructions below, checking off each item as completed. Documentation completed improperly will have to be redone and possibly delay funding. If you have any questions, please call us at (800) 287-5155.

ALSO:

- ☐ Please execute documents in **BLUE** ink.
 - ☐ As these are legal documents, we cannot accept double-sided printouts.
-

- ☐ ***Lease Purchase Agreement***
 - Signed and dated by Lessee's authorized signatory.
- ☐ ***Exhibit A – Resolution of Governing Body Extract of Minutes***
 - Enter the date your resolution was adopted.
 - Signed by Lessee's authorized signatory.
 - Signed and dated by Secretary/Clerk or other authorized board member of Lessee at bottom of page.
- ☐ ***Exhibit B – Opinion of Lessee's Counsel***
 - Printed on attorney's letterhead and signed by attorney. Original signature required.
- ☐ ***Exhibit C – Certificate as to Arbitrage***
 - Enter the date by which the equipment is expected to be fully acquired in Item 4.
 - Signed and dated by Lessee's authorized signatory.
- ☐ ***Exhibit D – Description of Equipment***
 - Enter the address where the equipment will be located.
 - Signed and dated by Lessee's authorized signatory.
- ☐ ***Exhibit E – Payment Schedule***
 - Signed and dated by Lessee's authorized signatory.
- ☐ ***Exhibit F – Acceptance Certificate***
 - Please **DO NOT CHECK ANY BOXES** – this will be completed at closing and you will receive a fully executed Agreement post-closing.
 - Signed by Lessee's authorized signatory.
- ☐ ***Exhibit G – Essential Use/Source of Funds Letter***
 - Enter a description of how the equipment will be used and the services it will provide.
 - Signed and dated by Lessee's authorized signatory.
- ☐ ***Exhibit H – Designation of Bank Qualification***
 - Signed and dated by Lessee's authorized signatory.

- ☐ **Exhibit I – Notice and Acknowledgement of Assignment**
- Signed and dated by Lessee’s authorized signatory.
- ☐ **Insurance Coverage Requirement**
- Enter the name, address & phone number of your insurance agent.
 - If self-insured, check Item 2 and provide information regarding the nature of your self-insurance program along with the amounts of liability and physical damage coverage listed on a certificate.
- ☐ **Billing Information**
- Enter all of the requested information.
- ☐ **Customer Identification Program Organized Entity**
- Enter all of the requested information.
 - Signed by Lessee’s authorized signatory.
- ☐ **Internal Escrow Letter**
- Signed and dated by Lessee’s authorized signatory.
- ✓ **POST FUNDING REQUIREMENTS**
- ☐ **IRS Form 8038-G (Form 8038-GC if the issue price is under \$100,000)**
- We will email you this form for signature after the lease is funded.
- ☐ **Vehicle Titling**
- You will have vehicle titled with security interest of first lienholder. Reference the back of the Certificate of Origin for the lienholder’s name and address. If the lienholder is not listed on the Certificate of Origin, please contact us prior to titling.
 - Scan and email us a copy of the receipt from the titling authority when done.
- ☐ **Escrow Disbursements**
- Disbursement documents authorizing release of vendor payments upon equipment acceptance will need to be signed.

ALL DOCUMENTATION SHOULD BE EMAILED OR FAXED FOR REVIEW PRIOR TO OVERNIGHTING.

PLEASE RETURN ALL DOCUMENTS BY: MAY 20, 2019

Email/fax to:

Donna Womack

dwomack@leasing2.com

Fax: (813) 258-9333

Phone: (800) 287-5155, Ext. 14

Overnight to:

Leasing 2, Inc.

1720 W. Cass St.

Tampa, FL 33606

(800) 287-5155

Alternate contact:

Rick Carney

rcarney@leasing2.com

Fax: (813) 258-9333

Phone: (800) 287-5155, Ext. 16

Thank you for your business.

LEASE-PURCHASE AGREEMENT

LESSEE:
City of Montebello
1600 West Beverly Blvd.
Montebello, CA 90640

LESSOR:
Leasing 2, Inc.
1720 West Cass Street
Tampa, FL 33606-1230

Dated as of May 15, 2019

This Lease-Purchase Agreement (the "Agreement") dated as of **May 15, 2019** by and between **Leasing 2, Inc.** ("Lessor"), and **City of Montebello** ("Lessee"), a body corporate and politic duly organized and existing under the laws of the State of **California** ("State").

WITNESSETH:

WHEREAS, Lessor desires to lease the Equipment, as hereinafter defined, to Lessee, and Lessee desires to lease the Equipment from Lessor, subject to the terms and conditions of and for the purposes set forth in this Agreement; and

WHEREAS, Lessee is authorized under the Constitution and laws of the State to enter into this Agreement for the purposes set forth herein;

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

ARTICLE I DEFINITIONS

Section 1.01. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Agreement" means this Lease-Purchase Agreement, including the Exhibits attached hereto, as the same may be supplemented or amended from time to time in accordance with the terms hereof.

"Commencement Date" is the date when the term of this Agreement begins and Lessee's obligation to pay rent accrues, which shall be the commencement date shown on the Exhibit E Payment Schedule.

"Equipment" means the property described in Exhibit D and which is the subject of this Agreement.

"Lease Term" means the Original Term and all Renewal Terms provided for in this Agreement under Section 4.01.

"Lessee" means the entity which is described in the first paragraph of this Agreement and which is leasing the Equipment from Lessor under the provisions of this Agreement.

"Lessor" means (i) **Leasing 2, Inc.**, acting as Lessor hereunder; (ii) any surviving resulting or transferee corporation; and (iii) except where the context requires otherwise, any assignee(s) of Lessor.

"Original Term" means the period from the Commencement Date until the end of the fiscal year of Lessee in effect at the Commencement Date.

"Purchase Price" means the amount indicated with respect to any date after payment of all Rental Payments (defined below) due through such date, all as set forth in Exhibit E hereto, or Supplemental Exhibit E hereto, as the case may be.

"Renewal Terms" means the renewal terms of this Agreement as provided for in Article IV of this Agreement, each having a duration of one year and a term co-extensive with the Lessee's fiscal year, except the last of such automatic renewal terms which shall end on the due date of the last Rental Payment set forth in Exhibit E to this Agreement.

"Rental Payments" means the basic rental payments payable by Lessee pursuant to the provisions of this Agreement during the Lease Term, payable in consideration of the right of Lessee to use the Equipment during the then current portion of the Lease Term. Rental Payments shall be payable by Lessee to the Lessor or its assignee in the amounts and at the times during the Lease Term, as set forth in Exhibit E of this Agreement.

"Vendor" means the manufacturer of the Equipment as well as the agents or dealers of the manufacturer from whom Lessee has purchased or is purchasing the Equipment.

ARTICLE II COVENANTS OF LESSEE

Section 2.01 Lessee represents, covenants and warrants, for the benefit of Lessor and its assignees, as follows:

(a) Lessee is a public body, corporate and politic, duly organized and existing under the Constitution and laws of the State.

(b) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body, corporate and politic.

(c) Lessee is authorized under the Constitution and laws of the State to enter into this Agreement and the transaction contemplated hereby, and to perform all of its obligations hereunder.

(d) Lessee has been duly authorized to execute and deliver this Agreement under the terms and provisions of the resolution of its governing body, attached hereto as Exhibit A, or by other appropriate official approval, and further represents, covenants and warrants that all requirements have been met, and procedures have occurred in order to ensure the enforceability of this Agreement, and Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment hereunder. Lessee shall cause to be executed and delivered to Lessor an opinion of its counsel substantially in the form attached hereto as Exhibit B.

(e) During the term of this Agreement, the Equipment will be used by Lessee only for the purpose of performing one or more essential governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority and will not be used in a trade or business of any person or entity other than the Lessee.

(f) During the period this Agreement is in force, Lessee will annually provide Lessor with such current financial statements, budgets, proof of appropriation for ensuing fiscal year or such other financial information relating to the decision of Lessee to continue this Agreement as may be reasonably requested by Lessor or its assignee.

(g) The Equipment will have a useful life in the hands of the Lessee that is substantially in excess of the Original Term and all Renewal Terms.

(h) The Equipment is, and during the period this Agreement is in force will remain, personal property and when subjected to use by the Lessee under this Agreement, will not be or become fixtures.

(i) Lessee shall not voluntarily or involuntarily create, incur, assume or suffer to exist any lien, security interest or other encumbrance or attachment of any kind whatsoever on, affecting or with respect to the Equipment.

(j) Lessee shall not give up possession or control of the Equipment.

(k) Lessee shall not change the location of the Equipment without giving prior written notice of the proposed new location to the Lessor and provided that Lessee shall obtain and deliver to Lessor any landlord waivers reasonably requested by Lessor so as to protect Lessor's right, title and interest in and to the Equipment and Lessor's ability to exercise its remedies with regard to the Equipment. The Equipment shall not be used outside of the United States without Lessor's prior written consent.

(l) Lessee shall not alter or modify the Equipment in any manner which would reduce the value or the marketability thereof.

(m) Lessee will take no action that will cause the interest portion of any Rental Payment to become includable in gross income of the recipient for purposes of federal income taxation under the Code, and Lessee will take, and will cause its officers, employees and agents to take, all affirmative action legally within its power to prevent such interest from being includable in gross income for purposes of federal income taxation under Section 103(a) of the United States Internal Revenue Code of 1986 as amended (the "Code"). Lessee represents and warrants that the Lease is to be treated as an obligation of a political subdivision of a state within the meaning of Section 103(c)(1) of the Code.

(n) Lessee is and shall remain in compliance with all laws, rules, regulations and orders applicable to Lessee, including U.S. economic and trade sanctions, and anti-corruption, anti-bribery, anti-money laundering and anti-terrorism laws.

ARTICLE III LEASE OF EQUIPMENT

Section 3.01 Lessor hereby demises, leases and lets to Lessee, and Lessee rents, leases and hires from Lessor, the Equipment, in accordance with the provisions of this Agreement, to have and to hold for the Lease Term.

ARTICLE IV LEASE TERM

Section 4.01. Commencement of Lease Term. The Original Term of this Agreement shall commence on the Commencement Date and shall terminate on the last day of Lessee's fiscal year then in effect. Lessee may renew this Agreement beyond the expiration of the Original Term, or beyond the expiration of any Renewal Term then in effect, up to the number of additional fiscal years provided in Exhibit E of this Agreement by appropriating sufficient funds to make scheduled Rental Payments for the ensuing fiscal year (each a "Renewal Term"). Terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in Exhibit E of this Agreement.

Section 4.02. Termination of Lease Term. The Lease Term will terminate upon the earliest of any of the following events:

(a) The expiration of the Original Term or any Renewal Term of this Agreement and the non-renewal of this Agreement in the event of non-appropriation of funds pursuant to Section 6.07;

(b) The exercise by Lessee of the option to purchase the Equipment before expiration of this Agreement granted under the provisions of Articles IX or XI of this Agreement;

(c) A default by Lessee and Lessor's election to terminate this Agreement under Article XIII; or

(d) Payment by Lessee of all Rental Payments authorized or required to be paid by Lessee hereunder through the full lease term.

Section 4.03. Return of Equipment on Termination. Upon expiration or earlier termination of the Original Term or any Renewal Term under any provision of this Agreement at a time when Lessee does not exercise its option to purchase the Equipment granted under the provisions of Articles IX or XI of this Agreement, Lessee hereby agrees to deliver the Equipment to Lessor packaged or otherwise prepared in a manner suitable for shipment by truck or rail common carrier to a location specified by Lessor. All expenses resulting from the return of Equipment on termination will be borne by Lessee.

ARTICLE V ENJOYMENT OF EQUIPMENT

Section 5.01. Provided that no default or event of default shall have occurred hereunder, Lessor hereby covenants that during the Lease Term Lessor will not interfere with Lessee's quiet use and enjoyment of the Equipment.

Lessor shall have the right at all reasonable times during business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

ARTICLE VI RENTAL PAYMENTS

Section 6.01. Rental Payments to Constitute a Current Expense of Lessee. Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by Lessee.

Section 6.02. Payment of Rental Payments. During the Original Term and during each Renewal Term elected by Lessee, Lessee shall pay Rental Payments, exclusively from any and all legally available funds, in lawful money of the United States of America, exclusively to Lessor or, in the event of assignment by Lessor, to its assignee, in the amounts and on the dates set forth in Exhibit E hereto. Rental Payments shall be in consideration for Lessee's use of the Equipment during the applicable year in which such payments are due. The Rental Payment amounts set forth in Exhibit E are based on the Equipment Cost to be paid by Lessor being the amount set forth in Exhibit E. Lessor shall have no obligation to pay or disburse any amount greater than the amount set forth as the Equipment Cost. Lessee shall not amend any purchase contract, purchase order, or any other agreement that would have the effect of increasing the cost of the Equipment above set forth in Exhibit E as the Equipment Cost without the prior written consent of Lessor. In the event that the actual cost of the Equipment is greater than the amount set forth in Exhibit E, Lessee shall be solely responsible for and hereby agrees to promptly pay such excess to the vendor (s), provided that Lessee may request that Lessor finance such excess, which Lessor may, in its sole discretion elect to do or decline to do. Lessee shall indemnify and hold Lessor harmless from and against any loss, damages, costs and expenses resulting from or relating to any increase in the Equipment Cost. If Lessor, in its sole discretion, elects to finance such excess the amount of each installment of rent will be increased to provide the same yield to Lessor as would have been obtained if the actual cost had been the same as the stated Equipment Cost. In such event, Lessee shall at the request of Lessor execute and deliver an amendment reflecting the increase in the Equipment Cost and the Rental Payments.

Section 6.03. Interest and Principal Components. A portion of each Rental Payment is paid as, and represents payment of, interest, and the balance of each Rental Payment is paid as, and represents payment of principal. Exhibit E hereto sets forth the interest component and the principal component of each Rental Payment during the Lease Term.

Section 6.04. Additional Interest in the Event the Interest is Taxable. Lessee acknowledges that Lessor's yield with respect to this Agreement is dependent upon the full amount of each Rental Payment being excluded from Lessor's income pursuant to the Code. Accordingly, if at any time, as a result of a determination that Lessee has breached a representation or covenant contained herein, or as a result of any change in the Code, any payment of either the interest component or the principal component of any Rental Payment is, in the opinion of counsel for the Lessor, subject to or affected by any income, preference, excess profits, minimum or other federal tax, Lessee shall pay, as additional interest, an amount which is necessary to provide to Lessor the same net income as Lessor would have received but for such event. Lessor's calculations of such additional interest shall be binding upon Lessee in the absence of manifest error.

Section 6.05. Rental Payments to be Unconditional. During the Original Term and during each Renewal Term elected by Lessee, the obligations of Lessee to make payment of the Rental Payments required under this Article VI and other sections hereof and to perform and observe the covenants and agreements contained herein shall be absolute and unconditional in all events, except as expressly provided under this Agreement. Notwithstanding any dispute between Lessee and Lessor, any Vendor or any other person, Lessee agrees to pay all Rental Payments when due and shall not withhold any Rental Payments pending final resolution of such dispute, nor shall Lessee assert any right of set-off or counterclaim against its obligation to make such payments when required under this Agreement. Lessee's obligation to make Rental Payments during the Original Term or the then current Renewal Term elected by Lessee shall not be abated through accident or unforeseen circumstances.

Section 6.06. Continuation of Lease Term by Lessee. Lessee intends, subject to the provisions of Section 6.07, to continue the Lease Term through the Original Term and all the Renewal Terms hereunder. Lessee reasonably believes that legally available funds in an amount sufficient to make all Rental Payments during the Original Term and each of the Renewal Terms can be obtained. The officer of Lessee responsible for budget preparation shall do all things lawfully within his/her power to obtain and maintain funds from which the Rental Payments may be made, including making provision for such payments to the extent necessary in each annual budget submitted and adopted in accordance with applicable provisions of State law, to have such portion of the budget approved, and to exhaust all available reviews and appeals in the event such portion of the budget is not approved. Notwithstanding the foregoing, the decision whether or not to budget and appropriate funds is within the discretion of Lessee's governing body.

