CITY OF MONTEBELLO
CITY COUNCIL
REGULAR MEETING

WEDNESDAY, JUNE 10, 2026 AT 6:00 PM

CITY HALL COUNCIL CHAMBERS
1600 WEST BEVERLY BOULEVARD
MONTEBELLO, CALIFORNIA

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

CITY MANAGER
Raul Alvarez

CITY TREASURER
David Matanga

CITY ATTORNEY
Arnold M. Alvarez-Glasman

CITY CLERK
Christopher Jimenez

DEPARTMENT HEADS

Assistant City Manager	**Angelica Palmeros**
Fire Chief	**Fernando Pelaez**
Police Chief	**Luis Lopez**
Director of City Clerk Services	**Kimberly Guillen**
Director of Finance	**Michael Solorza**
Director of Human Resources	**Ramon Figueroa**
Director of Planning/Community Development	**Joseph Palombi**
Director of Public Works	**Cesar Roldan**
Director of Recreation and Community Services	**David Sosnowski**
Director of Transportation	**John Soria**

NOTICES

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

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

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

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

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

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

OPENING CEREMONIES

CALL TO ORDER - 6:00 P.M.

ROLL CALL

ANNOUNCEMENT OF CLOSED SESSION ITEMS

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

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

1. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
   Government Code Section 59456.9(d)(4)
   Consideration of initiation of litigation in one matter

2. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
   Government Code Section 54956.9(d)(1)
   T. Gomez v. City of Montebello
   Case No. ADJ18947629, ADJ18947625

3. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
   Government Code Section 54956.9(d)(1)
   Michael Chee v. City of Montebello
   Case No. 24STCV01736

REGULAR SESSION - 7:00 P.M.

CLOSED SESSION REPORT

INVOCATION

PLEDGE OF ALLEGIANCE

CORRECTIONS TO THE AGENDA - CITY MANAGER

CEREMONIAL ITEMS/PRESENTATIONS

4. **ATHENS SCHOLARSHIP PRESENTATION**
5. **CERTIFICATES OF RECOGNITION FOR SCHURR HIGH SCHOOL BASEBALL TEAM**
6. **CERTIFICATE OF RECOGNITION CELEBRATING CAL WATER'S 100TH ANNIVERSARY**
7. **ADVENTIST WHITE MEMORIAL MONTEBELLO UPDATE/ INTRODUCTION TO NEW HOSPITAL PRESIDENT, DANIEL FONTOURA**

8. ARMY CORP OF ENGINEERS' WHITTIER DAM PROJECT UPDATE

9. PROCLAMATION FOR LGBTQ PRIDE MONTH

10. PROCLAMATION FOR JUNETEENTH

11. PROCLAMATION FOR POST-TRAUMATIC STRESS DISORDER

12. PROCLAMATION FOR NATIONAL SCLERODERMA AWARENESS MONTH

13. PROCLAMATION FOR NATIONAL GUN VIOLENCE AWARENESS MONTH

PUBLIC COMMENTS ON NON-AGENDA ITEMS (30 MINUTES)

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

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

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

STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST

REGULAR BUSINESS

14. ADOPTION OF FISCAL YEAR 2026-27 OPERATING AND CAPITAL BUDGET

RECOMMENDATION: It is recommended that the City Council:

1. Approve Resolution No. 26-41 adopting the Fiscal Year 2026-27 operating and capital budgets for all funds; and,
2. Approve Resolution No. 26-42 adopting the compensation plan, table of organization and salary matrix for Fiscal Year 2026-27 and,
3. Approve Resolution No. 26-43 establishing a Fiscal Year 2026-27 appropriations limit per Government Code Section 7190 (Gann Limit); and,
4. Approve necessary amendments to the Fiscal Year 2025-26 budget as outlined in Attachment F; and,
5. Take such additional, related action that may be desirable.

CONSENT CALENDAR

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

15. AUTHORIZE INCREASING THE NOT TO EXCEED AMOUNT ON THE BLANKET PURCHASE ORDER WITH LIFE-ASSIST, INC. FOR EMERGENCY MEDICAL SUPPLIES

RECOMMENDATION: It is recommended that the City Council:

1. Authorize increasing the not-to-exceed amount on the blanket purchase order with Life-Assist, Inc. by $25,000 for emergency medical supplies; and
2. Amend the Fiscal Year 2025-26 budget by increasing appropriations by $25,000 in Account No. 100-85-860-6000.50 (General Fund, Fire, Suppression, Supplies-Medical); and
3. Take such additional, related action that may be desirable.

16. ADOPT RESOLUTION NO. 26-35 APPROVING THE FISCAL YEAR 2026-27 PROJECT LIST FOR SENATE BILL 1 / ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017 (SB1/RMRA) FUNDED PROJECTS

RECOMMENDATION: It is recommended that the City Council:

1. Adopt Resolution No. 26-35 approving the Fiscal Year 2026-27 project list for Senate Bill 1/Road Repair and Accountability Act of 2017 funded projects; and
2. Authorize staff to submit the resolution and project list to the California Transportation Commission (CTC); and
3. Take such additional, related action that may be desirable.

17. APPROVE AMENDMENT NO. 1 TO AGREEMENT NO. 4313 WITH WEST AND ASSOCIATES ENGINEERING

RECOMMENDATION: It is recommended that the City Council:

1. Approve Amendment No. 1 to Agreement No. 4313 between the City of Montebello and West and Associates for a one (1) year extension to June 30, 2027 and increase the not-to-exceed amount from $114,800 to $145,300; and
2. Authorize the City Manager to execute Amendment No. 1 on behalf of the City; and
3. Take such additional, related action that may be desirable.

18. APPROVE AMENDMENT NO. 2 TO AGREEMENT NO. 4000 WITH LOCHNER

RECOMMENDATION: It is recommended that the City Council:

1. Approve Amendment No. 2 to Agreement No. 4000 between the City of Montebello and Lochner, formally known as KOA, for a One (1) Year Extension; and
2. Authorize the City Manager to execute Amendment No. 2 on behalf of the City; and
3. Take such additional, related action that may be desirable.

19. AWARD PROFESSIONAL SERVICES AGREEMENT NO. 4513 TO J&S STRIPING COMPANY, INC. FOR THE PROVISION OF CITYWIDE STRIPING SERVICES

RECOMMENDATION: It is recommended that the City Council:

1. Award Professional Services Agreement No. 4513 to J&S Striping Company, Inc. for the provision of Citywide street striping, pavement marking, and roadway legend services in a not-to-exceed amount of $650,000 per year; and
2. Take such additional, related action that may be desirable.

20. APPROVE SUBMISSION OF AN APPLICATION FOR THE FISCAL YEAR 2025 ASSISTANCE TO FIREFIGHTERS GRANT (AFG) PROGRAM FOR FIRE DEPARTMENT EQUIPMENT

RECOMMENDATION: It is recommended that the City Council:

1. Authorize submission of an application to the Federal Emergency Management Agency (FEMA) for the Fiscal Year 2025 Assistance to Firefighters Grant (AFG) Program for the purchase of fire department equipment; and
2. Take such additional, related action that may be desirable.

21. ACCEPTANCE OF STATE HOMELAND SECURITY PROGRAM (SHSP) GRANT FUNDING AND APPROVAL OF SUBRECIPIENT AGREEMENT NO. 4424 WITH THE COUNTY OF LOS ANGELES

RECOMMENDATION: It is recommended that the City Council:

1. Approve the use of grant funding awarded from the U.S.Department of Homeland Security, State Homeland Security Program (SHSP) in the amount of $50,000; and
2. Approve purchase of one (1) vehicle utilizing the 2024 State Homeland Security Program (SHSP) grant funding; and

3. Authorize the City Manager to execute Subrecipient Agreement No. 4424 between the County of Los Angeles and the City of Montebello; and,
4. Take such additional, related action that may be desirable.

22. AUTHORIZE INCREASING THE NOT TO EXCEED AMOUNT ON THE BLANKET PURCHASE ORDER WITH GRAINGER

RECOMMENDATION: It is recommended that the City Council:

1. Authorize increasing the not to exceed amount on the existing blanket Purchase Order with Grainger by $10,000; and
2. Take such additional, related action that may be desirable.

23. ACCEPTANCE OF BUREAU OF JUSTICE ASSISTANCE (BJA), PATRICK LEAHY BULLETPROOF VEST PARTNERSHIP (BVP) GRANT PROGRAM FUNDING

RECOMMENDATION: It is recommended that the City Council:

1. Approve the use of funding awarded to the Police Department by the Bureau of Justice Assistance (BJA), Patrick Leahy Bulletproof Vest Partnership (BVP) grant program in the amount of $7,295; and
2. Take such additional, related action that may be desirable.

24. ANNUAL APPROVAL OF CITY'S INVESTMENT POLICY

RECOMMENDATION: It is recommended that the City Council:

1. Adopt Resolution No. 26-44 approving the Investment Policy Statement for the City and Successor Agency as required by Government Code Section 53601 et al; and,
2. Take such additional, related action that may be desirable.

25. APPROVAL OF MINUTES: MAY 27, 2026, CITY COUNCIL MEETING

RECOMMENDATION: It is recommended that the City Council:

1. Approve said Minutes as is.

26. PAYMENT OF BILLS: ADOPT RESOLUTION NO. 26-38 APPROVING THE CITY WARRANT REGISTER OF DEMANDS DATED JUNE 10, 2026

RECOMMENDATION: It is recommended that the City Council:

1. Adopt Resolution No. 26-38 approving the Warrant Register dated June 10, 2026.

PUBLIC COMMENTS - CONTINUED

AB 1234 TRAVEL REPORTS
Members will provide a brief report on meetings attended at the expense of the local agency as required by Government Code Section 53232.3(d).

COUNCIL/AGENCY ORALS
Announcements and requests for future agenda items.

- **Ric Alonzo, Councilmember**
- **Danielle Romero, Mayor Pro Tem**
- **Scarlet Peralta, Councilmember**

- **Salvador Melendez, Councilmember**

- **Georgina Tamayo, Mayor**

CLOSED SESSION - CONTINUED

ADJOURNMENT

The City of Montebello will adjourn to the next **Regular Meeting on June 24, 2026, at 6:00 p.m.,** which can be live-streamed at https://www.montebelloca.gov (Click on Live Stream).

I, Kimberly Guillen, Director of City Clerk Services for the City of Montebello, hereby certify that a copy of this agenda has been posted on or before **Sunday, June 7, 2026, no later than 6:00 p.m.**

Kimberly Guillen, Director of City Clerk Services

EXHIBIT - CITY OF MONTEBELLO FORECASTED AGENDA

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

- **CITY OF MONTEBELLO FORECASTED AGENDA**

ITEM # 14

CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Michael Solorza, Director of Finance

SUBJECT: **ADOPTION OF FISCAL YEAR 2026-27 OPERATING AND CAPITAL BUDGET**

DATE: June 10, 2026

RECOMMENDATIONS:

It is recommended that the City Council:

1. Approve Resolution No. 26-41 adopting the Fiscal Year 2026-27 operating and capital budgets for all funds; and,
2. Approve Resolution No. 26-42 adopting the compensation plan, table of organization and salary matrix for Fiscal Year 2026-27 and,
3. Approve Resolution No. 26-43 establishing a Fiscal Year 2026-27 appropriations limit per Government Code Section 7190 (Gann Limit); and,
4. Approve necessary amendments to the Fiscal Year 2025-26 budget as outlined in Attachment F; and,
5. Take such additional, related action that may be desirable.

FISCAL IMPACT:

The City of Montebello celebrates its second century of incorporation with the presentation of the Fiscal Year 2026-27 Operating and Capital budget. The City is faced with a unique combination of opportunities and challenges, with many new projects, programs and initiatives underway – with some major ones recently completed – that will propel economic development in the community. The past fiscal year witnessed the continuation of progress towards financial sustainability.

The all-funds budget includes $237.620 million in expenditures and $220.019 million in revenue. The majority of the difference between expenditures and revenue is from utilizing available “Paving the Way” bond funds in the Local Return Special Revenue Funds for capital projects such as reconstructing and paving City streets. The table below

presents an overview of the Fiscal Year 2026-27 budget, by major fund category/type:

	REVENUE	EXPENDITURES	Variance
General Fund	$ 92,906,300	$ 92,751,200	$ 155,100
Grants/Special Revenue Funds	$ 49,227,500	$ 47,885,700	$ 1,341,800
Capital Projects (Street/Infrastructure)	$ 9,078,200	$ 19,128,200	$ (10,050,000)
Internal Service Funds	$ 8,937,000	$ 10,102,700	$ (1,165,700)
Enterprise Funds	$ 58,506,200	$ 65,968,300	$ (7,462,100)
Fiduciary Funds	$ 1,363,900	$ 1,783,700	$ (419,800)
TOTAL CITY BUDGET	**$ 220,019,100**	**$ 237,619,800**	**$ (17,600,700)**

The General Fund budget, which provides funding for everyday services residents depend on – Police, Fire, community services, code enforcement, street and park maintenance – is projected to have a $155,100 surplus. General Fund expenditures of $92.751 million are less than forecasted revenues of $92.906 million, as summarized in the table below:

	FY 2026-27 Proposed Budget
General Fund Expenditures	92,751,200
General Fund Revenue	92,906,300
Surplus / (Deficit)	**155,100**

Total, all funds appropriations (expenditures and revenue) include General Fund operations as well as Transit (Montebello Bus Lines), the two City-owned hotels Hilton Garden Inn and Home2Suites, the various Capital Improvement Program (CIP) projects funded with Local Return Funds (i.e., Measure R, Proposition C) and Federal and State grants, Community Development Block Grant (CDBG) programs, several grant awards across multiple departments (Police, Fire, Parks and Recreation, etc.), Property Tax Override payment of Pension Obligation Bond debt service, Successor Agency (former Redevelopment Agency) enforceable obligations, and many other projects, programs and operations utilizing various special and restricted funding sources

General Fund

Total General Fund revenue is projected to be $92,906,300, an $8.459 million increase (10.0%) over the FY 2025-26 adopted budget. The table below shows historical General Fund revenue by major category, and the variance from last fiscal year to this fiscal year.

	2022-23 ACTUAL	2023-24 ACTUAL	2024-25 Actuals	2025-26 ADOPTED BUDGET	2026-27 PROPOSED	VARIANCE $
SALES TAX	25,126,900	25,658,377	26,378,884	28,600,000	29,100,000	500,000
PROPERTY TAX	14,875,000	17,373,671	17,507,562	18,635,200	19,818,800	1,183,600
OTHER TAXES	625,000	666,485	606,912	665,000	655,000	-10,000
FRANCHISE TAXES	2,445,000	3,449,842	3,297,694	3,599,000	4,123,500	524,500
LICENSES AND PERMITS	6,868,000	7,897,407	11,855,265	9,435,000	12,435,000	3,000,000
FINES AND FORFEITURES	2,920,000	3,034,337	2,884,302	3,425,000	3,400,000	-25,000
INVESTMENT INCOME	124,000	723,374	620,105	530,000	851,000	321,000
INTERGOVERNMENTAL	12,000	4,902,930	1,117,151	65,000	90,000	25,000
CHARGES FOR SERVICE	7,720,800	8,470,350	8,460,205	8,826,700	10,707,500	1,880,800
OTHER REVENUE	3,869,100	17,259,240	8,362,284	5,282,600	5,400,500	117,900
TRANSFERS IN	4,100,000	6,666,044	5,629,175	5,383,600	6,325,000	941,400
	68,685,800	**96,102,057**	**86,719,539**	**84,447,100**	**92,906,300**	**8,459,200**

Sales tax overall is projected to increase $500,000 year over year (1.7%) when compared to the FY 2025-26 budget. The projected uptick in sales tax revenue is based on new, major retail operations in the City: Tesla and Topgolf. In addition to these retail operators, many smaller – but still significant – businesses began operating in Montebello and are contributing to this positive sales tax trend. In addition, the sales tax sharing agreement with the Monterey Park Marketplace continues to provide steady revenue, especially since Monterey Park voters approved a 3/4 cent transaction and use tax in 2022.

Property Tax is also proving strong, with a 7.8 % increase in Assessed Value citywide, as well as additional revenue flowing in from the Metro Heights development, providing an additional $1.184 million in revenue. It must be noted that the positive impact of the Metro Heights project is now being seen in the current property tax revenue forecast. The County assesses properties every January 1, as well as when an existing property is sold. Since the first properties were sold in 2024, more properties are completed and continuing to sell, increasing the total amount of property tax revenue flowing from this development. The City's share of residual property tax – from former redevelopment project areas – has also increased year-over-year as enforceable obligations are retired.

Licenses and Permits forecasts to be $3.000 million more vs. FY 2025-26. The majority of this positive change is from increases in Business License Permit ($875,000), Building Permit ($700,000) and Plan Check Fees ($950,000) revenue. The City Council approved updates to the municipal code chapter governing business license fees. For the first time in over 15 years, annual business license amounts will be increased by the annual change in the consumer price index (CPI). In addition, the arbitrary cap on gross receipts was removed, bringing fairness and equity to the City's business license tax code. These changes to the municipal code are expected to generate additional revenue for FY 2026-27 and beyond.

Activity from Metro Heights continues to fuel the increase in forecasted revenue in the building permit and plan check categories. Also, the change in contract terms governing revenue sharing of plan checks has had a positive impact on plan check revenue. The City now receives a larger share of plan check revenue (40% vs. 20%) vs. the previous agreement's terms.

Franchise Fees are projected to increase $524,500 from a combination of increases in Southern California Gas Company, Southern California Edison, and solid waste franchise revenue. Fiscal Year 2026-27 will be the fourth full year of SB 1383 related organic waste franchise fees, projected to bring in $250,000.

Transfers In (non-Operating Revenue) are up $941,400 year-over-year. The increase is from additional reimbursement of retirement related expenses in the General Fund. The City collects additional voter approved property tax for retirement expenses. The General Fund is reimbursed for these expenses through a transfer of revenue on a quarterly basis. With additional staff added over the years, and increased wages from recent (i.e., 2025) labor contract approvals, PERS related expenses have increased. Therefore, the Transfer In reimbursement has increased for FY 2026-27 to match expenses.

The City of Montebello is a full-service city, providing Police, Fire, Public Works, Parks and Recreation, Transit and various building, planning and internal support functions (i.e., Finance, Human Resources, Information Technology, etc.) to the community. The Fiscal Year 2026-27 General Fund expenditures budget supporting day-to-day functions is $92.751 million, a $9.199 million increase (11.0%) over the FY 2026-27 adopted budget.

The table below provides a department level view of expenditures for FY 2026-27, with comparisons to prior year budgets and actuals:

	2022-23 Actuas	2023-24 Actuals	2024-25 Actuals	2025-26 ADOPTED BUDGET	2026-27 PROPOSED BUDGET	Variance ($)
Administration / Elected	4,804,612	2,447,003	2,733,984	2,861,200	3,231,900	370,700
Community Development	2,725,754	3,126,333	5,470,663	4,809,800	5,351,100	541,300
Finance	2,657,374	3,007,710	3,179,834	3,158,600	3,362,600	204,000
Fire	18,184,946	20,104,168	22,761,613	19,367,900	22,137,100	2,769,200
Human Resources	2,796,197	2,262,933	1,586,782	1,534,900	1,812,100	277,200
Parks and Recreation	4,030,544	5,199,318	6,411,246	5,926,100	9,162,900	3,236,800
Police	20,423,375	25,108,414	26,870,094	25,199,400	27,041,000	1,841,600
Public Works	16,981,915	16,537,365	16,067,216	16,272,400	15,743,500	-528,900
Information Technology	3,058	1,244,802	1,236,572	1,231,200	1,554,500	323,300
Non-Departmental	7,634,207	6,823,895	4,335,558	3,190,900	3,354,500	163,600
	80,241,982	**85,861,941**	**90,653,562**	**83,552,400**	**92,751,200**	**9,198,800**

The 11.0% increase in appropriations encompasses changes across all departments and expenditure types. With salary and benefits comprising 64.1% of the General Fund budget, any changes made in this category will have the greatest impact on expenditures. Maintenance and Operations comprises 32.6%, and Debt and Lease Payments make up the remaining 3.2% of the adopted General Fund budget:

	2026-27 Proposed Budget	% of Budget
Salary and Benefits	59,497,700	64.1%
Maintenance Operations	30,278,000	32.6%
Debt and Lease Payments	2,975,500	3.2%
	92,751,200	**100%**

It should be noted that approximately 95% of the City's General Fund budget appropriations are "spoken for" in the way of commitments from MOUs, contracts, debt service payments, professional service agreements, utilities and other such expenses the City is either obligated to pay or, if not paid, would cause interruption or outright cessation of services. The table below provides an overview of the major expenditure categories and how much these commitments comprise of the General Fund budget (with a comparison to the prior three fiscal years):

Major Expenditure Category	FY 23-24 6040.xx Amount	FY 24-25 6040.xx Amount	FY 25-26 6040.xx Amount	FY 26-27 6040.xx Amount
SALARIES AND BENEFITS	$ 42,329,250	$ 44,459,800	$ 50,102,300	$ 56,697,100
OTHER CONTRACT SERVICES	$ 5,576,000	$ 5,671,000	$ 6,039,900	$ 6,119,400
ADDITIONAL CONTRACT SERVICES	$ 11,535,950	$ 11,664,000	$ 12,159,600	$ 13,743,200
UTILITIES AND VEHICLE MAINTENANCE	$ 4,006,200	$ 3,834,150	$ 4,271,500	$ 4,797,500
DEBT SERVICE/LEASES	$ 2,225,200	$ 3,255,100	$ 2,554,100	$ 2,304,500
INSURANCE	$ 4,060,400	$ 4,322,000	$ 4,487,000	$ 4,537,000
TOTAL FROM CATEGORIES ABOVE =>	**$ 69,733,000**	**$ 73,206,050**	**$ 79,614,400**	**$ 88,198,700**
GENERAL FUND BUDGET =>	**$ 72,687,450**	**$ 76,100,900**	**$ 83,552,400**	**$ 92,751,200**
% COMMITTED TO "FIXED COSTS" =>	**95.9%**	**96.2%**	**95.3%**	**95.1%**

This table illustrates how little leeway exists in the General Fund for re-directing appropriations or re-prioritizing spending from one area to another. The City obviously has commitments to its employees through City Council approved MOUs, and long-term debt service and lease arrangements commit additional funds, while insurance and workers compensation expenses must be paid. The Contract services category encompasses landscape, custodial, street sweeping, graffiti removal, legal services, software licenses and many other types of required services that residents depend on to keep the City safe, beautiful and accessible.

The table below shows total FTE and the year-over-year change by Department, from FY 2022-23 to FY 2026-27:

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26 ADOPTED	FY 2025-26 AMENDED	FY 2026-27 PROPOSED	Variance
Administration	11.0	8.0	8.0	10.0	8.0	8.0	0.0
Community Development	20.0	20.0	28.0	28.0	26.0	29.0	3.0
Finance	22.0	24.0	26.0	26.0	26.0	25.0	-1.0
Fire	76.0	98.0	100.0	101.0	100.0	101.0	1.0
Human Resources	18.0	15.0	14.0	14.0	13.0	13.0	0.0
Parks and Recreation	11.0	14.0	23.0	24.0	21.0	31.0	10.0
Police	104.0	108.0	115.0	115.0	116.0	119.0	3.0
Public Works	45.0	46.0	43.0	43.0	41.0	33.0	-8.0
Information Technology	0.0	10.0	6.0	6.0	6.0	6.0	0.0
Transit	234.0	233.0	243.0	243.0	244.0	244.0	0.0
	541.0	**576.0**	**606.0**	**610.0**	**601.0**	**609.0**	**8.0**

Specifically, the following changes are being made, additions and subtractions, which lead to a net addition of 8.0 Full-Time Equivalent (FTE) positions for FY 2026-27 (note, the positions being removed are all currently vacant, no incumbent employees are being impacted by the deletions):

Community Development
ADD:

- Deputy Director- Economic Development (x1)
- Planner (x1)
- Assistant Planner (x1)
- Parking Control Officer (x1)

REMOVE:

- Management Analyst (x1)

Finance
REMOVE:

- Assistant Director (x1)

Fire
ADD:

- Public Safety Administrative Manager (x1)
- Public Safety Business Administrator I (x1)

REMOVE:

- Sr. Management Analyst (x1)

Parks and Recreation
ADD:

- Parks Maintenance Supervisor (x1)
- Maintenance Worker (x9)

Police
ADD:

- Public Safety Administrative Manager (x1)
- Public Safety Business Administrator III (x2)
- Management Analyst (x1)

REMOVE:

- Sr. Management Analyst

Public Works
ADD:

- Cement and Concrete Worker (x2)

REMOVE:

- Park Maintenance Supervisor (x1)
- Maintenance Worker (x9)

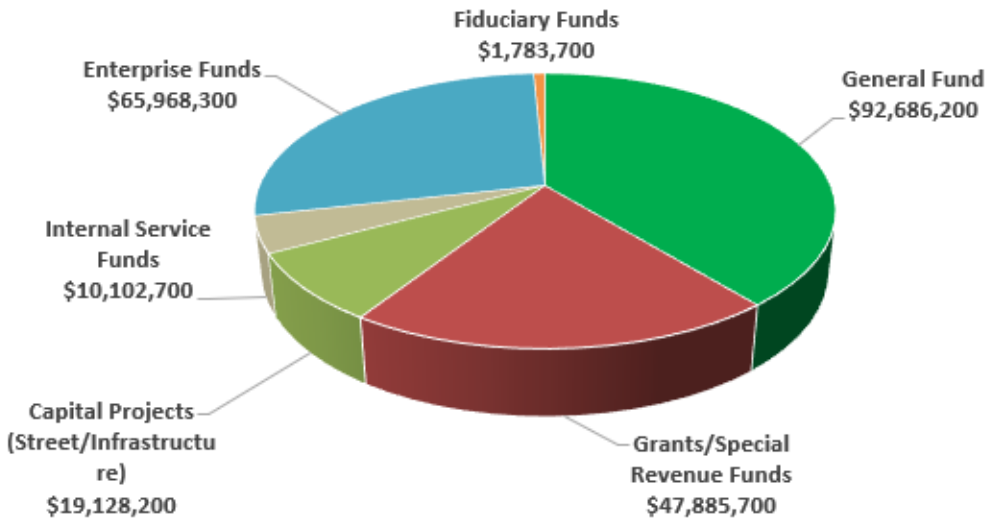
The above changes result in a net addition of 8.0 FTE across the organization – from 601.0 total FTE to 609.0 for FY 2026-27. These table of organization updates are intended to provide the necessary staffing levels to support essential functions in each Department, and to support the overall mission of the organization as it delivers services to its customers – both external and internal.

Attached to this agenda report is the "Compensation Plan Resolution" (Attachment B) that lists every approved position classification and the accompanying salary range. It should be noted that, as of May, 2022, a comprehensive, standard salary matrix now exists. The "Compensation Plan Resolution" updates prior resolutions by implementing the new standardized salary range matrix. That matrix has been included for reference, as Exhibit B1 to Attachment B.

Other Funds
The majority of revenue (57.8%) and expenditures (61.0%) comprising the City's total budget are recorded in Special Funds, Enterprise Funds, Grant Funds, Trust and Agency Funds and Successor Agency Funds. Under governmental accounting rules, these funds are more restricted, and the use of revenue is dictated by certain guidelines based on the source of funding.

For example, the Los Angeles Country Metropolitan Transportation Authority (Metro) provides Local Return Funds (LRF) to cities in Los Angeles County for various transit, road and street uses. These funds are recorded in their own separate funds: Measure M, Measure, R, Proposition A, and Proposition C. Montebello utilizes these revenues for transit projects, street rehabilitation, and related road projects.

The City also uses Enterprise Funds to account for Transit, Golf and Hotel (Hilton Garden Inn and Home2Suites) operations. The pie chart below presents a high-level overview of all expenditures, proposed for FY 2026-27, grouped by "fund type:"



The table below provides a high level, historical overview of the major enterprise funds, followed by a brief description of each and highlights for the 2026-27 fiscal year.

	FY 2022-23 ACTUALS	FY 2023-24 ACTUALS	FY 2024-25 ACTUALS	FY 2025-26 ADOPTED BUDGET	FY 2026-27 PROPOSED BUDGET
Transit					
EXPENDITURES	36,610,599	38,850,135	33,939,310	37,805,500	41,906,700
REVENUE	51,119,201	41,229,630	37,752,245	31,875,700	34,306,700
SURPLUS / (DEFICIT)	**14,508,602**	**2,379,495**	**3,812,935**	**-5,929,800**	**-7,600,000**
Hilton Garden Inn					
EXPENDITURES	5,944,554	6,346,888	6,222,936	6,670,700	6,325,700
REVENUE	6,655,126	6,703,555	6,785,859	7,025,000	6,725,000
SURPLUS / (DEFICIT)	**710,572**	**356,667**	**562,923**	**354,300**	**399,300**
Home2Suites					
EXPENDITURES	11,157,029	13,958,019	13,779,373	13,620,100	13,623,300
REVENUE	13,431,144	13,349,133	13,958,962	13,825,000	13,900,000
SURPLUS / (DEFICIT)	**2,274,115**	**-608,886**	**179,589**	**204,900**	**276,700**

<u>Transit</u>
The largest enterprise fund — as measured by total expenditure and revenue appropriations – is Transit, Fund 600 (Montebello Bus Lines). This fund accounts for the various sources (Metro Transit revenue, Federal Transit Administration, etc.) and uses of funds (salaries, maintenance, equipment purchases, etc.) that are utilized to fund daily bus operations and maintenance of the fleet. The FY 2026-27 Transit budget – excluding grants (Fund 270) and Senate Bill 1 (SB 1) State of Good Repair funding (Fund 202) – includes $41.907 million in expenditures balanced against $34.307 million in revenue.

The table below provides an overview of expenditures and budgets from FY 2022-23 to FY 2026-27, by division:

	2022-23 Actual	2023-24 Actual	2024-25 Actual	FY 2025-26 ADOPTED BUDGET	FY 2026-27 PROPOSED BUDGET	Variance
Transit Administration	10,807,608	11,906,418	11,626,710	13,285,600	13,931,600	646,000
Transit Operations	15,700,616	16,009,185	15,416,821	17,512,400	20,321,000	2,808,600
Metrolink Station	109,848	138,091	124,574	147,000	84,300	(62,700)
Corporate Shops	6,772,119	6,953,040	4,759,493	6,306,500	6,400,400	93,900
Capital Projects	6,212,202	5,072,642	3,063,827	-	748,400	748,400
Prop C 5% Security	394,707	477,614	483,384	534,000	401,000	(133,000)
Bus Advertising	15,000	-	-	20,000	20,000	-
Non-Departmental	(3,374,502)	(1,706,855)	(1,535,499)	-	-	-
	36,610,599	**38,850,135**	**33,939,310**	**37,805,500**	**41,906,700**	**4,101,200**

There is a $646,100 year-over-year net increase in projected expenses in the Administration Division. The largest increase is in regular salaries, $462,900 change from FY 2025-26. This Division is fully staffed and also accounts for the percentage of staff from non-Transit operations that are charged here. That is, efforts at improved cost allocation first begun in FY 2020-21, have certain staff in support Departments – Finance, Human Resources, Information Technology – directly charged to Transit since they support these operations (i.e., accounting, recruitment, payroll, accounts payable, help-desk, etc.).

The Operations Division's increase of $2.809 million is primarily from full-time salary changes ($1.400 million) and related benefits, special pays and PERS costs ($1.373 million). Transit has worked towards filling its Bus Operator vacancies over the last several fiscal years. The increase in full-time salaries and benefit costs is a direct result of filling these vacancies. Prior fiscal years saw large numbers of vacancies in this Division, contributing to lower salary and benefit expenses. Also, a new MOU was approved between the City and SMART-TD that is effective from July 1, 2025, through June 30, 2028. The salary and related pay increases from this MOU are reflected in the year-over-year changes in the FY 2026-27 budget.

The Corporate Shop Division will see a $93,900 net increase vs. last year. Salary and benefit expenses are projected to be similar to FY 2025-26 due to the use of Federal funding to offset these costs. Prior to applying these Federal funds, salary and benefit costs are projected to be $1.900 million higher vs. FY 2025-26. Similar to the Operations Division, vacancies have been filled and the new SMART-TD MOU effective 2025-2028 provides improved compensation to employees. These factors contribute to a total increase in all salary/benefit categories of $3.182 million. There are reductions in some Maintenance and Operations categories which offset these increases.

In addition to the operating budget found in Fund 600, capital projects and equipment and purchases are also funded through grants and state funding. Additional details can be found in the budget book: Transit Grant expenditures (Fund 270) and SB1/SGR projects (Fund 202) related sections.

Revenue for FY 2026-27 in Fund 600 is projected at $34.307 million, a $2.431 million increase from the prior fiscal year. While there is an increase year-over-year, there are some individual revenue streams which are lower than in prior years. For example, "TDA Operating" revenue in FY 2024-25 was $11.649 million, vs. $8.581 million for FY 2025-26, with a slight improvement to $9,502,300 for FY 2026-27. The Transit Fund has

benefited in recent years from pandemic era Federal funding (i.e., American Rescue Plan Act [ARPA]) – however those funds have been recognized and are no longer available. There are sufficient reserves in Fund 600 that Transit operations can utilize to bridge the gap between revenue and expenditures. Staff will closely monitor revenue performance in FY 2026-27 and make operational adjustments if necessary.

Hotels

The City owns two hotels and contracts with a third-party management company to operate them. The Hilton Garden Inn (HGI) underwent a complete remodel in 2020, the first since it opened in 2006, and reopened to the public in September 2020 after being closed for more than six months.

As business and leisure travel patterns continue to recover to pre-pandemic levels, the Hilton Garden Inn's performance continues to improve as occupancy rates increase. The hotel is forecasted to have a surplus of $399,300 in FY 2026-27. The refinancing of HGI debt (December 2019) was a positive financial move, providing significant debt service savings for three years by restructuring the repayment to be interest only during the pandemic. This refinancing made economic sense – taking advantage of historically low interest rates – and was fortuitous in timing. The reduced debt service coincided with reduced income from lower occupancy rates.

The table below presents actuals and budget from FY 2023-24 to FY 2026-27 for the Hilton Garden Inn hotel:

	FY 2023-24 Actuals	FY 2024-25 Adopted	FY 2024-25 Actuals	FY 2025-26 Adopted	FY 2026-27 Proposed
Salaries and Benefits	1,770,866	1,575,000	1,578,276	1,715,000	1,505,000
Supplies / Contract Services	1,480,553	1,181,300	1,528,049	1,545,000	1,651,000
Hilton Program Fees	544,195	485,000	555,033	570,000	550,000
Misc Operational	2,165,659	1,662,300	2,156,299	1,812,400	1,545,700
Debt Service	385,615	1,240,600	405,279	1,028,300	1,074,000
TOTAL EXPENDITURES	**6,346,888**	**6,144,200**	**6,222,936**	**6,670,700**	**6,325,700**
TOTAL REVENUE	**6,703,555**	**6,950,000**	**6,785,859**	**7,025,000**	**6,725,000**
SURPLUS / (DEFICIT)	**356,667**	**805,800**	**562,923**	**354,300**	**399,300**

The Home2Suites hotel's occupancy also suffered in 2020 due to the pandemic. However, in recent years, occupancy has been climbing and performance appears to have returned to pre-pandemic levels as business travel returns. Home2Suites is forecasted to have an operating surplus of $276,700 in FY 2026-27.

The debt service on the Home2Suites (H2S) is greater than Hilton Garden Inn, given the larger outstanding balance (Series 2016A) of bond funds. Staff is working on the refinancing of the original 2016A debt issuance. Preliminary projections show a potential annual savings in debt service expenses of $400,000. This savings provides additional "room" should larger economic forces negatively impact hotel occupancy, which would reduce room revenue. The FY 2026-27 Home2Suites budget also includes a "Transfer Out" – anticipation of continued surplus funds available in Fund 625 to be swept to the

General Fund as permitted by the bond indentures.

The table below presents actuals and budget from FY 2023-24 to FY 2026-27 for the Home2Suites hotel:

	FY 2023-24 Actuals	FY 2024-25 Adopted	FY 2024-25 Actuals	FY 2025-26 Adopted	FY 2026-27 Proposed
Salaries and Benefits	2,570,034	1,867,000	2,498,404	2,680,000	2,470,000
Supplies / Contract Services	2,355,741	1,833,600	2,674,022	2,567,300	2,703,500
Hilton Program Fees	904,773	850,000	951,066	950,000	950,000
Misc Operational	5,633,514	2,369,300	5,248,569	3,523,100	3,885,300
Debt Service	2,493,957	3,799,000	2,407,312	3,899,700	3,614,500
TOTAL EXPENDITURES	**13,958,019**	**10,718,900**	**13,779,373**	**13,620,100**	**13,623,300**
TOTAL REVENUE	**13,349,133**	**13,425,000**	**13,958,962**	**13,825,000**	**13,900,000**
SURPLUS / (DEFICIT)	**(608,886)**	**2,706,100**	**179,589**	**204,900**	**276,700**

Staff monitor and present hotel operations on a quarterly basis and will provide an update as part of the FY 2026-27 1st Quarter Budget Update report. Revenue for both hotels has been projected conservatively, and Staff will adjust these projections as necessary.

Golf

The City's 118 acre golf course underwent a complete transformation between Fall 2022 and Spring 2024. The 18 hole public course has been re-imagined and rebuilt to match the golfing needs of the 21st century. A new 9 hole executive lighted course has opened, along with a 6 hole course that plays short and can be combined with other holes for a 10 hole experience – the addition of lights allows for night play for the first time in the course's history. The construction of a new clubhouse completed in October 2024 rounded out the redevelopment of the 100 year old course, breathing new life into this public space and introducing golf to a new generation of player.

Golf course operations are recorded in Fund 610. For FY 2026-27, total appropriations in that fund are $4,112,600, with $4,107,700 of that amount dedicated to Golf Course operations, utilities (i.e., water and electricity) and debt service on Series 2014A and Series 2022A bonds. The largest expense is related to golf course and landscape management performed by the Troon Company at $1.800 million. In addition, utility expenses of $402,000 are projected – water, gas, electricity, etc.. The lease costs for the fleet of new golf carts will be $124,600. It should be noted there is continuing debt service from previously issued and refinanced bonds (Series 2014A Lease Revenue Bonds) as well as the more recent Series 2022A bonds issued to fund course reconstruction. Total principal and interest payments for these bonds is $1,222 million.

Recognizing that golf fees had not been adjusted since 2010, the City Council approved a new "tee sheet" of updated green fees and cart rental charges prior to the grand re-opening in April, 2024. Given the expansion of the golf course and the ability to offer new golfing experiences, Staff were able to craft fees that are reasonable and provide sufficient revenue to continue upkeep of the brand-new course. Forecasts for FY 2026-27 indicate $2.225 million in golf-related fee revenue. This amount includes $170,000 in projected revenue from the recently re-opened driving range. Staff will continuously monitor revenue and make adjustments to forecasts throughout the fiscal year. The goal

of crafting the updated fee schedule for the golf course was to bring in sufficient revenue to end the years of subsidization of a course that operated at a chronic deficit.

In addition to the reconstruction of the Golf Course, on 15 acres of land located at the northeast corner of the course, a Topgolf entertainment complex opened in Spring 2024. The three-story, 100 bay entertainment and conference complex has revitalized the golf course campus, introducing a new style of golf to the community and adding a destination amenity for casual and serious golfers alike. The Topgolf facility offers meeting and gathering spaces as well that provide additional space on the campus for conferences, meetings, etc.

As part of the lease agreement, there will be an approximate “base rent” payment of $800,000 for FY 2026-27. Combined revenue from golf course operations and Topgolf lease payments is forecasted at $3,024,500. The Quiet Cannon also generates about $550,000 in revenue, based on a percentage of gross receipts of operations, which brings total Golf Course Fund revenue to $3,547,500.

Capital Improvement Program

The CIP budget for FY 2026-27 includes a mixture of new appropriations and carryover of previously appropriated but not yet spent funds, as well as appropriations for Maintenance and Operations expenses. The total (estimated) CIP budget for FY 2026-27 is $31.052 million. This amount is comprised of $12.314 million in new appropriations, $12,139 million in (estimated) carryover funds, plus $6.599 million in Maintenance and Operations expenditures (Attachment D). It should be noted that the final carryover amounts of projects in progress will not be known until after year-end close (June 30, 2025). As was done in prior fiscal years, subsequent City Council action will be requested to re-appropriate the carryover amounts – which typically occurs in October.

In addition, there will be some remaining uncommitted fund balance in certain funds that could be used for new capital projects (those not included in the current CIP project list) or for expanding approved projects if necessary. In other words, available fund balance exists that has not been committed to a particular project – either with previous budgets or with the FY 2026-27 proposed CIP budget. The Director of Public Works will work with staff and the City Council to determine potential priority projects to which these unprogrammed funds can be obligated. Subsequent City Council action would appropriate the unprogrammed funds depending on decisions made about new or expanded CIP projects.

The $31.052 million CIP budget utilizes funding from Gas Tax, Metro Local Return Funds (i.e., Proposition C, Measure R, etc.), Measure W (Los Angeles County stormwater fee), Paving the Way Bond Proceeds, Transit, and State and local grants (i.e., Sewer Infrastructure, SCAG Active Transportation) for a host of various projects. The budget document contains additional pages and details of the CIP plan.

The table below provides a high-level overview of CIP appropriations by fund, refer to Attachment D for additional detail:

Fund Description	Fund Number	New Appropriations	Carryover Appropriations*	M&O Expenditures**	Total Funding:
Gas Tax	200	185,000	200,000	2,833,500	3,218,500
Proposition A	210		294,100	640,300	934,400
Proposition C	215			768,900	768,900
Measure M	222		735,000	979,900	1,714,900
Measure R	220	600,000	375,000	679,000	1,654,000
Measure W	229		516,300	681,000	1,197,300
SB1/RMRA	201	1,760,200	2,540,000		4,300,200
Measure A (Parks)	221	458,700	300,000		758,700
TDA-3	223	52,800			52,800
SCAG Active Transp	Grant (265)		362,500		362,500
STIPL (Prop C Excchange)	2xx		188,400		188,400
Prop C - Paving the Way	215	8,385,800	1,987,600		10,373,400
Meas M - Paving the Way	222		2,442,500		2,442,500
Meas R - Paving the Way	220		1,797,200		1,797,200
Transit	600	748,300	400,000	16,500	1,164,800
General Fund	100	123,000	-		123,000
		12,313,800	**12,138,600**	**6,599,100**	**31,051,500**

**These amounts are estimates; actual amounts will not be known until after June 30, 2026. Subsequent City Council action will follow to re-appropriate carryover funds for applicable CIP projects, amending the FY 2026-27 budget.*

***Maintenance and Operations appropriations include signs, markings, street sweeping, concrete cutting/sidewalk repair, debt service, salaries and other releted expenses.*

There are several new projects as well as existing projects having their budget increased, that are in different stages of planning: engineering studies/analysis, design, construction, maintenance or debt service/other expenses:

- Citywide street reconstruction utilizing SB1/RMRA and Proposition C funding totaling $3.025 million
- Senior Center basement remodel utilizing Los Angeles County Parks Measure A funding in the amount of $458,700
- Chet Holifield Community Garden using Los Angeles County Parks Measure A funding in the amount of $300,000
- Whittier Blvd paving using Paving the Way bond funds in the amount of $3.946 million (Proposition C share)
- ADA enhancements citywide using $294,100 in Proposition A (Local Return Funds)
- Gas Tax funding used for various on going maintenance projects in the amount of $2.555 million

In recent years, as part of the long-term strategic budget development strategy, a greater share of Maintenance and Operations expenses has been shifted out of the General Fund. Sources of funding used for signal maintenance, citywide sign replacement, striping projects, traffic signal repairs, and administrative expenses such as salaries of staff supporting CIP projects include Gas Tax, Measure M, Proposition A, etc. In addition,

on-call engineering services are budgeted using Metro Local Return Funds, based on the specific project.

As discussed earlier in this agenda report, staff have improved cost allocation methods and will be utilizing the maximum amount allowed per Metro Local Return Fund guidelines to offset administrative costs – typically salaries and benefits of employees directly working on and supporting the capital projects. Public Works staff and consultants conducting engineering, planning and related work charge their time to Proposition A, Proposition C, Measure M and Measure R on an “hours worked" basis. This allocation of time relieves the General Fund of these expenses, allowing for additional budget capacity.

BACKGROUND/DISCUSSION:

The City has continued its commitment to transparency and public participation in the budget development process. For FY 2026-27, three public community budget forums were hosted across the City. The three public sessions held in February 2026 provided a “Budget 101” overview for the community, and staff solicited questions and feedback from residents on all manner of budget and operational issues. The feedback from the community was incorporated into budget development, with residents’ requests submitted to the City Council for review and consideration, including a presentation at a regular City Council meeting in March 2026.

Staff also improved upon community outreach efforts begun in 2023 by continuing the community budget survey. The survey was available for several weeks in February - March 2026 through the City’s website and all social media channels. In combination with the feedback from the community budget forums, Staff was able to present community budget needs and wants to the City Council at a March meeting. The FY 2026-27 budget has been developed with significant direct community input.

Below is a small sample of recent accomplishments that positively impact the organization in Fiscal Year 2026-27:

- Utilization of $15.140 million in bonds to fully renovate and rejuvenate the City’s public golf course
- Utilizing bond proceeds to construct a Topgolf on 15 acres of the City’s public golf course
- Completion of a significant portion of the “Paving the Way” projects that improved residential street and road conditions
- Major repairs to the City’s aging sewer system, utilizing a portion of the City’s Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) allocation
- Expansion of the Montebello Community Assistance Program (MCAP) aimed at helping the City’s unhoused population
- Update of the City’s General Plan, the first in over forty years, with adoption by the City Council in April, 2024
- Completion of a park and facilities needs assessment study and master plan
- Completion of significant facility repair and upgrade projects, eliminating years of deferred maintenance on key City facilities
- Introduction of improved purchasing and procurement guidelines

- Receiving the Government Finance Officers Association (GFOA) award for budget preparation for the sixth time in the history of the City
- Approval to finance installation of solar panels at City facilities

These and dozens of additional accomplishments provide a clear indication that Montebello is making progress towards financial sustainability and fiscal stability – with significant assistance from the City's economic development team. This budget continues movement towards those goals.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

The budget presented provides essential services to Montebello residents and visitors while advancing the City Council's vision and strategic plan. The Fiscal Year 2026-27 budget solidifies recent positive financial and operational changes while moving the City closer to long-term financial stability. The clearest evidence of this progress is the presentation of a balanced General Fund budget, with a $155,100 surplus.

City Council is being asked to adopt the operating and capital budgets by approving Resolution No. 26-41 (Attachment A, Exhibits A1-A5), approve the compensation resolution (Resolution No. 26-42) (Attachment B) and approve Resolution No. 26-43 (Attachment C, Exhibits C1-C2) setting an appropriations limit as required by State Government Code (i.e., GANN limit), and approve various budget amendments for Fiscal Year 2025-26 (Attachment F).

The "Budget Message" is attached as well (Attachment E), which provides a greater discussion of the overall budget, providing in-depth details on various aspects of the City's operation. Attachment D provides a summary of the Capital Improvement Program (CIP) as well as detailed descriptions of the projects proposed for FY 2026-27.

ATTACHMENT(S)

1. ATTACHMENT A - Budget Adoption Resolution No. 26-41 FY 2026_27, 06_10_2026
2. EXHIBIT A1-Revenue, by Fund FY 2026_27
3. EXHIBIT A2-Expenditures by Fund FY 2026_27
4. EXHIBIT A3-Master Position Control FY 2026_27
5. EXHIBIT A4-General Fund reserve policies 06_10_2026
6. EXHIBIT A5-Capital Improvement Program Summary FY 2026_27
7. ATTACHMENT B - Compensation Plan Resolution No. 26-42 FY 2026_27, 06_10_2026

8. EXHIBIT B1-Salary Matrix FY 2026_27
9. ATTACHMENT C - GANN Limit Resolution No. 26-43 FY 2026_27, 06_10_2026
10. EXHIBITS C1-C2, FY 2026_27
11. ATTACHMENT D - Capital Improvement Program FY 2026_27
12. ATTACHMENT E - Budget Message PROPOSED, FY 2026_27
13. ATTACHMENT F - Budget Amendments FY 2025_26

RESOLUTION NO. 26-41

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO, CALIFORNIA, ADOPTING AN OPERATING AND CAPITAL BUDGET FOR FISCAL YEAR 2026-27

WHEREAS, the City Council has received and considered the Proposed budget for Fiscal Year 2026-27 presented through staff reports, budget presentations, memorandum, community forums, community feedback surveys and information received in noticed, regular meetings on the City Budget; and,

WHEREAS, the original of said Proposed Budget will be revised so as to reflect each and all of the amendments, changes, and modifications which the City Council, up to the time of adoption of this resolution including any actions taken at the June 10, 2026 meeting, believes should be made in said Proposed Budget as so submitted and to correct any non-substantive errors discovered.

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

SECTION 1. That the Proposed Budget for Fiscal Year 2026-27, a complete copy of which has been proposed to the City Council and made available to the public and incorporated by this reference as though fully set forth herein, and which is summarized in Exhibits A1 and A2, attached hereto, is hereby approved and adopted.

SECTION 2. That the Estimated Revenue and Transfers In for all funds for Fiscal Year 2026-27, a summary of which is attached as Exhibit A1 and incorporated by this reference as though fully set forth here, is hereby approved and adopted. When combined with reserves (i.e., fund balance or fund equity), the Estimated Revenue and Transfers In for Fiscal Year 2026-27 are sufficient to fund the appropriations set forth in the Proposed Budget for Fiscal Year 2026-27.

SECTION 3. That the Proposed Appropriations and Transfers Out for all Funds for Fiscal Year 2026-27, a summary of which is attached as Exhibit A2 and incorporated by this reference as though fully set forth herein, providing appropriations summaries of details currently contained in the City's accounting system, including technical adjustments related to Transfers In and Transfers Out, and detail of estimated revenue, is approved and adopted.

SECTION 3.1. That specifically, funds have been appropriated in the Asset Forfeiture Fund in Fiscal Year 2026-27 for uses as allowed by the Federal Equitable Sharing Program, and as such the City Council authorizes all expenditures from the Equitable Sharing Accounts, with appropriations enumerated in the Fiscal Year 2026-27 budget document. Furthermore, such appropriations supplement and do not supplant budget appropriations made for public safety expenditures.

SECTION 4. That the Master Position Control, attached hereto as Exhibit A3, and incorporated by this reference as though fully set forth herein, is hereby approved and adopted. The City Manager, subject to compliance with all applicable Municipal Code and Personnel Rules and Regulations, may revise the Tables of Organization and Master Position Control as needed and necessary for the operation of the City.

SECTION 5. That the Salary Schedules/Tables for all authorized positions are updated and approved so as to reflect the salary provisions in effect for all approved Memoranda of Understanding (MOU) between the City and all recognized bargaining groups as detailed in the separate "Resolution Adopting the Compensation Plan and Table of Organization" that is also adopted at the same meeting as the Fiscal Year 2026-27 Operating and Capital Budget, and fully operationalizes the standardized salary matrix establishing ranges and steps for each approved job classification.

SECTION 6. That the "General Fund Reserve Policies" as presented in Exhibit A4 remain unchanged from those most recently adopted on June 25, 2025 and are hereby reaffirmed by approval of this resolution.

SECTION 7. That from the effective date of the budget, the several amounts stated therein as proposed expenditures shall be and become appropriated to the several departments for the respective objects and purposes therein named; provided however that:

SECTION 7.1. Department Directors are hereby authorized to move appropriations from one object to another, within each budgetary program/division and within the same fund, provided that total approved appropriations for a budget program and within the same fund are not exceeded nor increased beyond their originally adopted amounts; and,

SECTION 7.2. The Director of Finance is hereby authorized to transfer operating budget appropriations within the same fund between departments, divisions, programs and/or object codes, provided total appropriations for a Department by fund are not increased.

SECTION 8. That changes to total Department appropriations, total fund appropriations, all other changes to Capital Improvement Program appropriations not specified in Section 7 et al of this resolution, transfers to and/or from appropriated reserves, cancellation of appropriations, and appropriations of fund balances shall require the majority approval of the City Council.

SECTION 9. That the Capital Improvement Program (CIP) contained in the Proposed Budget for Fiscal Year 2026-27 (Exhibit A5) is hereby approved in concept, and the Director of Public Works, or his/her designee is authorized to publicly advertise for bids on these projects in accordance with State of California statues and City of Montebello Municipal Code.

SECTION 10. That construction of Capital Improvement Projects requires the use of professional services such as engineering oversight, geo-technical, water testing, project management, design, survey and other required studies and activities. Funding for these professional services is included within each Capital Improvement Project's budget as set forth in the Proposed Budget for Fiscal Year 2026-27, and specifically as summarized in Exhibit A5. Consistent with State of California statutes and City of Montebello Municipal Code sections 3.20 and 3.21 et al covering procurement of professional services, the City Council hereby authorizes the City Manager, or designee, to enter into any necessary professional services agreements to facilitate the completion of an approved Capital Improvement Project.

SECTION 11. That all encumbrances remaining as of June 30, 2026, after thorough review by appropriate Finance Department staff, will either be released or re-appropriated for use in Fiscal Year 2026-27 as appropriate, in the respective funds, departments, programs and accounts/objects, thus adjusting the adopted budget by the encumbered amount carried over without further City Council action required.

SECTION 12. That all active Capital Improvement Program and Federal, State and Local Grant appropriation balances that existed as of June 30, 2026 will be re-appropriated for use in Fiscal Year 2026-27, as appropriate without further City Council action required.

SECTION 13. That at various times throughout the fiscal year, employee engagement, recruitment and retention and morale building activities will be programmed and held. Furthermore, it is in the interest of the public good that these activities be provided to help build and maintain an effective and professional staff, so motivated and engaged as to provide the best customer service possible to Montebello residents and the community at large. Therefore, it is in the public interest that funds have been and will be appropriated in the Fiscal Year 2026-27 budget for these uses, and the City Council by adoption of the Fiscal Year 2026-27 budget finds it in the public interest to expend funds towards these uses.

SECTION 14. That the budget contains appropriations for the funding of the following community service organizations/projects: (1) Montebello Chamber of Commers, $5,000; (2) Montebello Lions Clubs, $5,000; (3) Montebello Soroptomists, $5,000; (4) Montebello Rotary Club, $5,000; (5) American Legion Post 272, $5,000; (6) Montebello Baseball Association, $5,000; (7) Montebello AYSO, $5,000; (8) Montebello Golden State Basketball, $5,000; (9) Montebello Police Activity League, $5,000; (10) Sister City of Ashiya $5,000; (11) Sister City of Stepanakert $5,000; and (12) Montebello YMCA $5,000; (13) Montebello Indians Youth Football and Cheer, $5,000. In making these appropriations, and any additional appropriations to community service organizations/projects on or after adoption of the Fiscal Year 2026-27 budget, the City Council finds, determines and declares that with respect to each matter: (1) the project and/or organization provides a service for the City that complements or enhances a service that the City may lawfully provide itself; (2) the project and/or organization provides a secondary benefit to the residents of the City within the City's authority; and (3) the project and/or organization

provides a specific service to the City that the City could perform, but chooses not to perform or perform fully. City Council hereby approves the contributions described in this section to the projects/organizations listed above or added or amended on June 10, 2026.

SECTION 15. That the City Clerk shall certify and record the adoption of this Resolution and the same shall be in full force and effect unless repealed or superseded.

APPROVED AND ADOPTED THIS 10TH DAY OF JUNE, 2026

_____
Georgina Tamayo, Mayor

ATTEST:

_____
Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

_____
Arnold M. Alvarez-Glasman, City Attorney

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

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 26-41 was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 10th day of June, 2026 and that said Resolution was adopted by the following vote, to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

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

DATE: _____ _____
Christopher Jimenez, City Clerk

EXHIBITS:

- Exhibit A1 – Revenue by Fund FY 2026-27
- Exhibit A2 – Expenditures by Fund FY 2026-27
- Exhibit A3 – Master Position Control FY 2026-27
- Exhibit A4 – General Fund Reserve Policies
- Exhibit A5 – Capital Improvement Program Summary

EXHIBIT A1

City of Montebello
Citywide (All Funds) Summary
Revenue by Fund
FY 2020-21 - FY 2026-27

Fund #	Fund Description	FY 2021-22 Actuals	FY 2022-23 Actuals	FY 2023-24 Actuals	FY 2024-25 ADOPTED BUDGET	FY 2024-25 Actuals	FY 2025-26 ADOPTED BUDGET	FY 2026-27 PROPOSED BUDGET
100	General	73,420,972	96,833,917	96,102,144	76,663,600	86,729,245	84,447,100	92,906,300
200	Highway Users Tax	1,483,658	1,596,664	1,745,705	1,769,715	1,794,764	1,768,800	1,849,200
201	SB1 - Road Maint. & Rehab. (RMRA	1,274,754	1,389,072	1,611,597	1,628,200	1,777,242	1,663,900	1,815,000
202	SB1 - Transit-State of Good Repairs (STA/SGR	1,554,132	1,634,045	201,617	2,235,700	355,332	2,342,000	1,516,600
205	Retirement	14,667,207	16,530,170	17,176,149	16,798,000	18,097,877	17,730,000	20,620,000
210	Prop A - Streets	1,632,171	1,775,815	1,860,933	1,763,900	1,969,196	1,652,000	1,693,000
215	Prop C - Streets	1,348,800	2,564,932	2,031,030	1,465,200	1,944,265	1,353,800	1,388,000
220	Measure R - Streets	1,005,650	1,100,605	1,138,985	1,109,700	1,143,148	1,026,600	1,072,000
221	Measure A - Parks	37,688	260,376	116,721	1,908,700	1,275,567	1,215,800	1,501,800
222	Measure M Streets	1,138,635	1,254,452	1,300,229	1,253,500	1,310,815	1,159,500	1,208,000
223	TDA - Sidewalks	49,373	46,968	100,660	63,300	64,456	49,500	53,000
225	Metro-Link	0	0	0	0	0	0	
229	Measure W - SCW	869,375	834,842	959,041	902,500	914,073	952,500	872,000
230	Drug Enforcement - Asset Forfeitures	992,411	142,629	367,199	500,000	91,488	500,000	250,000
235	Supplemental Law Prop. 72	161,285	165,271	187,554	165,000	197,881	200,000	200,000
240	Justice Assistance Grants (JAG	182	25,943	17,544	25,000	27,707	16,200	16,200
241	Inmate Welfare Fund	270	41	63	0	7	0	-
245	Air Quality Management District Grant (AQMD	81,657	84,867	90,045	84,500	93,637	84,000	83,000
249	CalFire Urban Forest Mgmt	0	0	0	0	0	0	775,000
250	Park Development	104	371	41,154	0	81,418	52,000	102,000
251	Tobacco Grant Program	0	0	0	0	7,967	317,200	287,600
252	Art in Public Places	0	0	0	0	188,106	200,000	300,000
253	Sustainable Transp Planning	0	0	0	0	0	0	228,700
254	Rio Hondo Improve-State Parks	0	0	0	0	0	0	789,700
255	Community Development Block Grants (CDBG	721,551	1,026,160	807,564	633,100	664,571	1,489,400	998,300
260	HOME funds	174,091	65,148	84,413	1,796,500	71,232	1,947,400	1,247,300
261	Measure A - LA County Homeless	0	0	0	0	0	0	124,400
262	Cal OES EOC Program	0	0	368,097	2,211,745	1,700,775	1,843,700	799,300
263	Sewer Infrastructure Improvement	0	0	0	2,100,000	0	2,100,000	-
264	George Miller Estate Donation	1,152	3,406	5,238	3,000	1,516	1,000	-
265	Grants	2,112,655	1,418,775	779,408	2,147,350	2,147,192	3,019,300	3,390,200
266	Interim Housing Serv (CCOGIHS	0	0	38	876,000	876,015	963,000	-
267	Cal-ICH - Encampment Res Funding	0	86,831	347,413	1,180,774	777,657	403,000	-
268	Prop 64 Public Hlth & Safety	0	0	69,856	1,279,000	0	1,209,000	1,124,100
269	SAFER-Fire	0	0	620,297	1,883,625	1,678,179	2,500,000	3,177,800
270	Transit Grants	8,768,890	8,047,962	5,296,569	0	3,261,284	0	-
295	Stay Arts Gallery	0	0	0	0	0	0	
299	Humanitarian Assistance Program	0	0	0	0	0	0	-
300	Prop A Exchange	0	0	0	0	0	0	
310	Golf Course Renovation Project	0	140,400	8,167,876	15,000,000	0	0	-
312	Topgolf Project	0	0	2,306,922	0	23,189	0	-
320	Solar-Roof-HVAC Project	0	0	0	3,000,000	0	0	-
325	Information Technology Upgrades	0	3,613,179	838,873	3,400,000	1,400,000	1,500,000	100,000
410	Debt Service	11,040,008	21,716,602	12,129,600	11,048,400	15,635,514	10,550,600	10,549,500
500	Trust & Agency	97,264	121,756	126,738	135,200	166,602	165,200	174,000
600	Transit	34,158,896	51,119,210	41,229,631	35,161,010	37,752,246	31,875,700	34,306,700
605	Water	2,612,254	16,991,437	0	0	0	0	
610	Golf	2,952,112	1,654,436	1,137,396	3,647,000	2,804,178	3,920,000	3,574,500
615	Detention	0	0	0	0	0	0	
620	Hilton Garden Inn	5,359,743	6,655,126	6,703,555	6,950,000	6,785,858	7,025,000	6,725,000
625	Hotel2Suites Hotel	12,062,484	13,431,144	13,349,134	13,425,000	13,958,962	13,825,000	13,900,000
700	Self Insurance	8,528,226	7,000,616	7,841,370	7,582,000	7,713,805	8,392,000	8,937,000
720	Corporate Shop	0	0	0	0	0	0	
800	Successor Agency	7,099,287	5,119,303	5,229,513	2,674,050	1,813,539	1,693,000	1,358,100
810	Housing Authority Successor	12,461	5,579	9,413	5,800	5,186	5,800	5,800
	Grand Total	**195,419,398**	**264,458,050**	**232,497,284**	**224,476,069**	**217,301,691**	**211,159,000**	**220,019,100**

EXHIBIT A2

City of Montebello
Citywide (All Funds) Summary
Expenditures by Fund
FY 2020-21 - FY 2026-27

Fund #	Fund Description	2021-22 Actuals	2022-23 Actuals	2023-24 Actuals	FY 2024-25 ADOPTED BUDGET	2024-25 Actuals	FY 2025-26 ADOPTED BUDGET	FY 2026-27 PROPOSED BUDGET
100	General	66,316,193	80,241,997	85,861,947	76,100,900	90,653,570	83,552,400	92,751,200
200	Highway Users Tax	1,241,579	1,886,207	1,188,364	3,254,100	2,361,775	2,897,300	3,291,600
201	SB1 - Road Maint. & Rehab. (RMRA	1,743,445	3,342,453	23,400	1,124,100	2,221,401	1,925,300	1,786,800
202	SB1 - Transit-State of Good Repairs (STA/SGR	610,832	176,795	1,115,437	24,100	331,242	25,300	26,600
205	Retirement	11,231,589	12,161,784	12,165,881	13,124,400	13,812,660	14,461,600	17,210,500
210	Prop A - Streets	133,683	424,073	194,562	439,900	166,999	3,925,100	750,400
215	Prop C - Streets	980,127	775,606	2,728,393	2,296,800	3,115,814	2,896,900	9,861,900
220	Measure R - Streets	1,815,834	1,486,627	572,080	2,029,900	1,370,360	3,409,900	1,808,500
221	Measure A - Parks	37,688	260,376	116,721	1,908,700	1,263,398	1,413,800	1,722,800
222	Measure M Streets	2,398,738	1,743,554	626,536	2,826,600	1,399,351	3,327,800	1,576,000
223	TDA - Sidewalks	1,785	46,547	0	163,300	163,306	0	53,000
225	Metro-Link	0	0	0	0	0	0	
229	Measure W - SCW	869,375	817,172	956,693	822,900	1,108,011	1,064,100	676,700
230	Drug Enforcement - Asset Forfeitures	473,863	892,900	449,799	122,900	325,330	117,600	104,300
235	Supplemental Law Prop. 72	161,285	102,585	10,974	232,500	285,971	282,900	173,300
240	Justice Assistance Grants (JAG	0	12,010	13,239	20,000	14,144	16,200	13,700
241	Inmate Welfare Fund	16,943	0	0	0	0	0	-
243	Local Law Enforcement Block Gr	0	0	0	0	0	0	
245	Air Quality Management District Grant (AQMD	19,134	19,904	13,210	123,000	122,986	118,300	118,600
249	CalFire Urban Forest Mgmt	0	0	0	0	0	0	595,000
250	Park Development	0	0	0	0	0	0	100,000
251	Tobacco Grant Program	0	0	0	0	9,667	317,200	284,700
252	Art in Public Places	0	0	0	0	0	0	100,000
253	Sustainable Transp Planning	0	0	0	0	0	0	228,700
254	Rio Hondo Improve-State Parks	0	0	0	0	0	0	789,700
255	Community Development Block Grants (CDBG	1,146,146	1,041,105	818,845	1,544,100	657,463	1,164,300	998,300
260	HOME funds	38,764	63,458	37,682	1,796,600	-7,691	1,947,400	1,335,200
261	Measure A - LA County Homeless	0	0	0	0	0	0	80,100
262	Cal OES EOC Program	0	0	368,097	2,229,245	1,235,109	361,300	545,100
263	Sewer Infrastructure Improvement	0	0	0	2,103,500	0	2,100,000	-
264	George Miller Estate Donation	73,226	7,332	5,486	71,500	105,500	90,000	-
265	Grants	1,655,519	1,132,369	873,179	2,405,375	2,489,823	1,949,750	2,368,300
266	Interim Housing Serv (CCOGIHS	0	0	0	876,000	876,002	963,000	-
267	Cal-ICH - Encampment Res Funding	0	74,509	321,067	1,180,774	632,975	273,600	-
268	Prop 64 Public Hlth & Safety	0	0	69,856	1,255,600	54,019	1,167,500	1,119,000
269	SAFER-Fire	0	0	620,297	1,901,125	2,271,558	2,423,400	2,633,700
270	Transit Grants	2,780,211	1,664,829	1,357,220	0	5,608,798	0	-
299	Humanitarian Assistance Program	0	0	0	0	284	0	-
300	Prop A Exchange	0	0	0	0	0	0	
310	Golf Course Renovation Project	0	13,355,075	18,112,999	15,000,000	5,462,036	0	-
312	Topgolf Project	0	-33,218,636	35,656,742	4,292,300	2,158,905	5,053,300	-
320	Solar-Roof-HVAC Project	0	2,817,407	6,951,240	3,000,000	3,111,840	3,000,000	-
325	Information Technology Upgrades	0	3,653,045	1,046,522	2,000,000	679,089	1,500,000	700,000
410	Debt Service	11,046,157	13,741,288	14,441,343	11,056,600	15,425,840	10,558,400	15,610,600
500	Trust & Agency	306,420	186,775	226,550	250,000	347,609	354,700	350,800
600	Transit	25,889,252	36,610,605	38,850,149	38,401,700	33,939,312	37,805,500	41,906,700
605	Water	2,343,197	18,683,618	47	0	0	0	
610	Golf	2,735,237	-9,969,003	-5,898,968	4,350,600	49,010	3,957,700	4,112,600
615	Detention	0	0	0	0	0	0	
620	Hilton Garden Inn	5,088,671	5,944,554	6,346,888	6,144,200	6,222,936	6,670,700	6,325,700
625	Hotel2Suites Hotel	9,782,114	11,157,032	13,958,019	10,718,900	13,779,372	13,620,100	13,623,300
700	Self Insurance	14,959,332	12,951,438	13,729,952	9,138,700	10,802,125	9,633,800	10,102,700
800	Successor Agency	3,440,898	1,243,577	12,187,818	2,538,500	10,887,424	1,816,900	1,783,700
810	Housing Authority Successor	25,083	300	300	300	300	0	-
900	Capital Assets Fund	3,401,001	3,771,600	19,773,443	0	5,734,166	0	
	Grand Total	**172,763,321**	**189,302,867**	**285,892,009**	**226,869,719**	**241,249,789**	**226,163,050**	**237,619,800**