Section 6.07. Termination by Nonappropriation. In the event Lessee does not appropriate sufficient funds for the payment of the Rental Payments scheduled to be paid in the next occurring Renewal Term, then Lessee may terminate this Agreement at the end of the then current Original Term or Renewal Term, and Lessee shall not be obligated to make payment of the Rental Payments provided for in this Agreement beyond the end of the then current Original or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination at least 90 days prior to the end of the then current Original or Renewal Term.

Section 6.08. Late Charges. If any Rental Payment is not paid in full to Lessor within fifteen (15) days after the payment first became due and payable, Lessee shall immediately pay to Lessor an additional one time late charge equal to five (5%) percent or, if less the maximum rate permitted by law, of each such amount past due along with the Rental Payment. If any Rental Payment remains unpaid beyond 45 days after it first became due and payable, or if Lessor has elected to exercise any remedies following an event or default, interest shall accrue on past due amounts at the rate of 1% per month or the highest rate allowed by law, whichever is less. Partial payments by Lessee shall be applied first to the accrued interest component of past due Rental Payments and the balance to the remaining principal component of past due Rental Payments.

Section 6.09. Prepayment. Lessee shall have the right to prepay principal components of Rental Payments in whole on any date set forth in Exhibit E by paying the then applicable Purchase Price set forth in Exhibit E on such date.

ARTICLE VII TITLE TO EQUIPMENT

Section 7.01. Title to the Equipment. During the term of this Agreement, title to the Equipment and any and all additions, repairs, replacements or modifications shall vest in Lessee, subject to the rights of Lessor under this Agreement. In the event of default as set forth in Section 13.01 or nonappropriation as set forth in Section 6.07, title to Equipment, shall immediately vest in Lessor, and Lessee will immediately surrender possession of the Equipment to Lessor.

Section 7.02. Security Interest. To secure the payment of all Lessee's obligations under this agreement, Lessee grants to Lessor a security interest constituting a first lien on the Equipment and on all additions, attachments, accessions and substitutions thereto, and on any proceeds therefrom. Lessee hereby authorizes Lessor to prepare and file such financing statements, any amendments thereto and other such documents to establish and maintain Lessor's valid first lien and perfected security interest. Lessee hereby acknowledges the receipt of copies of the financing statements prepared by Lessor and hereby confirms the accuracy of the information contained therein. Lessee further agrees to execute such additional documents, including affidavits, notices and similar instruments, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain its security interest, and upon assignment, the security interest of any assignee of Lessor, in the Equipment.

ARTICLE VIII MAINTENANCE; MODIFICATION; TAXES; INSURANCE AND OTHER CHARGES

Section 8.01. Maintenance of Equipment by Lessee. Lessee agrees that at all times during the Lease Term Lessee will, at Lessee's own cost and expense, maintain, preserve and keep the Equipment in good repair, working order and condition, and that Lessee will from time to time make or cause to be made all necessary and proper repairs, replacements and renewals. Lessor shall have no responsibility in any of these matters, or for the making of improvements or additions to the Equipment.

Section 8.02. Taxes, Other Governmental Charges and Utility Charges. In the event that the use, possession or acquisition of the Equipment is found to be subject to taxation in any form (except for income taxes of Lessor), Lessee will pay during the Lease Term, as the same respectively come due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Equipment and any equipment or other property acquired by Lessee in substitution for, as a renewal or replacement of, or a modification, improvement or addition to the Equipment, as well as all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Equipment; provided that, with respect to any governmental charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as have accrued during the time this Agreement is in effect.

Section 8.03. Provisions Regarding Insurance. At its own expense, Lessee shall cause casualty, public liability and property damage insurance to be carried and maintained, or shall demonstrate to the satisfaction of Lessor that adequate self-insurance is provided with respect to the Equipment, sufficient to protect the Full Insurable Value (as that term is hereinafter defined) of the Equipment, and to protect Lessor from liability in all events. All insurance proceeds from casualty losses shall be payable as hereinafter provided in this Agreement. Lessee shall furnish to Lessor certificates evidencing such coverage throughout the Lease Term. Alternatively, Lessee may insure the Equipment under a blanket insurance policy or policies which cover not only the Equipment but other properties. If Lessee insures similar properties by self-insurance and upon approval by Lessor, Lessee may insure the Equipment by means of an adequate insurance fund.

The term "Full Insurable Value" as used herein shall mean the full replacement value of the Equipment.

Any insurance policy pursuant to this Section 8.03 shall be so written or endorsed as to make losses, if any, payable to Lessee and Lessor as their respective interests may appear. The Net Proceeds (as defined in Section 9.01) of the insurance required in this Section 8.03 shall be applied as provided in Article IX hereof. Each insurance policy provided for in this Section 8.03 shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially and adversely to the interest of Lessor without first giving written notice thereof to Lessor at least 30 days in advance of such cancellation.

Section 8.04. Advances. In the event Lessee shall fail to perform any of its obligations hereunder Lessor may (but shall be under no obligation to) take such action as may be necessary to cure such failure, including, without limitation, the advancement of money; and all amounts so advanced by Lessor shall become additional rent for the then current Original Term or Renewal Term, which amounts, together with interest thereon at the rate of 12% per annum, or if less the maximum rate permitted by law, Lessee agrees to pay.

ARTICLE IX DAMAGE, DESTRUCTION AND CONDEMNATION: USE OF NET PROCEEDS

Section 9.01. Damage, Destruction and Condemnation. If prior to the termination of the Lease Term (a) the Equipment or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty or (b) title to, or the temporary use of the Equipment or any part thereof or the estate of Lessee or Lessor in the Equipment or any part thereof shall be taken under the exercise of the power eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee.

For purposes of Section 8.03 and this Article IX, the term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including attorney's fees) incurred in the collection of such claims or award.

Section 9.02. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 9.01 hereof, Lessee shall either (a) complete the work and pay any cost in excess of the amount of Net Proceeds, and Lessee agrees that if by reason of any such insufficiency of the Net Proceeds, Lessee shall make any payments pursuant to the provisions of this Section 9.02, Lessee shall not be entitled to any reimbursement therefore from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Article VI hereof or (b) if Lessee is not in default hereunder, Lessee shall pay to Lessor the amount of the then applicable Purchase Price, and, upon such payment, the Lease Term shall terminate and Lessor's interest in the Equipment shall terminate as provided in Article XI of this Agreement. The amount of the Net Proceeds in excess of the then applicable Purchase Price, if any, may be retained by Lessee.

ARTICLE X DISCLAIMER OF WARRANTIES; VENDOR'S WARRANTIES; USE OF EQUIPMENT

Section 10.01. Disclaimer of Warranties. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE EQUIPMENT, OR WARRANTY WITH RESPECT THERETO. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement or the existence, furnishing, functioning or Lessee's use of any item of Equipment.

Section 10.02. Vendor's Warranties. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee shall not be in default hereunder, to assert from time to time whatever claims and rights, including warranties of the Equipment, if any which Lessor may have against the Vendor of the Equipment. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the Vendor of the Equipment, and not against the Lessor, nor shall such matter have any effect whatsoever on the rights of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representation or warranties whatsoever as to the existence or availability of such warranties of the Vendor of the Equipment.

Section 10.03. Use of the Equipment. Lessee will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each item of the Equipment) with all laws of the jurisdictions in which its operations involving any item of Equipment may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the items of the Equipment; provided, however, that Lessee may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the reasonable opinion of the Lessor, adversely affect the estate of Lessor in and to any of the items of the Equipment or its interest or rights under this Agreement.

ARTICLE XI OPTION TO PURCHASE

Section 11.01 At the request of Lessee, Lessor's interest in the Equipment and additional Rental Payments will be terminated and this Agreement shall terminate:

- (a) At the end of the final Renewal Term, upon payment by Lessee of all Rental Payments scheduled as set forth in Exhibit E to this Agreement; or
- (b) if the Lease Term is terminated pursuant to Article IX of this Agreement, in the event of total damage, destruction or condemnation of the Equipment; or
- (c) any time when Lessee is not on such date in default under this Agreement, upon payment by Lessee of the then applicable Purchase Price to Lessor.

Upon the occurrence of any of such events, Lessor shall, if requested by Lessee, deliver a Bill of Sale of its remaining interest in the Equipment to Lessee "AS IS - WHERE IS" without additional cost or payment by Lessee.

ARTICLE XII ASSIGNMENT, SUBLEASING, INDEMNIFICATION MORTGAGING AND SELLING

Section 12.01. Assignment by Lessor. This Agreement, and the rights of Lessor hereunder, may be assigned and reassigned in whole or in part to one or more assignees and subassignees by Lessor at any time subsequent to its execution, without the necessity of obtaining the consent of Lessee; provided, however, that no such assignment or reassignment shall be effective unless and until (i) Lessee shall have received notice of the assignment or reassignment disclosing the name and address of the assignee or subassignee, and (ii) in the event that such assignment is made to a bank or trust company as trustee for holders of certificates representing interests in this Agreement, such bank or trust company agrees to maintain, or cause to be maintained, a book-entry system by which a record of names and addresses of such holders as of any particular time is kept and agrees, upon request of the Lessee, to furnish such information to Lessee. Upon receipt of notice of assignment, Lessee agrees to keep a written record thereof, and to make all payments to the assignee designated in the notice of assignment, notwithstanding any claim, defense, setoff or counterclaim whatsoever (whether arising from a breach of this Agreement or otherwise) that Lessee may from time to time have against Lessor, or the assignee. Lessee agrees to execute all documents which may be reasonably requested by Lessor or its assignee to protect their interests in this Agreement.

Section 12.02. No Sale, Assignment or Subleasing by Lessee. This Agreement and the interest of Lessee in the Equipment may not be sold, assigned or encumbered by Lessee without the prior written consent of Lessor.

Section 12.03. Lessee Negligence. To the extent permitted by the laws and Constitution of the State, Lessee shall protect and hold harmless Lessor from and against any and all liability, obligations, losses, claims and damages whatsoever, regardless of cause thereof, and expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest arising out of or as the result of the entering into this Agreement, the ownership of any item of the Equipment, the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Equipment or any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury to or death of any person, to the extent that such liability, obligation, loss, claim or damage arises out of or is proximately caused by the negligent conduct of Lessee, its officers, employees or agents. The obligation of Lessee arising under this paragraph shall continue in full force and effect notwithstanding the full payment of all other obligations under this Agreement or the termination of the Lease Term for any reason.

ARTICLE XIII EVENTS OF DEFAULT AND REMEDIES

Section 13.01. Events of Default Defined. The following shall be "events of default" under this Agreement and the terms "event of default" and "default" shall mean, whenever they are used in this Agreement, any one or more of the following events:

- (a) Failure by Lessee to pay any Rental Payment or other payment required to be paid hereunder at the time specified herein; and
- (b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in Section 13.01 (a), for a period of 30 days after written notice, specifying such failure and requesting that it be remedied as given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to the expiration, provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected.
- (c) The filing by Lessee of a voluntary petition in bankruptcy, or failure by Lessee promptly to lift any execution, garnishment, or attachment of such consequence as would impair the ability of Lessee to carry on its governmental function or adjudication of Lessee as a bankrupt or assignment by Lessee for the benefit of creditors, or the entry by Lessee into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to Lessee in any proceedings instituted under the provisions of the Federal Bankruptcy Statute, as amended, or under any similar acts which may hereafter be enacted.

The foregoing provisions of this Section 13.01 are subject to (i) the provisions of Section 6.07 hereof with respect to nonappropriation; and (ii) if by reason of force majeure Lessee is unable in whole or in part to carry out its agreement on its part herein contained, other than the obligations on the part of Lessee contained in Article VI hereof, Lessee shall not be deemed in default during the continuance of such inability. The term "force majeure" as used herein shall mean, without limitation, the following: acts of God; strikes, lockouts or other employee relations disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or the state wherein Lessee is located or any of their departments, agencies or officials, or any civil or military authority, insurrections; riots; landslides; earthquakes; fires; storms; droughts; floods; or explosions.

Section 13.02. Remedies on Default. Whenever any event of default referred to in Section 13.01 hereof shall have happened and be continuing, Lessor shall have the right at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

- (a) Declare all Rental Payments due or to become due during the Original Term or Renewal Term then in effect to be immediately due and payable, whereupon such Rental Payments shall be immediately due and payable;
- (b) With or without terminating this Agreement, retake possession of the Equipment and sell, lease or sublease the Equipment for the account of Lessee, and apply the proceeds of such sale, lease or sublease to pay the following items in the following order: (i) all cost and expenses of Lessor relating to the implementation of remedies under this Agreement as further provided herein; (ii) the applicable Purchase Price of the Equipment and (iii) the Rental Payments due during the Original Term or Renewal Term then in effect; and
- (c) Take whatever action under the Uniform Commercial Code or under other law or in equity as may appear necessary or desirable to enforce its rights as the owner or secured creditor of the Equipment.

Lessee further agrees that Lessee shall pay to Lessor such further amounts as may be sufficient to reimburse Lessor fully for its costs and expenses as incurred as a result of Lessee's default including, without limitation, Lessor's costs and expenses in enforcing, or endeavoring to enforce, its rights and remedies under the Agreement or incident thereto, including without limitation and to the extent not prohibited by applicable law, the Lessor's reasonable attorney's fees and expenses for enforcing Lessee's obligations hereunder.

Section 13.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy give under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver hereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

ARTICLE XIV MISCELLANEOUS

Section 14.01. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business.

Section 14.02. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 14.03. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 14.04. Amendments. The terms of the Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written instrument signed by the Lessor and the Lessee.

Section 14.05. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14.06. Delayed Closing. In the event of a delayed closing, Lessor shall receive as additional compensation any amount that accrues between the Commencement Date and the Closing Date.

Section 14.07. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

Section 14.08. Captions. The captions or headings in this Agreement are for convenience only and do not define, limit or describe the scope or intent of any provisions of sections of this Agreement.

Section 14.09. Entire Agreement. This Agreement and the executed Exhibits attached hereto constitute the entire agreement between Lessor and Lessee. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations or warranties, express or implied, not specified herein, regarding this Agreement or the equipment leased hereunder.

Section 14.10. Execution of Facsimile. In the interest of time, each party agrees that execution of signature pages of this Agreement by such party followed by transmission of such pages by facsimile/Telecopier will be legally binding upon such party. After each party has executed and transmitted such signature pages, each party agrees to execute hard copies of this Agreement and to promptly forward originals to the other party hereto.

Section 14.11. Correction of Documents. Lessee agrees to execute and deliver, or provide, as required by Lessor, any documents and information, from time to time, that may be necessary for the purpose of correcting any errors or omissions in this Lease or to reflect the true intent of Lessor in this transaction. All such documents and information must be satisfactory to Lessor.

Section 14.12 WAIVER OF JURY TRIAL. Lessee and Lessor hereby irrevocably waive any right to a jury trial with respect to any matter arising under or in connection with this Lease and agree that any dispute shall be determined by a court sitting without a jury.

Section 14.13. Performance Bonds. If requested by Lessor to facilitate payments to vendors in advance of delivery and acceptance, Lessee agrees to require the Equipment manufacturer, and all other contractors and/or subcontractors (collectively, "Contractors") with whom Lessee has contracted for the acquisition of the Equipment, to provide performance bond satisfactory to Lessor conditioned upon the construction of the Equipment as expeditiously as reasonably possible from the date of execution of such Lease and also conditioned upon delivery of possession of the Equipment to the Lessee free and clear of all liens and encumbrances, except the security interest granted to Lessor under the Lease-Purchase Agreement. Each such bond shall be in a form and with a surety acceptable to Lessor and shall name Lessor as a dual obligee. The Lessee shall proceed promptly to pursue diligently any remedies available against a Contractor that is in default under any agreement relating to the acquisition and construction of the Equipment and/or against each surety on any bond securing the performance of such Contractor's obligations with respect to the acquisition and construction of the Equipment. The Lessee and Lessor shall cause the net proceeds recovered by way of the foregoing to be applied, at Lessor's option, to (i) the completion of the Equipment, or (ii) the payment of all rent payments then due plus the then applicable Termination Balance. Any balance of net proceeds remaining after completion of Equipment construction or payment of the outstanding balance owed under the applicable Lease shall be paid promptly to Lessee.