EXHIBIT A3

City of Montebello

Fiscal Year 2026-27 Budget

Master Position Control, by Department

PROPOSED NEW POSITIONS FOR FY 2026-27

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26 ADOPTED	FY 2025-26 AMENDED	FY 2026-27 PROPOSED	Variance
Elected							
City Councilmember	5.0	5.0	5.0	5.0	5.0	5.0	0.0
City Clerk	1.0	1.0	1.0	1.0	1.0	1.0	0.0
City Treasurer	1.0	1.0	1.0	1.0	1.0	1.0	0.0
	7.0	**7.0**	**7.0**	**7.0**	**7.0**	**7.0**	**0.0**
Administration							
City Manager	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Assistant City Manager	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Director of City Clerk Services	0.0	0.0	0.0	1.0	1.0	1.0	0.0
Deputy City Clerk	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Records Coordinator	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Senior Management Analyst	0.0	0.0	0.0	1.0	1.0	1.0	0.0
Management Analyst	0.0	1.0	1.0	1.0	1.0	1.0	0.0
Executive Assistant to the City Manager	0.0	0.0	1.0	1.0	1.0	1.0	0.0
	11.0	**8.0**	**8.0**	**10.0**	**8.0**	**8.0**	**0.0**
Finance							
Director of Finance	1.0	1.0	1.0	1.0	1.0	1.0	0.0
~~**Assistant Director or Finance**~~	~~**1.0**~~	~~**1.0**~~	~~**1.0**~~	~~**1.0**~~	~~**1.0**~~	~~**0.0**~~	~~**-1.0**~~
Deputy Director of Finance	0.0	0.0	0.0	0.0	2.0	2.0	0.0
Accounting Manager	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Finance Manager	0.0	1.0	1.0	1.0	1.0	1.0	0.0
Principal Risk Officer	0.0	0.0	1.0	1.0	1.0	1.0	0.0
Senior Management Analyst	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Management Analyst	1.0	1.0	1.0	1.0	2.0	2.0	0.0
Senior Accountant	0.0	1.0	1.0	1.0	1.0	1.0	0.0
Accountant	5.0	5.0	6.0	6.0	5.0	5.0	0.0
Lead Finance Technician	0.0	1.0	1.0	1.0	1.0	1.0	0.0
Senior Finance Technician	5.0	8.0	8.0	8.0	5.0	4.0	-1.0
Finance Technician	5.0	2.0	2.0	2.0	3.0	4.0	1.0
Senior Administrative Assistant	1.0	1.0	1.0	1.0	1.0	1.0	0.0
	22.0	**24.0**	**26.0**	**26.0**	**26.0**	**25.0**	**-1.0**
Fire							
Fire Chief	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Assistant Fire Chief	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Deputy Fire Chief	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Fire Battalion Chief	4.0	6.0	6.0	6.0	6.0	6.0	0.0
Fire Captain	14.0	14.0	14.0	14.0	14.0	14.0	0.0
Fire Engineer	12.0	12.0	12.0	12.0	12.0	12.0	0.0
Firefighter (EMT)	24.0	24.0	24.0	24.0	24.0	24.0	0.0
Firefigher - Paramedic	0.0	18.0	18.0	18.0	18.0	18.0	0.0
Firefighter/Paramedic Trainee	4.0	4.0	4.0	4.0	4.0	4.0	0.0
Fire Marshal	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Community Risk Reduction Coordinator	0.0	0.0	0.0	1.0	1.0	1.0	0.0
Senior Fire Inspector	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Fire Inspector	2.0	2.0	2.0	2.0	2.0	2.0	0.0
Public Safety Administrative Manager	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**1.0**	**1.0**
Senior Management Analyst	**2.0**	**3.0**	**3.0**	**3.0**	**3.0**	**2.0**	**-1.0**
Public Safety Business Administrator I	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**1.0**	**1.0**
Public Safety Radio Supervisor	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Public Safety Radio Technician III*	2.0	2.0	2.0	2.0	2.0	2.0	0.0
Social Work Supervisor	1.0	2.0	2.0	2.0	2.0	2.0	0.0
Community Case Manager III*	0.0	0.0	0.0	0.0	2.0	2.0	0.0
Senior Finance Technician	0.0	0.0	1.0	1.0	1.0	1.0	0.0
Senior Administrative Assistant	2.0	2.0	3.0	3.0	3.0	3.0	0.0
	76.0	**98.0**	**100.0**	**101.0**	**100.0**	**101.0**	**1.0**

**Position classifications were updated through the Civil Service Commission. "Community Case Manager I/II/III" series replaces "Field Response Case Coordinator;" "Public Safety Radio Technician I/II/III" is now a series*

City of Montebello

Fiscal Year 2026-27 Budget

Master Position Control, by Department

PROPOSED NEW POSITIONS FOR FY 2026-27

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26 ADOPTED	FY 2025-26 AMENDED	FY 2026-27 PROPOSED	Variance
Human Resources							
Director of Human Resources / Risk Management	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Assistant Director of Human Resources / Risk Management	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Human Resources Manager	1.0	2.0	2.0	2.0	2.0	2.0	0.0
Risk Manager	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Senior Human Resources Analyst	2.0	2.0	2.0	2.0	2.0	2.0	0.0
Human Resources Analyst	2.0	4.0	4.0	4.0	4.0	4.0	0.0
Human Resources Technician	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Senior Administrative Assistant	1.0	1.0	1.0	1.0	1.0	1.0	0.0
	18.0	**15.0**	**14.0**	**14.0**	**13.0**	**13.0**	**0.0**
Planning and Community Development							
Director of Planning and Community Development	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Assistant Director of Planning and Community Development	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Deputy Director - Economic Development	**0.0**	**0.0**	**1.0**	**1.0**	**0.0**	**1.0**	**1.0**
Housing Manager	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Planning Manager	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Economic Development Manager	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Planner	**1.0**	**1.0**	**1.0**	**1.0**	**1.0**	**2.0**	**1.0**
Assistant Planner	**2.0**	**2.0**	**3.0**	**3.0**	**3.0**	**4.0**	**1.0**
Code Enforcement Manager	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Code Enforcement Coordinator	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Code Enforcement Officer	4.0	4.0	4.0	5.0	5.0	5.0	0.0
Parking Control Officer	**2.0**	**2.0**	**2.0**	**1.0**	**1.0**	**2.0**	**1.0**
Combination Building Inspector	0.0	0.0	1.0	1.0	1.0	1.0	0.0
Building Permit Technician	0.0	0.0	2.0	2.0	2.0	2.0	0.0
Senior Management Analyst	1.0	1.0	2.0	2.0	2.0	2.0	0.0
Management Analyst	**2.0**	**2.0**	**3.0**	**3.0**	**3.0**	**2.0**	**-1.0**
Senior Administrative Assistant	1.0	1.0	1.0	1.0	1.0	1.0	0.0
	20.0	**20.0**	**28.0**	**28.0**	**26.0**	**29.0**	**3.0**
Police							
Police Chief	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Assistant Police Chief	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Police Captain	2.0	2.0	2.0	2.0	2.0	2.0	0.0
Police Lieutenant	6.0	6.0	7.0	7.0	7.0	7.0	0.0
Police Sergeant	10.0	10.0	11.0	11.0	11.0	11.0	0.0
Police Corporal	23.0	23.0	24.0	24.0	24.0	24.0	0.0
Police Officer	32.0	36.0	38.0	38.0	38.0	38.0	0.0
Police Community Service Officer	0.0	0.0	2.0	2.0	2.0	2.0	0.0
Police Records Supervisor	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Dispatch Supervisor	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Police Dispatcher II	5.0	5.0	5.0	5.0	5.0	5.0	0.0
Police Dispatcher I	5.0	5.0	5.0	5.0	5.0	5.0	0.0
Police Records Technician	9.0	9.0	9.0	9.0	9.0	9.0	0.0
Property and Evidence Technician	2.0	2.0	2.0	2.0	2.0	2.0	0.0
Crime Analyst	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Court Liaison	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Grants and Project Administrator	1.0	1.0	1.0	1.0	1.0	1.0	0.0
~~**Senior Management Analyst**~~	~~**1.0**~~	~~**1.0**~~	~~**1.0**~~	~~**1.0**~~	~~**1.0**~~	~~**0.0**~~	~~**-1.0**~~
Public Safety Administrative Manager	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**1.0**	**1.0**
Public Safety Business Administrator III*	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**2.0**	**2.0**
Management Analyst	**1.0**	**1.0**	**1.0**	**1.0**	**1.0**	**2.0**	**1.0**
Finance Technician	0.0	0.0	0.0	0.0	1.0	1.0	0.0
Senior Administrative Assistant	1.0	1.0	1.0	1.0	1.0	1.0	0.0
	104.0	**108.0**	**115.0**	**115.0**	**116.0**	**119.0**	**3.0**

City of Montebello

Fiscal Year 2026-27 Budget

Master Position Control, by Department

PROPOSED NEW POSITIONS FOR FY 2026-27

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26 ADOPTED	FY 2025-26 AMENDED	FY 2026-27 PROPOSED	Variance
Public Works							
Director of Public Works	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Deputy Director of Public Works	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Administrative Manager	0.0	0.0	1.0	1.0	1.0	1.0	0.0
Construction Manager	0.0	0.0	1.0	1.0	1.0	1.0	0.0
Assistant Engineer	2.0	2.0	2.0	2.0	2.0	2.0	0.0
Public Works Superintendent	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Public Works Manager	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Park Maintenance Supervisor	**1.0**	**1.0**	**1.0**	**1.0**	**1.0**	**0.0**	**-1.0**
Street Maintenance Supervisor	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Building Maintenance Tradeworker II	2.0	2.0	2.0	2.0	2.0	2.0	0.0
Electrician	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Plumber	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Maintenance Worker	**22.0**	**22.0**	**22.0**	**22.0**	**22.0**	**13.0**	**-9.0**
Cement and Concrete Worker	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**2.0**	**2.0**
Senior Management Analyst	1.0	1.0	2.0	2.0	1.0	1.0	0.0
Management Analyst	1.0	1.0	2.0	2.0	2.0	2.0	0.0
Senior Administrative Assistant	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Administrative Assistant	0.0	0.0	1.0	1.0	1.0	1.0	0.0
	45.0	**46.0**	**43.0**	**43.0**	**41.0**	**33.0**	**-8.0**

**Parks Maintenance Division moved to Parks and Recreation Department in FY 2025-26*

Information Technology							
Information Technology Manager	0.0	2.0	1.0	1.0	1.0	1.0	0.0
Information Systems Supervisor	0.0	1.0	1.0	1.0	1.0	1.0	0.0
Information Systems Analyst	0.0	3.0	4.0	4.0	4.0	4.0	0.0
	0.0	**10.0**	**6.0**	**6.0**	**6.0**	**6.0**	**0.0**
Recreation and Community Services							
Director of Recreation and Community Services	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Assistant Director of Recreation and Community Services	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Recreation Manager	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Golf Course Facilities Manager	0.0	0.0	1.0	1.0	1.0	1.0	0.0
Recreation Supervisor	1.0	2.0	4.0	4.0	4.0	4.0	0.0
Community Services Coordinator	4.0	6.0	6.0	6.0	6.0	6.0	0.0
Public Affairs Manager	0.0	0.0	1.0	1.0	1.0	1.0	0.0
Public Information Officer	0.0	0.0	2.0	2.0	2.0	2.0	0.0
Parks Maintenance Supervisor	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**1.0**	**1.0**
Maintenance Worker	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**9.0**	**9.0**
Senior Management Analyst	0.0	0.0	1.0	1.0	1.0	1.0	0.0
Management Analyst	1.0	1.0	1.0	2.0	2.0	2.0	0.0
Senior Administrative Assistant	1.0	1.0	2.0	2.0	1.0	1.0	0.0
	11.0	**14.0**	**23.0**	**24.0**	**21.0**	**31.0**	**10.0**

**Parks Maintenance Division moved to Parks and Recreation Department in FY 2025-26*

City of Montebello

Fiscal Year 2026-27 Budget

Master Position Control, by Department

PROPOSED NEW POSITIONS FOR FY 2026-27

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26 ADOPTED	FY 2025-26 AMENDED	FY 2026-27 PROPOSED	Variance
Transportation							
Director of Transportation	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Assistant Director of Transportation	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Deputy Director	1.0	1.0	2.0	2.0	2.0	2.0	0.0
Transit Administration Manager	1.0	1.0	2.0	2.0	2.0	2.0	0.0
Transit Operations Manager	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Fleet Maintenance Manager	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Facility Maintenance Manager	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Fleet Maintenance Supervisor	4.0	4.0	6.0	6.0	6.0	6.0	0.0
Transit Dispatch Supervisor	15.0	13.0	15.0	15.0	15.0	15.0	0.0
Transit Assistant Manager	3.0	3.0	7.0	7.0	7.0	7.0	0.0
Warehouse Supervisor	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Fleet Services Supervisor	1.0	2.0	2.0	2.0	2.0	2.0	0.0
Senior Management Analyst	1.0	3.0	2.0	2.0	3.0	3.0	0.0
Management Analyst	4.0	5.0	5.0	5.0	3.0	3.0	0.0
Transit Planner	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Senior Finance Technician	0.0	0.0	1.0	1.0	1.0	1.0	0.0
Account Clerk	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Finance Technician	3.0	3.0	2.0	2.0	2.0	2.0	0.0
Senior Administrative Assistant	1.0	1.0	2.0	2.0	2.0	2.0	0.0
Bus Operator	150.0	150.0	150.0	150.0	150.0	150.0	0.0
Heavy Equipment Mechanic	15.0	15.0	15.0	15.0	15.0	15.0	0.0
Fleet Service Worker	13.0	13.0	13.0	13.0	15.0	15.0	0.0
Body Shop Mechanic	1.0	2.0	2.0	2.0	2.0	2.0	0.0
Building Maintenance Tradeworker II	2.0	2.0	2.0	2.0	2.0	2.0	0.0
Storekeeper	3.0	4.0	4.0	4.0	4.0	4.0	0.0
Administrative Assistant	5.0	3.0	3.0	3.0	3.0	3.0	0.0
	234.0	**233.0**	**243.0**	**243.0**	**244.0**	**244.0**	**0.0**
Total Full-Time Employees	**548.0**	**583.0**	**613.0**	**617.0**	**608.0**	**616.0**	**8.0**
Total Full-Time Employees Net Elected	**541.0**	**576.0**	**606.0**	**610.0**	**601.0**	**609.0**	**8.0**

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26 ADOPTED	FY 2025-26 AMENDED	FY 2026-27 PROPOSED	Variance
Administration	11.0	8.0	8.0	10.0	8.0	8.0	0.0
Community Development	20.0	20.0	28.0	28.0	26.0	29.0	3.0
Finance	22.0	24.0	26.0	26.0	26.0	25.0	-1.0
Fire	76.0	98.0	100.0	101.0	100.0	101.0	1.0
Human Resources	18.0	15.0	14.0	14.0	13.0	13.0	0.0
Parks and Recreation	11.0	14.0	23.0	24.0	21.0	31.0	10.0
Police	104.0	108.0	115.0	115.0	116.0	119.0	3.0
Public Works	45.0	46.0	43.0	43.0	41.0	33.0	-8.0
Information Technology	0.0	10.0	6.0	6.0	6.0	6.0	0.0
Transit	234.0	233.0	243.0	243.0	244.0	244.0	0.0
	541.0	**576.0**	**606.0**	**610.0**	**601.0**	**609.0**	**8.0**

CITY OF MONTEBELLO
General Fund Reserve Policies

Fund balance refers to the difference between assets and liabilities in the City's governmental funds balance sheet. This information is one of the most widely used elements of State and local government financial statements. Financial statement users examine fund balance information to identify the available liquid resources that can be used to pay down unfunded liabilities, finance capital improvements, or enhance the overall financial position of the City.

PURPOSE

The purpose of these policies is to provide guidance on maintaining reasonable levels of reserves in the City's General Fund. In addition, these policies help improve financial reporting by establishing fund balance classifications that create a hierarchy based on the extent to which the City is bound to observe spending constraints that govern how the City can use amounts reported in the governmental fund balance sheet. These policies will also help guide current and future allocation levels to various reserve categories in the General Fund, setting out specific target amounts based on widely used and accepted best practices. As referencing governmental funds, this policy satisfies the requirements of Governmental Accounting Standards Board (GASB) Statement No. 54 and incorporates all previous City Council policies regarding GASB Statement No. 54.

POLICY

It is the policy of the City of Montebello to identify the various classifications of the City's governmental fund balances in its Comprehensive Annual Financial Report (CAFR). These classifications take into consideration the City's long-term infrastructure needs, non-current liabilities, funds necessary to mitigate economic uncertainties, funding that has spending constraints such as grants and fixed assets that will not easily convert to cash. These policies will also increase transparency by clearly designating appropriate reserve levels and categories based on City Council direction and long-term financial planning needs.

The fund balance is a tool the City uses to have an effective long-term financial plan, as well as ensure sufficient liquidity to meet its financial obligations in the short-term.

OBJECTIVES

The City of Montebello's Reserve Policies have two primary objectives:

1. To determine the available liquid resources; and,
2. To provide the information necessary to make informed financial decisions

The fund balance classifications of the City's General Fund are designed to clarify the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the fund can be spent, rather than to simply represent the financial resources available for appropriation.

OVERVIEW

There are three categories of funds per generally accepted accounting principles:

- Governmental Funds: the General Fund, Special Revenue Funds (e.g., State Highway Users Tax), and Capital Projects Funds
- Proprietary Funds: Transit Operations Enterprise Fund
- Fiduciary Funds: Successor Agency (i.e., former Redevelopment Agency)

The GASB 54 classifications only apply to Governmental Funds. For the City of Montebello, these policies will apply only to the General Fund.

The fund balance is only an approximate measure of liquidity or working capital. Therefore, it is necessary for the City to recognize how fund balance is constituted and isolates funds that are needed for longer-term obligations, discern what funds are restricted for specified purposes, and classify those funds that are not available at all. To accomplish this goal, the City's financial statements for governmental funds are comprised of five fund balance categories, as spelled out in GASB Statement No. 54:

- Nonspendable Funds
- Restricted Funds
- Committed Funds
- Assigned Funds
- Unassigned Funds

NON-SPENDABLE AND RESTRICTED FUND BALANCE

The first two classifications are subject to requirements outside the local governing body's control for financial decision making and planning purposes. "Nonspendable" resources are essentially irrelevant because, by their nature, they are not liquid (i.e., land or similar non-cash assets). "Restricted" resources are of no discretionary value given the restrictions placed upon them by a third-party outside of the City's control (i.e., reserve funds required to be set aside by bond documents). Accordingly, this policy will just briefly describe these two classifications.

Nonspendable Funds

Some of the assets that are included in determining the City's fund balance are inherently nonspendable:

- Assets that will never convert to cash, such as prepaid items and inventories
- Assets that will not convert to cash within sixty (60) days from the start of the fiscal year, such as long-term loans receivable, and non-financial assets held for resale
- Assets that must be maintained intact pursuant to legal or contractual requirements, such as an endowment

Restricted Funds

Restricted funds describe the portion of the fund balance that is subject to externally enforceable legal restrictions, these restrictions fall into three (3) categories:

Restrictions are imposed by parties altogether outside the scope of the City's governance:

- Creditors (typically through a debt covenant)
- Grantors (typically State, Federal and other governmental agencies)
- Contributors
- Other governments

Restrictions that arise when the authorization to raise revenues is conditioned upon the revenue being used for a particular purpose:

- Gas taxes must be used for street repair
- Proposition C funds must be used for fixed transit routes
- Proposition A funds must be used for transit programs
- Measure R must be used for local street repair

Long-term loans receivable and non-financial assets that are collected can also be considered Restricted if the collected funds are subject to an externally enforceable restriction on how they can be spent.

PROCEDURES

This section provides a comprehensive protocol on what is legally deemed the unrestricted (or spendable) portion of the General Fund fund balance, and the order in which the classifications are spent. The unrestricted portion of the fund balance is comprised of the General Fund's resources classified as "Committed," "Assigned," or "Unassigned."

UNRESTRICTED (SPENDABLE) FUND BALANCE

Committed Funds

Committed funds describe a portion of the fund balance that is constrained by limitations imposed by the Montebello City Council. The City Council imposed limitation must occur no later than the close of the reporting period (i.e., end of the fiscal year) and remains binding unless removed under the same manner. A commitment is made by City Council adoption of a resolution that states the amount and purpose of the commitment.

This policy requires the commitment to be made as part of the annual budget adoption process (which typically occurs in June of each year). Furthermore, this policy sets out two distinct commitments: Economic Uncertainties Reserve and Unfunded Liabilities Reserve.

Committed Funds – Economic Uncertainties Reserve

This reserve policy establishes a Commitment for Economic Uncertainties equal to an amount calculated as twenty-five percent (25%) of the General Fund's annual operating revenues.

Appropriations from the Economic Uncertainties Reserve can only be made by formal City Council action (i.e., resolution appropriating use of these reserve funds).

Generally, appropriations and access to these Committed funds will be reserved for emergency situations. Examples of such emergencies include, but are not limited to:

- Reduction in revenue equal to or greater than 20% of adopted General Fund revenues in a given fiscal year
- An unplanned, major, catastrophic event such as a natural disaster requiring expenditures over
- 10% of General Fund adopted appropriations in a given fiscal year
- Unfunded and/or unpredictable State or Federal legislative or judicial mandates
- Any other unforeseen event that causes the City to expend funds in excess of 10% of General
- Fund adopted appropriations in a given fiscal year

Committed Funds – Unfunded Liabilities Reserve

This reserve policy establishes a Commitment for Unfunded Liabilities equal to an amount calculated as five percent (5%) of the General Fund's annual operating revenues.

Appropriations from the Unfunded Liabilities Reserve can only be made by formal City Council action (i.e., resolution appropriating use of these reserve funds).

Generally, appropriations and access to these Committed funds will be reserved to pay-down unfunded liabilities. Examples of such uses include, but are not limited to:

- Establishment of a Section 115 irrevocable trust to pay-down Other Post-Employment Benefits (OPEB) liabilities
- Making Additional Discretionary Payments (ADP) related to the City's pension plan (i.e., PERS)
- Funding other unfunded liabilities as identified or needed

Assigned Funds

Assigned funds describe the portion of the General Fund reserves that reflect the use of resources by the Montebello City Council intended to provide a means and source of funding for various near-term and long-term needs. Funds can be designated "assigned" to address equipment replacement needs as well as to set-aside funding for unfunded/unprogrammed future capital and/or infrastructure projects.

This policy grants authority to assign funds to the Director of Finance. Assignment of reserves may be modified by the Director of Finance as part of the annual budget process. Use of assigned funds

requires formal action by the City Council to appropriate funds in the appropriate account.

Specifically, this reserve policy establishes assignments for the following short-term and long-term needs, at the various levels specified:

- Equipment/Technology Replacement and Upgrades
- Capital Improvement (Unfunded/Un-programmed)
- Deferred Maintenance/Infrastructure Maintenance
- Energy Efficiency Projects
- Self-insured Retention
- Economic Sustainability

Additional assignments can and will be made by the Director of Finance as part of the preparation of the annual Comprehensive Annual Financial Report (CAFR). These assignments generally include reserving funds for deposits, debt service and bond defeasance. The CAFR will include a detailed accounting of all GASB Statement No. 54 fund balance classifications, including all Assigned Funds.

Equipment/Technology Replacement and Upgrade Assignment

> ***An assignment for equipment and/or technology replacement and upgrade needs will be made that is equal to five (5%) of the General Fund's annual operating revenues.***

This assignment is intended to be utilized for non-routine or extraordinary equipment replacement needs, and would include not just rolling stock but other equipment such as computers, network and telecom systems, furniture and related equipment, and other critical citywide "equipment" needs.

Capital Improvement (Unfunded/Un-programmed) Assignment

> ***An assignment will be made that is equal to five percent (5%) of the General Fund's annual operating revenues for the purposes of providing funding for any unfunded, unprogrammed or otherwise un-planned capital improvement projects that required a General Fund funding component.***

The purpose of this assignment is to provide an auxiliary means of funding capital improvement projects that do not have a dedicated or restricted funding stream (i.e., non-General Fund source of funding).

Deferred Maintenance/Infrastructure Maintenance Assignment

> ***An assignment will be made that is equal to $1,000,000 for the purpose of providing funding for deferred maintenance on the City's building assets (i.e., City Hall, community centers), sports fields and other related infrastructure items.***

The purpose of the Deferred Maintenance/Infrastructure Maintenance assignment is to provide a reserve for deferred maintenance on the City's buildings, sports fields, parks, community centers and other related infrastructure. The Deferred Maintenance assignment could also be utilized to replace items such as equipment in community centers, parks, etc. This assignment could be used to supplement

the Equipment/Technology Replacement and Upgrade assignment for these types of "one-time" furniture and equipment purchases. The amount of this assignment will be evaluated on a regular basis and either decreased or increased based on updated deferred maintenance needs and priorities as well as available fund balance.

This assignment is separate and distinct from the "Capital Improvement" assignment, which is intended to fund capital projects related to roads, sewer systems, rights of way and similar areas.

Insurance – Risk Management Assignment

An assignment will be made that is equal to $500,000 and is intended to meet the City's "self-insured retention" for various insurance needs.

The intent of this assignment is to supplement funding in the City's Self-Insurance Fund (Fund 700) if necessary based on workers compensation and/or liability claims expenditures. This amount will be re-evaluated and adjusted as necessary.

Economic Sustainability Assignment

An assignment will be made equal to $1,000,000 to fund economic development sustainability efforts within the City of Montebello. Funds can only be appropriated through formal action by the City Council taken approving a specific economic development project, mission or other targeted effort aimed at increasing the City's sales tax and/or property tax revenue.

The Economic Sustainability assignment would establish a pool of funds that could be utilized to improve the City's sales tax and/or property tax base. Use of these funds would be controlled through a strategic effort that would require a specific, City Council approved plan for how the funds would be utilized.

Unassigned Funds

The General Fund may have net resources in excess of what is classified in one of the four previous categories (non-spendable, restricted, committed or assigned). This amount is presented as the Unassigned Fund Balance amount. Only the General Fund can report a positive unassigned fund balance. However, all governmental funds can report a negative unassigned fund balance.

This policy dictates that any amount of fund balance will be classified as "unassigned" after funding the Economic Uncertainties Reserve and Unfunded Liabilities Commitments plus the various Assigned reserves made in accordance with the preceding section. This policy allows for "unassigned" funds and places no specific restrictions on their use. In general, the City Council could choose to utilize "unassigned" fund balance for one-time projects or uses in a given fiscal year, such as technology upgrades, infrastructure improvements, economic development efforts, paying down long-term liabilities, or other such uses either not allocated for in this policy or in addition to the reserve policies set forth herein.

Use of Resources

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, the order of allocation of these available funds is first restricted, second committed, third assigned and lastly unassigned amounts.

REPLENISHMENT OF COMMITTED AND/OR ASSIGNED RESERVES

In keeping with the principles discussed in this policy, when either Committed or Assigned funds are utilized for their specific, intended purposes, or the levels fall below the policy levels as described and set forth herein, the City Council will develop a reserve replenishment plan to return the various reserves to their policy levels. This plan will seek to return the Committed and/or Assigned reserves to their policy levels within one (1) to three (3) years, per City Council direction. Furthermore, Unassigned funds will be first utilized to maintain and/or return the Committed and/or Assigned reserves to their policy levels.

SUMMARY

Components of Fund Balance

- Nonspendable Fund Balance
    - Inherently nonspendable
    - Portion of net resources that cannot be spent because of their form
    - Portion of net resources that cannot be spent because they must be maintained intact
- Restricted Fund Balance
    - Externally enforceable limits on use
    - Limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments
    - Limitations imposed by law through constitutional provisions or enabling legislation
- Committed Fund Balance
    - Council/Agency self-imposed limitations set in place prior to the end of the fiscal year
    - Limitation imposed at the highest level of decision making that requires formal action at the same level to remove
- Assigned Fund Balance
    - Limitation resulting from intended use
    - Intended use established by Director of Finance
- Unassigned Fund Balance
    - Total fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance (surplus)
    - Excess of nonspendable, restricted, and committed fund balance over total fund balance (deficit)
- Use of Fund Balance
    - Restricted
    - Committed
    - Assigned

City of Montebello
Capital Improvement Program (CIP)
Funding Source Summary
FY 2026-27 Budget

Fund Description	Fund Number	New Appropriations	Carryover Approprations*	M&O Expenditures**	Total Funding:
Gas Tax	200	185,000	200,000	2,833,500	3,218,500
Proposition A	210		294,100	640,300	934,400
Proposition C	215			768,900	768,900
Measure M	222		735,000	979,900	1,714,900
Measure R	220	600,000	375,000	679,000	1,654,000
Measure W	229		516,300	681,000	1,197,300
SB1/RMRA	201	1,760,200	2,540,000		4,300,200
Measure A (Parks)	221	458,700	300,000		758,700
TDA-3	223	52,800			52,800
SCAG Active Transp	Grant (265)		362,500		362,500
STIPL (Prop C Excchange)	2xx		188,400		188,400
Prop C - Paving the Way	215	8,385,800	1,987,600		10,373,400
Meas M - Paving the Way	222		2,442,500		2,442,500
Meas R - Paving the Way	220		1,797,200		1,797,200
Transit	600	748,300	400,000	16,500	1,164,800
General Fund	100	123,000	-		123,000
		12,313,800	**12,138,600**	**6,599,100**	**31,051,500**

**These amounts are estimates; actual amounts will not be known until after June 30, 2026. Subsequent City Council action will follow to re-appropriate carryover funds for applicable CIP projects, amending the FY 2026-27 budget.*

***Maintenance and Operations appropriations include signs, markings, street sweeping, concrete cutting/sidewalk repair, debt service, salaries and other releted expenses.*

RESOLUTION NO. 26-42

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO ADOPTING THE COMPENSATION PLAN AND TABLE OF ORGANIZATION (POSITION LISTING)

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

SECTION 1. That the City Council of the City of Montebello has determined that the following listing of positions shall be the official and prescribed position titles and if applicable in accordance with the respective range numbers pertaining thereto and herein indicated in accordance with provisions of the Montebello Municipal Code and/or the Civil Service Rules and Regulations as previously enacted by this City Council:

ELECTED OFFICIALS		MONTHLY SALARY RANGES		
City Councilmembers		$1,032	-	$1,032
City Clerk		$695	-	$695
City Treasurer		$695	-	$695

CLASSIFIED MANAGEMENT	RANGE	ANNUAL MINIMUM	ANNUAL MAXIMUM
Fire Battalion Chief	62	$153,087	$191,185
Fire Captain	50	$113,829	$142,157
Police Captain	69	$181,973	$227,259
Police Lieutenant	63	$156,915	$195,965
Police Sergeant	56	$132,007	$164,858
Senior Fire Inspector	42	$93,425	$116,675

CLASSIFIED NON-MANAGEMENT	RANGE	ANNUAL MINIMUM	ANNUAL MAXIMUM
Account Clerk	11	$43,453	$54,267
Administrative Assistant	9	$41,359	$51,652
Assistant Engineer	37	$82,574	$103,123
Assistant Planner	34	$76,678	$95,760
Body Shop Mechanic	27	$64,507	$80,560
Building Inspector	31	$71,203	$88,923
Building Maintenance Tradeworker I	17	$50,392	$62,933
Building Maintenance Tradeworker II	20	$54,267	$67,772
Bus Operator	24	$59,901	$74,808
Business License Technician	16	$49,163	$61,398
Combination Building Inspector	41	$91,146	$113,829
Community Case Manager I	23	$58,440	$72,983
Community Case Manager II	30	$69,467	$86,754
Community Case Manager III	36	$80,560	$100,608
Community Outreach Specialist	25	$61,398	$76,678

Community Risk Reduction Coordinator	36	$80,560	$100,608
Community Services Coordinator	17	$50,392	$62,933
Cement and Concrete Worker	27	$64,507	$80,560
Court Liaison	16	$49,163	$61,398
Custodian	11	$43,453	$54,267
Electrician	31	$71,203	$88,923
Engineering Technician	26	$62,933	$78,595
Finance Technician	20	$54,267	$67,772
Fire Engineer	46	$103,123	$128,787
Fire Inspector	25	$61,398	$76,678
Firefighter	39	$86,754	$108,344
Firefighter/ Paramedic	39	$86,754	$108,344
Fleet Service Worker	16	$49,163	$61,398
Geographic Information Systems (GIS) Technician I	23	$58,440	$72,983
Geographic Information Systems (GIS) Technician II	30	$69,467	$86,754
Geographic Information Systems (GIS) Technician III	36	$80,560	$100,608
Heavy Equipment Mechanic	32	$72,983	$91,146
Human Resources Technician	31	$71,203	$88,923
Lead Finance Technician	28	$66,119	$82,574
Maintenance Worker	14	$46,794	$58,440
Parking Control Officer	16	$49,163	$61,398
Payroll Coordinator	28	$66,119	$82,574
Payroll Specialist	27	$64,507	$80,560
Permit Technician	22	$57,014	$71,203
Plumber	31	$71,203	$88,923
Police Community Service Officer	20	$54,267	$67,772
Police Corporal	49	$111,053	$138,690
Police Dispatcher I	26	$62,933	$78,595
Police Dispatcher II	31	$71,203	$88,923
Police Officer	46	$103,123	$128,787
Police Records Technician	14	$46,794	$58,440
Property & Evidence Technician I	24	$59,901	$74,808
Property & Evidence Technician II	27	$64,507	$80,560
Public Information Coordinator	28	$66,119	$82,574
Public Safety Radio Technician I	22	$57,014	$71,203
Public Safety Radio Technician II	29	$67,772	$84,638
Public Safety Radio Technician III	35	$78,595	$98,154
Public Works Inspector	32	$72,983	$91,146
Records Coordinator	26	$62,933	$78,595
Senior Building Inspector	38	$84,638	$105,702
Senior Finance Technician	26	$62,933	$78,595
Senior Permit Technician	25	$61,398	$76,678
Storekeeper	22	$57,014	$71,203

UNCLASSIFIED MANAGEMENT	RANGE	ANNUAL MINIMUM	ANNUAL MAXIMUM
Accounting Manager	52	$119,592	$149,354
Accounting Supervisor	34	$76,678	$95,760
Assistant City Manager	80	$238,764	$298,184
Administrative Manager	48	$108,344	$135,307
Assistant Director of Finance	60	$145,711	$181,973
Assistant Director of Fire	60	$145,711	$181,973
Assistant Director of Human Resources	60	$145,711	$181,973
Assistant Director of Planning and Community Development	59	$142,157	$177,534
Assistant Director of Public Affairs	59	$142,157	$177,534
Assistant Director of Public Works	58	$138,690	$173,204
Assistant Director of Recreation & Community Services	55	$128,787	$160,837
Assistant Director of Transportation	58	$138,690	$173,204
Assistant Fire Chief	67	$173,204	$216,308
Assistant Police Chief	71	$191,185	$238,764
Associate Engineer	44	$98,154	$122,581
Building Maintenance Supervisor	34	$76,678	$95,760
Building Official	53	$122,581	$153,087
City Manager	^	$354,235	$354,235
Code Enforcement Manager	42	$93,425	$116,675
Construction Manager	52	$119,592	$149,354
Crime Prevention Supervisor	38	$84,638	$105,702
Deputy Director of Finance	59	$142,157	$177,534
Deputy Director of Public Works	56	$132,007	$164,858
Deputy Director of Transportation	56	$132,007	$164,858
Deputy Director of Economic Development	56	$132,007	$164,858
Deputy Fire Chief	63	$156,915	$195,965
Director of Finance	75	$211,033	$263,551
Director of City Clerk Services	75	$211,033	$263,551
Director of Human Resources	75	$211,033	$263,551
Director of Planning & Community Development	75	$211,033	$263,551
Director of Public Works/City Engineer	75	$211,033	$263,551
Director of Recreation & Community Services	75	$211,033	$263,551
Director of Transportation	75	$211,033	$263,551
Dispatch Supervisor	36	$80,560	$100,608
Economic Development Manager	54	$125,646	$156,915
Executive Assistant to the City Manager	34	$76,678	$95,760
Facility Maintenance Manager	52	$119,592	$149,354
Finance Supervisor	36	$80,560	$100,608
Finance Manager	52	$119,592	$149,354
Fire Chief	79	$232,940	$290,911
Fire Marshal	55	$128,787	$160,837
Fleet Maintenance Manager	48	$108,344	$135,307
Fleet Maintenance Supervisor	37	$82,574	$103,123

Fleet Services Manager	46	$103,123	$128,787
Fleet Services Supervisor	26	$62,933	$78,595
Geographic Information Systems (GIS) Manager	48	$108,344	$135,307
Golf Course Facilities Manager	39	$86,754	$108,344
Grants & Project Administrator	40	$88,923	$111,053
Housing Manager	52	$119,592	$149,354
Human Resources Analyst	38	$84,638	$105,702
Human Resources Manager	52	$119,592	$149,354
Information Technology Manager	53	$122,581	$153,087
Information Systems Supervisor	43	$95,760	$119,592
Management Analyst	34	$76,678	$95,760
Park Maintenance Supervisor	34	$76,678	$95,760
Planner	39	$86,754	$108.344
Planning Manager	53	$122,581	$153,087
Police Chief	79	$232,940	$290,911
Police Records Supervisor	35	$78,595	$98,154
Principal Engineer	56	$132,007	$164,858
Principal Risk Officer	63	$156,915	$195,965
Public Affairs Manager	39	$86,754	$108,344
Public Information Officer	36	$80,560	$100,608
Public Safety Administrative Manager	52	$119,592	$149,354
Public Safety Business Administrator I	34	$76,678	$95,760
Public Safety Business Administrator II	40	$88,923	$111,053
Public Safety Business Administrator III	45	$100,608	$125,646
Public Safety Radio Supervisor	43	$95,760	$119,592
Public Works Inspector	32	$72,983	$91,146
Public Works Manager	41	$91,146	$113,829
Public Works Superintendent	47	$105,702	$132,007
Recreation Manager	39	$86,754	$108,344
Recreation Supervisor	33	$74,808	$93,425
Revenue Supervisor	34	$76,678	$95,760
Risk Management Analyst	34	$76,678	$95,760
Risk Manager	54	$125,646	$156,915
Senior Deputy City Clerk	43	$95,760	$119,592
Senior Economic Development Coordinator	38	$84,638	$105,702
Senior Human Resources Analyst	45	$100,608	$125,646
Senior Management Analyst	40	$88,923	$111,053
Senior Planner	45	$100,608	$125,646
Senior Procurement Analyst	37	$82,574	$103,123
Social Work Supervisor	44	$98,154	$122,581
Street Maintenance Supervisor	36	$80,560	$100,608
Superintendent/Facility Manager	42	$93,425	$116,675
Transit Administration Manager	49	$111,053	$138,690
Transit Assistant Manager	40	$88,923	$111,053
Transit Operations Manager	51	$116,675	$145,711

Transit Planner	40	$88,923	$111,053
Transit Supervisor	30	$69,467	$86,754
Warehouse Supervisor	30	$69,467	$86,754

^The City Manager's salary is set by separate City Council approved contract.

UNCLASSIFIED NON-MANAGEMENT	RANGES	ANNUAL MINIMUM	ANNUAL MAXIMUM
Accountant	30	$69,467	$86,754
Code Enforcement Coordinator	14	$46,794	$58,440
Code Enforcement Officer	31	$71,203	$88,923
Crime Analyst	36	$80,560	$100,608
Deputy City Clerk	28	$66,119	$82,574
Economic Development Coordinator	30	$69,467	$86,754
Field Response Case Coordinator	15	$47,964	$59,901
Firefighter/Paramedic Trainee	25	$61,398	$76,678
Information Systems Analyst	40	$88,923	$111,053
Information Systems Technician	22	$57,014	$71,203
Police Trainee	45	$100,608	$125,646
Senior Accountant	39	$86,754	$108,344
Senior Administrative Assistant	18	$51,652	$64,507

HOURLY CLASSIFICATION		HOURLY MINIMUM	HOURLY MAXIMUM
Administrative Analyst		18.20	26.95
Administrative Secretary		20.45	25.81
Building Maintenance Tradeworker		17.75	22.40
Bus Operator		20.87	22.80
Clerical Assistant		18.20	20.21
Code Enforcement Technician		18.20	18.56
Community Services Aide - SYEP		17.33	17.33
Equipment Service Worker		18.20	21.07
Field Maintenance Worker		18.20	18.45
Finance Technician		26.06	32.55
Fire Engineer		30.24	38.61
Fire Inspector		24.87	31.75
Geographic Information Systems (GIS) Intern		18.20	20.21
Heavy Duty Fire Equipment Mechanic		50.06	54.14
Human Resources Manager		46.55	56.58
Information Systems Specialist		18.20	20.21
Intern		18.20	20.21
Lifeguard		20.58	26.36
Maintenance Worker		18.20	22.40
Mechanic's Assistant		18.20	19.28
Park Ranger		18.20	21.28

Parking Control Officer		20.64	23.46
Police Cadet		18.20	21.32
Police Community Services Officer		26.06	32.55
Police Dispatcher		29.05	34.45
Police Officer		50.76	63.40
Police Records Technician		22.47	28.06
Police Trainee		20.94	26.52
Police Youth Program Coordinator		19.35	24.75
Pool Manager		23.29	29.07
Property & Evidence Technician		18.36	26.95
Public Works Manager		38.28	46.56
Recreation Leader I		18.20	19.12
Recreation Leader II		19.59	20.58
Recreation Leader III		21.11	22.17
Recreation Leader IV		23.29	25.70
Risk Management Assistant		18.20	23.65
Secretary		18.20	19.74
Senior Lifeguard		23.29	25.70
Senior Project Manager		70.41	85.62
Sports Official		18.20	26.95
Swim Instructor		21.62	27.00
Transportation Revenue Coordinator		18.20	22.29
Transportation Specialist		18.20	26.95

SECTION 2. That the City Clerk shall certify to the adoption of this resolution, shall distribute copies to the Director of Human Resources and the Director of Finance, and the resolution shall be in full force and effect immediately upon ratification.

APPROVED AND ADOPTED THIS 10TH DAY OF JUNE, 2026

_____
Georgina Tamayo, Mayor

ATTEST:

_____
Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

_____
Arnold M. Alvarez-Glasman, City Attorney

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

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 26-42 was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 10th day of June, 2026 and that said Resolution was adopted by the following vote, to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

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

DATE: _____ _____
Christopher Jimenez, City Clerk

EXHIBITS:

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City of Montebello
Proposed Salary Schedule

Salary Range	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Salary Range
					Salary Range						
0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0
1	$33,946	$34,794	$35,664	$36,556	$37,470	$38,406	$39,366	$40,351	$41,359	$42,393	1
Monthly	$2,828.80	$2,899.52	$2,972.01	$3,046.31	$3,122.47	$3,200.53	$3,280.54	$3,362.55	$3,446.62	$3,532.78	
Bi-Wkly.	$1,305.60	$1,338.24	$1,371.70	$1,405.99	$1,441.14	$1,477.17	$1,514.10	$1,551.95	$1,590.75	$1,630.52	
Hrly.	$16.3200	$16.7280	$17.1462	$17.5749	$18.0142	$18.4646	$18.9262	$19.3994	$19.8843	$20.3814	
56Hr Work-Week Hrly..	$11.6571	$11.9486	$12.2473	$12.5535	$12.8673	$13.1890	$13.5187	$13.8567	$14.2031	$14.5582	
2	$34,794	$35,664	$36,556	$37,470	$38,406	$39,366	$40,351	$41,359	$42,393	$43,453	2
Monthly	$2,899.52	$2,972.01	$3,046.31	$3,122.47	$3,200.53	$3,280.54	$3,362.55	$3,446.62	$3,532.78	$3,621.10	
Bi-Wkly.	$1,338.24	$1,371.70	$1,405.99	$1,441.14	$1,477.17	$1,514.10	$1,551.95	$1,590.75	$1,630.52	$1,671.28	
Hrly.	$16.7280	$17.1462	$17.5749	$18.0142	$18.4646	$18.9262	$19.3994	$19.8843	$20.3814	$20.8910	
56Hr Work-Week Hrly..	$11.9486	$12.2473	$12.5535	$12.8673	$13.1890	$13.5187	$13.8567	$14.2031	$14.5582	$14.9221	
3	$35,664	$36,556	$37,470	$38,406	$39,366	$40,351	$41,359	$42,393	$43,453	$44,540	3
Monthly	$2,972.01	$3,046.31	$3,122.47	$3,200.53	$3,280.54	$3,362.55	$3,446.62	$3,532.78	$3,621.10	$3,711.63	
Bi-Wkly.	$1,371.70	$1,405.99	$1,441.14	$1,477.17	$1,514.10	$1,551.95	$1,590.75	$1,630.52	$1,671.28	$1,713.06	
Hrly.	$17.1462	$17.5749	$18.0142	$18.4646	$18.9262	$19.3994	$19.8843	$20.3814	$20.8910	$21.4133	
56Hr Work-Week Hrly..	$12.2473	$12.5535	$12.8673	$13.1890	$13.5187	$13.8567	$14.2031	$14.5582	$14.9221	$15.2952	
4	$36,556	$37,470	$38,406	$39,366	$40,351	$41,359	$42,393	$43,453	$44,540	$45,653	4
Monthly	$3,046.31	$3,122.47	$3,200.53	$3,280.54	$3,362.55	$3,446.62	$3,532.78	$3,621.10	$3,711.63	$3,804.42	
Bi-Wkly.	$1,405.99	$1,441.14	$1,477.17	$1,514.10	$1,551.95	$1,590.75	$1,630.52	$1,671.28	$1,713.06	$1,755.89	
Hrly.	$17.5749	$18.0142	$18.4646	$18.9262	$19.3994	$19.8843	$20.3814	$20.8910	$21.4133	$21.9486	
56Hr Work-Week Hrly..	$12.5535	$12.8673	$13.1890	$13.5187	$13.8567	$14.2031	$14.5582	$14.9221	$15.2952	$15.6776	
5	$37,470	$38,406	$39,366	$40,351	$41,359	$42,393	$43,453	$44,540	$45,653	$46,794	5
Monthly	$3,122.47	$3,200.53	$3,280.54	$3,362.55	$3,446.62	$3,532.78	$3,621.10	$3,711.63	$3,804.42	$3,899.53	
Bi-Wkly.	$1,441.14	$1,477.17	$1,514.10	$1,551.95	$1,590.75	$1,630.52	$1,671.28	$1,713.06	$1,755.89	$1,799.78	
Hrly.	$18.0142	$18.4646	$18.9262	$19.3994	$19.8843	$20.3814	$20.8910	$21.4133	$21.9486	$22.4973	
56Hr Work-Week Hrly..	$12.8673	$13.1890	$13.5187	$13.8567	$14.2031	$14.5582	$14.9221	$15.2952	$15.6776	$16.0695	
6	$38,406	$39,366	$40,351	$41,359	$42,393	$43,453	$44,540	$45,653	$46,794	$47,964	6
Monthly	$3,200.53	$3,280.54	$3,362.55	$3,446.62	$3,532.78	$3,621.10	$3,711.63	$3,804.42	$3,899.53	$3,997.02	
Bi-Wkly.	$1,477.17	$1,514.10	$1,551.95	$1,590.75	$1,630.52	$1,671.28	$1,713.06	$1,755.89	$1,799.78	$1,844.78	
Hrly.	$18.4646	$18.9262	$19.3994	$19.8843	$20.3814	$20.8910	$21.4133	$21.9486	$22.4973	$23.0597	
56Hr Work-Week Hrly..	$13.1890	$13.5187	$13.8567	$14.2031	$14.5582	$14.9221	$15.2952	$15.6776	$16.0695	$16.4712	
7	$39,366	$40,351	$41,359	$42,393	$43,453	$44,540	$45,653	$46,794	$47,964	$49,163	7
Monthly	$3,280.54	$3,362.55	$3,446.62	$3,532.78	$3,621.10	$3,711.63	$3,804.42	$3,899.53	$3,997.02	$4,096.95	
Bi-Wkly.	$1,514.10	$1,551.95	$1,590.75	$1,630.52	$1,671.28	$1,713.06	$1,755.89	$1,799.78	$1,844.78	$1,890.90	
Hrly.	$18.9262	$19.3994	$19.8843	$20.3814	$20.8910	$21.4133	$21.9486	$22.4973	$23.0597	$23.6362	
56Hr Work-Week Hrly..	$13.5187	$13.8567	$14.2031	$14.5582	$14.9221	$15.2952	$15.6776	$16.0695	$16.4712	$16.8830	
8	$40,351	$41,359	$42,393	$43,453	$44,540	$45,653	$46,794	$47,964	$49,163	$50,392	8
Monthly	$3,362.55	$3,446.62	$3,532.78	$3,621.10	$3,711.63	$3,804.42	$3,899.53	$3,997.02	$4,096.95	$4,199.37	
Bi-Wkly.	$1,551.95	$1,590.75	$1,630.52	$1,671.28	$1,713.06	$1,755.89	$1,799.78	$1,844.78	$1,890.90	$1,938.17	
Hrly.	$19.3994	$19.8843	$20.3814	$20.8910	$21.4133	$21.9486	$22.4973	$23.0597	$23.6362	$24.2271	
56Hr Work-Week Hrly..	$13.8567	$14.2031	$14.5582	$14.9221	$15.2952	$15.6776	$16.0695	$16.4712	$16.8830	$17.3051	
9	$41,359	$42,393	$43,453	$44,540	$45,653	$46,794	$47,964	$49,163	$50,392	$51,652	9
Monthly	$3,446.62	$3,532.78	$3,621.10	$3,711.63	$3,804.42	$3,899.53	$3,997.02	$4,096.95	$4,199.37	$4,304.35	
Bi-Wkly.	$1,590.75	$1,630.52	$1,671.28	$1,713.06	$1,755.89	$1,799.78	$1,844.78	$1,890.90	$1,938.17	$1,986.62	
Hrly.	$19.8843	$20.3814	$20.8910	$21.4133	$21.9486	$22.4973	$23.0597	$23.6362	$24.2271	$24.8328	
56Hr Work-Week Hrly..	$14.2031	$14.5582	$14.9221	$15.2952	$15.6776	$16.0695	$16.4712	$16.8830	$17.3051	$17.7377	
10	$42,393	$43,453	$44,540	$45,653	$46,794	$47,964	$49,163	$50,392	$51,652	$52,944	10
Monthly	$3,532.78	$3,621.10	$3,711.63	$3,804.42	$3,899.53	$3,997.02	$4,096.95	$4,199.37	$4,304.35	$4,411.96	
Bi-Wkly.	$1,630.52	$1,671.28	$1,713.06	$1,755.89	$1,799.78	$1,844.78	$1,890.90	$1,938.17	$1,986.62	$2,036.29	
Hrly.	$20.3814	$20.8910	$21.4133	$21.9486	$22.4973	$23.0597	$23.6362	$24.2271	$24.8328	$25.4536	
56Hr Work-Week Hrly..	$14.5582	$14.9221	$15.2952	$15.6776	$16.0695	$16.4712	$16.8830	$17.3051	$17.7377	$18.1812	
11	$43,453	$44,540	$45,653	$46,794	$47,964	$49,163	$50,392	$51,652	$52,944	$54,267	11
Monthly	$3,621.10	$3,711.63	$3,804.42	$3,899.53	$3,997.02	$4,096.95	$4,199.37	$4,304.35	$4,411.96	$4,522.26	
Bi-Wkly.	$1,671.28	$1,713.06	$1,755.89	$1,799.78	$1,844.78	$1,890.90	$1,938.17	$1,986.62	$2,036.29	$2,087.20	
Hrly.	$20.8910	$21.4133	$21.9486	$22.4973	$23.0597	$23.6362	$24.2271	$24.8328	$25.4536	$26.0900	
56Hr Work-Week Hrly..	$14.9221	$15.2952	$15.6776	$16.0695	$16.4712	$16.8830	$17.3051	$17.7377	$18.1812	$18.6357	
12	$44,540	$45,653	$46,794	$47,964	$49,163	$50,392	$51,652	$52,944	$54,267	$55,624	12
Monthly	$3,711.63	$3,804.42	$3,899.53	$3,997.02	$4,096.95	$4,199.37	$4,304.35	$4,411.96	$4,522.26	$4,635.32	
Bi-Wkly.	$1,713.06	$1,755.89	$1,799.78	$1,844.78	$1,890.90	$1,938.17	$1,986.62	$2,036.29	$2,087.20	$2,139.38	
Hrly.	$21.4133	$21.9486	$22.4973	$23.0597	$23.6362	$24.2271	$24.8328	$25.4536	$26.0900	$26.7422	
56Hr Work-Week Hrly..	$15.2952	$15.6776	$16.0695	$16.4712	$16.8830	$17.3051	$17.7377	$18.1812	$18.6357	$19.1016	
13	$45,653	$46,794	$47,964	$49,163	$50,392	$51,652	$52,944	$54,267	$55,624	$57,014	13
Monthly	$3,804.42	$3,899.53	$3,997.02	$4,096.95	$4,199.37	$4,304.35	$4,411.96	$4,522.26	$4,635.32	$4,751.20	
Bi-Wkly.	$1,755.89	$1,799.78	$1,844.78	$1,890.90	$1,938.17	$1,986.62	$2,036.29	$2,087.20	$2,139.38	$2,192.86	
Hrly.	$21.9486	$22.4973	$23.0597	$23.6362	$24.2271	$24.8328	$25.4536	$26.0900	$26.7422	$27.4108	
56Hr Work-Week Hrly..	$15.6776	$16.0695	$16.4712	$16.8830	$17.3051	$17.7377	$18.1812	$18.6357	$19.1016	$19.5791	

City of Montebello
Proposed Salary Schedule

Salary Range	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Salary Range
					Salary Range						
14	$46,794	$47,964	$49,163	$50,392	$51,652	$52,944	$54,267	$55,624	$57,014	$58,440	**14**
Monthly	$3,899.53	$3,997.02	$4,096.95	$4,199.37	$4,304.35	$4,411.96	$4,522.26	$4,635.32	$4,751.20	$4,869.98	
Bi-Wkly.	$1,799.78	$1,844.78	$1,890.90	$1,938.17	$1,986.62	$2,036.29	$2,087.20	$2,139.38	$2,192.86	$2,247.68	
Hrly.	$22.4973	$23.0597	$23.6362	$24.2271	$24.8328	$25.4536	$26.0900	$26.7422	$27.4108	$28.0960	
56Hr Work-Week Hrly..	$16.0695	$16.4712	$16.8830	$17.3051	$17.7377	$18.1812	$18.6357	$19.1016	$19.5791	$20.0686	
15	$47,964	$49,163	$50,392	$51,652	$52,944	$54,267	$55,624	$57,014	$58,440	$59,901	**15**
Monthly	$3,997.02	$4,096.95	$4,199.37	$4,304.35	$4,411.96	$4,522.26	$4,635.32	$4,751.20	$4,869.98	$4,991.73	
Bi-Wkly.	$1,844.78	$1,890.90	$1,938.17	$1,986.62	$2,036.29	$2,087.20	$2,139.38	$2,192.86	$2,247.68	$2,303.88	
Hrly.	$23.0597	$23.6362	$24.2271	$24.8328	$25.4536	$26.0900	$26.7422	$27.4108	$28.0960	$28.7984	
56Hr Work-Week Hrly..	$16.4712	$16.8830	$17.3051	$17.7377	$18.1812	$18.6357	$19.1016	$19.5791	$20.0686	$20.5703	
16	$49,163	$50,392	$51,652	$52,944	$54,267	$55,624	$57,014	$58,440	$59,901	$61,398	**16**
Monthly	$4,096.95	$4,199.37	$4,304.35	$4,411.96	$4,522.26	$4,635.32	$4,751.20	$4,869.98	$4,991.73	$5,116.52	
Bi-Wkly.	$1,890.90	$1,938.17	$1,986.62	$2,036.29	$2,087.20	$2,139.38	$2,192.86	$2,247.68	$2,303.88	$2,361.47	
Hrly.	$23.6362	$24.2271	$24.8328	$25.4536	$26.0900	$26.7422	$27.4108	$28.0960	$28.7984	$29.5184	
56Hr Work-Week Hrly..	$16.8830	$17.3051	$17.7377	$18.1812	$18.6357	$19.1016	$19.5791	$20.0686	$20.5703	$21.0846	
17	$50,392	$51,652	$52,944	$54,267	$55,624	$57,014	$58,440	$59,901	$61,398	$62,933	**17**
Monthly	$4,199.37	$4,304.35	$4,411.96	$4,522.26	$4,635.32	$4,751.20	$4,869.98	$4,991.73	$5,116.52	$5,244.44	
Bi-Wkly.	$1,938.17	$1,986.62	$2,036.29	$2,087.20	$2,139.38	$2,192.86	$2,247.68	$2,303.88	$2,361.47	$2,420.51	
Hrly.	$24.2271	$24.8328	$25.4536	$26.0900	$26.7422	$27.4108	$28.0960	$28.7984	$29.5184	$30.2564	
56Hr Work-Week Hrly..	$17.3051	$17.7377	$18.1812	$18.6357	$19.1016	$19.5791	$20.0686	$20.5703	$21.0846	$21.6117	
18	$51,652	$52,944	$54,267	$55,624	$57,014	$58,440	$59,901	$61,398	$62,933	$64,507	**18**
Monthly	$4,304.35	$4,411.96	$4,522.26	$4,635.32	$4,751.20	$4,869.98	$4,991.73	$5,116.52	$5,244.44	$5,375.55	
Bi-Wkly.	$1,986.62	$2,036.29	$2,087.20	$2,139.38	$2,192.86	$2,247.68	$2,303.88	$2,361.47	$2,420.51	$2,481.02	
Hrly.	$24.8328	$25.4536	$26.0900	$26.7422	$27.4108	$28.0960	$28.7984	$29.5184	$30.2564	$31.0128	
56Hr Work-Week Hrly..	$17.7377	$18.1812	$18.6357	$19.1016	$19.5791	$20.0686	$20.5703	$21.0846	$21.6117	$22.1520	
19	$52,944	$54,267	$55,624	$57,014	$58,440	$59,901	$61,398	$62,933	$64,507	$66,119	**19**
Monthly	$4,411.96	$4,522.26	$4,635.32	$4,751.20	$4,869.98	$4,991.73	$5,116.52	$5,244.44	$5,375.55	$5,509.94	
Bi-Wkly.	$2,036.29	$2,087.20	$2,139.38	$2,192.86	$2,247.68	$2,303.88	$2,361.47	$2,420.51	$2,481.02	$2,543.05	
Hrly.	$25.4536	$26.0900	$26.7422	$27.4108	$28.0960	$28.7984	$29.5184	$30.2564	$31.0128	$31.7881	
56Hr Work-Week Hrly..	$18.1812	$18.6357	$19.1016	$19.5791	$20.0686	$20.5703	$21.0846	$21.6117	$22.1520	$22.7058	
20	$54,267	$55,624	$57,014	$58,440	$59,901	$61,398	$62,933	$64,507	$66,119	$67,772	**20**
Monthly	$4,522.26	$4,635.32	$4,751.20	$4,869.98	$4,991.73	$5,116.52	$5,244.44	$5,375.55	$5,509.94	$5,647.69	
Bi-Wkly.	$2,087.20	$2,139.38	$2,192.86	$2,247.68	$2,303.88	$2,361.47	$2,420.51	$2,481.02	$2,543.05	$2,606.62	
Hrly.	$26.0900	$26.7422	$27.4108	$28.0960	$28.7984	$29.5184	$30.2564	$31.0128	$31.7881	$32.5828	
56Hr Work-Week Hrly..	$18.6357	$19.1016	$19.5791	$20.0686	$20.5703	$21.0846	$21.6117	$22.1520	$22.7058	$23.2734	
21	$55,624	$57,014	$58,440	$59,901	$61,398	$62,933	$64,507	$66,119	$67,772	$69,467	**21**
Monthly	$4,635.32	$4,751.20	$4,869.98	$4,991.73	$5,116.52	$5,244.44	$5,375.55	$5,509.94	$5,647.69	$5,788.88	
Bi-Wkly.	$2,139.38	$2,192.86	$2,247.68	$2,303.88	$2,361.47	$2,420.51	$2,481.02	$2,543.05	$2,606.62	$2,671.79	
Hrly.	$26.7422	$27.4108	$28.0960	$28.7984	$29.5184	$30.2564	$31.0128	$31.7881	$32.5828	$33.3974	
56Hr Work-Week Hrly..	$19.1016	$19.5791	$20.0686	$20.5703	$21.0846	$21.6117	$22.1520	$22.7058	$23.2734	$23.8553	
22	$57,014	$58,440	$59,901	$61,398	$62,933	$64,507	$66,119	$67,772	$69,467	$71,203	**22**
Monthly	$4,751.20	$4,869.98	$4,991.73	$5,116.52	$5,244.44	$5,375.55	$5,509.94	$5,647.69	$5,788.88	$5,933.60	
Bi-Wkly.	$2,192.86	$2,247.68	$2,303.88	$2,361.47	$2,420.51	$2,481.02	$2,543.05	$2,606.62	$2,671.79	$2,738.58	
Hrly.	$27.4108	$28.0960	$28.7984	$29.5184	$30.2564	$31.0128	$31.7881	$32.5828	$33.3974	$34.2323	
56Hr Work-Week Hrly..	$19.5791	$20.0686	$20.5703	$21.0846	$21.6117	$22.1520	$22.7058	$23.2734	$23.8553	$24.4516	
23	$58,440	$59,901	$61,398	$62,933	$64,507	$66,119	$67,772	$69,467	$71,203	$72,983	**23**
Monthly	$4,869.98	$4,991.73	$5,116.52	$5,244.44	$5,375.55	$5,509.94	$5,647.69	$5,788.88	$5,933.60	$6,081.94	
Bi-Wkly.	$2,247.68	$2,303.88	$2,361.47	$2,420.51	$2,481.02	$2,543.05	$2,606.62	$2,671.79	$2,738.58	$2,807.05	
Hrly.	$28.0960	$28.7984	$29.5184	$30.2564	$31.0128	$31.7881	$32.5828	$33.3974	$34.2323	$35.0881	
56Hr Work-Week Hrly..	$20.0686	$20.5703	$21.0846	$21.6117	$22.1520	$22.7058	$23.2734	$23.8553	$24.4516	$25.0629	
24	$59,901	$61,398	$62,933	$64,507	$66,119	$67,772	$69,467	$71,203	$72,983	$74,808	**24**
Monthly	$4,991.73	$5,116.52	$5,244.44	$5,375.55	$5,509.94	$5,647.69	$5,788.88	$5,933.60	$6,081.94	$6,233.99	
Bi-Wkly.	$2,303.88	$2,361.47	$2,420.51	$2,481.02	$2,543.05	$2,606.62	$2,671.79	$2,738.58	$2,807.05	$2,877.23	
Hrly.	$28.7984	$29.5184	$30.2564	$31.0128	$31.7881	$32.5828	$33.3974	$34.2323	$35.0881	$35.9653	
56Hr Work-Week Hrly..	$20.5703	$21.0846	$21.6117	$22.1520	$22.7058	$23.2734	$23.8553	$24.4516	$25.0629	$25.6895	
25	$61,398	$62,933	$64,507	$66,119	$67,772	$69,467	$71,203	$72,983	$74,808	$76,678	**25**
Monthly	$5,116.52	$5,244.44	$5,375.55	$5,509.94	$5,647.69	$5,788.88	$5,933.60	$6,081.94	$6,233.99	$6,389.84	
Bi-Wkly.	$2,361.47	$2,420.51	$2,481.02	$2,543.05	$2,606.62	$2,671.79	$2,738.58	$2,807.05	$2,877.23	$2,949.16	
Hrly.	$29.5184	$30.2564	$31.0128	$31.7881	$32.5828	$33.3974	$34.2323	$35.0881	$35.9653	$36.8644	
56Hr Work-Week Hrly..	$21.0846	$21.6117	$22.1520	$22.7058	$23.2734	$23.8553	$24.4516	$25.0629	$25.6895	$26.3317	
26	$62,933	$64,507	$66,119	$67,772	$69,467	$71,203	$72,983	$74,808	$76,678	$78,595	**26**
Monthly	$5,244.44	$5,375.55	$5,509.94	$5,647.69	$5,788.88	$5,933.60	$6,081.94	$6,233.99	$6,389.84	$6,549.58	
Bi-Wkly.	$2,420.51	$2,481.02	$2,543.05	$2,606.62	$2,671.79	$2,738.58	$2,807.05	$2,877.23	$2,949.16	$3,022.88	
Hrly.	$30.2564	$31.0128	$31.7881	$32.5828	$33.3974	$34.2323	$35.0881	$35.9653	$36.8644	$37.7861	
56Hr Work-Week Hrly..	$21.6117	$22.1520	$22.7058	$23.2734	$23.8553	$24.4516	$25.0629	$25.6895	$26.3317	$26.9900	
27	$64,507	$66,119	$67,772	$69,467	$71,203	$72,983	$74,808	$76,678	$78,595	$80,560	**27**
Monthly	$5,375.55	$5,509.94	$5,647.69	$5,788.88	$5,933.60	$6,081.94	$6,233.99	$6,389.84	$6,549.58	$6,713.32	
Bi-Wkly.	$2,481.02	$2,543.05	$2,606.62	$2,671.79	$2,738.58	$2,807.05	$2,877.23	$2,949.16	$3,022.88	$3,098.46	
Hrly.	$31.0128	$31.7881	$32.5828	$33.3974	$34.2323	$35.0881	$35.9653	$36.8644	$37.7861	$38.7307	
56Hr Work-Week Hrly..	$22.1520	$22.7058	$23.2734	$23.8553	$24.4516	$25.0629	$25.6895	$26.3317	$26.9900	$27.6648	

City of Montebello
Proposed Salary Schedule

Salary Range	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Salary Range
					Salary Range						
28	$66,119	$67,772	$69,467	$71,203	$72,983	$74,808	$76,678	$78,595	$80,560	$82,574	28
Monthly	$5,509.94	$5,647.69	$5,788.88	$5,933.60	$6,081.94	$6,233.99	$6,389.84	$6,549.58	$6,713.32	$6,881.16	
Bi-Wkly.	$2,543.05	$2,606.62	$2,671.79	$2,738.58	$2,807.05	$2,877.23	$2,949.16	$3,022.88	$3,098.46	$3,175.92	
Hrly.	$31.7881	$32.5828	$33.3974	$34.2323	$35.0881	$35.9653	$36.8644	$37.7861	$38.7307	$39.6990	
56Hr Work-Week Hrly..	$22.7058	$23.2734	$23.8553	$24.4516	$25.0629	$25.6895	$26.3317	$26.9900	$27.6648	$28.3564	
29	$67,772	$69,467	$71,203	$72,983	$74,808	$76,678	$78,595	$80,560	$82,574	$84,638	29
Monthly	$5,647.69	$5,788.88	$5,933.60	$6,081.94	$6,233.99	$6,389.84	$6,549.58	$6,713.32	$6,881.16	$7,053.18	
Bi-Wkly.	$2,606.62	$2,671.79	$2,738.58	$2,807.05	$2,877.23	$2,949.16	$3,022.88	$3,098.46	$3,175.92	$3,255.32	
Hrly.	$32.5828	$33.3974	$34.2323	$35.0881	$35.9653	$36.8644	$37.7861	$38.7307	$39.6990	$40.6915	
56Hr Work-Week Hrly..	$23.2734	$23.8553	$24.4516	$25.0629	$25.6895	$26.3317	$26.9900	$27.6648	$28.3564	$29.0653	
30	$69,467	$71,203	$72,983	$74,808	$76,678	$78,595	$80,560	$82,574	$84,638	$86,754	30
Monthly	$5,788.88	$5,933.60	$6,081.94	$6,233.99	$6,389.84	$6,549.58	$6,713.32	$6,881.16	$7,053.18	$7,229.51	
Bi-Wkly.	$2,671.79	$2,738.58	$2,807.05	$2,877.23	$2,949.16	$3,022.88	$3,098.46	$3,175.92	$3,255.32	$3,336.70	
Hrly.	$33.3974	$34.2323	$35.0881	$35.9653	$36.8644	$37.7861	$38.7307	$39.6990	$40.6915	$41.7087	
56Hr Work-Week Hrly..	$23.8553	$24.4516	$25.0629	$25.6895	$26.3317	$26.9900	$27.6648	$28.3564	$29.0653	$29.7920	
31	$71,203	$72,983	$74,808	$76,678	$78,595	$80,560	$82,574	$84,638	$86,754	$88,923	31
Monthly	$5,933.60	$6,081.94	$6,233.99	$6,389.84	$6,549.58	$6,713.32	$6,881.16	$7,053.18	$7,229.51	$7,410.25	
Bi-Wkly.	$2,738.58	$2,807.05	$2,877.23	$2,949.16	$3,022.88	$3,098.46	$3,175.92	$3,255.32	$3,336.70	$3,420.12	
Hrly.	$34.2323	$35.0881	$35.9653	$36.8644	$37.7861	$38.7307	$39.6990	$40.6915	$41.7087	$42.7515	
56Hr Work-Week Hrly..	$24.4516	$25.0629	$25.6895	$26.3317	$26.9900	$27.6648	$28.3564	$29.0653	$29.7920	$30.5368	
32	$72,983	$74,808	$76,678	$78,595	$80,560	$82,574	$84,638	$86,754	$88,923	$91,146	32
Monthly	$6,081.94	$6,233.99	$6,389.84	$6,549.58	$6,713.32	$6,881.16	$7,053.18	$7,229.51	$7,410.25	$7,595.51	
Bi-Wkly.	$2,807.05	$2,877.23	$2,949.16	$3,022.88	$3,098.46	$3,175.92	$3,255.32	$3,336.70	$3,420.12	$3,505.62	
Hrly.	$35.0881	$35.9653	$36.8644	$37.7861	$38.7307	$39.6990	$40.6915	$41.7087	$42.7515	$43.8202	
56Hr Work-Week Hrly..	$25.0629	$25.6895	$26.3317	$26.9900	$27.6648	$28.3564	$29.0653	$29.7920	$30.5368	$31.3002	
33	$74,808	$76,678	$78,595	$80,560	$82,574	$84,638	$86,754	$88,923	$91,146	$93,425	33
Monthly	$6,233.99	$6,389.84	$6,549.58	$6,713.32	$6,881.16	$7,053.18	$7,229.51	$7,410.25	$7,595.51	$7,785.40	
Bi-Wkly.	$2,877.23	$2,949.16	$3,022.88	$3,098.46	$3,175.92	$3,255.32	$3,336.70	$3,420.12	$3,505.62	$3,593.26	
Hrly.	$35.9653	$36.8644	$37.7861	$38.7307	$39.6990	$40.6915	$41.7087	$42.7515	$43.8202	$44.9157	
56Hr Work-Week Hrly..	$25.6895	$26.3317	$26.9900	$27.6648	$28.3564	$29.0653	$29.7920	$30.5368	$31.3002	$32.0827	
34	$76,678	$78,595	$80,560	$82,574	$84,638	$86,754	$88,923	$91,146	$93,425	$95,760	34
Monthly	$6,389.84	$6,549.58	$6,713.32	$6,881.16	$7,053.18	$7,229.51	$7,410.25	$7,595.51	$7,785.40	$7,980.03	
Bi-Wkly.	$2,949.16	$3,022.88	$3,098.46	$3,175.92	$3,255.32	$3,336.70	$3,420.12	$3,505.62	$3,593.26	$3,683.09	
Hrly.	$36.8644	$37.7861	$38.7307	$39.6990	$40.6915	$41.7087	$42.7515	$43.8202	$44.9157	$46.0386	
56Hr Work-Week Hrly..	$26.3317	$26.9900	$27.6648	$28.3564	$29.0653	$29.7920	$30.5368	$31.3002	$32.0827	$32.8847	
35	$78,595	$80,560	$82,574	$84,638	$86,754	$88,923	$91,146	$93,425	$95,760	$98,154	35
Monthly	$6,549.58	$6,713.32	$6,881.16	$7,053.18	$7,229.51	$7,410.25	$7,595.51	$7,785.40	$7,980.03	$8,179.53	
Bi-Wkly.	$3,022.88	$3,098.46	$3,175.92	$3,255.32	$3,336.70	$3,420.12	$3,505.62	$3,593.26	$3,683.09	$3,775.17	
Hrly.	$37.7861	$38.7307	$39.6990	$40.6915	$41.7087	$42.7515	$43.8202	$44.9157	$46.0386	$47.1896	
56Hr Work-Week Hrly..	$26.9900	$27.6648	$28.3564	$29.0653	$29.7920	$30.5368	$31.3002	$32.0827	$32.8847	$33.7069	
36	$80,560	$82,574	$84,638	$86,754	$88,923	$91,146	$93,425	$95,760	$98,154	$100,608	36
Monthly	$6,713.32	$6,881.16	$7,053.18	$7,229.51	$7,410.25	$7,595.51	$7,785.40	$7,980.03	$8,179.53	$8,384.02	
Bi-Wkly.	$3,098.46	$3,175.92	$3,255.32	$3,336.70	$3,420.12	$3,505.62	$3,593.26	$3,683.09	$3,775.17	$3,869.55	
Hrly.	$38.7307	$39.6990	$40.6915	$41.7087	$42.7515	$43.8202	$44.9157	$46.0386	$47.1896	$48.3693	
56Hr Work-Week Hrly..	$27.6648	$28.3564	$29.0653	$29.7920	$30.5368	$31.3002	$32.0827	$32.8847	$33.7069	$34.5495	
37	$82,574	$84,638	$86,754	$88,923	$91,146	$93,425	$95,760	$98,154	$100,608	$103,123	37
Monthly	$6,881.16	$7,053.18	$7,229.51	$7,410.25	$7,595.51	$7,785.40	$7,980.03	$8,179.53	$8,384.02	$8,593.62	
Bi-Wkly.	$3,175.92	$3,255.32	$3,336.70	$3,420.12	$3,505.62	$3,593.26	$3,683.09	$3,775.17	$3,869.55	$3,966.29	
Hrly.	$39.6990	$40.6915	$41.7087	$42.7515	$43.8202	$44.9157	$46.0386	$47.1896	$48.3693	$49.5786	
56Hr Work-Week Hrly..	$28.3564	$29.0653	$29.7920	$30.5368	$31.3002	$32.0827	$32.8847	$33.7069	$34.5495	$35.4133	
38	$84,638	$86,754	$88,923	$91,146	$93,425	$95,760	$98,154	$100,608	$103,123	$105,702	38
Monthly	$7,053.18	$7,229.51	$7,410.25	$7,595.51	$7,785.40	$7,980.03	$8,179.53	$8,384.02	$8,593.62	$8,808.46	
Bi-Wkly.	$3,255.32	$3,336.70	$3,420.12	$3,505.62	$3,593.26	$3,683.09	$3,775.17	$3,869.55	$3,966.29	$4,065.44	
Hrly.	$40.6915	$41.7087	$42.7515	$43.8202	$44.9157	$46.0386	$47.1896	$48.3693	$49.5786	$50.8180	
56Hr Work-Week Hrly..	$29.0653	$29.7920	$30.5368	$31.3002	$32.0827	$32.8847	$33.7069	$34.5495	$35.4133	$36.2986	
39	$86,754	$88,923	$91,146	$93,425	$95,760	$98,154	$100,608	$103,123	$105,702	$108,344	39
Monthly	$7,229.51	$7,410.25	$7,595.51	$7,785.40	$7,980.03	$8,179.53	$8,384.02	$8,593.62	$8,808.46	$9,028.67	
Bi-Wkly.	$3,336.70	$3,420.12	$3,505.62	$3,593.26	$3,683.09	$3,775.17	$3,869.55	$3,966.29	$4,065.44	$4,167.08	
Hrly.	$41.7087	$42.7515	$43.8202	$44.9157	$46.0386	$47.1896	$48.3693	$49.5786	$50.8180	$52.0885	
56Hr Work-Week Hrly..	$29.7920	$30.5368	$31.3002	$32.0827	$32.8847	$33.7069	$34.5495	$35.4133	$36.2986	$37.2061	
40	$88,923	$91,146	$93,425	$95,760	$98,154	$100,608	$103,123	$105,702	$108,344	$111,053	40
Monthly	$7,410.25	$7,595.51	$7,785.40	$7,980.03	$8,179.53	$8,384.02	$8,593.62	$8,808.46	$9,028.67	$9,254.39	
Bi-Wkly.	$3,420.12	$3,505.62	$3,593.26	$3,683.09	$3,775.17	$3,869.55	$3,966.29	$4,065.44	$4,167.08	$4,271.26	
Hrly.	$42.7515	$43.8202	$44.9157	$46.0386	$47.1896	$48.3693	$49.5786	$50.8180	$52.0885	$53.3907	
56Hr Work-Week Hrly..	$30.5368	$31.3002	$32.0827	$32.8847	$33.7069	$34.5495	$35.4133	$36.2986	$37.2061	$38.1362	
41	$91,146	$93,425	$95,760	$98,154	$100,608	$103,123	$105,702	$108,344	$111,053	$113,829	41
Monthly	$7,595.51	$7,785.40	$7,980.03	$8,179.53	$8,384.02	$8,593.62	$8,808.46	$9,028.67	$9,254.39	$9,485.75	
Bi-Wkly.	$3,505.62	$3,593.26	$3,683.09	$3,775.17	$3,869.55	$3,966.29	$4,065.44	$4,167.08	$4,271.26	$4,378.04	
Hrly.	$43.8202	$44.9157	$46.0386	$47.1896	$48.3693	$49.5786	$50.8180	$52.0885	$53.3907	$54.7255	
56Hr Work-Week Hrly..	$31.3002	$32.0827	$32.8847	$33.7069	$34.5495	$35.4133	$36.2986	$37.2061	$38.1362	$39.0896	
42	$93,425	$95,760	$98,154	$100,608	$103,123	$105,702	$108,344	$111,053	$113,829	$116,675	42
Monthly	$7,785.40	$7,980.03	$8,179.53	$8,384.02	$8,593.62	$8,808.46	$9,028.67	$9,254.39	$9,485.75	$9,722.89	
Bi-Wkly.	$3,593.26	$3,683.09	$3,775.17	$3,869.55	$3,966.29	$4,065.44	$4,167.08	$4,271.26	$4,378.04	$4,487.49	
Hrly.	$44.9157	$46.0386	$47.1896	$48.3693	$49.5786	$50.8180	$52.0885	$53.3907	$54.7255	$56.0936	
56Hr Work-Week Hrly..	$32.0827	$32.8847	$33.7069	$34.5495	$35.4133	$36.2986	$37.2061	$38.1362	$39.0896	$40.0669	

June 10, 2026

City of Montebello
Proposed Salary Schedule

Salary Range	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Salary Range
					Salary Range						
43	$95,760	$98,154	$100,608	$103,123	$105,702	$108,344	$111,053	$113,829	$116,675	$119,592	43
Monthly	$7,980.03	$8,179.53	$8,384.02	$8,593.62	$8,808.46	$9,028.67	$9,254.39	$9,485.75	$9,722.89	$9,965.97	
Bi-Wkly.	$3,683.09	$3,775.17	$3,869.55	$3,966.29	$4,065.44	$4,167.08	$4,271.26	$4,378.04	$4,487.49	$4,599.68	
Hrly.	$46.0386	$47.1896	$48.3693	$49.5786	$50.8180	$52.0885	$53.3907	$54.7255	$56.0936	$57.4960	
56Hr Work-Week Hrly..	$32.8847	$33.7069	$34.5495	$35.4133	$36.2986	$37.2061	$38.1362	$39.0896	$40.0669	$41.0685	
44	$98,154	$100,608	$103,123	$105,702	$108,344	$111,053	$113,829	$116,675	$119,592	$122,581	44
Monthly	$8,179.53	$8,384.02	$8,593.62	$8,808.46	$9,028.67	$9,254.39	$9,485.75	$9,722.89	$9,965.97	$10,215.11	
Bi-Wkly.	$3,775.17	$3,869.55	$3,966.29	$4,065.44	$4,167.08	$4,271.26	$4,378.04	$4,487.49	$4,599.68	$4,714.67	
Hrly.	$47.1896	$48.3693	$49.5786	$50.8180	$52.0885	$53.3907	$54.7255	$56.0936	$57.4960	$58.9334	
56Hr Work-Week Hrly..	$33.7069	$34.5495	$35.4133	$36.2986	$37.2061	$38.1362	$39.0896	$40.0669	$41.0685	$42.0953	
45	$100,608	$103,123	$105,702	$108,344	$111,053	$113,829	$116,675	$119,592	$122,581	$125,646	45
Monthly	$8,384.02	$8,593.62	$8,808.46	$9,028.67	$9,254.39	$9,485.75	$9,722.89	$9,965.97	$10,215.11	$10,470.49	
Bi-Wkly.	$3,869.55	$3,966.29	$4,065.44	$4,167.08	$4,271.26	$4,378.04	$4,487.49	$4,599.68	$4,714.67	$4,832.53	
Hrly.	$48.3693	$49.5786	$50.8180	$52.0885	$53.3907	$54.7255	$56.0936	$57.4960	$58.9334	$60.4067	
56Hr Work-Week Hrly..	$34.5495	$35.4133	$36.2986	$37.2061	$38.1362	$39.0896	$40.0669	$41.0685	$42.0953	$43.1476	
46	$103,123	$105,702	$108,344	$111,053	$113,829	$116,675	$119,592	$122,581	$125,646	$128,787	46
Monthly	$8,593.62	$8,808.46	$9,028.67	$9,254.39	$9,485.75	$9,722.89	$9,965.97	$10,215.11	$10,470.49	$10,732.25	
Bi-Wkly.	$3,966.29	$4,065.44	$4,167.08	$4,271.26	$4,378.04	$4,487.49	$4,599.68	$4,714.67	$4,832.53	$4,953.35	
Hrly.	$49.5786	$50.8180	$52.0885	$53.3907	$54.7255	$56.0936	$57.4960	$58.9334	$60.4067	$61.9169	
56Hr Work-Week Hrly..	$35.4133	$36.2986	$37.2061	$38.1362	$39.0896	$40.0669	$41.0685	$42.0953	$43.1476	$44.2263	
47	$105,702	$108,344	$111,053	$113,829	$116,675	$119,592	$122,581	$125,646	$128,787	$132,007	47
Monthly	$8,808.46	$9,028.67	$9,254.39	$9,485.75	$9,722.89	$9,965.97	$10,215.11	$10,470.49	$10,732.25	$11,000.56	
Bi-Wkly.	$4,065.44	$4,167.08	$4,271.26	$4,378.04	$4,487.49	$4,599.68	$4,714.67	$4,832.53	$4,953.35	$5,077.18	
Hrly.	$50.8180	$52.0885	$53.3907	$54.7255	$56.0936	$57.4960	$58.9334	$60.4067	$61.9169	$63.4648	
56Hr Work-Week Hrly..	$36.2986	$37.2061	$38.1362	$39.0896	$40.0669	$41.0685	$42.0953	$43.1476	$44.2263	$45.3320	
48	$108,344	$111,053	$113,829	$116,675	$119,592	$122,581	$125,646	$128,787	$132,007	$135,307	48
Monthly	$9,028.67	$9,254.39	$9,485.75	$9,722.89	$9,965.97	$10,215.11	$10,470.49	$10,732.25	$11,000.56	$11,275.58	
Bi-Wkly.	$4,167.08	$4,271.26	$4,378.04	$4,487.49	$4,599.68	$4,714.67	$4,832.53	$4,953.35	$5,077.18	$5,204.11	
Hrly.	$52.0885	$53.3907	$54.7255	$56.0936	$57.4960	$58.9334	$60.4067	$61.9169	$63.4648	$65.0514	
56Hr Work-Week Hrly..	$37.2061	$38.1362	$39.0896	$40.0669	$41.0685	$42.0953	$43.1476	$44.2263	$45.3320	$46.4653	
49	$111,053	$113,829	$116,675	$119,592	$122,581	$125,646	$128,787	$132,007	$135,307	$138,690	49
Monthly	$9,254.39	$9,485.75	$9,722.89	$9,965.97	$10,215.11	$10,470.49	$10,732.25	$11,000.56	$11,275.58	$11,557.46	
Bi-Wkly.	$4,271.26	$4,378.04	$4,487.49	$4,599.68	$4,714.67	$4,832.53	$4,953.35	$5,077.18	$5,204.11	$5,334.21	
Hrly.	$53.3907	$54.7255	$56.0936	$57.4960	$58.9334	$60.4067	$61.9169	$63.4648	$65.0514	$66.6777	
56Hr Work-Week Hrly..	$38.1362	$39.0896	$40.0669	$41.0685	$42.0953	$43.1476	$44.2263	$45.3320	$46.4653	$47.6269	
50	$113,829	$116,675	$119,592	$122,581	$125,646	$128,787	$132,007	$135,307	$138,690	$142,157	50
Monthly	$9,485.75	$9,722.89	$9,965.97	$10,215.11	$10,470.49	$10,732.25	$11,000.56	$11,275.58	$11,557.46	$11,846.40	
Bi-Wkly.	$4,378.04	$4,487.49	$4,599.68	$4,714.67	$4,832.53	$4,953.35	$5,077.18	$5,204.11	$5,334.21	$5,467.57	
Hrly.	$54.7255	$56.0936	$57.4960	$58.9334	$60.4067	$61.9169	$63.4648	$65.0514	$66.6777	$68.3446	
56Hr Work-Week Hrly..	$39.0896	$40.0669	$41.0685	$42.0953	$43.1476	$44.2263	$45.3320	$46.4653	$47.6269	$48.8176	
51	$116,675	$119,592	$122,581	$125,646	$128,787	$132,007	$135,307	$138,690	$142,157	$145,711	51
Monthly	$9,722.89	$9,965.97	$10,215.11	$10,470.49	$10,732.25	$11,000.56	$11,275.58	$11,557.46	$11,846.40	$12,142.56	
Bi-Wkly.	$4,487.49	$4,599.68	$4,714.67	$4,832.53	$4,953.35	$5,077.18	$5,204.11	$5,334.21	$5,467.57	$5,604.26	
Hrly.	$56.0936	$57.4960	$58.9334	$60.4067	$61.9169	$63.4648	$65.0514	$66.6777	$68.3446	$70.0532	
56Hr Work-Week Hrly..	$40.0669	$41.0685	$42.0953	$43.1476	$44.2263	$45.3320	$46.4653	$47.6269	$48.8176	$50.0380	
52	$119,592	$122,581	$125,646	$128,787	$132,007	$135,307	$138,690	$142,157	$145,711	$149,354	52
Monthly	$9,965.97	$10,215.11	$10,470.49	$10,732.25	$11,000.56	$11,275.58	$11,557.46	$11,846.40	$12,142.56	$12,446.13	
Bi-Wkly.	$4,599.68	$4,714.67	$4,832.53	$4,953.35	$5,077.18	$5,204.11	$5,334.21	$5,467.57	$5,604.26	$5,744.37	
Hrly.	$57.4960	$58.9334	$60.4067	$61.9169	$63.4648	$65.0514	$66.6777	$68.3446	$70.0532	$71.8046	
56Hr Work-Week Hrly..	$41.0685	$42.0953	$43.1476	$44.2263	$45.3320	$46.4653	$47.6269	$48.8176	$50.0380	$51.2890	
53	$122,581	$125,646	$128,787	$132,007	$135,307	$138,690	$142,157	$145,711	$149,354	$153,087	53
Monthly	$10,215.11	$10,470.49	$10,732.25	$11,000.56	$11,275.58	$11,557.46	$11,846.40	$12,142.56	$12,446.13	$12,757.28	
Bi-Wkly.	$4,714.67	$4,832.53	$4,953.35	$5,077.18	$5,204.11	$5,334.21	$5,467.57	$5,604.26	$5,744.37	$5,887.97	
Hrly.	$58.9334	$60.4067	$61.9169	$63.4648	$65.0514	$66.6777	$68.3446	$70.0532	$71.8046	$73.5997	
56Hr Work-Week Hrly..	$42.0953	$43.1476	$44.2263	$45.3320	$46.4653	$47.6269	$48.8176	$50.0380	$51.2890	$52.5712	
54	$125,646	$128,787	$132,007	$135,307	$138,690	$142,157	$145,711	$149,354	$153,087	$156,915	54
Monthly	$10,470.49	$10,732.25	$11,000.56	$11,275.58	$11,557.46	$11,846.40	$12,142.56	$12,446.13	$12,757.28	$13,076.21	
Bi-Wkly.	$4,832.53	$4,953.35	$5,077.18	$5,204.11	$5,334.21	$5,467.57	$5,604.26	$5,744.37	$5,887.97	$6,035.17	
Hrly.	$60.4067	$61.9169	$63.4648	$65.0514	$66.6777	$68.3446	$70.0532	$71.8046	$73.5997	$75.4397	
56Hr Work-Week Hrly..	$43.1476	$44.2263	$45.3320	$46.4653	$47.6269	$48.8176	$50.0380	$51.2890	$52.5712	$53.8855	
55	$128,787	$132,007	$135,307	$138,690	$142,157	$145,711	$149,354	$153,087	$156,915	$160,837	55
Monthly	$10,732.25	$11,000.56	$11,275.58	$11,557.46	$11,846.40	$12,142.56	$12,446.13	$12,757.28	$13,076.21	$13,403.12	
Bi-Wkly.	$4,953.35	$5,077.18	$5,204.11	$5,334.21	$5,467.57	$5,604.26	$5,744.37	$5,887.97	$6,035.17	$6,186.05	
Hrly.	$61.9169	$63.4648	$65.0514	$66.6777	$68.3446	$70.0532	$71.8046	$73.5997	$75.4397	$77.3257	
56Hr Work-Week Hrly..	$44.2263	$45.3320	$46.4653	$47.6269	$48.8176	$50.0380	$51.2890	$52.5712	$53.8855	$55.2326	
56	$132,007	$135,307	$138,690	$142,157	$145,711	$149,354	$153,087	$156,915	$160,837	$164,858	56
Monthly	$11,000.56	$11,275.58	$11,557.46	$11,846.40	$12,142.56	$12,446.13	$12,757.28	$13,076.21	$13,403.12	$13,738.19	
Bi-Wkly.	$5,077.18	$5,204.11	$5,334.21	$5,467.57	$5,604.26	$5,744.37	$5,887.97	$6,035.17	$6,186.05	$6,340.70	
Hrly.	$63.4648	$65.0514	$66.6777	$68.3446	$70.0532	$71.8046	$73.5997	$75.4397	$77.3257	$79.2588	
56Hr Work-Week Hrly..	$45.3320	$46.4653	$47.6269	$48.8176	$50.0380	$51.2890	$52.5712	$53.8855	$55.2326	$56.6134	
57	$135,307	$138,690	$142,157	$145,711	$149,354	$153,087	$156,915	$160,837	$164,858	$168,980	57
Monthly	$11,275.58	$11,557.46	$11,846.40	$12,142.56	$12,446.13	$12,757.28	$13,076.21	$13,403.12	$13,738.19	$14,081.65	
Bi-Wkly.	$5,204.11	$5,334.21	$5,467.57	$5,604.26	$5,744.37	$5,887.97	$6,035.17	$6,186.05	$6,340.70	$6,499.22	
Hrly.	$65.0514	$66.6777	$68.3446	$70.0532	$71.8046	$73.5997	$75.4397	$77.3257	$79.2588	$81.2403	
56Hr Work-Week Hrly..	$46.4653	$47.6269	$48.8176	$50.0380	$51.2890	$52.5712	$53.8855	$55.2326	$56.6134	$58.0288	

City of Montebello
Proposed Salary Schedule

Salary Range	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Salary Range
Salary Range											
58	$138,690	$142,157	$145,711	$149,354	$153,087	$156,915	$160,837	$164,858	$168,980	$173,204	**58**
Monthly	$11,557.46	$11,846.40	$12,142.56	$12,446.13	$12,757.28	$13,076.21	$13,403.12	$13,738.19	$14,081.65	$14,433.69	
Bi-Wkly.	$5,334.21	$5,467.57	$5,604.26	$5,744.37	$5,887.97	$6,035.17	$6,186.05	$6,340.70	$6,499.22	$6,661.70	
Hrly.	$66.6777	$68.3446	$70.0532	$71.8046	$73.5997	$75.4397	$77.3257	$79.2588	$81.2403	$83.2713	
56Hr Work-Week Hrly..	$47.6269	$48.8176	$50.0380	$51.2890	$52.5712	$53.8855	$55.2326	$56.6134	$58.0288	$59.4795	
59	$142,157	$145,711	$149,354	$153,087	$156,915	$160,837	$164,858	$168,980	$173,204	$177,534	**59**
Monthly	$11,846.40	$12,142.56	$12,446.13	$12,757.28	$13,076.21	$13,403.12	$13,738.19	$14,081.65	$14,433.69	$14,794.53	
Bi-Wkly.	$5,467.57	$5,604.26	$5,744.37	$5,887.97	$6,035.17	$6,186.05	$6,340.70	$6,499.22	$6,661.70	$6,828.25	
Hrly.	$68.3446	$70.0532	$71.8046	$73.5997	$75.4397	$77.3257	$79.2588	$81.2403	$83.2713	$85.3531	
56Hr Work-Week Hrly..	$48.8176	$50.0380	$51.2890	$52.5712	$53.8855	$55.2326	$56.6134	$58.0288	$59.4795	$60.9665	
60	$145,711	$149,354	$153,087	$156,915	$160,837	$164,858	$168,980	$173,204	$177,534	$181,973	**60**
Monthly	$12,142.56	$12,446.13	$12,757.28	$13,076.21	$13,403.12	$13,738.19	$14,081.65	$14,433.69	$14,794.53	$15,164.40	
Bi-Wkly.	$5,604.26	$5,744.37	$5,887.97	$6,035.17	$6,186.05	$6,340.70	$6,499.22	$6,661.70	$6,828.25	$6,998.95	
Hrly.	$70.0532	$71.8046	$73.5997	$75.4397	$77.3257	$79.2588	$81.2403	$83.2713	$85.3531	$87.4869	
56Hr Work-Week Hrly..	$50.0380	$51.2890	$52.5712	$53.8855	$55.2326	$56.6134	$58.0288	$59.4795	$60.9665	$62.4906	
61	$149,354	$153,087	$156,915	$160,837	$164,858	$168,980	$173,204	$177,534	$181,973	$186,522	**61**
Monthly	$12,446.13	$12,757.28	$13,076.21	$13,403.12	$13,738.19	$14,081.65	$14,433.69	$14,794.53	$15,164.40	$15,543.50	
Bi-Wkly.	$5,744.37	$5,887.97	$6,035.17	$6,186.05	$6,340.70	$6,499.22	$6,661.70	$6,828.25	$6,998.95	$7,173.93	
Hrly.	$71.8046	$73.5997	$75.4397	$77.3257	$79.2588	$81.2403	$83.2713	$85.3531	$87.4869	$89.6741	
56Hr Work-Week Hrly..	$51.2890	$52.5712	$53.8855	$55.2326	$56.6134	$58.0288	$59.4795	$60.9665	$62.4906	$64.0529	
62	$153,087	$156,915	$160,837	$164,858	$168,980	$173,204	$177,534	$181,973	$186,522	$191,185	**62**
Monthly	$12,757.28	$13,076.21	$13,403.12	$13,738.19	$14,081.65	$14,433.69	$14,794.53	$15,164.40	$15,543.50	$15,932.09	
Bi-Wkly.	$5,887.97	$6,035.17	$6,186.05	$6,340.70	$6,499.22	$6,661.70	$6,828.25	$6,998.95	$7,173.93	$7,353.27	
Hrly.	$73.5997	$75.4397	$77.3257	$79.2588	$81.2403	$83.2713	$85.3531	$87.4869	$89.6741	$91.9159	
56Hr Work-Week Hrly..	$52.5712	$53.8855	$55.2326	$56.6134	$58.0288	$59.4795	$60.9665	$62.4906	$64.0529	$65.6542	
63	$156,915	$160,837	$164,858	$168,980	$173,204	$177,534	$181,973	$186,522	$191,185	$195,965	**63**
Monthly	$13,076.21	$13,403.12	$13,738.19	$14,081.65	$14,433.69	$14,794.53	$15,164.40	$15,543.50	$15,932.09	$16,330.39	
Bi-Wkly.	$6,035.17	$6,186.05	$6,340.70	$6,499.22	$6,661.70	$6,828.25	$6,998.95	$7,173.93	$7,353.27	$7,537.11	
Hrly.	$75.4397	$77.3257	$79.2588	$81.2403	$83.2713	$85.3531	$87.4869	$89.6741	$91.9159	$94.2138	
56Hr Work-Week Hrly..	$53.8855	$55.2326	$56.6134	$58.0288	$59.4795	$60.9665	$62.4906	$64.0529	$65.6542	$67.2956	
64	$160,837	$164,858	$168,980	$173,204	$177,534	$181,973	$186,522	$191,185	$195,965	$200,864	**64**
Monthly	$13,403.12	$13,738.19	$14,081.65	$14,433.69	$14,794.53	$15,164.40	$15,543.50	$15,932.09	$16,330.39	$16,738.65	
Bi-Wkly.	$6,186.05	$6,340.70	$6,499.22	$6,661.70	$6,828.25	$6,998.95	$7,173.93	$7,353.27	$7,537.11	$7,725.53	
Hrly.	$77.3257	$79.2588	$81.2403	$83.2713	$85.3531	$87.4869	$89.6741	$91.9159	$94.2138	$96.5692	
56Hr Work-Week Hrly..	$55.2326	$56.6134	$58.0288	$59.4795	$60.9665	$62.4906	$64.0529	$65.6542	$67.2956	$68.9780	
65	$164,858	$168,980	$173,204	$177,534	$181,973	$186,522	$191,185	$195,965	$200,864	$205,885	**65**
Monthly	$13,738.19	$14,081.65	$14,433.69	$14,794.53	$15,164.40	$15,543.50	$15,932.09	$16,330.39	$16,738.65	$17,157.12	
Bi-Wkly.	$6,340.70	$6,499.22	$6,661.70	$6,828.25	$6,998.95	$7,173.93	$7,353.27	$7,537.11	$7,725.53	$7,918.67	
Hrly.	$79.2588	$81.2403	$83.2713	$85.3531	$87.4869	$89.6741	$91.9159	$94.2138	$96.5692	$98.9834	
56Hr Work-Week Hrly..	$56.6134	$58.0288	$59.4795	$60.9665	$62.4906	$64.0529	$65.6542	$67.2956	$68.9780	$70.7024	
66	$168,980	$173,204	$177,534	$181,973	$186,522	$191,185	$195,965	$200,864	$205,885	$211,033	**66**
Monthly	$14,081.65	$14,433.69	$14,794.53	$15,164.40	$15,543.50	$15,932.09	$16,330.39	$16,738.65	$17,157.12	$17,586.05	
Bi-Wkly.	$6,499.22	$6,661.70	$6,828.25	$6,998.95	$7,173.93	$7,353.27	$7,537.11	$7,725.53	$7,918.67	$8,116.64	
Hrly.	$81.2403	$83.2713	$85.3531	$87.4869	$89.6741	$91.9159	$94.2138	$96.5692	$98.9834	$101.4580	
56Hr Work-Week Hrly..	$58.0288	$59.4795	$60.9665	$62.4906	$64.0529	$65.6542	$67.2956	$68.9780	$70.7024	$72.4700	
67	$173,204	$177,534	$181,973	$186,522	$191,185	$195,965	$200,864	$205,885	$211,033	$216,308	**67**
Monthly	$14,433.69	$14,794.53	$15,164.40	$15,543.50	$15,932.09	$16,330.39	$16,738.65	$17,157.12	$17,586.05	$18,025.70	
Bi-Wkly.	$6,661.70	$6,828.25	$6,998.95	$7,173.93	$7,353.27	$7,537.11	$7,725.53	$7,918.67	$8,116.64	$8,319.55	
Hrly.	$83.2713	$85.3531	$87.4869	$89.6741	$91.9159	$94.2138	$96.5692	$98.9834	$101.4580	$103.9944	
56Hr Work-Week Hrly..	$59.4795	$60.9665	$62.4906	$64.0529	$65.6542	$67.2956	$68.9780	$70.7024	$72.4700	$74.2817	
68	$177,534	$181,973	$186,522	$191,185	$195,965	$200,864	$205,885	$211,033	$216,308	$221,716	**68**
Monthly	$14,794.53	$15,164.40	$15,543.50	$15,932.09	$16,330.39	$16,738.65	$17,157.12	$17,586.05	$18,025.70	$18,476.34	
Bi-Wkly.	$6,828.25	$6,998.95	$7,173.93	$7,353.27	$7,537.11	$7,725.53	$7,918.67	$8,116.64	$8,319.55	$8,527.54	
Hrly.	$85.3531	$87.4869	$89.6741	$91.9159	$94.2138	$96.5692	$98.9834	$101.4580	$103.9944	$106.5943	
56Hr Work-Week Hrly..	$60.9665	$62.4906	$64.0529	$65.6542	$67.2956	$68.9780	$70.7024	$72.4700	$74.2817	$76.1388	
69	$181,973	$186,522	$191,185	$195,965	$200,864	$205,885	$211,033	$216,308	$221,716	$227,259	**69**
Monthly	$15,164.40	$15,543.50	$15,932.09	$16,330.39	$16,738.65	$17,157.12	$17,586.05	$18,025.70	$18,476.34	$18,938.25	
Bi-Wkly.	$6,998.95	$7,173.93	$7,353.27	$7,537.11	$7,725.53	$7,918.67	$8,116.64	$8,319.55	$8,527.54	$8,740.73	
Hrly.	$87.4869	$89.6741	$91.9159	$94.2138	$96.5692	$98.9834	$101.4580	$103.9944	$106.5943	$109.2591	
56Hr Work-Week Hrly..	$62.4906	$64.0529	$65.6542	$67.2956	$68.9780	$70.7024	$72.4700	$74.2817	$76.1388	$78.0422	
70	$186,522	$191,185	$195,965	$200,864	$205,885	$211,033	$216,308	$221,716	$227,259	$232,940	**70**
Monthly	$15,543.50	$15,932.09	$16,330.39	$16,738.65	$17,157.12	$17,586.05	$18,025.70	$18,476.34	$18,938.25	$19,411.71	
Bi-Wkly.	$7,173.93	$7,353.27	$7,537.11	$7,725.53	$7,918.67	$8,116.64	$8,319.55	$8,527.54	$8,740.73	$8,959.25	
Hrly.	$89.6741	$91.9159	$94.2138	$96.5692	$98.9834	$101.4580	$103.9944	$106.5943	$109.2591	$111.9906	
56Hr Work-Week Hrly..	$64.0529	$65.6542	$67.2956	$68.9780	$70.7024	$72.4700	$74.2817	$76.1388	$78.0422	$79.9933	
71	$191,185	$195,965	$200,864	$205,885	$211,033	$216,308	$221,716	$227,259	$232,940	$238,764	**71**
Monthly	$15,932.09	$16,330.39	$16,738.65	$17,157.12	$17,586.05	$18,025.70	$18,476.34	$18,938.25	$19,411.71	$19,897.00	
Bi-Wkly.	$7,353.27	$7,537.11	$7,725.53	$7,918.67	$8,116.64	$8,319.55	$8,527.54	$8,740.73	$8,959.25	$9,183.23	
Hrly.	$91.9159	$94.2138	$96.5692	$98.9834	$101.4580	$103.9944	$106.5943	$109.2591	$111.9906	$114.7904	
56Hr Work-Week Hrly..	$65.6542	$67.2956	$68.9780	$70.7024	$72.4700	$74.2817	$76.1388	$78.0422	$79.9933	$81.9931	
72	$195,965	$200,864	$205,885	$211,033	$216,308	$221,716	$227,259	$232,940	$238,764	$244,733	**72**
Monthly	$16,330.39	$16,738.65	$17,157.12	$17,586.05	$18,025.70	$18,476.34	$18,938.25	$19,411.71	$19,897.00	$20,394.43	
Bi-Wkly.	$7,537.11	$7,725.53	$7,918.67	$8,116.64	$8,319.55	$8,527.54	$8,740.73	$8,959.25	$9,183.23	$9,412.81	
Hrly.	$94.2138	$96.5692	$98.9834	$101.4580	$103.9944	$106.5943	$109.2591	$111.9906	$114.7904	$117.6601	
56Hr Work-Week Hrly..	$67.2956	$68.9780	$70.7024	$72.4700	$74.2817	$76.1388	$78.0422	$79.9933	$81.9931	$84.0430	

June 10, 2026

City of Montebello
Proposed Salary Schedule

Salary Range	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Salary Range
					Salary Range						
73	$200,864	$205,885	$211,033	$216,308	$221,716	$227,259	$232,940	$238,764	$244,733	$250,851	73
Monthly	$16,738.65	$17,157.12	$17,586.05	$18,025.70	$18,476.34	$18,938.25	$19,411.71	$19,897.00	$20,394.43	$20,904.29	
Bi-Wkly.	$7,725.53	$7,918.67	$8,116.64	$8,319.55	$8,527.54	$8,740.73	$8,959.25	$9,183.23	$9,412.81	$9,648.13	
Hrly.	$96.5692	$98.9834	$101.4580	$103.9944	$106.5943	$109.2591	$111.9906	$114.7904	$117.6601	$120.6017	
56Hr Work-Week Hrly..	$68.9780	$70.7024	$72.4700	$74.2817	$76.1388	$78.0422	$79.9933	$81.9931	$84.0430	$86.1440	
74	$205,885	$211,033	$216,308	$221,716	$227,259	$232,940	$238,764	$244,733	$250,851	$257,123	74
Monthly	$17,157.12	$17,586.05	$18,025.70	$18,476.34	$18,938.25	$19,411.71	$19,897.00	$20,394.43	$20,904.29	$21,426.89	
Bi-Wkly.	$7,918.67	$8,116.64	$8,319.55	$8,527.54	$8,740.73	$8,959.25	$9,183.23	$9,412.81	$9,648.13	$9,889.34	
Hrly.	$98.9834	$101.4580	$103.9944	$106.5943	$109.2591	$111.9906	$114.7904	$117.6601	$120.6017	$123.6167	
56Hr Work-Week Hrly..	$70.7024	$72.4700	$74.2817	$76.1388	$78.0422	$79.9933	$81.9931	$84.0430	$86.1440	$88.2976	
75	$211,033	$216,308	$221,716	$227,259	$232,940	$238,764	$244,733	$250,851	$257,123	$263,551	75
Monthly	$17,586.05	$18,025.70	$18,476.34	$18,938.25	$19,411.71	$19,897.00	$20,394.43	$20,904.29	$21,426.89	$21,962.57	
Bi-Wkly.	$8,116.64	$8,319.55	$8,527.54	$8,740.73	$8,959.25	$9,183.23	$9,412.81	$9,648.13	$9,889.34	$10,136.57	
Hrly.	$101.4580	$103.9944	$106.5943	$109.2591	$111.9906	$114.7904	$117.6601	$120.6017	$123.6167	$126.7071	
56Hr Work-Week Hrly..	$72.4700	$74.2817	$76.1388	$78.0422	$79.9933	$81.9931	$84.0430	$86.1440	$88.2976	$90.5051	
76	$216,308	$221,716	$227,259	$232,940	$238,764	$244,733	$250,851	$257,123	$263,551	$270,140	76
Monthly	$18,025.70	$18,476.34	$18,938.25	$19,411.71	$19,897.00	$20,394.43	$20,904.29	$21,426.89	$21,962.57	$22,511.63	
Bi-Wkly.	$8,319.55	$8,527.54	$8,740.73	$8,959.25	$9,183.23	$9,412.81	$9,648.13	$9,889.34	$10,136.57	$10,389.98	
Hrly.	$103.9944	$106.5943	$109.2591	$111.9906	$114.7904	$117.6601	$120.6017	$123.6167	$126.7071	$129.8748	
56Hr Work-Week Hrly..	$74.2817	$76.1388	$78.0422	$79.9933	$81.9931	$84.0430	$86.1440	$88.2976	$90.5051	$92.7677	
77	$221,716	$227,259	$232,940	$238,764	$244,733	$250,851	$257,123	$263,551	$270,140	$276,893	77
Monthly	$18,476.34	$18,938.25	$19,411.71	$19,897.00	$20,394.43	$20,904.29	$21,426.89	$21,962.57	$22,511.63	$23,074.42	
Bi-Wkly.	$8,527.54	$8,740.73	$8,959.25	$9,183.23	$9,412.81	$9,648.13	$9,889.34	$10,136.57	$10,389.98	$10,649.73	
Hrly.	$106.5943	$109.2591	$111.9906	$114.7904	$117.6601	$120.6017	$123.6167	$126.7071	$129.8748	$133.1217	
56Hr Work-Week Hrly..	$76.1388	$78.0422	$79.9933	$81.9931	$84.0430	$86.1440	$88.2976	$90.5051	$92.7677	$95.0869	
78	$227,259	$232,940	$238,764	$244,733	$250,851	$257,123	$263,551	$270,140	$276,893	$283,815	78
Monthly	$18,938.25	$19,411.71	$19,897.00	$20,394.43	$20,904.29	$21,426.89	$21,962.57	$22,511.63	$23,074.42	$23,651.28	
Bi-Wkly.	$8,740.73	$8,959.25	$9,183.23	$9,412.81	$9,648.13	$9,889.34	$10,136.57	$10,389.98	$10,649.73	$10,915.98	
Hrly.	$109.2591	$111.9906	$114.7904	$117.6601	$120.6017	$123.6167	$126.7071	$129.8748	$133.1217	$136.4497	
56Hr Work-Week Hrly..	$78.0422	$79.9933	$81.9931	$84.0430	$86.1440	$88.2976	$90.5051	$92.7677	$95.0869	$97.4641	
79	$232,940	$238,764	$244,733	$250,851	$257,123	$263,551	$270,140	$276,893	$283,815	$290,911	79
Monthly	$19,411.71	$19,897.00	$20,394.43	$20,904.29	$21,426.89	$21,962.57	$22,511.63	$23,074.42	$23,651.28	$24,242.56	
Bi-Wkly.	$8,959.25	$9,183.23	$9,412.81	$9,648.13	$9,889.34	$10,136.57	$10,389.98	$10,649.73	$10,915.98	$11,188.88	
Hrly.	$111.9906	$114.7904	$117.6601	$120.6017	$123.6167	$126.7071	$129.8748	$133.1217	$136.4497	$139.8609	
56Hr Work-Week Hrly..	$79.9933	$81.9931	$84.0430	$86.1440	$88.2976	$90.5051	$92.7677	$95.0869	$97.4641	$99.9007	
80	$238,764	$244,733	$250,851	$257,123	$263,551	$270,140	$276,893	$283,815	$290,911	$298,184	80
Monthly	$19,897.00	$20,394.43	$20,904.29	$21,426.89	$21,962.57	$22,511.63	$23,074.42	$23,651.28	$24,242.56	$24,848.63	
Bi-Wkly.	$9,183.23	$9,412.81	$9,648.13	$9,889.34	$10,136.57	$10,389.98	$10,649.73	$10,915.98	$11,188.88	$11,468.60	
Hrly.	$114.7904	$117.6601	$120.6017	$123.6167	$126.7071	$129.8748	$133.1217	$136.4497	$139.8609	$143.3575	
56Hr Work-Week Hrly..	$81.9931	$84.0430	$86.1440	$88.2976	$90.5051	$92.7677	$95.0869	$97.4641	$99.9007	$102.3982	

ATTACHMENT C

RESOLUTION NO. 26-43

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO, CALIFORNIA, ESTABLISHING AN APPROPRIATIONS LIMIT IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE, SECTION 7910

RECITALS

WHEREAS, Article XIII-B of the California State Constitution, informally known as the "Gann Appropriations Limit," provides limits regarding the total amount of appropriations in any fiscal year from "The Proceeds of Taxes;" and,

WHEREAS, The Article further provides that appropriations from designated reserve funds are not appropriations from the proceeds of taxes; and,

WHEREAS, Section 7910 of the Government Code, added in 1980 by the State Legislature, provides that "each year the governing body of each local jurisdiction shall by resolution establish its appropriations limit for the following year."

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MONTEBELLO DOES RESOLVE AS FOLLOWS:

SECTION 1. The Fiscal Year 2025-26 appropriations limit was $68,702,220.

SECTION 2. The Fiscal Year 2026-27 appropriations limit is $72,535,598 calculated as shown on the worksheet attached hereto and known as Exhibit C1.

SECTION 3. The Fiscal Year 2026-27 appropriations subject to the above limit are $50,523,820 and is within the limit calculated as shown on Exhibit C2.

SECTION 4. That the City Clerk shall certify to the adoption of this resolution and the same shall be in full force and effect.

APPROVED AND ADOPTED THIS 10TH DAY OF JUNE 2026.

_____

Georgina Tamayo, Mayor

ATTEST: **APPROVED AS TO FORM:**

_____ _____
Christopher Jimenez, City Clerk Arnold M. Alvarez-Glasman, City Attorney

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

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 26-43 was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 10th day of June, 2026 and that said Resolution was adopted by the following vote, to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

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

DATE: _____ _____
Christopher Jimenez, City Clerk

EXHIBITS:
- EXHIBIT C1 – Gann Limit Calculation
- EXHIBIT C2 – Gann Limit Calculation

City of Montebello
Gann Liimit Calculation
EXHIBIT C1

	AMOUNT
A. LAST YEAR'S LIMIT	68,702,220
B. ADJUSTMENT FACTOR	
1. Population %	100.60
2. Inflation %	104.95
Total Adjustment %	105.58
C. ANNUAL ADJUSTMENT $	3,833,378
D. OTHER ADJUSTMENTS:	
Lost Responsibility (-)	
Transfer to Private (-)	
Transfer to Fees (-)	
Assumed Responsibility (+)	
Sub-total	-
E. TOTAL ADJUSTMENTS	3,833,378
F. THIS YEAR'S LIMIT	**72,535,598**

City of Montebello
Gann Liimit Calculation
Appropriations Subject to Limitation, EXHIBIT C2

	AMOUNT
A. PROCEEDS OF TAXES	50,523,820
B. EXCLUSIONS	0
C. APPROPRIATIONS SUBJECT TO LIMITATION	**50,523,820**
D. CURRENT YEAR LIMIT	72,535,598
E. OVER/(UNDER) LIMIT	**(22,011,777)**

City of Montebello
Capital Improvement Program (CIP)
Funding Source Summary
FY 2026-27 Budget

Fund Description	Fund Number	New Appropriations	Carryover Approprations*	M&O Expenditures**	Total Funding:
Gas Tax	200	185,000	200,000	2,833,500	3,218,500
Proposition A	210		294,100	640,300	934,400
Proposition C	215			768,900	768,900
Measure M	222		735,000	979,900	1,714,900
Measure R	220	600,000	375,000	679,000	1,654,000
Measure W	229		516,300	681,000	1,197,300
SB1/RMRA	201	1,760,200	2,540,000		4,300,200
Measure A (Parks)	221	458,700	300,000		758,700
TDA-3	223	52,800			52,800
SCAG Active Transp	Grant (265)		362,500		362,500
STIPL (Prop C Excchange)	2xx		188,400		188,400
Prop C - Paving the Way	215	8,385,800	1,987,600		10,373,400
Meas M - Paving the Way	222		2,442,500		2,442,500
Meas R - Paving the Way	220		1,797,200		1,797,200
Transit	600	748,300	400,000	16,500	1,164,800
General Fund	100	123,000	-		123,000
		12,313,800	**12,138,600**	**6,599,100**	**31,051,500**

**These amounts are estimates; actual amounts will not be known until after June 30, 2026. Subsequent City Council action will follow to re-appropriate carryover funds for applicable CIP projects, amending the FY 2026-27 budget.*

***Maintenance and Operations appropriations include signs, markings, street sweeping, concrete cutting/sidewalk repair, debt service, salaries and other releted expenses.*

City of Montebello
Capital Improvement Program (CIP)
Project Listing by Fund, Appropriations Overview
FY 2026-27 Budget

Fund/Funding Source	Project Description	Project #	Amount	Carryover?*	Bond Funded?**	Detailed Project Description
Gas Tax (Fund 200)						
	Bluff Road Slope Stabilization	901	185,000	C		Work related to sewer line extension project and repairing slope destabilized by sewer line break
	MAT Cycle 1 Project	934	200,000	C		Bicycle and pedestrian enhancements through Metro regional grant
	Signs, Hardware, Asphalt		200,000			As-needed replacement of road signs citywide, patching/repairing roads and other required preventative maintenance work
	Traffic Signal Street Signs		200,000			As-needed repair and replacement of traffic signal signs citywide
	Yunex Contract (Signal Maintenance)		1,205,000			Annual signal maintenance and repair contract
	Citywide restriping		650,000			Re-striping streets citywide to ensure safe lane demarcations and other on-road markings
	Administrative Expenses		26,500			Allowable administrative/salary charges related to managing Gas Tax funded maintenance and project efforts
	Slauson Avenue TSSP		27,000			Countywide traffic signal synchronization program along Slauson Ave
	On-Call Engineering Services		525,000			On-call engineering services for design, project management, labor compliance, and other project administrative support services
			3,218,500			
Proposition A (Fund 210)						
	ADA Enhancements	939	294,100	C		ADA enhancements to damaged/uplifted sidewalks and curb ramps to ensure pedestrian and wheelchair safety
	SGVCOG/Gateway COG Dues		60,000			Dues for storm water participation under Council of Governments
	Administrative Expenses (Salaries)		80,300			Allowable administrative/salary charges related to managing Proposition A funded project efforts
	On-Call Engineering Services		500,000			On-call engineering services for design, project management, labor compliance, and other project administrative support services
			934,400			
Proposition C (Fund 215)						
	Whittier Blvd	889	3,946,000	C	Paving the Way	Street improvements and resurfacing along Whittier Blvd corridor
	Bluff Road Slope Stabilization	901	2,300,000	C	Paving the Way	Work related to sewer line extension project and repairing slope destabilized by sewer line break
	SB 1 Street Reconstruction (FY 2024-25)	938	1,612,600	C	Paving the Way	Annual Street Resurfacing program for citywide street repair
	ADA Enhancements	939	375,000	C	Paving the Way	ADA enhancements to damaged/uplifted sidewalks and curb ramps to ensure pedestrian and wheelchair safety
	SB 1 Street Reconstruction (FY 2026-27)	951	1,489,833		Paving the Way	Annual Street Resurfacing program for citywide street repair
	Citywide Street Repaving		650,000		Paving the Way	Annual citywide street repaving efforts
	Nationwide Street Sweeping		390,000			Citywide street sweeping maintenance
	Paving the Way Debt Service		707,200			Annual debt service on Series 2019 Sales Tax Revenue Bonds ("Paving the Way")
	Administrative Expenses (Salaries)		78,900			Allowable administrative/salary charges related to managing Proposition C funded maintenance and project efforts
	On-Call Engineering Services		300,000			On-call engineering services for design, project management, labor compliance, and other project administrative support services
			11,849,533			

City of Montebello
Capital Improvement Program (CIP)
Project Listing by Fund, Appropriations Overview
FY 2026-27 Budget

Fund/Funding Source	Project Description	Project #	Amount	Carryover?*	Bond Funded?**	Detailed Project Description
Measure M (Fund 222)						
	ADA Enhancements	939	375,000	C		ADA enhancements to damaged/uplifted sidewalks and curb ramps to ensure pedestrian and wheelchair safety
	Whittier Blvd/6th Street traffic signal	926	360,000	C		Installation of new traffic signal and a decorative scramble crosswalk at the intersection of Whittier Blvd and 6th St
	Sidewalk Improvements	941	1,000,000	C	Paving the Way	Sidewalk improvements to damaged/uplifted street segments citywide
	SB 1 Street Reconstruction (FY 2025-26)	944	1,442,500	C	Paving the Way	Annual Street Resurfacing program for citywide street repair
	Grade Separation Project - Sidewalk		200,000			Sidewalk installation in City public right-of-way surrounding Montebello Grade Separation area
	Citywide Street Repaving		650,000		Paving the Way	Annual citywide street repaving efforts
	Allston Street Pavement Preservation Project - East LA		50,000			LA County driven project to repave multi-city street
	LA County Slauson Avenue Bridge		25,600			Roadway enhancements to City owned segment of Slauson Ave bdridge
	Paving the Way Debt Service		596,100			Annual debt service on Series 2019 Sales Tax Revenue Bonds ("Paving the Way")
	Administrative Expenses (Salaries)		79,300			Allowable administrative/salary charges related to managing Measure M funded project efforts
	On-Call Engineering Services		625,000			On-call engineering services for design, project management, labor compliance, and other project administrative support services
			5,403,500			
Measure R (Fund 220)						
	Wilcox Ave/Via Paseo Traffic Signal	949	600,000			Installation of new traffic signal to enhance pedestrian safety and traffic control measures
	ADA Enhancements	939	375,000	C		ADA enhancements to damaged/uplifted sidewalks and curb ramps to ensure pedestrian and wheelchair safety
	SB 1 Street Reconstruction (FY 2024-25)	938	750,800	C	Paving the Way	Annual Street Resurfacing program for citywide street repair
	SB 1 Street Reconstruction (FY 2025-26)	944	1,046,400	C	Paving the Way	Annual Street Resurfacing program for citywide street repair
	Paving the Way Debt Service		529,100			Annual debt service on Series 2019 Sales Tax Revenue Bonds ("Paving the Way")
	Administrative Expenses (Salaries)		79,000			Allowable administrative/salary charges related to managing Measure R funded project efforts
	On-Call Engineering Services		600,000			On-call engineering services for design, project management, labor compliance, and other project administrative support services
			3,980,300			
Measure W (Fund 229)						
	Citywide Catch Basin Installation	931	516,300	C		Installation of inserts in to City owned and County owned Catch Basins citywide
	East LA Median Stormwater Project / Catch Basin		676,700			County stormwater runoff project
	Administrative Expenses		4,300			Allowable administrative/salary charges related to managing Measure W funded maintenance and project efforts
			1,197,300			

City of Montebello
Capital Improvement Program (CIP)
Project Listing by Fund, Appropriations Overview
FY 2026-27 Budget

Fund/Funding Source	Project Description	Project #	Amount	Carryover?*	Bond Funded?**	Detailed Project Description
Road Maintenance and Rehabilitation Account (RMRA/SB1) (Fund 201)						
	SB1 Street Construction (FY 2024-25)	938	1,900,000	C		Annual Street Resurfacing program for citywide street repair
	SB1 Street Construction (FY 2025-26)	944	640,000	C		Annual Street Resurfacing program for citywide street repair
	SB1 Street Construction (FY 2026-27)	951	1,760,200			Annual Street Resurfacing program for citywide street repair
			4,300,200			
Measure A - Parks (Fund 221)						
	Senior Center Basement Remodel	925	458,700			Remodel and improvements to Senior Center basement for a multi-functional space
	Chet Holifield Community Garden	945	300,000			Creation of community garden at Chet Holifield Park
			758,700			
TDA-3 (Fund 223)						
	SCAG SCP Active Transportation	930	52,800	C		Wayfinding signs and bicycle amenities to Los Angeles County Flood Control recreational bicycle/pedestrian trail
			52,800			
SCAG Active Transportation (Fund 265, Grant)						
	SCAG SCP Active Transportation	930	362,500	C		Wayfinding signs and bicycle amenities to Los Angeles County Flood Control recreational bicycle/pedestrian trail
			362,500			
STIPL Exchange (Proposition C)						
	Lincoln St Rehabilitation (Wilcox - 18th Stret)	946	188,400	C		Street repavement and rehabilitation for Lincoln St. segment
			188,400			
Transit (Fund 600)						
	Rio Hondo Access Improvement	924-2	400,000	C		Improve access to the Rio Hondo Rio via Beverly Blvd and Grant Rea Park. Project improvements include an electronic sign
	Sr. Center Basement Remodel	925	748,300	C		Remodel and improvements to Senior Center basement for a multi-functional space
	Public Works/Transit Yard bunker repair		16,500			Repair/replacement to damaged City yard bunker wall
			1,164,800			
GENERAL FUND Infrastructure Projects (Public Works Facilities)						
	Various infrastructure repair projects		123,000			Multi-departmental repair and improvement projects
			123,000			
	TOTAL FY 2026-27 CIP BUDGET (New and Carryover)		**33,533,933**			

"C" = Carryover amount from prior fiscal year/projected not started

*** Use of "Paving the Way" bond reserves, Series 2019ABC*

City of Montebello
Budget Message
Fiscal Year 2026-27 Budget

The City of Montebello celebrates its second century of incorporation with the presentation of the Fiscal Year 2026-27 Operating and Capital budget. The City is faced with a unique combination of opportunities and challenges, with many new projects underway – and some major ones recently completed – that will propel economic development in the community. The past fiscal year witnessed the continuation of progress towards financial sustainability.

This budget builds upon the progress made in the past six years' award-winning budgets and continues moving the organization forward by funding the services and programs key to the City Council's priorities. The City once again received the Government Finance Officers Association (GFOA) "Distinguished Budget Presentation Award" for the adopted Fiscal Year 2025-26 budget document – the sixth consecutive year. Receiving this award demonstrates the City's commitment to producing an accessible budget document that effectively communicates the City's financial priorities in a transparent and accessible manner. Staff will submit the FY 2026-27 budget for this award and fully expect to receive it for a seventh consecutive year.

Moreover, the City has continued its commitment to transparency and public participation in the budget development process. For FY 2026-27, three public community budget forums were hosted across the City. The three public sessions held in February 2026 provided a "Budget 101" overview for the community, and staff solicited questions and feedback from residents on all manner of budget and operational issues. The feedback from the community was incorporated into budget development, with residents' requests submitted to the City Council for review and consideration, including a presentation at a regular City Council meeting in March 2026.

Staff also improved upon community outreach efforts begun in 2023 by continuing the community budget survey. The survey was available for several weeks in February - March 2026 through the City's website and all social media channels. In combination with the feedback from the community budget forums, Staff was able to present community budget needs and wants to the City Council at a March meeting. The FY 2026-27 budget has been developed with significant direct community input.

Below is a small sample of recent accomplishments that positively impact the organization in Fiscal Year 2026-27:

- Utilization of $15.140 million in bonds to fully renovate and rejuvenate the City's public golf course
- Utilizing bond proceeds to construct a Topgolf on 15 acres of the City's public golf course

- Completion of a portion of the “Paving the Way” projects that improved residential street and road conditions
- Major repairs to the City’s aging sewer system, utilizing a portion of the City’s Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) allocation
- Expansion of the Montebello Community Assistance Program (MCAP) aimed at helping the City’s unhoused population
- Update of the City’s General Plan update, the first in over forty years, with adoption by the City Council in April, 2024
- Completion of a park and facilities needs assessment study and master plan
- Completion of significant facility repair and upgrade projects, eliminating years of deferred maintenance on key City facilities
- Introduction of improved purchasing and procurement guidelines
- Receiving the Government Finance Officers Association (GFOA) award for budget preparation for the fifth time in the history of the City
- Approval to finance installation of solar panels at City facilities

These and dozens of additional accomplishments provide a clear indication that Montebello is making progress towards financial sustainability and fiscal stability – with significant assistance from the City’s economic development team. This budget continues movement towards those goals.

The all-funds budget includes $237.620 million in expenditures and $220.019 million in revenue. The majority of the difference between expenditures and revenue is from utilizing available “Paving the Way” bond funds in the Local Return Special Revenue Funds for capital projects such as reconstructing and paving City streets. The table below presents an overview of the Fiscal Year 2026-27 budget, by major fund category/type:

	REVENUE	EXPENDITURES	Variance
General Fund	$ 92,906,300	$ 92,751,200	$ 155,100
Grants/Special Revenue Funds	$ 49,227,500	$ 47,885,700	$ 1,341,800
Capital Projects (Street/Infrastructure)	$ 9,078,200	$ 19,128,200	$ (10,050,000)
Internal Service Funds	$ 8,937,000	$ 10,102,700	$ (1,165,700)
Enterprise Funds	$ 58,506,200	$ 65,968,300	$ (7,462,100)
Fiduciary Funds	$ 1,363,900	$ 1,783,700	$ (419,800)
TOTAL CITY BUDGET	**$ 220,019,100**	**$ 237,619,800**	**$ (17,600,700)**

The General Fund budget, which provides funding for everyday services residents depend on – Police, Fire, community services, code enforcement, street and park maintenance – is projected to have a $155,100 surplus. General Fund expenditures of $92.751 million are less than forecasted revenues of $92.906 million, as summarized in the table below:

	FY 2026-27 Proposed Budget
General Fund Expenditures	92,751,200
General Fund Revenue	92,906,300
Surplus / (Deficit)	**155,100**

Total, all funds appropriations (expenditures and revenue) include General Fund operations as well as Transit (Montebello Bus Lines), the two City-owned hotels Hilton Garden Inn and Home2Suites, the various Capital Improvement Program (CIP) projects funded with Local Return Funds (i.e., Measure R, Proposition C) and Federal and State grants, Community Development Block Grant (CDBG) programs, several grant awards across multiple departments (Police, Fire, Parks and Recreation, etc.), Property Tax Override payment of Pension Obligation Bond debt service, Successor Agency (former Redevelopment Agency) enforceable obligations, and many other projects, programs and operations utilizing various special and restricted funding sources

The progress in right-sizing the City's General Fund over the past seven fiscal years is significant. Staff has worked diligently to review all revenue and expenditure items, performing a "modified" zero-based budgeting exercise for the seventh consecutive year. This budget is the product of a five-year strategic budget development approach – which informed the budgets from Fiscal Years 2020-21 to 2024-25. The end goal of the strategic budget development process is the achievement of a sustainable and healthy budget that incorporates City Council priorities while providing funding for essential daily operations.

The strategic budget development approach sought to refine prior year actual expenditures to adjust subsequent requests based on well analyzed and researched trends. Most importantly, significant emphasis was placed on continuing the proper and accurate allocation of maintenance and operations appropriations as well as allocating employee salary and benefit costs to non-General Fund sources (i.e., Gas Tax, Local Return Funds, Montebello Hills project deposit, Transit Fund, grant funds, etc.) where appropriate and allowed.

Traditionally, Montebello had done a less than ideal job charging maintenance and operations and staff time to projects using grant or local return fund sources of revenue. This standard practice – especially in the Public Works realm – relieves the General Fund of certain expenses that can be correctly charged to restricted revenue sources. Charging off eligible expenses to special funds provides additional budget "room" for General Fund programs such as code enforcement, community services, park landscape maintenance, etc. These efforts continue in FY 2026-27, as staff across all department work together to identify non-General Fund sources to allocate costs to – Measure A (Parks), new Public Works and Community Development grants, etc.

The following pages provide a detailed discussion of the Fiscal Year 2026-27 budget, as well as an update on selected major infrastructure projects. The emphasis on budget figures will be on the General Fund, but key special and enterprise fund operations will be highlighted (e.g., hotels, golf course, Transit). Details on every fund and account can be found in the budget book.

Basis of Budgeting

The City of Montebello adopts annual budgets using a method consistent with generally accepted accounting principles ("GAAP"). Appropriations for a majority of the City's Funds are developed using a modified cash basis. Using this practice to establish the budget ensures compliance with enacted budgets according to applicable statutes and administrative procedures.

For all Funds, except for the General Fund, the total amount appropriated or budgeted to be spent may not exceed the fiscal year's estimated revenue available plus the unappropriated surplus fund balance (or less deficit) of the preceding fiscal year(s). The City's fiscal year begins July 1st and ends June 30.

It is important to note that the Basis of Budgeting is different from the Basis of Accounting. The Basis of Accounting refers to the time various financial transactions are recognized and/or recorded. Although not directly related to annual budget development, the Basis of Accounting is instrumental in establishing local financial practices and completing financial reports such as the Annual Comprehensive Financial Report (ACFR).

The remaining pages of this Budget Message provide a discussion of General Fund revenue and expenditures, a focus on changes to Department staffing and operations, and an overview of major non-General Fund operations such as Transit, the Golf Course, the two City-owned hotels and the Capital Improvement Program (CIP). Extensive details on department budgets, organizational charts, staffing levels, and other funds can be found in the budget document itself.

General Fund Revenue

Total General Fund revenue is projected to be $92,906,300, an $8.459 million increase (10.0%) over the FY 2025-26 adopted budget. The table below shows historical General Fund revenue by major category, and the variance from last fiscal year to this fiscal year.

	2022-23 ACTUAL	2023-24 ACTUAL	2024-25 Actuals	2025-26 ADOPTED BUDGET	2026-27 PROPOSED	VARIANCE $
SALES TAX	25,126,900	25,658,377	26,378,884	28,600,000	29,100,000	500,000
PROPERTY TAX	14,875,000	17,373,671	17,507,562	18,635,200	19,818,800	1,183,600
OTHER TAXES	625,000	666,485	606,912	665,000	655,000	-10,000
FRANCHISE TAXES	2,445,000	3,449,842	3,297,694	3,599,000	4,123,500	524,500
LICENSES AND PERMITS	6,868,000	7,897,407	11,855,265	9,435,000	12,435,000	3,000,000
FINES AND FORFEITURES	2,920,000	3,034,337	2,884,302	3,425,000	3,400,000	-25,000
INVESTMENT INCOME	124,000	723,374	620,105	530,000	851,000	321,000
INTERGOVERNMENTAL	12,000	4,902,930	1,117,151	65,000	90,000	25,000
CHARGES FOR SERVICE	7,720,800	8,470,350	8,460,205	8,826,700	10,707,500	1,880,800
OTHER REVENUE	3,869,100	17,259,240	8,362,284	5,282,600	5,400,500	117,900
TRANSFERS IN	4,100,000	6,666,044	5,629,175	5,383,600	6,325,000	941,400
	68,685,800	**96,102,057**	**86,719,539**	**84,447,100**	**92,906,300**	**8,459,200**

Sales tax overall is projected to increase $500,000 year over year (1.7%) when compared to the FY 2025-26 budget. The projected uptick in sales tax revenue is based on new, major retail operations in the City: Tesla and Topgolf. In addition to these retail operators, many smaller – but still significant – businesses began operating in Montebello and are contributing to this positive sales tax trend. In addition, the sales tax sharing agreement with the Monterey Park Marketplace continues to provide steady revenue, especially since Monterey Park voters approve a 3/4 cent transaction and use tax in 2022.

Property Tax is also proving strong, with a 7.8 % increase in Assessed Value citywide, as well as additional revenue flowing in from the Metro Heights development, providing an additional $1.184 million in revenue. It must be noted that the positive impact of the Metro Heights project is now being seen in the current property tax revenue forecast. The County assesses properties every January 1, as well as when an existing property is sold. Since the first properties were sold in 2024, more properties are completed and continuing to sell, increasing the total amount of property tax revenue flowing from this development. The City's share of residual property tax – from former redevelopment project areas – has also increased year-over-year as enforceable obligations are retired.

Licenses and Permits forecasts to be $3.000 million more vs. FY 2025-26. The majority of this positive change is from increases in Business License Permit ($875,000), Building Permit ($700,000) and Plan Check Fees ($950,000) revenue. The City Council approved updates to the municipal code chapter governing business license fees. For the first time in over 15 years, annual business license amounts will be increased by the annual change in the consumer price

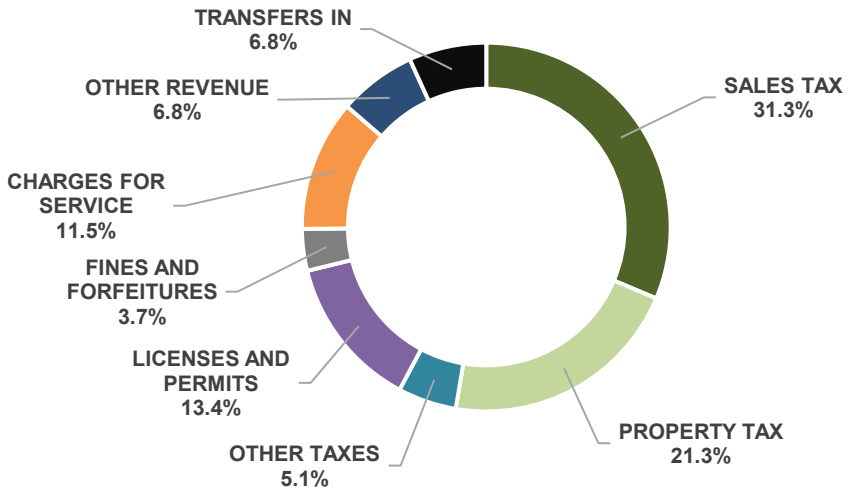
index (CPI). In addition, the arbitrary cap on gross receipts was removed, bringing fairness and equity to the City's business license tax code. These changes to the municipal code are expected to generate additional revenue for FY 2026-27 and beyond.

Activity from Metro Heights continues to fuel the increase in forecasted revenue in the building permit and plan check categories. Also, the change in contract terms governing revenue sharing of plan checks has had a positive impact to plan check revenue. The City now receives a larger share of plan check revenue (40% vs. 20%) vs. the previous agreement's terms.

Franchise Fees are projected to increase $524,500 a combination of increases in Southern California Gas Company, Southern California Edison, and solid waste franchise revenue. Fiscal Year 2026-27 will be the fourth full year of SB 1383 related organic waste franchise fees, projected to bring in $250,000.

Transfers In (non-Operating Revenue) are up $941,400 year-over-year. The increase is from additional reimbursement of retirement related expenses in the General Fund. The City collects additional voter approved property tax for retirement expenses. The General Fund is reimbursed for these expenses through a transfer of revenue on a quarterly basis. With additional staff added over the years, and increased wages from recent (i.e., 2025) labor contract approvals, PERS related expenses have increased. Therefore, the Transfer In reimbursement has increased for FY 2026-27 to match expenses.

The pie chart below provides an overview of the various categories of General Fund revenue and their proportional slice of the revenue pie. Following the pie chart are detailed explanations of the major revenue categories, and highlights of the changes seen in the FY 2026-27 budget. As noted previously, staff continues to work on updating revenue forecasts and analyzing the reason for year-over-year changes through presentation of the budget for adoption.



Sales Tax

Sales tax accounts for 31.3% of total General Fund revenue. The City receives sales tax from three main sources: Bradley Burns 1%, Measure H ¾ percent transaction and use tax and Monterey Park Marketplace sales tax sharing. In total, Montebello is projected to receive $29.100 million in revenue from all three sources combined (a net increase of $500,000 across all three distinct sales tax sources when compared to last year's adopted budget). The table below presents details of these three important sources of sales tax revenue from FY 2022-23 (actuals) to FY 2026-27 (proposed):

	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 ADOPTED	2026-27 PROPOSED	Variance $
1% Sales Tax	14,851,025	14,447,805	15,727,705	17,000,000	17,550,000	550,000
Monterey Park Martketplace	1,525,665	1,122,969	1,196,741	1,100,000	1,250,000	150,000
Measure H	9,974,915	10,087,603	9,454,438	10,500,000	10,300,000	-200,000
	26,351,605	**25,658,377**	**26,378,884**	**28,600,000**	**29,100,000**	**500,000**

Sales tax is the most important piece of the City's General Fund budget, and the FY 2026-27 forecast include projections from two of the largest and more recent additions to the City's retail base: Tesla and Topgolf. In addition, recent changes to tax law in California due to the *Wayfair vs. South Dakota Supreme* Court decision in 2018 have increased the amount of sales tax coming to Montebello via the County Pool. The County Pool records sales tax from on-line sales (as well as other non-point of sale transactions) and apportions it to cities in each county based on their relative share of total sales tax.

The pandemic changed buying behavior – more on-line transactions as people were forced to shelter in place – and this change in consumer behavior manifests itself in increased revenue from the county pool. Of all the major industry areas providing sales tax to Montebello, the share from the county pool shows the greatest area of continued strength in growth. This is not unique to Montebello, as all cities in California have gained additional sales tax income from the taxing of on-line activity and the overall growth in county pools.

The opening of a Tesla automotive dealership in November 2024 and the Topgolf in May 2024 have positively impacted the City's overall sales tax revenue base. Additional retail outlet openings in FY 2025-26 – including Ace Hardware, Hobby Lobby and many more – continue benefiting sales tax revenue in FY 2026-27 and beyond.

Measure H transaction and use tax revenue is forecast to be $10.300M, a $200,000 reduction from last year's budget. With five plus years of actuals from Measure H, a more accurate ratio of Measure H to Bradley-Burns has emerged. Measure H revenue is approximately 57% of Bradley Burns revenue. The FY 2026-27 budget reflects this ratio, hence the variance when comparing to the FY 2025-26 budget.

The sales tax sharing agreement with Monterey Park is projected to bring $1.250 million in revenue from the Monterey Park Marketplace. Montebello receives 18% of sales tax revenue generated by the Marketplace. In addition, the passage of a ¾ cent transaction and use tax by Monterey Park voters in 2022 has improved this revenue stream – hence, the $150,000 projected year-over-year increase for FY 2026-27

Property Tax

The second largest share of General Fund revenue is from property tax: $19.819 million, or 21.3% of General Fund revenue. The majority of property tax revenue comes from the "In-Lieu of VLF" source ($10.026 million), which is a remnant of the "triple-flip" instituted in 2005 as part of the State's effort to balance its budget. At the time, the state swapped vehicle license fee (VLF) revenue allocated to local agencies to help better fund K-12 education and replaced VLF revenue with property tax. This source of revenue grows at generally the same rate as the overall assessed value in the City.

Montebello also receives traditional property tax from residential, commercial and industrial property owners. The City receives approximately nine cents out of every property tax dollar paid to the County of Los Angeles. The assessed value of the City is projected to increase 7.8% when compared to last year. The portion of assessed value that contributes property tax revenue solely to the General Fund increased by 4.99% year-over-year. This increase to the "General Fund share" of assessed value is close to the twenty-year trend of year-over-year changes in assessed value, with that average at about 4.0%

Single Family Residential (SFR) median prices have increased significantly in recent years, averaging 5.9% annual growth between the first quarters of 2018 and 2026. The median SFR price in Montebello is $810,000 (Quarter 1, 2026), a 0.3% increase from the first quarter of 2025. The median value is off the peak of $880,000 reached in the second quarter of 2025.