Section 14.14. Time is of the Essence. Lessor and Lessee agree that time is of the essence of all provisions of each Lease entered into under this Agreement.

Any terms and conditions of any purchase order or other document submitted by Lessee in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement will not be binding on Lessor and will not apply to this Agreement. Lessee by the signature below of its authorized representative acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

IN WITNESS WHEREOF, Lessor has executed this Agreement in its corporate name and by its duly authorized officer, and Lessee has caused this Agreement to be executed in its corporate name and by its duly authorized officer. All of the above occurred as of the date first written below; this Agreement shall be binding on Lessee beginning on the date it is accepted and executed by Lessor.

LESSOR: Leasing 2, Inc.

Execute:

By: _____

Title: _____

Date: _____

LESSEE: City of Montebello

Execute:

By: _____

Title: Paul Talbot
Acting City Manager

Date: _____

EXHIBIT A

**RESOLUTION OF GOVERNING BODY
EXTRACT OF MINUTES**

LESSEE: City of Montebello

At a duly called meeting of the governing body of Lessee held on the 15 day of May, 20 19, the following resolution was introduced and adopted.

WHEREAS, the governing body of Lessee has determined that a true and very real need exists for the acquisition of the Equipment described in the Lease-Purchase Agreement by and between Lessee and **Leasing 2, Inc.**; and has further determined that the Equipment will be used solely for essential governmental functions and not for private business use.

WHEREAS, Lessee has taken the necessary steps, including, without limitation to compliance with legal bidding requirements, under applicable law to arrange for the acquisition of such Equipment.

BE IT RESOLVED, by the governing body of Lessee that the terms of said Lease-Purchase Agreement and Escrow Agreement are in the best interest of Lessee for the acquisition of such Equipment, and the governing body of Lessee designates and confirms the following person to execute and deliver, the Lease-Purchase Agreement and Escrow Agreement and any related documents necessary to the consummation of the transactions contemplated by the Lease-Purchase Agreement and Escrow Agreement.

(Signature of Party to Execute
Lease-Purchase Agreement and Escrow Agreement)

Paul Talbot, Acting City Manager
(Print Name) **Lillian G**
2019-05-09 21:33:03

The undersigned further certifies that the above resolution has not been repealed or amended and further certifies that the above and foregoing Lease-Purchase Agreement and Escrow Agreement is the same as the governing body of Lessee.

Secretary/Clerk

Date

Interim

{LETTERHEAD OF LESSEE'S COUNSEL}

EXHIBIT B

OPINION OF LESSEE'S COUNSEL

LESSEE: **City of Montebello**

DATE OF AGREEMENT: **May 15, 2019**

**Leasing 2, Inc.
1720 West Cass Street
Tampa, FL 33606-1230**

Ladies/Gentlemen:

As counsel for **City of Montebello** ("Lessee"), I have examined duly executed originals of the Lease-Purchase Agreement and Escrow Agreement, if applicable (the "Agreement"), between Lessee and Leasing 2, Inc. ("Lessor"), dated as of **May 15, 2019** and the proceedings taken by Lessee to authorize and execute the Agreement. Based upon such examination and upon such other examination as I have deemed necessary or appropriate, I am of the opinion that:

1. Lessee is a public body corporate and politic, legally existing under the laws of the State of **California**.
2. The Agreement has been duly authorized, executed and delivered by Lessee, pursuant to Constitutional, statutory and/or home rule provisions which authorize this transaction and Resolution No. _____, attached as Exhibit A to the Agreement.
3. The Agreement is a legal, valid and binding obligation of Lessee, enforceable in accordance with its terms. In the event the Lessor obtains a judgment against Lessee in money damages, as a result of an event of default under the Agreement, Lessee will be obligated to pay such judgment.
4. Applicable public bidding requirements have been complied with.
5. To the best of my knowledge, no litigation is pending or threatened in any court or other tribunal, state or federal, which questions or affects the validity of the Agreement.
6. The signature of the officer of Lessee which appears on the Agreement is true and genuine; I know said officer and know him/her to hold the office set forth below his/her names.
7. The Equipment leased pursuant to the Agreement constitutes personal property and when subjected to use by Lessee will not be or become fixtures under applicable law.
8. The leasing of the Equipment pursuant to the Agreement is exempt from all sales and use taxes against either the Lessor or the Lessee during the term of the Lease and the Equipment will be exempt from any state and local personal property or other ad valorem taxes during the term of the Lease.

This opinion may be relied upon by the addressee hereof and its successors and assignees of interests in the Lease, but only with regard to matters specifically set forth herein.

Sincerely,

EXHIBIT C

CERTIFICATE AS TO ARBITRAGE

I, **Paul Talbot**, hereby certify that I am duly qualified and acting **Acting City Manager**, of **City of Montebello** (the "Lessee"), and that in my official capacity as such officer, I am responsible for executing and delivering, on behalf of the Lessee, the Lease-Purchase Agreement dated **May 15, 2019** (the "Agreement"), by and between Leasing 2, Inc. ("Lessor") and the Lessee. This Certificate is being issued pursuant to Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated thereunder (the "Regulations"). The following facts, estimates and circumstances are in existence on the date of this Certificate or are reasonably expected to occur hereafter.

1. The Lease provides for the acquisition and financing of certain equipment described therein (the "Equipment") Pursuant to the Agreement, the Lessor is required to lease the Equipment to the Lessee and the Lessee is required to make rental payments with respect thereto, comprising principal and interest, on the dates and in the amounts set forth therein (the "Rental Payments").

2. On the date hereof, Lessor will deposit into escrow to be held for the benefit of Lessee the amount of **\$683,728.33**, which, together with interest earned thereon until disbursed if necessary, will be used to pay the costs of the Equipment in the amount of **\$683,728.33**. In the event any interest income remains in escrow after payment of such Equipment cost, such amount shall be retained by Lessor as additional fee income.

3. The Lessee has entered into or will within six (6) months of the date hereof enter into contracts for the acquisition of the Equipment, which contracts will obligate the payment of all amounts held in escrow.

4. The Equipment will be acquired with due diligence and will be fully acquired on or before May 15, 2020.

5. In any event, all of the spendable proceeds of the Agreement will be expended on the Equipment within three (3) years from the date of execution of the Agreement. No proceeds of the Agreement will be used to reimburse the Lessee for expenditures made prior to the date of the issuance of the Agreement, unless Lessee shall have complied with the requirements of Section 1.150-2 of the Regulations. If applicable, a copy of Lessee's official intent with respect to such reimbursement is attached hereto as attachment 1.

6. The original proceeds of the Agreement, and the interest to be earned thereon, do not exceed the amount necessary for the governmental purpose for which the Agreement is issued.

7. The interest of the Lessee in the Equipment has not been, and is not expected during the term of the Agreement, to be sold or otherwise disposed of by the Lessee.

8. No sinking fund will be maintained by the Lessee with respect to the Rental Payments.

9. The Agreement is not a "hedge bond" within the meaning of Section 149(g) of the Code. The Lessee expects to spend not less than 85% of the spendable proceeds of the Agreement within three years after the date hereof and less than 50% of the proceeds of the Agreement is invested in Nonpurpose investments having a substantially guaranteed yield for four years or more.

10. In the Agreement the Lessee has covenanted to take all actions necessary to ensure that the interest paid under the Agreement remains excludable from gross income under the Code. Such covenant includes, without limitation, the requirement to comply with the requirements of the Code relating to the rebate of arbitrage profit to the United States Government.

11. To the best of the knowledge and belief of the undersigned, the expectations of the Lessee as set forth above, are reasonable; and there are no present facts, estimates and circumstances which would damage the foregoing expectations.

LESSEE: **City of Montebello**

By: _____
Paul Talbot

Title: Acting City Manager

Date: _____

EXHIBIT D
DESCRIPTION OF EQUIPMENT

The Equipment which is the subject of the attached Lease-Purchase Agreement is as follows:

KME Custom Severe Service Pumper, VIN: _____

together with all additions, accessions and replacements thereto.

Lessee hereby certifies that the description of the personal property set forth above constitutes an accurate description of the "Equipment", as defined in the attached Lease-Purchase Agreement.

LOCATION OF THE EQUIPMENT:

_____ 600 North Montebello Blvd.

_____ Montebello, CA 90640

After Lessee signs this Agreement, Lessee authorizes Lessor to insert any missing information or change any inaccurate information (such as the model year of the Equipment or its serial number or VIN) into the Description of Equipment.

LESSEE: **City of Montebello**

By: _____
Paul Talbot

Title: _____
Acting City Manager

Date: _____

EXHIBIT E
PAYMENT SCHEDULE

LESSEE: City of Montebello
EQUIPMENT COST: \$683,728.33
COMMENCEMENT DATE: 5/15/2019
INTEREST RATE: 3.92%

PAYMENT						PURCHASE
<u>NO.</u>	<u>DATE</u>	<u>PAYMENT</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>		<u>PRICE*</u>
1	5/15/2020	\$83,962.32	\$26,802.46	\$57,159.86		\$649,931.34
2	5/15/2021	\$83,962.32	\$24,561.77	\$59,400.55		\$586,837.11
3	5/15/2022	\$83,962.32	\$22,233.24	\$61,729.08		\$521,635.53
4	5/15/2023	\$83,962.32	\$19,813.43	\$64,148.89		\$454,256.22
5	5/15/2024	\$83,962.32	\$17,298.77	\$66,663.55		\$384,626.43
6	5/15/2025	\$83,962.32	\$14,685.52	\$69,276.80		\$312,671.01
7	5/15/2026	\$83,962.32	\$11,969.84	\$71,992.48		\$238,312.28
8	5/15/2027	\$83,962.32	\$9,147.70	\$74,814.62		\$161,469.96
9	5/15/2028	\$83,962.32	\$6,214.94	\$77,747.38		\$82,061.12
10	5/15/2029	\$83,962.32	\$3,167.20	\$80,795.12		\$0.00
Grand Totals		\$839,623.20	\$155,894.87	\$683,728.33		

LESSEE: **City of Montebello**

By: _____
Paul Talbot

Title: _____
Acting City Manager

Date: _____

* After payment of Rental Payment due on such date.

EXHIBIT F

ACCEPTANCE CERTIFICATE

The undersigned, as Lessee under the Lease-Purchase Agreement (the "Agreement") dated **May 15, 2019**, with **Leasing 2, Inc.** ("Lessor"), hereby acknowledges:

1. _____ **Equipment delivered and accepted:** Lessee has received in good condition all of the Equipment described in the Agreement and in Exhibit D thereto and accepts the Equipment for all purposes this _____ day of _____, 20____.
2. _____ **Equipment delivery has not yet taken place:** The Equipment described in the Agreement and in Exhibit D thereto, has not been delivered, but is scheduled to be delivered within 18 months. Lessor has agreed to deposit into an escrow account an amount sufficient to pay the total cost of the Equipment identified in Exhibit D of the Agreement. Exhibit E accurately reflects the Lease Amount. Lessee agrees to execute an Acceptance Certificate and Payment Request Form authorizing payment of the cost of the Equipment, or a portion thereof, for each withdrawal of funds from the Escrow Account. Lessee's obligation to commence Rental Payments as set forth in Exhibit E-Payment Schedule is absolute and unconditional as of the Commencement Date, subject to the terms and conditions of the Agreement. Lessee further acknowledges that the Agreement is not subject to the successful delivery of the Equipment, and that in the event of non-performance by the Vendor, Lessee will retain all responsibility for performance under the Agreement.
3. _____ **Vendor will be paid in full prior to delivery of equipment:** A 100% pre-funding will be made by Lessor to Vendor of the lease amount identified as "Equipment Cost" on the Exhibit E – Payment Schedule of the Agreement. Lessee agrees to indemnify and hold Lessor harmless from and against any and all claims, costs and expenses incurred (including Lessor's attorneys' fees). Lessee further acknowledges that the Agreement is not subject to the successful delivery of the Equipment, and that in the event of non-performance by the Vendor, Lessee will retain all responsibility for performance under the Agreement.

Lessee certifies that Lessee has fully and satisfactorily performed all of its covenants and obligations required under the Agreement, and confirms that the Agreement will commence as defined by "Commencement Date" in the attached Agreement, and it will commence payments in accordance with Article VI of the Agreement.

The undersigned officer of the Lessee hereby reaffirms on behalf of the Lessee in all respects the covenants of the Lessee set forth in Article II of the Agreement and represents that, to the best of his or her knowledge, information and belief, the expectations therein expressed were reasonable as of the Commencement Date, and that there were, and are as of the date on which they were made, and are reasonable as of the Commencement Date, no facts, estimates or circumstances other than those expressed therein that would materially affect the expectations expressed therein.

LESSEE: **City of Montebello**

By:

Paul Talbot

Title:

Acting City Manager

EXHIBIT G

ESSENTIAL USE/SOURCE OF FUNDS LETTER

TO: **Leasing 2, Inc.**

RE: Lease-Purchase Agreement Dated **May 15, 2019**.

Gentlemen:

Reference is made to certain Lease-Purchase Agreement dated **May 15, 2019**, between **Leasing 2, Inc.** and **City of Montebello**, leasing the personal property described in Exhibit D to such Lease. This confirms and affirms that such equipment is essential to the functions of the undersigned or to the service we provide to our citizens.

Further, we have an immediate need for, and expect to make immediate use of, substantially all the Equipment, which need is not temporary or expected to diminish in the foreseeable future. The Equipment will be used by us only for the purpose of performing one or more of our governmental or proprietary functions consistent with the permissible scope of our authority. **Specifically, the Equipment was selected by us to be used as follows:**

Please describe USE of equipment: This equipment is a fire engine and will be utilized as a fire engine in emergency incidents.

Sincerely,

Paul Talbot, Acting City Manager

Date

EXHIBIT H

DESIGNATION OF BANK QUALIFICATION

In consideration of the mutual covenants of the Lessor and Lessee pursuant to the Lease-Purchase Agreement dated **May 15, 2019**, (the "Agreement") between **Leasing 2, Inc.** ("Lessor") and **City of Montebello** ("Lessee"), such Agreement is modified as follows:

Lessee certifies that it reasonably anticipates that it and all of its subordinate entities will not issue more than \$10,000,000 of "qualified tax-exempt obligations" (as that term is defined in Section 265(b)(3)(B) of the Internal Revenue Code of 1986 ("the Code") during the current calendar year .

Further, lessee hereby designates the Agreement as a "qualified tax-exempt obligation" in accordance with Section 265 (b)(3)(B) of the Code so that it is eligible for the exception contained in Section 265 (b)(3) of the Code and further certifies for the purpose of the overall limitation of Section 265 (b)(3)(D) of the Code that it and its subordinate entities have not as of this calendar year issued more than \$10,000,000 of obligations which it has designated for these purposes.

All terms contained herein not otherwise defined shall have the same meaning as such terms are used and defined in the Lease.

LESSEE: **City of Montebello**

By: _____
Paul Talbot

Title: Acting City Manager

Date: _____

EXHIBIT I

NOTICE AND ACKNOWLEDGMENT OF ASSIGNMENT

Leasing 2, Inc. ("Lessor") hereby gives notice to the **City of Montebello** ("Lessee") that Lessor has assigned all rights to payments under the Lease-Purchase Agreement, dated as of **May 15, 2019**, between **Leasing 2, Inc.** ("Lessor") and **City of Montebello** ("Lessee"). **Leasing 2, Inc.** ("Lessor") hereby requests, gives notice and instructs **City of Montebello** ("Lessee") that payments that hereafter come due pursuant to the Lease-Purchase Agreement be paid to **Santander Leasing, LLC** or its Assignee.