Also, the pace of sales has slowed over the past three calendar years, though 2025 did see 142 full value sales vs. 139 in 2024. The first quarter of 2026 had 40 full value sales, an increase from the same quarter of 2025 (24). These changes and fluctuations are not surprising, as mortgage rates have increased concomitant with the Federal Reserve's increase to the Federal Funds rate. However, citywide assessed value is increasing by 7.8% year-over-year, with "General Fund" assessed value growing 4.99% -- showing continued strength in property values across all property types.

Finally, the City is projected to receive $2.800 million in residual property tax revenue – a $228,300 increase over the FY 2025-26 adopted budget. This revenue stream represents the flow of former tax increment from redevelopment project areas. After redevelopment dissolution (i.e., after January 2012), local agencies receive residual (i.e., left over) tax increment after various pass-through agreements and enforceable obligations are satisfied. As Montebello's enforceable obligations such as debt service are paid off, an increased amount of residual

property tax flows to the City. In addition, the completion and sale of Metro Heights housing units contribute to this source of property tax, as that development was a former redevelopment project area. This source of property tax will continue to grow as the City's enforceable obligations are extinguished and as more housing units are completed and sold in Metro Heights, adding to the assessed value of property in that area.

Franchise and Other Taxes

The City receives $4.124 million in revenue from various franchise agreements. The largest sources of franchise revenue are from Southern California Edison (SCE) and the combination of residential and non-residential refuse/solid waste haulers. These franchise revenues account for $3.400 million of total franchise revenue projected for FY 2026-27. Improved monitoring of non-residential commercial refuse haulers has resulted in additional franchise revenue. Also, the City's residential refuse hauler (Athens) began remitting a 16% franchise fee to the City with the new agreement in effect as of February 2025.

There is an additional source of franchise revenue that began in August, 2022: SB 1383 organic waste. The $250,000 projected from this source of revenue is attributable to the State requirement that communities offer the recycling of organic waste materials. An agreement with the City's residential refuse hauler allows them to collect and process this organic waste, and the City receives a portion of the hauling fees.

Montebello also receives transient occupancy tax (TOT) revenue – forecasted to be $400,000 in FY 2026-27, $10,000 more than the FY 2025-26 adopted budget. The three fiscal years prior to the pandemic saw TOT averaging $412,000 per year. But FY 2019-20 saw it drop to $376,424, with FY 2020-21 coming in even lower at $223,620, and a slight increase to $340,195 in FY 2021-22. The ten-year average for TOT – which includes the "pandemic years" – is $367,000.

Another source of "other taxes" revenue that has seen an increase in recent years is Property Transfer Tax. This revenue is generated each time a residential property is sold in Montebello. Property Transfer Tax revenue is forecasted at $255,000, a $20,000 reduction vs. the prior year. The stagnation in single-family residential sales is contributing to this reduction in projected Property Transfer Tax revenue.

Charges for Services

The City charges for various services based on City Council approved fee schedules and agreements, recouping the costs associated with providing the service. For FY 2026-27, a projected $10.708 million in revenue will come from various charges for services: development agreements, facility rentals, electronic billboard agreements, radio frequency lease agreements, recreation classes, extended childcare programs, etc. Charges for Services revenue is projected to be $1.881 million more than FY 2025-26. This source represents 11.5% of total General Fund revenue.

More than half (58.3%) of the projected increase ($1.102 million) is from residential refuse revenue. The residential charge for trash service appears on property tax bills. The County collects this revenue and remits it to the City as part of the annual property tax billing and collection process. In turn, the City pays the residential refuse hauler (i.e., Athens Services) for this service. The revenue is essentially a pass-through, covering expenditures completely.

This category will see additional revenue from the approval in August 2025 of a new master fee schedule. The City conducted a fee study, and improved cost recovery was approved by the City Council, with new fee rates across all functions going into effect November 1, 2025. Fiscal Year 2026-27 will see the first full year of the new fees, with scheduled, approved increased taking effect July 1, 2026.

Revenue streams from fire plan checks, engineering fees, police department services, community services classes and facility rentals, and other fee service activities will generate approximately $788,000 in additional revenue for FY 2026-27. This additional revenue is from a combination of improved cost recovery and development activity surrounding items such as fire plan checks and engineering fees.

Licenses and Permits

This source of revenue comprises 13.4% of total General Fund revenue ($12.435 million). The year-over-year forecast shows a $3.000 million improvement (31.8%). There are three revenue streams responsible for the majority of the net increase vs. FY 2025-26: Business License Permits, Building Permits and Plan Checks. These three revenue streams account for $2.525 million of the $3.000 million forecasted year-over-year increase.

Business License Permit revenue is projected to be $4.000 million, an increase of $875,000 vs. FY 2025-26. The City Council approved several changes to Chapter 5 of the Montebello Municipal Code, which governs business license operations in the City. For more than fifteen years, there had been no annual inflation adjustment to the fee amounts charged – even though the municipal code required it. In addition, there was an arbitrary cap on the gross receipts amount that could be assessed. That cap created inequity in business license assessments, where large business would pay the same as much smaller businesses, when compared by annual gross receipts. These changes to the municipal code approved by City Council will restore fairness to the business license program, while generating additional revenue.

Building Permit revenue – forecast at $2.500 million, or $700,000 more than last fiscal year – has increased primarily from Metro Heights related construction activity. The ten-year average for this revenue source is $1.042 million. However, since FY 2021-22, there has been a steady and significant increase in Building Permit revenue. As construction activity continues in Metro Heights, this revenue stream will remain elevated. In addition, the City Council approved update to the master fee schedule adjusted the amounts charged for building permits. There will be an

adjustment in these fee amounts on July 1, 2026, which contributes to the projected $700,000 year-over-year increase.

Plan Check revenue is forecast to be $950,000 more than what was budgeted for FY 2025-26 -- $2.250 million. Metro Heights construction activity is contributing to this increase, but so is the recent change in the revenue sharing ratio with the City's contracted plan check consultant. Prior to November 2024, the sharing ratio was 80% / 20% -- the City would receive 20% of plan check fees processed. The new agreement provides the City with 40% to 50% of plan check fee revenue – a more favorable ratio that matches industry standards. The updated master fee schedule will also contribute to the year-over-year increase in forecasted revenue, as new fee amounts for plan checks take effect July 1, 2026.

While Metro Heights construction activity will trail off in future years, the revenue sharing ratio will remain in place. In addition, the master fee schedule has built in annual increases through FY 2027-28, with a provision for inflation adjustments beginning July 1 2028. Hence, revenue performance will remain positive compared to prior years – even if and when development activity slows down.

Fines and Forfeitures

This category of revenue is projected to bring $3.400 million in revenue for FY 2026-27, virtually the same amount as FY 2025-26 ($3.425 million). The majority of this revenue comes from "Vehicle Code Fines," also known as moving violations. The nine-year average of this revenue source is $1.648 million, however that includes two years where the pandemic impacted the issuance and collection of moving violations. Recent experience (shows a return to pre-pandemic levels. The forecast for FY 2026-27 is $2.100 million – an amount in line with the prior year budget.

There is a slight decrease of $50,000 from parking violations ($1.200 million). In 2022 the City began enforcing street sweeping restrictions. This increased enforcement, coupled with improvements in ticket payment options, has led to an improved revenue forecast in recent years. The ten-year average is $772,000, with FY 2026-27 projecting a continued improvement from prior years.

While only accounting for 3.7% of total General Fund revenue, this source does serve as an important deterrent to unsafe vehicle operations on Montebello's streets. Finance, working closely with staff from the Police and Community Development Departments, will continue to monitor the revenue trends of parking and moving violations, and will provide updated projections based on year-to-date information.

Other Revenue/Non-Operating Revenue

Montebello has a Property Tax Override (PTO) assessment that generates annual revenue utilized for paying all pension related costs. This property tax override has been in place since

1946, when Montebello residents first voted to approve the parcel tax. This voter approved tax can only be utilized to pay for pension related costs (i.e., California Public Employee Retirement System, PERS). The City annually uses this revenue to pay the Unfunded Actuarial Liability (UAL) and Normal Cost expenses associated with the City's contract with PERS to provide retirement benefits to safety and miscellaneous employees. All General Fund related pension expenses due to PERS are paid for by utilizing the PTO revenue (the Transit Fund pays directly for PERS related costs of the Montebello Bus Lines operations).

The City utilizes the Non-Operating Transfer-In method to reimburse the General Fund for PERS related Normal Costs expenditures. For FY 2026-27, a $6.025 million Transfer In has been budgeted for this purpose – a $1.031 million increase over FY 2025-26. Beginning in FY 2021-22, the majority of PTO revenue is being utilized to pay debt service on the Pension Obligation Bonds (POBs, Series 2020). In an effort to manage rising pension costs, the City issued POBs in June 2020. The $153.4 million in POBs wiped out the existing UAL (as of June 30, 2018). (More information on expected revenue and associated expenses can be found by reviewing the Fund 205, Retirement detail page in the budget book.)

The City will continue paying Normal Costs to PERS on a bi-weekly basis, as is standard for all public agency employers. The PTO revenue remaining after paying annual debt service will be used for this purpose. In addition, as subsequent actuarial valuations are completed by PERS, new UAL bases will be paid annually with available PTO. A portion of PERS costs – both UAL and Normal Cost – is paid for by the Transit Fund. A portion of debt service on the Series 2020 POBs will be paid utilizing PTO. A cost allocation plan study determined that Transit is responsible for 27% of pension related costs. Transit will continue paying this share of retirement costs, in the form of debt service, as well as any new UAL created with future PERS actuarial studies and the full share of normal costs associated with transit operations.

The other large source of revenue in the "Other Revenue" category in FY 2026-27 is from the Administrative Overhead charge ($4.004 million). The updated 2022 cost allocation plan provides a basis for reimbursing the General Fund for administrative and overhead support provided to various special revenue and enterprise funds (i.e., Gas Tax, Transit, Hotels, Local Return Funds, etc.). The amount established by this plan is updated annually based on the average increase in salary and benefit costs. Staff review each of the charges and adjust them as necessary to ensure the General Fund is properly reimbursed for the internal support (i.e., indirect costs) provided by Finance, Human Resources, City Clerk, Information Technology and related functions to these non-General Fund operations.

This improved cost allocation – a pillar of the many budget improvements being made to provide long-term financial stability to Montello – provides $4.004 million in non-operating revenue to the General Fund. Finance staff will continue to review operations and find more opportunities to properly charge support staff salary and benefit costs to non-General Fund operations.

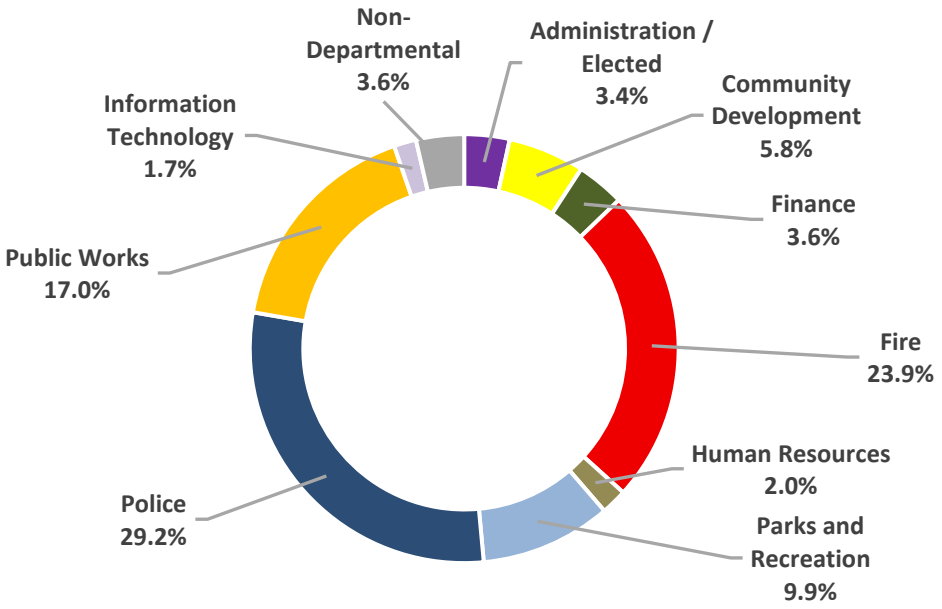
General Fund Expenditures

The City of Montebello is a full-service city, providing Police, Fire, Public Works, Parks and Recreation, Transit and various building, planning and internal support functions (i.e., Finance, Human Resources, Information Technology, etc.) to the community. The Fiscal Year 2026-27 General Fund expenditures budget supporting day-to-day functions is $92.751 million, a $9.199 million increase (11.0%) over the FY 2026-27 adopted budget.

The table below provides a department level view of expenditures for FY 2026-27, with comparisons to prior year budgets and actuals:

	2022-23 Actuas	2023-24 Actuals	2024-25 Actuals	2025-26 ADOPTED BUDGET	2026-27 PROPOSED BUDGET	Variance ($)
Administration / Elected	4,804,612	2,447,003	2,733,984	2,861,200	3,231,900	370,700
Community Development	2,725,754	3,126,333	5,470,663	4,809,800	5,351,100	541,300
Finance	2,657,374	3,007,710	3,179,834	3,158,600	3,362,600	204,000
Fire	18,184,946	20,104,168	22,761,613	19,367,900	22,137,100	2,769,200
Human Resources	2,796,197	2,262,933	1,586,782	1,534,900	1,812,100	277,200
Parks and Recreation	4,030,544	5,199,318	6,411,246	5,926,100	9,162,900	3,236,800
Police	20,423,375	25,108,414	26,870,094	25,199,400	27,041,000	1,841,600
Public Works	16,981,915	16,537,365	16,067,216	16,272,400	15,743,500	-528,900
Information Technology	3,058	1,244,802	1,236,572	1,231,200	1,554,500	323,300
Non-Departmental	7,634,207	6,823,895	4,335,558	3,190,900	3,354,500	163,600
	80,241,982	**85,861,941**	**90,653,562**	**83,552,400**	**92,751,200**	**9,198,800**

Police comprise 29.2% of the General Fund budget, with Fire making up 23.9%. The remaining 46.9% of General Fund appropriations will be committed to planning, building, community services, engineering, payroll, human resources, risk management, landscape maintenance, payroll, accounting, code enforcement and other essential services. The pie chart below shows the relative percentage each Department comprises of the General Fund budget for FY 2026-27:



Management committed to "zero-based budgeting" beginning with the FY 2020-21 budget, as an underpinning tenet of the budget development strategy. This effort is aimed at right-sizing the budget, aligning ongoing revenues with ongoing expenditures, and creating a solid base upon which to build future budgets. This effort was short-circuited somewhat due to the coronavirus pandemic – necessitating an abbreviated budget process for FY 2020-21. However, significant progress was made in cleaning up the General Fund budget and working with Departments to utilize prior year spending data to create a sustainable and better aligned budget for subsequent years.

The long-term goal is to annually provide consistent, essential services to Montebello's residents, visitors and businesses in a fiscally responsible manner. Consistently preparing and presenting balanced budgets is step one towards fiscal sustainability. Hence, the importance of creating a permanent culture of fiscal responsibility that permeates the organization and sustains efforts towards the long-term goal of achieving financial sustainability.

The 11.0% increase in appropriations encompasses changes across all departments and expenditure types. With salary and benefits comprising 64.1% of the General Fund budget, any changes made in this category will have the greatest impact on expenditures. Maintenance and Operations comprises 32.6%, and Debt and Lease Payments make up the remaining 3.2% of the adopted General Fund budget:

	2026-27 Proposed Budget	% of Budget
Salary and Benefits	59,497,700	64.1%
Maintenance Operations	30,278,000	32.6%
Debt and Lease Payments	2,975,500	3.2%
	92,751,200	**100%**

It should be noted that approximately 95% of the City's General Fund budget appropriations are "spoken for" in the way of commitments from MOUs, contracts, debt service payments, professional service agreements, utilities and other such expenses the City is either obligated to pay or if not paid, would cause interruption or outright cessation of services. The table below provides an overview of the major expenditure categories and how much these commitments comprise of the General Fund budget (with a comparison to the prior three fiscal years):

Major Expenditure Category	FY 23-24 6040.xx Amount	FY 24-25 6040.xx Amount	FY 25-26 6040.xx Amount	FY 26-27 6040.xx Amount
SALARIES AND BENEFITS	$ 42,329,250	$ 44,459,800	$ 50,102,300	$ 56,697,100
OTHER CONTRACT SERVICES	$ 5,576,000	$ 5,671,000	$ 6,039,900	$ 6,119,400
ADDITIONAL CONTRACT SERVICES	$ 11,535,950	$ 11,664,000	$ 12,159,600	$ 13,743,200
UTILITIES AND VEHICLE MAINTENANCE	$ 4,006,200	$ 3,834,150	$ 4,271,500	$ 4,797,500
DEBT SERVICE/LEASES	$ 2,225,200	$ 3,255,100	$ 2,554,100	$ 2,304,500
INSURANCE	$ 4,060,400	$ 4,322,000	$ 4,487,000	$ 4,537,000
TOTAL FROM CATEGORIES ABOVE =>	**$ 69,733,000**	**$ 73,206,050**	**$ 79,614,400**	**$ 88,198,700**
GENERAL FUND BUDGET =>	**$ 72,687,450**	**$ 76,100,900**	**$ 83,552,400**	**$ 92,751,200**
% COMMITTED TO "FIXED COSTS" =>	**95.9%**	**96.2%**	**95.3%**	**95.1%**

This table illustrates how little leeway exists in the General Fund for re-directing appropriations or re-prioritizing spending from one area to another. The City obviously has commitments to its employees through City Council approved MOUs, and long-term debt service and lease arrangements commit additional funds, while insurance and workers compensation expenses must be paid. The Contract services category encompasses landscape, custodial, street sweeping, graffiti removal, legal services, software licenses and many other types of required services that residents depend on to keep the City safe, beautiful and accessible.

The paragraphs below provide an overview of the major spending categories in the General Fund, followed by a discussion of key initiatives and operational changes throughout the organization, focusing on certain Departments and the budget variances from prior years.

Salary, Benefits and Staffing

The Salaries and Benefits category is comprised of wages paid to full-time and part-time employees, overtime, health related benefits (health insurance, vision and dental plans, life insurance, etc.), PERS related retirement expenditures, retiree medical expenses (Other Post Employment Benefits [OPEB]), workers compensation insurance premiums and payments and related employee fringe benefit costs (e.g., certification and education incentive pay, longevity pay, public safety "special pays,' etc.). This entire category comprises 64.1% of the General Fund budget, or $59.498 million. This represents a $6.534 million increase over the FY 2025-26 adopted budget (12.3%).

The majority of this increase is in the full-time salaries and special pays categories, with a year-over-year increase of $4.288 million. It must be noted that beginning with FY 2024-25, staff began tracking special pays such as education incentives (e.g., additional pay for bachelor's degrees or POST certifications, etc.), holiday and vacation leave pay-outs, longevity pay and other related incentive pays separately from "regular salaries." That is, the FY 2026-27 budget presents – for the second time – an entire separate budget category devoted to the myriad special pays received by Montebello employees -- $6.134 million.

Regular salaries increased by $3.060 million when compared to the FY 2025-26 budget. The "special pays" category of $6.134 million represents a year-over-year increase of $1.228 million – the effect of additional data allowing for a more accurate budget forecast for FY 2026-27 Hence, the net overall increase in salaries, special pays, overtime, benefits and retirement of $6.534 million.

There are several reasons for this increase in full-time salaries and special pays: filling vacancies, adding needed positions across the organization, and wage and incentive pay increases from multiple Memoranda of Understanding (MOU) updates. The modernization of MOUs across all ten labor groups, and the improvement in compensation beginning in 2022, is the primary factor driving the increases to salary and salary related pay.

MOUs were approved in May, 2022 with nine out of ten of the City's labor groups, implementing a classification and compensation study and creating actual MOU documents for the first time in the City's history Subsequent MOUs were approved with Police sworn employees in 2023 and 2024. MOUs for eight of the ten labor associations – successor MOUs to those approved in 2022 and expiring in June, 2025 – were approved in 2025. The recent MOU updates in 2025 provided increases to base salaries, established new special pays for Police and Fire, increased education and certificate pay, and provided additional compensation for sworn and non-sworn employees across multiple labor groups. Fiscal Year 2026-27 is the second year of these three-year MOUs and the improvements to compensation are reflected in the increases to salary, special pays and related compensation expenses. .

The City Council also approved a significant increase to the employer contribution towards employee health care expenses. Effective January 1, 2025, the employer contribution for two and three party health coverage increased significantly. The FY 2025-26 budget forecasts a $222,800 increase in “benefits” expenses vs. FY 2025-26.

There were also adjustments to part-time wages – in an effort to keep pace with the increase to the State minimum wage over the last several years. The Parks and Recreation Department utilizes the largest number of part-time employees: Recreation Leaders, Lifeguards and Swim Instructors. The increase to the State minimum wage has meant that part-time wages for these and related positions needed adjusting.

Action was taken in FY 2024-25 to update the part-time salary ranges for various Parks and Recreation related positions, creating new ranges that are relatively competitive with surrounding cities. The adjustment aimed at improving recruitment and retention of these key positions that form the backbone of the Department. A combination of increased use of part-time employees and improved hourly rates is leading to a projected increase of $638,100 in part-time salaries across all departments for FY 2026-27.

In addition to improvements in total compensation, over the past six fiscal years, management has conducted a rigorous, organization-wide review of operations. Each Department has been charged with reviewing how they provide service – to external and internal customers – and designing a table of organization that can efficiently and effectively provide a full-range of services, as well as respond to the expansion of services to meet resident demand and City Council priorities.

This organizational staffing review often led to the addition of key positions, filling long-vacant positions, and making other staffing adjustments required by each Department. Over the last six fiscal years, positions have been added in the areas of public safety, homeless assistance, public information, engineering, budget analysis, information technology, street/parks maintenance supervision, community services management, code and parking enforcement, transit and community beautification: Police Officers, Code Enforcement Officers, Fire Battalion Chief and Captains, Firefighter/Paramedic, Social Worker and Caseworker, Public Information Officer, Crime Analyst, Senior Management Analyst, Community Services Coordinator, Bus Operator, Police Community Service Officer, etc..

The table below shows total FTE and the year-over-year change by Department, from FY 2022-23 to FY 2026-27:

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26 ADOPTED	FY 2025-26 AMENDED	FY 2026-27 PROPOSED	Variance
Administration	11.0	8.0	8.0	10.0	8.0	8.0	0.0
Community Development	20.0	20.0	28.0	28.0	26.0	29.0	3.0
Finance	22.0	24.0	26.0	26.0	26.0	25.0	-1.0
Fire	76.0	98.0	100.0	101.0	100.0	101.0	1.0
Human Resources	18.0	15.0	14.0	14.0	13.0	13.0	0.0
Parks and Recreation	11.0	14.0	23.0	24.0	21.0	31.0	10.0
Police	104.0	108.0	115.0	115.0	116.0	119.0	3.0
Public Works	45.0	46.0	43.0	43.0	41.0	33.0	-8.0
Information Technology	0.0	10.0	6.0	6.0	6.0	6.0	0.0
Transit	234.0	233.0	243.0	243.0	244.0	244.0	0.0
	541.0	**576.0**	**606.0**	**610.0**	**601.0**	**609.0**	**8.0**

Specifically, the following changes are being made, additions and subtractions, which lead to a net additional of 8.0 Full-Time Equivalent (FTE) positions for FY 2026-27 (note, the positions being removed are all currently vacant, no incumbent employees are being impacted by the deletions):

Community Development

ADD: Deputy Director- Economic Development (x1)
Planner (x1)
Assistant Planner (x1)
Parking Control Officer (x1)

REMOVE: Management Analyst (x1)

Finance

REMOVE: Assistant Director (x1)

Fire

ADD: Public Safety Administrative Manager (x1)
Public Safety Business Administrator I (x1)

REMOVE: Sr. Management Analyst (x1)

Parks and Recreation

ADD: Parks Maintenance Supervisor (x1)
Maintenance Worker (x9)

Police

ADD: Public Safety Administrative Manager (x1)
Public Safety Business Administrator III (x2)
Management Analyst (x1)

REMOVE: Sr. Management Analyst

Public Works

ADD: Cement and Concrete Woker (x2)

REMOVE:
Park Maintenance Supervisor (x1)
Maintenance Woker (x9)

These table of organization updates are intended to provide the necessary staffing levels to support essential functions in each Department, and to support the overall mission of the organization as it delivers services to its customers – both external and internal.

In Police and Fire, there are new classifications which reflect the specific needs of these public safety Departments. And in Finance, the retirement of a long-time employee allows for the restructuring of the Department and the removal of the Assistant Director position.

The changes in Public Works and Parks and Recreation are from the shifting of the Parks Maintenance Division from Public Works to Parks and Recreation. In addition to appropriations being moved, the positions associated with Parks Maintenance need to be moved as well. Public Works has an overall net reduction in FTE of 8.0, with the addition of two Cement and Concrete Worker Positions. This new classification – approved by the Civic Service Commission in FY 2025-26 – will allow the Department to respond more quickly to various sidewalk and curb repairs. The goal is to reduce the overall liability the City faces by repairing trip and fall hazards while maintaining the City's public rights of way.

Community Development is adding a net 3.0 FTE in an effort to improve operations across multiple divisions. The addition of a Deputy Director of Economic Development will provide enhanced oversight and coordination for business attraction, retention, revitalization, and strategic economic development efforts citywide. The addition of 1.0 Planner position and 1.0 Assistant Planner position will support the Department's growing workload associated with economic development efforts including project applications, long-range planning initiatives, permitting activity, and implementation of the City's 2040 General Plan and other City priorities, including future streetscape plans and the implementation of strategic initiatives. These positions will also help improve customer service, project processing times, and overall operational efficiency within the Planning Division. Additionally, the addition of 1.0 full-time Parking Control

Officer will enhance parking enforcement operations, improve responsiveness to parking-related concerns, and support public safety and quality-of-life efforts citywide.

Salary and Benefit budgets reflect increased PERS costs, associated with higher employer rates. However, as part of previously negotiated MOUs, the complete phase-out of employer paid employee retirement costs occurred by January 2021 – reducing the pension burden on the City with employees picking up their full share (either 8% or 9% for Classic employees, with new PERS members always having picked up the full normal cost amount as required by PEPRA). Furthermore, public safety employees (Fire and Police) agreed to pay a 12% rate – picking up the full 9% employee share plus 3% of the employer rate.

Also related to pension costs is the May 2020 issuance of $153.4 million in Pension Obligation Bonds (POBs). The issuance of these bonds allowed the City to fully extinguish its Unfunded Accrued Liability (UAL) for both miscellaneous and safety retirement plans with PERS (based on the June 30, 2018 actuarial valuation report). The City has levied a pension tax override since 1946 when first approved by Montebello voters. The revenue from this property tax can only be used to pay for retirement related expenses.

The City tracks this revenue in a separate special revenue fund (Retirement Fund 205). Annual lump-sum UAL payments are made each July utilizing Fund 205 resources. Ongoing, bi-weekly normal cost expenses are reimbursed on a quarterly reconciliation basis, utilizing a transfer out/in from Fund 205 to the General Fund. The Transit Fund (600) pays for its share of PERS expenses – both UAL and normal costs – directly from its operating funds.

The combination of employees paying their full share of retirement costs coupled with lower overall normal costs as non-classic (i.e., PEPRA) employees continue to comprise a larger overall share of the City's employees, has led to a moderation of the year-over-year increases in retirement costs. Estimated General Fund PERS employer costs for FY 2026-27 are $6.044 million. This represents a $1.040 million increase from the FY 2025-26 adopted budget. It must be noted that these PERS costs are estimates, assuming a certain position "occupancy rate." These General Fund expenses are offset completely by the Property Tax Override revenue Transfer In from the Retirement Fund (Fund 205) – which is recorded as non-operating revenue in the General Fund. This transfer out/in mechanism is explained in the preceding "General Fund Revenue" section of this Budget Message. There is $6.025 million in revenue – Transfer In-from Retirement Fund – included in the FY 2026-27 General Fund budget.

Another large, positive impact to containing the amount of Salary and Benefit expenditures charged to the General Fund is the continuation and refinement of cost allocation throughout the organization. This standard practice of charging payroll costs to non-General Fund sources was initiated with the FY 2020-21 budget – a major premise of the five-year budget development strategy. For example, a significant portion of Public Works staff involved in project management and engineering are now appropriately charging their time to non-General Fund sources such as

Local Return Funds (i.e., Measure M, Proposition C, etc.) and Federal/State grants. This effort also included staff in Administration, Finance, Fire and Community Development charging time to the Metro Hills project, and Finance, Human Resources, and Information Technology staff being charged to the Transit fund – reducing the overall impact of payroll costs on the General Fund.

The initial cost allocation efforts that began in FY 2020-21 are continued – and refined – in the FY 2026-27 budget. With additional operational data available, a larger share of certain positions can now be charged to Transit and Local Return Funds, since those positions support those functions/areas. In addition, a larger selection of employees can be cost allocated, as a better understanding of duties and their support to non-General Fund operations has been gained over multiple fiscal years.

Another change first initiated with the FY 2020-21 adopted budget that enhanced transparency and presented more accurate operating budgets for each Department is the move of Other Post Employment Benefit (OPEB) charges to a Non-Departmental account. The City provides retirees – based on years of service and bargaining unit at the time of retirement – monthly health benefit cost reimbursement. Prior year budgets included these costs in each department, inflating operating budgets (most acutely in Police and Fire) based on the final department an employee worked for prior to retirement. The FY 2026-27 budget includes appropriations for OPEB expenses ($1.219 million), recording these expenses in Non-Department accounts, providing a truer picture of what regular operating expense needs are for each operating department.

Maintenance and Operations

The Maintenance and Operations category comprises 32.6% of the FY 2026-27 General Fund budget ($30.278 million). This broad category provides funding for office supplies, personal protective equipment for Fire personnel, professional engineering consulting services, auditing services, grant writing and legislative advocacy, landscape and tree maintenance, computer software and hardware purchases, street sweeping, utilities (e.g., electricity, gas, water, cell phones), custodial services, facility repair and maintenance such as on-call electricians and plumbers, uniforms and safety equipment for Police personnel, contract community services instructor payments, vehicle maintenance and repair services, fuel for City vehicles, software licenses (Office 365), graffiti removal and many other expenses that provide the programs and services that Montebello residents enjoy.

This category is increasing $2.687 million (9.7%) when compared to the FY 2025-26 adopted budget. The majority of this increase (63.2%) comes from the various “contract services” accounts, accounting for $1.697 million of this increase. This is a varied category of “contract services” that includes: tree trimming and landscape services, graffiti removal, street sweeping, legal services, engineering and plan check, etc.

There are also increases to Supplies ($367,400), Equipment ($23,500) and vehicle maintenance ($9,200). The replacement of more than fifty vehicles in Police, Public Works, Code Enforcement, Fire and Parks and Recreation in the past six fiscal years has contributed to lower maintenance costs. Utilities and fuel are also increasing year-over-year by $514,000. Fuel – unleaded, diesel, CNG – is up $62,100 year-over-year. Increased fuel prices contribute directly to this change, with the anticipation that actual fuel expenses for FY 2026-27 will exceed the proposed budget.

There are annual Debt and Lease payments related to bond issuances (e.g., Series 2014ABC) and lease payments on equipment (e.g., Fire apparatus, Police patrol vehicles, Parks and Recreation vehicles, Public Works tractor, etc.) included in the FY 2026-27 budget. This category represents $2.758 million in General Fund expenditures, a $204,000 increase from FY 2026-27. There are three new leased vehicles in Fire, adding $38,200 in lease payment expenses to the budget. In the Police Department, there is $117,600 in lease payments for Police vehicle. This is the last annual payment and had previously been recorded in the Asset Forfeiture Fund (Fund 230). However, due to a lack of Asset Forfeiture Funds, this expense was moved to the General Fund.

There is $735,700 in financing costs related to the Citywide solar project – new expenses first incurred in FY 2024-25. The intent of this project is to reduce electricity expenses so that annual financing costs are covered by the “savings” to be realized by the use of solar power citywide. The project is currently under construction, with installation of solar panels having begun in Spring, 2024. Should any reductions in utilities materialize, they will not be fully reflected until the FY 2027-28 budget, at the earliest.

A final payment on the Series 201B lease revenue bonds ($1.020 million) is included in the FY 2026-27 budget. Of note, full payment of this bond issue will provide additional resources in the FY 2027-28 budget – freeing up more than $1.0 million in appropriations.

There are notable changes in the following Department's budgets year over year (more detail on each department follows later in this Budget Message):

Administration: The net year-over-year increase is $370,700, primarily from $200,000 for the November 2026 general election. There is also $50,000 added for one-time expenses for a delegation to travel to the City's sister city Ashiya, Japan. Efforts to continue promoting Montebello by sponsoring regional events requires $70,000 in appropriations. Also, for the fourth consecutive year, funding is being provided to various Montebello service and sports organizations, a total of $65,000 for thirteen groups ($5,000/non-profit).

Community Development: There is an overall net increase of $541,300 in this Department. The single largest increase is for plan check services ($300,000). This increase will be offset by additional revenue for various permits and plan check activity. There is also additional funding for Economic Development, as can be seen in the $36,700 year-over-year increase in that division to support local business promotions, pop-up events and marketing efforts.

Fire: The $2.769 million net increase from last year is spread across all divisions, with the largest increase in the Suppression Division ($2.684 million). The Prevention Division is increasing by $173,400 vs. FY 2025-26. Across those divisions, salary and benefit expenses are driving the year-over-year increases – primarily in Suppression. The Suppression Division has increases to regular (full-time) salaries of $775,000, overtime of $650,000, health insurance of $104,000, education and certificate pay of $156,000, shift lead/incentive pay of $175,000 and PERS expenses of $450,000.

Parks and Recreation: This department is seeing a year-over-year increase of $3.237 million Three-quarters of this increase ($2.453 million) is from the movement of the Parks Maintenance Division from Public Works. The Recreation Division budget is increasing $560,100, primarily from full-time and part-time wages and related salary expenses. As the City improves and increases the number of community events (e.g., Summer Streetfest, farmers market, night market, 4th of July, pet vaccine clinics, Summer Concert series), it is necessary to increase part-time staffing.

Police: The net increase in this Department of $1.842 million is primarily from the Patrol Division ($1.046 million), offset by decreases in the Traffic and Administration Divisions. As noted earlier in this Budget Message, City Council approval of MOUs in 2023 and 2024 for MPOA and MPMA members increased base salaries and myriad special pays (e.g., education incentive, longevity, collateral and special assignments, etc.). Full-time salaries are increasing $775,000, overtime is

up by $450,000, and various special pays will see an increase of $218,000. PERS expenses are projected to be $350,000 higher in FY 2026-27 when compared to the prior budget.

Public Works: There is a net decrease of $528,900 for FY 2026-27. The primary reason for this is the movement of the Parks Maintenance Division to Parks and Recreation. The $1.679 million decrease is offset by increases in the Streets, Administration and Facilities Divisions. The $806,1000 year-over-year change in the Streets Division is primarily from a $600,000 increase to the refuse contract with Athens. This amount is fully offset by revenue collected for FY 2026-27. Other increase in this Department are from additional appropriations for repairs to the sewer system, on-call services for electrical, plumbing and HVAC, tree services, graffiti removal and street sweeping services. These increases are partially offset by the movement of catch basin cleaning expenses to the Measure W fund (Fund 229).

Citywide and Department Highlights

The FY 2026-27 budget includes changes to individual Department budgets – adding equipment, increases to supply purchases, re-organizing divisions, etc. While basic services remain funded, there are enhancements in different key areas. The General Fund budget for all departments is $92,751,200 a $9,198,800 (11.0%) increase over the FY 2025-26 adopted budget. The ability to continue funding all basic services, while providing for some unmet and deferred needs, is predicated on a concerted effort to right-size the City's budget coupled with improved revenue forecasts.

The table below shows each Department's proposed budget and the variance from last year's adopted budget, as well as four years of actuals for comparison purposes:

	2022-23 Actuas	2023-24 Actuals	2024-25 Actuals	2025-26 ADOPTED BUDGET	2026-27 PROPOSED BUDGET	Variance ($)
Administration / Elected	4,804,612	2,447,003	2,733,984	2,861,200	3,231,900	370,700
Community Development	2,725,754	3,126,333	5,470,663	4,809,800	5,351,100	541,300
Finance	2,657,374	3,007,710	3,179,834	3,158,600	3,362,600	204,000
Fire	18,184,946	20,104,168	22,761,613	19,367,900	22,137,100	2,769,200
Human Resources	2,796,197	2,262,933	1,586,782	1,534,900	1,812,100	277,200
Parks and Recreation	4,030,544	5,199,318	6,411,246	5,926,100	9,162,900	3,236,800
Police	20,423,375	25,108,414	26,870,094	25,199,400	27,041,000	1,841,600
Public Works	16,981,915	16,537,365	16,067,216	16,272,400	15,743,500	-528,900
Information Technology	3,058	1,244,802	1,236,572	1,231,200	1,554,500	323,300
Non-Departmental	7,634,207	6,823,895	4,335,558	3,190,900	3,354,500	163,600
	80,241,982	**85,861,941**	**90,653,562**	**83,552,400**	**92,751,200**	**9,198,800**

The paragraphs below provide a discussion of the major changes in each Department's budget for FY 2026-27.

Administration and Elected

Overall, the budgets for elected officials (City Council, City Treasurer, and City Clerk) and Administration increased a net $370,700. As noted previously, the largest single increase is the expense related to the November 2026 General Election ($200,000).

There is also an increase of $50,000 to support the City's sister city: Ashiya, Japan. Every five years, each city – Ashiya and Montebello – send delegations to each other. The Ashiya delegation visited Montebello in April 2026, and Montebello will visit Ashiya in November, 2026. The additional appropriations are one-time expenses and support this 60 plus-year relationship of goodwill and cultural exchange.

There is $70,000 added to the FY 2026-27 budget to support efforts at marketing the City and promoting all of the accomplishments of the last few years. The City will continue sponsoring various regional events and organizations, which support efforts at positively marketing the City to its regional partners.

There is $65,000 once again in this year's budget to support thirteen service and sports clubs in Montebello. This additional funding continues a practice begun four years ago and provides $5,000 each to the non-profit groups to assist in their missions.

Community Development

The Community Development Departments' total budget of $5.351 million (5.8% of total General Fund appropriations) represents a $541,300 net increase over last fiscal year. There is a $316,100 year-over-year increase related to the professional services agreement with Transtech to provide plan check services. However, the improved revenue sharing ratio of 60% / 40% (from 85% / 15%) means the City is realizing more revenue from these services when compared to prior fiscal years.

There is also an increase of $189,000 in the Code Enforcement Division. Compared to prior fiscal years, this division is fully staffed with full-time Code Enforcement and Parking Enforcement Officers. The City's contract with the third-party parking enforcement company has been adjusted to reflect actual expenditures – based on several years of actual data. There is $65,000 in new appropriations for TurboData, the City's vendor used to process parking tickets. The expense related to this service was previously in the Police Department and reflected the prior vendor's costs.

The FY 2025-26 budget included a new division in this Department: Economic Development. The budget is increasing by $36,700, as the City continues efforts at local business promotion and boosterism. There is funding for pop-up events, marketing and related economic development efforts aimed at actualization the City's "Business Friendly" designation.

Fire

The FY 2026-27 budget of $22,137,100 represents a $2,769,200 increase over the FY 202-26 adopted budget, a 14.3% year-over-year increase. Fire represents 23.9% of total General Fund appropriations. There are increases across all divisions, primarily due to full staffing in Suppression, Prevention and Communications.

Regular Salaries, Special Pays, Health Benefits and PERS expenses in the Suppression Division are forecasted to be $2.430 million higher than last fiscal year, with the largest increases in full-time salaries ($775,000), Over-time ($650,000) and PERS ($450,000). As noted previously in this Budget Message, MOUs approved in 2025 – and in effect through June 30, 2028 – increased base salaries as well as wage-based items such as longevity pay and EMT and Paramedic certification pay and added new special pays for certifications while increasing existing education incentives. These adjustments – on top of compensation improvements from 2022 -- to sworn safety personnel wages and wage dependent special pays contribute to the year-over-year increase. In addition, vacancies have been filled at all ranks, and continuous recruitment aims to bring stability in staffing to the Department during the fiscal year.

There are also increases to Medical Supplies ($205,000), Other Contract Services ($125,000), Machinery and Equipment ($25,000), Training ($23,000), Uniform ($55,000) and Vehicle Maintenance ($15,000) in the Suppression Division. These increase reflect both the increased need for various supplies and equipment as well as alignment with prior year trends and actual expenses in these categories.

The Prevention Division is fully staffed, which leads to a year-over-year increase in regular salaries of $135,000 and related increases to PERS, health insurance and other benefit categories. This division saw adjustments in various Maintenance and Operations categories, removing one-time appropriations from FY 2025-26 and adjusting various line-items based on prior year trend data.

The Department also leased three new vehicles in FY 2025-26, and the first payment is reflected in FY 2026-27, increasing appropriations by $38,200. The Department pays a total of $398,400 in lease/financing costs for a 2019 Fire Engine, a 2024 Fire Truck (still waiting for delivery), and six leased vehicles (i.e., heavy duty trucks for inspectors, communication personnel and battalion chiefs).

Parks and Recreation

The Parks and Recreation budget of $9,162,900 is increasing by $3,236,800 (54.6%). The majority of this increase is directly attributable to the movement of the Parks Maintenance Division from Public Works. The movement of this division began in FY 2025-26 and will be fully actualized as part of the FY 2026-27 budget. This division represents $2.453 million in appropriations for FY 2026-27and is responsible for landscape maintenance across all parks, as well as related maintenance at parks and park facilities.

The largest single expense is staffing for full and part-time employees -- $1.012 million in salary, benefit, special pay and PERS. The City's contract for landscape services is $535,000, with $130,000 in additional contract services related to park maintenance work. This division also includes utility expenses – electricity and water usage – as well as fuel and vehicle maintenance costs.

The continued expansion of special events and programs over the past six fiscal years contributes to increases in the Recreation Division. Fiscal Year 2026-27 represents the fifth full year of Staff projecting expenses for special events such as the Farmers Market, Night Market, 4th of July, Summer Street Festival, Utility Box Art, pet vaccine clinics, volunteer days, Summer Concert Series, etc.

Increases in part-time salaries in the Department add $474,000 to the FY 2026-27 budget. Supplies (non-durable, durable, janitorial) are up approximately $123,200 year-over-year These additional expenses are associated with purchasing additional supplies for the expansion of community events throughout the year. There is a year-over-year increase of $170,700 in Other Contract Services -- $130,000 of this increase is new with the movement of the Parks Maintenance Division from Public Works.

There is an increase of $164,600 in the Public Affairs Division related to new and continuing software expenses. The City introduced a new "chatbot" (Monte B) to assist users of the City's website and other social media. Also, the City continues utilization of Zencity to provide useful data on social media usage and trends.

There are staffing changes to this Department directly related to the movement of the Parks Maintenance Division. There is a net increase of 10.0 FTE – moving 9.0 Maintenance Workers and 1.0 Park Maintenance Supervisor from Public Works.

Police

The Police Department budget for FY 2026-27 is $27,041,000 which is a $1,841,600 increase (7.3%) over the adopted FY 2025-26 budget. The Patrol Division has a year-over-year increase of $1,045,500; Support Services is increasing $282,700 , Records will see an additional $305,900 in appropriations and Investigations will increase $276,500.

The majority of the increases come from salary changes due to approved MOUs between 2023 and 2024 (MPMA and MPOA, respectively) and 2025 (MCEA and MSA) as well as the successful filling of vacancies at the Police Officer rank/classification, and full staffing in the Records Division. The Patrol Division is impacted the most from the MOU adjustments and filling of vacancies, with full-time regular salaries increasing $775,000, overtime increasing $140,000, PERS expenses increasing $350,000 and special pays (e.g., education/certificate pays, special/collateral pays, leave pay outs, etc.) up by $218,000 vs. FY 2025-26.

It should be noted that salary increases directly impact special pays and leave pay-outs. There are various special pays such as longevity and special assignment that are a percentage of base salary; as base wages increase so do these special pays. Also, unused holiday pay is cashed out at the higher rates of pays, as allowed by the MOUs.

The use of Part-Time staff is also increasing $132,000 in FY 2026-27. The newly activated Parks Bureau has added part-time Police Community Services Officers, and the Records Division is utilizing more part-time Records Technicians. There is also a $104,000 increase to Other Contract Services related to body worn cameras, dispatch communications maintenance and the City's jail services contract.

Public Works

The Public Works Department FY 2026-27 budget is $15,743,500, a $528,900 net decrease (3.3%) from the prior fiscal year. There are year-over-year increases across most Divisions, from a combination of staffing changes and additional resources for facilities, streets and related maintenance areas. However, these increases are offset by the movement of the Parks Maintenance Division to the Parks and Recreation Department – a $1.679 million reduction in appropriations.

The Streets Division -- responsible for road maintenance, graffiti removal, street sweeping, etc. – has an $806,100 increase. This division also records the expenses related to residential refuse services: $5.500 million total, a $600,000 increase from the prior fiscal year. Since the City receives the revenue from the refuse collection expenses charged to residents, the cost is offset completely. There is also a $134,000 increase for electricity expenses, related to streetlights and City facilities.

The Trees Division maintains the commitment first made in FY 2023-24 and continued since, towards improving the City's tree canopy and increasing shade equity. Once again – for the fourth consecutive fiscal year – $50,000 is committed to citywide tree replacement, and $530,000 is budgeted for tree trimming and maintenance services, a $30,000 increase from FY 2025-26.

In the Facilities Division, there is a $200,900 increase from last fiscal year. Some of this increase is from additional funds ($130,000) for various trades related contracts: electrical, plumbing, elevator maintenance, HVAC repair and maintenance, locksmith service, etc. The City's aging facilities require more regular maintenance, and the use of on-call trades services has increased over the last several years.

The primary factor for the increase in the Facilities Division is the addition of $123,000 for several General Fund capital projects. There is $10,000 for ceiling repairs in Fire Station 56, $66,000 for repair of storage facilities at the Public Works corporate yard, and $48,500 for HVAC repairs to one of the City's off-site public safety communications sites.

There is a reduction of $145,000 in the Stormwater Division, with movement of catch basin cleaning expenses to the Measure W (Fund 229) fund. Additional appropriations are included for potential repairs to the City's again sewer system -- $50,000 in the Sewer Maintenance Division. Overall, there are increases to full and part-time wages and related expenses (health, special pays, PERS, etc.).

Transit

The largest enterprise fund -- as measured by total expenditure and revenue appropriations – is Transit, Fund 600 (Montebello Bus Lines). This fund accounts for the various sources (Metro Transit revenue, Federal Transit Administration, etc.) and uses of funds (salaries, maintenance, equipment purchases, etc.) that are utilized to fund daily bus operations and maintenance of the fleet. The FY 2026-27 Transit budget – excluding grants (Fund 270) and Senate Bill 1 (SB 1) State of Good Repair funding (Fund 202) – includes $41.907 million in expenditures and $34.307 million in revenue.

The table below provides an overview of expenditures and budgets from FY 2022-23 to FY 2026-27, by Division:

	2022-23 Actual	2023-24 Actual	2024-25 Actual	FY 2025-26 ADOPTED BUDGET	FY 2026-27 PROPOSED BUDGET	Variance
Transit Administration	10,807,608	11,906,418	11,626,710	13,285,600	13,931,600	646,000
Transit Operations	15,700,616	16,009,185	15,416,821	17,512,400	20,321,000	2,808,600
Metrolink Station	109,848	138,091	124,574	147,000	84,300	(62,700)
Corporate Shops	6,772,119	6,953,040	4,759,493	6,306,500	6,400,400	93,900
Capital Projects	6,212,202	5,072,642	3,063,827	-	748,400	748,400
Prop C 5% Security	394,707	477,614	483,384	534,000	401,000	(133,000)
Bus Advertising	15,000	-	-	20,000	20,000	-
Non-Departmental	(3,374,502)	(1,706,855)	(1,535,499)	-	-	-
	36,610,599	**38,850,135**	**33,939,310**	**37,805,500**	**41,906,700**	**4,101,200**

There is a $646,100 year-over-year net increase in projected expenses in the Administration Division. The largest increase is in regular salaries, $462,900 change from FY 2025-26. This Division is fully staffed and also accounts for the percentages of staff from non-Transit operations that are charged here. That is, efforts at improved cost allocation (described earlier in the "Salaries and Benefits" section of this Budget Message) have certain staff in support Departments – Finance, Human Resources, Information Technology – directly charged to Transit since they support these operations (i.e., accounting, recruitment, helpdesk, etc.).

The Operations Division's increase of $2.809 million is primarily from full-time salary changes ($1.400 million) and related benefit, special pay and PERS costs ($1.373 million). Transit has worked towards filling its Bus Operator vacancies over the last several fiscal years. The increase in full-time salaries and benefit costs is a direct result from filling these vacancies. Prior fiscal years saw large numbers of vacancies in this Division, contributing to lower salary and benefit

expenses. Also, a new MOU was approved between the City and SMART-TD that is effective from July 1, 2025 through June 30, 2028. The salary and related pay increases from this MOU are reflected in the year-over-year changes in the FY 2026-27 budget.

The Corporate Shop Division will see a $93,900 net increase vs. last year. Salary and benefit expenses are projected to be similar to FY 2025-26 due to the use of Federal funding to offset these costs. Prior to applying these Federal funds, salary and benefit costs are projected to be $1.900 million higher vs. FY 2025-26. Similar to the Operations Division, vacancies have been filled and the new SMART-TD MOU effective 2025-2028 provides improved compensation to employees. These factors contribute to a total increase in all salary/benefit categories of $3.182 million. There are reductions in several Maintenance and Operations categories which offset these increases.

In addition to the operating budget found in Fund 600, capital and equipment projects and purchases are also funded through grants and state funding. Additional details can be found in the budget book: Transit Grant expenditures (Fund 270) and SB1/SGR projects (Fund 202) related sections.

Revenue for FY 2026-27 in Fund 600 is projected at $34.307 million, a $2.431 million increase from the prior fiscal year. While there is an increase year-over-year, there are some individual revenue streams which are lower than in prior years. For example, “TDA Operating” revenue in FY 2024-25 was $11.649 million, vs. $8.581 million for FY 2025-26, with a slight improvement to $9,502,300 for FY 2026-27. The Transit Fund has benefited in recent years from pandemic era Federal funding (i.e., American Rescue Plan Act [ARPA]) – however those have been recognized and are no longer available. There are sufficient reserves Transit operations can utilize to bridge gap between revenue and expenditures. Staff will closely monitor revenue performance in FY 2026-27 and make operational adjustments if necessary.

<u>Hotels – Hilton Garden Inn and Home2Suites</u>

The City owns two hotels and contracts with a third-party management company to operate them. The Hilton Garden Inn (HGI) underwent a complete remodel in 2020, the first since it opened in 2006, and reopened to the public in September 2020 after being closed for more than six months.

As business and leisure travel patterns continue to recover to pre-pandemic levels, the Hilton Garden Inn’s performance continues to improve as occupancy rates increase. The hotel is forecasted to have a surplus of $399,300 in FY 2026-27. The refinancing of HGI debt (December 2019) was a positive financial move, providing significant debt service savings for three years by restructuring the repayment to be interest only during the pandemic. This refinancing made economic sense – taking advantage of historically low interest rates – and was fortuitous in timing. The reduced debt service coincided with reduced income from lower occupancy.

The table below presents actuals and budget from FY 2023-24 to FY 2026-27:

	FY 2023-24 Actuals	FY 2024-25 Adopted	FY 2024-25 Actuals	FY 2025-26 Adopted	FY 2026-27 Proposed
Salaries and Benefits	1,770,866	1,575,000	1,578,276	1,715,000	1,505,000
Supplies / Contract Services	1,480,553	1,181,300	1,528,049	1,545,000	1,651,000
Hilton Program Fees	544,195	485,000	555,033	570,000	550,000
Misc Operational	2,165,659	1,662,300	2,156,299	1,812,400	1,545,700
Debt Service	385,615	1,240,600	405,279	1,028,300	1,074,000
TOTAL EXPENDITURES	**6,346,888**	**6,144,200**	**6,222,936**	**6,670,700**	**6,325,700**
TOTAL REVENUE	**6,703,555**	**6,950,000**	**6,785,859**	**7,025,000**	**6,725,000**
SURPLUS / (DEFICIT)	**356,667**	**805,800**	**562,923**	**354,300**	**399,300**

The Home2Suites hotel's occupancy also suffered in 2020 due to the pandemic. However, in recent years occupancy has been climbing and performance appears to have returned to pre-pandemic levels as business travel returns. Home2Suites is forecasted to have an operating surplus of $276,700 in FY 2026-27.

The debt service on the Home2Suites (H2S) is greater than Hilton Garden Inn, given the larger outstanding balance (Series 2016A) of bond funds. Staff is working on the refinancing of the original 2016A debt issuance. Preliminary projections show a potential annual savings in debt service expenses of $500,000. This savings provides additional "room" should larger economic forces negatively impact hotel occupancy, which would reduce room revenue. The FY 2026-27 Home2Suites budget also includes a "Transfer Out" – anticipation of continued surplus funds available in Fund 625 to be swept to the General Fund as permitted by the bond indentures.

The table below presents actuals and budget from FY 2023-24 to FY 2026-27:

	FY 2023-24 Actuals	FY 2024-25 Adopted	FY 2024-25 Actuals	FY 2025-26 Adopted	FY 2026-27 Proposed
Salaries and Benefits	2,570,034	1,867,000	2,498,404	2,680,000	2,470,000
Supplies / Contract Services	2,355,741	1,833,600	2,674,022	2,567,300	2,703,500
Hilton Program Fees	904,773	850,000	951,066	950,000	950,000
Misc Operational	5,633,514	2,369,300	5,248,569	3,523,100	3,885,300
Debt Service	2,493,957	3,799,000	2,407,312	3,899,700	3,614,500
TOTAL EXPENDITURES	**13,958,019**	**10,718,900**	**13,779,373**	**13,620,100**	**13,623,300**
TOTAL REVENUE	**13,349,133**	**13,425,000**	**13,958,962**	**13,825,000**	**13,900,000**
SURPLUS / (DEFICIT)	**(608,886)**	**2,706,100**	**179,589**	**204,900**	**276,700**

Staff monitor and present hotel operations on a quarterly basis and will provide an update as part of the FY 2026-27 1st Quarter Budget Update report. Revenue for both hotels has been projected conservatively, and Staff will adjust these projections as necessary.

Golf Course Operations

The City's 118 acre golf course underwent a complete transformation between Fall 2022 and Spring 2024. The 18 hole public course has been re-imagined and rebuilt to match the golfing needs of the 21st century. A new 9 hole executive lighted course has opened, along with a 6 hole course that plays short and can be combined with other holes for a 10 hole experience – the addition of lights allows for night play for the first time in the course's history. The construction of a new clubhouse completed in October 2024 rounded out the redevelopment of the over 100 year old course, breathing new life into this public space and introducing golf to a new generation of player.

Golf course operations are recorded in Fund 610. For FY 2026-27, total appropriations in that fund are $4,112,600, with $4,107,700 of that amount dedicated to Golf Course operations, utilities (i.e., water and electricity) and debt service on Series 2014A and Series 2022A bonds. The largest expense is related to golf course and landscape management performed by the Troon Company at $1.800 million. In addition, utility expenses of $402,000 are projected – water, gas, electricity, etc.. The lease costs for the fleet of new golf carts will be $124,600. It should be noted there is continuing debt service from previously issued and refinanced bonds (Series 2014A Lease Revenue Bonds) as well as the more recent Series 2022A bonds issued to fund course reconstruction. Total principal and interest payments for these bonds is $1,222 million.

Recognizing that golf fees had not been adjusted since 2010, the City Council approved a new "tee sheet" of updated green fees and cart rental charges prior to the grand re-opening in April, 2024. Given the expansion of the golf course and the ability to offer new golfing experiences, Staff were able to craft fees that are reasonable and provide sufficient revenue to continue upkeep of the brand-new course. Forecasts for FY 2026-27 indicate $2.225 million in golf related fee revenue. This amounts includes $170,000 in projected revenue from the recently re-opened driving range. Staff will continuously monitor revenue and make adjustments to forecasts throughout the fiscal year. The goal of crafting the updated fee schedule for the golf course was to bring in sufficient revenue to end the years of subsidization of a course that operated at a chronic deficit.

In addition to the reconstruction of the Golf Course, on 15 acres of land located at the northeast corner of the course, a Topgolf entertainment complex opened in Spring 2024. The three-story, 100 bay entertainment and conference complex has revitalized the golf course campus, introducing a new style of golf to the community and adding a destination amenity for casual and serious golfers alike. The Topgolf facility offers meeting and gathering spaces as well that provide additional space on the campus for conferences, meetings, etc.

As part of the lease agreement, there will be an approximate "base rent" payment of $800,000 for FY 2026-27. Combined revenue from golf course operations and Topgolf lease payments is forecasted at $3,024,500. The Quiet Cannon also generates about $550,000 in revenue, based

on a percentage of gross receipts of operations, which brings total Golf Course Fund revenue to $3,547,500.

Capital Improvement Program

The CIP budget for FY 2026-27 includes a mixture of new appropriations and carryover of previously appropriated but not yet spent funds, as well as appropriations for Maintenance and Operations expenses. The total (estimated) CIP budget for FY 2026-27 is $31.052 million. This amount is comprised of $12.314 million in new appropriations, $12,139 million in (estimated) carryover funds, plus $6.599 million in Maintenance and Operations expenditures. It should be noted that the final carryover amounts of projects in progress will not be known until after year-end close (June 30, 2025). As was done in prior fiscal years, subsequent City Council action will be requested to re-appropriate the carryover amounts – which typically occurs in October.

In addition, there will be some remaining uncommitted fund balance in certain funds that could be used for new capital projects (those not included in the current CIP project list) or for expanding approved projects if necessary. In other words, available fund balance exists that has not been committed to a particular project – either with previous budgets or with the FY 2026-27 proposed CIP budget. The Director of Public Works will work with staff and the City Council to determine potential priority projects to which these unprogrammed funds can be obligated. Subsequent City Council action would appropriate the unprogrammed funds depending on decisions made about new or expanded CIP projects.

The $31.052 million CIP budget utilizes funding from Gas Tax, Metro Local Return Funds (i.e., Proposition C, Measure R, etc.), Measure W (Los Angeles County stormwater fee), Paving the Way Bond Proceeds, Transit, and State and local grants (i.e., Sewer Infrastructure, SCAG Active Transportation) for a host of various projects. The budget document contains additional pages and detail of the CIP plan.

The following paragraphs provide highlights and other information about the City's FY 2026-27 capital improvement program. The table below provides a high-level overview of CIP appropriations by fund:

Fund Description	Fund Number	New Appropriations	Carryover Appropriations*	M&O Expenditures**	Total Funding:
Gas Tax	200	185,000	200,000	2,833,500	3,218,500
Proposition A	210		294,100	640,300	934,400
Proposition C	215			768,900	768,900
Measure M	222		735,000	979,900	1,714,900
Measure R	220	600,000	375,000	679,000	1,654,000
Measure W	229		516,300	681,000	1,197,300
SB1/RMRA	201	1,760,200	2,540,000		4,300,200
Measure A (Parks)	221	458,700	300,000		758,700
TDA-3	223	52,800			52,800
SCAG Active Transp	Grant (265)		362,500		362,500
STIPL (Prop C Excchange)	2xx		188,400		188,400
Prop C - Paving the Way	215	8,385,800	1,987,600		10,373,400
Meas M - Paving the Way	222		2,442,500		2,442,500
Meas R - Paving the Way	220		1,797,200		1,797,200
Transit	600	748,300	400,000	16,500	1,164,800
General Fund	100	123,000	-		123,000
		12,313,800	**12,138,600**	**6,599,100**	**31,051,500**

**These amounts are estimates; actual amounts will not be known until after June 30, 2026. Subsequent City Council action will follow to re-appropriate carryover funds for applicable CIP projects, amending the FY 2026-27 budget.*

***Maintenance and Operations appropriations include signs, markings, street sweeping, concrete cutting/sidewalk repair, debt service, salaries and other releted expenses.*

There are several new projects as well as existing projects having their budget increased, that are in different stages of planning: engineering studies/analysis, design, construction, maintenance or debt service/other expenses:

- Citywide street reconstruction utilizing SB1/RMRA and Proposition C funding totaling $3.025 million
- Senior Center basement remodel utilizing Los Angeles County Parks Measure A funding in the amount of $458,700
- Chet Holifield Community Garden using Los Angeles County Parks Measure A funding in the amount of $300,000
- Whittier Blvd paving using Paving the Way bond funds in the amount of $3.946 million (Proposition C share)
- ADA enhancements citywide using $294,100 in Proposition A (Local Return Funds)
- Gas Tax funding used for various ongoing maintenance projects in the amount of $2.555 million

In recent years, as part of the long-term strategic budget development strategy, a greater share of Maintenance and Operations expenses have been shifted out of the General Fund. Sources of funding used for signal maintenance, citywide sign replacement, striping projects, traffic signal repairs, and administrative expenses such as salaries of staff supporting CIP projects include Gas Tax, Measure M, Proposition A, etc. In addition, on-call engineering services are budgeted using Metro Local Return Funds, based on the specific project.

As discussed earlier in this Budget Message, staff have improved cost allocation methods and will be utilizing the maximum amount allowed per Metro Local Return Fund guidelines to offset administrative costs – typically salaries and benefits of employees directly working on and supporting the capital projects. Public Works staff and consultants conducting engineering, planning and related work charge their time to Proposition A, Proposition C, Measure M and Measure R on an “hours worked" basis. This allocation of time relieves the General Fund of these expenses, allowing for additional budget capacity.

Conclusion

The Fiscal Year 2026-27 budget is being prepared under locally promising, yet nationally and internationally uncertain, unstable, unpredictable and at times chaotic conditions. Locally, there is much to be excited about in Montebello as new retail activity is contributing to revenue (e.g., Hobby Lobby, Ace Hardware, Tesla, Topgolf) and Metro Heights provides a boost to property tax. However, the economic and social impacts of current Federal policies and directives casts a pall on the future – whether tariff or immigration policies will induce a recession or other deleterious economic issues. International issues such as the war in Iran have already negatively impacted the economy, with long-term impacts unknown at the time of publication of this budget. Regardless, Montebello continues to progress, with more opportunities for residents and visitors to take advantage of what the City has to offer.

The entire $237.620 million all-funds spending plan provides appropriations across the full range of services that Montebello provides: police, transit, public works, fire, community services, planning, building, code enforcement, information technology, financial planning, homeless outreach, street improvements, recruitment, housing services, and so forth. There will be $219.142 million in projected revenue from various sources to fund the myriad expenditures across all operations.

This budget provides an expansion of certain services and programs, while continuing the process of modified zero-based budgeting that will help place Montebello on sound financial footing. It represents the product of a strategic budget plan designed to create a culture of fiscal responsibility throughout the organization. Right sizing the budget by re-evaluating prior methods by which budgets were built will continue, providing funding where appropriate while ensuring the City lives within its means and manages public funds responsibly and transparently while meeting the needs of residents and responding to City Council priorities.

The myriad accomplishments of the past year, and the projects and programs planned and funded in the Fiscal Year 2026-27 budget will help Montebello in its second century of incorporation. The efforts and positive strides forward will ensure the next 100 years see more successes and keep Montebello progressing forward.

CITY COUNCIL BUDGET AMEDMENTS - 3RD QUARTER FY 2025-26
JUNE 10. 2026

ATTACHMENT F

FUND	ACCOUNT	INCREASE BY
AQMD	245-99-6082	25,000
WILD LAND FIRE STATION	248-85-850-6040.96	25,000
ART IN PUBLIC PLACES	252-50-500-6040.60	50,000
GRANTS	265-30-331-5000.10	20,000
GRANTS	265-30-331-5300.20	2,500
GRANTS	265-85-868-6000.50	50,000
GRANTS	265-85-8508-6000.20	26,000
SELF-INSURANCE	700-99-200-6035.20	50,000
SELF-INSURANCE	700-99-250-6035.20	67,000
SELF-INSURANCE	700-99-400-6035.10	26,000
SELF-INSURANCE	700-99-500-6035.10	30,000
SELF-INSURANCE	700-99-800-6035.10	500,000
ADMINISTRATION	100-20-200-5200.50	28,000
	100-20-200-5200.55	20,000
	100-20-200-6020	36,000
PUBLIC AFFAIRS	100-21-210-6010.40	66,000
	100-21-210-6040.65	30,000
INFORMATION TECHNOLOGY	100-21-420-6010.50	103,000
HUMAN RESOURCES	100-25-250-6040.10	108,000
PUBLIC WORKS	100-30-300-5000.10	135,000
	100-30-300-5100.40	13,000
	100-30-300-5300.20	16,000
	100-30-310-6040.05	1,500,000
	100-30-720-6000.20	59,000
	100-30-720-6000.40	46,000
	100-30-720-6040.20	96,000
COMMUNITY DEVELOPMENT	100-50-520-6040.95	62,000
	100-50-530-5000.10	28,000
	100-50-530-5200.10	23,000
	100-50-530-5300.20	15,000
	100-50-530-6040.75	80,000
	100-50-530-6081	43,000
	100-50-540-5000.10	16,000
	100-50-540-6040.95	421,000

CITY COUNCIL BUDGET AMEDMENTS - 3RD QUARTER FY 2025-26
JUNE 10. 2026

ATTACHMENT F

FUND	ACCOUNT	INCREASE BY
PARKS AND RECREATION	100-70-700-5000.10	32,000
	100-70-700-5100.10	18,000
	100-70-700-5100.40	6,500
	100-70-700-5200.10	11,000
	100-70-700-5300.20	20,000
	100-70-700-6080.30	20,000
	100-70-720-5000.10	105,000
	100-70-720-5200.10	10,000
	100-70-720-5200.15	15,000
	100-70-720-5200.55	15,000
	100-70-720-5300.20	10,000
POLICE	100-80-800-5200.50	42,000
	100-80-800-5300.20	60,000
	100-80-805-5200.50	115,000
	100-80-805-5200.55	300,000
	100-80-805-5300.20	105,000
	100-80-815-5000.10	66,000
	100-80-815-5000.20	12,000
	100-80-815-5000.30	12,000
	100-80-815-5100.40	21,000
	100-80-815-5300.20	17,000
	100-80-815-6000.40	15,000
	100-80-815-6010.40	55,000
	100-80-815-6014	40,000
	100-80-815-6040.95	72,000
	100-80-815-6080.30	96,000
	100-80-825-5000.10	29,000
	100-80-825-5000.20	17,000
	100-80-825-5000.30	31,000
	100-80-825-5100.40	22,000
	100-80-825-5200.10	12,000
	100-80-830-5000.10	65,000
	100-80-830-5010.10	134,000
	100-80-830-5100.40	16,000
	100-80-830-5200.10	1,200
	100-80-830-5200.15	30,000
	100-80-830-5200.50	38,000
	100-80-830-5300.20	30,000

CITY COUNCIL BUDGET AMEDMENTS - 3RD QUARTER FY 2025-26
JUNE 10. 2026

ATTACHMENT F

FUND	ACCOUNT	INCREASE BY
FIRE	100-85-850-5200.10	26,000
	100-85-850-5200.15	14,000
	100-85-850-5200.55	16,000
	100-85-850-6000.10	32,000
	100-85-850-6080.30	43,000
	100-85-860-5000.10	300,000
	100-85-860-5010.10	210,000
	100-85-860-5100.10	56,000
	100-85-860-5100.40	121,000
	100-85-860-5200.10	90,000
	100-85-860-5200.15	37,000
	100-85-860-5200.25	94,000
	100-85-860-5200.50	187,000
	100-85-860-5200.55	304,000
	100-85-860-5300.20	126,000
	100-85-860-6000.20	61,000
	100-85-860-6000.50	88,000
	100-85-860-6010.10	175,000
	100-85-860-6010.60	68,000
	100-85-860-6016	224,000
	100-85-860-6040.10	225,000
	100-85-860-6040.60	32,000
	100-85-860-6080.60	72,000
	100-85-860-7050	87,000
	100-85-860-7115	53,000
	100-85-870-5000.10	21,000
	100-85-870-5200.10	28,000
	100-85-870-5200.15	9,000
	100-85-870-5300.20	19,000
	100-85-870-6040.10	20,000
	100-85-880-6040.10	75,000

ITEM # 15

CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Fernando Pelaez, Fire Chief
Andrew Kim, Senior Management Analyst

SUBJECT: **AUTHORIZE INCREASING THE NOT TO EXCEED AMOUNT ON THE BLANKET PURCHASE ORDER WITH LIFE-ASSIST, INC. FOR EMERGENCY MEDICAL SUPPLIES**

DATE: June 10, 2026

RECOMMENDATIONS:

It is recommended that the City Council:

1. Authorize increasing the not-to-exceed amount on the blanket purchase order with Life-Assist, Inc. by $25,000 for emergency medical supplies; and
2. Amend the Fiscal Year 2025-26 budget by increasing appropriations by $25,000 in Account No. 100-85-860-6000.50 (General Fund, Fire, Suppression, Supplies-Medical); and
3. Take such additional, related action that may be desirable.

FISCAL IMPACT:

Staff is requesting to increase the existing purchase order with Life-Assist, Inc. by $25,000 for the remainder of Fiscal Year 2025-26. This will require amending the Fiscal Year 2025-26 budget by increasing appropriations by $25,000 in Account No. 100-85-860-6000.50 (General Fund, Fire, Suppression, Supplies-Medical). This additional funding is necessary to ensure the Fire Department maintains adequate inventory levels of emergency medical supplies and equipment following recent medical supply recalls.

BACKGROUND/DISCUSSION:

The Fire Department routinely purchases emergency medical supplies and equipment through Life-Assist, Inc. to support daily emergency medical service operations and

maintain compliance with required response capabilities.

Due to a recent recall involving medical supplies in May 2026, the Fire Department must purchase additional replacement medical supplies and equipment to maintain adequate operational inventory levels. Additionally, as the Department approaches the end of the fiscal year, remaining inventory levels and operational demands have necessitated additional purchases to avoid shortages that could impact emergency response services.

Staff is requesting authorization to increase the existing blanket purchase order with Life-Assist, Inc. by $25,000 to ensure the continued availability of critical emergency medical supplies and equipment necessary for Fire Department operations and emergency medical responses throughout the remainder of the fiscal year.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

Staff is requesting authorization to increase the not-to-exceed amount on the existing purchase order with Life-Assist, Inc. by $25,000 for emergency medical supplies and equipment. The additional funding will ensure the Fire Department maintains sufficient inventory levels and avoids shortages of critical emergency medical supplies required for emergency response operations through the remainder of Fiscal Year 2025-26. The recommended actions also require amending the FY 2025-26 budget by increasing appropriations by $25,000 in Account No. 100-85-860-6000.50 (General Fund, Fire, Suppression, Supplies-Medical).

ATTACHMENT(S)

None

ITEM # 16

CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Cesar Roldan, Director of Public Works

SUBJECT: **ADOPT RESOLUTION NO. 26-35 APPROVING THE FISCAL YEAR 2026-27 PROJECT LIST FOR SENATE BILL 1 / ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017 (SB1/RMRA) FUNDED PROJECTS**

DATE: June 10, 2026

RECOMMENDATIONS:

It is recommended that the City Council:

1. Adopt Resolution No. 26-35 approving the Fiscal Year 2026-27 project list for Senate Bill 1/Road Repair and Accountability Act of 2017 funded projects; and
2. Authorize staff to submit the resolution and project list to the California Transportation Commission (CTC); and
3. Take such additional, related action that may be desirable.

FISCAL IMPACT:

Prior to receiving an apportionment of Road Maintenance and Rehabilitation Account (RMRA) funds from the California State Controller in a fiscal year, the City must submit to the California Transportation Commission (CTC) an adopted list of projects proposed to be funded with SB 1/RMRA funds by July 1, 2026. All projects proposed to receive the fiscal year funding (Attachment A) must be adopted by resolution per Streets and Highways Code Section 2034(a)(1).

The roadway segments listed on the attached resolution intend to use a combination of Maintenance of Effort (MOE) funds ($2,438,124) and SB 1/RMRA funds (approximately $1,765,044), which have been made available by the Local Streets and Roads Funding Program and meet the intent of the funding as indicated in Streets and Highway Code Section 2030(a) and the 2024 Local Streets and Roads Funding Program Reporting Guidelines. The estimated total project cost for the design, construction, and

management/ oversight of the projects is $4,203,168. Once bids are received, staff will present a more concise budget estimate to the City Council for consideration and approval.

The Fiscal Year 2026-27 proposed budget includes revenue estimates for SB 1 funding, as well as expenditure appropriations necessary for the projects listed on Attachment A.

BACKGROUND/DISCUSSION:

On April 28, 2017, the Governor signed Senate Bill 1 (SB 1), Road Repair and Accountability Act of 2017 (the "Act"), to address transportation funding shortfalls statewide. The Act increased per gallon fuel excise taxes; increased diesel sales taxes and vehicle registration fees; and provides for annual inflationary adjustments to tax rates. The Act established a Road Maintenance and Rehabilitation Account (RMRA) in the State Transportation Fund.

Beginning in January 2018, the State Controller deposited funds generated from increased fuel taxes and vehicle registration fees into the RMRA. A portion of RMRA funds is distributed on a monthly basis to the City for basic road maintenance, rehabilitation and critical safety projects on local streets and road systems.

The Act emphasizes the importance of accountability and transparency in the delivery of California's transportation programs. In order to be eligible for RMRA funding in Fiscal Year 2026-27, the City must adopt a resolution approving the list of projects to receive RMRA funding. Staff recommends that SB 1 funding be applied to the following streets in accordance with the City's approved Pavement Management Program and proposed FY 2026-27 Capital Improvement Program (CIP):

FY 2026-27 SB 1 Rubberized Asphalt Street Enhancement Project		
Street Names	**From**	**To**
RAYWOOD PL	AZALEA DR	END
HIBISCUS ST	AVENIDA DE LA MERCED	END
BALANDA DR	POPLAR AVE	N. 2ND ST
N. DONER DR	LOS AMIGOS AVE	AVENIDA DE LA MERCED
N. 3RD ST	AVENIDA DE LA MERCED	LOS AMIGOS AVE
VIA VAL VERDE	CONCOURSE AVE	BEVERLY BLVD
VIA ALTAMIRA	BEVERLY BLVD	GARFIELD AVE
REPETTO AVE	N. GARFIELD AVE	END
KEENAN ST	VIA SAN DELARRO	DEWAR AVE
VIA BREVE	VIA SAN CLEMENTE	FINDLAY AVE

N. 4TH ST	WHITTIER BLVD	BEVERLY BLVD
S. 3RD ST	LOS ANGELES AVE	OLYMPIC LN
MOUNTAIN VIEW AVE	BLUFF RD	S. 4TH ST
GIVEN PL	BLUFF RD	S. 4TH ST
TAYLOR AVE	HARDING AVE	END
RUBIDOUX ST	MADISON AVE	HARDING AVE
TAYLOR AVE	MADISON AVE	HARDING AVE
S. 19TH ST	WHITTIER BLVD	MEDFORD ST
SPRUCE ST	CLEVELAND AVE	PALM DR
PALM DR	N. 10TH ST	N. MONTEBELLO BLVD
ALLIS DR	END	CAROB WY
S. 5TH ST	DATE ST	ALLIS DR
S. 3RD ST	ROOSEVELT AVE	LOHART AVE
S. 5TH ST	BEACH ST	JACMAR DR
CL CINCO	ROOSEVELT AVE	LOHART AVE
LOHART AVE	S. 3RD ST	CL CINCO

Following City Council approval and acceptance of the streets to be rehabilitated, SB 1 funding guidelines require staff to submit to the California Transportation Commission (CTC) the proposed project list and adopt resolution (Attachment A).

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

Staff recommend that City Council approve Resolution No. 26-35 (Attachment A), approving submission of the project list to the California Transportation Commission that will utilize RMRA/SB1 funds in FY 2026-27. The proposed Fiscal Year 2026-27 budget includes appropriations for these projects as part of the CIP budget.

ATTACHMENT(S)

1. Attachment A - Resolution No. 26-35

RESOLUTION NO. 26-35

RESOLUTION ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2026-27 FUNDED BY SB 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

WHEREAS, Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and Signed into law by the Governor in April 2017 to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB 1 includes accountability and transparency provisions that will ensure the residents of our City of Montebello are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year; and

WHEREAS, the City of Montebello must adopt by resolution a list of projects proposed to receive fiscal year funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement; and

WHEREAS, the City of Montebello, will receive an estimated $1,765,044 in RMRA funding in Fiscal Year 2026-27 from SB 1; and

WHEREAS, this is the tenth year in which the City of Montebello is receiving SB 1 funding and will enable the City of Montebello to continue essential road maintenance and rehabilitation projects, safety improvements, repairing and replacing aging bridges, and increasing access and mobility options for the traveling public that would not have otherwise been possible without SB 1; and

WHEREAS, the City of Montebello has undergone a robust public process to ensure public input into our community's transportation priorities/the project list; and

WHEREAS, the City of Montebello used a Pavement Management System to develop the SB 1 project list to ensure revenues are being used on the most high-priority and cost-effective projects that also meet the communities' priorities for transportation investment; and

WHEREAS, the funding from SB 1 will help the City of Montebello maintain and rehabilitate 26 streets/roads, add active transportation infrastructure throughout the City this year and other similar projects into the future; and

WHEREAS, the 2023 California Statewide Local Streets and Roads Needs Assessment found that the City of Montebello's streets and roads are in a fair condition, and this revenue will help us increase the overall quality of our road system and over the next decade will bring our streets and roads into excellent and good condition; and

WHEREAS, the SB 1 project list and overall investment in our local streets and roads infrastructure with a focus on basic maintenance and safety, investing in complete streets infrastructure, and using cutting-edge technology, materials and practices, will have significant positive co-benefits statewide.

NOW, THEREFORE IT IS HEREBY RESOLVED, ORDERED AND FOUND by the Board of Supervisors/City Council of Montebello, State of California, as follows:

1. The foregoing recitals are true and correct.

2. The following list of newly proposed projects will be funded in-part or solely with Fiscal Year 2026-27 Road Maintenance and Rehabilitation Account revenues:

   Project Title: FY 2026-27 SB 1 Rubberized Asphalt Street Enhancement Project

   Project Description: City shall utilize Asphalt Rubber Hot Mix (ARHM), which is a hot-mixed asphalt pavement containing crumb rubber. The crumb rubber serves as a "modifier" of the liquid asphalt. Its addition gives the liquid asphalt greater viscosity (resistance to flow) and improves other properties which resist reflective cracking and rutting and prolong pavement life. Crumb rubber utilized is generated from processing scrap tires. The tires are shredded, and the steel reinforcement and fibers separated from the rubber. SB 1 funds are solely utilized for construction activities.

   Project Location:

FY 2026-27 SB 1 Rubberized Asphalt Street Enhancement Project		
Street Names	**From**	**To**
RAYWOOD PL	AZALEA DR	END
HIBISCUS ST	AVENIDA DE LA MERCED	END
BALANDA DR	POPLAR AVE	N. 2ND ST
N. DONER DR	LOS AMIGOS AVE	AVENIDA DE LA MERCED
N. 3RD ST	AVENIDA DE LA MERCED	LOS AMIGOS AVE
VIA VAL VERDE	CONCOURSE AVE	BEVERLY BLVD
VIA ALTAMIRA	BEVERLY BLVD	GARFIELD AVE
REPETTO AVE	N. GARFIELD AVE	END
KEENAN ST	VIA SAN DELARRO	DEWAR AVE
VIA BREVE	VIA SAN CLEMENTE	FINDLAY AVE
N. 4TH ST	WHITTIER BLVD	BEVERLY BLVD
S. 3RD ST	LOS ANGELES AVE	OLYMPIC LN
MOUNTAIN VIEW AVE	BLUFF RD	S. 4TH ST

GIVEN PL	BLUFF RD	S. 4TH ST
TAYLOR AVE	HARDING AVE	END
RUBIDOUX ST	MADISON AVE	HARDING AVE
TAYLOR AVE	MADISON AVE	HARDING AVE
S. 19TH ST	WHITTIER BLVD	MEDFORD ST
SPRUCE ST	CLEVELAND AVE	PALM DR
PALM DR	N. 10TH ST	N. MONTEBELLO BLVD
ALLIS DR	END	CAROB WY
S. 5TH ST	DATE ST	ALLIS DR
S. 3RD ST	ROOSEVELT AVE	LOHART AVE
S. 5TH ST	BEACH ST	JACMAR DR
CL CINCO	ROOSEVELT AVE	LOHART AVE
LOHART AVE	S. 3RD ST	CL CINCO

Estimated Project Schedule: Construction will commence in October 2026 and be completed June 2027.

Estimated Project Useful Life: 20 to 25 years.

PASSED AND ADOPTED by the City Council of the City of Montebello, State of California this 10th day of June 2026, by the following vote:

_____
Georgina Tamayo, Mayor

ATTEST:

_____
Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

_____
Arnold M. Alvarez-Glasman, City Attorney

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

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 26-35 was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 10th day of June 2026 and that said Resolution was adopted by the following vote, to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

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

DATE: _____

_____
Christopher Jimenez, City Clerk

ITEM # 17

CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Cesar Roldan, Director of Public Works

SUBJECT: **APPROVE AMENDMENT NO. 1 TO AGREEMENT NO. 4313 WITH WEST AND ASSOCIATES ENGINEERING**

DATE: June 10, 2026

RECOMMENDATIONS:

It is recommended that the City Council:

1. Approve Amendment No. 1 to Agreement No. 4313 between the City of Montebello and West and Associates for a one (1) year extension to June 30, 2027 and increase the not-to-exceed amount from $114,800 to $145,300; and
2. Authorize the City Manager to execute Amendment No. 1 on behalf of the City; and
3. Take such additional, related action that may be desirable.

FISCAL IMPACT:

West and Associates Engineering currently provide design services for the 4th Street Storm Drain Improvements Project, extending from Beach Street to Mines Avenue. As part of the project, West and Associates is coordinating with the Los Angeles County Department of Public Works to obtain the necessary encroachment permits, as portions of the proposed improvements occur within County right-of-way.

The permitting process has been extensive, as the City must comply with all County requirements and conditions prior to permit issuance. Due to the length of time required for County review and approval, the City previously exercised its option to extend the Agreement by an additional six (6) months in accordance with Article XXI, Term of the Agreement (Attachment B).

Given the ongoing efforts to secure the required permits and finalize the project design,

staff recommends approval of an amendment to extend the term of the Agreement under the existing contract provisions by one year, to June 30, 2027. The proposed extension will allow sufficient time to complete the permitting and design phases of the project. In addition, to facilitate the successful completion and closeout of the project, staff recommends increasing the contract amount by $30,500, resulting in a revised agreement amount of $145,300. Funding for this amendment will be provided from Account No. 200-30-330-6040.96 (Gas Tax – Public Works – Engineering – Contract Services-Design Services).

Sufficient funds are available within the Fiscal Year 2025-26 operating budget to cover the additional services to be provided by West and Associates; therefore, no budget appropriation is required.

BACKGROUND/DISCUSSION:

On December 14, 2021, the Los Angeles County Department of Public Works (LACDPW) notified the City of slope damage caused by stormwater discharges from the City's storm drain outlet near the intersection of Beach Street and Bluff Road. Due to the immediate need to stabilize the area, the City utilized its on-call contractor, Mike Bubalo Construction Co., to perform emergency repairs. Following coordination with LACDPW, the temporary repairs were completed on January 3, 2022.

Following the emergency work, LACDPW informed the City that a permanent solution would be required. The City subsequently retained West and Associates Engineering, Inc. to perform the necessary hydrologic analysis, engineering studies, and design services. During the design process, Los Angeles County determined that direct discharge into the Rio Hondo Coastal Basin Spreading Grounds would not be permitted, requiring the City to evaluate alternative drainage solutions and obtain permits from multiple County divisions. After evaluating several alternatives, the City selected a preferred solution that would connect the drainage system to the County storm drain system at 4th Street and Mines Avenue.

Due to the extensive coordination and lengthy permit review process required by the Los Angeles County Department of Public Works, the City exercised its contractual right to extend Agreement No. 4313 by six (6) months, resulting in a contract expiration date of June 30, 2026. Although substantial progress has been made, County permit approval and final design efforts remain ongoing. Therefore, staff recommends approving an amendment to extend the Agreement for an additional one (1) year, through June 30, 2027, under the existing terms and conditions of the Agreement. Additionally, an increase of $30,500 is requested to fund the remaining services required for project completion and closeout.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

Staff recommends the City Council extend the term of Professional Services Agreement No. 4313 through June 30, 2027 by approving Amendment No. 1 and increase the not-to-exceed amount by $30,500 payable from Account No. 200-30-330-6040.96 (Gas Tax – Public Works – Engineering – Contract Services Design Services); and authorize the City Manager to execute Amendment No. 1 (Attachment A). The recommended actions do not require a budget amendment as sufficient appropriations exist in the Fiscal Year 2025-26 budget in the aforementioned account.

ATTACHMENT(S)

1. Attachment A - Amendment No. 1 to Agreement No. 4313
2. Attachment B - Professional Services Agreement No. 4313 - Contract Extension
3. Attachment C - Professional Services Agreement No. 4313 — West Associates

CITY OF MONTEBELLO

AMENDMENT NO. 1
TO PROFESSIONAL SERVICES AGREEMENT NO. 4313 WITH
WEST & ASSOCIATES ENGINEERING, INC.

This Amendment No. 1 to the Professional Services Agreement ("Amendment No. 1") is made and entered into this 10th day of June 2026 ("Effective Date"), by and between the City of Montebello, a California municipal corporation (hereinafter referred to as the "City"), and West & Associates Engineering, Inc. (hereinafter referred to as the "Contractor"). The City and the Contractor are sometimes hereinafter individually referred to as a "Party" and jointly as the "Parties".

RECITALS

WHEREAS, the City and Contractor entered into that certain Agreement No. 4313 for Design and Engineering Services by and between the City of Montebello and West & Associates Engineering, Inc., dated May 14, 2025 ("Agreement"), pursuant to which City retained Contractor to provide Engineering and Design Services for a storm drain project, as further described in the Agreement; and

WHEREAS, the City awarded the Agreement to the Contractor based on their qualifications subsequent to a competitive selection process.

WHEREAS, the City previously exercised its right to extend the Agreement by a six-month period on January 1, 2026; and

WHEREAS, the permitting process for the project has been extensive and has thus added to the overall time needed to complete said project; and

WHEREAS, both parties require an additional extension of one-year to complete the project; and

WHEREAS, additional funds are now required to cover the cost of the extension; and

WHEREAS, the Agreement at Article XIX. **ENTIRE AGREEMENT** provides, this Agreement may only be modified or amended by a signed writing; and

WHEREAS, for the reasons set forth herein, the City and Contractor desire to enter into this Amendment No. 1, as set forth below.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the receipt adequacy of which is expressly acknowledged by the Parties, the Parties agree to amend the Agreement as follows:

AMENDMENTS TO AGREEMENT NO. 4313

SECTION 1. **TERM**. Article XXI. Term of the Agreement is hereby amended to read as follows:

> "The term of this Agreement shall commence on the Effective Date and shall expire on June 30, 2027 ("Expiration Date"). This term may be extended by written agreement of both Parties for an additional one-year period at the discretion of the City."

The current expiration date of the Agreement, as set on June 30, 2026, is hereby extended, and the Agreement will now terminate on June 30, 2027. This extension is in accordance with the provisions outlined in the Agreement, demonstrating the City's commitment to the continued provisions of engineering and design Services by the Contractor.

SECTION 2. **COMPENSATION**. The total not-to-exceed compensation number outlined under Article III. Compensation of the Agreement is hereby increased from **One Hundred Fourteen Thousand Eight Hundred Dollars and 00/100 Cents** ($114,800.00) to **One Hundred Forty-Five Thousand Three Hundred Dollars and 00/100 Cents** ($145,300).

SECTION 3. Except as expressly modified or supplemented by this Amendment No. 1, all other provisions of the Agreement shall remain unaltered and in full force and effect. In the event of conflict between the provisions of this Amendment No. 1 and the provisions of the Agreement, the provisions of this Amendment No. 1 shall control.

[*END OF AMENDMENT NO. 1*]

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties execute this Amendment No. 1 to take effect as of the Effective Date identified above.

"CITY" CITY OF MONTEBELLO	**"**CONTRACTOR**"** WEST & ASSOCIATES ENGINEERING, INC.
Raul Alvarez, City Manager	Phillip West, President

ATTEST:

Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman, City Attorney

Attachment B

January 1, 2026

Phillip West, President
West & Associates Inc.
78 Anacapa Court
Foothill Ranch, CA 92610

RE: Notice of Contract Extension for Professional Services Agreement No. 4313 with West & Associates Inc.

Dear Mr. West,

The City of Montebello ("City") wishes to exercise its right to extend Professional Services Agreement No. 4313 ("Agreement") between the City and West & Associates Inc. pursuant to the terms set forth in Article 21 of the Agreement, stating in relevant part:

"The term of this Agreement shall commence on the Effective Date and shall expire on December 31st, 2025 ("Expiration Date"). This term may be extended by written agreement of the Parties for an additional 6-month period at the discretion of the City."

This letter constitutes a notice of extension of the Agreement between the City and West & Associates Inc. The extension will commence January 1, 2026, and expire on June 30, 2026. All other terms and conditions of the Agreement shall remain unchanged and in full force and effect.

Thank you for your attention to this matter.

Sincerely,

Raul Alvarez
City Manager
City of Montebello

PROFESSIONAL SERVICES AGREEMENT NO. 4313
BY AND BETWEEN
THE CITY OF MONTEBELLO
AND
WEST & ASSOCIATES ENGINEERING INC.
FORDESIGN AND ENGINEERING SERVICES

This Professional Services Agreement ("Agreement") is made and entered into for the above stated project this 14th day of May, 2025 ("Effective Date"), by and between the City of Montebello, a California municipal corporation ("AGENCY") and West & Associates Engineering Inc., ("CONTRACTOR"). AGENCY and CONTRACTOR may be individually referred to herein as a "Party" or collectively referred herein as the "Parties."

RECITALS

A. AGENCY is a municipal corporation duly organized and validly existing under the laws of the State of California with the power to carry on its business as it is now being conducted under the statutes of the State of California.

B. CONTRACTOR is a corporation duly organized and doing business in the State of California. CONTRACTOR represents it has the background, knowledge, experience and expertise necessary to provide AGENCY with the equipment, goods and services set forth in this Agreement.

C. AGENCY seeks to procure from CONTRACTOR, and CONTRACTOR seeks to provide to AGENCY, **Design and Engineering Services** ("Project").

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, AGENCY and CONTRACTOR agree as follows:

AGREEMENT

ARTICLE I. Incorporation of Recitals and other Contract Documents

The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference. Moreover, this Agreement consists of the following documents (collectively referred herein as the "Contract Documents"), in order of precedence, all of which are incorporated herein and made part of this Agreement, as though fully set forth herein:

1. This Agreement, including any and all addenda or supplemental agreements.

2. CONTRACTOR's April 3, 2025, Proposal entitled "Proposal for Final Design, Bidding, and Construction Support of Storm Drain Improvements in 4th Street (from Beach Street to Mines Avenue)" attached hereto as Exhibit "A".

ARTICLE II. Services to be performed by CONTRACTOR

For and in consideration of the payments and agreements to be made and performed by AGENCY, CONTRACTOR agrees to perform the services and furnish all materials necessary to perform all work required for the above stated Project, and to fulfill all other obligations as set forth in the aforesaid Contract Documents. CONTRACTOR covenants with AGENCY to furnish its best skill, judgment and efforts and to cooperate with AGENCY and any other consultants or CONTRACTORS engaged by AGENCY in providing the services necessary for the Project. CONTRACTOR covenants to use its best effort to perform its duties and obligation under this Agreement in an efficient, expeditious and economical manner, consistent with the best interests of AGENCY. Workmanship throughout the performance of this Agreement shall conform to the highest standard of commercially accepted practice of work and shall result in a neat finished appearance to the satisfaction of AGENCY.

ARTICLE III. Compensation

As full compensation for furnishing all materials, performing all services, and fulfilling all obligations set forth in this Agreement, AGENCY agrees to pay and CONTRACTOR agrees to receive and accept the price set forth in CONTRACTOR's Proposal dated April 3, 2025 ("Compensation") attached hereto in **Exhibit** "**A**". The total amount of the compensation shall not exceed the sum of **One Hundred and Fourteen Thousand Eight Hundred Dollars and 00/100 Cents** ($114,800.00). AGENCY shall pay CONTRACTOR within thirty (30) days of receipt of each invoice and full acceptance of product and services by AGENCY.

Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid Contract Documents; and also including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.

ARTICLE IV. Completion of Work

Time is of the essence. The work and services set forth in this Agreement will be completed in a timely manner, and in accordance with an agreed upon work schedule to be further determined by the Parties. An extension of the period for completion may be granted by mutual agreement by the Parties herein for reasons outside the control of CONTRACTOR including acts of God. CONTRACTOR shall request an extension by notifying AGENCY in writing at least fifteen (15) days prior to the expected Completion Date.

No extension of time requested or granted hereunder shall entitle CONTRACTOR to additional compensation unless, as a consequence of such extension, additional work must be performed and such additional work is approved in writing. In such event, AGENCY shall in good faith consider any request for additional compensation submitted by CONTRACTOR.

ARTICLE V. Ownership of Written Products

All reports, documents or other written material ("Written Products") developed by CONTRACTOR in its performance of this Agreement shall be and remain the property of AGENCY without restriction or limitation upon its use or dissemination by AGENCY. CONTRACTOR may take and

retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by CONTRACTOR.

ARTICLE VI. Independent Contractor

CONTRACTOR is, and shall at all times remain to AGENCY, a wholly independent contractor. CONTRACTOR shall have no power to incur and debt, obligation, or liability on behalf of the AGENCY or otherwise to act on behalf of AGENCY as an agent. Neither the AGENCY nor any of its officers, employees or agents shall have control over the conduct of CONTRACTOR or any of CONTRACTOR's employees or agents, except as set forth in this Agreement. CONTRACTOR shall not represent that it is, or that any of its agents or employees are, in any manner employees of AGENCY.

The Parties further agree that:

A. CONTRACTOR is free from the control and direction of AGENCY in connection with the performance of the work, both under this Agreement for the performance of the work and in fact;

B. CONTRACTOR performs work that is outside the usual course of AGENCY's business; and

C. CONTRACTOR is customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the work performed.

ARTICLE VII. Confidentiality

All data, documents, discussion, or other information developed or received by CONTRACTOR or provided for performance of this Agreement are deemed confidential and shall not be disclosed by CONTRACTOR without prior written consent by AGENCY. AGENCY shall grant such consent if disclosure is legally required. All AGENCY data, documents, objects, materials or other tangible things shall be returned to AGENCY upon the termination or expiration of this Agreement. CONTRACTOR agrees that the covenants contained in this Article shall survive the expiration or termination of this Agreement.

ARTICLE VIII. Compliance with State and Local Laws

CONTRACTOR acknowledges the provisions of the State Labor Code requiring every employer to be insured against liability for worker's compensation, or to undertake self-insurance in accordance with the provisions of that code, and certifies compliance with such provisions. All services required under this Agreement will be performed by CONTRACTOR, or under its supervision, and all personnel shall possess the qualification, permits, and licenses required by the State and local law to perform such services.

CONTRACTOR shall be solely responsible for the satisfactory work performance of all personnel engaged in performing service required by this Agreement, and compliance with all reasonable performance standards established by AGENCY. CONTRACTOR shall be responsible for payment of all employees' and sub-contractor's wages and benefits, and shall comply with all requirements pertaining to employer's liability, workers' compensation, unemployment insurance, and Social Security. CONTRACTOR shall indemnify and hold harmless the AGENCY from any

liability, damages, claims, costs and expenses of any nature arising from alleged violations of personnel practices.

ARTICLE IX. Indemnification

CONTRACTOR agrees to indemnify, defend and hold harmless AGENCY and all of its officers and agents against any or all injuries, deaths, losses, damages, claims, suits, liabilities, demands, or causes of action, including reasonable attorneys' fees and related costs and expenses, which may accrue against AGENCY based on, arising out of, or in any way related to the services undertaken or performed by CONTRACTOR under this Agreement regardless of responsibility for negligence. In addition, CONTRACTOR shall defend, indemnify, and hold harmless AGENCY, from and against any and all claims, liabilities and losses whatsoever, including reasonable attorney's fees and related costs and expenses, occurring or resulting from any action attributable to any and all persons, firms, or corporations employed or contracted by CONTRACTOR or its sub-contractors in connection with the services under this Agreement, regardless for responsibility for negligence.

ARTICLE X. Insurance

A. Without limiting CONTRACTOR's indemnification of Indemnities pursuant to Article IX of this Agreement, CONTRACTOR shall obtain and provide and maintain at its own expense during the term of this Agreement the types and amounts of insurance as described below:

   i. **Commercial General Liability Insurance** using Insurance Services Office Commercial General Liability form CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross-liability exclusion for claims or suits by one insured against another. Limits shall be no less than One Million Dollars and 00/100 Cents ($1,000,000.00) per occurrence for all covered losses and no less than Two Million Dollars and 00/100 Cents ($2,000,000.00) general aggregate.

   ii. **Automobile Liability Insurance** for owned, hired and non-owned vehicles utilized by Contractor, its employees or subcontractors, in the amount of One Million Dollars and 00/100 Cents ($1,000,000.00) per accident for bodily injury and property damage. If CONTRACTOR owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described in the preceding subsection. If CONTRACTOR or CONTRACTOR's employees will use personal autos in any way on this project, CONTRACTOR shall provide evidence of personal auto liability coverage for each such person.

   iii. **Workers' Compensation** insurance on a state approved policy form providing statutory benefits as required by law with employer's liability limits no less than One Million Dollars and 00/100 Cents ($1,000,000.00) per accident for all covered losses.

   iv. **Professional Liability or Errors and Omissions Insurance** as appropriate to the profession, written on a policy form coverage specifically designed to protect against acts, errors or omissions of the CONTRACTOR and "Covered Professional Services" as designated in the policy must specifically include work performed under this

Agreement. The policy limit shall be not less than One Million Dollars and 00/100 Cents ($1,000,000.00) per claim and Two Million Dollars and 00/100 Cents ($2,000,000.00) in the aggregate. The policy must "pay on behalf of the insured and must include a provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this Agreement.

B. AGENCY, its officers, officials, employees and volunteers shall be named as additional insureds on the policy(ies) as to commercial general liability and automotive liability.

C. All insurance procured pursuant to these requirements shall be written by insurers that are admitted carriers in the state of California with a Best's rating of no less than A:VIII.

D. All insurance policies shall provide that the insurance coverage shall not be non-renewed, canceled, reduced, or otherwise modified (except through the addition of additional insureds to the policy) by the insurance carrier without the insurance carrier giving AGENCY thirty (30) days' prior written notice thereof. Any such thirty (30) day notice shall be submitted to AGENCY via certified mail, return receipt requested, addressed to "Risk Manager," AGENCY of Montebello, 1600 West Beverly Boulevard, Montebello, California, 90640. CONTRACTOR agrees that it will not cancel, reduce or otherwise modify said insurance coverage. In the event the policy is cancelled for non-payment of premium, CONTRACTOR shall give ten (10) days' prior written notice to AGENCY.

E. CONTRACTOR shall submit to AGENCY (i) insurance certificates indicating compliance with the minimum insurance requirements above, and (ii) insurance policy endorsements indicating compliance with any other minimum insurance requirements above, not less than one (1) day prior to beginning of performance under this Agreement. Endorsements shall be executed on AGENCY's appropriate standard forms entitled "Additional Insured Endorsement".

F. CONTRACTOR's insurance shall be primary as respects the AGENCY, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the AGENCY, its officers, officials, employees and volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it.

G. CONTRACTOR agrees that if it does not keep the aforesaid Insurance in full force and effect, and such insurance is available at a reasonable cost, AGENCY may take out the necessary insurance and pay the premium thereon, and the repayment thereof shall be deemed an obligation of CONTRACTOR and the cost of such insurance may be deducted, at the option of AGENCY, from payments due CONTRACTOR.

ARTICLE XI. Authorization by CONTRACTOR

CONTRACTOR affirms that the signatures, titles, and seals set forth hereinafter in execution of this Contract Agreement represent all duly authorized individuals, firm members, partners, joint ventures, and/or corporate officers having principal interest herein.

ARTICLE XII. Termination

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

12.1 **Material Breach**. For any breach deemed by the non-defaulting party to constitute a material breach, the defaulting party is required to cure the breach within five (5) calendar days upon receipt of written notice.

12.2 **Non-Material Breach**. For any breach deemed by the non-defaulting party to constitute a non-material breach, the defaulting party is obligated to cure such breach within ten (10) calendar days upon receipt of written notice. However, if the nature of the non-material breach requires more than ten (10) days to cure, the defaulting party shall have thirty (30) days to diligently pursue and complete a cure.

12.3 **Failure to Cure**. In addition to any other available legal or equitable rights or remedies, if the default is not cured within the time periods described above, the non-defaulting party may terminate this Agreement by giving written notice thereof to the defaulting party, setting forth the effective date thereof.

12.4 **Termination for Convenience**. AGENCY shall have the option, at its sole discretion and without cause to terminate this Agreement for AGENCY's convenience at any time by providing CONTRACTOR ten-days' (10-days') written notice.

12.4.1 Upon receipt of such notice of Termination for Convenience, CONTRACTOR shall immediately take action not to incur any additional obligations, costs or expenses, except as may be necessary to terminate its activities.

12.4.2 AGENCY shall pay CONTRACTOR its reasonable and necessary costs incurred by CONTRACTOR to effect the termination. Thereafter, CONTRACTOR shall have no further claims against AGENCY under this Agreement.

12.4.3 All finished and unfinished documents and materials procured for or produced under this Agreement, including all intellectual property rights AGENCY is entitled to, shall become AGENCY property upon the date of termination. Further, CONTRACTOR agrees to execute any documents necessary for AGENCY to perfect, memorialize, or record AGENCY's ownership of any and all rights provided herein.

12.5 Upon the valid termination of this Agreement as provided under this Article, AGENCY shall provide to CONTRACTOR the part of Compensation which would otherwise be payable to CONTRACTOR for goods and/or services CONTRACTOR had completed/delivered

as of the date of termination, less the amount of all previous payment with respect to the Compensation; provided that CONTRACTOR received AGENCY's Notice to Proceed (as defined in Section 12.5.1 below) before such goods/services were completed/delivered.

12.5.1 The Notice to Proceed shall be issued within fifteen (15) working days of Contract execution. Should there be reasons why the Notice to Proceed cannot be issued within such period; the time may be extended by mutual agreement between AGENCY and CONTRACTOR. If the Notice to Proceed has not been issued within the 15-day period or within the period mutually agreed upon, the CONTRACTOR may terminate the Contract without further liability on the part of either party.

ARTICLE XIII. Dispute Resolution and Legal Remedies

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded.

ARTICLE XIV. Subcontract, Assignment or Delegation

CONTRACTOR shall not subcontract, delegate or assign its duties or rights hereunder, wither in whole or in part, without the prior written consent of AGENCY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed sub-CONTRACTPR, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

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

ARTICLE XV. Non-discrimination and Equal Opportunity Employer

In the performance of this Agreement, CONTRACTOR shall not discriminate against any employee, sub-CONTRACTOR, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. CONTRACTOR will take affirmative action to ensure that sub-consultants and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

ARTICLE XVI. Notices

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second (2nd)

business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the parties may designate by written notice:

To AGENCY:
City of Montebello
1600 West Beverly Blvd.
Montebello, CA 90640
Attention: Cesar Roldan, Director of Public Works
Phone: (323) 887-1460
Email: croldan@montebelloca.gov

To CONTRACTOR:
Phillip West, P.E., QSD/P
West & Associates Engineering Inc.
78 Anacapa Court
Foothill Ranch, CA 92610
Phone: (949) 716-7670
Email: philw@westaeng.com

ARTICLE XVII. Severability

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

ARTICLE XVIII. Governing Law

This Agreement shall be construed in accordance with and governed by the laws of the State of California. The venue for any litigation shall be the County of Los Angeles, California. The Parties agree that the covenants contained in this Article shall survive the expiration or termination of this Agreement

ARTICLE XIX. Entire Agreement

This Agreement and the aforementioned Contract Documents shall constitute the entire agreement by the Parties, and supersedes all prior proposals, agreements, and understandings between the Parties and may not be modified or terminated orally. No attempted waiver of any of the provisions herein, nor any change, amendment or modification to this Agreement shall be effective unless in writing and signed by the party against whom the same is sought to be enforced.

ARTICLE XX. Effective Date

Unless otherwise specified herein, this Agreement shall become effective the first date written above (“Effective Date”). This Agreement may be signed in counterparts, each of which shall constitute an original, and which collectively shall constitute one instrument.

ARTICLE XXI. Term

The term of this Agreement shall commence on the Effective Date and shall expire on December 31st, 2025 ("Expiration Date"). This term may be extended by written agreement of the Parties for an additional 6-month period at the discretion of the City.

ARTICLE XXII. Survival

The Parties' obligations under Article VII [Confidentiality], Article VIII [Compliance with State and Local Laws], Article IX [Indemnification], and Article XVIII [Governing Law], will survive the Termination or Expiration of this Agreement.

ARTICLE XXIII. Force Majeure

Neither AGENCY nor CONTRACTOR shall be responsible for delays in performance under this Agreement due to causes beyond its control, including but not limited to acts of God, acts of public enemies, acts of the Government, fires, floods or other casualty, epidemics, pandemics (including COVID-19), quarantine restrictions and related government restrictions, earthquakes, labor stoppages or slowdowns, freight embargoes, unusually severe weather, and supplier delays due to such causes. Neither economic nor market conditions nor the financial condition of either party shall be considered a cause to excuse delay pursuant to this Section. Each party shall notify the other promptly in writing of each such excusable delay, its cause and its expected delay, and shall upon request update such notice.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Agreement to be executed.

CITY OF MONTEBELLO
("AGENCY")

Raul Alvarez (May 22, 2025 10:31 PDT)

Raul Alvarez, City Manager

Date: 22/05/2025

West & Associates Engineering Inc.
("CONTRACTOR")

Phillip West
Phillip West (May 21, 2025 16:39 PDT)

Phillip West, President

Date: 21/05/2025

ATTEST:

Christopher Jimenez (May 22, 2025 14:01 PDT)

Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman
Arnold M. Alvarez-Glasman (May 22, 2025 13:07 PDT)

Arnold M. Alvarez-Glasman, City Attorney

EXHIBITS:
- Exhibit A - Contractor's Proposal
- Exhibit B - Certificate of Insurance

EXHIBIT A

CONTRACTOR PROPOSAL

April 3, 2025

Cesar Roldan
Director of Public Works
City of Montebello
1600 W. Beverly Blvd.
Montebello, CA 90640

Subject: Proposal for Final Design, Bidding, and Construction Support of Storm Drain Improvements in 4th Street, from Beach Street to Mines Avenue (Permit #FCDP2021000563)

Dear Mr. Roldan,

West & Associates Engineering is pleased to submit our Proposal to provide Engineering Services for Storm Drain Improvements in 4th Street, from Beach Street to Mines Avenue. We understand that this is part of a larger storm drain improvement project (Project) for the City's El Carmel Tract (Beach Street, Hughes Avenue, Bluff Road, and 5th Street), and will address **Permit #FCDP2021000563** for the design of a permanent storm drain connection/outlet.

As noted in our letters/memorandums (and **Exhibits A, D1, and D2**) to the County and the City, the proposed alignment in 4th Street will be located about eight (8) feet from centerline (or 12 feet from the easterly curb face), about 1,680 LF in length, and will feature a 30-foot-deep manhole connection to the County's existing 12.5-ft (150-in) Concrete Arch Pipe (Arch Pipe) in Mines Avenue.

Based on the positive hydraulic modeling results and the promising preliminary feedback from the County, it appears that the County is open to the aforementioned connection on 4th Street and Mines Avenue. Therefore, this proposal is prepared for **Engineering Services** based on **Exhibits D1 and D2**.

Scope of Services

The Scope of Services will be as follows.

Final Design, Bidding, and Construction Support Services:

1. Prepare detailed base/topo maps in AutoCAD for the preparation of Plans.
2. Conduct Field Survey and prepare surface (xml) files in AutoCAD.
3. Prepare 90% Design Plans and Specifications for City Review.
4. Coordinate with City for redline comments of 90% Design Plans and Specifications.
5. Prepare 100% Design Plans and Specifications for final City review (spot-check review).
6. Coordinate with City to Finalize Plans for signature and advertisement of construction bids.
7. Bidding and Construction Support Services

Permitting Services:

1. Coordinate with City to upload current permitting docs (Letter, Exhibits, and/or 90% Plans) to the County's "Epic LA" website (SelfService Public Site) for Permit #FCDP2021000563.

2. Follow-Up with County to review and receive comments from County on the Letter, Preliminary Design Exhibits, and/or on the 90% Plans.
3. Revise 90% Plans based on the County's comments.
4. Coordinate with City to upload the revised permitting docs/100% Plans to the County.
5. Follow-Up with County to receive permit approval.

Field (Subconsultant) Services:

1. Geotechnical Analysis. Report for trench bedding & backfill (estimate of three (3) borings).
2. Utility Potholing (estimate of ten (10) potholes will be required).

Fee Estimate

Our fee for the tasks above is provided **on the following page**. Please note that our Scope of Services and Fee is negotiable and can be adjusted based on the City's needs.

Assumptions/Statements

- Our Scope of Work and Fee is flexible and can be adjusted if requested by the City.
- City to upload files to "Epic LA" under their account. Fees by the County will be paid by the City
- Design plans will be prepared for 4th Street from Beach Street to Mines Avenue, as shown in **Exhibit A**. If the County requires a connection at 3rd Street and Mines Avenue (shown in Orange in **Exhibit A**). this proposal will need to be revised.

Completion Schedule

The work under this phase will proceed in a timely manner until completion. The schedule of completion can be discussed with the City and provided on an MS Project chart, if requested.

Thank you for this project opportunity. Please contact me if you have any questions.

Sincerely,

Phillip West, P.E., QSD/QSP
Principal/President
West & Associates Engineering, Inc.
(949) 716-7670 Office | (714) 728-8082 Cell
philw@westaeng.com

Fee Estimate

Task No.	ITEM	$
NON-OPTIONAL SERVICES		
	Final Design Services	
1	Prepare detailed base/topo maps in AutoCAD for the preparation of Plans.	$8,400
2	Conduct Field Survey and Prepare Surface (xml) files in AutoCAD	$6,500
3	Prepare 90% Design Plans and Specifications for City Review	$25,000
4	Coordinate with City for Redline Comments of 90% Design Plans and Specifications	$300
5	Prepare 100% Design Plans and Specifications for Final City Review (Spot-Check Review)	$4,600
6	Coordinate with City to Finalize Plans for Signature and Advertisement of Construction Bids	$500
7	Bidding and Construction Support Services	$15,000
	Subtotal	**$60,300**
	Permitting Services	
1	Coordinate with City to upload current permitting docs (Letter, Exhibits, and/or 90% Plans) to the County's "Epic LA" website (SelfService Public Site) for Permit #FCDP2021000563	$500
2	Follow-Up with County to review and receive comments from County on the Letter, Preliminary Design Exhibits, and/or on the 90% Plans	$500
3	Revise the Preliminary Design Exhibits and/or the 90% Plans based on the County's comments	$2,500
4	Coordinate with City to upload the revised permitting docs/100% Plans to the County	$500
5	Follow-Up with County to receive permit approval	$500
	Subtotal	**$4,500**
	Field (Subconsultant) Services	
1	Geotechnical Analysis. Report for Trench Bedding & Backfill (Estimate of Three (3) Borings)	$28,000
2	Utility Potholing (Estimate of Ten (10) Potholes will be Required)	$22,000
	Subtotal	**$50,000**
TOTAL NON-OPTIONAL SERVICES		**$114,800**

EXHIBIT B

CERTIFICATE OF INSURANCE

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 5/19/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER IOA Insurance Services 130 Vantis, Suite 250 Aliso Viejo, CA 92656 www.ioausa.com CA License #0E67768	**CONTACT NAME:** Kirsten Smith **PHONE (A/C, No, Ext):** (949) 680-1787 **FAX (A/C, No):** **E-MAIL ADDRESS:** kirsten.smith@ioausa.com
INSURED West & Associates Engineering, Inc. 78 Anacapa Court Foothill Ranch CA 92610-2436	**INSURER(S) AFFORDING COVERAGE** / **NAIC #** **INSURER A :** RLI Insurance Company 13056 **INSURER B :** Travelers Casualty and Surety Co America 31194 **INSURER C :** **INSURER D :** **INSURER E :** **INSURER F :**

COVERAGES **CERTIFICATE NUMBER:** 85401298 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	✓ **COMMERCIAL GENERAL LIABILITY** ☐ CLAIMS-MADE ✓ OCCUR ✓ Prim/NonCon ✓ Wvr of Subr GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ✓ PRO-JECT ✓ LOC ☐ OTHER:	✓	✓	PSB0006154 Scheduled AI Endt #PPB3130212 Professional Services performed by the Insured are Excluded	9/19/2024	9/19/2025	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG 	$ 2,000,000 $ 1,000,000 $ 10,000 $ 2,000,000 $ 4,000,000 $ 4,000,000 $
A	**AUTOMOBILE LIABILITY** ✓ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ✓ HIRED AUTOS ONLY ✓ NON-OWNED AUTOS ONLY ✓ Prim/Non ✓ Wvr of Subr	✓	✓	PSA0003094 Designated Insured Endt #CA20481013; Prim/NonCon and Blkt Wvr of Subr included on pg 2 of Form #PPA3000313	9/19/2024	9/19/2025	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) 	$ 1,000,000 $ $ $ $
A	☐ **UMBRELLA LIAB** ✓ OCCUR ✓ **EXCESS LIAB** ☐ CLAIMS-MADE ☐ DED ☐ RETENTION $			PSE0002695 Excludes Professional Liability; Follow Form	9/19/2024	9/19/2025	EACH OCCURRENCE AGGREGATE 	$ 1,000,000 $ 1,000,000 $
A	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** Y / N ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A	✓	PSW0004148 Scheduled Waiver of Subrogation Endt #WC0403060484	9/19/2024	9/19/2025	✓ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
B	Professional Liability Claims-Made			106587562	9/19/2024	9/19/2025	$2,000,000 Each Claim $2,000,000 Annual Aggregate	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Certificate Holder is an Additional Insured with respect to General Liability (GL) and Automobile Liability when required by contract with the Insured, but only to the extent provided within the Endorsements noted above. GL includes Separation of Insureds and Contractual Liability per limitations in the BusinessOwners' Coverage form. A Workers' Compensation Waiver is included for the person or organization named in the Schedule that are parties to a written contract, but only to the extent provided within the Endorsement noted above. Coverage is subject to all policy terms, conditions, limitations and exclusions. 30 Day Notice of Cancellation / 10 Days for Non-Payment in accordance with policy provisions.

CERTIFICATE HOLDER

Design of Storm Drain Improvements in 4th Street (from Beach Street to Mines Avenue)
City of Montebello
1600 W. Beverly Blvd
Montebello CA 90640

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

(AVC) Alicia K. Igram

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RLIPack® FOR PROFESSIONALS SCHEDULED ADDITIONAL INSURED ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM – SECTION II – LIABILITY

Schedule

Name of Person(s) or Organization(s):
City of Montebello

1. **SECTION II C. Who Is An Insured** is amended to include as an additional insured the person or organization shown in the schedule above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused in whole or in part by you or those acting on your behalf:
   a. In the performance of your ongoing operations;
   b. In connection with premises owned by or rented to you; or
   c. In connection with “your work” and included within the “product-completed operations hazard”.
2. The insurance provided to the additional insured by this endorsement is limited as follows:
   a. This insurance does not apply to the rendering of or failure to render any "professional services".
   b. This endorsement does not increase any of the limits of insurance stated in **D. Liability And Medical Expenses Limits of Insurance**.
3. The following is added to **SECTION III H.2. Other Insurance – COMMON POLICY CONDITIONS (BUT APPLICABLE ONLY TO SECTION II – LIABILITY)**
   However, if you specifically agree in a contract or agreement that the insurance provided to an additional insured under this policy must apply on a primary basis, or a primary and non-contributory basis, this insurance is primary to other insurance that is available to such additional insured which covers such additional insured as a named insured, and we will not share with that other insurance, provided that:
   a. The "bodily injury" or "property damage" for which coverage is sought occurs after you have entered into that contract or agreement; or
   b. The "personal and advertising injury" for which coverage is sought arises out of an offense committed after you have entered into that contract or agreement.
4. The following is added to **SECTION III K.2 Transfer of Rights of Recovery Against Others to Us – COMMON POLICY CONDITIONS (BUT APPLICABLE TO SECTION I – PROPERTY AND SECTION II – LIABILITY)**
   We waive any rights of recovery we may have against any person or organization because of payments we make for "bodily injury", "property damage" or "personal and advertising injury" arising out of "your work" performed by you, or on your behalf, under a contract or agreement with that person or organization. We waive these rights only where you have agreed to do so as part of a contract or agreement with such person or organization entered into by you before the "bodily injury" or "property damage" occurs, or the "personal and advertising injury" offense is committed.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED FOR COVERED AUTOS LIABILITY COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" for Covered Autos Liability Coverage under the Who Is An Insured provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: West & Associates Engineering, Inc.

Endorsement Effective Date: 9/19/2024

SCHEDULE

Name Of Person(s) Or Organization(s):
City of Montebello
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Each person or organization shown in the Schedule is an "insured" for Covered Autos Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Paragraph **A.1.** of Section II - Covered Autos Liability Coverage in the Business Auto and Motor Carrier Coverage Forms and Paragraph **D.2.** of Section I - Covered Autos Coverages of the Auto Dealers Coverage Form.

© Insurance Services Office, Inc., 2011

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

A. Broad Form Named Insured

The following is added to the **SECTION II – COVERED AUTOS LIABILITY COVERAGE,** Paragraph **A.1. Who Is An Insured** Provision:

Any business entity newly acquired or formed by you during the policy period, provided you own fifty percent (50%) or more of the business entity and the business entity is not separately insured for Bus-iness Auto Coverage. Coverage is extended up to a maximum of one hundred eighty (180) days following the acquisition or formation of the business entity.

This provision does not apply to any person or organization for which coverage is excluded by endorsement.

B. Employees As Insureds

The following is added to the **SECTION II – COVERED AUTOS LIABILITY COVERAGE,** Paragraph **A.1. Who Is An Insured** Provision:

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

C. Blanket Additional Insured

The following is added to the **SECTION II – COVERED AUTOS LIABILITY COVERAGE,** Paragraph **A.1. Who Is An Insured** Provision:

Any person or organization that you are required to include as an additional insured on this coverage form in a contract or agreement that is executed by you before the "bodily injury" or "property damage" occurs is an "insured" for liability coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in **SECTION II – COVERED AUTOS LIABILITY COVERAGE**.

The insurance provided to the additional insured will be on a primary and non-contributory basis to the additional insured's own business auto coverage if you are required to do so in a contract or agreement that is executed by you before the "bodily injury" or "property damage" occurs.

D. Blanket Waiver Of Subrogation

The following is added to the **SECTION IV – BUSI-NESS AUTO CONDITIONS, A. Loss Conditions, 5. Transfer Of Rights Of Recovery Against Others To Us**:

We waive any right of recovery we may have against any person or organization to the extent required of you by a contract executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of the operations contemplated by such contract. The waiver applies only to the person or organization designated in such contract.

E. Employee Hired Autos

1. The following is added to the **SECTION II – COVERED AUTOS LIABILITY COVERAGE,** Paragraph **A.1. Who Is An Insured** Provision:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

2. Changes In General Conditions:

Paragraph **5.b.** of the **Other Insurance** Con-dition in the **BUSINESS AUTO CONDITIONS** is deleted and replaced with the following:

b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

(1) Any covered "auto" you lease, hire, rent or borrow; and

(2) Any covered "auto" hired or rented by your "employee" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

F. Fellow Employee Coverage

SECTION II – COVERED AUTOS LIABILITY COVERAGE, Exclusion B.5. does not apply if you have workers compensation insurance in-force covering all of your employees.

G. Auto Loan Lease Gap Coverage

SECTION III – PHYSICAL DAMAGE COVERAGE, C. Limit Of Insurance, is amended by the addition of the following:

In the event of a total "loss" to a covered "auto" shown in the Schedule of Declarations, we will pay any unpaid amount due on the lease or loan for a covered "auto", less:

1. The amount paid under the **PHYSICAL DAMAGE COVERAGE** section of the policy; and

2. Any:

a. Overdue lease/loan payments at the time of the "loss";

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT–CALIFORNIA

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 2 % of the California workers' compensation premium otherwise due on such remuneration.

Schedule

Person or Organization	**Job Description**
City of Montebello	Jobs performed for any person or organization that you have agreed with in a written contract to provide this agreement.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 9/19/2024
Insured
West & Associates Engineering, Inc.

Policy No. PSW0004148
Insurance Company
RLI Insurance Company

Endorsement No.

Countersigned By _____

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Professional Services Agreement No. 4313 — West Associates

Final Audit Report 2025-05-22

Created:	2025-05-20
By:	Samantha Leyva (SLeyva@montebelloca.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAViH8QrHNBPJ58XDahYlTL3xjO2d4GeF9

"Professional Services Agreement No. 4313 — West Associates" History

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Agreement completed.

2025-05-22 - 9:01:02 PM GMT

ITEM # 18

CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Cesar Roldan, Director of Public Works

SUBJECT: **APPROVE AMENDMENT NO. 2 TO AGREEMENT NO. 4000 WITH LOCHNER**

DATE: June 10, 2026

RECOMMENDATIONS:

It is recommended that the City Council:

1. Approve Amendment No. 2 to Agreement No. 4000 between the City of Montebello and Lochner, formally known as KOA, for a One (1) Year Extension; and
2. Authorize the City Manager to execute Amendment No. 2 on behalf of the City; and
3. Take such additional, related action that may be desirable.

FISCAL IMPACT:

Lochner currently provides citywide on-call architectural and engineering design services to the City of Montebello on an as-needed basis. Staff is recommending the approval and execution of Amendment No. 2 to Agreement No. 4000 (Attachment A), which would extend the term of the agreement by one (1) additional year, through June 30, 2027. The contract's not-to-exceed amount will remain unchanged at Two Million Dollars ($2,000,000).

The agreement is administered by the Department of Public Works and is supported through a combination of funding sources, including Measure R, Measure M, Proposition A, Proposition C, and Gas Tax.

Lochner is currently providing engineering support for several active Capital Improvement Projects (CIPs), including the Traffic Signal on Whittier Boulevard and 6th Street and the

Olympic Boulevard Feasibility Study. Additionally, Lochner was retained by the Southern California Association of Governments (SCAG) to provide design services for the Whittier Boulevard Bridge and Wayfinding Signage Project, in which the City is a participating agency. These complex, multi-phase projects require continuity in professional services to ensure successful completion. Extending the agreement by one year will enable Lochner to provide ongoing technical support and project management assistance necessary to close out these and other key infrastructure initiatives.

BACKGROUND/DISCUSSION:

On July 1, 2022, the City of Montebello entered into Agreement No. 4000 with KOA to provide professional on-call engineering services. In December 2022, KOA was acquired by Lochner (Attachment D). As such, all contracts pertaining to KOA are now under the purview of Lochner.

Agreement No. 4000 was the result of a formal competitive selection process conducted through Request for Proposals (RFP) No. 22-08, which sought qualified consultants to support the City's CIPs. The original agreement was structured as a three-year term, expiring on June 30, 2025, with the option to extend the contract for up to two additional one-year terms at the City's discretion. The first one-year contract extension was exercised on June 11, 2025 (Attachment B). Staff now recommends exercising the final one-year extension option, which would extend the agreement term to June 30, 2027.

Since the agreement's inception, Lochner has consistently delivered high-quality engineering services to the City on an as-needed basis. Their scope of services includes, but is not limited to, civil and structural design, plan review, traffic engineering, cost estimating, and project management support. Notably, the firm has played a significant role in several key CIP projects, such as the Traffic Signal Design for Whittier Boulevard and 6th Street and various citywide infrastructure improvements. Given their ongoing involvement and familiarity with the City's processes, procedures, and project history, the continuity of Lochner's services is critical to the timely and successful completion of these efforts.

In light of their performance and the continuing need for their services, staff recommend exercising the last one-year extension option as outlined in Section 1 of Agreement No. 4000 (Attachment C). Approval of Amendment No. 2 will formally extend the agreement term through June 30, 2027, under the same terms and conditions. This extension will ensure that the City retains experienced and capable engineering support as it advances on-going CIPs.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

Staff recommends City Council approval of Amendment No. 2 that would extend the term of Professional Services Agreement No. 4000 through June 30, 2027; and authorize the City Manager to execute Amendment No. 2 (Attachment A). The not-to-exceed amount of this agreement will remain unchagned and sufficient funding for the services provided by Lochner are included in the proposed Fiscal Year 2026-27 budget.

ATTACHMENT(S)

1. Attachment A - Amendment No 2 to Agreement No. 4000
2. Attachment B - Amendment No 1 to Agreement No. 4000
3. Attachment C - KOA Corporation Agr. 4000
4. Attachment D - Aquisition Letter

CITY OF MONTEBELLO

AMENDMENT NO. 2
TO PROFESSIONAL SERVICES AGREEMENT NO. 4000
WITH H.W. LOCHNER, INC.

This Amendment No. 2 to the Professional Services Agreement ("Amendment No. 1"), is made and entered into this 10th day of June 2026, ("Effective Date") by and between the City of Montebello, a California municipal corporation, (hereinafter referred to as the "City") and H.W. Lochner, Inc. Lochner, (hereinafter referred to as the "Contractor"). The City and the Contractor are sometimes hereinafter individually referred to as a "Party" and jointly as the "Parties".

RECITALS

WHEREAS, the Contractor and the City entered into that certain Agreement No. 4000 for On-Call Architectural and Engineering Design Services by and between the City of Montebello and KOA Corporation, dated July 1, 2022 ("Agreement"), pursuant to which City retained Contractor to provide On-Call Architectural and Engineering Design Services, as further described in the Agreement; and

WHEREAS, KOA Corporation was acquired by H.W. Lochner, Inc. as of December 20, 2022.

WHEREAS, the City awarded the Agreement to the Contractor based on their qualification, subsequent to a competitive selection process.

WHEREAS, The Agreement at Section 1.**TERM** provides, this Agreement may be extended for up to two (2) additional, one-year (1) terms upon such terms and conditions mutually agreed upon by the Parties in writing; and

WHEREAS, an Amendment No. 1 to the Agreement was entered into by the Parties, extending the term of the Agreement to June 20, 2026; and

WHEREAS, the Parties desire to exercise its right to extend the term of the Agreement for one additional year period.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the receipt adequacy of which is expressly acknowledged by the Parties, the Parties agree to amend the Agreement as follows:

AMENDMENTS TO AGREEMENT NO. 4000

SECTION 1. "Term." The Parties hereby exercise the second of the two one-yea term extensions under Section 1 of this Agreement. The original termination/expiration date of the Agreement set on June 30, 2025, amended by Amendment No. 1 to June 30, 2026, is hereby extended to June 30, 2027. This extension is in accordance with the

provisions outlines in the Agreement, demonstrating the City's commitment to the continued provisions of On-Call Architectural and Engineering Design Services by H.W. Lochner, Inc.

SECTION 2. Except as expressly modified or supplemented by this Amendment No. 2, all other provisions of the Agreement, shall remain unaltered and in full force and effect. In the event of conflict between the provisions of this Amendment No. 2 and the provisions of the Agreement, the provisions of this Amendment No. 2 shall control.

[*END OF AMENDMENT NO. 2*]

IN WITNESS WHEREOF, the Parties execute this Amendment No. 1 to take effect as of the Effective Date identified above.

("CITY")	("CONTRACTOR")
CITY OF MONTEBELLO	**H.W. LOCHNER, Inc.**
Raul Alvarez, City Manager	Ken Hawkins, PE, California Area Manager

ATTEST:

Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman, City Attorney

CITY OF MONTEBELLO

AMENDMENT NO. 1
TO PROFESSIONAL SERVICES AGREEMENT NO. 4000
WITH H.W. LOCHNER, INC.

This Amendment No. 1 to the Professional Services Agreement ("Amendment No. 1"), is made and entered into this 11th day of June 2025, ("Effective Date") by and between the City of Montebello, a California municipal corporation, (hereinafter referred to as the "City") and H.W. Lochner, Inc., (hereinafter referred to as the "Contractor"). The City and the Contractor are sometimes hereinafter individually referred to as a "Party" and jointly as the "Parties".

RECITALS

WHEREAS, the Contractor and the City entered into that certain Agreement No. 4000 for On-Call Architectural and Engineering Design Services by and between the City of Montebello and KOA Corporation, dated July 1, 2022 ("Agreement"), pursuant to which City retained Contractor to provide On-Call Architectural and Engineering Design Services, as further described in the Agreement; and

WHEREAS, KOA Corporation was acquired by H.W. Lochner, Inc. as of December 20, 2022.

WHEREAS, the City awarded the Agreement to the Contractor based on their qualification, subsequent to a competitive selection process.

WHEREAS, The Agreement at Section 1.**TERM** provides, this Agreement may be extended for up to two (2) additional, one-year (1) terms upon such terms and conditions mutually agreed upon by the Parties in writing; and

WHEREAS, for the reasons set forth herein, the City and Consultant desire to enter into this Amendment No. 1, as set forth below.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the receipt adequacy of which is expressly acknowledged by the Parties, the Parties agree to amend the Agreement as follows:

AMENDMENTS TO AGREEMENT NO. 4000

SECTION 1. "Term." The Parties hereby acknowledge the exercise of Section 1. Term of Professional Services Agreement No. 4000, Amendment No. 1 which allows for the extension of the Agreement for an additional one (1) year. The original termination/expiration date of the Agreement, as set on June 30, 2025, is hereby extended, and the Agreement will now terminate on June 30, 2026. This extension is in accordance with the provisions outlines in the Agreement, demonstrating the City's

commitment to the continued provisions of On-Call Architectural and Engineering Design Services by H.W. Lochner, Inc.

SECTION 2. Except as expressly modified or supplemented by this Amendment No. 1, all other provisions of the Agreement, shall remain unaltered and in full force and effect. In the event of conflict between the provisions of this Amendment No. 1 and the provisions of the Agreement, the provisions of this Amendment No. 1 shall control.

[*END OF AMENDMENT NO. 1*]

IN WITNESS WHEREOF, the Parties execute this Amendment No. 1 to take effect as of the Effective Date identified above.

("CITY")

CITY OF MONTEBELLO

Raul Alvarez (Jun 26, 2025 16:30 PDT)

Raul Alvarez, City Manager

("CONTRACTOR")

H.W. LOCHNER, Inc.

Giuseppe Canzonieri (Jun 26, 2025 08:16 PDT)

Giuseppe Canzonieri, P.E.
Principal, Southern CA Design Lead

ATTEST:

Christopher Jimenez (Jun 27, 2025 15:00 PDT)

Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman (Jun 27, 2025 14:13 PDT)

Arnold M. Alvarez-Glasman, City Attorney

Amendment No 1 to Agreement No. 4000

Final Audit Report 2025-06-27

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By:	Samantha Leyva (SLeyva@montebelloca.gov)
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"Amendment No 1 to Agreement No. 4000" History

Document created by Samantha Leyva (SLeyva@montebelloca.gov)
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Signature Date: 2025-06-27 - 10:00:11 PM GMT - Time Source: server

Agreement completed.

2025-06-27 - 10:00:11 PM GMT

CITY OF MONTEBELLO

MASTER RETAINER AGREEMENT NO. 4000
WITH KOA CORPORATION

THIS MASTER RETAINER AGREEMENT for professional construction management and inspection services ("Agreement") is entered into by and between the City of Montebello, a California municipal corporation (the "City") and KOA Corporation, (the "Consultant"). The City and the Consultant are referred to herein individually as a "Party" and collectively as "Parties."

RECITALS

WHEREAS, the City desires to retain the Consultant to perform professional consulting services for the City on an as-needed, per-project basis;

WHEREAS, the Consultant is willing to perform the services defined herein on an as-needed, per-project basis;

WHEREAS, the Consultant represents that the principal representative stated below is authorized to act as such on behalf of the Consultant; and

WHEREAS, the Consultant represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. The Consultant further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for and in consideration of the performance by the Parties of the mutual covenants and conditions herein contained, the Parties hereto agree as follows:

1. **TERM.** The Term of this Agreement is for three (3) years, commencing on July 1, 2022, and shall expire on June 30, 2025. Upon conclusion of the Term, this Agreement shall renew automatically for a maximum of two (2) one-year extension terms, unless the City issues written notice of its intent not to authorize any additional extension term(s). Nothing in the Section shall operate to prohibit or otherwise restrict the City's ability to terminate this Agreement at any time for convenience or for cause.

2. **REPRESENTATIVES OF PARTIES AND SERVICE OF NOTICE.** The representatives of the Parties who are primarily responsible for the administration and performance of the Agreement, and to whom formal notice, demands, and communications shall be given, are as follows:

   A. For the City:

      James Enriquez, P.E.
      Director of Public Works / City Engineer
      1600 W. Beverly Blvd.,

Montebello, CA 90640
(323) 887-1462
jenriquez@cityofmontebello.com

B. For the Consultant:

Giuseppe Canzonieri, P.E.
Vice President, Sr. Engineer
KOA Corporation
1100 Corporate Center Drive, Suite 201
Monterey Park, CA 91754
(323) 260-4703
gcanzonieri@koacorp.com

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

D. If the name of the principal representative designated to receive the notices, demands, or communication, or the address of such person, is changed, written notice shall be given within seven (7) calendar days of said changes.

E. Any project awarded by Engagement Letter under this agreement will be managed by a designated Civil Engineer who shall serve as the City's Project Manager ("CPM"). The CPM's duties include, but are not limited to, overseeing the Consultant's performance of the Scope of Services pursuant to any Engagement Letter entered into between the City and the Consultant.

3. **RETENTION.** The City retains the Consultant to provide professional consultant services on an as-needed, per-project basis, in accordance with the terms of this Agreement. Consultant agrees to render such services on the terms and conditions stated herein.

4. **SCOPE OF SERVICES.** The scope of such services for which the Consultant may be retained under the Agreement shall be for professional services, generally described as architectural and engineering design services, and as described in detail in the Scope of Services (attached hereto as Exhibit "A").

The City shall request project proposals from the Consultants qualified for the specific category applicable to the project. The Consultant awarded the project shall execute a project-specific Engagement Letter (sample attached as Exhibit "B"). Engagement Letters shall define the scope of work for the specific project, the timeline for completion, and anticipated cost for the project. Such Engagement Letter shall identify the specific category of the work the Consultant undertakes pursuant to the Engagement Letter.

At the time of entering into an Engagement Letter, the Consultant shall furnish: a) a current City of Montebello Business License; and b) a current certificate of insurance.

The Consultant agrees that the services to be rendered pursuant to any project awarded by Engagement Letter and this Agreement shall be performed in accordance with the standards customarily provided by an experienced and competent professional organization rendering the same or similar services, and in a manner reasonably satisfactory to the City.

5. COMPENSATION.

Execution of this Master Retainer Agreement does not guarantee that the City will execute any number of Engagement Letters. The City agrees to pay Consultant for services provided under any Engagement Letter entered into between the City and Consultant, in accordance with the Fee Schedule attached hereto as Exhibit "C." The City agrees to compensate the Consultant for the services provided under this Agreement to the City's satisfaction, as solely determined by the City. The Consultant agrees to accept in full satisfaction for such services, payment in accordance with the Fee Schedule (attached hereto and incorporated by reference as Exhibit "C"). Consultant agrees that the fees for services provided pursuant to any Engagement Letter, during the term of this Agreement, shall not exceed the rates and costs set forth in the Fee Schedule, attached hereto as Exhibit "C," unless the City has given specific advance approval in writing.

Consultant acknowledges that the total compensation for any project shall not exceed the maximum compensation stated in the Engagement Letter. Total compensation includes all amounts payable to Contractor for its overhead, payroll, profit, and all costs of whatever nature, including without limitation all costs for subcontracts, materials, equipment, supplies, and all costs arising from or due to termination or expiration of this Agreement.

The total aggregate sum of all Engagement Letters executed under this Master Retainer Agreement shall not exceed TWO MILLION dollars with no cents ($2,000,000.00) without City Council approval and written authorization from the Director of Public Works/City Engineer.

Consultant shall submit invoices in hard copy and electronically to the Project Manager within fifteen (15) days from the end of each month in which services have been provided. Consultant shall provide invoices with sufficient detail to ensure compliance to pricing as set forth in this Agreement.

Original invoices on Consultant's letterhead with original signatures shall be submitted to the CPM. All invoices shall include, but not be limited to, the following:

1. Project Name
2. Project Name/Number
3. Specialty Category Code and Title
4. Purchase Order Number
5. Invoice Date
6. Invoice Number (Progressive and Unique to Project)

7. Details of work performed or completed during the invoiced period, along with assigned staff's hourly rate, number of hours worked and subtotals
8. Percentage of project completed, as applicable (as verified by CPM)
9. Percentage of project completed through invoicing period (as verified by CPM)

City shall pay City-approved invoices within thirty (30) days of receipt. **Fee/hourly schedule changes and/or annual increases are prohibited.**

The proportion of Total Compensation paid to CONSULTANT as of the Invoice Date shall not exceed the City Engineer's estimated percentage of the project or tasks (as applicable) completed as of the Invoice Date.

Reimbursement requests shall be itemized on the respective invoice, with supporting documentation attached.

1. Invoice shall state date of expense and purpose.
2. All supporting receipts shall be attached.
3. Any request for travel-related expense reimbursement must be pre-approved by the CITY.

Faxed copies of the referenced documents in this Section 5 shall not be processed for payment.

CITY'S payment pursuant to this Agreement shall not constitute a waiver of any breach or defect in the performance of work, nor a waiver of disputes regarding compensation owed to CONSULTANT for work performed.

6. **BUSINESS LICENSE.** The Consultant shall obtain a City business license prior to commencing performance under this Agreement.

7. **INDEPENDENT CONTRACTOR.**

Consultant is an independent contractor. As such, Consultant shall have no power or authority to incur any debt, obligation or liability on behalf of the City, unless such authority is expressly conferred pursuant to a specific project awarded by Engagement Letter under this Agreement. Further, Consultant is not entitled to any benefit typically associated with an employee such as medical, sick leave, retirement, or vacation benefit. Consultant expressly waives any claim to any such rights.

The personnel performing services on any project awarded by Engagement Letter pursuant to this Agreement, and on behalf of Consultant, shall, at all times, be under Consultant's exclusive direction and control. Neither the City, nor any of its employees, shall have any control over the manner, mode, or means by which Consultant, its agents, or its employees, perform the services required herein, except as otherwise set forth herein.

Consultant shall perform services pursuant to this Agreement as an independent contractor and shall, at all times, remain a wholly independent contractor. The City shall

not in any way or for any purpose become or be deemed to be a partner of Consultant in its business or otherwise a joint venture or member of any joint enterprise with Consultant. The Consultant shall not at any time represent that it is, or that any of its agents or employees are, in any manner employees of the City.

8. PERS ELIGIBILITY INDEMNITY.

In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services pursuant to an Engagement Letter awarded pursuant to this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless the City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by the City, including but not limited to eligibility to enroll in PERS as an employee of the City and entitlement to any contribution to be paid by the City for employer contribution and/or employee contributions for PERS benefits.

Consultant is solely responsible for compliance with PERS restrictions applicable to any of Consultant's employees, agents, or subcontractors.

9. CONFLICT OF INTEREST.

The Consultant covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by the Consultant under this Agreement, or which would conflict in any manner with the performance of its services hereunder. During the term of this Agreement, the Consultant shall not perform any work for another person or entity for whom the Consultant was not working at the Commencement Date if: (i) such work would require the Consultant to abstain from performance of the work under this Agreement pursuant to a conflict of interest; and (ii) the City has not consented in writing prior to the Consultant's performance of such work.