Santander Leasing, LLC
P.O. Box 14565
Reading, PA 19612

LESSEE: **City of Montebello**

By: _____
Paul Talbot

Title: _____
Acting City Manager

Date: _____

INSURANCE COVERAGE REQUIREMENT

TO: **Leasing 2, Inc. and/or its Assigns**
1720 West Cass Street
Tampa, FL 33606-1230

FROM: **City of Montebello**
1600 West Beverly Blvd.
Montebello, CA 90640

RE: INSURANCE COVERAGE REQUIREMENTS (Check one):

____ 1. In accordance with Section 8.03 of the Agreement, we have instructed the insurance agent named below (please fill in name, address and telephone number)

NAME: _____

ADDRESS: _____

CITY/ ST/ ZIP: _____

TELEPHONE: _____

to issue:

a. All Risk Physical Damage Insurance on the leased equipment evidenced by a Certificate of Insurance and Long Form Loss Payable Clause naming **Leasing 2, Inc. and/or its Assigns** as Loss Payee.

Coverage Required: Full Replacement Value

b. Public Liability Insurance evidenced by a Certificate of Insurance naming **Leasing 2, Inc. and/or its Assigns** as an Additional Insured.

Minimum Coverage Required:

\$500,000.00 per person

\$1,000,000.00 aggregate bodily injury liability

\$1,000,000.00 property damage liability

____ 2. Pursuant to Section 8.03 of the Agreement, we are self-insured for all risk, physical damage, and public liability and will provide proof of such self-insurance in letterform together with a copy of the statute authorizing this form of insurance.

By: _____
Paul Talbot

Title: _____
Acting City Manager

Date: _____

BILLING INFORMATION

Please indicate below how you would like us to bill you for the lease payments due under this Agreement, including a contact name, if applicable:

Contact Name: Kurt Johnson, Assistant Fire Chief

Company: City of Montebello-Fire Department

Street Address or Box #: 600 North Montebello Boulevard

City, State, Zip: Montebello, California 90640

County: Los Angeles

Telephone: (323) 887-4510

Fax: (323) 887-4502

Email Address: kjohnson@cityofmontebello.com

Invoice Reference: KME Custom Severe Service Pumper

**CUSTOMER IDENTIFICATION PROGRAM
ORGANIZED ENTITY**

Notice: To help the government fight the funding of terrorism and money laundering activities, U.S. Federal law requires financial institutions to obtain, verify and record information that identifies each person (individuals or businesses) who opens an account. **What this means for you: When you open an account or add any additional service, we will ask you for your name, address, federal employer identification number and other information that will allow us to identify you. We may also ask to see other identifying documents.**

CUSTOMER NAME: City of Montebello

CUSTOMER IDENTIFICATION

Taxpayer ID Number: 95-6000746

Business Structure (check one): City Government: ☒ County Government: ☐ Tax District: ☐

Corporation: ☐ Other, description:

We may request certified copies of your organizational documents as part of the identification procedure.

PRIMARY ADDRESS AND REGISTRATION

Address: 600 North Montebello Boulevard

Address:

City: Montebello

State: California

Zip Code: 90640

State of Registration/Organization: California

MAILING ADDRESS (if different from above)

Address:

Address:

City:

State:

Zip Code:

Acknowledgment: The information contained herein is true and correct.

City of Montebello

By: Paul Talbot

Its: Acting City Manager

Internal Escrow Letter

May 15, 2019

Santander Leasing, LLC
P.O. Box 14565
Reading, PA 19612

Re: Lease Purchase Agreement dated **May 15, 2019** (the "Lease") by and between: **City of Montebello** ("Lessee") and Leasing 2, Inc. ("Lessor"), concurrently assigned to Santander Leasing, LLC ("Assignee").

Ladies and Gentlemen:

We have entered into the above referenced Lease for the purpose of financing a **KME Custom Severe Service Pumper** (the "Equipment") in the amount of **\$683,728.33** (the "Financed Amount"). Lessee hereby requests that Assignee retain **\$683,728.33** (the "Retained Amount"). Lessee further requests that Assignee hold the Retained Amount in an internal escrow pending Assignee's receipt of confirmation from Lessee that the Equipment has been delivered, inspected and accepted for all purposes by the Lessee and that payment can be remitted to the vendor of such Equipment. There will be no separate escrow fee charged Lessee for internally escrowing the Retained Amount.

Lessee understands and agrees that interest shall accrue on the entire Financed Amount as of the date hereof, and further understands and agrees that any interest earned on the Retained Amount shall be paid to Assignee in consideration of managing the internal escrow account.

Lessee acknowledges that Assignee may commingle the Retained Amount held by Assignee for the benefit of Lessee with other funds held by Assignee for its own account, so long as Assignee maintains segregation of such amounts on the books and records of Assignee.

Sincerely,

LESSEE: **City of Montebello**

By: _____
Paul Talbot

Title: _____
Acting City Manager

Date: _____

CITY OF MONTEBELLO

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Paul Talbot, Interim City Manager

BY: Bob Franco, Director of Human Resources

SUBJECT: Memorandum of Understanding (MOU) Between the City of Montebello and the Montebello Supervisors' Association (MSA)

DATE: May 15, 2019

RECOMMENDATION

It is recommended that the City Council:

- (1) Approve the attached resolution approving the Memorandum of Understanding with an effective date of May 15, 2019.
- (2) Take such additional, related, action that may be desirable.

BACKGROUND / ANALYSIS

In August 2018, the City and the MSA began discussion for a new Memorandum of Understanding (MOU). The City has met and collectively bargained in good faith with the MSA as to wages, hours, and working conditions. Based upon such collective bargaining, the City and the MSA have drafted an MOU.

On April 25, 2019, the terms and conditions of a tentative agreement were reached between the City and the MSA. The MOU attached to Resolution No. , incorporates the terms and conditions of the agreement. MSA has accepted the terms, conditions and provisions set forth in its MOU, and its authorized representatives have executed that MOU with the City. The MOU has a term of January 1, 2019 through December 31, 2021.

FISCAL IMPACT

Approval of this resolution will have a budget impact of \$8,000 for the MSA for the remainder of FY 2018/19. In subsequent years, funds will be appropriated through the budget process.

SUMMARY

The City Council will consider approval of the attached resolution approving the MOU between the City and the MSA with an effective date of May 15, 2019.

ATTACHMENTS

1. Resolution to Approve MOU between the City and the MSA
2. MOU between the City and the MSA – 1/1/2019 through 12/31/2021

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF MONTEBELLO APPROVING MEMORANDUM OF UNDERSTANDING AND
THE TERMS AND CONDITIONS OF EMPLOYMENT AFFECTING THE
DESIGNATED MONTEBELLO SUPERVISORS' ASSOCIATION (MSA)
EMPLOYEES FOR THE PERIOD OF JANUARY 1, 2019 THROUGH
DECEMBER 31, 2021**

**THE CITY COUNCIL OF THE CITY OF MONTEBELLO DOES RESOLVE AS
FOLLOWS:**

WHEREAS, the City of Montebello values the work of all its employees and seeks to maintain fair and mutually beneficial terms and conditions of employment for the good of the City and the employees, and

WHEREAS, representatives of the City and representatives of the bargaining unit named above have met, conferred, and negotiated in good faith regarding wages, hours and working conditions. As a result of such good faith negotiations, the City and the MSA have developed the Memorandum of Understanding (MOU) attached here.

NOW, THEREFORE, BE IT RESOLVED THAT:

SECTION 1. The MOU between the City of Montebello and the MSA dated January 1, 2019 through December 31, 2021 and attached is hereby approved.

That the City Clerk shall certify to the adoption of this Resolution and distribute copies of the Resolution to the Director of Human Resources and Director of Finance and that the same shall be in full force and effect.

APPROVED AND ADOPTED this 15th day of May 2019.

Jack Hadjinian, Mayor

ATTEST:

APPROVED AS TO FORM:

Irma Barajas, City Clerk

Arnold Alvarez-Glasman,
City Attorney

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
CITY OF MONTEBELLO
AND
THE MONTEBELLO SUPERVISORS' ASSOCIATION (MSA)**

JANUARY 1, 2019 through DECEMBER 31, 2021

Pursuant to Government Code section 3500 et seq., representatives of the City of Montebello ("City") have met and conferred in good faith with representatives of The Montebello Supervisors' Association ("MSA") and have reached agreement to recommend that the City Council take the actions identified in this Memorandum of Understanding ("MOU"). Upon adoption of this MOU by the City Council, all recommendations made herein shall become binding upon the City and MCEA from January 1, 2019 through December 31, 2021.

1. TERM

Three (3) years: January 1, 2019 – December 31, 2021

2. COMPENSATION

A. Salary Increase

a. Classic CalPERS members

- i. Three percent (3%) base salary increase effective first pay period after City Council adoption of this MOU.
- ii. Four percent (4%) base salary increase effective first pay period after January 1, 2020.
- iii. Four percent (4%) base salary increase effective first pay period after January 1, 2021.

b. New CalPERS members ("PEPRA members")

- i. Three percent (3%) base salary increase effective first pay period after City Council adoption of this MOU.
- ii. Four percent (4%) base salary increase effective first pay period after January 1, 2020.
- iii. Four percent (4%) base salary increase effective first pay period after January 1, 2021.

3. ONE-TIME SIGNING BONUS

The City shall provide all MSA Classic CalPERS members employed by the City on the date of City Council adoption of this MOU with a one-time non-PERSable signing bonus in the gross amount of \$500, subject to all applicable taxes and withholdings.

4. LONGEVITY PAY

- A. Beginning the first pay period after MSA ratification and City Council adoption of this MOU, each MSA unit member with ten (10) years of aggregate full-time City service shall be eligible for longevity pay. Longevity pay shall consist of a base salary pay increase at the following eligibility benchmarks and shall not be cumulative:

After 10 years of full-time service	(1.5 %) base salary increase
After 15 years of full-time service	(2.5 %) base salary increase
After 20 years of full-time service	(3.5 %) base salary increase
After 25 years of full-time service	(5.0 %) base salary increase

- B. A one and half (1.5%) percent base salary increase at the completion of ten (10) years of aggregate full-time City service which the unit member shall continue to receive through the completion of the unit member's 14th year.
- C. A two and a half (2.5%) percent base salary increase at fifteen (15) years of aggregate full-time City service which the unit member shall continue to receive through the completion of the unit member's 19th year.
- D. A three and a half (3.5%) percent base salary increase at twenty (20) years of aggregate full-time City service which the unit member shall continue to receive through the completion of the unit member's 24th year.
- E. A five (5.0%) percent base salary increase at twenty five (25) years of aggregate full-time City service and the unit member shall continue to receive thereafter.

1. REPLACE LONGEVITY LEAVE ACCRUAL BONUS

- A. Any longevity leave bonus that has already been granted at the time of this agreement shall remain in the employee's leave bank and is to be used no later than June 30, 2019. Beginning the first pay period after MSA ratification and City Council adoption of this MOU, a longevity pay base salary pay increase shall eliminate and replace the current MSA longevity (anniversary) leave accrual bonus which consists of:

At 10 year anniversary	(80) hours leave accrual bonus
At 15 year anniversary	(80) hours leave accrual bonus
At 20 year anniversary	(80) hours leave accrual bonus
At 25 year anniversary	(80) hours leave accrual bonus
At 30 year anniversary	(80) hours leave accrual bonus

2. EMPLOYEE CALPERS CONTRIBUTION

- A. The City agrees to contribute the entire employee member contribution equal to (8%) of pensionable income to CalPERS for all classic members in the bargaining unit from July 1, 2018 to the first pay period after January 1, 2020 All such contributions shall be paid solely from funds from the Retirement Special Revenue Fund, as codified in Montebello Municipal Code Section 3.28.020. The parties agree that in no event shall General Fund revenues be obligated to pay the employee member contribution to CalPERS.

- B. Effective first pay period after January 1, 2020, the City agrees to pay a portion of the employee member contribution to CalPERS in the amount equal to (4%) of pensionable income for all classic members in the bargaining unit. All such contributions shall be paid solely from funds from the Retirement Special Revenue Fund, as codified in Montebello Municipal Code Section 3.28.020. The parties agree that in no event shall General Fund revenues be obligated to pay the employee member contribution to CalPERS. Effective the first pay period after January 1, 2020, the classic members shall contribute the remaining amount of the employee member contribution, which is equal to (4%) of pensionable income.
- C. Effective the first pay period after January 1, 2021, all classic members in the bargaining unit shall pay the entire amount of the employee member contribution equal to (8%) of pensionable income to CalPERS. Effective the first pay period after January 1, 2021, the City will no longer make any contributions towards the employee member contribution to CalPERS, unless mutually agreed upon by the parties.
- D. Any new members in the bargaining unit considered “New CalPERS members” under the Public Employees’ Pension Reform Act (PEPRA), shall continue to pay their obligatory “half the normal cost.” The City is prohibited by PEPRA from paying any portion of the member contribution for New CalPERS members.
- E. This agreement shall supersede and entirely replace any and all effective side letter agreements between the City and MSA regarding the payment of the employee member contribution.

CITY OF MONTEBELLO

**MONTEBELLO SUPERVISORS’
ASSOCIATION**

By: _____
Paul Talbot
Interim City Manager

By: _____
Ken Reser
MSA President

Date: _____

Date: _____

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
MONTEBELLO APPROVING AND ALLOWING CERTAIN CLAIMS AND
DEMANDS**

**THE CITY COUNCIL OF THE CITY OF MONTEBELLO DOES
HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1. That the reference is hereby made to that certain
Register of Audited Demand Nos. 1468, consisting of ten pages, and
including**

Warrant No. 583048 through 583293;

Warrant No. 1432 and 1434

**on file in the office of the City Clerk, the same having been audited and
approved by the Controller 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 adoption of this
resolution and thence forth and thereafter the same shall be in full force
and effect.**

APPROVED AND ADOPTED THIS 15th DAY OF MAY, 2019.

JACK HADJINIAN, Mayor

ATTEST:

IRMA BARAJAS, City Clerk



City of Montebello
Register of Demands No. 1468
From Payment Date: 4/18/19 - To Payment Date: 5/9/19

CHECK #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR
4331 - General Account					
583048	04/22/2019	\$225.00	PERMITS AND FEES	28120	STATE OF CALIFORNIA
583049	04/22/2019	\$79.79	TRAVEL & MEETINGS	832	FERNANDO PELAEZ
583050	04/22/2019	\$30.26	UTILITY SERVICES	100	PICO WATER DISTRICT
583051	04/22/2019	\$1,400.00	PERMITS AND FEES	13330	STATE WATER RESOURCES CONTROL BOARD
583052	04/23/2019	\$860.76	SUPPLIES	79	INNOVATIVE PLAYGROUNDS COMPANY, INC.
583053	04/25/2019	\$34,950.19	LIABILITY INSURANCE	42330	ALLIANT INSURANCE SERVICES, INC.
583054	04/25/2019	\$651.12	UTILITY SERVICES	657	BIRCH COMMUNICATIONS
583055	04/25/2019	\$973.39	UTILITY SERVICES	657	BIRCH COMMUNICATIONS
583056	04/25/2019	\$663.38	UTILITY SERVICES	657	BIRCH COMMUNICATIONS
583057	04/25/2019	\$647.85	UTILITY SERVICES	657	BIRCH COMMUNICATIONS
583058	04/25/2019	\$427.38	UTILITY SERVICES	657	BIRCH COMMUNICATIONS
583059	04/25/2019	\$118.75	SUPPLIES	28400	LILLIAN GUZMAN
583060	04/25/2019	\$6,029.12	FUEL	19700	SYNCHRONY BANK/PHILLIPS-76-CONOCO-76
583061	04/25/2019	\$1,049.01	SUPPLIES	69680	TRIANGLE SPORTS, INC.
583062	04/30/2019	\$8,810.50	INSURANCE	55860	AFLAC
583063	04/30/2019	\$306.60	SUPPLIES	24200	AAT, INC/ALL AMERICAN TROPHY
583064	04/30/2019	\$775.44	CONTRACT SERVICES	26390	APPLE ONE EMPLOYMENT SERVICES
583065	04/30/2019	\$366.83	ADVERTISING/PRINTING SERVICES	35980	SAEED RADMEHR/ARTE PRINTING
583066	04/30/2019	\$534.92	UTILITY SERVICES	39550	AT&T
583067	04/30/2019	\$52.47	PERMITS AND FEES	2307	CALIFORNIA DEPARTMENT OF TAX & FEES
583068	04/30/2019	\$2,687.31	CONTRACT SERVICES	34760	CALIFORNIA STATE CONTROLLER'S OFFICE
583069	04/30/2019	\$44.45	UTILITY SERVICES	47580	CALIFORNIA WATER SERVICE COMPANY
583070	04/30/2019	\$3,608.82	WATER PURCHASE RESALE	19120	CENTRAL BASIN MUNICIPAL WATER DISTRICT
583071	04/30/2019	\$283.09	UTILITY SERVICES	55830	CHARTER COMMUNICATIONS
583072	04/30/2019	\$813.40	CONTRACT SERVICES	2057	CIGNA BEHAVIORAL HEALTH



City of Montebello
Register of Demands No. 1468
From Payment Date: 4/18/19 - To Payment Date: 5/9/19

CHECK #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR
583073	04/30/2019	\$659.61	SUPPLIES	10000	CLEAN SWEEP SUPPLY CO. INC
583074	04/30/2019	\$300.00	CONTRACT SERVICES	2086	COMMUTER SERVICES GROUP LLC.
583075	04/30/2019	\$2,550.00	CONTRACT SERVICES	2222	ELEVATOR SUPPORT SERVICES, INC.
583076	04/30/2019	\$4,167.00	CONTRACT SERVICES	21260	FLAIR DATA SERVICES, INC.
583077	04/30/2019	\$120.00	CONTRACT SERVICES	1650	GOLDEN STATE ELEVATOR SERVICE INC.
583078	04/30/2019	\$337.87	VEHICLE MAINTENANCE/EXPENSES	270	HARBOR DIESEL AND EQUIPMENT, INC.
583079	04/30/2019	\$1,575.00	CONTRACT SERVICES	2189	HEARD'S INVESTIGATIONS AND POLYGRAPH LLC
583080	04/30/2019	\$1,355.23	VEHICLE MAINTENANCE/EXPENSES	69590	KOVATCH MOBILE EQUIPMENT
583081	04/30/2019	\$1,590.00	CONTRACT SERVICES	750	LIFTECH ELEVATOR SERVICES, INC
583082	04/30/2019	\$3,260.25	CONTRACT SERVICES	11070	LPM CONSULTING, INC.
583083	04/30/2019	\$1,108.89	VEHICLE MAINTENANCE/EXPENSES	31790	MIGUEL ZAVALA
583084	04/30/2019	\$485.17	VEHICLE MAINTENANCE/EXPENSES	13010	PAR WEST TURF SERVICES, INC,
583085	04/30/2019	\$83.22	CONTRACT SERVICES	2198	PATTON SALES CORP
583086	04/30/2019	\$168.94	CONTRACT SERVICES	56260	PRUDENTIAL OVERALL SUPPLY
583087	04/30/2019	\$682.87	TRAINING	2106	KENNETH RESER
583088	04/30/2019	\$80.26	COPIER REPAIR/SERVICES	69730	DE LAGE LANDEN FINANCIAL SERVICES INC.
583089	04/30/2019	\$31,725.33	FUEL	1059	AMBER RESOURCES LLC/SAWYER PETROLEUM
583090	04/30/2019	\$128.45	CONTRACT SERVICES	36350	SHRED-IT USA
583091	04/30/2019	\$248.08	TRAINING	2287	STACEY SMITH
583092	04/30/2019	\$1,106.89	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
583093	04/30/2019	\$5,503.55	UTILITY SERVICES	40520	SOUTHERN CALIFORNIA GAS CO.
583094	04/30/2019	\$109.50	CONTRACT SERVICES	1963	SUEZ WTS SERVICES USA, INC.
583095	04/30/2019	\$644.96	SUPPLIES	69680	TRIANGLE SPORTS, INC.
583096	04/30/2019	\$200.07	UTILITY SERVICES	23610	VERIZON WIRELESS
583097	04/30/2019	\$200.05	UTILITY SERVICES	23610	VERIZON WIRELESS
583098	04/30/2019	\$978.47	UTILITY SERVICES	23610	VERIZON WIRELESS
583099	04/30/2019	\$979.24	UTILITY SERVICES	23610	VERIZON WIRELESS



City of Montebello
Register of Demands No. 1468
From Payment Date: 4/18/19 - To Payment Date: 5/9/19

CHECK #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR
583100	04/30/2019	\$1,412.30	UTILITY SERVICES	23610	VERIZON WIRELESS
583101	04/30/2019	\$3,939.18	CONTRACT SERVICES	20060	WATER REPLENISHMENT DISTRICT
583102	04/30/2019	\$330.00	CONTRACT SERVICES	11820	ADCO SERVICES, INC.
583103	04/30/2019	\$1,317.50	CONTRACT SERVICES	37720	ADVANCED APPLIED ENGINEERING, INC.
583104	04/30/2019	\$950.00	CONTRACT SERVICES	17010	ARROYO BACKGROUND INVESTIGATIONS, LLC
583105	04/30/2019	\$236,254.40	RUBBISH SERVICES	40970	ARAKELIAN ENTERPRISES/ATHENS
583106	04/30/2019	\$27,904.30	LEGAL SERVICES	16710	ATKINSON, ANDELSON, LOYA, RUUD & ROMO
583107	04/30/2019	\$32.83	VEHICLE MAINTENANCE/EXPENSES	74990	AUTOZONE, INC
583108	04/30/2019	\$195.00	CONTRACT SERVICES	983	ABBA TERMITE AND PEST CONTROL, INC.
583109	04/30/2019	\$30,479.04	TRANSIT BUS RENOVATIONS	29460	COMPLETE COACH WORKS
583110	04/30/2019	\$522.50	CONTRACT SERVICES	18840	COOPERATIVE PERSONNEL SERVICES
583111	04/30/2019	\$1,000.00	SUPPLIES	35660	COSTCO
583112	04/30/2019	\$100.00	REFUND	2403	DEVYNE DAWSON
583113	04/30/2019	\$19,493.57	TRANSIT BUS RENOVATIONS	70920	DECALS BY DESIGN, INC.
583114	04/30/2019	\$674.24	MACHINERY & EQUIPMENTS	1914	EXPO IT, LLC.
583115	04/30/2019	\$270.19	VEHICLE MAINTENANCE/EXPENSES	3350	GARVEY EQUIPMENT COMPANY
583116	04/30/2019	\$255.85	CONTRACT SERVICES	70140	GNA-BROOK FIRE PROTECTION, INC.
583117	04/30/2019	\$403.02	SUPPLIES	9470	GRAINGER, INC.
583118	04/30/2019	\$839.38	VEHICLE MAINTENANCE/EXPENSES	22560	H & H AUTO PARTS WHOLESALE
583119	04/30/2019	\$682.70	SUPPLIES	47880	LEHIGH HANSON COMPANY
583120	04/30/2019	\$1,034.93	SUPPLIES	2059	HASA, INC.
583121	04/30/2019	\$7,645.19	CONTRACT SERVICES	9390	HDL SOFTWARE, LLC
583122	04/30/2019	\$2,925.23	VEHICLE MAINTENANCE/EXPENSES	29680	INLAND KENWORTH, INC.
583123	04/30/2019	\$1,129.27	VEHICLE MAINTENANCE/EXPENSES	2367	ALFREDO DE JESUS GONZALEZ/JOE'S BODY SHOP
583124	04/30/2019	\$8,564.59	CONTRACT SERVICES	2152	JOHNSON CONTROLS, INC.
583125	04/30/2019	\$250.00	REFUND	2402	JOHN JOSEPH



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583126	04/30/2019	\$9,584.50	SUPPLIES	26670	LIFE-ASSIST, INC.
583127	04/30/2019	\$19,088.03	BUS TIRES	110	MICHELIN NORTH AMERICA, INC
583128	04/30/2019	\$563.40	CONTRACT SERVICES	934	MISSION COMMUNICATIONS, LLC
583129	04/30/2019	\$250.00	DUES & SUBSCRIPTIONS	2355	MONTEBELLO ROTARY
583130	04/30/2019	\$495.00	CONTRACT SERVICES	26880	SEBASTIAN WATERWORKS, INC./MR. ROOTER
583131	04/30/2019	\$2,700.70	VEHICLE MAINTENANCE/EXPENSES	60710	THE AFTERMARKET PARTS COMPANY, LLC
583132	04/30/2019	\$263.80	SUPPLIES	15620	OFFICE DEPOT
583133	04/30/2019	\$111.14	VEHICLE MAINTENANCE/EXPENSES	1999	OMNISOURCE UNITED, INC.
583134	04/30/2019	\$34,464.00	METROLINK RAILFEEDER PROGRAM	42180	PCAM, LLC
583135	04/30/2019	\$3,635.80	CONTRACT SERVICES	1950	ANDREW PASMANT
583136	04/30/2019	\$511.48	INSURANCE REIMBURSEMENT	42490	LINDA PAYAN
583137	04/30/2019	\$40,471.12	VEHICLE MAINTENANCE/EXPENSES	2191	PERFORMANCE TRUCK REPAIR INC.
583138	04/30/2019	\$1,733.67	INSURANCE REIMBURSEMENT	9340	GEORGE S. SIMONIAN
583139	04/30/2019	\$1,889.65	SUPPLIES	1933	STRICTLY TECHNOLOGY LLC.
583140	04/30/2019	\$402.96	CONTRACT SERVICES	1963	SUEZ WTS SERVICES USA, INC.
583141	04/30/2019	\$480.43	INSURANCE REIMBURSEMENT	27300	ROBERT C. TUFANO
583142	04/30/2019	\$5,668.32	CONTRACT SERVICES	37	U.S. SECURITY ASSOCIATES, INC.
583143	04/30/2019	\$250.00	REFUND	1833	RUBELINDA VAZQUEZ
583144	04/30/2019	\$1,020.00	CONTRACT SERVICES	328	ANNE L. DONOFRIO
583145	04/30/2019	\$10,084.00	PERMITS AND FEES	6390	ZOLL MEDICAL CORPORATION GPO
583146	05/02/2019	\$775.44	CONTRACT SERVICES	26390	APPLE ONE EMPLOYMENT SERVICES
583147	05/02/2019	\$1,587.75	SUPPLIES	35980	SAEED RADMEHR/ARTE PRINTING
583148	05/02/2019	\$6,421.10	UTILITY SERVICES	39550	AT&T
583149	05/02/2019	\$553.36	UTILITY SERVICES	38380	AT&T
583150	05/02/2019	\$318.48	TRAVEL & MEETINGS	55010	CLAY THOMAS BARRIO
583151	05/02/2019	\$911.27	UTILITY SERVICES	47580	CALIFORNIA WATER SERVICE COMPANY
583152	05/02/2019	\$1,279.43	UTILITY SERVICES	55830	CHARTER COMMUNICATIONS



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583153	05/02/2019	\$1,277.83	UTILITY SERVICES	55830	CHARTER COMMUNICATIONS
583154	05/02/2019	\$98.15	UTILITY SERVICES	55830	CHARTER COMMUNICATIONS
583155	05/02/2019	\$281.40	ADVERTISING/PRINTING SERVICES	1354	DAILY JOURNAL CORPORATION
583156	05/02/2019	\$47,221.32	INSURANCE	4110	DELTA DENTAL OF CALIFORNIA
583157	05/02/2019	\$1,797.89	LEASE PAYMENT	2405	YALE CHASE EQUIPMENT AND SERVICES , INC.
583158	05/02/2019	\$25.00	TRAVEL & MEETINGS	263	VO SI LAM
583159	05/02/2019	\$327.27	CONTRACT SERVICES	74640	MISSION LINEN SUPPLY
583160	05/02/2019	\$1,541.45	REIMBURSEMENTS	790	CITY OF MONTEBELLO PETTY CASH
583161	05/02/2019	\$80.26	COPIER REPAIR/SERVICES	69730	DE LAGE LANDEN FINANCIAL SERVICES INC./RICOH
583162	05/02/2019	\$30,714.93	UTILITY SERVICES	14730	SAN GABRIEL VALLEY WATER CO.
583163	05/02/2019	\$14,821.70	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
583164	05/02/2019	\$311.25	UTILITY SERVICES	40520	SOUTHERN CALIFORNIA GAS CO.
583165	05/02/2019	\$171.07	VEHICLE MAINTENANCE/EXPENSES	1601	SUPERIOR BEARING CO., INC.
583166	05/02/2019	\$2,606.90	UTILITY SERVICES	526	T-MOBILE USA, INC.
583167	05/02/2019	\$3,444.91	UTILITY SERVICES	72570	U.S. TELEPACIFIC CORP
583168	05/02/2019	\$54.68	TRAVEL & MEETINGS	18940	TAIVAI (DAVID) TSUEN
583169	05/02/2019	\$200.05	UTILITY SERVICES	23610	VERIZON WIRELESS
583170	05/08/2019	\$685.52	UTILITY SERVICES	2257	AIRESPRING INC.
583171	05/08/2019	\$775.44	CONTRACT SERVICES	26390	APPLE ONE EMPLOYMENT SERVICES
583172	05/08/2019	\$392.01	ADVERTISING/PRINTING SERVICES	35980	SAEED RADMEHR/ARTE PRINTING
583173	05/08/2019	\$623.83	UTILITY SERVICES	39550	AT&T
583174	05/08/2019	\$53.86	UTILITY SERVICES	39550	AT&T
583175	05/08/2019	\$719.98	UTILITY SERVICES	657	BIRCH COMMUNICATIONS
583176	05/08/2019	\$5,156.52	UTILITY SERVICES	47580	CALIFORNIA WATER SERVICE COMPANY
583177	05/08/2019	\$27.44	UTILITY SERVICES	55830	CHARTER COMMUNICATIONS
583178	05/08/2019	\$22.37	MAIL/ POSTAL EXPENSE	22400	FEDERAL EXPRESS CORPORATION