Consultant hereby acknowledges that pursuant to Government code Section 87300 *et seq.*, Consultant is designated in the City's Conflict of Interest Code and is required to file an Economic Interest Statement (Form 700) with the City Clerk, for each employee providing advice under any Engagement Letter awarded pursuant to this Agreement, prior to the commencement of work.

10. INDEMNIFICATION.

Consultant hereby agrees to protect, indemnify and hold the City and its employees, officers and servants free and harmless from any and all losses, claims, liens, demands and causes of action of every kind and character including, but not limited to, the amounts of judgment, interests, court costs, legal fees, expert costs, expert fees and all other expenses incurred by the City to the maximum extent allowed by law arising in favor of any party, including claims, liens, debts, personal injuries, including employees of the City, death or damages to property (including property of the City) and without limitation by enumeration, all other claims or demands of every character occurring or arising directly out of or as a consequence of the performance of the work performed hereunder, except only such injury to persons or damage to property due or claimed to be due to the sole negligence of the City. This provision is not intended to create any cause of action in favor of any third party against Consultant, or the City, or to enlarge in any way the Consultant's liability, but is intended solely to provide for indemnification of the CITY for liability for damages or injuries to third persons or property arising from Consultant's negligent performance hereunder.

The provisions of this Section 10 are intended by the Parties to be interpreted and construed to provide the fullest protection possible under the law to the City. The Consultant acknowledges that the City would not enter into this Agreement in the absence of the Consultant's commitment to indemnify and protect the City as set forth herein.

The City shall have the right to offset against the amount of any compensation due the Consultant under this Agreement any amount due the City from the Consultant as a result of the Consultant's failure to pay the City promptly any indemnification arising under this Section 10 and related to the Consultant's failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.

The obligations of the Consultant under this Section 10 will not be limited by the provisions of any workers' compensation act or similar act. The Consultant expressly waives its statutory immunity under such statutes or laws as to the City, its officers, agents, employees and volunteers.

The Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Section 10 from each and every subcontractor or any other person or entity involved by, for, with or on behalf of the Consultant in the performance of this Agreement.

In the event the Consultant fails to obtain such indemnity obligations from others as required in this Section 10, the Consultant's duty to indemnify pursuant to this Section 10 shall extend to indemnify the City, its officers, agents, elected and appointed officials, employees, affiliated public agencies and volunteers from and against any and all losses, claims, liens, demands and causes of action of every kind and character including, but not limited to, the amounts of judgment, interests, court costs, legal fees (including reasonable attorneys' fees incurred by counsel of the City's choice), expert costs, expert fees and all other expenses incurred by the City to the maximum extent allowed by law arising in favor of any party, including claims, liens, debts, personal

injuries, including employees of the City, death or damages to property (including property of the City) and without limitation by enumeration, all other claims or demands of every character occurring or arising directly out of or as a consequence of the performance of the work performed hereunder by the Consultant's subcontractors or any other person or entity involved by, for, with or on behalf of the Consultant in the performance of this Agreement.

The City does not waive any rights that it may possess against the Consultant because of the acceptance by the City, or the deposit with the City, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

11. **INSURANCE.** During the term of this Agreement, the Consultant shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with the Consultant's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

A. Comprehensive General Liability Insurance with coverage limits of not less than One Million Dollars ($1,000,000) per occurrence.

B. Automobile Liability Insurance for vehicles used in connection with the performance of this Agreement with minimum limits of One Million Dollars ($1,000,000) per claimant and One Million dollars ($1,000,000) per incident.

C. Worker's Compensation insurance as required by the laws of the State of California.

D. Professional Liability (Errors & Omissions) Insurance with minimum limits of One Million dollars ($1,000,000) per occurrence and shall be endorsed to include contractual liability.

The Consultant shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement. The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least A:VII in the latest edition of Best's Insurance Guide. The Consultant agrees that if it does not keep the aforesaid insurance in full force and effect the City may either (i) immediately terminate this Agreement; or (ii) obtain the necessary insurance at the Consultant's expense.

At all times during the term of this Agreement, the Consultant shall maintain certificate(s) of insurance and required endorsements on file with the City Clerk, showing that the aforesaid policies are in effect in the required amounts and, for the general liability and automobile liability policies, naming the City as an Additional Insured.
The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming the City, its officers, employees, agents and volunteers as Additional Insureds. All of the policies required under this Agreement

shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to the City. The Consultant agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

At least fourteen (14) days prior to the expiration of any insurance required by this Agreement, the Consultant shall provide proof of insurance policy renewals or replacements with insurance policies providing at least the same coverage. The Consultant shall provide such proof to the City at least two weeks prior to the expiration of the coverages.

The general liability and automobile policies of insurance provided by the Consultant shall be primary to any coverage available to the City. Any insurance or self-insurance maintained by the City, its officers, employees, agents or volunteers, shall be in excess of the Consultant's insurance and shall not contribute with it.

All insurance coverage provided pursuant to this Agreement shall not prohibit the Consultant, and the Consultant's employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. The Consultant hereby waives all rights of subrogation against the City.

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, the Consultant shall either reduce or eliminate the deductibles or self-insured retentions with respect to the City, or the Consultant shall procure a bond guaranteeing payment of losses and expenses.

Procurement of insurance by the Consultant shall not be construed as a limitation of the Consultant's liability or as full performance of the Consultant's duties to indemnify, hold harmless and defend under Section 13 of this Agreement.

12. **OWNERSHIP OF WORK PRODUCT.** All reports, documents or other written material developed by Consultant in the performance of this Agreement shall be and remain the property of the City without restriction or limitation upon its use or dissemination by the City. Such material shall not be the subject of a copyright application by Consultant.

13. **CONFIDENTIALITY.**

All data, documents, discussion, or other information developed or received by the Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by the Consultant without prior written consent by the City. The City shall grant such consent if disclosure is legally required. Upon request, all the City data and any copies thereof shall be returned to the City upon the termination or expiration of this Agreement.

Employees of Consultant, in the course of their duties, may have access to financial, accounting, statistical, and personnel data of private individuals and employees of the City. Consultant covenants that all data, documents, discussion, or other information

developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization by the City. The City shall grant such authorization if disclosure is required by law. All City data shall be returned to the City upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.

14. TERMINATION.

A. The City may terminate this Agreement and any Engagement Letter awarded pursuant to this Agreement at any time without cause by giving thirty (30) calendar days written notice to Consultant of such termination and specifying the effective date thereof. If this Agreement or any Engagement Letter is terminated as provided herein, Consultant shall be paid only the total amount equal to the service Consultant has provided, to the City's satisfaction, as determined solely by the City, as of the termination date. In no event shall the amount payable upon termination exceed the total maximum compensation provided for in Engagement Letter or the value of services provided as of date of termination.

B. If for any reason, Consultant shall fail to fulfill in a timely and proper manner its obligation for any project awarded by Engagement Letter and pursuant to the provisions of this Agreement, or if Consultant shall violate any of the covenants or stipulations of this Agreement, the City shall then have the right to terminate the Engagement Letter and this Agreement by giving a five (5) calendar day written notice to Consultant. The notice shall refer to this clause, shall specify the nature of the alleged default, and shall specify the effective date of the termination. The Consultant will be paid a total amount equal to the service Consultant has provided, to the City's satisfaction, as determined solely by the CITY, as of the termination date. In no event shall the amount payable upon termination exceed the total maximum compensation provided for in the Engagement Letter awarded, pursuant to the terms of this Agreement.

C. The Consultant agrees to cease all work under this Agreement on or before the effective date of any notice of termination. All the City data, documents, objects, materials or other tangible things, including, but not limited to electronic and handwritten citations, reports, electronic media and other relevant documents, shall be returned to the City upon the termination or expiration of this Agreement. This including copies and reproductions assembled or prepared by Consultant employees, agency, or officers, in connection with this Agreement.

15. RESOLUTION OF DISPUTES.

A. Disputes regarding the interpretation or application of any provisions of any Engagement Letter awarded and this AGREEMENT shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties.
B. If any action, at law or in equity, is brought to enforce or to interpret any provisions of any Engagement Letter awarded pursuant to this AGREEMENT, the prevailing party in such action shall be entitled to recover reasonable attorney's fees, costs and

necessary disbursements, in addition to such other relief as may be sought and awarded.

16. **FORCE MAJEURE.** The respective duties and obligations of the Parties hereunder shall be suspended while and so long as performance hereto is prevented or impeded by strikes, disturbances, riots, fire, severe weather, government action, war acts, acts of God, or any other cause similar or dissimilar to the foregoing which are beyond the control of the party from whom the affected performance was due.

17. **ASSIGNMENT.** The Consultant shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without the City's prior written consent, and any attempt to do so shall be void and of no effect. The City shall not be obligated or liable under this Agreement to any Party other than the Consultant.

18. **COMPLIANCE WITH LAWS.** The Consultant shall keep informed of State, Federal and local laws, ordinances, codes and regulations that in any manner affect those employed by it or in any way affect the performance of its services pursuant to this Agreement. The Consultant shall at all times comply with such laws, ordinances, codes and regulations. Without limiting the generality of the foregoing, if the Consultant is an out-of-state corporation or LLC, it must be qualified or registered to do business in the State of California pursuant to sections 2105 and 17708.01 *et seq.* of the California Corporations Code. The City, its officers and employees shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this Section.

19. **PERSONNEL.** The Consultant represents that it has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by the Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. The Consultant reserves the right to determine the assignment of its own employees to the performance of the Consultant's services under this Agreement, but the City reserves the right, for good cause, to require the Consultant to exclude any employee from performing services on the City's premises. _____ shall be the Consultant's project administrator and shall have direct responsibility for management of the Consultant's performance under this Agreement. No change shall be made in the Consultant's project administrator without the City's prior written consent.

20. **MUTUAL COOPERATION.** The City shall provide the Consultant with all pertinent data, documents and other requested information as is reasonably available for the proper performance of the Consultant's services under this Agreement. In the event any claim or action is brought against the City relating to the Consultant's performance in connection with this Agreement, the Consultant shall render any reasonable assistance that the City may require.

21. **RECORDS AND INSPECTIONS.** The Consultant shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three years after the expiration or termination of this Agreement. The City shall have the right to access and examine such records, without charge, during normal business hours.

The City shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

22. **PERMITS AND APPROVALS.** The Consultant shall obtain, at its sole cost and expense, all permits and regulatory approvals necessary in the performance of this Agreement. This includes, but shall not be limited to, encroachment permits and building and safety permits and inspections.

23. **SURVIVING COVENANTS.** The Parties agree that the covenants contained in Sections 8, 10, 13, and 20 of this Agreement shall survive the expiration or termination of this Agreement.

24. **NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY.**

A. In the performance of this Agreement, the Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation, and will take affirmative action to avoid such discrimination.

B. The Consultant will, in all solicitations or advertisements for employees placed by or on behalf of the Consultant in relation to this Agreement, state either that it is an equal opportunity employer or that all qualified applicants will receive consideration for employment without regard to race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

C. The Consultant will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement, except contracts or subcontracts for standard commercial supplies or raw materials.

25. **HEADINGS.** The headings appearing at the commencement of each Section of this Agreement, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the Section or paragraph at the head of which it appears, the Section or paragraph thereof, as the case may be, and not such heading, shall control and govern in the construction of this Agreement. Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).

26. **NON-WAIVER.**

A. The waiver by the City or the Consultant of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. The City's payment to the Consultant shall not constitute a waiver of any breach of covenant, or any default which may then

exist on the part of the Consultant. The City's payment shall not impair or prejudice any right or remedy available to the City with regard to such breach or default. No term, covenant or condition of this Agreement shall be deemed waived by the City or the Consultant, unless expressed in writing.

B. The Consultant shall not be liable for any failure to perform if the Consultant presents acceptable evidence, in the City's sole judgment, that such failure was due to causes beyond the control and without the fault or negligence of the Consultant.

C. The respective duties and obligations of the parties hereunder shall be suspended while and so long as performance hereto is prevented or impeded by strikes, disturbances, riots, fire, severe weather, government action, war acts, acts of God, or any other cause similar or dissimilar to the foregoing which are beyond the control of the party from whom the affected performance was due.

27. COURT COSTS.

Each right, power, and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance of the exercise by any Party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such Party of any of all of such other rights, powers or remedies.

If any action, at law or in equity, is brought to enforce or to interpret any provisions of this Agreement, the prevailing party in such action shall be entitled to recover reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded. The venue for any litigation shall be Los Angeles County, California.

28. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Los Angeles. In the event of litigation in a U.S. District Court, exclusive venue shall lie in the Central District of California.

29. SEVERABILITY. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to, the extent necessary to cure such invalidity or unenforceability, and in its amended form shall be enforceable. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

30. ENTIRE AGREEMENT. All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy

between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between the City and the Consultant with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the Parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed by the City and the Consultant

31. **MUTUAL COOPERATION IN PREPARATION OF THIS AGREEMENT.** Each Party has cooperated in the drafting and preparation of this Agreement. Therefore, this Agreement shall not be construed against any Party on the basis that such Party drafted this Agreement or any provision within it.

[SIGNATURE PAGE TO FOLLOW]

TO EFFECTUATE THIS AGREEMENT, the Parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

"CITY"
CITY OF MONTEBELLO

René Bobadilla, P.E.
City Manager

Dated: 7/13/22

"CONSULTANT"
KOA CORPORATION

Giuseppe Canzonieri, P.E.
Vice President, Sr. Engineer

Dated: 7/12/2022

ATTEST:

Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman
City Attorney

EXHIBITS:

- Exhibit A – Scope of Work
- Exhibit B – Sample Engagement Letter
- Exhibit C – Fee Schedule

LOCHNER

H.W. Lochner, Inc. | 225 West Washington Street | 12th Floor | Chicago, IL 60606
hwlochner.com

T 312.372.7346
F 312.372.8208

MEMORANDUM

Date: October 10, 2023

To: To Whom It May Concern

From: Jim Doyna, Chief Financial Officer, Chief Operating Officer

Re: **KOA Corporation**

On December 20, 2022, H.W. Lochner, Inc., a Wisconsin corporation (Lochner), acquired all of the outstanding shares of KOA Corporation. The company now operates as a wholly owned subsidiary of Lochner under the KOA Corporation name and with the same FEIN. This change in ownership structure does not impact day-to-day operations. KOA's qualifications, licensing, registrations, insurance, and other criteria necessary for performing work remain in place.

Lochner was founded in 1944 and has 1000 professionals providing planning, environmental, design, construction engineering and inspection, right-of-way, and drainage services for surface transportation, aviation, and water clients across the United States.

If you have any questions please reach out to Min Zhou, Vice President, Regional Sales and Business Development Manager at mzhou@hwlochner.com, or for additional inquiries or information, my email address is jdoyna@hwlochner.com.

Jim Doyna
Lochner CFO & COO

ITEM # 19

CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Cesar Roldan, Director of Public Works

SUBJECT: **AWARD PROFESSIONAL SERVICES AGREEMENT NO. 4513 TO J&S STRIPING COMPANY, INC. FOR THE PROVISION OF CITYWIDE STRIPING SERVICES**

DATE: June 10, 2026

RECOMMENDATIONS:

It is recommended that the City Council:

1. Award Professional Services Agreement No. 4513 to J&S Striping Company, Inc. for the provision of Citywide street striping, pavement marking, and roadway legend services in a not-to-exceed amount of $650,000 per year; and
2. Take such additional, related action that may be desirable.

FISCAL IMPACT:

Agreement No. 4513 will be funded through Gas Tax funds, consistent with prior years' roadway maintenance programs. The annual, not-to-exceed contract amount of $650,000 has been included in the City's proposed Fiscal Year 2026-27 budget allocation for pavement marking and striping services. This agreement is for a three year term (expiring June 30, 2029), and subsequent budgets will include $650,000 in appropriations for annual expenses.

BACKGROUND/DISCUSSION:

The City of Montebello is responsible for the maintenance of approximately 142 miles of public streets, which includes traffic lane striping, crosswalks, stop bars, directional arrows, and other roadway legends. Proper pavement markings enhance traffic safety, improve visibility, and ensure compliance with federal, state, and local traffic regulations.

On April 23, 2026, the City issued Request for Proposals (RFP) No. 26-10 seeking qualified contractors to provide on-call citywide striping and pavement marking services. The previous contract for these services has concluded, and the City initiated this competitive procurement process to ensure transparency, cost effectiveness, and continued service quality.

The RFP scope included installation, maintenance, repair, and replacement of roadway markings, coordination with City staff and the public, quality assurance and reporting, and project closeout services. The City received four (4) proposals and evaluated them based on the following criteria:

- Qualifications and experience (65%)
- Reputation and references (15%)
- Proposed cost (20%)

Following review of submitted proposals and reference checks, staff identified J&S Striping Company, Inc. as the most qualified and responsive proposer, demonstrating strong experience with municipal striping projects, including comparable work for other Southern California cities.

Although the proposer's submitted bid totaled approximately $969,087, staff engaged in scope and cost discussions with the contractor to align services with available funding and the City's anticipated workload under an on-call contract structure. These discussions resulted in a mutually agreeable and amicable negotiation process, culminating in a reduced not-to-exceed contract amount of $650,000, consistent with the City's budget and operational needs.

The contractor agreed to the revised scope and compensation structure without dispute, and staff found the final agreement to reflect fair market value for the services to be provided.

ENVIRONMENTAL:

N/A

ANALYSIS:

Awarding this agreement (Attachment A) ensures the City will continue to maintain safe, visible, and compliant roadway markings throughout the municipal street system. Key benefits include:

- Improved traffic safety and roadway visibility
- Compliance with applicable federal, state, and local regulations
- Efficient on-call response for maintenance and restriping needs
- Cost-effective service delivery within the approved budget
- Continuity of experienced municipal striping services provider

J&S Striping demonstrated strong qualifications, responsive scope understanding, and relevant municipal experience. Staff also notes that the contractor was cooperative and solution-oriented during contract finalization discussions, allowing the City to achieve a cost structure aligned with available funding while maintaining full service requirements.

SUMMARY:

Staff recommends awarding Agreement No. 4513 (Attachment A) to J&S Striping Company, Inc. for citywide striping, pavement marking, and roadway legend services in an amount not-to-exceed $650,000 annually. The agreement is for an initial three (3) year term, expiring in June 30, 2029, with the option to renew for two (2) additional one (1) year terms. The negotiated agreement provides the City with a qualified contractor, cost-effective pricing, and continued high-quality maintenance of roadway safety markings throughout Montebello. The proposed FY 2026-27 budget includes sufficient funding for these services in the Gas Tax Fund (Fund 200).

ATTACHMENT(S)

1. Attachment A - Agreement No. 4513 - J&S Striping

CITY OF MONTEBELLO

PROFESSIONAL SERVICES AGREEMENT NO. 4513 WITH J & S Striping

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into on **July 1, 2026** ("Effective Date"), by and between the CITY OF MONTEBELLO, a California municipal corporation (the "CITY") and J&S Striping Company, Inc. (the "CONTRACTOR"). The CITY and the CONTRACTOR are sometimes referred to herein individual as the "Party," and jointly as the "Parties."

RECITALS

WHEREAS, the CITY desires to retain a qualified professional contractor to provide citywide street striping, pavement marking, and roadway legend services in the CITY; and

WHEREAS, the CONTRACTOR represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

NOW THEREFORE, in consideration of performance by the Parties of the covenants and conditions herein contained, the Parties hereto agree as follows:

SECTION 1. INCORPORATION OF RECITALS AND OTHER CONTRACT DOCUMENTS

a. The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference. Moreover, this Agreement consists of the following documents, in order of precedence, all of which are incorporated herein and made part of this Agreement, as though fully set forth herein:

1. This Agreement and its Exhibits, including any and all addenda or supplemental agreements.
2. RFP No. 26-10, attached hereto as **Exhibit "A"**.
3. The CONTRACTOR'S Proposal to RFP 26-10, attached hereto as **Exhibit "B"**.
4. The CONTRACTOR'S Cost Proposal to RFP 26-10, attached hereto as Exhibit "C"
5. All other documents, including but not limited to all applicable bonds, insurance certificates, permits, notices, schedules, forms, certifications, and affidavits.

b. These documents shall be collectively referred to herein as the "Contract Documents." In the event of a conflict among the Contract Documents, the order of precedence list above shall apply.

SECTION 2. SERVICES / COMPENSATION.

a. The CONTRACTOR shall provide to the CITY those services that are set forth fully in RFP 26-10, the Contractor's Proposal, and the Contractor's Cost Proposal attached hereto as **Exhibit "A", Exhibit "B", and Exhibit "C"** and incorporated fully herein by this reference (hereinafter "Professional Services").

b. The CONTRACTOR shall complete the Professional Services in a timely manner, and in accordance with an agreed-upon work schedule to be determined by the Parties.

c. The CONTRACTOR shall be compensated in the amount not-to-exceed **Six Hundred Fifty Thousand Dollars ($650,000)** per year (the "Compensation") for the performance of the Professional Services as set forth in **Exhibit "B" and Exhibit "C".** CONTRACTOR shall provide an itemized billing statement to CITY for the Scope of Services performed. The CONTRACTOR shall not incur fees or costs which exceed the Compensation without the prior written consent of the CITY.

d. The CITY shall be invoiced upon completion of the Scope of Services set forth herein. Payment in full of each invoice shall be due to the CONTRACTOR within thirty (30) days from the date of the invoice.

e. Work performed shall be deemed approved and accepted by the CITY upon invoicing unless the CITY provides written notice within fifteen (15) days of the invoice date specifically identifying the portions of the work the CITY believes to be incomplete or defective, and the corresponding disputed invoice amount(s). The CITY shall pay all undisputed amounts in accordance with the preceding paragraph.

SECTION 3. TERM.

a. This Agreement shall commence upon issuance of a written "Notice to Proceed" (as further defined below) by the CITY and shall expire **June 30, 2029** unless terminated earlier as hereinafter provided. This Agreement may be extended for up to two (2) one-year extensions upon such terms and conditions mutually agreed upon by the Parties in writing.

b. Notice to Proceed. Any work or service contemplated under this Agreement shall not commence until the CITY has issued a written Notice to Proceed issued by CITY's applicable, department head.

SECTION 4. PERFORMANCE.

a. The CONTRACTOR shall at all times, faithfully, competently, and to the best of its ability, experience, and talent, perform all tasks described herein.

b. The CONTRACTOR shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of Contractor hereunder, in meeting its obligations under this Agreement.

c. The CONTRACTOR shall be knowledgeable of and subject to all CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.

d. The CONTRACTOR shall have the right to retain, subject to the CITY's approval, additional individuals, contractors or subcontractors to assist in the completion of services as herein defined. Compensation for additional individuals, contractors or subcontractors shall be the sole and exclusive responsibility of the CONTRACTOR.

e. The CONTRACTOR shall retain all original reports, field and office notes, correspondence, calculations, maps, and other documents specifically related to the services provided by the CONTRACTOR pursuant to this Agreement, other than documents which are exempt from disclosure pursuant to the attorney-client privilege or any other law. Said documents shall be made available for inspection by the CITY upon request.

SECTION 5. WORK PRODUCT.

a. The CONTRACTOR hereby agrees that all work product produced pursuant to this Agreement, and provided to the CITY during and upon completion of this Agreement, shall be the property of the CITY, and ownership of said work product shall be retained by the CITY. The CONTRACTOR may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by the CONTRACTOR.

b. All data, documents, discussion, or other information developed or received by the CONTRACTOR or provided for performance of this Agreement are deemed confidential and shall not be disclosed by the CONTRACTOR without prior written consent by the CITY. The CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to the CITY upon the termination or expiration of this Agreement. The CONTRACTOR agrees that the covenants contained in this Section shall survive the expiration or termination of this Agreement.

SECTION 6. EXTRA SERVICES.

No extra services over and above the Compensation shall be rendered by the CONTRACTOR under this Agreement unless such extra services first shall have been duly authorized in writing by the CITY's City Manager (the "City Manager").

SECTION 7. CITY SUPERVISION.

The City Manager shall have the right of general supervision of all work performed by the CONTRACTOR and shall be the CITY's agent with respect to obtaining the CONTRACTOR's compliance hereunder. No payment for services rendered under this Agreement shall be made without the prior approval of the City Manager.

SECTION 8. TERMINATION.

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

a. Termination for Cause. In the event that any of the provisions of the Agreement are violated by either party, the non-defaulting Party may terminate the Agreement by serving written notice upon the other Party, listing the violation(s) and its intent to terminate such Agreement unless within ten (10) days after the serving of such notice, such violation shall cease or be rectified, the contract shall upon the expiration of an additional thirty (30) days cease and terminate. Violations by the CONTRACTOR which cannot be corrected within ten (10) days, said contract shall

at the option of the CITY cease and terminate upon the giving of like notice. In the event of any such termination for default by the CONTRACTOR, the CITY may take over the work and prosecute the same to completion by contract or otherwise for the account and at the expense of the CONTRACTOR. The CONTRACTOR and his sureties shall be liable to the CITY for any excess cost occasioned in the event of any such termination. This change shall not be construed to prevent the termination, for other causes authorized by law or other provisions of this contract. In the event of a termination for cause, the CONTRACTOR shall only be entitled to the Compensation for those Professional Services satisfactory performed on or before the effective date of termination.

b. Termination for Convenience. The CITY shall have the option, at its sole discretion and without cause, to terminate this Agreement in whole, or in part, by giving ten (30) business days' written notice to the CONTRACTOR. Upon the termination of this Agreement as provided herein, the CITY shall provide to the CONTRACTOR the part of Compensation which would otherwise be payable to the CONTRACTOR for services the CONTRACTOR had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation. Further, upon such a termination for convenience by the CITY, the Parties agree that the CONTRACTOR shall be reimbursed for any "non-refundable" costs that the CONTRACTOR has incurred for its services under this Agreement, provided that: (1) such "non- refundable" costs were incurred by the CONTRACTOR prior to the date of termination, and (2) that the CONTRACTOR provides the CITY with adequate proof that the CONTRACTOR incurred the costs, and is unable to be seek a refund for such costs. Such "non-refundable" costs may include, but are not limited to, travel reservations incurred by the CONTRACTOR for its performance of services under this Agreement. The CONTRACTOR agrees to cease all work under this Agreement on or before the effective date of any notice of termination.

SECTION 9. EMPLOYMENT OF CITY EMPLOYEES.

No regular employee of the CITY shall be employed by the CONTRACTOR during the term of this Agreement.

SECTION 10. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No official or employee of the CITY shall be personally liable to the CONTRACTOR in the event of any default or breach by the CITY, or for any amount which may become due to the CONTRACTOR.

SECTION 11. INDEPENDENT CONTRACTOR.

a. The CONTRACTOR is and shall, at all times, remain as to the CITY a wholly independent contractor. Neither the CITY nor any of its elected officials, officers, employees, or agents shall have control over the conduct of the CONTRACTOR except as expressly set forth in this Agreement. The CONTRACTOR shall not at any time or in any manner represent that he or she is in any manner an elected official, officer, employee, or agent of the CITY. No employee benefits shall be available to the CONTRACTOR in connection with the performance of this Agreement. Except as provided in this Agreement, the CITY shall not pay salary, wages, or other compensation to the CONTRACTOR for performance hereunder for the CITY, the CITY shall not be liable for compensation to the

CONTRACTOR, the CONTRACTOR's employees or the CONTRACTOR's subcontractors for injury or sickness arising out of performing services hereunder.

b. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

c. The CITY shall not deduct from the Compensation paid to the CONTRACTOR any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to the CONTRACTOR. The CITY shall have no responsibility to provide the CONTRACTOR, its employees or subcontractors with workers' compensation insurance or any other insurance.

SECTION 12. CalPERS ANNUITANTS AND ELIGIBILITY INDEMNITY.

a. If the CONTRACTOR is a California Public Employees' Retirement System ("CalPERS") annuitant, the CONTRACTOR must provide the City with written notification of such fact a minimum of 14 calendar days prior to commencement of services under this Agreement. Failure to provide such notification may result in termination of the Agreement, and any penalties or other costs relating thereto shall be borne by the CONTRACTOR. If this Agreement remains in place, the CONTRACTOR shall execute any amendment(s) to this Agreement requested by the City in order to comply with all laws and regulations applicable to CalPERS annuitants.

b. In the event that the CONTRACTOR or any employee, agent, or subcontractor of the CONTRACTOR providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of the CITY, the CONTRACTOR shall indemnify, defend, and hold harmless the CITY for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of the CONTRACTOR or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of the CITY.

c. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, the CONTRACTOR and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by the CITY, including but not limited to eligibility to enroll in PERS as an employee of the CITY and entitlement to any contribution to be paid by the CITY for employer contribution and/or employee contributions for PERS benefits.

SECTION 13. LEGAL RESPONSIBILITIES.

The CONTRACTOR shall at all times observe and comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local governments including, but not limited to the Montebello Municipal Code. The CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of the CONTRACTOR to comply with this section.

SECTION 14. INDEMNIFICATION.

The CONTRACTOR agrees to, and shall defend, indemnify, protect and hold harmless, the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of the CONTRACTOR's negligent or wrongful act, or omission under the terms of this Agreement, except only liability arising out of the sole negligence of the CITY.

SECTION 15. INSURANCE COVERAGE.

a. During the term of this Agreement, the CONTRACTOR shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with CONTRACTOR's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

- **Commercial General Liability (CGL)**: Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury, and advertising injury, with limits no less than $1,000,000 per occurrence. If a general aggregate limit applies, the limit shall be twice the required occurrence limit.

- **Automobile Liability Insurance:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if CONTRACTOR has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than $1,000,000 per accident for bodily injury and property damage.

- **Worker's Compensation** insurance as required by the laws of the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than $1,000,000 per accident for bodily injury or disease.

- **Professional Liability** insurance appropriate to the CONTRACTOR'S profession, with limit no less than $1,000,000 per occurrence or claim, $2,000,000 aggregate.

b. If the CONTRACTOR maintains higher limits than the minimums shown above, the CITY requires and shall be entitled to coverage for the higher limits maintained by the CONTRACTOR.

c. The CONTACTOR shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

d. The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a current rating of at least A:VII

in the latest edition of Best's Insurance Guide.

e. Each insurance policy required above shall state that coverage shall not be canceled, except after thirty (30) days' prior written notice (ten [10] days for non-payment) has been given to the CITY. The CONTRACTOR agrees that if it does not keep the aforesaid insurance in full force and effect the CITY may either (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at the CONTRACTOR's expense, the premium thereon.

f. **Evidence of Insurance prior to commencement**. The Contractor shall provide to the CITY Certificate(s) of Insurance evidencing such coverage together with copies of the required policy endorsements no later than five (5) business days prior to commencement of service and at least fifteen (15) business days prior to the expiration of any policy. Unreasonable failure to provide such evidence may be cause for termination of the Agreement as provided herein or delay the services' commencement date. The evidence of insurance shall be U.S. mail or email to:

City of Montebello
Attn: Principal Risk Officer
1600 West Beverly Boulevard
Montebello, CA 90640
Email: COI@montebelloca.gov

Coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits, non-renewed, or materially changed for any reason, without thirty (30) days prior written notice thereof given by the insurer to the CITY by U.S. mail, or by personal delivery, except for nonpayment of premiums, in which case ten (10) days prior notice shall be provided.

g. **Evidence of Insurance during the entire term of the Agreement**. At all times during the term of this Agreement, the CONTRACTOR shall maintain on file with the CITY's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming the CITY as an additional insured. The CONTRACTOR shall, prior to commencement of work under this Agreement, file with the CITY's Risk Manager such certificate(s).

h. The CONTRACTOR shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two (2) weeks prior to the expiration of the coverages.

i. The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming the CITY, its officers, employees, agents and volunteers as additional insureds. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to the CITY. The CONTRACTOR agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

j. The insurance provided by the CONTRACTOR shall be primary to any

coverage available to the CITY. Any insurance or self-insurance maintained by the CITY, its officers, employees, agents, or volunteers, shall be in excess of CONTRACTOR's insurance and shall not contribute with it.

k. All insurance coverage provided pursuant to this Agreement shall not prohibit the CONTRACTOR, and CONTRACTOR's employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. The CONTRACTOR hereby waives all rights of subrogation against the CITY.

l. Any deductibles or self-insured retentions must be declared to and approved by the CITY. At the option of the CITY, the CONTRACTOR shall either reduce or eliminate the deductibles or self-insured retentions with respect to the CITY, or the CONTRACTOR shall procure a bond guaranteeing payment of losses and expenses.

m. Procurement of insurance by the CONTRACTOR shall not be construed as a limitation of the CONTRACTOR'S liability or as full performance of CONTRACTOR's duties to indemnify, hold harmless and defend under the indemnity covenants of this Agreement.

SECTION 16. SUBCONTRACT, ASSIGNMENT OR DELEGATION.

The CONTRACTOR shall not subcontract, delegate, or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of the CITY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed sub-contractor, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

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

SECTION 17. NO WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition, or covenant hereof.

SECTION 18. DISPUTE RESOLUTION; GOVERNING LAW.

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, expert fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded. The venue for any litigation shall be County of Los Angeles, California. The Parties agree that the

covenants contained in this Section shall survive the expiration or termination of this Agreement.

SECTION 19. ATTORNEY'S FEES AND COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled.

SECTION 20. WARRANTIES.

Each of the parties represents and warrants to one another as follows:

a. It has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement;

b. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of any matter whatsoever; and

c. It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

SECTION 21. MISCELLANEOUS.

a. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction of interpretation of any of its provisions.

b. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.

c. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.

d. The representations and warranties made by the parties to this Agreement shall survive the consummation of the transaction herein described.

e. This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party

whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.

f. Each of the parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party's failure to perform under this Agreement or any agreement referred to in this Agreement.

SECTION 22. NOTICE.

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered via e-mail (an "Electronic Notice" as further defined below), personally or on the second (2nd) business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

If to CITY:
City of Montebello
Attn: Raul Alvarez, City Manager
1600 West Beverly Boulevard
Montebello, CA 90640
(323) 887-1200

If to Contractor:
J&S Striping Company, Inc.
Attn: Robert Aragon
1544 S. Vineyard Ave.
Ontario, CA 91761
(909) 947-8073
raragon@jssc.biz

An electronic communication ("**Electronic Notice**") shall be deemed written notice for purposes of this section if sent to the electronic mail address specified above. Electronic Notice shall be deemed received at the time the party sending Electronic Notice receives verification of receipt by the receiving party. Any party receiving Electronic Notice may request and shall be entitled to receive the notice on paper, in a nonelectronic form.

SECTION 23. NON-DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER.

In the performance of this Agreement, the CONTRACTOR shall not discriminate against any employee, sub-contractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. The CONTRACTOR will take affirmative action to ensure that sub-contractor and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

SECTION 24. CONFLICT OF INTEREST.

The CONTRACTOR covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by the CONTRACTOR under this Agreement, or which would conflict in any manner with the performance of its services hereunder. The CONTRACTOR further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, the CONTRACTOR shall avoid the appearance of having any interest that would conflict in any manner with the performance of its services pursuant to this Agreement.

The CONTRACTOR covenants not to give or receive any compensation, monetary or otherwise, to or from the ultimate vendor(s) of services to the CITY as a result of the performance of this Agreement, or the services that may be procured by the CITY as a result of the recommendations made by the CONTRACTOR. The CONTRACTOR's covenant under this section shall survive the termination of this Agreement.

SECTION 25. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between the CITY and the CONTRACTOR. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by each party. If any term, condition, or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

[**SIGNATURE PAGE TO FOLLOW**]

IN WITNESS WHEREOF, the parties, through their respective authorized representatives, have executed this Agreement as of the date first written above.

("CITY")	("CONTRACTOR")
CITY OF MONTEBELLO	**J&S STRIPING COMPANY, INC.**
Raul Alvarez, City Manager	Robert Aragon, Owner

ATTEST:

Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman, City Attorney

EXHIBITS:

- Exhibit A – Request for Proposals 26-10
- Exhibit B – Contractor's Proposal
- Exhibit C – Cost Proposal

EXHIBIT “A”

Request for Proposals 26-10

EXHIBIT “B”

Contractor’s Proposal

EXHIBIT “C”

Cost Proposal

ITEM # 20

CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Fernando Pelaez, Fire Chief
Andrew Kim, Senior Management Analyst

SUBJECT: **APPROVE SUBMISSION OF AN APPLICATION FOR THE FISCAL YEAR 2025 ASSISTANCE TO FIREFIGHTERS GRANT (AFG) PROGRAM FOR FIRE DEPARTMENT EQUIPMENT**

DATE: June 10, 2026

RECOMMENDATIONS:

It is recommended that the City Council:

1. Authorize submission of an application to the Federal Emergency Management Agency (FEMA) for the Fiscal Year 2025 Assistance to Firefighters Grant (AFG) Program for the purchase of fire department equipment; and
2. Take such additional, related action that may be desirable.

FISCAL IMPACT:

At this time, there is no fiscal impact associated with the recommended action to submit an application for the Fiscal Year 2025 Assistance to Firefighters Grant (AFG) Program.

If awarded, the AFG Program requires a local cost share contribution. Based on the City of Montebello's population category, the City would likely be required to provide a local match equal to approximately 10% of the total project cost, with the remaining 90% funded through the federal grant program.

The exact grant amount and required local match are not known at this time and will depend on the final project scope and grant award amount. Staff will return to the City Council for authorization to accept grant funding, approve any required budget amendments, and appropriate matching funds if the grant is awarded.

BACKGROUND/DISCUSSION:

The Assistance to Firefighters Grant (AFG) Program is administered by the Federal Emergency Management Agency (FEMA) and provides funding to fire departments and emergency response agencies for equipment, training, and resources intended to enhance operational readiness and firefighter safety.

The Montebello Fire Department is seeking authorization to apply for Fiscal Year 2025 AFG funding to purchase fire department equipment such as thermal imaging cameras, auto extrication equipment, and extrication stabilization struts. The requested equipment would improve operational readiness, enhance firefighter and victim safety, and support the Department's ability to effectively respond to emergencies involving structure fires, vehicle collisions, rescue incidents, and technical rescue operations throughout the community.

The AFG Program is highly competitive and prioritizes projects that demonstrate operational need, firefighter safety benefits, and deficiencies in existing equipment and resources. Staff believes the proposed project is consistent with the program's operational and safety funding priorities.

If awarded, staff will return to the City Council for authorization to accept the grant award, approve any required budget amendments, and execute any necessary procurement documents associated with the project.

ENVIRONMENTAL:

N/A

ANALYSIS:

The proposed grant application supports the Fire Department's ongoing efforts to improve firefighter safety, operational readiness, and emergency response capabilities. The acquisition of thermal imaging cameras, rescue tools, and stabilization equipment would enhance the Department's ability to safely conduct fire suppression, search and rescue, vehicle extrication, and technical rescue operations.

Providing firefighters with improved thermal imaging technology would assist personnel with identifying fire conditions, locating victims, improving visibility in low-visibility environments, and reducing exposure to hazardous conditions during emergency operations. Additionally, replacement and modernization of rescue and extrication equipment would improve the Department's ability to safely stabilize vehicles and structures during rescue incidents while reducing operational risks to firefighters and members of the public.

The proposed project is consistent with the goals of the Assistance to Firefighters Grant Program by enhancing firefighter safety, improving operational effectiveness, and strengthening emergency response capabilities within the City of Montebello.

SUMMARY:

Staff is requesting approval to submit a grant application to the Fiscal Year 2025 Assistance to Firefighters Grant (AFG) Program for fire department equipment such as thermal imaging cameras, rescue tools, auto extrication equipment, and stabilization struts. Approval of the recommended action will allow the Fire Department to pursue federal funding opportunities intended to improve firefighter safety and enhance emergency response capabilities throughout the community. If awarded, staff will return to the City Council for authorization to accept the grant award and approve any associated budget amendments and matching fund appropriations.

ATTACHMENT(S)

None

ITEM # 21

CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Luis Lopez, Police Chief

SUBJECT: **ACCEPTANCE OF STATE HOMELAND SECURITY PROGRAM (SHSP) GRANT FUNDING AND APPROVAL OF SUBRECIPIENT AGREEMENT NO. 4424 WITH THE COUNTY OF LOS ANGELES**

DATE: June 10, 2026

RECOMMENDATIONS:

It is recommended that the City Council:

1. Approve the use of grant funding awarded from the U.S.Department of Homeland Security, State Homeland Security Program (SHSP) in the amount of $50,000; and
2. Approve purchase of one (1) vehicle utilizing the 2024 State Homeland Security Program (SHSP) grant funding; and
3. Authorize the City Manager to execute Subrecipient Agreement No. 4424 between the County of Los Angeles and the City of Montebello; and,
4. Take such additional, related action that may be desirable.

FISCAL IMPACT:

The City of Montebello is being awarded $50,000 from the State Homeland Security Program (SHSP) Grant program. The proposed Fiscal Year 2026-27 budget will include this funding. Therefore, no budget amendment is needed as part of the recommended actions.

This funding will be utilized to purchase a Polaris Ranger for use by the Police Department. Authorization is being sought to purchase this vehicle utilizing Montebello Municipal Code Section 3.20.050(D) - Conformance with Bidding Procedures. This section allows procurement by "[dispensing] with such bidding and other procedures ... upon a finding by the city council that it would be impractical, useless, or uneconomical

in such instance to follow the procedures, and tha the welfare of the public would be promoted by dispensing with the same."

BACKGROUND/DISCUSSION:

The Fiscal Year 2024 Homeland Security Grant Program (HSGP) is one of three grant programs that constitute the Department of Homeland Security -- Federal Emergency Management Agency (DHS/FEMA) focus on enhancing the ability of state, local, tribal, and territorial governments to prevent, protect against, respond to, and recover from terrorist attacks. These grant programs are part of a comprehensive set of measures authorized by Congress and implemented by DHS to help strengthen the nation's communities against potential terrorist attacks. Among the five basic homeland security missions noted in the DHS Strategic Plan, HSGP supports the goal of "Strengthen National Preparedness and Resilience."

The City has been awarded funds through the State Homeland Security Program (SHSP). SHSP assists state, local, tribal, and territorial efforts to build, sustain, and deliver the capabilities necessary to prevent, prepare for, protect against, and respond to acts of terrorism.

The State (Governors Office of Emergency Services - Cal-OES), provides the funds to the County of Los Angeles as its Subgrantee, and the County Chief Executive Office (CEO) is responsible for managing and overseeing the SHSP funds that are distributed to other specified jurisdictions within Los Angeles County. The CEO has now distributed 2024 SHSP grant funds to the City in the amount of $50,000. To facilitate this effort, the County of Los Angeles requires a formal Sub-Recipient Agreement (SRA) with the City of Montebello (Attachment A). The SRA outlines the requirements of the grant and provides the guidelines to follow for SHSP reimbursement of eligible expenses.

ENVIRONMENTAL:

N/A

ANALYSIS:

The City of Montebello has been approved to receive $50,000 from the SHSP Fiscal Year 2024 Funds. This funding has been approved for use by the Police Department to procure a Polaris Ranger. The Montebello Police Department is requesting the purchase of a Polaris Ranger to enhance operational capabilities in areas that are inaccessible or difficult to reach with standard patrol vehicles. The vehicle will be used to patrol riverbeds, open spaces, and other off-road locations where criminal activity, transient encampments, and emergency incidents may occur.

The Polaris Ranger will improve response times, increase officer access to remote areas, support ongoing crime suppression efforts, and allow for proactive patrols and routine security checks. This specialized vehicle will strengthen the Department's ability to protect public safety and respond effectively to emergencies throughout the City.

Staff recommends that the City Council approve the purchase of the Polaris Ranger through Del Amo Motorsports of Orange County (Attachment B).

SUMMARY:

The City has been awarded a Fiscal Year 2024 State Homeland Security Program (SHSP) Grant in the amount of $50,000 to support public safety and emergency response operations. The grant funding will be used to purchase a Polaris Ranger for the Police Department (Attachment B), which will enhance the Department's ability to access and patrol riverbeds, and other areas that are difficult or impossible to reach with traditional patrol vehicles. The recommended actions will also authorize the City Manager to execute Subrecipient Agreement No. 4424 between the County of Los Angeles and the City of Montebello (Attachment A).

ATTACHMENT(S)

1. ATTACHMENT A - 2024 SHSP EXECUTED AGREEMENT
2. ATTACHMENT B - QUOTE - DEL AMO MOTORSPORTS
3. ATTACHMENT C - QUOTE - BERTS AZUSA
4. ATTACHMENT D - QUOTE - MOTO UNITED

SUBRECIPIENT AGREEMENT NO. 4424 BETWEEN CITY OF MONTEBELLO AND COUNTY OF LOS ANGELES

State Homeland Security Program
Subrecipient Agreement
Grant Year 2024

Between the

County of Los Angeles

and the

City of Montebello

SUBRECIPIENT AGREEMENT
BETWEEN THE
COUNTY OF LOS ANGELES
AND
THE CITY OF MONTEBELLO

THIS AGREEMENT ("Agreement") is made and entered into by and between the County of Los Angeles, a political subdivision of the State of California (the "County of Los Angeles"), and the City of Montebello, a public agency (the "Subrecipient").

W I T N E S S E T H

WHEREAS, the U.S. Department of Homeland Security Title 2 Code of Federal Regulations (CFR) through the Office of Grants and Training (G&T), has provided financial assistance for the State Homeland Security Program (SHSP), Assistance Listings Number (formerly Catalog of Federal Domestic Assistance Number) 97.067 - Homeland Security Grant Program directly to the California Governor's Office of Emergency Services (Cal OES) for the 2024 SHSP, Federal Award Identification No. 037-00000, Federal Award dated October 28, 2024 with a performance period of September 1, 2024 to May 31, 2027. This Federal Award is not a R&D award; and

WHEREAS, the Cal OES provides said funds to the County of Los Angeles, Unique Entity ID (UEI) #MKQ9AQH7R2S5, as its Subgrantee, and the Chief Executive Office (CEO) is responsible for managing and overseeing the SHSP funds that are distributed to other specified jurisdictions within Los Angeles County; and

WHEREAS, this financial assistance is being provided to the Subrecipient in order to address the unique equipment, training, organization, exercise and planning needs of the Subrecipient, and to assist the Subrecipient in building effective prevention and protection capabilities to prevent, respond to, and recover from threats or acts of terrorism; and

WHEREAS, the County of Los Angeles as Subgrantee has obtained approval of the 2024 SHSP grant from Cal OES in the total amount of $8,300,952; and

WHEREAS, the CEO now wishes to distribute 2024 SHSP grant funds to the Subrecipient in the amount of $55,000, as further detailed in this Agreement; and

WHEREAS, the CEO is authorized to enter into subrecipient agreements with cities providing for re-allocation and use of these funds; and to execute all future amendments, modifications, extensions, and augmentations relative to the subrecipient agreements, as necessary; and

WHEREAS, the County of Los Angeles and Subrecipient are desirous of executing this Agreement, and the County of Los Angeles Board of Supervisors on July 15, 2025 authorized the CEO to prepare and execute this Agreement.

NOW, THEREFORE, the County of Los Angeles and Subrecipient agree as follows:

SECTION I

INTRODUCTION

§101. Parties to this Agreement

The parties to this Agreement are:

A. County of Los Angeles, a political subdivision of the State of California, having its principal office at Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, CA 90012; and

B. City of Montebello, a public agency, having its principal office at 1600 W. Beverly Blvd., Montebello CA 90640.

§102. Representatives of the Parties and Service of Notices

A. The representatives of the respective parties who are authorized to administer this Agreement and to whom formal notices, demands and communications must be given are as follows:

1. The representative of the County of Los Angeles is, unless otherwise stated in this Agreement:

Craig Hirakawa
County of Los Angeles - Chief Executive Office
500 West Temple Street, Room 796
Los Angeles, CA 90012
Phone: (213) 974-1127
CHirakawa@ceo.lacounty.gov

Ana Vazquez
County of Los Angeles - Chief Executive Office
500 West Temple Street, Room 796
Los Angeles, CA 90012
Phone: (213) 974-1178
AVazquez@ceo.lacounty.gov

2. The representative of Subrecipient is:

Name and Title:	Raul Alvarez, City Manager
Organizational UEI #:	J8RSDMN5KCQ7
Address:	1600 W. Beverly Blvd.,
City/State/Zip:	Montebello, CA 90640
Phone:	323-887-1363
Email:	Ralvarez@montebelloca.gov

With a copy to:

Name and Title:	Luis Lopez, Chief Of Police
Organization:	Montebello Police Department
Address:	1600 W. Beverly Blvd.,
City/State/Zip:	Montebello, CA 90640
Phone:	323-887-1285
Email:	Llopez@montebelloca.gov

B. Formal notices, demands and communications to be given hereunder by either party must be made in writing and may be affected by personal delivery, regular U.S. Postal mail service and/or e-mail. In the event of personal delivery or email, the message will be deemed communicated upon receipt by the County of Los Angeles. In the event of mail service, the message will be deemed communicated as of the date of mailing.

C. If the name and/or title of the person designated to receive the notices, demands or communications or the address of such person is changed, written notice must be given, in accord with this section, within five (5) business days of said change.

§103. Independent Party

Subrecipient is acting hereunder as an independent party, and not as an agent or employee of the County of Los Angeles. An employee of Subrecipient is not, and

will not be deemed, an employee of the County of Los Angeles by virtue of this Agreement, and Subrecipient must so inform each employee organization and each employee who is hired or retained under this Agreement. Subrecipient must not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the County of Los Angeles by virtue of this Agreement.

§104. Conditions Precedent to Execution of This Agreement

Subrecipient must provide the following signed documents to the County of Los Angeles, unless otherwise exempted:

A. Certification and Disclosure Regarding Lobbying, attached hereto as Exhibit A and made a part hereof, in accordance with §411.A.14 of this Agreement. Subrecipient must also file a Disclosure Form at the end of each calendar quarter in which there occurs any event requiring disclosure or which materially affects the accuracy of the information contained in any Disclosure Form previously filed by Subrecipient.

B. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions, attached hereto as Exhibit B and made a part hereof, as required by Executive Order 12549 in accordance with §411.A.12 of this Agreement.

C. Certification Regarding Drug-Free Workplace, attached hereto as Exhibit C and made a part hereof, in accordance with §411.A.13 of this Agreement.

D. Certification of Grant Assurances, attached hereto as Exhibit D and made a part hereof, in accordance with §411.C of this Agreement.

SECTION II

TERM AND SERVICES TO BE PROVIDED

§201. Performance Period

The performance period of this Agreement is from September 1, 2024 to Feb 2027, unless the County of Los Angeles, with Cal OES approval, provides written notification to the Subrecipient that the performance period has been extended, in which case the performance period will be so extended by such written notification, as provided in §503, below.

§202. Use of Grant Funds

A. Subrecipient and the County of Los Angeles have previously completed a mutually approved budget/expenditure plan, hereinafter "Budget," for the 2024 SHSP, which has been approved by Cal OES. This information is contained in a copy of the Final Grant Award Letter and Project Worksheet, attached hereto as Exhibit E.

   Any request by Subrecipient to modify the Budget must be made in writing with the appropriate justification and submitted to CEO for approval. If during the County of Los Angeles review process, additional information or documentation is required, the Subrecipient will have ten (10) business days to comply with the request. If the Subrecipient does not comply with the request, CEO will issue written notification indicating that the requested modification will not be processed. Modifications must be approved in writing by the County of Los Angeles and Cal OES during the term of this Agreement. Upon approval, all other terms of this Agreement will remain in effect.

   Subrecipient must utilize grant funds in accordance with all Federal regulations and State Guidelines.

B. Subrecipient agrees that grant funds awarded will be used to supplement existing funds for program activities, and will not supplant (replace) non-Federal funds.

C. Subrecipient must review the Federal Debarment Listing at https://www.sam.gov/search/ prior to the purchase of equipment or services to ensure the intended vendor is not listed and also maintain documentation that the list was verified.

D. Prior to the purchase of equipment or services utilizing a sole source contract or the receipt of single bid response of $250,000.00 or more, justification must be presented to CEO, who upon review will request approval from Cal OES. Such approval in writing must be obtained prior to the commitment of funds.

E. Subrecipient must provide any certifications or reports requested by the County of Los Angeles to the CEO indicating Subrecipient's performance under this Agreement, including progress on meeting program goals. Reports must be in the form requested by the County of Los Angeles, and must be provided by the fifteenth (15th) of the following month. Subrecipient is required to complete any survey requests requested by the County of Los Angeles. Subrecipient must also submit completed Project Claims for reimbursement immediately or a minimum on a quarterly basis, and no later than the date stated in §201, above.

F. Subrecipient must provide an electronic copy of their Annual Single Audit Report, as required by Title 2 Code of Federal Regulations (C.F.R) Part 200, to the County of Los Angeles within 30 calendar days after receipt of the auditor's

report(s). In the event the Subrecipient does not meet the Single Audit Threshold expenditure amount in a fiscal year, the Subrecipient must provide the County of Los Angeles a copy of a letter sent to State Controller's Office noting the Single Audit Threshold was not met, and its exempt status within nine months after the end of the Subrecipient's fiscal year, unless otherwise approved by the County of Los Angeles.

G. Subrecipient may be monitored by the County of Los Angeles on an annual basis to ensure compliance with Cal OES grant program requirements. The County of Los Angeles anticipates that said monitoring may include, at a minimum, one on-site visit during the term of this Agreement. Monitoring will utilize a Review Instrument (sample attached hereto as Exhibit H, and subject to periodic revisions) to evaluate compliance.

H. Subrecipient must provide Corrective Action Plan(s) to CEO within thirty (30) days of any audit finding.

I. Subrecipient use of the Los Angeles Regional Interoperable Communication System's Motorola Solutions, Incorporated Land Mobile Radio System Contract to purchase equipment is unallowable unless the Subrecipient can clearly demonstrate to CEO it meets one of the four federal exceptions to necessitate a noncompetitive procurement before issuance of any contract, amendment, or purchase order.

J. Subrecipient shall not use grant funds to purchase, extend, or renew any Telecommunications and Video Surveillance services and equipment as substantial or essential component of any system, or as critical technology as part of any system which the Secretary of Defense, in consultation with Director of National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an owned, controlled by, or connected to the People's Republic of China such as and not limited to Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities); or Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

K. Any equipment acquired pursuant to this Agreement must be authorized in the G&T Authorized Equipment List (AEL) available online at https://www.fema.gov/authorized-equipment-list and the Funding Guidelines of the 2024 SHSP Notice of Funding Oppo incorporated by reference, and attached hereto as Exhibit F. Subrecipient must provide the CEO a copy of its most current procurement guidelines and follow its own procurement requirements as long as they meet or exceed the minimum Federal requirements and any added Cal OES requirements. Federal procurement requirements for the 2024 SHSP can be found at Title 2 CFR Part 200.313.

Any equipment acquired or obtained with Grant Funds:

1. Will be made available under the California Disaster and Civil Defense Master Mutual Aid Agreement in consultation with representatives of the various fire, emergency medical, hazardous materials response services, and law enforcement agencies within the jurisdiction of the applicant;

2. Will be consistent with needs as identified in the State Homeland Security Strategy and will be deployed in conformance with that plan;

3. Will be made available pursuant to applicable terms of the California Disaster and Civil Defense Master Mutual Aid Agreement and deployed with personnel trained in the use of such equipment in a manner consistent with the California Law Enforcement Mutual Aid Plan or the California Fire Services and Rescue Mutual Aid Plan.

L. Equipment acquired pursuant to this Agreement will be subject to the requirements of Title 2 CFR Part 200.313. For the purposes of this subsection, "Equipment" is defined as tangible nonexpendable property, having a useful life of more than one year which costs $5,000.00 or more per unit. Items costing less than $5,000.00, but acquired under the "Equipment" category of the Grant must also be listed on any required Equipment Listing.

1. Equipment must be used by Subrecipient in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by Federal funds. When no longer needed for the original program or project, the Equipment may be used in other activities currently or previously supported by a Federal agency.

2. Subrecipient must make Equipment available for use on other like projects or programs currently or previously supported by the Federal Government, providing such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use must be given to other programs or projects supported by the awarding agency.

3. An Equipment Listing must be maintained listing each item of Equipment acquired with SHSP funds. The Equipment Listing must be kept up to date at all times. Any changes must be recorded in the Listing within ten (10) business days and the updated Listing is to be forwarded to the County of Los Angeles Auditor-Controller (A-C) Shared Services Division. The Equipment Property Records must be maintained that include: (a) a description of the property, (b) a serial number or other identification number, (c) the source of property, (d) who holds title, (e) the acquisition date, (f) and cost of the property, (g) percentage of Federal participation in the cost of the property, (h) the location, (i) use and condition of the

property, (j) and any ultimate disposition data including the date of disposal and sale price of the property. Records must be retained by the subrecipient pursuant to Title 2, Part 200.313 (d) (1) of the CFR.

4. All Equipment obtained under this Agreement must have an appropriate identification decal affixed to it, and, when practical, must be affixed where it is readily visible.

5. A physical inventory of the Equipment must be taken by the Subrecipient and the results reconciled with the Equipment Listing at least once every two years or prior to any site visit by State or Federal auditors or County of Los Angeles monitors. The Subrecipient is required to have on file a letter certifying as to the accuracy of the Equipment Listing in the frequency as above, and provide to the CEO when requested.

M. Any Planning paid pursuant to this Agreement must conform to the guidelines as listed in Exhibit F or subsequent grant year programs.

N. Any Organization activities paid pursuant to this Agreement must conform to the guidelines as listed in Exhibit F.

O. Any Training paid pursuant to this Agreement must conform to the guidelines as listed in Exhibit F, and must be first submitted to CEO and then pre-authorized by Cal OES. A catalog of federally approved and sponsored training courses is available at https://www.firstrespondertraining.gov/frts/.

P. Any Exercise paid pursuant to this Agreement must conform to the guidelines as listed in Exhibit F. Detailed Homeland Security Exercise and Evaluation Program Guidance is available at https://www.fema.gov/hseep.

Q. Any Personnel activities paid pursuant to this Agreement must conform to the guidelines as listed in Exhibit F.

R. Subrecipient must provide to CEO a spending plan detailing the required steps and timeframes required to complete the approved projects within the grant timeframe. Subrecipient must submit the spending plan to CEO prior to final execution of this Agreement.

S. Pursuant to this Agreement, indirect costs are not reimbursable.

SECTION III

PAYMENT

§301. Payment of Grant Funds and Method of Payment

A. The County of Los Angeles will reimburse Subrecipient up to the maximum grant amount of $55,000 as expenditures are incurred and paid by Subrecipient and all documentation is reviewed and approved by County of Los Angeles. All expenditures must be for the purchase of equipment, exercises, training, organization, and planning as described in Section II of this Agreement. The grant amount represents the amount allocated to Subrecipient in the 2024 SHSP Grant Award Letter from Cal OES.

B. Subrecipient must submit reimbursement requests to the County of Los Angeles A-C Shared Services Division requesting payment as soon as a Project is completed and expenses are incurred and paid with the required supporting documentation; submission can be sent immediately or at a minimum on a quarterly basis, and no later than the date stated in §201, above. Each reimbursement request must be accompanied by the Reimbursement Form (sample attached hereto as Exhibit G, and subject to periodic revisions). All appropriate back-up documentation must be attached to the reimbursement form, including the method of procurement, bid documentation, purchase orders, invoices, report of goods received, and proof of payment.

   For Training reimbursements, Subrecipient must include a copy of the class roster verifying training attendees, proof that prior approval was obtained from Cal OES and that a Cal OES Feedback number has been assigned to the course, and timesheets and payroll registers for all training attendees.

   For Exercise reimbursements, Subrecipient must enter the After Action Report (AAR) and Improvement Plan on the State Office of Domestic Preparedness secure portal within sixty (60) days following completion of the exercise and submit proof of prior State approval of the AAR with the reimbursement request.

   For Planning reimbursements, Subrecipient must include a copy of the final tangible prod

C. The County of Los Angeles may, at its discretion, reallocate unexpended grant funds to another subrecipient. Said reallocation may occur upon approval by the County of Los Angeles of a Subrecipient reimbursement submission, inquiry from the County of Los Angeles to the Subrecipient regarding fund utilization, or by written notification from the Subrecipient to the County of Los Angeles that a portion of the grant funds identified in

§301.A., above, will not be utilized. As provided in §503, below, any increase or decrease in the grant amount specified in §301.A., above, may be effectuated by a written notification by the County of Los Angeles to the Subrecipient.

D. Payment of reimbursement request will be withheld by the County of Los Angeles until the County of Los Angeles has determined that Subrecipient has turned in all supporting documentation and completed the requirements of this Agreement.

E. It is understood that the County of Los Angeles makes no commitment to fund this Agreement beyond the terms set forth herein.

F. Funding for all periods of this Agreement is subject to continuing Federal appropriation of grant funds for this program. In the event of a loss or reduction of Federal appropriation of grant funds for this program, the Agreement may be terminated, or appropriately amended, immediately upon notice to Subrecipient of such loss or reduction of Federal grant funds.

County of Los Angeles will make a good-faith effort to notify Subrecipient, in writing, of such non-appropriation at the earliest time.

SECTION IV

STANDARD PROVISIONS

§401. Construction of Provisions and Titles Herein

All titles or subtitles appearing herein have been inserted for convenience and do not, and will not be deemed to, affect the meaning or construction of any of the terms or provisions hereof. The language of this Agreement will be construed according to its fair meaning and not strictly for or against either party.

§402. Applicable Law, Interpretation and Enforcement

Each party's performance hereunder must comply with all applicable laws of the United States of America, the State of California, and the County of Los Angeles. This Agreement will be enforced and interpreted, as applicable, under the laws of the United States of America, the State of California and the County of Los Angeles.

If any part, term or provision of this Agreement is held void, illegal, unenforceable, or in conflict with any law of a Federal, State or Local Government having jurisdiction over this Agreement, the validity of the remainder of the Agreement will not be affected thereby.

Applicable Federal or State requirements that are more restrictive will be followed.

§403. Integrated Agreement

This Agreement sets forth all of the rights and duties of the parties with respect to the subject matter hereof, and replaces any and all previous agreements or understandings, whether written or oral, relating thereto. This Agreement may be amended only as provided for herein.

§404. Breach

If any party fails to perform, in whole or in part, any promise, covenant, or agreement set forth herein, or should any representation made by it be untrue, any aggrieved party may avail itself of all rights and remedies, at law or equity, in the courts of law. Said rights and remedies are cumulative of those provided for herein except that in all events, no party may recover more than once, suffer a penalty or forfeiture, or be unjustly compensated.

§405. Prohibition Against Assignment or Delegation

Subrecipient may not do any of the following, unless it has first obtained the written permission of the County of Los Angeles:

A. Assign or otherwise alienate any of its rights hereunder, including the right to payment; or

B. Delegate, subcontract, or otherwise transfer any of its duties hereunder.

§406. Permits

Subrecipient and its officers, agents and employees must obtain and maintain all permits and licenses necessary for Subrecipient's performance hereunder and must pay any fees required therefor. Subrecipient further certifies that it will immediately notify the County of Los Angeles of any suspension, termination, lapse, non-renewal or restriction of licenses, certificates, or other documents.

§407. Nondiscrimination and Affirmative Action

Subrecipient must comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the County of Los Angeles. In performing this Agreement, Subrecipient must not discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion,

national origin, ancestry, sex, sexual orientation, age, physical handicap, mental disability, marital status, domestic partner status or medical condition.

Subrecipient must comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).

If required, Subrecipient must submit an Equal Employment Opportunity Plan to the Department of Justice Office of Civil Rights in accordance with guidelines listed at https://www.justice.gov/crt.

Any subcontract entered into by the Subrecipient relating to this Agreement, to the extent allowed hereunder, will be subject to the provisions of this §407 of this Agreement.

§408. Indemnification

Each of the parties to this Agreement is a public entity. This indemnity provision is written in contemplation of the provisions of Section 895.2 of the Government Code of the State of California, which impose certain tort liability jointly upon public entities, solely by reason of such entities being parties to an agreement, and the parties agree that this indemnity provision will apply and will be enforceable regardless of whether Section 895 et seq. is deemed to apply to this Agreement. The parties hereto, as between themselves, consistent with the authorization contained in Government Code Sections 895.4 and 895.6 agree to each assume the full liability imposed upon it or upon any of its officers, agents, or employees by law, for injury caused by a negligent or wrongful act or omission occurring in the performance of this Agreement, to the same extent that such liability would be imposed in the absence of Government Code Section 895.2.

To achieve the above-stated purpose, each party agre nify and hold harmless the other party for any liability arising out of its own negligent acts or omissions in the performance of this Agreement (i.e., the Subrecipient agrees to indemnify and hold harmless the County of Los Angeles for liability arising out of the Subrecipient's negligent or wrongful acts or omissions and the County of Los Angeles agrees to indemnify and hold harmless the Subrecipient for liability arising out of the County of Los Angeles' negligent or wrongful acts or omissions). Each party further agrees to indemnify and hold harmless the other r liability that is imposed on the other party solely by virtue of Gov Code Section 895.2. The provisions of Section 2778 of the California Civil Code are made a part hereof as if fully set forth herein. Subrecipient certifies that it has adequate self-insured retention of funds to meet any obligation arising from this Agreement.

§409. Conflict of Interest

A. The Subrecipient covenants that none of its directors, officers, employees, or agents may participate in selecting, or administrating, any subcontract supported (in whole or in part) by Federal funds where such person is a director, officer, employee or agent of the subcontractor; or where the selection of subcontractors is or has the appearance of being motivated by a desire for personal gain for themselves or others such as family business, etc.; or where such person knows or should have known that:

   1. A member of such person's immediate family, or domestic partner or organization has a financial interest in the subcontract;

   2. The subcontractor is someone with whom such person has or is negotiating any prospective employment; or

   3. The participation of such person would be prohibited by the California Political Reform Act, California Government Code §87100 et seq. if such person were a public officer, because such person would have a "financial or other interest" in the subcontract.

B. Definitions:

   1. The term "immediate family" means domestic partner and/or those persons related by blood or marriage, such as husband, wife, father, mother, brother, sister, son, daughter, father in law, mother in law, brother in law, sister in law, son in law, daughter in law.

   2. The term "financial or other interest" means:

      a. Any direct or indirect financial interest in the specific contract, including but not limited to, a commission or fee, a share of the proceeds, prospect of a promotion or of future employment, a profit, or any other form of financial reward.

      b. Any of the following interests in the subcontractor ownership: partnership interest or other beneficial interest of five percent or more; ownership of five percent or more of the stock; employment in a managerial capacity; or membership on the board of directors or governing body.

C. The Subrecipient further covenants that no officer, director, employee, or agent may solicit or accept gratuities, favors, or anything of monetary value from any actual or potential subcontractor, supplier, a party to a sub agreement, (or persons who are otherwise in a position to benefit from the actions of any officer, employee, or agent).

D. The Subrecipient may not subcontract with a former director, officer, or employee within a one-year period following the termination of the relationship between said person and the Subrecipient.

E. Prior to obtaining the County of Los Angeles' approval of any subcontract, the Subrecipient must disclose to the County of Los Angeles any relationship, financial or otherwise, direct or indirect, of the Subrecipient or any of its officers, directors or employees or their immediate family with the proposed subcontractor and its officers, directors or employees.

F. For further clarification of the meaning of any of the terms used herein, the parties agree that references are made to the guidelines, rules, and laws of the County of Los Angeles, State of California, and Federal regulations regarding conflict of interest.

G. The Subrecipient warrants that it has not paid or given and will not pay or give to any third person any money or other consideration for obtaining this Agreement.

H. The Subrecipient covenants that no member, officer or employee of Subrecipient may have interest, direct or indirect, in any contract or subcontract or the proceeds thereof for work to be performed in connection with this project during his/her tenure as such employee, member or officer or for one year thereafter.

I. The Subrecipient must incorporate the foregoing subsections of this Section into every agreement that it enters into in connection with this grant and must substitute the term "subcontractor" for the term "Subrecipient" and "sub subcontractor" for "Subcontractor".

§410. Restriction on Disclosures

Any reports, analyses, studies, drawings, information, or data generated as a result of this Agreement are to be governed by the California Public Records Act (California Government Code Sec. 6250 et seq.).

§411. Statutes and Regulations Applicable To All Grant Contracts

A. Subrecipient must comply with all applicable requirements of State, Federal, and County of Los Angeles laws, executive orders, regulations, program and administrative requirements, policies and any other requirements governing this Agreement. Subrecipient must comply with applicable State and Federal laws and regulations pertaining to labor, wages, hours, and other conditions of employment. Subrecipient must comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement.

These requirements include, but are not limited to:

1. CFR

   Subrecipient must comply with Title 2 CFR Part 200.

2. Single Audit Act

   Since Federal funds are used in the performance of this Agreement, Subrecipient must, as applicable, adhere to the rules and regulations of the Single Audit Act (31 USC Sec. 7501 et seq.), 2 CFR Part 200 and any administrative regulation or field memos implementing the Act.

3. Americans with Disabilities Act

   Subrecipient hereby certifies that, as applicable, it will comply with the Americans with Disabilities Act 42, USC §§12101 et seq., and its implementing regulations. Subrecipient will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act. Subrecipient will not discriminate against persons with disabilities nor against persons due to their relationship to or association with a person with a disability. Any subcontract entered into by Subrecipient, relating to this Agreement, to the extent allowed hereunder, will be subject to the provisions of this paragraph.

4. Political and Sectarian Activity Prohibited

   None of the funds, materials, property or services provided directly or indirectly under this Agreement may be used for any partisan political activity, or to further the election or defeat of any candidate for public office. Neither may any funds provided under this Agreement be used for any purpose designed to support or defeat any pending legislation or administrative regulation. None of the funds provided pursuant to this Agreement may be used for any sectarian purpose or to support or benefit any sectarian activity.

   Subrecipient must file a Disclosure Form at the end of each calendar quarter in which there occurs any event requiring disclosure or which materially affects the accuracy of any of the information contained in any Disclosure Form previously filed by Subrecipient. Subrecipient must require that the language of this Certification be included in the award documents for all sub-awards at all tiers and that all subcontractors certify and disclose accordingly.

5. Records Inspection

At any time during normal business hours and as often as either the County of Los Angeles, the U.S. Comptroller General or the Auditor General of the State of California may deem necessary, Subrecipient must make available for examination all of its records with respect to all matters covered by this Agreement. The County of Los Angeles, the U.S. Comptroller General and the Auditor General of the State of California have the authority to audit, examine and make excerpts or transcripts from records, including all Subrecipient's method of procurement, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement.