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583179	05/08/2019	\$60.00	CONTRACT SERVICES	23660	DAIOHS USA
583180	05/08/2019	\$3,180.67	SUPPLIES	48400	HOME DEPOT CREDIT SERVICES
583181	05/08/2019	\$4,922.00	CONTRACT SERVICES	2339	MARTIN SOTELO MORALES/M & R BOILER SERVICES
583182	05/08/2019	\$478.91	CONTRACT SERVICES	74640	MISSION LINEN SUPPLY
583183	05/08/2019	\$6,948.81	UTILITY SERVICES	4760	MONTEBELLO LAND & WATER CO.
583184	05/08/2019	\$242.17	SUPPLIES	1120	NESTLE WATERS NORTH AMERICA
583185	05/08/2019	\$78,968.72	UTILITY SERVICES	14730	SAN GABRIEL VALLEY WATER CO.
583186	05/08/2019	\$51,654.76	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
583187	05/08/2019	\$260.37	INSURANCE	1990	STANDARD INSURANCE COMPANY
583188	05/08/2019	\$6,907.19	INSURANCE	58990	VISION SERVICE PLAN
583189	05/08/2019	\$4,972.91	ADVERTISING/PRINTING SERVICES	31600	4 IMPRINT
583190	05/08/2019	\$351.00	PREVENTIVE MAINTENANCE	64600	A TO Z FIRE PROTECTION COMPANY
583191	05/08/2019	\$176.00	CONTRACT SERVICES	24540	AAHS SIGNS
583192	05/08/2019	\$1,700.00	CONTRACT SERVICES	11820	ADCO SERVICES, INC.
583193	05/08/2019	\$40,521.95	ENGINEERING SERVICES	37720	ADVANCED APPLIED ENGINEERING, INC.
583194	05/08/2019	\$16.43	ADVERTISING/PRINTING SERVICES	24200	AAT, INC./ALL AMERICAN TROPHY
583195	05/08/2019	\$52,337.85	LEGAL SERVICES	16120	ALVAREZ-GLASMAN & COLVIN
583196	05/08/2019	\$1,315.00	SUPPLIES	53370	EUROFINS ANA LABORATORIES, INC.
583197	05/08/2019	\$1,771.71	ADVERTISING/PRINTING SERVICES	35980	SAEED RADMEHR/ARTE PRINTING
583198	05/08/2019	\$51,744.56	LEGAL SERVICES	16710	ATKINSON, ANDELSON, LOYA, RUUD & ROMO
583199	05/08/2019	\$1,140.84	VEHICLE MAINTENANCE/EXPENSES	74990	AUTOZONE, INC
583200	05/08/2019	\$1,476.48	CONTRACT SERVICES	1237	AZTECA LANDSCAPE
583201	05/08/2019	\$195.00	CONTRACT SERVICES	983	ABBA TERMITE AND PEST CONTROL, INC.
583202	05/08/2019	\$1,085.00	CONTRACT SERVICES	61240	CARD INTEGRATORS CORPORATION
583203	05/08/2019	\$32.00	CONTRACT SERVICES	58240	STATE OF CALIFORNIA-DEPARTMENT OF JUSTICE
583204	05/08/2019	\$2,074.28	SUPPLIES	37190	CALIFORNIA PRISON INDUSTRY AUTHORITY
583205	05/08/2019	\$21,684.08	CONTRACT SERVICES	52070	TOM CAMACHO



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583206	05/08/2019	\$250.00	REFUND	2417	RAYCE CHAPA
583207	05/08/2019	\$8,129.85	CONTRACT SERVICES	52710	CLEAN ENERGY FUELS
583208	05/08/2019	\$1,945.27	SUPPLIES	10000	CLEAN SWEEP SUPPLY CO. INC
583209	05/08/2019	\$500.00	CONTRACT SERVICES	72	COGRAN SYSTEMS LLC
583210	05/08/2019	\$325.00	CONTRACT SERVICES	34230	PHIL CULBERTSON/COLBY'S TOTAL LAWN CARE
583211	05/08/2019	\$480.00	INCURRED CLAIMS	1643	COMPANY NURSE
583212	05/08/2019	\$20,319.36	TRANSIT BUS RENOVATIONS	29460	COMPLETE COACH WORKS
583213	05/08/2019	\$60.00	REFUND	2414	RAFAEL CONTRERAS
583214	05/08/2019	\$783.00	CONTRACT SERVICES	49400	U.S. MOBILE WIRELESS
583215	05/08/2019	\$808.09	SUPPLIES	13360	DELL MARKETING L.P.
583216	05/08/2019	\$340.00	CONTRACT SERVICES	19300	CARLOS DIAZ/DIAZ WINDOW CLEANING SERVICES
583217	05/08/2019	\$50.00	CONTRACT SERVICES	1569	DISCOVERY BENEFITS
583218	05/08/2019	\$29,952.00	ANIMAL CONVALESCENCE SERVICES	30170	CITY OF DOWNEY
583219	05/08/2019	\$446.00	CONTRACT SERVICES	2222	ELEVATOR SUPPORT SERVICES, INC.
583220	05/08/2019	\$150.00	ADVERTISING/PRINTING SERVICES	2123	ENDEAVOR BUSINESS MEDIA LLC.
583221	05/08/2019	\$412.60	SUPPLIES	7610	EWING IRRIGATION PRODUCTS, INC.
583222	05/08/2019	\$1,991.30	CONTRACT SERVICES	807	FOOTHILL COMMUNICATIONS, LLC
583223	05/08/2019	\$250.00	REFUND	1307	PATRICIA FRIAS
583224	05/08/2019	\$60.00	REFUND	2411	FANNY ALEJANDRA GARCIA
583225	05/08/2019	\$205.93	SUPPLIES	999	GLENDALE PLUMBING AND FIRE SUPPLY, INC.
583226	05/08/2019	\$250.00	REFUND	2423	PABLO GONZALEZ
583227	05/08/2019	\$85.50	SUPPLIES	9470	GRAINGER, INC.
583228	05/08/2019	\$378.43	VEHICLE MAINTENANCE/EXPENSES	22560	H & H AUTO PARTS WHOLESALE
583229	05/08/2019	\$1,262.50	VEHICLE MAINTENANCE/EXPENSES	270	HARBOR DIESEL AND EQUIPMENT, INC.
583230	05/08/2019	\$3,962.50	CONTRACT SERVICES	46870	HDL COREN & CONE
583231	05/08/2019	\$60.00	REFUND	2413	HECTOR HERNANDEZ



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583232	05/08/2019	\$60.00	REFUND	2415	MEDARDA HERNANDEZ
583233	05/08/2019	\$12,036.85	INSTALL SPEED CUSHIONS	43860	MYERS & SONS HI-WAY SAFETY INC.
583234	05/08/2019	\$450.00	CONTRACT SERVICES	29680	INLAND KENWORTH, INC.
583235	05/08/2019	\$726.41	CONTRACT SERVICES	1357	IRON MOUNTAIN INC.
583236	05/08/2019	\$144.84	REFUND	2419	JOSEPH HOLT PLASTERING, INC.
583237	05/08/2019	\$348.00	LEGAL SERVICES	16760	LIEBERT CASSIDY WHITMORE
583238	05/08/2019	\$23,216.97	JANITORIAL SERVICES	1886	LINCOLN TRAINING CENTER AND REHABILITAION WORKSHOP
583239	05/08/2019	\$3,673.30	VEHICLE MAINTENANCE/EXPENSES	1153	LITTLEJOHN - REULAND CORPORATION
583240	05/08/2019	\$483.99	SUPPLIES	1501	MAKAI SOLUTIONS
583241	05/08/2019	\$5,350.00	CONTRACT SERVICES	1797	MARTINEZ CONSULTING SERVICE LLC
583242	05/08/2019	\$593.52	REFUND	2421	MINSON CORPORATION
583243	05/08/2019	\$31,032.89	VEHICLE MAINTENANCE/EXPENSES	54300	SHAK ENTERPRISES, INC./MONTEBELLO TIRE PROS
583244	05/08/2019	\$56,331.34	STREET SWEEPING SERVICES	35250	NATIONWIDE ENVIRONMENTAL SERVICES
583245	05/08/2019	\$3,112.80	VEHICLE MAINTENANCE/EXPENSES	60710	THE AFTERMARKET PARTS COMPANY, LLC
583246	05/08/2019	\$354.65	VEHICLE MAINTENANCE/EXPENSES	70710	NIVEL PARTS & MFG CO., LLC
583247	05/08/2019	\$109.49	SUPPLIES	49850	NORTHERN TOOL & EQUIPMENT CO.
583248	05/08/2019	\$60.00	REFUND	2412	CLAUDIA PALAFOX
583249	05/08/2019	\$362.08	SUPPLIES	523	PC INDUSTRIAL PRODUCTS LLC
583250	05/08/2019	\$109.50	ADVERTISING/PRINTING SERVICES	161	PREMIERE CUSTOM SILKSCREENING
583251	05/08/2019	\$60.00	REFUND	2406	JESSICA RAMOS
583252	05/08/2019	\$59,664.54	STREET STRIPING	2382	SAFE USA, INC.
583253	05/08/2019	\$60.00	REFUND	2416	YAMILETH SALAME
583254	05/08/2019	\$44.86	CONTRACT SERVICES	51850	SECURITY SIGNAL DEVICES INC.
583255	05/08/2019	\$92,272.35	TRAFFIC SIGNAL MAINTENANCE	2361	SIEMENS MOBILITY
583256	05/08/2019	\$1,413.40	VEHICLE MAINTENANCE/EXPENSES	171	ARIZONA MACHINERY
583257	05/08/2019	\$9,464.88	CONTRACT SERVICES	2318	PAUL TALBOT
583258	05/08/2019	\$225.00	CONTRACT SERVICES	9270	TANK SPECIALIST OF CALIFORNIA



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583259	05/08/2019	\$11,998.75	CONTRACT SERVICES	65440	TIERRA WEST ADVISORS
583260	05/08/2019	\$1,438.97	CONTRACT SERVICES	19840	TURF STAR, INC.
583261	05/08/2019	\$507.05	SUPPLIES	45120	ULINE
583262	05/08/2019	\$335.71	CONTRACT SERVICES	57140	UNDERGROUND SERVICE ALERT OF SOUTHERN CA
583263	05/08/2019	\$8,652.00	CONTRACT SERVICES	74850	UNIQUE GENERAL SERVICES
583264	05/08/2019	\$433.62	SUPPLIES	59290	UNIVAR USA INC.
583265	05/08/2019	\$3,033.16	CONTRACT SERVICES	37	U.S. SECURITY ASSOCIATES, INC.
583266	05/08/2019	\$250.00	REFUND	2418	ISABELLE VALENZUELA
583267	05/08/2019	\$380.50	CONTRACT SERVICES	183	WECK LABORATORIES ENVIRONMENTAL SERVICES, INC.
583268	05/08/2019	\$235.43	SUPPLIES	13160	WEST-LITE SUPPLY CO., INC.
583269	05/08/2019	\$26,290.50	CONTRACT SERVICES	1631	YORK RISK SERVICES GROUP, INC.
583270	05/08/2019	\$135.00	REFUND	2424	CELIA ARROYO
583271	05/08/2019	\$95.60	SUPPLIES	74990	AUTOZONE, INC
583272	05/08/2019	\$843.50	CONTRACT SERVICES	18840	COOPERATIVE PERSONNEL SERVICES
583273	05/08/2019	\$12,464.85	TRANSIT BUS RENOVATIONS	70920	DECALS BY DESIGN, INC.
583274	05/08/2019	\$1,091.20	CONTRACT SERVICES	1250	EVISTA INDUSTRIES, INC.
583275	05/08/2019	\$737.88	VEHICLE MAINTENANCE/EXPENSES	33720	ARKAY ACQUISITION LLC/GILLIG
583276	05/08/2019	\$752.00	ADVERTISING/PRINTING SERVICES	5450	JOBS AVAILABLE INC.
583277	05/08/2019	\$2,400.00	CONTRACT SERVICES	1585	DR. ANGELICA LOZA-GOMEZ, M.D., PC
583278	05/08/2019	\$10,306.08	BUS STOP CLEANING	35250	NATIONWIDE ENVIRONMENTAL SERVICES
583279	05/08/2019	\$2,834.16	CONTRACT SERVICES	37	U.S. SECURITY ASSOCIATES, INC.
583280	05/08/2019	\$636.54	UTILITY SERVICES	1732	AT&T CORP.
583281	05/08/2019	\$698.58	UTILITY SERVICES	1732	AT&T CORP.
583282	05/08/2019	\$698.58	UTILITY SERVICES	1732	AT&T CORP.
583283	05/08/2019	\$698.58	UTILITY SERVICES	1732	AT&T CORP.
583284	05/08/2019	\$3,635.21	CONTRACT SERVICES	26390	APPLE ONE EMPLOYMENT SERVICES



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583285	05/08/2019	\$417.00	TRAVEL & MEETINGS	30550	GATEWAY CITIES COUNCIL OF GOVERNMENTS
583286	05/08/2019	\$31.45	UTILITY SERVICES	100	PICO WATER DISTRICT
583287	05/08/2019	\$5,146.30	UTILITY SERVICES	51430	SOUTH MONTEBELLO IRRIGATION DISTRICT
583288	05/08/2019	\$13,062.76	INSURANCE	25850	STANDARD INSURANCE COMPANY
583289	05/08/2019	\$111.99	UTILITY SERVICES	23610	VERIZON WIRELESS
583290	05/08/2019	\$238.77	UTILITY SERVICES	23610	VERIZON WIRELESS
583291	05/08/2019	\$53.99	UTILITY SERVICES	23610	VERIZON WIRELESS
583292	05/08/2019	\$56.03	UTILITY SERVICES	23610	VERIZON WIRELESS
583293	05/08/2019	\$13,164.80	ENGINEERING SERVICES	37720	ADVANCED APPLIED ENGINEERING, INC.
Subtotal		\$1,569,596.02			
6093 - Successor Agency					
1432	05/08/2019	\$1,000.00	CONTRACT SERVICES	40240	ARBITRAGE COMPLIANCE SPECIALISTS, INC
1433	05/08/2019	\$2,050.00	CONTRACT SERVICES	15180	STEARNS, CONRAD AND SCHMIDT CONSULTING ENG.
1434	05/08/2019	\$2,131.59	CONTRACT SERVICES	131	UNITED SITE SERVICES, INC.
Subtotal		\$5,181.59			
Total		<u>\$1,574,777.61</u>			

MINUTES

THE CITY OF MONTEBELLO CITY COUNCIL MET AT THE ABOVE TIME AND PLACE IN A REGULAR SESSION.

OPENING CEREMONIES

1. **CALL MEETING TO ORDER:** Mayor Hadjinian called the meeting to order at the hour of 5:45 p.m.
2. **ROLL CALL:** City Clerk I. Barajas
MEMBERS PRESENT: Cobos-Cawthorne, Jimenez, Torres, Melendez, Hadjinian
MEMBERS ABSENT: None
3. **STATEMENT OF PUBLIC ORAL COMMUNICATIONS FOR CLOSED SESSION ITEMS:**
City Attorney Alvarez-Glasman

ORAL COMMUNICATIONS ON CLOSED SESSION ITEMS

Delia Delgado, MCEA thanked the City Council for listening to the MCEA members regarding their current proposal and for making progress.

Mayor Hadjinian recessed the meeting into Closed Session at the hour of 5:46 p.m. to discuss the following items. Mayor Hadjinian reconvened the meeting at the hour of 7:00 p.m.

CLOSED SESSION

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

4. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
Government Code Section 54956.9(d)(1)
Name of Case: P. Delaree-Ortega v. City of Montebello, Workers Compensation case no. WCAB No. EAMS Case No: ADJ3187237

The City Council received a briefing, no final action, nothing further to report.

5. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
Government Code Section 54956.9(d)(1)
Name of Case: V. Romero v. City of Montebello, Workers Compensation case no. WCAB No. ADJ11767828 (VNO)

The City Council received a briefing from Special Counsel, provided direction, no final action, nothing further to report.

6. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED/POTENTIAL LITIGATION**
Government Code Section 54956.9(d)(2)
One (1) matter

Briefing provided, no action taken.

7. CONFERENCE WITH LABOR NEGOTIATORS

Government Code section 54957.6

Agency designated representative: Paul L. Talbot, Interim City Manager

Employee organization: Montebello City Employees Association, Unrepresented Employees, Montebello Supervisor's Association, Montebello Mid-Management Association, Montebello Police Officers Association, Montebello Police Management Association, Montebello Firefighters Association, Montebello Fire Management Association.

Briefing provided, no final action, nothing further to report.

REGULAR SESSION

8. INVOCATION

CITY CLERK BARAJAS

PLEDGE OF ALLEGIANCE STUDENTS FROM SCHURR HIGH SCHOOL

9. PRESENTATIONS

A. RECOGNITION OF DONATE LIFE MONTH – RACHEL RODRIGUEZ

10. STATEMENT OF PUBLIC ORAL COMMUNICATIONS: City Attorney Alvarez

11. PUBLIC ORAL COMMUNICATIONS ON OPEN SESSION ITEMS (30 MINUTES)

Will Cervera spoke about the AQMD proposed sales tax.

Margot Eiser spoke about open Planning Commission meetings. Ms. Eiser asked that city trees not mutilated when trimming.

Mario Franco spoke about City Council protocols.

Linda Strong spoke about the traffic study for the Montebello Hills and added that a Fiscal Impact Analysis needs to be redone.

Rosa Tamayo stated concerns that Councilmember Cobos-Cawthorne was unable to speak at the last meeting because the Mayor did not allow her to speak.

Edwina Garcia spoke about the February 19, 2019 meeting and asked for verification of mailings to the residents from the Planning Department.

Tila Gregorian welcomed Councilmember Torres to the City Council and asked who the City Attorney was for the Montebello Hills and asked about a new traffic study for the Montebello Hills project.

Maribel Briseno spoke about the need for translation services. Ms. Briseno asked for a response regarding the Wiseguys use of a city facility.

12. STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST

Director D. Sosnowski invited all to attend the City's Eggtravaganza Egg Hunt on April 20, 2019, from 10:30 a.m. to 2:20 p.m.

Mayor Hadjinian also announced that the next Council Meeting scheduled for April 24, 2019 has been rescheduled to Monday, April 22, 2019 at 5:30 p.m.

13. CORRECTIONS TO THE AGENDA – ACTING CITY MANAGER

None.

14. **APPROVAL OF AGENDA:** Councilmember Cobos-Cawthorne moved, seconded by Councilmember Jimenez that all items be approved in a single motion with the exception of Item Nos. 15 and 16. Such approval will also waive the reading of any ordinance. Motion carried unanimously.

NEW BUSINESS

15. PRESENTATION OF FY18 ANNUAL FINANCIAL AUDIT AND RELATED REPORTS

Roger Martinez of Vasquez and Company gave a summary of the audit, and stated that they did not find any material weaknesses.

Councilmember Cobos-Cawthorne asked for clarification between responses from State and City Auditors.

Councilmember Torres asked questions regarding question costs, compliance and internal controls.

Councilmember Melendez asked that the City revisit the City's evergreen contracts.

Rosie Vasquez stated that it was disrespectful to not be given a copy of the auditor's presentation, in order to analyze the document.

Maribel Briseno stated that the City needs a Budget Oversight Committee.

Councilmember Melendez moved, seconded by Councilmember Torres that the City Council:

(1) Receive and file the *Comprehensive Annual Financial Report* for the fiscal year ended June 30, 2018:

(2) Take such additional, related, action that may be desirable.

Motion carried unanimously.

16. REGIONAL ACTIVE TRANSPORTATION PLAN AND GREENWAY NETWORK STUDY AND ADOPTION OF THE CITY'S BICYCLE MASTER PLAN

Councilmember Cobos-Cawthorne stated support of the Master Plan.

Councilmember Torres stated that he is excited about the adoption of the plan as it is one piece of the General Plan.

Councilmember Melendez stated support of the plan.

Carly Carrillo stated support of the project.

Elsa Guerrero stated that she has been cycling in Montebello for eight years and supports the plan

Maribel Briseno, Chair of the Montebello Bicycle Coalition, stated support of the plan.

Councilmember Cobos-Cawthorne moved, seconded by Councilmember Jimenez that the City Council:

- (1) Receive and file a report and presentation on the Regional Active Transportation Plan and Greenway Network Study (Study) conducted by the San Gabriel Valley Council of Government on behalf of the City of Montebello and four other municipalities;
- (2) Approve Resolution No. 19-27 adopting the Bicycle Master Plan (Plan), which is part of the Active Transportation Plan and Greenway Network Study (Chapter 8 of the Draft Plan), and
- (3) Take such additional, related action that may be desirable.

Motion carried unanimously.

CONSENT MATTERS (17 – 22)

17. 2019/2020 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME INVESTMENT PARTNERSHIP (HOME) PROGRAM ANNUAL ACTION PLAN

Councilmember Torres recused himself from the discussion as he serves as an Advisor to the YMCA Youth and Government Committee.

Paul Parzik, YMCA, thanked the City Councilmembers for their consideration to provide financial assistance from CDBG funds.

Councilmember Cobos-Cawthorne asked about verification of services provided by the CDBG recipients. Ana LeNoue, Avant Garde, spoke about how the homeless receive vouchers for motel stays from the San Gabriel Valley Coalition for the Homeless and spoke about the Heart of Compassion Food Distributions.

Councilmember Cobos-Cawthorne moved, seconded by Councilmember Jimenez to receive and file the draft 2019-2020 Annual Action Plan for Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) programs;

- (1) Direct staff to advertise and receive comments for a 30-day public review period, as required by Housing and Urban Development (HUD);
- (2) Set the public hearing for the City Council's consideration and adoption of the Final 2019-2020 Annual Action Plan for May 8, 2019, at 6:30 p.m.; and
- (3) Take such additional, related action that may be desirable.

Motion carried unanimously.

18. ADOPTION OF RESOLUTIONS APPROVING THE CITY OF MONTEBELLO'S PARTICIPATION IN PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAMS AND MEMBERSHIP IN RELATED JOINT POWER AUTHORITIES

Rosie Vasquez stated opposition to the recommendation to approve the Pace Program Joint Powers Agreement and resolutions.

Jeremy gave a brief summary regarding the PACE Program.

Councilmember Cobos-Cawthorne asked who would be obtaining business licenses, and Interim City Manager Talbot replied that all contractors would have to apply for a business license with the City.

Councilmember Melendez moved, seconded by Councilmember Jimenez that the City Council:

ITEM #22

- (1) Adopt the California Statewide Communities Development Authority (CSCDA) Resolution No. 19-28 ("**CSCDA Resolution**") approving the City of Montebello's (the "City") participation in the Open PACE Program adopted by the CSCDA Joint Power Authority (JPA) to which the City is a member;
- (2) Adopt the California Enterprise Development Authority (CEDA) Resolution No. 19-29 ("**CEDA Resolution**") approving the City's participation in the Figtree PACE Program adopted by the CEDA JPA to which the City is a member;
- (3) Adopt the California Municipal Finance Authority (CMFA) Resolution No. 19-30 ("**CMFA JPA Resolution**") which simultaneously: (i) approves the CMFA JPA Agreement; (ii) authorizes the City's membership into the CMFA JPA; and (iii) authorizes the City to implement the CMFA Open PACE Program;
- (4) Adopt two (2) Resolutions for the Golden State Finance Authority, Resolution No. 19-31 ("**GSFA Resolution AB 811**" and Resolution No. 19-32 "**GSFA Resolution SB 555**") which simultaneously: (i) approves the GSFA JPA Agreement No. 3576; (ii) authorizes the City's membership into the GSFA JPA; and (iii) authorizes the City to implement the Ygrene Program which establishes two separate PACE districts under SB 555 and AB 811; and
- (5) Take such additional, related, action that may be desirable.

Motion carried unanimously.

19. **RESOLUTION FOR FY 2019-2020 LEVY OF ANNUAL ASSESSMENTS FOR LANDSCAPE MAINTENANCE FOR THE PROPERTIES LOCATED ALONG NATASHA LANE**

Councilmember Cobos-Cawthorne moved, seconded by Councilmember Jimenez that the City Council:

- (1) Adopt the Resolution No. 19-33 establishing the City's intention for the FY 2019-2020 levy of annual assessments for landscape maintenance for the properties located along Natasha lane;
- (2) Order the City Engineer to prepare and file a preliminary engineer's report; and
- (3) Take such additional, related action that may be desirable.

Motion carried unanimously.

20. **RESOLUTION FOR FY 2019-2020 LEVY OF ANNUAL ASSESSMENTS TO FUND OPERATION AND MAINTENANCE OF THE SEWER PUMP STATION AND STORM WATER PUMP STATION FOR THE PROPERTIES LOCATED ON NATASHA LANE**

Councilmember Jimenez moved, seconded by Councilmember Melendez that the City Council:

- (1) Adopt Resolution No. 19-34 establishing the City's intention for the FY 2019-2020 levy of annual assessments for the operation and maintenance of the sewer and storm drain pump stations servicing the properties located along Natasha Lane;
- (2) Order the City Engineer to prepare and file a Preliminary Engineer's Report; and
- (3) Take such additional, related action that may be desirable.

Motion carried unanimously.

21. STATE AUDIT QUARTERLY UPDATE AND PROGRESS REPORT

Linda Nicklas stated support of the audit and update.

Will Cervera spoke about the Tommy Camacho contract, the street sweeping contract with Nationwide Environmental, the Athens contract, the hotel management contract, and added that all of those contracts can be terminated with a 90 day notice.

Councilmember Melendez thanked staff for the update and progress with improvements regarding the last audit.

Councilmember Cobos-Cawthorne moved, seconded by Councilmember Melendez that the City Council:

- (1) Receive and file the quarterly update on the findings identified in the State audit report; and
- (2) Take such additional, related action that may be desirable.

Motion carried unanimously.

22. AWARD CONTRACT FOR CITYWIDE LANDSCAPE MAINTENANCE, RFP 19-14

Councilmember Torres asked why the lowest bidder, Adco, was not recommended.

Director Sosnowski stated that the winning bidder had more experience and scored higher.

Mayor Hadjinian moved, seconded by Councilmember Cobos-Cawthorne that the City Council:

- (1) Award a three year contract to North Star Landscape, Agreement No. 3592, for an initial year's total amount of \$133,606.74;
- (2) Authorize the Interim City Manager to execute the contract on behalf of the City; and
- (3) Take such additional, related action that may be desirable which includes a review after 12 months and if agreed, the contract will continue for the next two years.

Motion carried unanimously.

23. CERTIFICATION OF SHORT LISTS AND APPROVAL OF BUDGET APPROPRIATION FOR GRANT WRITING AND ARCHITECTURAL SERVICES

Councilmember Torres asked what was considered for creating the lists.

Director D. Sosnowski stated that this is only approval of the lists and budget appropriation, and not approving projects.

Mayor Hadjinian moved, seconded by Councilmember Jimenez that the City Council:

- (1) Certify a short list of the following qualified grant writing firms: Global Urban Strategies, Evans Brooks Associates and Townsend Public Affairs;

ITEM #22

- (2) Certify a short list of the following qualified architectural firms: Nuvis Landscape Architecture, Hirsch & Associates and Richard Fisher Associates;
- (3) Authorize the Interim City Manager to execute contracts as needed with each of the short-listed firms as needed, not to exceed \$50,000 for any one contract;
- (4) Authorize approval of Resolution No. 19-35, a budget appropriation of \$100,000 from the General Fund Reserve to the Recreation Administration's Outside Contracts Account for Grant Writing and Architectural needs; and
- (5) Take such additional, related action that may be desirable.

Motion carried unanimously.

24. ADOPT A RESOLUTION FOR THE LOW CARBON TRANSIT OPERATIONS PROGRAM

Councilmember Cobos-Cawthorne moved, seconded by Councilmember Jimenez that the City Council:

- (1) Adopt Resolution No. 19-36 certifying the City's agreement to comply with all conditions and requirements of California's Low Carbon Transit Operations Program.
- (2) Approve an appropriation in the Transportation Department's Budget for Fiscal Year 2018-2019 for use of allocated LCTOP funding to Montebello Bus Lines' Route 70 Intracity Feeder Enhancement.
- (3) Take such additional, related action that may be desirable.

Motion carried unanimously.

25. MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE CITY OF MONTEBELLO AND SMART-TD

Tom Pate, representing SMART-TD, thanked the City Council and stated support of the new Memorandum of Understanding.

Councilmember Cobos-Cawthorne moved, seconded by Councilmember Jimenez that the City Council:

- (1) Approve Resolution No. 19-37 approving the Memorandum of Understanding with an effective date of April 10, 2019.
- (2) Take such additional, related action that may be desirable.

26. PAYMENT OF BILLS: RESOLUTION APPROVING THE CITY/SUCCESSOR AGENCY WARRANT REGISTER OF DEMANDS DATED APRIL 10, 2019

Councilmember Cobos-Cawthorne moved, seconded by Councilmember Jimenez that the City Council:

- (1) Adopt the Resolution No. 19-38 approving the Warrant Register dated March 27, 2019; and
- (2) Take such additional, related action that may be desirable.

Motion carried unanimously.

27. PUBLIC ORALS - IF NEEDED

COUNCIL ORALS**28. COUNCILMEMBER COBOS-CAWTHORNE**

Councilmember Cobos-Cawthorne congratulated the winners of the recent Bus Rodeo.

- a. Taylor Ranch update and status of committees
Avant Garde was awarded the contract to handle public outreach and a meeting is scheduled for June. The Greenspace project approval will be brought back to a near future meeting.
- b. Next Neighborhood Watch meeting is Tuesday, April 16 at 6:30 p.m.
The next Neighborhood Watch meeting is Tuesday, April 16, 2019 at 6:30 p.m. and Neighborhood Watch signs are available for \$21.00 each.

29. COUNCILMEMBER JIMENEZ

- a. Knock n Talk event with Assemblywoman Cristina Garcia
Assemblywoman Garcia will host a Knock n' Talk event on Saturday, April 27, 2019 at 9:00 a.m. and will provide a legislative update and speak about scholarships.
- b. Code of Conduct
Was not discussed.
- c. Census
Was not discussed.

30. COUNCILMEMBER TORRES

- a. Montebello Centennial Adhoc Committee
Councilmember Torres asked that staff bring back a report to consider forming a Montebello Centennial Adhoc Committee for City's 100th Anniversary in 2020.
- b. City Council Meeting decorum
Councilmember Torres stated that disruptive decorum at City Council meetings reflects negatively on the City.

31. MAYOR PRO TEM MELENDEZ

- a. Public Records Request
Will Cervera spoke about concerns regarding PRA Requests submitted recently, especially how they were processed due to the incompetency by City Clerk staff. Mr. Cervera also asked about a PRA Request submitted one year ago to which he never received a response.
Councilmember Melendez asked that staff look into placing more information online.

32. MAYOR HADJINIAN

None.

ADJOURNMENT

Upon motion carried unanimously, Mayor Hadjinian adjourned the meeting at the hour of 10:15 p.m.

APPROVAL OF MINUTES: Upon motion carried unanimously, the minutes of April 10, 2019, were approved as written on May 15, 2019.

IRMA BARAJAS, City Clerk

MINUTES

OPENING CEREMONIES

1. **CALL MEETING TO ORDER:** Mayor Hadjinian called the meeting to order at the hour of 5:38 p.m.
2. **ROLL CALL:** City Clerk I. Barajas
MEMBERS PRESENT: Jimenez, Torres, Melendez, Cobos-Cawthorne, Hadjinian
STAFF PRESENT: Interim City Manager Talbot, City Attorney Alvarez-Glasman
3. **STATEMENT OF PUBLIC ORAL COMMUNICATIONS FOR CLOSED SESSION ITEMS:**

City Attorney Alvarez-Glasman

ORAL COMMUNICATIONS ON CLOSED SESSION ITEMS

None.

Mayor Hadjinian recessed the meeting into Closed Session at the hour of 5:40 p.m. to discuss the following items. At the hour of 6:50 p.m., Mayor Hadjinian reconvened the meeting.

CLOSED SESSION

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

4. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**
Government Code Section 54956.9(d)(1)
City of Montebello v. All Persons Interested, L.A.S.C. Case No. BC713533

Councilmembers received a briefing, no action taken, nothing to report.
5. **REAL PROPERTY NEGOTIATIONS**
Government Code section 54956.8
Property: 1300 West Olympic Blvd., Montebello, CA
Agency's Negotiator: Paul Talbot, Interim City Manager, Arnold Alvarez-Glasman, City Attorney
Negotiating Party: Wiseguys
Under Negotiation: Price and Terms

Councilmembers received a briefing, no action taken, nothing to report at this time.
6. **CONFERENCE WITH LABOR NEGOTIATORS**
Government Code section 54957.6
Agency designated representative: Paul L. Talbot, Interim City Manager
Employee organization: Montebello Supervisor's Association, Montebello Mid-Management Association, Montebello Police Officers Association, Montebello Police Management Association, Montebello Fire Management Association, Unrepresented Employees

Councilmembers received a briefing, no action taken, nothing to report.