Subrecipient agrees to provide any reports requested by the County of Los Angeles regarding performance of this Agreement.

6. Records Maintenance

Records, in their original form, must be maintained in accordance with requirements prescribed by the County of Los Angeles with respect to all matters specified in this Agreement. Original forms are to be maintained on file for all documents specified in this Agreement. Such records must be retained for a period five (5) years after termination of this Agreement and after final disposition of all pending matters. "Pending matters" include, but are not limited to, an audit, litigation or other actions involving records. The County of Los Angeles may, at its discretion, take possession of, retain and audit said records. Records, in their original form pertaining to matters covered by this Agreement, must at all times be retained within the County of Los Angeles unless authorization to remove them is granted in writing by the County of Los Angeles.

7. Subcontracts and Procurement

Subrecipient must, as applicable, comply with the Fede e and County of Los Angeles standards in the award of any subcontracts. For purposes of this Agreement, subcontracts include but are not limited to purchase agreements, rental or lease agreements, third party agreements, consultant service contracts and construction subcontracts.

Subrecipient must, as applicable, ensure that the terms of this Agreement with the County of Los Angeles are incorporated into all Subcontractor agreements. The Subrecipient must submit all Subcontractor agreements to the County of Los Angeles for review prior to the release of any funds to the Subcontractor. The Subrecipient must withhold funds to any Subcontractor agency that fails to comply with the terms and conditions of this Agreement and their respective Subcontractor agreement.

8. Labor

Subrecipient must, as applicable, comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed requirements for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System Personnel Administration (5 CFR 900, Subpart F).

Subrecipient must, as applicable, comply with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7); the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874); the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements; and the Hatch Act (5 USC §§1501-1508 and 7324-7328).

Subrecipient must, as applicable, comply with the Federal Fair Labor Standards Act (29 U.S.C. §201) regarding wages and hours of employment.

None of the funds may be used to promote or deter union/labor organizing activities. CA Gov't Code Sec. 16645 et seq.

9. Civil Rights

Subrecipient must, as applicable, comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352), which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681- 1683, and 1685- 1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of disabilities; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to non-discrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; 0) the requirements of any other nondiscrimination statute(s) that may apply to the application; and (k) P.L. 93-348 regarding the protection of human

subjects involved in research, development, and related activities supported by this award of assistance.

10. Environmental

Subrecipient must, as applicable, comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646), which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

Subrecipient must, as applicable, comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93- 523); (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93205); and (i) Flood Disaster Protection Act of 1973 §102(a) (P.L. 93-234).

Subrecipient must, as applicable, comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

Subrecipient must, as applicable, comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.), which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

Subrecipient must, as applicable, comply with the Federal Water Pollution Control Act (33 U.S.C. §1251 et seq.), which restores and maintains the chemical, physical and biological integrity of the Nation's waters.

Subrecipient must, as applicable, ensure that the facilities under its ownership, lease or supervision that are utilized in the accomplishment of this project are not listed in the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the Federal Granter agency of the receipt of any communication from the Director of the EPA Office of Federal

Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.
By signing this Agreement, Subrecipient warrants and represents that it will, as applicable, comply with the California Environmental Quality Act (CEQA), Public Resources Code §21000 et seq.

Subrecipient must, as applicable, comply with the Energy Policy and Conservation Act (P.L. 94-163, 89 Stat. 871).

Subrecipient must, as applicable, comply with the provision of the Coastal Barrier Resources Act (P.L. 97-348) dated October 19, 1982 (16 U.S.C. 3501 et. seq.) which prohibits the expenditure of most new Federal funds within the units of the Coastal Barrier Resources System.

11. Preservation

Subrecipient must, as applicable, comply with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).

12. Suspension, Debarment, Ineligibility and Voluntary Exclusion

Subrecipient must, as applicable, comply with Title 2 CFR Part §3000, regarding Suspension and Debarment, and Subrecipient must submit a Certification Regarding Debarment, attached hereto as Exhibit B, required by Executive Order 12549 and any amendment thereto. Said Certification must be submitted to the County of Los Angeles concurrent with the execution of this Agreement and must certify that neither Subrecipient nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from particip this transaction by any Federal department head or agency. Subrecipient must require that the language of this Certification be included in the award documents for all sub-award at all tiers and that all subcontractors certify accordingly.

13. Drug-Free Workplace

Subrecipient must, as applicable, comply with the federal Drug-Free Workplace Act of 1988, 41 USC §701, Title 44 Code of Federal Regulations (CFR) Part §17; the California Drug-Free Workplace Act of 1990, CA Gov't Code §§8350-8357, and Subrecipient must complete the Certification Regarding Drug-Free Workplace Requirements, attached hereto as Exhibit C, and incorporated herein by reference. Subrecipient must require that the language of this Certification be included in the award documents for all sub-award at all tiers and that all subcontractors certify accordingly.

14. Lobbying Activities

Subrecipient must, as applicable, comply with 31 U.S.C.1352 and complete the Disclosure of Lobbying Activities, (OMB 0038-0046), attached hereto as Exhibit A, and incorporated herein by reference.

15. Miscellaneous

Subrecipient must, as applicable, comply with the Laboratory Animal Welfare Act of 1966, as amended (P.L. 89-544, 7 USC §§2131 et seq.).

B. Statutes and Regulations Applicable To This Particular Grant Agreement

Subrecipient must comply with all applicable requirements of State and Federal laws, executive orders, regulations, program and administrative requirements, policies and any other requirements governing this particular grant program.

Subrecipient must, as applicable, comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement. These requirements include, but are not limited to:

Title 2 CFR Part 200; EO 12372; U.S. Department of Homeland Security, Office of State and Local Government Coordination and Preparedness, Office for Domestic Preparedness, ODP WMD Training Course Catalogue; and DOJ Office for Civil Rights.

Standardized Emergency Management System (SEMS) requirements as stated in the California Emergency Services Act, Government Code Chapter 7 of Division 1 of Title 2, §8607.1(e) and CCR Title 19, §§2445-2448.

Provisions of Title 2, 6, 28, 44 CFR applicable to grants and cooperative agreements, including Part 18, Administrative Review Procedures; Part 20, Criminal Justice Information Systems; Part 22, Confidentiality of Identifiable Research and Statistical Information; Part 23, Criminal Intelligence Systems Operating Policies; Part 30, Intergovernmental Review of Department of Justice Programs and Activities; Part 35, Nondiscrimination on the Basis of Disability in State and Local Government Services; Part 38, Equal Treatment of Faith-based Organizations; Part 42, Nondiscrimination/Equal Employment Opportunities Policies and Procedures; Part 61, Procedures for Implementing the National Environmental Policy Act; Part 63, Floodplain Management and Wetland Protection Procedures; Part 64, Floodplain Management and Wetland Protection Procedures; Federal laws or regulations applicable to Federal Assistance Programs; Part 69, New Restrictions on Lobbying; Part 70, Uniform Administrative Requirements for Grants and Cooperative Agreements (including sub-awards) with Institutions of Higher Learning, Hospitals and other Non-Profit

Organizations; and Part 83, Government-Wide Requirements for a Drug Free Workplace (grants).

Nondiscrimination requirements of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, 42 USC 3789(d), or the Juvenile Justice and Delinquency Prevention Act, or the Victims of Crime Act, as appropriate; the provisions of the current edition of the Office of Justice Programs Financial and Administrative Guide for Grants, M7100.1, and all other applicable Federal laws, orders, circulars, or regulations.

1. Travel Expenses

   Subrecipient, as provided herein, will be compensated for Subrecipient's reasonable travel expenses incurred in the performance of this Agreement, to include travel and per diem, unless otherwise expressed. Subrecipient's total travel for in-State and/or out-of-State and per diem costs must be included in the contract budget(s). All travel, including out- of-State travel, that is not included in the budget(s) will not be reimbursed without prior written authorization from the County of Los Angeles.

   Subrecipient's administrative-related travel and per diem reimbursement costs will not be reimbursed. For programmatic-related travel costs, Subrecipient's reimbursement rates may not exceed the amounts established under the grant.

C. Compliance With Grant Requirements

To obtain the grant funds, the State required an authorized representative of the County of Los Angeles to sign certain promises regarding the way the grant funds would be spent. These requirements are included in Exhibit F and in the State's "Grant Assurances". By signing these Grant Assurances and accepting Exhibit F, the County of Los Angeles became liable to the State for any funds that are used in violation of the grant requirements. The State's Grant Assurances are incorporated into this Agreement through Exhibit D. Subrecipient will be liable to the Granter for any funds the State determines the Subrecipient used in violation of these Grant Assurances.

Pursuant to this Agreement, Subrecipient shall execute the 2024 Certification of Grant Assurances in Exhibit D, accepting and agreeing to abide by all provisions, assurances, and requirements therein. Subrecipient agrees to indemnify and hold harmless the County of Los Angeles for any sums the State or Federal government determines Subrecipient used in violation of the Grant Assurances.

To the extent Exhibit D conflicts with language or provisions contained in this Agreement, or contains more restrictive requirements under Federal and State law, Exhibit D shall control.

D. Noncompliance With Grant Requirements

Subrecipient understands that failure to comply with any of the above assurances and requirements, including Exhibit D, may result in suspension, termination or reduction of grant funds, and repayment by the Subrecipient to the County of Los Angeles of any unauthorized expenditures.

§412. Federal, State and Local Taxes

Federal, State and local taxes are the responsibility of the Subrecipient as an independent party and not of the County of Los Angeles and must be paid prior to requesting reimbursement. However, these taxes are an allowable expense under the grant program.

§413. Inventions, Patents and Copyrights

A. Reporting Procedure for Inventions

If any project produces any invention or discovery ("Invention") patentable or otherwise under Title 35 of the U.S. Code, including, without limitation, processes and business methods made in the course of work under this Agreement, the Subrecipient must report the fact and disclose the Invention promptly and fully to the County of Los Angeles. The County of Los Angeles will report the fact and disclose the Invention to the State. Unless there is a prior agreement between the County of Los Angeles and the State, the State will determine whether to seek protection on the Invention. The State will determine how the rights in the Invention, including rights under any patent issued thereon, will be allocated and administered in order to protect the public interest consistent with the policy ("Policy") embodied in the Federal Acquisition Regulations System, which is based on Ch. 18 of Title 35 U.S.C. Sections 200 et seq. (Pub. L. 95-517, Pub. L. 98-620, Title 37 CFR Part 401); Presidential Memorandum on Government Patent Policy to the Heads of the Executive Departments and Agencies, dated 2/18/1983); and Executive Order 12591, 4/10/87, 52 FR 1341 1987 Comp., p. 220 (as amended by Executive Order 12618, 12/22/87, 52 FR 48661, Title 3 CFR, 1987 Comp., p. 262). Subrecipient hereby agrees to be bound by the Policy, and will contractually require its personnel to be bound by the Policy.

B. Rights to Use Inventions

As applicable, County of Los Angeles will have an unencumbered right, and a non-exclusive, irrevocable, royalty-free license to use, manufacture, improve upon, and allow others to do so for all government purposes, any Invention developed under this Agreement.

C. Copyright Policy

1. Unless otherwise provided by the State or the terms of this Agreement, when copyrightable material ("Material") is developed under this Agreement, the County of Los Angeles, at its discretion, may copyright the Material. If the County of Los Angeles declines to copyright the Material, the County of Los Angeles will have an unencumbered right, and a non-exclusive, irrevocable, royalty-free license, to use, manufacture, improve upon, and allow others to do so for all government purposes, any Material developed under this Agreement.

2. The State will have an unencumbered right, and a non-exclusive, irrevocable, royalty-free license, to use, manufacture, improve upon, and allow others to do so for all government purposes, any Material developed under this Agreement or any Copyright purchased under this Agreement.

3. Subrecipient must comply with Title 24 CFR 85.34.

D. Rights to Data

The State and the County of Los Angeles will have unlimited rights or copyright license to any data first produced or delivered under this Agreement. "Unlimited rights" means the right to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform and display publicly, or permit others to do so; as required by Title 48 CFR 27.401. Where the data are not first produced under this Agreement or are published copyrighted data with the notice of 17 U.S.C. Section 401 or 402, the State acquires the data under a copyright license as set forth in Title 48 CFR 27.404(f)(2) instead of unlimited rights. (Title 48 CFR 27.404(a)).

E. Obligations Binding on Subcontractors

Subrecipient must require all subcontractors to comply with the obligations of this section by incorporating the terms of this section into all subcontracts.

§414. Child Support Assignment Orders

Under the terms of this Agreement, Subrecipient must, as applicable, comply with California Family Code Section 5230 et seq.

§415. Minority, Women, And Other Business Enterprise Outreach Program

It is the policy of the County of Los Angeles to provide Minority Business Enterprises, Women Business Enterprises and all other business enterprises an equal opportunity to participate in the performance of all Subrecipient's contracts,

including procurement, construction and personal services. This policy applies to all of the Subrecipient's contractors and sub-contractors.

§416. Compliance with Fair Chance Employment Practices

Subrecipient shall comply with fair chance employment hiring practices set forth in California Government Code Section 12952, Employment Discrimination: Conviction History. Subrecipient's violation of this paragraph of the Agreement may constitute a material breach of the Agreement. In the event of such material breach, County of Los Angeles may, in its sole discretion, terminate the Agreement.

§417. Method of Payment and Required Information

The County of Los Angeles may, at its sole discretion, determine the most appropriate, efficient, secure, and timely form of payment provided under this Agreement. Subrecipient further agrees that the default form of payment shall be Electronic Funds Transfer (EFT) or Direct Deposit, unless an alternative method of payment is deemed appropriate by the A-C.

Subrecipient shall provide the A-C with electronic banking and related information for the Subrecipient and/or any other payee that the Subrecipient designates to receive payment pursuant to this Agreement at https://directdeposit.lacounty.gov/. Such electronic banking and related information includes, but is not limited to: bank account number and routing number, legal business name, valid taxpayer identification number or TIN, a working e-mail address capable of receiving remittance advices and other payment related correspondence, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.

Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or Direct Deposit shall supersede this requirement with respect to those payments. At any time during the duration of this Agreement, the Subrecipient may submit a written request for an exemption to this requirement and must be based on specific legal, business or operational needs and explain why the payment method designated by the A-C is not feasible and an alternative is necessary. The A-C, in consultation with CEO, shall decide whether to approve exemption requests.

SECTION V

DEFAULTS, SUSPENSION, TERMINATION, AND AMENDMENTS

§501. Defaults

Should either party fail for any reason to comply with the contractual obligations of this Agreement within the time specified by this Agreement, the non-breaching party reserves the right to terminate the Agreement, reserving all rights under State and Federal law.

§502. Termination

This Agreement may be terminated, in whole or in part, from time to time, when such action is deemed by the County of Los Angeles, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to the Subrecipient specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

§503. Amendments

Except as otherwise provided in this paragraph, any change in the terms of this Agreement, including changes in the services to be performed by Subrecipient, that are agreed to by the Subrecipient and the County of Los Angeles must be incorporated into this Agreement by a written amendment properly signed by persons who are authorized to bind the parties. Notwithstanding the foregoing, any increase or decrease of the grant amount specified in §301.A., above, or any extension of the performance period specified in §201, above, does not require a written amendment, but may be effectuated by a written notification by the County of Los Angeles to the Subrecipient.

SECTION VI

ENTIRE AGREEMENT

§601. Complete Agreement

This Agreement contains the full and complete Agreement between the two parties. Neither verbal agreement nor conversation or other communication with any officer or employee of either party will affect or modify any of the terms and conditions of this Agreement.

§602. Number of Pages and Attachments

This Agreement may be executed utilizing wet, scanned digital, and electronic signatures, each of which is deemed to be an original. This Agreement includes (27) pages and (8) Exhibits which constitute the entire understanding and agreement of the parties.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the Subrecipient and the County of Los Angeles have caused this Agreement to be executed by their duly authorized representatives.

COUNTY OF LOS ANGELES

BY _____ Mar 6, 2026
JOSEPH M. NICCHITTA Date
Acting Chief Executive Officer

BY _____ on behalf of
EDWARD YEN
Executive Officer, Board of Supervisors

BY Connie Yee, Chief Deputy Auditor-Controller _____ Connie Yee, Chief Deputy Auditor-Controller 2026.01.21 15:02:20 -08'00'
OSCAR VALDEZ
Auditor-Controller

APPROVED AS TO FORM

DAWYN R. HARRISON
County Counsel

BY _____
Deputy County Counsel

CITY OF MONTEBELLO

BY _____, City Manager Raul Alvarez 10/21/25
City Representative/Title (Signature) (Print Name) Date

APPROVED AS TO FORM

BY _____ Arnold M. Alvarez-Glasman 10/21/2025
City Attorney (Signature – If Needed) (Print Name) Date

ATTEST

BY _____ Christopher Jimenez 10/22/2025
City Clerk (Signature – If Needed) (Print Name) Date

EXHIBITS

Exhibit A	Certification and Disclosure Regarding Lobbying
Exhibit B	Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions
Exhibit C	Certification Regarding Drug Free Workplace
Exhibit D	Certification of Grant Assurances
Exhibit E	Final Grant Award Letter and Project Worksheet
Exhibit F	2024 Notice of Funding Opportunity & 2024 Cal OES Supplemental to Federal Notice of Funding Opportunity
Exhibit G	Reimbursement Form and Instructions
Exhibit H	Monitoring Instrument

Cal OES
GOVERNOR'S OFFICE OF EMERGENCY SERVICES

Certification Regarding Lobbying

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, 'Disclosure of Lobbying Activities,' in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Initials P.A

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OF EMERGENCY SERVICES

Certification Regarding Lobbying

The Subrecipient, as identified below, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Subrecipient understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

Subrecipient: City of Montebello

Signature of Authorized Agent: R-A

Printed Name of Authorized Agent: R re

Title: City Manager Date:

Initials R.A

CERTIFICATION REGARDING
DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION
LOWER TIER COVERED TRANSACTIONS

This certification is required by the regulations Implementing Executive Order 12549, Debarment and Suspension, 24 CFR Part 24 Section 24.510, Participants' responsibilities.

(READ ATTACHED INSTRUCTIONS FOR CERTIFICATION BEFORE COMPLETING)

1. The prospective recipient of Federal assistance funds certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

2. Where the prospective recipient of Federal assistance funds is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

4424
AGREEMENT NUMBER

City of Montebello
CONTRACTOR/BORROWER/AGENCY

Raul Alvarez, City Manager
NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

R.A. 10/21/25
SIGNATURE DATE

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this document, the prospective recipient of Federal assistance is providing the certification as set out below.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective recipient of Federal assistance funds knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

3. The prospective recipient of Federal assistance funds shall provide immediate written notice to the person to which this agreement is entered, if at any time the prospective recipient of Federal assistance funds learns that its certification was erroneous, when submitted or has become erroneous by reason of changed circumstances.

4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," " primary covered transaction," 'principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549.

5. The prospective recipient of Federal assistance funds agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation on this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective recipient of Federal assistance funds further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Procurement or Non Procurement Programs.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally p rson in the ordinary course of business dealings.

9. Except for transactions authorized under Paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntary excluded form participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

STATE OF CALIFORNIA
DRUG-FREE WORKPLACE CERTIFICATION
STD. 21

COMPANY/ORGANIZATION NAME:

The contractor or grant recipient named above hereby certifies compliance with *Government Code Section 8355* in matters relating to providing a drug-free workplace. The above-named contractor or recipient will:

1. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by *Government Code Section 8355(a)*.

2. Establish a Drug-Free Awareness Program as required by *Government Code Section 8355(b)*, to inform employees about all of the following:

   (a) The dangers of drug abuse in the workplace,

   (b) The person's or organization's policy of maintaining a drug-free workplace,

   (c) Any available counseling, rehabilitation and employee assistance programs, and

   (d) Penalties that may be imposed upon employees for drug abuse violations.

3. Provide as required by *Government Code Section 8355(c)*, that every employee who works on the proposed contract or subgrant:

   (a) Will receive a copy of the company's drug-free policy statement, and

   (b) Will agree to abide by the terms of the company's statement as a condition of employment on the contract or subgrant.

CERTIFICATION

I, the official named below, hereby swear that I am duly authorized legally to bind the contractor or Recipient to the above described certification. I am fully aware that this certification, executed on the date and in the county below, is made under penalty of perjury under the laws of the State of California.

Raul Alvaez
OFFICAL'S NAME

10/21/25
DATE EXECUTED

Los Angeles
EXECUTED IN THE COUNTY OF

R.A.
CONTRACTOR/RECEIPEINT SIGNATURE

City Manager
TITLE

UEI Number: J8RSDMN5KCQ7 // Tax ID Number: 956000746
FEDERAL I.D. NUMBER

STATEMENT ON THE DRUG-FREE WORKPLACE

To comply with the enactment of Senate Bill 1120, *(Chapter 1170, Statutes of 1990),* which established the Drug-Free Workplace Act of 1990, the City of Montebello (*your agency*) accordingly provides this statement of compliance.

In order to maintain funding eligibility, state agencies, along with those in receipt of grant and contractual awards, must certify that they provide drug-free workplaces and have issued drug-free workplace statements to their employees *[Section 8355(a) of the Government Code].* Consequently, in accordance with this directive, this statement is issued to meet this requirement.

The City of Montebello (*your agency*), an agency within the State of California has adopted this statement in compliance with legislation which addresses issues to avoid the dangers arising from drug and alcohol abuse in the workplace. These dangers include death and injury to the employee, co-workers, or the public resulting from accidents, dereliction of duty, poor judgment and carelessness. Substance abuse also results in lost productivity, reduced efficiency, and increased absenteeism by the substance abuser and interferes with the job performance of employees who do not use illegal or unauthorized substances. *[Section 8355(b)(1)]*

California law prohibits the unlawful manufacture, dispensation, possession, or illegal use of a controlled substance. That prohibition extends to all places and includes the worksite of California state employees. *[Section 8355(a)]*

Employees convicted of a violation of criminal drug statute, when the violation occurred at an employee's worksite, shall report the conviction to the granting and monitoring State agency upon conviction. *[Section 8356(a)(1)(2)]*

In the event of the unlawful manufacture, distribution, dispensation, possession or illegal use of a controlled substance at a State worksite, the State may take disciplinary action pursuant to the law and/or require the satisfactory completion of a drug abuse assistance or rehabilitation program. *[Section 8355(b)(4)]*

The Employee Assistance Program (EAP) provides drug problem assessment and referral to appropriate counseling and rehabilitation services. The EAP is available to all agency employees. Procedures exist to ensure the confidentiality of EAP records. Contact your personnel office for further information.

It is the intent of the City of Montebello (*your agency*) to ensure by execution of this statement of compliance that each employee shall abide by the terms of this drug-free workplace statement. *[Section 8355(c)]*

Cal OES
GOVERNOR'S OFFICE OF EMERGENCY SERVICES

FY 2024 Standard Assurances For Cal OES Federal Non-Disaster Preparedness Grant Programs

As the duly authorized representative of the Applicant, I hereby certify that the Applicant has the legal authority to apply for federal assistance and the institutional, managerial, and financial capability (including funds sufficient to pay any non-federal share of project cost) to ensure proper planning, management, and completion of the project described in this application, within prescribed timelines.

The requirements outlined in these assurances apply to Applicant and any of its subrecipients.

I further acknowledge that the Applicant is responsible for reviewing and adhering to all requirements within the:

(a) Applicable Federal Regulations (see below);
(b) Federal Program Notice of Funding Opportunity (NOFO);
(c) Federal Preparedness Grants Manual;
(d) California Supplement to the NOFO; and
(e) Federal and State Grant Program Guidelines.

Federal Regulations
Government cost principles, uniform administrative requirements, and audit requirements for federal grant programs are set forth in Title 2, Part 200 of the Code of Federal Regulations (C.F.R.) and adopted by the Department of Homeland Security (DHS) at 2 C.F.R. Part 3002.10. Updates are issued by the Office of Management and Budget (OMB) and can be found at http://www.whitehouse.gov/omb/.

In the event Cal OES determines that changes are neces the subaward after a subaward has been made, including changes to period of performance or terms and conditions, Applicants will be notified of the changes in writing. Once notification has been made, any subsequent request for funds will indicate Applicant acceptance of the changes to the subaward.

State and federal grant award requirements are set forth below. The Applicant hereby agrees to comply with the following:

1. **Proof of Authority**
   The Applicant will obtain proof of authority from the city council, governing board, or authorized body in support of this project. This written authorization must specify that the Applicant and the city council, governing board, or authorized body agree:

Initials R.D

Cal OES
GOVERNOR'S OFFICE OF EMERGENCY SERVICES

FY 2024 Standard Assurances For Cal OES Federal Non-Disaster Preparedness Grant Programs

(a) To provide all matching funds required for the grant project and that any cash match will be appropriated as required;
(b) Any liability arising out of the performance of this agreement shall be the responsibility of the Applicant and the city council, governing board, or authorized body;
(c) Grant funds shall not be used to supplant expenditures controlled by the city council, governing board, or authorized body;
(d) The Applicant is authorized by the city council, governing board, or authorized body to apply for federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-federal share of project cost, if any) to ensure proper planning, management and completion of the project described in this application; and
(e) The official executing this agreement is authorized by the Applicant.

This Proof of Authority must be maintained on file and readily available upon request.

2. **Period of Performance**
The period of performance is specified in the Award. The Applicant is only authorized to perform allowable activities approved under the award, within the period of performance.

3. **Lobbying and Political Activities**
As required by Section 1352, Title 31 of the United States Code (U.S.C.), for persons entering into a contract, grant, loan, or cooperative agreement from an agency or requests or receives from an agency a commitment providing for the United States to insure or guarantee a loan, the Applicant certifies that:

(a) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

Initials R.S

Cal OES
GOVERNOR'S OFFICE OF EMERGENCY SERVICES

FY 2024 Standard Assurances For Cal OES Federal Non-Disaster Preparedness Grant Programs

(b) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

(c) The Applicant shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

The Applicant will also comply with provisions of the Hatch Act (5 U.S.C. §§ 1501- 1508 and §§ 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with federal funds.

Finally, the Applicant agrees that federal funds will not be used, directly or indirectly, to support the enactment, repeal, modification or adoption of any law, regulation, or policy without the express written approval from the California Governor's Office of Emergency Services (Cal OES) or the federal awarding agency.

4. Debarment and Suspension

As required by Executive Orders 12549 and 12689, and 2 C.F.R. § 200.214 and codified in 2 C.F.R. Part 180, Debarment and Suspension, the Applicant will provide protection against waste, fraud, and abuse by debarring or suspending those persons deemed irresponsible in their dealings with the federal government. The Applicant certifies that it and its subrecipients:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;

(b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

Initials RA

Cal OES
GOVERNOR'S OFFICE OF EMERGENCY SERVICES

FY 2024 Standard Assurances For Cal OES Federal Non-Disaster Preparedness Grant Programs

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (4)(b) of this certification; and
(d) Have not within a three-year period preceding this application had one or more public transaction (federal, state, or local) terminated for cause or default.

Where the Applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

5. **Non-Discrimination and Equal Employment Opportunity**
The Applicant will comply with all state and federal statutes relating to non-discrimination, including:

(a) Title VI of the Civil Rights Act of 1964 (Public Law (P.L.) 88-352 and 42 U.S.C. § 2000d et. seq.) which prohibits discrimination on the basis of race, color, or national origin and requires that recipients of federal financial assistance take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP) to their programs and services;
(b) Title IX of the Education Amendments of 1972, (20 U.S.C. §§ 1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex in any federally funded educational program or activity;
(c) Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794), which prohibits discrimination against those with disabilities or access and functional needs;
(d) Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. § 12101et seq.), which prohibits discrimination on the basis of disability and requires buildings and structures be accessible to those with disabilities and access and functional needs;
(e) Age Discrimination Act of 1975, (42 U.S.C. §§ 6101-6107), which prohibits discrimination on the basis of age;
(f) Public Health Service Act of 1912 (42 U.S.C. §§ 290 dd—2), relating to confidentiality of patient records regarding substance abuse treatment;
(g) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.), relating to nondiscrimination in the sale, rental or financing of housing as implemented by the Department of Housing and Urban Development at 24 C.F.R. Part100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units — i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators) — be designed and constructed with certain accessible features (See 24 C.F.R. § 100.201);

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Cal OES
GOVERNOR'S OFFICE OF EMERGENCY SERVICES

FY 2024 Standard Assurances For Cal OES Federal Non-Disaster Preparedness Grant Programs

(h) Executive Order 11246, which prohibits federal contractors and federally assisted construction contractors and subcontractors, who do over $10,000 in Government business in one year from discriminating in employment decisions on the basis of race, color, religion, sex, sexual orientation, gender identification or national origin;
(i) Executive Order 11375, which bans discrimination on the basis of race, color, religion, sex, sexual orientation, gender identification, or national origin in hiring and employment in both the United States federal workforce and on the part of government contractors;
(j) California Public Contract Code § 10295.3, which prohibits discrimination based on domestic partnerships and those in same sex marriages;
(k) DHS policy to ensure the equal treatment of faith-based organizations, under which the Applicant must comply with equal treatment policies and requirements contained in 6 C.F.R. Part 19;
(l) The California's Fair Employment and Housing Act (FEHA) (California Government Code §§12940-12957), as applicable. FEHA prohibits harassment and discrimination in employment because of ancestry, familial status, race, color, religious creed (including religious dress and grooming practices), sex (which includes pregnancy, childbirth, breastfeeding and medical conditions related to pregnancy, childbirth or breastfeeding), gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, mental and physical disability, genetic information, medical condition, age, pregnancy, denial of medical and family care leave, or pregnancy disability leave, military and veteran status, and/or retaliation for protesting illegal discrimination related to one of these categories, or for reporting patient abuse in tax supported institutions;
(m) Any other nondiscrimination provisions in the specific statute(s) under which application for federal assistance is being made; and
(n) The requirements of any other nondiscrimination statute(s) that may apply to this application.

Civil Rights Policies for Program Beneficiaries and Subrecipients of DHS funding, pertaining to the following are available on the Cal OES website:

- Non-discrimination in Programs & Services
- Reasonable Accommodation for Program Beneficiaries
- Language Access Policy

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6. **Drug-Free Workplace**
As required by the Drug-Free Workplace Act of 1988 (41 U.S.C. § 701 et seq.),the Applicant certifies that it will maintain a drug-free workplace and a drug-free awareness program as outlined in the Act.

7. **Environmental Standards**
The Applicant will comply with state and federal environmental standards, including:

(a) The California Environmental Quality Act (CEQA) (California Public Resources Code §§ 21000-21177), to include coordination with the city or county planning agency;
(b) CEQA Guidelines (California Code of Regulations, Title 14, Division 6, Chapter 3, §§ 15000-15387);
(c) The Federal Clean Water Act (CWA) (33 U.S.C. § 1251 et seq.), which establishes the basic structure for regulating discharges of pollutants into the waters of the United States and regulating quality standards for surface waters;
(d) The Federal Clean Air Act of 1955 (42 U.S.C. § 7401) which regulates air emissions from stationary and mobile sources;
(e) Institution of environmental quality control measures under the National Environmental Policy Act (NEPA) of 1969 (P.L. 91-190); the Council on Environmental Quality Regulations for Implementing the Procedural Provisions of NEPA; and Executive Order 12898 which focuses on the environmental and human health effects of federal actions on minority and low-income populations with the goal of achieving environmental protection for all communities;
(f) Evaluation of flood hazards in floodplains in accordance with Executive Order 11988;
(g) Executive Order 11514 which sets forth national environmental standards;
(h) Executive Order 11738 instituted to assure that each federal agency empowered to enter into contr the procurement of goods, materials, or services and each federal agency empowered to extend federal assistance by way of grant, loan, or contract shall undertake such procurement and assistance activities in a manner that will result in effective enforcement of the Clean Air Act and the Federal Water Pollution Control Act Executive Order 11990 which requires preservation of wetlands;
(i) The Safe Drinking Water Act of 1974, (P.L. 93-523);
(j) The Endangered Species Act of 1973, (P.L. 93-205);

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(k) Assurance of project consistency with the approved state management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.);
(l) Conformity of Federal Actions to State (Clear Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); and
(m) The Wild and Scenic Rivers Act of 1968 (16 U.S.C. § 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

The Applicant shall not be: 1) in violation of any order or resolution promulgated by the State Air Resources Board or an air pollution district; 2) subject to a cease-and-desist order pursuant to section 13301 of the California Water Code for violation of waste discharge requirements or discharge prohibitions; or 3) determined to be in violation of federal law relating to air or water pollution.

8. **Audits**
For subrecipients expending $1,000,000 or more in federal grant funds annually, the Applicant will perform the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and C.F.R., Part 200, Subpart F Audit Requirements.

9. **Cooperation and Access to Records**
The Applicant must cooperate with any compliance reviews or investigations conducted by DHS. In accordance with 2 C.F.R. § 200.337, the Applicant will give the awarding agency, the Comptroller General of the United States and, if appropriate, the state, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award. The Applicant will require any subrecipients, contractors, successors, transferees and assignees to acknowledge and agree to comply with this provision.

10. **Conflict of Interest**
The Applicant will establish safeguards to prohibit the Applicant's employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

11. **Financial Management**
False Claims for Payment - The Applicant will comply with 31 U.S.C §§ 3729-3733 which provides that Applicant shall not submit a false claim for payment, reimbursement, or advance.

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12. Reporting - Accountability
The Applicant agrees to comply with applicable provisions of the Federal Funding Accountability and Transparency Act (FFATA) (P.L. 109-282), including but not limited to (a) the reporting of subawards obligating $30,000 or more in federal funds, and (b) executive compensation data for first-tier subawards as set forth in 2 C.F.R. Part 170, Appendix A. The Applicant also agrees to comply with the requirements set forth in the government-wide financial assistance award term regarding the System for Award Management and Universal Identifier Requirements located at 2 C.F.R. Part 25, Appendix A.

13. Whistleblower Protections
The Applicant must comply with statutory requirements for whistleblower protections at 10 U.S.C. § 2409, 41 U.S.C. § 4712, and 10 U.S.C. § 2324, 41 U.S.C. § 4304 and § 4310.

14. Human Trafficking
The Applicant will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. § 7104) which prohibits the Applicant or its subrecipients from: (1) engaging in trafficking in persons during the period of time that the award is in effect; (2) procuring a commercial sex act during the period of time that the award is in effect; or (3) using forced labor in the performance of the award or subawards under the award.

15. Labor Standards
The Applicant will comply with the following federal labor standards:
(a) The Davis-Bacon Act (40 U.S.C. §§ 276a to 276a-7), as applicable, and the Copeland Act (40 U.S.C. § 3145 and 18 U.S.C. § 874) and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-333), regarding labor standards for federally-assisted construction contracts or subcontracts, and
(b) The Federal Fair Labor Standards Act (29 U.S.C. § 201 et seq.) as they apply to employees of institutes of higher learning (IHE), hospitals and other non-profit organizations.

16. Worker's Compensation
The Applicant must comply with provisions which require every employer to be insured to protect workers who may be injured on the job at all times during the performance of the work of this Agreement, as per the workers compensation laws set forth in California Labor Code §§ 3700 et seq.

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17. Property-Related

If applicable to the type of project funded by this federal award, the Applicant will:

(a) Comply with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of federal participation in purchase;
(b) Comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires federal award subrecipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is $10,000 or more;
(c) Assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. § 470), Executive Order 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. § 469a-1 et seq.); and
(d) Comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. § 4831 and 24 CFR Part 35) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

18. Certifications Applicable Only to Federally-Funded Construction Projects

For all construction projects, the Applicant will:

(a) Not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with federal assistance funds to assure nondiscrimination during the useful life of the project;
(b) Comply with the requirements of the awarding agency with regard to the drafting, review and approval of construction plans and specifications; and
(c) Provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.

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19. Use of Cellular Device While Driving is Prohibited
The Applicant is required to comply with California Vehicle Code sections 23123 and 23123.5. These laws prohibit driving motor vehicle while using an electronic wireless communications device to write, send, or read a text-based communication. Drivers are also prohibited from the use of a wireless telephone without hands-free listening and talking, unless to make an emergency call to 911, law enforcement, or similar services.

20. California Public Records Act and Freedom of Information Act
The Applicant acknowledges that all information submitted in the course of applying for funding under this program, or provided in the course of an entity's grant management activities that are under Federal control, is subject to the Freedom of Information Act (FOIA), 5 U.S.C. § 552, and the California Public Records Act, California Government Code §7920.000 et seq. The Applicant should consider these laws and consult its own State and local laws and regulations regarding the release of information when reporting sensitive matters in the grant application, needs assessment, and strategic planning process.

21. Acknowledgment of Federal Funding from DHS
The Applicant must acknowledge its use of federal funding when issuing statements, press releases, requests for proposals, bid invitations, and other documents describing projects or programs funded in whole or in part with federal funds.

22. Activities Conducted Abroad
The Applicant must coordinate with appropriate government authorities when performing project activities outside the United States and obtain all appropriate licenses, permits, or approvals.

23. Best Practices for Collection and Use of Personally Identifiable Information (PII)
DHS defines PII as any information that permits the identity of an individual to be directly or indirectly inferred, including any information that is linked or linkable to that individual. If the Applicant collects PII, the Applicant is required to have a publicly-available privacy policy that describes standards on the usage and maintenance of the PII they collect. The Applicant may refer to the DHS Privacy Impact Assessments: Privacy Guidance and Privacy Template as a useful resource.

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24. Copyright
Recipients must affix the applicable copyright notices of 17 U.S.C. §§ 401 or 402 to any work first produced under federal awards and also include an acknowledgement that the work was produced under a federal award (including the federal award number and federal awarding agency). As detailed in 2 C.F.R. § 200.315, a federal awarding agency reserves a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use the work for federal purposes and to authorize others to do so.

25. Duplicative Costs
Applicants are prohibited from charging any cost to this federal award that will be included as a cost or used to meet cost sharing or matching requirements of any other federal award in either the current or a prior budget period. (See 2 C.F.R. § 200.403(f)). However, recipients may shift costs that are allowable under two or more federal awards where otherwise permitted by federal statutes, regulations, or the federal financial assistance award terms and conditions.

26. Energy Policy and Conservation Act
The Applicant must comply with the requirements of 42 U.S.C. § 6201 which contain policies relating to energy efficiency that are defined in the state energy conservation plan issued in compliance with this Act.

27. Federal Debt Status
The Applicant is required to be non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowances, and benefit overpayments. See OMB Circular A-129.

28. Fly America Act of 1974
The Applicant must comply with Preference for United States Flag Air Carriers: (a list of certified air carriers can be found at: Certificated Air Carriers List | US Department of Transportation, https://www.transportation.gov/policy/aviation-policy/certificated-air-carriers-list) for international air transportation of people and property to the extent that such service is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. § 40118) and the interpretative guidelines issued by the Comptroller General of the United States in the March 31, 1981, amendment to Comptroller General Decision B-138942.

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29. Hotel and Motel Fire Safety Act of 1990
In accordance with Section 6 of the Hotel and Motel Fire Safety Act of 1990, the Applicant must ensure that all conference, meeting, convention, or training space funded in whole or in part with federal funds complies with the fire prevention and control guidelines of the Federal Fire Prevention and Control Act of 1974, as amended, 15 U.S.C. § 2225a.

30. Non-supplanting Requirement
If the Applicant receives federal financial assistance awards made under programs that prohibit supplanting by law, the Applicant must ensure that federal funds do not replace (supplant) funds that have been budgeted for the same purpose through non- federal sources.

31. Patents and Intellectual Property Rights
Recipients are subject to the Bayh-Dole Act, 35 U.S.C. § 200 et seq. and applicable regulations governing inventions and patents, including the regulations issued by the Department of Commerce at 37 C.F.R. Part 401 (Rights to Inventions Made by Nonprofit Organizations and Small Business Firms under Government Awards, Contracts, and Cooperative Agreements) and the standard patent rights clause set forth at 37 C.F.R. § 401.14.

32. SAFECOM
If the Applicant receives federal financial assistance awards made under programs that provide emergency communication equipment and its related activities, the Applicant must comply with the SAFECOM Guidance for Emergency Communication Grants, including provisions on technical standards that ensure and enhance interoperable communications.

33. Terrorist Financing
The Applicant must comply with Executive Order 13224 and United States law that prohibit transactions with, and the provisions of resources and support to, individuals and organizations associated with terrorism. The Applicant is legally responsible for ensuring compliance with the Order and laws.

34. Reporting of Matters Related to Recipient Integrity and Performance
If the total value of the Applicant's currently active grants, cooperative agreements, and procurement contracts from all federal assistance offices exceeds $10,000,000 for any period of time during the period of performance of this federal financial assistance award, the Applicant must comply with the requirements set forth in the

FY 2024 Standard Assurances For Cal OES Federal Non-Disaster Preparedness Grant Programs

government-wide Award Term and Condition for Recipient Integrity and Performance Matters located at 2 C.F.R. Part 200, Appendix XII, the full text of which is incorporated here by reference in the award terms and conditions.

35. USA Patriot Act of 2001

The Applicant must comply with requirements of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act), which amends 18 U.S.C. §§ 175–175c.

36. Use of DHS Seal, Logo, and Flags

The Applicant must obtain written permission from DHS prior to using the DHS seals, logos, crests, or reproductions of flags, or likenesses of DHS agency officials. This includes use of DHS component (e.g., FEMA, CISA, etc.) seals, logos, crests, or reproductions of flags, or likenesses of component officials.

37. Performance Goals (HSGP and NSGP)

In addition to the Biannual Strategy Implementation Report submission requirements outlined in the Preparedness Grants Manual, the Applicant must demonstrate how the grant-funded project addresses the core capability gap associated with each project. The capability gap reduction must be addressed in the Project Description of the BSIR for each project.

38. Applicability of DHS Standard Terms and Conditions to Tribes

The DHS Standard Terms and Conditions are a restatement of general requirements imposed upon the Applicant and flow down to any of its subrecipients as a matter of law, regulation, or executive order. If the requirement does not apply to Indian tribes or there is a federal law or regulation exempting its application to Indian tribes, then the acceptance by Tribes of, or acquiescence to, DHS Standard Terms and

Conditions does not change or alter its inapplicability to an Indian tribe. The execution of grant documents is not intended to change, alter, amend, or impose additional liability or responsibility upon the Tribe where it does not already exist.

39. Required Use of American Iron, Steel, Manufactured Products, and Construction Materials

The Applicant must comply with the "Build America, Buy America" Act (BABAA), enacted as part of the Infrastructure Investment and Jobs Act and Executive Order 14005. Applicants receiving a federal award subject to BABAA requirements may not use federal financial assistance funds for infrastructure projects unless:

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FY 2024 Standard Assurances For Cal OES Federal Non-Disaster Preparedness Grant Programs

(a) All iron and steel used in the project are produced in the United States – this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;
(b) All manufactured products used in the project are produced in the United States – this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and
(c) All construction materials are manufactured in the United States – this means that all manufacturing processes for the construction material occurred in the United States.

The "Buy America" preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. It does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

Per section 70914(c) of BABAA, FEMA may waive the application of a Buy America preference under an infrastructure program in certain cases.

40. E.O. 14074 – Advancing Effective, Accountable Policing and Criminal Justice Practices to Enhance Public Trust and Public Safety

Recipient State, Tribal, local, or territorial law enforcement agencies must comply with the requirements of section 12(c) of E.O. 14074. Recipient State, Tribal, local, or territorial law enforcement agencies are also encouraged to adopt and enforce policies consistent with E.O. 14074 to support safe and effective policing.

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FY 2024 Standard Assurances For Cal OES Federal Non-Disaster Preparedness Grant Programs

IMPORTANT
The purpose of these assurances is to obtain federal and state financial assistance, including any and all federal and state grants, loans, reimbursement, contracts, etc. Applicant recognizes and agrees that state financial assistance will be extended based on the representations made in these assurances. These assurances are binding on Applicant, its successors, transferees, assignees, etc. as well as any of its subrecipients. Failure to comply with any of the above assurances may result in suspension, termination, or reduction of grant funds.

All appropriate documentation, as outlined above, must be maintained on file by the Applicant and available for Cal OES or public scrutiny upon request. Failure to comply with these requirements may result in suspension of payments under the grant or termination of the grant or both and the Applicant may be ineligible for award of any future grants if Cal OES determines that the Applicant: (1) has made false certification, or (2) violates the certification by failing to carry out the requirements as noted above.

All of the language contained within this document must be included in the award documents for all subawards at all tiers. Applicants are bound by the DHS Standard Terms and Conditions 2024, Version 2, hereby incorporated by reference, which can be found at: https://www.dhs.gov/publication/fy15-dhs- standard-terms-and-conditions.

The undersigned represents that he/she is authorized to enter into this agreement for and on behalf of the Applicant.

Applicant: City of Montebello

Signature of Authorized Agent: R.A.

Printed Name of Authorized Agent: Raul Alvarez

Title: City Manager Date: 10/21/2025

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GAVIN NEWSOM
GOVERNOR

NANCY WARD
DIRECTOR

Cal OES
GOVERNOR'S OFFICE
OF EMERGENCY SERVICES

October 28, 2024

Fesia A. Davenport **DELIVERED VIA E-MAIL:** HSGA-CalOESGrantNotifications@ceo.lacounty.gov
Chief Executive Officer
Los Angeles County
500 West Temple Street, Room 713
Los Angeles, CA 90012

SUBJECT: **NOTIFICATION OF SUBRECIPIENT ALLOCATION**
Fiscal Year (FY) 2024 Homeland Security Grant Program (HSGP)
Grant Subaward Period of Performance: 09/01/2024-05/31/2027

Dear Ms. Davenport:

We are pleased to announce the approval of your FY 2024 HSGP subaward in the amount of $8,300,952.

This subaward is subject to requirements in 2 CFR, Part 200, including the Notice of Funding Opportunity (NOFO), the Preparedness Grants Manual, the California Supplement to the NOFO, reporting requirements, and all applicable federal, state, and local requirements. All activities funded with this subaward must be completed within the subaward period of performance.

Your organization will be required to prepare and submit the Biannual Strategy Implementation Report (BSIR) to Cal OES semi-annually for the duration of the subaward period of performance or until all activities are completed and the subaward is formally closed. Throughout the subaward cycle, milestones set in the BSIR will be used as indicators of project feasibility, performance, and grant management capacity.
This information may also be used in assessing proposals in future grant opportunities. Failure to submit required reports could result in subaward reduction, suspension, or termination.

Subrecipients must obtain additional approval **prior** to incurring costs for

activities such as aviation, watercraft, allowability request logs, noncompetitive procurement, and projects requiring Environmental Planning and Historic Preservation review.

Next Steps:

- Your signature is required on this letter. Please sign and return this letter via email to your Cal OES Grants Analyst (GA) within 20 calendar days of receipt and keep a copy for your records.
- If you have not already, please visit the Grants Central System (GCS) webpage to register your organization.
- You will be notified to complete your application as soon as it is available in GCS – we anticipate mid-January 2025.
- Once the completed application is submitted and approved in GCS, you will be able to request reimbursement of eligible subaward expenditures in the system.

Please contact your GA if you have questions or need further assistance.

Sincerely,

Nancy Ward

NANCY WARD
Director

Fesia Davenport
Fesia Davenport (Nov 6, 2024 11:40 PST)

Fesia A. Davenport
Los Angeles County

Date

PROJECT LEDGER

City of Montebello
FY 2024 State Homeland Security Program (SHSP) Projects
Cal OES ID: 037-00000
Grant #: 2024-0088

Ledger Type	Initial Application
Date	3/12/2025
Request #	0
POP Start Date	9/1/2024
POP End Date	5/31/2027

IJ	State Goals	Direct / Subaward	Project Number	Project Title	Funding Source	Discipline	Solution Area	Core Capability	Capability Building	Deployable / Shareable	Supports Previous Awarded Investment?	Total Budgeted Cost
IJ.04	Goal #5	Subaward	024	LE Emergency Operations Vehicle	HSGP-SHSP	LE	Equipment	Threats and Hazards Identification	Build	Deployable	FY22; IJ #9	$ 55,000

National Priority Area (NPA)

Total **$ 55,000**

EQUIPMENT

City of Montebello
FY 2024 State Homeland Security Program (SHSP) Projects
Cal OES ID: 037-00000
Grant #: 2024-0088

Ledger Type	Initial Application
Date	3/12/2025
Request #	0
POP Start Date	9/1/2024
POP End Date	5/31/2027

Project Number	Equipment Description (Include Quantity)	AEL #	AEL Title	Funding Source	Discipline	Solution Area Sub-Category	Deployable / Shareable	Invoice Number	Vendor	ID Tag Number	Condition/ Disposition	Deployed Location	Acquisition Date	Noncompetitive Procurement over $250K	Hold Trigger	Approval Date	Budgeted Cost
																	$ 55,000.00
24	One LE Emergency Operations Vehicle	12VE-00-MISS	Vehicle, Specialized Mission	HSGP-SHSP	LE	12 - CBRNE Incident Response Vehicles	Deployable							No	Performance Bond		$ 55,000

National Priority Area (NPA)

The U. S. Department of Homeland Security (DHS)
Notice of Funding Opportunity (NOFO)
Fiscal Year 2024 Homeland Security Grant Program

All entities wishing to do business with the federal government must have a unique entity identifier (UEI). The UEI number is issued by the system. Requesting a UEI using System for Award Management (SAM.gov) can be found at: https://sam.gov/content/entity-registration.

Updates in Grant Application Forms:

The Data Universal Numbering System (DUNS) Number was replaced by a new, non-proprietary identifier requested in, and assigned by SAM.gov. This new identifier is the Unique Entity Identifier.

Additional Information can be found on Grants.gov: https://www.grants.gov/forms/forms-development/planned-uei-updates

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A. Program Description

1. Issued By
U.S. Department of Homeland Security (DHS)/Federal Emergency Management Agency (FEMA)/Grant Programs Directorate (GPD)

2. Assistance Listings Number
97.067

3. Assistance Listings Title
Homeland Security Grant Program

4. Funding Opportunity Title
Fiscal Year 2024 Homeland Security Grant Program (HSGP)
- State Homeland Security Grant Program (SHSP)
- Urban Area Security Initiative (UASI)
- Operation Stonegarden (OPSG)

5. Funding Opportunity Number
DHS-24-GPD-067-00-98

6. Authorizing Authority for Program
Section 2002 of the Homeland Security Act of 2002 (Pub. L. No. 107-296, as amended) (6 U.S.C. § 603)

7. Appropriation Authority for Program
Department of Homeland Security Appropriations Act, 2024, Pub. L. No. 118-47, Title III, Protection, Preparedness, Response, and Recovery (2024 DHS Appropriations Act)

8. Announcement Type
Initial

9. Program Category
Preparedness: Community Security

10. Program Overview, Objectives, and Priorities

a. Overview
The Fiscal Year (FY) 2024 Homeland Security Grant Program (HSGP) is one of the three grant programs that constitute the DHS/FEMA focus on enhancing the ability of state, local, tribal, and territorial governments, as well as nonprofits, to prevent, protect against, and respond to terrorist attacks. These grant programs are part of a comprehensive set of measures authorized by Congress and implemented by DHS to help strengthen the Nation's communities against potential terrorist attacks.

In FY 2024, there are three components of the HSGP:

1) ***State Homeland Security Program (SHSP):*** SHSP assists state, local, tribal, and territorial (SLTT) efforts to build, sustain, and deliver the capabilities necessary to prevent, prepare for, protect against, and respond to acts of terrorism.

2) ***Urban Area Security Initiative (UASI):*** UASI assists high-threat, high-density Urban Area efforts to build, sustain, and deliver the capabilities necessary to prevent, prepare for, protect against, and respond to acts of terrorism.

3) ***Operation Stonegarden (OPSG):*** OPSG supports enhanced cooperation and coordination among Customs and Border Protection (CBP), United States Border Patrol (USBP), and federal, state, local, tribal, and territorial law enforcement agencies to improve overall border security. OPSG provides funding to support joint efforts to secure the United States' borders along routes of ingress/egress to and from international borders, to include travel corridors in states bordering Mexico and Canada, as well as states and territories with international water borders. SLTT law enforcement agencies utilize their inherent law enforcement authorities to support the border security mission and do not receive any additional authority by participating in OPSG.

Finally, for FY 2024, DHS is focused on the criticality of information sharing and collaboration to building a national culture of preparedness and protecting against terrorism and other threats to our national security. The threats to our nation have evolved during the past two decades. We now face continuous cyber threats by sophisticated actors, threats to soft targets and crowded places, and threats from domestic violent extremists, who represent one of the most persistent threats to the nation[1]. Therefore, for FY 2024, DHS has identified six priority areas (see Section A.10.b) related to the most serious threats to the nation, as well as required minimum funding allocations.

For a full list of SHSP and UASI recipients and a breakdown of OPSG funding by state for FY 2023, please refer to Information Bulletin (IB) 490a.

b. Goals, Objectives, and Priorities

Goal: The HSGP will fund SLTT efforts and strengthen capabilities of SLTT governments to prevent, prepare for, protect against, and respond to terrorist attacks and other threats and hazards that pose the greatest risk to the security of the United States.

Objectives: HSGP provides resources that support eligible SLTT governments; high-density urban areas, and SLTT law enforcement along international land/water borders and travel corridors in meeting the following objectives:

- Build and sustain core capabilities, including Law Enforcement and Terrorism Prevention Activities and the National Priority Areas (see priorities below);

[1]Strategic Intelligence Assessment and Data on Domestic Terrorism, Federal Bureau of Investigation and Department of Homeland Security, June 2023.

- Address capability gaps identified in their Threat and Hazard Identification and Risk Assessment (THIRA) and Stakeholder Preparedness Review (SPR) process; and
- Implement a comprehensive and coordinated approach to address enduring security needs of communities that includes planning, training and awareness campaigns, equipment and capital projects, and exercises.

SHSP and UASI Funding Priorities: Given the evolving national security threat landscape, DHS/FEMA has evaluated the national risk profile and set priorities that help inform appropriate allocation of scarce security dollars. In assessing the national risk profile for FY 2024, six National Priority Areas pose the most concern. Due to the unique threats that the nation faces in 2024, DHS/FEMA has determined that recipients should allocate a total of 30% of their SHSP and UASI award funds across these six priority areas. As indicated below, one of the priorities has a minimum spend requirement totaling 3% of SHSP and UASI awards. Recipients will have the flexibility to allocate the remaining 27% across the priorities. The following are the six priority areas for FY 2024, along with the minimum corresponding percentage of SHSP and UASI funds that each recipient will be required to allocate:

1) Enhancing the protection of soft targets/crowded places – no minimum percent
2) Enhancing information and intelligence sharing and analysis – no minimum percent
3) Combating domestic violent extremism – no minimum percent
4) Enhancing cybersecurity – no minimum percent
5) Enhancing community preparedness and resilience – no minimum percent
6) Enhancing election security – 3%

Additional information about these priority areas and how they relate to achieving anti-terrorism capabilities is included in Section D of this NOFO. Failure by a recipient to propose investments and projects that align with the priority areas and spending requirements will result in a recipient having a portion of their SHSP and UASI funds (up to 30%) placed on hold until they provide projects that sufficiently align to the National Priority Areas, and total at least the minimum percentages per National Priority Area (as applicable) and overall 30% of total SHSP and UASI funds.

A state or high-risk urban area must allocate the remaining 70% of their funding to addressing capability gaps (e.g., building/sustaining capability and/or closing capability gaps) identified through their THIRA/SPR process.

Likewise, there are several enduring security needs that crosscut the homeland security enterprise to which recipients should consider allocating funding across core capability gaps and national priorities. The following are enduring needs that help recipients implement a comprehensive approach to securing communities:

1) Effective planning[2];
2) Training and awareness campaigns;
3) Equipment and capital projects; and
4) Exercises.

The table below provides a breakdown of the FY 2024 SHSP and UASI priorities (the focus of OPSG remains unique to border security), showing the core capabilities enhanced and lifelines supported, as well as examples of eligible project types for each area. More information on allowable investments can be found in the Section D.13 "Funding Restrictions and Allowable Costs" below and in the Preparedness Grants Manual (FM-207-23-001). DHS/FEMA anticipates that in future years, national priorities will continue to be included and will be updated as the threats evolve and as capability gaps are closed. Applicants are strongly encouraged to begin planning to sustain existing capabilities through funding mechanisms other than DHS preparedness grants. The example project types in the table below are allowable to prepare for disasters unrelated to acts of terrorism as long as they also help achieve target capabilities related to preventing, preparing for, protecting against, or responding to acts of terrorism.

FY 2024 SHSP and UASI Funding Priorities

All priorities in this table concern the Safety and Security Lifelines.

Priority Areas	Core Capabilities	Example Project Types
National Priorities		

Enhancing Cybersecurity	• Cybersecurity
	• Intelligence and information sharing
	• Planning
	• Public information and warning
	• Operational coordination
	• Screening, search, and detection
	• Access control and identity verification
	• Supply chain integrity and security
	• Risk management for protection programs and activities
	• Long-term vulnerability reduction
	• Situational assessment
	• Infrastructure systems
	• Operational communications
		• Cybersecurity risk assessments
		• Migrating online services to the ".gov" internet domain
		• Projects that address vulnerabilities identified in cybersecurity risk assessments
		  ○ Improving cybersecurity of critical infrastructure to meet minimum levels identified by the Cybersecurity and Infrastructure Security Agency and the National Institute of Standards and Technology Cybersecurity Framework (Version 1.1)
		  ○ Adoption of cybersecurity performance goals (CISA's Cross-Sector Cybersecurity Performance Goals)
		• Cybersecurity training and planning

Enhancing the Protection of Soft Targets/ Crowded Places	• Operational coordination
	• Public information and warning
	• Intelligence and information sharing
	• Interdiction and disruption
		• Operational overtime. For more information on operational overtime, see Section D of this NOFO.
		• Physical security enhancements
		  ○ Security cameras (closed-circuit television [CCTV])
		  ○ Security screening equipment for people and baggage

[2]Including assessment of critical infrastructure system vulnerabilities and plans to reduce consequences of disruptions, using the Infrastructure Resilience Planning Framework and Regional Resiliency Assessment Methodology produced by the Cybersecurity and Infrastructure Security Agency.

Priority Areas	Core Capabilities	Example Project Types
	• Screening, search, and detection • Access control and identity verification • Physical protective measures • Risk management for protection programs and activities	○ Lighting ○ Access controls ○ Fencing, gates, barriers, etc. • Unmanned Aircraft Systems and detection technologies
Enhancing information and intelligence sharing and analysis	• Intelligence and information sharing • Interdiction and disruption • Planning • Public information and warning • Operational coordination • Risk management for protection programs and activities	• Fusion Center projects • Information sharing with all DHS components; fusion centers; other operational, investigative, and analytic entities; and other federal law enforcement and intelligence entities • Cooperation with DHS officials and other entities designated by DHS in intelligence, threat recognition, assessment, analysis, and mitigation • Identification, assessment, and reporting of threats of violence • Intelligence analysis training and planning • Coordinating the intake, triage, analysis, and reporting of tips/ leads and suspicious activity, to include coordination with the Nationwide Suspicious Activity Reporting (SAR) Initiative (NSI)
Combating Domestic Violent Extremism	• Interdiction and disruption • Intelligence and information sharing • Planning • Public information and warning • Operational coordination • Risk management for protection programs and activities	• Open-source analysis of disinformation and misinformation campaigns, targeted violence and threats to life, including tips/leads, and online/social media-based threats • Sharing and leveraging intelligence and information, including open-source analysis • Development, implementation, and execution of threat assessment and management programs to identify, evaluate, and analyze indicators and behaviors indicative of terrorism and targeted violence • Training, awareness, and outreach programs to help identify and prevent radicalization, and report potential instances of terrorism and targeted violence
Enhancing Community Preparedness and Resilience	• Planning • Public Information and Warning • Community Resilience • Risk Management for Protection Programs and Activities • Mass Care Services • Intelligence and Information Sharing • Risk and Disaster Resilience Assessment • Long Term Vulnerability Reduction	• Establish, train, and maintain Community Emergency Response Teams (CERT) and Teen CERT, with a focus on historically undeserved communities, including procurement of appropriate tools, equipment, and training aides ○ Local delivery of CERT Train-the-Trainer and CERT Program Manager to build local program training and maintenance capacity • Provide continuity training, such as FEMA's Organizations Preparing for Emergency Needs training, to faith-based organizations, local businesses, and community-based organizations, such as homeless shelters, food pantries, nonprofit medical providers, and senior care facilities to bolster their resilience • Partner with local school districts to deliver the Student Tools for Emergency Planning curriculum or other educational programming to guide students on how to create emergency kits and family communications plans

Priority Areas	Core Capabilities	Example Project Types
		• Partner with key stakeholders to assist with completing the Emergency Financial First Aid Kit or a similar tool to bolster the disaster centric financial resilience of individuals and households • Execute You are the Help Until the Help Arrives workshops in concert with community-based organizations to bolster individual preparedness • Target youth preparedness using FEMA programing such as Prepare with Pedro resources and Ready2Help • Promote community planning, coordination, and integration of children's needs during emergencies through workshops like FEMA's Integrating the Needs of Children • Community Mapping: identify community resources and characteristics in order to identify gaps in resources, identify hazards and vulnerabilities, and inform action to promote resilience • Provide training and awareness programs with key stakeholders (e.g., through social media, community and civic organizations, etc.) to educate the public on misinformation and disinformation campaigns to increase individual and community resilience • Support integrated and cross-jurisdictional preparedness planning that considers how the community develops networks of information-sharing and collaboration among community-based organizations and government institutions to enable a quicker recovery from multiple threats, including terrorist actions
Enhancing Election Security	• Cybersecurity • Intelligence and information sharing • Planning • Long-term vulnerability reduction • Situational assessment • Infrastructure systems • Operational coordination • Community resilience	• Physical security planning support • Physical/site security measures – e.g., locks, shatter proof glass, alarms, access controls, etc. • General election security navigator support • Cyber navigator support • Cybersecurity risk assessments, training, and planning • Projects that address vulnerabilities identified in cybersecurity risk assessments • Iterative backups, encrypted backups, network segmentation, software to monitor/scan, and endpoint protection • Distributed Denial of Service protection • Migrating online services to the ".gov" internet domain • Online harassment and targeting prevention services • Public awareness/preparedness campaigns discussing election security and integrity measures
Enduring Needs		
Planning	• Planning • Risk management for protection programs and activities • Risk and disaster resilience assessment • Threats and hazards identification • Operational coordination	• Development of: ○ Security Risk Management Plans ○ Threat Mitigation Plans ○ Continuity of Operations Plans ○ Response Plans ○ Vulnerability Assessments

Priority Areas	Core Capabilities	Example Project Types
	• Community resilience	▪ Assessments should consider the impacts of climate change on investments to close identified security gaps[3] • Efforts to strengthen governance integration between/among regional partners • Joint training and planning with DHS officials and other entities designated by DHS • Cybersecurity training and planning • Revision of existing plans to strengthen community resilience in underserved communities
Training and Awareness	• Long-term vulnerability reduction • Public information and warning • Operational coordination • Situational assessment • Community resilience	• Active shooter training, including integrating the needs of persons with disabilities • Intelligence analyst training • SAR and terrorism indicators/behaviors training • Security training for employees • Public awareness/preparedness campaigns • Cybersecurity training and planning • Sharing and leveraging intelligence and information • Targeted outreach and preparedness training for underserved communities in conjunction with community-based organizations
Equipment and Capital Projects	• Long-term vulnerability reduction • Infrastructure systems • Operational communications • Interdiction and disruption • Screening, search and detection • Access control and identity verification • Physical protective measures	• Protection of high-risk, high-consequence areas or systems that have been identified through risk assessments • Physical security enhancements ○ Security cameras (CCTV) ○ Security screening equipment for people and baggage ○ Lighting ○ Access Controls ▪ Fencing, gates, barriers, etc. • Enhancing Weapons of Mass Destruction and/or improvised explosive device prevention, detection, and response capabilities ○ Chemical/Biological/Radiological/ Nuclear/Explosive detection, prevention, and response equipment
Exercises	• Long-term vulnerability reduction • Operational coordination • Operational communications • Community resilience	• Response exercises, including exercise planning with community-based organizations

For FY 2024, each SHSP and UASI recipient is required to submit an Investment Justification (IJ) for the National Priority Area with a minimum spend requirement (Enhancing Election Security). The investment must also account for at least the relevant minimum percentage (totaling 3%) of the applicant's SHSP and UASI allocation. State Administrative Agencies (SAAs) may submit complete project-level information at the time of application, including the National Priority Area IJs, but

[3] For more information on considering the impacts of climate change, please see Executive Order 14008, Tackling the Climate Crisis at Home and Abroad and Executive Order 14030, Climate-Related Financial Risk

are not required to do so. ***As a reminder, all SHSP- and UASI-funded projects must have a demonstrated nexus to achieving target capabilities related to preventing, preparing for, protecting against, and responding to acts of terrorism***. However, such projects may simultaneously support enhanced preparedness for disasters unrelated to acts of terrorism.

DHS/FEMA also requires SHSP and UASI recipients (states, territories, and high-risk urban areas) to complete a THIRA/SPR and prioritize grant funding to support building capability and/or closing capability gaps or sustaining capabilities that address national priorities and/or support enduring needs. Additional information on the THIRA/SPR process, including other National Preparedness System tools and resources, can be found at National Preparedness System | FEMA.gov. Detailed information on THIRA/SPR timelines and deadlines can be found in the Preparedness Grants Manual.

OPSG Funding Priorities: The table below provides a breakdown of the FY 2024 OPSG funding priority, which remains focused on and unique to border security.

FY 2024 OPSG Funding Priority

Priority Areas	Core Capabilities	Lifelines	Example Project Types
National Priorities			
Enhancing information and intelligence sharing and analysis, and cooperation with federal agencies, including DHS	• Intelligence and information sharing	• Safety and Security	• Participation in the DHS/ICE 287(g) training program • Information sharing with all DHS components; fusion centers; other operational, investigative, and analytic entities; and other federal law enforcement and intelligence entities • Cooperation with DHS officials and other entities designated by DHS in intelligence, threat recognition, assessment, analysis, and mitigation • Identification, assessment, and reporting of threats of violence • Joint intelligence analysis training and planning with DHS officials and other entities designated by DHS

For FY 2024, each OPSG applicant is required to clearly articulate and identify how the Concept of Operations addresses the national priority identified above.

c. Alignment to Program Purpose and the DHS and FEMA Strategic Plan

Among the five basic homeland security missions noted in the DHS Strategic Plan for Fiscal Years 2020-2024, the HSGP supports the goal to Strengthen National Preparedness and Resilience.

The 2022-2026 FEMA Strategic Plan outlines three goals designed to position FEMA to address the increasing range and complexity of disasters, support the diversity of communities we serve, and complement the nation's growing expectations of the emergency management community. The HSGP supports FEMA's efforts to achieve

equitable outcomes for those we serve (Goal 1) and to promote and sustain a prepared nation (Goal 3). We invite our stakeholders and partners to also adopt these priorities and join us in building a more prepared and resilient nation.

11. Performance Measures

Performance metrics for this program:

SHSP and UASI:

- Percentage of funding allocated by the recipient to core capabilities to build or sustain national priorities identified in the section above
- Percentage of funding and projects allocated by the recipient that align to capability gaps identified through the THIRA/SPR process
- Percentage of projects identified by the recipient that address a capability gap in a core capability that has a target(s) rated as high

FEMA will calculate and analyze the above metrics through a review of state/territory and urban area SPR submissions and required programmatic reports.

OPSG:

- Number of contacts that occurred as a result of OPSG deployments
  - Number of arrests that resulted from OPSG contacts
  - Value of drug seizures that resulted from OPSG contacts

B. Federal Award Information

1. Available Funding for the NOFO: $1,008,000,000

HSGP Programs	FY 2024 Allocation
SHSP	$373,500,000
UASI	$553,500,000
OPSG	$81,000,000
Total	**$1,008,000,000**

SHSP Allocations

For FY 2024, DHS/FEMA will award SHSP funds based on DHS/FEMA's relative risk methodology and statutory minimums pursuant to the *Homeland Security Act of 2002*, as amended. ***THIRA/SPR results do not impact grant allocations or awards.***

Each state and territory will receive a minimum allocation under the SHSP using thresholds established in the *Homeland Security Act of 2002*, as amended. All 50 States, the District of Columbia, and the Commonwealth of Puerto Rico will receive 0.35% of the total funds allocated for grants under Section 2003 and Section 2004 of the *Homeland Security Act of 2002*, as amended. Each of the four territories (American Samoa, Guam, the Northern Mariana Islands, and the U.S. Virgin Islands) will receive a minimum allocation of 0.08% of the total funds allocated for grants under Sections 2003 and 2004 of the *Homeland Security Act of 2002*, as amended.

Each state must include a separate IJ for the National Priority Area with a minimum spend requirement (Enhancing Election Security). ***All projects related to the minimum spend for the National Priority Area must be included in the IJ.*** For this National Priority Area with a minimum spend percentage requirement, the funding level in that National Priority Area investment **must equal or exceed** 3%, calculated as a percentage of the state's SHSP allocation in the table below. The funding levels across all six National Priority Areas **must equal or exceed 30%** of the total SHSP allocation.