7. REAL PROPERTY NEGOTIATIONS

Government Code section 54956.8

Property: 1345 North Montebello Blvd., Montebello, CA

Agency's Negotiator: Paul Talbot, Interim City Manager, Arnold Alvarez-Glasman, City Attorney

Negotiating Party: Costco

Under Negotiation: Price and Terms

City Councilmembers and Successor Agency Members received a briefing from Legal Counsel. No action taken, direction was provided. Authorization was provided to Interim City Manager to execute all documents if agreement is reached.

CLOSED SESSION FOR SUCCESSOR AGENCY

8. REAL PROPERTY NEGOTIATIONS

Government Code section 54956.8

Property: 1345 North Montebello Blvd., Montebello, CA

Agency's Negotiator: Paul Talbot, Executive Director, Arnold Alvarez-Glasman, General Counsel

Negotiating Party: Costco

Under Negotiation: Price and Terms

City Councilmembers and Successor Agency Members received a briefing from Legal Counsel. No action taken, direction was provided. Authorization was provided to Interim City Manager to execute all documents if agreement is reached.

9. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Government Code Section: 54956.9(d)(1)

Costco Wholesale Corporation v. Montebello Successor Agency, LASC Case No. BC686722

City Councilmembers and Successor Agency Members received a briefing from Legal Counsel. No action taken, direction was provided. Authorization was provided to Interim City Manager to execute all documents if agreement is reached.

REGULAR SESSION

10. INVOCATION City Clerk Barajas

PLEDGE OF ALLEGIANCE Councilwoman Jimenez

11. PRESENTATIONS

A. OATH OF OFFICE – NEW POLICE OFFICER – REMOVED FROM AGENDA

B. OATH OF OFFICE – NEW INVESTMENT COMMITTEE MEMBER ABRAHAM LIM

C. COMMEMORATION OF THE ARMENIAN GENOCIDE – MAYOR HADJINIAN PRESENTED A PROCLAMATION TO THE ARMENIAN NATIONAL COMMITTEE/MONTEBELLO

D. RECOGNITION OF 76 GAS STATION FRANCHISEE - REMOVED FROM AGENDA

12. STATEMENT OF PUBLIC ORAL COMMUNICATIONS: City Attorney Alvarez-Glasman

13. PUBLIC ORAL COMMUNICATIONS ON OPEN SESSION ITEMS (30 MINUTES)

Jim Flournoy thanked the City Council for the presentation to the Armenian National Committee. Mr. Flournoy also spoke about recycled water.

Charmetria Marshall, Library Manager for the Chet Holifield Library, spoke about upcoming parenting workshops at the Library. There are four workshops taking place from 5:00 p.m. to 6:15 p.m. for the next four Mondays.

Edwina Garcia stated concerns regarding Mayor Hadjinian in voting on real estate items on the agenda.

Linda Nicklas stated her condolences to deceased Officer Utsinger's family and the Montebello Police Department. Ms. Nicklas stated that State Auditors and all State Legislative bodies are watching Council meetings. Ms. Nicklas submitted a letter regarding the State Auditors and asked the Council to read the article.

Rosie Vasquez stated concerns regarding a public oral at the last meeting on April 10, 2019, spoken entirely in Spanish and not translated to English, and stated opposition to the two-minute time limit for oral communications announced for Item No. 17.

Tila Gregorian echoed Ms. Nicklas statement regarding the passing of Officer Utsinger, and thanked Councilmember Cobos-Cawthorne and Councilmember Torres for attending the Clean Up Day. Ms. Gregorian also stated concerns regarding a recent trip to Mexico by Councilmembers.

14. STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST

None.

15. CORRECTIONS TO THE AGENDA – INTERIM CITY MANAGER

Councilmember Torres announced that he will soon be making Commission appointments, and that all interested should complete a commission application and turn in to the City Clerk's Office.

16. **APPROVAL OF AGENDA:** Mayor Pro Tem Melendez moved, seconded by Councilmember Torres that all items be approved in a single motion with the exception of Item No. 17, 18, and 25. Such approval will also waive the reading of any ordinance. Motion carried unanimously.

NEW BUSINESS

17. USAGE OF THE MEETING ROOM AT THE GEORGE HENSEL AQUATICS CENTER BY THE CITY OF MONTEBELLO BAND, "THE WISE GUYS"

Director D. Sosnowski gave a brief summary on the item and stated that use of the bandroom was not included in the original agreement.

Maribel Briseno asked about liability insurance, business license and asked that Council prepare a more favorable contract.

Linda Nicklas, co-founder of Match 90640, stated that the group was charged \$60 per hour for townhall and cannabis meetings held at a city facility.

Matthew de la Torre, Montebello resident and Montebello Unified School District employee, representing Ms. Gina Andujo, Principal of Montebello Park Elementary, stated read a letter from the Ms. Andujo, thanking and recognizing the Montebello Wiseguys for donations, volunteer hours and entertainment provided to the school.

Gilbert Espino, Montebello Reporter, stated support of the Wiseguys using the City facility for practice.

Rosie Vasquez stated opposition to the Wiseguys using a City facility at no cost for practice.

Linda Nicklas spoke on behalf of Rosa Tamayo and stated opposition to the Wiseguys using the City facility without paying \$60 per hour.

Bobby Guzman was not present to speak.

Edwina Garcia stated the Wiseguys should not get a free ride.

Pilar Kadeci spoke in support of the Wiseguys because of their community involvement which bring positivity to the City.

Charles Hargett spoke congressional and other awards received by the Wiseguys.

Alexandra Briseno stated the the Wiseguys Band were freeloaders and that they should pay for the use of the bandroom.

Nathan Benner spoke about expenses for instruments and travel, and stated support of the Wiseguys.

Joshua Escutia, a five-year member of the Wiseguys stated that there is a central hub here in Montebello for music education and it is growing in the community.

Ruben Beas stated support of the Wiseguys and spoke about their participation in community events.

Michael Casillas, lifelong resident, spoke about how Art Barajas recruited him to play for the Wiseguys while at Schurr High School.

McKayla Kadeci stated her support of the Wiseguys and stated that she like the Wiseguys music.

Tusuya Koyama, 26 year member of the Wiseguys, spoke about his love for Montebello and the Wiseguys, and that they always be sure to mention that they are the City of Montebello Band.

Michele Barajas spoke about altruism, and stated support of the Wiseguys who are the epitome of altruism.

Jason Garcia, parent of a Wiseguys Band member, stated his son has excelled in music, and supports the Wiseguys Band as they are a positive influence in the community.

Carlos Illingworth, Sr. stated support of the Wiseguys Band.

Terry Illingworth stated support of the Wiseguys Band as the City Band and stated that everyone enjoys listening to the band.

Arturo Barajas, Jr. stated that he is one of the youngest members of the Wiseguys and knows that they make a big impact in the community.

Francisco Lopez, resident and alumni of Schurr High School and has been a member of the Wiseguys since 2011. He stated that he has received lessons himself from the Wiseguys and now gives keyboard lessons to students.

Antonio Castro, Schurr High School Music Director stated that there are many benefits to youth after High School and that the Wiseguys are not freeloaders.

Frank Barajas spoke in support of the Wiseguys, the official City Band of Montebello and stated that they are not funded by the City.

Jorge Lopez, member of the Wiseguys, was approached by Mr. Art Barajas at the age of 16 and became a trombone player and has been blessed playing for the Wiseguys as it also helps him with finding a job.

Art Barajas stated that it's a shame that the use of the band room became an issue 20 years after the band became the City Band, and during the last election.

Adriana Perales, a teacher, parent and resident of the City, stated that music gives more confidence to those who play music and is also a positive effect in other school studies.

Councilmember Jimenez states that she visited the band room and stressed the importance for the opportunity to read and play music, and would appreciate lessons by the Wiseguys offered to girls as well.

Councilmember Torres spoke about costs incurred by the band members, and spoke about embracing the Wiseguys as the City Band.

Mayor Pro Tem Melendez stated his hope that an agreement could be reached that that he appreciated the opportunities given to students and band members.

Mayor Hadjinian read a letter from Dr. Carlos Haro, Montebello Ashiya Sister City Association Board Member and Beverly Hospital Board Member, stating support of the Wiseguys, and that self-proclaimed watchdogs are looking for issues to create.

Councilmember Melendez spoke about liability issues if the band room is rented to others besides the Wiseguys.

Councilmember Cobos-Cawthorne asked that the band commit to five events per year for the City.

City Attorney Alvarez-Glasman stated that he would craft an agreement with the provisions below.

Councilmember Torres moved, seconded by Mayor Pro Tem Melendez that the City Council direct staff to prepare an agreement with the City of Montebello Band, the Wiseguys, as follows with the following provisions, regarding the Wise Guys Band's usage of the meeting room at the George Hensel Aquatics Center:

- (1) Provide three performances or more for the City of Montebello annually at no charge; and
- (2) Documents lessons provided to students for review by staff; and
- (3) Provide music lessons to 2nd Grade to Middle School aged children, as well as High School Students; and
- (4) Notify City staff when the City of Montebello Band is used at various performances; and
- (5) Obtain Liability Insurance; and
- (6) The City of Montebello Band, the Wiseguys will have exclusive use of the band room at no cost.

Motion carried on the following roll call vote as follows:

AYES: Jimenez, Torres, Melendez, Hadjinian
NOES: Cobos-Cawthorne

CONSENT MATTERS (18-25)

18. RESOLUTION ADOPTING A LIST OF PROJECTS FOR FY 2019/20 SB 1 (THE ROAD REPAIR AND ACCOUNTABILITY ACT)

Assistant City Manager Batson gave a brief summary of the project.

Councilmember Cobos-Cawthorne stated that the Street Adhoc Committee drove through City to survey the streets.

Mayor Hadjinian stated that the streets that need immediate attention made the list.

Councilmember Cobos-Cawthorne motioned, seconded by Councilmember Jimenez that the City Council:

(1) Adopt Resolution No. 19-39 which includes a list of projects for the Fiscal Year 2019/20, in accordance with the requirements of SB 1 – The Road Repair and Accountability Act (RMRA);

(2) Take such additional, related action that may be desirable.

Motion carried unanimously.

19. CITY COUNCIL REORGANIZATION RELATED APPOINTMENTS

Mayor Pro Tem Melendez motioned, seconded by Councilmember Torres that the City Council consider the following actions:

(1) Adopt Resolution No. 19-40 designating a member, and an alternate member of the Board of Directors of Sanitation Districts Nos. 2 and 15 of Los Angeles County; and

(2) Adopt Resolution No. 19-41 designating a member, and an alternate member of the Los Angeles County-City Selection Committee; and

(3) Take such additional, related action that may be desirable.

Motion carried unanimously.

20. MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF MONTEBELLO AND THE MONTEBELLO CITY EMPLOYEES' ASSOCIATION

Delia Delgado, representative for the Montebello City Employees Association, thanked Interim City Manager Talbot and Director B. Franco for their involvement in preparing the Memorandum of Understanding.

Councilmember Torres moved, seconded by Councilmember Cobos-Cawthorne that the City Council:

(1) Approve Resolution No. 19-42 approving the Memorandum of Understanding Agreement No. 3580 with an effective date of April 22, 2019;

(2) Take such additional, related action that may be desirable.

Motion carried unanimously.

21. MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF MONTEBELLO AND THE MONTEBELLO FIREFIGHTERS' ASSOCIATION

Councilmember Cobos-Cawthorne moved, seconded by Councilmember Jimenez that the City Council:

- (1) Approve Resolution No. 19-43 approving the Memorandum of Understanding Agreement No. 3581 with an effective date of April 22, 2019;
- (2) Take such additional, related action that may be desirable.

Motion carried unanimously.

22. CONTINUATION OF CALPERS CONTRIBUTIONS

Councilmember Melendez moved, seconded by Councilmember Torres that the City Council:

- (1) Approve the Resolution No. 19-44 continuing the CalPERS Contributions for non-represented classic member employees;
- (2) Approve the side letters, substantially in form, for non-safety and safety units, during the City's labor negotiations with the various employee organizations as follows: Montebello Mid Management Association Agreement No. 3582; Montebello Police Officers Association Agreement No. 3583; and Montebello Police Management Association Agreement No. 3584, Montebello Fire Management Association Agreement No. 3585, Montebello Fire ; and Montebello Supervisors Association Agreement No. 3587.
- (3) Take such additional, related action that may be desirable.

Motion carried unanimously.

23. MONTHLY INVESTMENT REPORT: MARCH 2019

Councilmember Melendez moved, seconded by Councilmember Torres that the City Council:

- (1) Approve and file said report; and
- (2) Take such additional, related action that may be desirable.

Motion carried unanimously.

24. PAYMENT OF BILLS: RESOLUTION APPROVING THE CITY/SUCCESSOR AGENCY WARRANT REGISTER OF DEMANDS DATED APRIL 22, 2019

Councilmember Melendez moved, seconded by Councilmember Torres that the City Council:

- (1) Adopt the proposed resolution approving the Warrant Register dated April 22, 2019; and
- (2) Take such additional, related action that may be desirable.

Motion carried unanimously.

25. APPROVAL OF MINUTES: REGULAR MEETINGS OF MARCH 13 AND MARCH 27, 2019

Councilmember Cobos-Cawthorne stated that there were two typographical errors in the minutes of March 27, 2019 and asked that they be corrected, as she verified the errors by listening to the DVD recording of the Council meeting.

Councilmember Cobos-Cawthorne moved, seconded by Councilmember Melendez that the City Council:

- (1) Approve the minutes as written with corrections; and
- (2) Take such additional, related action that may be desirable.

Motion carried unanimously.

26. PUBLIC ORALS – IF NEEDED

COUNCIL ORALS

27. COUNCILMEMBER JIMENEZ

None.

28. COUNCILMEMBER TORRES

None.

29. MAYOR PRO TEM MELENDEZ

Translation Services

Rosie Vasquez stated support of translation services for council meetings.

Councilmember Torres asked if translators have to be certified in the particular language.

Interim City Manager Talbot stated that some employees are certified in Spanish and other languages, so they can assist with translations.

Councilmember Cobos-Cawthorne stated that there are students at Pasadena City College and Cal State Los Angeles that may come to meetings to translate.

30. COUNCILMEMBER COBOS-CAWTHORNE

- a. Welcome Home Petty Officer Raul A. Guerra April 24-25, 2019
Councilmember Cobos-Cawthorne announced funeral services for Petty Officer Raul A. Guerra, as his body comes home to Montebello after being killed in Vietnam more than 50 years ago.
- b. Little Free Library
Councilmember Cobos-Cawthorne spoke about the Little Free Library
- c. Cal OES Fire and Rescue Division : Delivers New Engines For Mutual Aid System
Councilmember Cobos-Cawthorne spoke about the new fire engine recently delivered to the Fire Department.
- d. Drones for Montebello Fire Department and fire service

31. MAYOR HADJINIAN

Reschedule May 8, 2019 City Council Meeting to May 15, 2019.

Rosie Vasquez asked why the meeting should be changed.

Mayor Hadjinian asked that the meeting on May 8, 2019 be moved to May 15, 2019 as he will be going to Washington DC as a representative of ACE.

Motion carried 3-2 to move meeting as follows:

AYES: Jimenez, Melendez, Hadjinian

NOES: Torres, Cobos-Cawthorne

ADJOURNMENT

Chief Keller read a statement regarding the passing of Montebello Police Officer Kenneth Utsinger. Mayor Hadjinian adjourned the meeting at the hour of 9:47 p.m. in memory of Officer Kenneth Utsinger.

APPROVAL OF MINUTES: Upon motion carried, the minutes of April 22, 2019 were approved as written on May 15, 2019.

IRMA BARAJAS, City Clerk