FY 2024 SHSP Allocations

State/Territory	FY 2024 Allocation	State/Territory	FY 2024 Allocation
Alabama	$4,362,750	Montana	$4,362,750
Alaska	$4,362,750	Nebraska	$4,362,750
American Samoa	$997,200	Nevada	$4,362,750
Arizona	$4,362,750	New Hampshire	$4,362,750
Arkansas	$4,362,750	New Jersey	$6,367,357
California	$51,332,060	New Mexico	$4,362,750
Colorado	$4,362,750	New York	$61,229,940
Connecticut	$4,362,750	North Carolina	$4,576,849
Delaware	$4,362,750	North Dakota	$4,362,750
District of Columbia	$4,576,849	Northern Mariana Islands	$997,200
Florida	$8,409,514	Ohio	$5,571,852
Georgia	$4,759,790	Oklahoma	$4,362,750
Guam	$997,200	Oregon	$4,362,750
Hawaii	$4,362,750	Pennsylvania	$7,322,627
Idaho	$4,362,750	Puerto Rico	$4,362,750
Illinois	$12,505,419	Rhode Island	$4,362,750
Indiana	$4,362,750	South Carolina	$4,362,750
Iowa	$4,362,750	South Dakota	$4,362,750
Kansas	$4,362,750	Tennessee	$4,362,750
Kentucky	$4,362,750	Texas	$16,389,406
Louisiana	$4,362,750	U.S. Virgin Islands	$997,200
Maine	$4,362,750	Utah	$4,362,750
Maryland	$6,367,357	Vermont	$4,362,750
Massachusetts	$5,571,852	Virginia	$7,322,627
Michigan	$4,576,849	Washington	$5,571,852
Minnesota	$4,362,750	West Virginia	$4,362,750
Mississippi	$4,362,750	Wisconsin	$4,362,750
Missouri	$4,362,750	Wyoming	$4,362,750
Total			**$373,500,000**

UASI Allocations

Eligible candidates for the FY 2024 UASI program are identified in the table below. Eligibility has been determined through an analysis of relative risk of terrorism faced by the 100 most populous Metropolitan Statistical Areas (MSA) in the United States, in accordance with the *Homeland Security Act of 2002*, as amended. Detailed information on MSAs is publicly available from the United States Census Bureau at Metropolitan and Micropolitan (census.gov). ***THIRA/SPR results do not impact grant allocations or awards.***

The Metropolitan Areas Standardization and Protection (MAPS) Act of 2021 (P.L. 117-219) prohibits automatically updating core-based statistical areas, which are used to delineate MSAs, for grantmaking. The MAPS Act requires that FEMA issue notice-and-comment rulemaking to make any changes. Should changes be necessary in FY 2024, FEMA will issue notice-and-comment rulemaking within the statutorily defined guidelines.

The following table identifies the UASI allocations for each high-risk urban area based on DHS/FEMA's relative risk methodology pursuant to the *Homeland Security Act of 2002*, as amended.

In its application, each high-risk urban area, through the state, must include a separate IJ for the National Priority Area with a minimum spend requirement (Enhancing Election Security). ***All projects related to the minimum spend for the National Priority Area* must *be included in the IJ.*** For the National Priority Area with a minimum spend percentage requirement, the funding level in that National Priority Area investment **must equal or exceed** 3%, calculated as a percentage of the urban area's UASI allocation in the table below. The funding levels across all six National Priority Areas **must equal or exceed 30%** of the total UASI allocation.

FY 2024 UASI Allocations

State/Territory	Funded Urban Area	FY 2024 UASI Allocation
Arizona	Phoenix Area	$4,712,190
California	Anaheim/Santa Ana Area	$4,712,190
	Bay Area	$32,754,895
	Los Angeles/Long Beach Area	$59,395,378
	Riverside Area	$3,500,484
	Sacramento Area	$3,410,728
	San Diego Area	$14,760,877
Colorado	Denver Area	$3,500,484
District of Columbia	National Capital Region	$45,201,207
Florida	Jacksonville Area	$1,346,340
	Miami/Fort Lauderdale Area	$13,040,425
	Orlando Area	$3,410,728
	Tampa Area	$3,410,728
Georgia	Atlanta Area	$6,911,212

State/Territory	Funded Urban Area	FY 2024 UASI Allocation
Hawaii	Honolulu Area	$1,346,340
Illinois	Chicago Area	$59,395,378
Indiana	Indianapolis Area	$1,476,785
Louisiana	New Orleans Area	$1,476,785
Maryland	Baltimore Area	$3,410,728
Massachusetts	Boston Area	$14,941,233
Michigan	Detroit Area	$4,712,190
Minnesota	Twin Cities Area	$4,712,190
Missouri	Kansas City Area	$1,476,785
	St. Louis Area	$3,410,728
Nevada	Las Vegas Area	$4,712,190
New Jersey	Jersey City/Newark Area	$16,722,687
New York	New York City Area	$156,131,176
North Carolina	Charlotte Area	$3,410,728
Ohio	Cincinnati Area	$1,476,785
	Cleveland Area	$1,476,785
	Columbus Area	$1,346,340
Oregon	Portland Area	$3,410,728
Pennsylvania	Philadelphia Area	$14,941,233
	Pittsburgh Area	$1,476,785
Tennessee	Nashville Area	$1,346,340
Texas	Austin Area	$1,500,000
	Dallas/Fort Worth/Arlington Area	$14,941,233
	Houston Area	$21,748,776
	San Antonio Area	$3,410,728
Virginia	Hampton Roads Area	$3,410,728
Washington	Seattle Area	$5,609,750
Total		**$553,500,000**

OPSG Allocations

For FY 2024, DHS/FEMA will award OPSG funds based on risk and the anticipated effectiveness of the proposed use of grant funds upon completion of the application review process. The FY 2024 OPSG risk assessment is designed to identify the risk to border security and to assist with the distribution of funds for the grant program. Funding under OPSG is distributed based on the risk to the security of the border and the effectiveness of the proposed projects. Entities eligible for funding are the state, local, and tribal law enforcement agencies that are located along the border of the United States. DHS/FEMA will make final award determinations based upon a review of the anticipated effectiveness of the

state's application as described in Section D, below. ***The THIRA/SPR process is not required for OPSG.***

For the purposes of OPSG, the risk is defined as the potential for an adverse outcome assessed as a function of threats, vulnerabilities, and consequences associated with an incident, event, or occurrence.

Based upon ongoing intelligence analysis and extensive security reviews, DHS/CBP continues to focus the bulk of OPSG funds based upon risk analyses. The risk model used to allocate OPSG funds considers the potential risk that certain threats pose to border security and estimates the relative risk faced by a given area. In evaluating risk, DHS/CBP considers intelligence, situational awareness, criminal trends, and statistical data specific to each of the border sectors, and the potential impacts that these threats pose to the security of the border area. For vulnerability and consequence, DHS/CBP considers the expected impact and consequences of successful border events occurring in specific areas.

Threat and vulnerability are evaluated based on specific operational data from DHS/CBP. Threat components present in each of the sectors are used to determine the overall threat score. These components are terrorism, criminal aliens, drug trafficking organizations, and alien smuggling organizations.

Effectiveness of the proposed investments will be evaluated based on the recipient's investment strategy, budget, collaboration, and past performance.

2. Projected Number of Awards 56

3. Period of Performance: 36 months

Extensions to the period of performance are allowed. For additional information on period of performance extensions, please refer to the Preparedness Grants Manual.

4. Projected Period of Performance Start Date(s): 09/01/2024

5. Projected Period of Performance End Date(s): 08/31/2027

6. Projected Budget Period(s)
There will be only a single budget period with the same start and end dates as the period of performance.

7. Funding Instrument Type: Grant

C. Eligibility Information

1. Eligible Applicants

The SAA is the only entity eligible to submit HSGP applications to DHS/FEMA, including those applications submitted on behalf of UASI and OPSG applicants. All 56 states and territories, including any state of the United States, the District of Columbia, the

Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, are eligible to apply for SHSP funds. Tribal governments may not apply directly for HSGP funding; however, funding may be available to tribes through the SAA.

2. Applicant Eligibility Criteria

The SAA is the only eligible applicant.

An application submitted by an otherwise eligible non-federal entity (i.e., the applicant) may be deemed ineligible when the person that submitted the application is not: 1) a ***current employee, personnel, official, staff, or leadership*** of the non-federal entity; and 2) ***duly authorized to apply*** for an award on behalf of the non-federal entity at the time of application.

Further, the **Authorized Organization Representative (AOR)** must be a duly authorized current employee, personnel, official, staff, or leadership of the recipient and ***provide an email address unique to the recipient at the time of application and upon any change in assignment during the period of performance. Consultants or contractors of the recipient are not permitted to be the AOR of the recipient.***

3. Subawards and Beneficiaries

a. *Subaward Allowability*

Subawards are allowed under the HSGP. The recipient (the SAA) is awarded, and then any funds passed through to other state or local entities (subrecipients) are considered subawards.

b. *Subrecipient Eligibility*

Eligible high-risk urban areas for the FY 2024 UASI program have been determined through an analysis of relative risk of terrorism faced by the 100 most populous MSAs in the United States. Subawards will be made by the SAAs to the designated high-risk urban areas.

For 2024, each SAA is **strongly encouraged** to re-evaluate its process for collecting and evaluating subaward applications. FEMA encourages each SAA to minimize the type and quantity of information that it collects as part of the subaward application process, in order to decrease the overall financial and time burden associated with applying for subawards under this grant program. Each SAA should review its subaward application and reduce or eliminate the request for any information that is not needed for legal, financial, or oversight purposes.

In FY 2024, OPSG eligible subrecipients are local units of government at the county level or equivalent level of government and federally recognized tribal governments in states bordering Canada or Mexico and states and territories with international water borders. All applicants must have active ongoing USBP operations coordinated through a CBP sector office to be eligible for OPSG funding.

In FY 2024, OPSG subrecipients eligible to apply for and receive a subaward directly from the SAAs are divided into three Tiers. Tier 1 entities are local units of government at the county level or equivalent and federally recognized tribal governments that are on a physical border in states bordering Canada, states bordering Mexico, and states and territories with international water borders. Tier 2 eligible subrecipients are those not located on the physical border or international water but are contiguous to a Tier 1 county. Tier 3 eligible subrecipients are those not located on the physical border or international water but are contiguous to a Tier 2 eligible subrecipient. The tier structure is only applicable with regard to eligibility. OPSG funding allocations are based on the assessed border security risks as determined by the USBP.

c. ***Other Subaward Information***

Please see the following sections for additional information on requirements or restrictions related to subawards/subrecipients:

- Section D.4 "Requirements: Obtain a Unique Entity Identifier (UEI) and Register in the System for Award Management";
- Section D.10.b "Program-Specific Required Forms and Information";
- Section D.13 "Funding Restrictions and Allowable Costs";
- Section F.2 "Pass-Through Requirements";
- Section F.3.b "Ensuring the Protection of Civil Rights";
- Section F.5 "Monitoring and Oversight";
- Section G.1.f "Environmental Planning and Historic Preservation";
- Section H.1 "Terminations Provisions";
- Section H.2 "Program Evaluation"; and
- Section H.3 "Financial Assistance Programs for Infrastructure."

Additionally, please see the Preparedness Grants Manual for further information on requirements or restrictions related to subawards/subrecipients.

d. ***Beneficiaries or Participants***

This NOFO and any subsequent federal awards create no rights or causes of action for any participant or beneficiary.

4. Other Eligibility Criteria/Restrictions

a. ***National Incident Management System (NIMS) Implementation***

Prior to allocation of any federal preparedness awards, recipients must ensure and maintain adoption and implementation of NIMS, including implementation of important operational systems defined under NIMS, such as the Incident Command System (ICS). The list of objectives used for progress and achievement reporting is on FEMA's website at https://www.fema.gov/emergency-managers/nims/implementation-training.

Please see the Preparedness Grants Manual for more information on NIMS.

b. ***Emergency Management Assistance Compact (EMAC) Membership***
In support of the National Preparedness Goal (the Goal), SHSP recipients must belong to, be in, or act as a temporary member of the EMAC, except for the American Samoa and the Commonwealth of the Northern Mariana Islands, which are not required to belong to the EMAC at this time. All assets supported in part or entirely with FY 2024 HSGP funding must be readily deployable and NIMS-typed, when possible, to support emergency or disaster operations per existing EMAC agreements. In addition, funding may be used for the sustainment of core capabilities that, while they may not be physically deployable, support national response capabilities, such as Geographic/Geospatial Information Systems, interoperable communications systems, capabilities as defined under the Mitigation Mission Area of the Goal, and fusion centers.

c. ***Law Enforcement Terrorism Prevention Activities (LETPA)***
Per section 2006 of the Homeland Security Act of 2002, as amended (6 U.S.C. § 607), DHS/FEMA is required to ensure that at least 25% of grant funding appropriated for grants awarded under HSGP's authorizing statute are used for LETPAs. ***For FY 2024, DHS/FEMA is requiring that at least 35% of grant funding appropriated under HSGP is used for LETPA***. DHS/FEMA meets this requirement, in part, by requiring all recipients allocate at least 35% of the combined HSGP funds allocated under SHSP and UASI towards LETPAs, as defined in 6 U.S.C. § 607. The LETPA allocation can be from SHSP, UASI, or both. The 35% LETPA allocation may be met by funding projects in any combination of the six National Priority Areas identified above and any other investments. The 35% LETPA allocation requirement is in addition to the 80% pass-through requirement to local units of government and tribes, referenced below. Information Bulletin (IB) 485 includes the most up-to-date information on project selection considerations and allowable activities for LETPA investments and compliments IB 473. Both IBs are applicable to the FY 2024 HSGP NOFO. More information on allowable investments can also be found in the Allowable Costs Matrix section below.

The National Prevention Framework describes those activities that should be executed upon the discovery of intelligence or information regarding an imminent threat to the homeland, to thwart an initial or follow-on terrorist attack and provides guidance to ensure the Nation is prepared to identify, prevent, avoid, or stop a threatened or actual act of terrorism. Activities outlined in the National Prevention Framework are eligible for use as LETPA-focused funds. Also, where capabilities are shared with the protection mission area, the National Protection Framework activities are also eligible. All other terrorism prevention activities proposed for funding under LETPA must be approved by the FEMA Administrator.

In support of efforts to enhance capabilities for detecting, deterring, disrupting, and preventing acts of terrorism and other catastrophic events, **operational overtime costs are allowable** for increased protective security measures at critical infrastructure sites or other high-risk locations and to enhance public safety during mass gatherings and

high-profile events. More information about operational overtime costs can be found in Section D.13 "Funding Restrictions and Allowable Costs" below.

5. Cost Share or Match

There is no cost share or match requirements for the FY 2024 HSGP.

D. Application and Submission Information

1. Key Dates and Times

a. ***Application Start Date:*** **04/16/2024**

b. ***Application Submission Deadline:*** **06/24/2024 at 5 p.m. ET**

All applications **must** be received by the established deadline.

FEMA's Grants Outcomes System (FEMA GO) automatically records proof of timely submission and the system generates an electronic date/time stamp when FEMA GO successfully receives the application. The individual with the AOR role that submitted the application will also receive the official date/time stamp and a FEMA GO tracking number in an email serving as proof of their timely submission. For additional information on how an applicant will be notified of application receipt, see the subsection titled "Timely Receipt Requirements and Proof of Timely Submission" in Section D of this NOFO.

FEMA will not review applications that are received after the deadline or consider these late applications for funding. FEMA may, however, extend the application deadline on request for any applicant who can demonstrate that good cause exists to justify extending the deadline. Good cause for an extension may include technical problems outside of the applicant's control that prevent submission of the application by the deadline, other exigent or emergency circumstances, or statutory requirements for FEMA to make an award.

Applicants experiencing technical problems outside of their control must notify FEMA as soon as possible and before the application deadline. Failure to timely notify FEMA of the issue that prevented the timely filing of the application may preclude consideration of the award. "Timely notification" of FEMA means the following: prior to the application deadline and within 48 hours after the applicant became aware of the issue.

A list of FEMA contacts can be found in Section G of this NOFO, "DHS Awarding Agency Contact Information." For technical assistance with the FEMA GO system, please contact the FEMA GO Helpdesk at femago@fema.dhs.gov or (877) 585-3242, Monday through Friday, 9:00 AM – 6:00 PM Eastern Time (ET). For programmatic or grants management questions, please contact your Preparedness Officer or Grants Management Specialist. If applicants do not know who to contact or if there are programmatic questions or concerns, please contact fema-grants-news@fema.dhs.gov, Monday through Friday, 9:00 AM – 5:00 PM ET.

c. ***Anticipated Funding Selection Date:*** No later than August 23, 2024

d. ***Anticipated Award Date:*** No later than September 30, 2024

e. ***Other Key Dates:***

Event	Suggested Deadline for Completion
Obtaining Unique Entity Identifier (UEI) number	Four weeks before actual submission deadline
Obtaining a valid Employer Identification Number (EIN)	Four weeks before actual submission deadline
Creating an account with login.gov	Four weeks before actual submission deadline
Registering in SAM or updating SAM registration	Four weeks before actual submission deadline
Registering Organization in FEMA GO	Prior to beginning application
Submitting complete application in FEMA GO	One week before actual submission deadline

2. **Agreeing to Terms and Conditions of the Award**
   By submitting an application, applicants agree to comply with the requirements of this NOFO and the terms and conditions of the award, should they receive an award.

3. **Address to Request Application Package**
   Applications are processed through the FEMA GO system. To access the system, go to https://go.fema.gov/.

4. **Requirements: Obtain a Unique Entity Identifier (UEI) and Register in the System for Award Management** (SAM.gov)
   Each applicant, unless they have a valid exception under 2 CFR §25.110, must:
   a. Be registered in Sam.Gov before application submission.
   b. Provide a valid UEI in its application.
   c. Continue to always maintain an active SAM registration with current information during the federal award process. Note: Per 2 C.F.R. § 25.300, subrecipients are NOT required to go through the full SAM registration process. First-tier subrecipients (meaning entities receiving funds directly from the recipient) are only required to obtain a UEI through SAM, but they are not required to complete the full SAM registration in order to obtain a UEI. Recipients may not make subawards unless the subrecipient has obtained and provided the UEI.

   Lower-tier subrecipients (meaning entities receiving funds passed through by a higher-tier subrecipient) are not required to have a UEI and are not required to register in SAM. Applicants are also not permitted to require subrecipients to complete a full registration in SAM beyond obtaining the UEI.

5. **Steps Required to Obtain a Unique Entity Identifier, Register in the System for Award Management (SAM), and Submit an Application**
   Applying for an award under this program is a multi-step process and requires time to complete. Applicants are encouraged to register early as the registration process can take four weeks or more to complete. Therefore, registration should be done in sufficient time to

ensure it does not impact your ability to meet required submission deadlines. Please review the table above for estimated deadlines to complete each of the steps listed. Failure of an applicant to comply with any of the required steps before the deadline for submitting an application may disqualify that application from funding.

To apply for an award under this program, all applicants must:

a. Apply for, update, or verify their UEI number and Employer Identification Number (EIN) from the Internal Revenue Service;
b. In the application, provide an UEI number;
c. Have an account with login.gov;
d. Register for, update, or verify their SAM account and ensure the account is active before submitting the application;
e. Register in FEMA GO, add the organization to the system, and establish the AOR. The organization's electronic business point of contact (EBiz POC) from the SAM registration may need to be involved in this step. For step-by-step instructions, see https://www.fema.gov/grants/guidance-tools/fema-go/startup
f. Submit the complete application in FEMA GO; and
g. Continue to maintain an active SAM registration with current information at all times during which it has an active federal award or an application or plan under consideration by a federal awarding agency. As part of this, applicants must also provide information on an applicant's immediate and highest-level owner and subsidiaries, as well as on all predecessors that have been awarded federal contracts or federal financial assistance within the last three years, if applicable.

Applicants are advised that FEMA may not make a federal award until the applicant has complied with all applicable SAM requirements. Therefore, an applicant's SAM registration must be active not only at the time of application, but also during the application review period and when FEMA is ready to make a federal award. Further, as noted above, an applicant's or recipient's SAM registration must remain active for the duration of an active federal award. If an applicant's SAM registration is expired at the time of application, expires during application review, or expires any other time before award, FEMA may determine that the applicant is not qualified to receive a federal award and use that determination as a basis for making a federal award to another applicant.

Per 2 C.F.R. § 25.110(c)(2)(iii), if an applicant is experiencing exigent circumstances that prevents it from obtaining an UEI number and completing SAM registration prior to receiving a federal award, the applicant must notify FEMA as soon as possible by contacting fema-grants-news@fema.dhs.gov and providing the details of the circumstances that prevent completion of these requirements. If FEMA determines that there are exigent circumstances and FEMA has decided to make an award, the applicant will be required to obtain an UEI number, if applicable, and complete SAM registration within 30 days of the federal award date.

6. **Electronic Delivery**
   DHS is participating in the Grants.gov initiative to provide the grant community with a single site to find and apply for grant funding opportunities. DHS encourages or requires applicants to submit their applications online through Grants.gov, depending on the funding opportunity.

   For this funding opportunity, FEMA requires applicants to submit applications through FEMA GO.

7. **How to Register to Apply**

   a. **General Instructions:**
   Registering and applying for an award under this program is a multi-step process and requires time to complete. Read the instructions below about registering to apply for FEMA funds. Applicants should read the registration instructions carefully and prepare the information requested before beginning the registration process. Reviewing and assembling the required information before beginning the registration process will alleviate last-minute searches for required information.

   The registration process can take up to four weeks to complete. To ensure an application meets the deadline, applicants are advised to start the required steps well in advance of their submission.

   Organizations must have an UEI number, an EIN, and an active SAM registration to apply for a federal award under this funding opportunity.

   b. **Obtain an UEI Number:**
   All entities applying for funding, including renewal funding, must have a UEI number. Applicants must enter the UEI number in the applicable data entry field on the SF-424 form.

   For more detailed instructions for obtaining a UEI number, refer to: SAM.gov

   c. **Obtain Employer Identification Number**
   All entities applying for funding must provide an Employer Identification Number (EIN). The EIN can be obtained from the IRS by visiting: https://www.irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online.

   d. **Create a login.gov account:**
   Applicants must have a login.gov account in order to register with SAM or update their SAM registration. Applicants can create a login.gov account here: https://secure.login.gov/sign_up/enter_email?request_id=34f19fa8-14a2-438c-8323-a62b99571fd3.

Applicants only have to create a login.gov account once. For applicants that are existing SAM users, use the same email address for the login.gov account as with SAM.gov so that the two accounts can be linked.

For more information on the login.gov requirements for SAM registration, refer to: https://www.sam.gov/SAM/pages/public/loginFAQ.jsf.

e. Register with SAM:
All applicants applying online through FEMA GO must register with SAM. Failure to register with SAM will prevent an applicant from completing the application in FEMA GO. SAM registration must be renewed annually. Organizations will be issued a UEI number with the completed SAM registration.

For more detailed instructions for registering with SAM, refer to https://apply07.grants.gov/help/html/help/Register/RegisterWithSAM.htm

Note: Per 2 C.F.R. § 25.200, applicants must also provide the applicant's immediate and highest-level owner, subsidiaries, and predecessors that have been awarded federal contracts or federal financial assistance within the last three years, if applicable.

I. ADDITIONAL SAM REMINDERS
Existing SAM.gov account holders should check their account to make sure it is "ACTIVE." SAM registration should be completed at the very beginning of the application period and should be renewed annually to avoid being "INACTIVE." **Please allow plenty of time before the grant application submission deadline to obtain an UEI number and then to register in SAM. It may be four weeks or more after an applicant submits the SAM registration before the registration is active in SAM, and then it may be an additional 24 hours before FEMA's system recognizes the information.**

It is imperative that the information applicants provide is correct and current. Please ensure that your organization's name, address, and EIN are up to date in SAM and that the UEI number used in SAM is the same one used to apply for all other FEMA awards. Payment under any FEMA award is contingent on the recipient's having a current SAM registration.

II. HELP WITH SAM
The SAM quick start guide for new recipient registration and SAM video tutorial for new applicants are tools created by the General Services Administration (GSA) to assist those registering with SAM. If applicants have questions or concerns about a SAM registration, please contact the Federal Support Desk at https://www.fsd.gov/fsd-gov/home.do or call toll free (866) 606-8220.

f. Register in FEMA GO, Add the Organization to the System, and Establish the AOR:
Applicants must register in FEMA GO and add their organization to the system. The organization's electronic business point of contact (EBiz POC) from the SAM registration may need to be involved in this step. For step-by-step instructions, see https://www.fema.gov/grants/guidance-tools/fema-go/startup

Note: FEMA GO will support only the most recent major release of the following browsers:

- Google Chrome
- Internet Explorer
- Mozilla Firefox
- Apple Safari
- Microsoft Edge

Users who attempt to use tablet type devices or other browsers may encounter issues with using FEMA GO.

8. Submitting the Application
Applicants will be prompted to submit the standard application information and any program-specific information required as described in Section D.10 of this NOFO, "Content and Form of Application Submission." The Standard Forms (SF) may be accessed in the Forms tab under the https://grants.gov/forms/forms-repository/sf-424-family Applicants should review these forms before applying to ensure they have all the information required.

After submitting the final application, FEMA GO will provide either an error message or a successfully received transmission in the form of an email sent to the AOR that submitted the application. Applicants using slow internet connections, such as dial-up connections, should be aware that transmission can take some time before FEMA GO receives your application.

For additional application submission requirements, including program-specific requirements, please refer to the subsection titled "Content and Form of Application Submission" under Section D of this NOFO.

9. Timely Receipt Requirements and Proof of Timely Submission
All applications must be completed in FEMA GO by the application deadline. FEMA GO automatically records proof of timely submission and the system generates an electronic date/time stamp when FEMA GO successfully receives the application. The individual with the AOR role that submitted the application will also receive the official date/time stamp and a FEMA GO tracking number in an email serving as proof of their timely submission on the date and time that FEMA GO received the application.

Applicants who experience system-related issues will be addressed until 3:00 PM ET on the date applications are due. No new system-related issues will be addressed after this deadline. Applications not received by the application submission deadline will not be accepted.

10. Content and Form of Application Submission

a. *Standard Required Application Forms and Information*

Generally, applicants have to submit either the non-construction forms (i.e., SF-424A and SF-424B) or construction forms (i.e., SF-424C and SF-424D), meaning that applicants that only have construction work and do not have any non-construction work need only submit the construction forms (i.e., SF-424C and SF-424D) and not the non-construction forms (i.e., SF-424A and SF-424B), and vice versa. However, applicants who have both construction and non-construction work under this program need to submit both the construction and non-construction forms.

The following forms or information are required to be submitted via FEMA GO. The Standard Forms (SF) are also available at https://grants.gov/forms/forms-repository/sf-424-family

- **SF-424, Application for Federal Assistance**
- **Grants.gov Lobbying Form, Certification Regarding Lobbying**
- **SF-424A, Budget Information (Non-Construction)**
  - **For construction under an award, submit SF-424C, Budget Information (Construction)**, in addition to or instead of SF-424A
- **SF-424B, Standard Assurances (Non-Construction)**
  - **For construction under an award, submit SF-424D, Standard Assurances (Construction)**, in addition to or instead of SF-424B
- **SF-LLL, Disclosure of Lobbying Activities**

b. *Program-Specific Required Forms and Information*

The following program-specific forms or information are required to be submitted in FEMA GO:

- Investment Justification (SHSP and UASI)
- Concept of Operations (OPSG)
- Operations Orders (OPSG)
- Detailed Budgets

I. IJ Development: SHSP and UASI

As part of the FY 2024 HSGP application process for SHSP and UASI funds, applicants must develop formal IJs that address the proposed investments. Failure to fulfill all of the terms contained in this section will be considered by DHS/FEMA in its evaluation of the effectiveness of the IJs submitted to meet the minimum percent spend requirement for the National Priority Areas. Failure to sufficiently align projects to the National Priority Areas and meet the minimum percent spend requirement will result in funds being placed on hold until those issues are addressed.

FY 2024 SHSP and UASI applications must include one (1) IJ and at least one (1) respective project for the one National Priority Area with a minimum spend requirement (Enhancing Election Security) identified in this NOFO. This IJ must also meet or exceed the minimum percent spend requirement based on the

applicant's SHSP and UASI allocation stated in this NOFO. ***All projects associated with the minimum spend of a National Priority Area* must *be submitted in the same IJ.*** SAAs may submit complete project-level information at the time of application but are not required to do so at the time of application. However, any SHSP or UASI application that does not include IJs that (1) meet the minimum spend requirement for the Enhancing Election Security priority area and (2) meet the overall 30% spending requirement across the National Priority Areas will have that funding placed on hold (up to the National Priority Area minimum percent and up to 30% of the total SHSP or UASI allocations) until those IJs and project-level details that sufficiently address the National Priority Areas are received and approved by DHS/FEMA.

Each IJ must *demonstrate* how proposed investments:

i. Support terrorism preparedness; and
ii. Support building capability and/or closing capability gaps or sustaining capabilities identified in the community's THIRA/SPR process.

Each IJ must *explain* how the proposed investments will support the applicant's efforts to:

i. Prevent a threatened or an actual act of terrorism;
ii. Prepare for all hazards and threats, while explaining the nexus to terrorism preparedness;
iii. Protect citizens, residents, visitors, and assets against the greatest threats and hazards, relating to acts of terrorism; and/or
iv. Respond quickly and equitably to save lives, protect property and the environment, and meet basic human needs in the aftermath of an act of terrorism or other catastrophic incidents.

If not included in the application, SHSP and UASI recipients must submit complete project-level information for each SHSP and UASI IJ as part of the Biannual Strategic Implementation Report (BSIR) due by January 30, 2025. This includes IJs for the National Priority Areas.

DHS/FEMA will evaluate the effectiveness of the projects submitted in support of the National Priority Areas, either at the time of application or as part of the December 2024 BSIR due January 30, 2025. DHS/FEMA will not reduce FY 2024 HSGP awards based on the effectiveness review but will work with recipients to ensure compliance with the National Priority Area requirements based on the results of the effectiveness review. Recipients and subrecipients will not be permitted to expend funding under the National Priority Areas until the effectiveness of the proposed projects has been reviewed and confirmed by FEMA.

II. Development of Investments and Projects: SHSP and UASI

i. Applicants must propose at least two (2) and may include up to 12 investments.
ii. Within each investment, applicants must propose at least one project to describe the activities they plan to implement with SHSP and UASI funds. There is no limit to the number of projects that may be submitted.
iii. Required National Priority Area IJs must include the name of the priority in the investment name for easy identification.
iv. All requested funding must be associated with specific projects. For each project, several pieces of information must be provided to submit the project for consideration in the application, including:
    - Project name;
    - Project description;
    - Subrecipient name, if applicable;
    - Recipient type (e.g., state or local);
    - Project location (zip code of the primary location of the project);
    - Primary core capability the project supports;
    - Whether the project activities are shareable and deployable; and
    - Which National Priority Area (if any) the project supports.
v. Projects should describe how the proposed investment supports building capability and/or closing capability gaps or sustaining capabilities identified in the THIRA/SPR process.
vi. FEMA encourages states to use any DHS provided assessments, such as those performed by DHS's Protective Security Advisors and Cybersecurity Advisors, when developing their IJs.

III. National Priority Area Investments: SHSP and UASI

States are encouraged to review the Strategic Framework for Countering Terrorism and Targeted Violence when developing investments.

Soft Targets/Crowded Places (no minimum percent)

Soft targets and crowded places are increasingly appealing to terrorists and other violent extremist actors because of their relative accessibility and the large number of potential targets. This challenge is complicated by the prevalent use of simple tactics and less sophisticated attacks. Segments of our society are inherently open to the general public, and by nature of their purpose do not incorporate strict security measures. Given the increased emphasis by terrorists and other violent extremist actors to leverage less sophisticated methods to inflict harm in public areas, it is vital that the public and private sectors collaborate to enhance security of locations such as transportation centers, parks, restaurants, shopping centers, special event venues, polling places, and similar facilities. Additionally, it is important that personnel responding to incidents at these locations are trained on key operational systems, such as ICS, to ensure proper

command, control, and coordination of on-scene incident management.

The malicious use of unmanned aircraft systems poses a threat to the safety and security of the American people, communities, and institutions. Technologies to detect or mitigate unmanned aircraft systems are an allowable use under the HSGP in accordance with the Domestic Counter-Unmanned Aircraft Systems (UAS) National Action Plan. Recipients should ensure that, prior to the testing, acquisition, installation, or use of UAS detection and/or mitigation systems, they seek the advice of counsel experienced with both federal and state criminal, surveillance, and communications laws which may apply to the use of such technologies.

While not required, applicants are encouraged to submit an investment related to protecting soft targets/crowded places. The proposed investment will be subject to DHS/FEMA's evaluation of the effectiveness of the proposed investments. States are encouraged to engage DHS' Protective Security Advisors' security assessments of soft targets to ensure that recommendations from those assessments are taken into consideration when allocating grant funding.

Additional resources and information regarding securing soft targets and crowded places are available through the Cybersecurity and Infrastructure Security Agency and the National Institute of Standards and Technology.

Information and Intelligence Sharing (no minimum percent)
Effective homeland security operations rely on access to, analysis of, and the timely sharing of open source, unclassified, and classified information, suspicious activity reports, tips/leads, and actionable intelligence on indicators and behaviors to accurately identify, assess, and mitigate a wide array of threats against the United States, including terrorism, threats to life, targeted violence, and other threats within the DHS mission space. Accordingly, DHS works diligently to enhance intelligence collection, integration, analysis, and information sharing capabilities to ensure partners, stakeholders, and senior leaders receive actionable intelligence and information necessary to inform their decisions and operations. A critical and statutorily charged mission of DHS is to deliver intelligence and information to federal, state, local, tribal, and territorial governments and private sector partners. Cooperation and information sharing among state, local, tribal, territorial, and federal partners across all areas of the homeland security enterprise, including counterterrorism, while upholding privacy, civil rights, and civil liberties protections, is critical to homeland security operations and the prevention of, preparation for, protection against, and response to acts of terrorism, and other threats to life and criminal acts of targeted violence. Counterterrorism includes both international and domestic terrorism, cybersecurity, border security, transnational organized crime, immigration enforcement, economic security, and other areas.

While there is no minimum spend for this National Priority Area, applicants are required to include at least one dedicated fusion center project under this priority area. Additional instructions on development of the fusion center project can be found below. Applicants must justify persuasively how they will contribute to the information sharing and collaboration purposes of the investment and a culture of national preparedness. The proposed investment will be subject to DHS/FEMA's evaluation of the effectiveness of the proposed investments.

Additional resources and information regarding collaboration and information sharing are available through the Department's Office of Intelligence and Analysis.

Domestic Violent Extremism (no minimum percent)
As stated in the Homeland Threat Assessment 2024, terrorism, including domestic violent extremism, remains a top threat to the Homeland. Domestic violent extremists capitalize on social and political tensions, which have resulted in an elevated threat environment. They utilize social media platforms and other technologies to spread violent extremist ideologies that encourage violence and influence action within the United States.

While not required, applicants are encouraged to submit an investment related to combatting the rise, influence, and spread of domestic violent extremism. Investments under this priority may include the development, implementation, and execution of prevention-focused program and initiatives, such as threat assessment and management programs to identify, evaluate, and analyze indicators and behaviors indicative of terrorism and targeted violence. The investment will be subject to DHS/FEMA's evaluation of the effectiveness of the proposed investments.

Additional resources and information regarding domestic violent extremism are available through Center for Prevention Programs and Partnerships | Homeland Security (dhs.gov).

Cybersecurity (no minimum percent)
Today's world is more interconnected than ever before, but with increased connectivity comes increased risk of our adversaries, including terrorists, exploiting cyber vulnerabilities and weaknesses to disrupt our way of life. While not required, applicants are encouraged to submit an investment related to their ongoing or near-term high priority cybersecurity projects. The investment will be subject to DHS/FEMA's evaluation of the effectiveness of the proposed investments.

Cybersecurity investments must support the security and functioning of critical infrastructure and core capabilities as they relate to preventing, preparing for, protecting against, or responding to acts of terrorism. Recipients of FY 2024 HSGP grant awards who do not accept the funding allocated to them through the

FY 2024 State and Local Cybersecurity Grant Program (SLCGP) will be required to complete the 2024 Nationwide Cybersecurity Review (NCSR), enabling agencies to benchmark and measure progress of improving their cybersecurity posture. Completion of the NCSR is optional for all other recipients of FY 2024 HSGP funding. The Chief Information Officer (CIO), Chief Information Security Officer (CISO), or equivalent for each recipient should complete the NCSR. If there is no CIO or CISO, the most senior cybersecurity professional should complete the assessment. The NCSR is available at no cost to the user and takes approximately 2-3 hours to complete. The 2024 NCSR is estimated to be open from October 2024 through February 2025.

The NCSR is an annual requirement for recipients of SLCGP grant awards (and for those HSGP recipients who do not accept their allocated SLCGP funding) and is taken once for each fiscal year award.

Additional resources and information regarding cybersecurity and cybersecurity performance goals are available through the Cybersecurity and Infrastructure Security Agency, Cross-Sector Cybersecurity Performance Goals | CISA, and the National Institute of Standards and Technology.

Community Preparedness and Resilience (no minimum percent)
Community organizations are the backbones of American civic life, both during "blue skies" and in the aftermath of terrorist attacks. Community organizations, such as homeless shelters, food banks, public libraries, faith-based institutions, and nonprofit medical providers must have the capabilities to withstand acts of terrorism and provide essential services, especially to members of underserved communities, in the aftermath of an attack. In addition, individual citizens and volunteer responders, such as Community Emergency Response Teams, are often the first on the scene after a terrorist attack. The ability of these volunteers to provide assistance to their fellow citizens prior to the arrival of professional first responders is paramount to a community's resilience. According to FEMA's 2023 National Household Survey, only 57% of adults have taken at least three preparedness actions to bolster individual and household resilience. . In addition, the COVID-19 pandemic has placed a significant burden on community-based organizations such as homeless shelters, food banks, public libraries, faith-based institutions, and nonprofit medical providers to continue to provide key services during and after disasters, including acts of terrorism. This National Priority Area will bolster community preparedness and resilience by investing in local, community-driven capabilities.

Additionally, equity in emergency management requires proactively prioritizing actions that reinforce cultural competency, accessibility, and inclusion, as well as reflect the historical context of specific groups of people. To that end, states, territories, and high-risk urban areas are strongly encouraged to explore how SHSP- and UASI-funded activities can address the needs of underserved, at-risk communities to help ensure consistent and systematic, fair, just, and impartial

treatment of all individuals before, during, and after a disaster, consistent with applicable law.

The focus on equity and investing in strategies that meet the needs of underserved communities will strengthen the whole of community system of emergency management. Substantial and ongoing prioritization of, and investment in, underserved communities is essential for the entire system to be effective and efficient. Engaging the whole community requires all members of the community to be part of the emergency management team, including representatives of underserved communities, diverse community members, social and community service groups and institutions, faith-based and disability advocacy groups, academia, professional associations, the private and nonprofit sectors, and government agencies that may not traditionally have been directly involved in emergency management. The whole community includes children; older adults; individuals with disabilities and others with access and functional needs; those from religious, racial, and ethnically diverse backgrounds; people with limited English proficiency; and owners of animals including household pets and service animals.

While not required, applicants are encouraged to submit an investment related to addressing community preparedness and resilience. The investment will be subject to DHS/FEMA's evaluation of the effectiveness of the proposed investments.
Additional resources and information regarding community preparedness and resilience are available through Individuals and Communities | FEMA.gov.

Election Security (3%)
In January 2017, DHS designated the infrastructure used to administer the Nation's elections as critical infrastructure. This designation recognizes that the United States' election infrastructure is of such vital importance to the American way of life that its incapacitation or destruction would have a devastating effect on the country. Additionally, the Homeland Threat Assessment 2024 indicates that electoral processes remain an attractive target for many adversaries.

Securing election infrastructure, ensuring its continued operation in the face of threats and harassment, advancing the safety of election officials, and ensuring an election free from foreign interference are national security priorities. Threats to election systems are constantly evolving, so defending these systems requires constant vigilance, innovation, and adaptation. As such, at least one (1) investment must be in support of the state's and high-risk urban area's efforts to enhance physical election security and/or cyber election security. Additionally, the proposed investment must meet or exceed the FY 2024 national priority percentage for election security and will also be subject to DHS/FEMA's evaluation of the effectiveness of the proposed investments.

The SAA **must** coordinate with the State's Chief Election Official for all projects and matters related to the election security National Priority Area. ***Any activities proposed that could be used to suppress voter registration or turnout will not be approved.***

Additional resources and information regarding election security are available through the Cybersecurity and Infrastructure Security Agency.

IV. Development of Fusion Center Projects: SHSP and UASI

Each applicant must identify a fusion center project that will:

i. Indicate alignment to a designated Fusion Center; and
ii. Provide both a brief narrative description and funding itemization for the proposed project activities that directly support the designated fusion center.

The descriptive narrative and the financial itemization should align improvement or sustainment requests with fusion center activities as they relate to the Fusion Center Performance Measures found in the Preparedness Grants Manual.

Sample Fusion Center Funding Itemization

A sample project description and funding itemization are below. For the itemized projects, clearly identify the anticipated fusion center performance improvement or sustainment as a result of the proposed funding.

The X Fusion enhancement project will fund:

i. *Salaries, benefits, and training for X number of Fusion Center intelligence analysts; and*
ii. *Travel costs associated with fusion center analyst training.*

This project will directly sustain the Center's current capabilities and performance and directly aligns with performance measures 2024.XXX.

We anticipate seeing an improvement in the quality and quantity of analytic production and responses to requests for information as a direct result of the funding of this project.

The funding itemization for a fusion center project should include the amount and percent of each relevant solution area. As an example:

Solution Area and Amount of Proposed Funding		*Percent of Proposed Funding*
Planning:	*$10,000*	*2%*
Organization:	*$200,000*	*48%*
Equipment:	*$200,000*	*48%*
Training:	*$10,000*	*2%*
Exercises:	*$0*	*0%*

Solution Area and Amount of Proposed Funding		*Percent of Proposed Funding*
Total:	*$420,000*	*100%*

V. COMPLETING IJS IN THE FEMA GO: SHSP AND UASI

In the Related Documents section of the Grants.gov posting, applicants can find the IJ template and instructions for collecting the required information for investments and projects. Additionally, applicants should utilize the Project Worksheet located in Grants.gov posting to assemble the information required for each project, which will facilitate the input of that information into FEMA GO.

Applicants must ensure the appropriate National Priority Area "Investment Type" (*Overview Tab – Investment Information Section)* is selected for the corresponding National Priority Area.

VI. DEVELOPMENT OF CONCEPT OF OPERATIONS FOR OPSG

As part of the FY 2024 OPSG application process, each eligible local unit of government at the county or federally recognized tribal government level must develop a strategic plan called a Concept of Operations (CONOP)/Application, which is a formal proposal of action to address a specific situation and forms the basis for Operations Orders, in coordination with state and federal law enforcement agencies, to include, but not limited to CBP/USBP. CONOPs that are developed at the county level should be inclusive of city, county, tribal, and other local law enforcement agencies that are eligible to participate in OPSG operational activities, and the CONOP/Application should describe participating agencies in the Executive Summary.

CONOP/Application details should include the names of the agencies, points of contact, and individual funding requests. All CONOPs/Applications must be developed in collaboration with the local USBP sector office, the SAA, and the local unit of government. Requests for funding in CONOPs/Applications must be based on risks and the operational enforcement support requirements of its corresponding USBP Sector, as well as the national priorities identified below. USBP Sector offices will forward the CONOPs to USBP Headquarters for vetting and coordination. Applicants will forward corresponding OPSG Applications to the SAA for submission to FEMA. USBP Headquarters will reconcile all submitted CONOPs with the OPSG Applications. FEMA will review and evaluate all CONOPs and OPSG Applications and funding will be allocated based on the review and selection criteria identified in this NOFO. OPSG Applicants will be required to clearly articulate and identify how the CONOPs will address the national priority identified below:

Information and Intelligence Sharing and Cooperation

Effective border security operations rely on access to, analysis of, and the timely sharing of open source, unclassified, and classified information, suspicious activity reports, tips/leads, and actionable intelligence on indicators and behaviors

to accurately identify, assess, and mitigate a wide array of threats against the United States, including terrorism, threats to life, targeted violence, and other threats within the DHS mission space. Accordingly, DHS works diligently to enhance intelligence collection, integration, analysis, and information sharing capabilities to ensure partners, stakeholders, and senior leaders receive actionable intelligence and information necessary to inform their decisions and operations. One critical, statutorily required mission of DHS is to deliver intelligence and information to federal, state, local, and tribal governments and private sector partners. Cooperation and information sharing among state, federal, and local partners across all areas of the homeland security enterprise, including both international and domestic terrorism, cybersecurity, transnational organized crime, economic security, border security, immigration enforcement, and other areas, while upholding privacy, civil rights and civil liberties protections, is critical to homeland security operations and the prevention of, preparation for, protection against, and responding to acts of terrorism, and other threats to life and criminal acts of targeted violence.

Given the importance of information sharing and collaboration to effective homeland security solutions, the CONOP must support the recipient's efforts to enhance information sharing and cooperation with DHS and other federal agencies. Applicants must justify persuasively how they will contribute to the information sharing and collaboration purposes of the OPSG program and a culture of national preparedness.

Additional resources and information regarding collaboration and information sharing are available through the Department's Office of Intelligence and Analysis.

VII. Development of Operations Orders for OPSG

Operations Order Template Instructions

To access the OPSG Operations Order Template:

i. Find the Homeland Security Grant Program posting via the search function on Grants.gov;
ii. Select the Related Documents tab on the posting; and
iii. Click on the OPSG Operations Order Template and fill out all sections of the template.

Executive Summary Overview

Operations order executive summary must:

i. Identify the organization name, point of contact, committees, and other structures accountable for implementing OPSG in the jurisdiction (typically this will be a program lead or manager overseeing operations and individuals assigned to that agency); and
ii. Describe how federal and SLTT law enforcement agencies will work together to establish and enhance coordination and collaboration on border security issues.

Budget Requirements Overview
Operations Order Detailed Annual Budget must:

i. Explain how costs and expenses were estimated; and
ii. Provide a narrative justification for costs and expenses. Supporting tables describing cost and expense elements (e.g., equipment, fuel, vehicle maintenance costs) may be included.

Submission Requirements
Operations Orders must meet the following submission requirements:

i. Must be submitted as an Adobe PDF document;
ii. All documents submitted must use the unique identifier created by the OPSG data management system from the original associated operation order; and
iii. Applicable OPSG sector representatives must coordinate with the SAA and OPSG participants to submit an accurate inventory of all specified OPSG purchased property with each Operations Order/FRAGO.
iv. Due to the competitive nature of this program, separate attachments will neither be accepted nor reviewed.

VIII. DETAILED BUDGET

Applicants must provide budget summary worksheets for all funds requested at the time of application. The budget summary worksheets must be complete, reasonable, and cost-effective in relation to the proposed project and should provide the basis of computation of all project-related costs (including management and administrative costs) and any appropriate narrative. FEMA must be able to thoroughly evaluate the projects being submitted based on the information provided. FEMA must be able to determine how much funding is being passed through to subrecipients for each sub-program (UASI, SHSP, OPSG). Consequently, applicants must provide an appropriate level of detail within the budget summary worksheets to clarify what will be purchased and spent. Sample budget summary worksheets are available on the Grants.gov posting for the HSGP in the Related Documents tab and may be used as a guide to assist applicants in the preparation of budgets and budget narratives.

11. Other Submission Requirements

a. *Fusion Center Investments*

Of the proposed SHSP- and UASI-funded investments, one single project must be in support of a designated fusion center. Recipients must coordinate with the fusion center when developing a fusion center project prior to submission. See additional information on how to develop the fusion center projects below and in the Preparedness Grants Manual.

b. *Emergency Communications Investments*

All emergency communications investments must describe how such activities align with needs identified in their Statewide Communication Interoperability Plan (SCIP). Recipients must coordinate with their Statewide Interoperability Coordinator (SWIC)

and/or Statewide Interoperability Governing Body (SIGB) when developing an emergency communications investment prior to submission to ensure the project supports the statewide strategy to improve emergency communications and is compatible and interoperable with surrounding systems. Effective project alignment will require advance coordination with the SWIC and consultation with governing bodies such as the SIGB or Statewide Interoperability Executive Committee, as they serve as the primary steering group for the statewide interoperability strategy. Additionally, recipients should consult subject matter experts serving on governance bodies, such as broadband experts, chief information officers, representatives from utilities, or legal and financial experts, when developing proposals. The investment name must include the words "emergency communications" to easily identify any emergency communications investments.

12. Intergovernmental Review

An intergovernmental review may be required. Applicants must contact their state's Single Point of Contact (SPOC) to comply with the state's process under Executive Order 12372 (See https://www.archives.gov/federal-register/codification/executive-order/12372.html; Intergovernmental Review (SPOC List) (whitehouse.gov)

13. Funding Restrictions and Allowable Costs

All costs charged to awards covered by this NOFO must comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements at 2 C.F.R. Part 200, unless otherwise indicated in the NOFO, the terms and conditions of the award, or the Preparedness Grants Manual. This includes, among other requirements, that costs must be incurred, and products and services must be delivered, within the period of performance of the award. *See* 2 C.F.R. § 200.403(h) (referring to budget periods, which for FEMA awards under this program is the same as the period of performance).

Federal funds made available through this award may be used for the purpose set forth in this NOFO, the Preparedness Grants Manual, and the terms and conditions of the award and must be consistent with the statutory authority for the award. Award funds may not be used for matching funds for any other federal awards, lobbying, or intervention in federal regulatory or adjudicatory proceedings. In addition, federal funds may not be used to sue the Federal Government or any other government entity. See the Preparedness Grants Manual for more information on funding restrictions and allowable costs.

a. *Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services*

See the Preparedness Grants Manual for information on prohibitions on expending FEMA award funds for covered telecommunications equipment or services.

b. *Pre-Award Costs*

Pre-award costs are allowable only with the prior written approval of DHS/FEMA and as included in the award agreement. To request pre-award costs, a written request must be included with the application, signed by the AOR of the entity. The letter must outline what the pre-award costs are for, including a detailed budget break-out

of pre-award costs from the post-award costs, and a justification for approval.

c. ***Management and Administration (M&A) Costs***

M&A costs are allowed by the 2024 DHS Appropriations Act. Recipients may use a maximum of up to 5% of HSGP funds awarded for their M&A, and any funds retained are to be used solely for M&A purposes associated with the HSGP award. Subrecipients may also use a maximum of up to 5% of the funding passed through by the state solely for M&A purposes associated with the HSGP award. M&A activities are those directly relating to the management and administration of HSGP funds, such as financial management and monitoring. M&A expenses must be based on actual expenses or known contractual costs. M&A requests that are simple percentages of the award, without supporting justification, will not be allowed or considered for reimbursement.

M&A costs are not operational costs but are necessary costs incurred in direct support of the federal award or as a consequence of it, such as travel, meeting-related expenses, and salaries of full/part-time staff in direct support of the program. As such, M&A costs can be itemized in financial reports. Other M&A cost examples include preparing and submitting required programmatic and financial reports, establishing and/or maintaining equipment inventory, documenting operational and equipment expenditures for financial accounting purposes, responding to official informational requests from state and federal oversight authorities, including completing the Civil Rights Evaluation Tool as required by DHS, and grant performance measurement or evaluation activities.

Recipients or subrecipients may apply or credit M&A funding toward the recipient's requirement to allocate funding toward the National Priority Areas. For example, if a recipient spends $5,000 to manage or administer its funding dedicated toward its election security investment, the recipient may credit that funding toward its requirement to allocate at least 3% of its award to the enhancing election security National Priority Area.

While the SAA may retain up to 5% of HSGP funds awarded for M&A, the state must still ensure that all subrecipient award amounts meet the mandatory minimum pass-through requirements that are applicable to each HSGP program. To meet this requirement, the percentage of SHSP, UASI, and OPSG funds passed through to subrecipients must be based on the state's total HSGP award prior to withholding any M&A. The maximum amount of M&A the SAAs may retain is calculated based on the total amount received under all HSGP awards. For example, if the award were as follows:

SHSP: $500,000
OPSG: $200,000
UASI: $300,000
Total HSGP Award: $1,000,000

The maximum M&A the SAA is authorized for use of the total HSGP award would be $50,000. ($1,000,000 X 5% = $50,000). **For OPSG subawards, the SAA must ensure that subrecipients receive 100% of their respective OPSG allocation amounts**. In the above example, the SAA could not retain any amount of the OPSG award, including amounts for M&A, and would be required to ensure that the full $200,000 of that OPSG award was received by the subrecipients.

Because the OPSG allocation is a component of the SHSP award, SAAs may retain 5% of the total SHSP award (SHSP + OPSG awards) for M&A and may use this amount to cover the costs of M&A that are directly allocable to both OPSG and SHSP. In the above example, the total amount of the SHSP and OPSG award is $700,000; therefore, the SAA may retain $35,000, which represents up to 5% of the $700,000. This represents $500,000 of the SHSP award for M&A while ensuring that the full amount of the OPSG award is distributed to the appropriate subrecipients.

HSGP recipients are also reminded that any M&A deducted by the SAA from the UASI grant program award must be directly allocable to administration of the UASI grant program and cannot be used to cover M&A costs that are directly allocable to an OPSG or SHSP award.

Specific for OPSG, subrecipients and friendly forces may retain funding for M&A purposes; however, the total amount retained cannot exceed 5% of the subrecipient's subaward. Friendly forces are local law enforcement entities that are subordinate subrecipients under OPSG. In other words, friendly forces are entities that receive a subaward from a subrecipient under the OPSG program. Friendly forces must comply with all requirements of subrecipients under 2 C.F.R. Part 200.

M&A charged to OPSG, SHSP, or UASI funding must be used to support that particular program.

d. ***Indirect Facilities & Administrative (F&A) Costs***

Indirect (F&A) costs (IDC) mean those costs incurred for a common or joint purpose benefitting more than one cost objective and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. IDC are allowable by the recipient [and subrecipients] as described in 2 C.F.R. Part 200, including 2 C.F.R. § 200.414. Applicants with a current negotiated IDC rate agreement who desire to charge indirect costs to a federal award must provide a copy of their IDC rate agreement with their applications. Not all applicants are required to have a current negotiated IDC rate agreement. Applicants that are not required to have a negotiated IDC rate agreement but are required to develop an IDC rate proposal must provide a copy of their proposal with their applications. Applicants who do not have a current negotiated IDC rate agreement (including a provisional rate) and wish to charge the de minimis rate must reach out to FEMA for further instructions. Applicants who wish to use a cost allocation plan in lieu of an IDC rate proposal must reach out to the FEMA Point of Contact for further instructions. As it relates to the IDC for subrecipients, a recipient must follow the requirements of 2

C.F.R. §§ 200.332 and 200.414 in approving the IDC rate for subawards. For information on procedures for establishing indirect cost rates, see the Preparedness Grants Manual.

e. ***Funds Transfer Restrictions***
The recipient is prohibited from transferring funds between programs (includes SHSP, UASI, and OPSG). Recipients can submit an investment/project where funds come from multiple funding sources (e.g., SHSP and UASI), however, recipients are not allowed to divert funding from one program to another due to the risk-based funding allocations, which were made at the discretion of DHS/FEMA.

f. ***Evaluation Costs***
Evaluation costs are allowable. See Section H.2 "Program Evaluation" for more details.

g. ***Allowable Cost Matrix for SHSP, UASI, and OPSG***
The following matrix lists allowable cost activities across cost categories described above and below. The Preparedness Grants Manual includes additional information on allowable costs. Recipients and subrecipients must follow all applicable requirements in 2 C.F.R. Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. HSGP funds may be used to cover the costs for evaluating the impact of these grants on the state or urban area's core capabilities and capability gaps. This list is not exhaustive, therefore, if there are any questions regarding allowable costs, please contact the appropriate FEMA Headquarters (HQ) Preparedness Officer.

Allowable Program Activities	SHSP	UASI	OPSG
Allowable Planning Costs			
Developing hazard/threat-specific annexes	Y	Y	N
Developing and implementing homeland security support programs and adopting ongoing DHS/FEMA national initiatives	Y	Y	N
Developing related terrorism and other catastrophic event prevention activities	Y	Y	N
Developing and enhancing plans and protocols	Y	Y	N
Developing or conducting assessments	Y	Y	N
Hiring of full- or part-time staff or contract/consultants to assist with planning, engagement, and volunteer management activities	Y	Y	N
Materials required to conduct planning, engagement, and volunteer management activities	Y	Y	N
Travel/per diem related to planning, engagement, and volunteer management activities	Y	Y	Y
Overtime and backfill costs (in accordance with operational Cost Guidance)	Y	Y	Y
Issuance of Western Hemisphere Travel Initiative-compliant Tribal identification cards	Y	N	N
Activities to achieve planning inclusive of people with disabilities and others with access and functional needs and limited English proficiency.	Y	Y	N
Coordination with Citizen Corps Councils for public information/education and development of volunteer programs	Y	Y	N
Coordination and material support to Citizen Corps Councils and local firehouses for the establishment, training and maintenance of CERTs	Y	Y	N
Update governance structures and processes and plans for emergency communications	Y	Y	N
Development, and review and revision of continuity of operations plans	Y	Y	N

Allowable Program Activities	SHSP	UASI	OPSG
Development, and review and revision of the THIRA/SPR and continuity of operations plans	Y	Y	N
Developing or conducting equity assessments to address planning and preparedness disparities for historically underserved communities	Y	Y	N
Allowable Organizational Activities **Note:** Personnel hiring, overtime, and backfill expenses are permitted under this grant only to the extent that such expenses are for the allowable activities within the scope of the grant.			
Program management	Y	Y	N
Development of whole community partnerships	Y	Y	N
Structures and mechanisms for information sharing between the public and private sector	Y	Y	N
Implementing models, programs, and workforce enhancement initiatives	Y	Y	N
Tools, resources, and activities that facilitate shared situational awareness between the public and private sectors	Y	Y	N
Operational support	Y	Y	N
Utilization of standardized resource management concepts	Y	Y	N
Responding to an increase in the threat level under the National Terrorism Advisory System (NTAS), or needs in resulting from a National Special Security Event	Y	Y	N
Reimbursement for select operational expenses associated with increased security measures at critical infrastructure sites incurred (up to 50% of the allocation)	Y	Y	Y
Overtime for information, investigative, and intelligence sharing activities (up to 50% of the allocation)	Y	Y	Y
Hiring of new staff positions/contractors/consultants for participation in information/intelligence analysis and sharing groups or fusion center activities (up to 50% of the allocation).	Y	Y	Y
Hiring or maintaining staff positions/contractors/consultants at SLTT levels to deliver community preparedness training, resources and material to schools, community-based organizations, faith-based institutions and local businesses.	Y	Y	N
Hiring or maintaining staff positions/contractors/consultants to create, support and maintain CERT or Teen CERT	Y	Y	N
Cost of migrating online services to the ".gov" domain	Y	Y	N
Allowable Equipment Categories			
Personal Protective Equipment	Y	Y	Y
Explosive Device Mitigation and Remediation Equipment	Y	Y	N
CBRNE Operational Search and Rescue Equipment	Y	Y	N
Information Technology	Y	Y	Y
Cybersecurity Enhancement Equipment	Y	Y	N
Interoperable Communications Equipment	Y	Y	Y
Detection	Y	Y	Y
Decontamination	Y	Y	N
Medical countermeasures	Y	Y	Y
Power (e.g., generators, batteries, power cells)	Y	Y	Y
CBRNE Reference Materials	Y	Y	N
CBRNE Incident Response Vehicles	Y	Y	N
Terrorism Incident Prevention Equipment	Y	Y	Y
Physical Security Enhancement Equipment	Y	Y	Y
Inspection and Screening Systems	Y	Y	Y
Animal Care and Foreign Animal Disease	Y	Y	N
CBRNE Prevention and Response Watercraft	Y	Y	N
CBRNE Prevention and Response Unmanned Aircraft	Y	Y	N
CBRNE Aviation Equipment	Y	Y	N
CBRNE Logistical Support Equipment	Y	Y	N
Intervention Equipment (e.g., tactical entry, crime scene processing)	Y	Y	Y

Allowable Program Activities	SHSP	UASI	OPSG
Critical emergency supplies	Y	Y	N
General use vehicle acquisition, lease, and rental	N	N	Y
Specialized vehicle acquisition, lease, and rental	Y	Y	Y
Other Authorized Equipment	Y	Y	Y
Allowable Training Costs			
Overtime and backfill for emergency preparedness and response personnel attending DHS/FEMA-sponsored and approved training classes	Y	Y	N
Overtime and backfill expenses for part-time and volunteer emergency response personnel participating in DHS/FEMA training	Y	Y	N
Training workshops and conferences	Y	Y	Y
Activities to achieve training inclusive of people with disabilities and others with access and functional needs and limited English proficiency	Y	Y	N
Full- or part-time staff or contractors/consultants	Y	Y	Y
Travel	Y	Y	Y
Supplies	Y	Y	N
Instructor certification/re-certification	Y	Y	N
Coordination with Citizen Corps Councils and CERT in conducting training exercises	Y	Y	N
Preparedness training for community preparedness initiatives and programs	Y	Y	N
Interoperable communications training	Y	Y	N
Activities to achieve planning inclusive of people with limited English proficiency	Y	Y	N
Immigration enforcement training	Y	Y	Y
Allowable Exercise Related Costs			
Design, Develop, Conduct, and Evaluate an Exercise	Y	Y	N
Full- or part-time staff or contractors/consultants	Y	Y	N
Overtime and backfill costs, including expenses for part-time and volunteer emergency response personnel participating in DHS/FEMA exercises	Y	Y	N
Implementation of HSEEP	Y	Y	N
Activities to achieve exercises inclusive of people with disabilities and others with access and functional needs	Y	Y	N
Travel	Y	Y	N
Supplies	Y	Y	N
Interoperable communications exercises	Y	Y	N
Activities to achieve planning inclusive of people with limited English proficiency	Y	Y	N
Allowable M&A Costs			
Hiring of full- or part-time staff or contractors/consultants to assist with the management of the respective grant program, application requirements, and compliance with reporting and data collection requirements	Y	Y	Y
Development of operating plans for information collection and processing necessary to respond to DHS/FEMA data calls	Y	Y	Y
Overtime and backfill costs	Y	Y	Y
Travel	Y	Y	Y
Meeting related expenses	Y	Y	Y
Authorized office equipment	Y	Y	Y
Recurring expenses such as those associated with cell phones and faxes during the period of performance of the grant program	Y	Y	N
Leasing or renting of space for newly hired personnel during the period of performance of the grant program	Y	Y	N
Completing the Civil Rights Evaluation Tool	Y	Y	Y
Conducting activities related to evaluating project effectiveness for HSGP-funded projects	Y	Y	Y

Allowable Program Activities	SHSP	UASI	OPSG
LETPA Costs			
Integration and interoperability of systems and data, such as CAD and RMS, to facilitate the collection,	Y	Y	N
Maturation, enhancement, and sustainment of designated state and major Urban Area fusion centers, including information sharing and analysis, threat recognition, terrorist interdiction, and intelligence analyst training and salaries (subject to certain conditions)	Y	Y	N
Regional counterterrorism training programs for small, medium, and large jurisdictions to exchange information and discuss the current threat environment, lessons learned, and best practices to help prevent, protect against, and mitigate acts of terrorism	Y	Y	N
Coordination of regional full-scale training exercises (federal, state, and local law enforcement participation) focused on terrorism-related events	Y	Y	N
Law enforcement Chemical, Biological, Radiological, Nuclear, and high yield Explosives detection and response capabilities, such as bomb detection/disposal capability development, sustainment, or enhancement, including canine teams, robotics platforms, and x-ray technology	Y	Y	N
Coordination between fusion centers and other operational analytic, and investigative efforts	Y	Y	N
Implementation, maintenance, and sustainment of the Nationwide Suspicious Activity Reporting Initiative	Y	Y	N
Implementation of the "If You See Something, Say Something®" campaign	Y	Y	N
Increase physical security, through law enforcement personnel and other protective measures, by implementing preventive and protective measures at critical infrastructure locations	Y	Y	N

h. ***SHSP and UASI Other Direct Costs***

Recipients must comply with all the requirements in 2 C.F.R. Part 200 (*Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*). In general, recipients should consult with their FEMA HQ Preparedness Officer prior to making any investment that does not clearly meet the allowable expense criteria. Funding guidelines established within this section support four of the five mission areas—Prevention, Protection, Mitigation, and Response—and associated core capabilities within the Goal. While Recovery is part of the Goal, it is not explicitly part of the HSGP. Allowable investments made in support of the national priorities, as well as other capability-enhancing projects must have a nexus to terrorism preparedness and fall into the categories of planning, organization, exercises, training, or equipment, aligned to building capability, closing capability gaps, and/or sustaining capabilities, as defined by CPG 201: THIRA/SPR Guide—3rd Edition (Comprehensive Preparedness Guide (CPG) 201, 3rd Edition (fema.gov)). Recipients are encouraged to use grant funds for evaluating grant-funded project effectiveness and return on investment. FEMA encourages recipients to provide the results of that analysis to FEMA.

i. PLANNING

SHSP and UASI funds may be used for a range of emergency preparedness and management planning activities, such as those associated with the development, review, and revision of the THIRA, SPR, continuity plans, and other planning activities that support the Goal and placing an emphasis on updating and maintaining a current Emergency Operations Plan (EOP) that conforms to the guidelines outlined in Comprehensive Preparedness Guide (CPG) 101 v3.

Planning efforts can also include conducting risk and resilience assessments on increasingly connected cyber and physical systems, on which security depends, using the Infrastructure Resilience Planning Framework and related Cybersecurity and Infrastructure Security Agency (CISA) resources.

Additionally, SHSP and UASI funds may be used for planning efforts related to state court cybersecurity, 911 call capabilities, alert and warning capabilities, and implementation of the REAL ID Act (Pub. L. No. 109-13).

II. ORGANIZATION

Organization costs are allowed under this program only as described in this funding notice and the Preparedness Grants Manual.

States and high-risk urban areas must justify proposed expenditures of SHSP or UASI funds to support organization activities within their Investment Justification (IJ) submission. Organizational activities include:

i. Program management;
ii. Development of whole community partnerships, through groups such as Citizen Corp Councils;
iii. Structures and mechanisms for information sharing between the public and private sector;
iv. Implementing models, programs, and workforce enhancement initiatives to address ideologically inspired radicalization to violence in the homeland;
v. Tools, resources, and activities that facilitate shared situational awareness between the public and private sectors;
vi. Operational Support;
vii. Utilization of standardized resource management concepts such as typing, inventorying, organizing, and tracking to facilitate the dispatch, deployment, and recovery of resources before, during, and after an incident;
viii. Responding to an increase in the threat level under the National Terrorism Advisory System (NTAS) or needs resulting from a National Special Security Event;
ix. Paying salaries and benefits for personnel to serve as qualified Intelligence Analysts. Per the *Personnel Reimbursement for Intelligence Cooperation and Enhancement of Homeland Security Act (PRICE Act)*, Pub. L. No. 110-412, § 2, codified in relevant part, as amended, at 6 U.S.C. § 609(a), SHSP and UASI funds may be used to hire new staff and/or contractor positions to serve as intelligence analysts to enable information/intelligence sharing capabilities, as well as support existing intelligence analysts previously covered by SHSP or UASI funding. *See* 6 U.S.C. § 609(a). To be hired as an intelligence analyst, staff and/or contractor personnel must meet at least one of the following criteria:

- Complete training to ensure baseline proficiency in intelligence analysis and production within six months of being hired; and/or,
- Previously served as an intelligence analyst for a minimum of two years either in a federal intelligence agency, the military, or state and/or local law enforcement intelligence unit.

x. All fusion center analytical personnel must demonstrate qualifications that meet or exceed competencies identified in the Common Competencies for state, local, and tribal intelligence analysts, which outlines the minimum categories of training needed for intelligence analysts. A certificate of completion of such training must be on file with the State Administrative Agency (SAA) and must be made available to the recipient's respective FEMA HQ Preparedness Officer upon request; and

xi. Migrating online services to the ".gov" internet domain.

All SAAs are allowed to use up to 50% of their SHSP funding, and all high-risk urban areas are allowed to use up to 50% of their UASI funding, for personnel costs per 6 U.S.C. § 609(b)(2)(A). Personnel hiring, overtime, and backfill expenses are permitted under this grant only to the extent that such expenses are for the allowable activities within the scope of the grant. Personnel expenses may include, but are not limited to training and exercise coordinators, program managers and planners, intelligence analysts, and Statewide Interoperability Coordinators (SWICs).

At the request of a recipient, the FEMA Administrator (or their designee) may grant a waiver of this 50% limitation under 6 U.S.C. § 609(b)(2)(B). Requests for waivers to the personnel cap must be submitted by the authorized representative of the SAA to FEMA in writing on official letterhead, with the following information:

i. Documentation explaining why the cap should be waived;
ii. Conditions under which the request is being submitted; and
iii. A budget and method of calculation of personnel costs both in percentages of the grant award and in total dollar amount.

Please see IB 421b, Clarification on the Personnel Reimbursement for Intelligence Cooperation and Enhancement of Homeland Security Act of 2008 (Public L. No. 110–412 – the PRICE Act), dated October 30, 2019, for additional information on the waiver request process.

III. EQUIPMENT

Equipment costs are allowed under this program only as described in this funding notice and the Preparedness Grants Manual.

The 21 allowable prevention, protection, mitigation, and response equipment categories for HSGP are listed on the Authorized Equipment List (AEL). Some

equipment items require prior approval from FEMA before obligation or purchase of the items. Please reference the grant notes for each equipment item to ensure prior approval is not required or to ensure prior approval is obtained if necessary. Recipients and subrecipients may purchase equipment not listed on the AEL, but **only** if they first seek and obtain **prior approval** from FEMA.

Unless otherwise stated, all equipment must meet all mandatory regulatory and/or FEMA-adopted standards to be eligible for purchase using these funds. In addition, recipients will be responsible for obtaining and maintaining all necessary certifications and licenses for the requested equipment. Investments in emergency communications systems and equipment must meet applicable SAFECOM Guidance on Emergency Communications Grants (SAFECOM Guidance) recommendations. Such investments must be coordinated with the SWIC and the State Interoperability Governing Body (SIGB) to ensure interoperability and long-term compatibility. For personal protective equipment (PPE), recipients are encouraged to give procurement preference to domestic manufacturers of PPE or PPE raw materials to the maximum practicable and allowed by law.

Grant funds may be used for the procurement of medical countermeasures. Procurement of medical countermeasures must be conducted in collaboration with state, city, or local health departments that administer federal funds from the Department of Health and Human Services for this purpose and with existing Metropolitan Medical Response System committees where available, to sustain their long-term planning for appropriate, rapid, and local medical countermeasures, including antibiotics and antidotes for nerve agents, cyanide, and other toxins. Procurement must have a sound threat-based justification with an aim to reduce the consequences of mass casualty incidents during the first crucial hours of a response. Prior to procuring pharmaceuticals, recipients must have in place an inventory management plan to avoid large periodic variations in supplies due to coinciding purchase and expiration dates. Recipients are encouraged to enter into rotational procurement agreements with vendors and distributors. Purchases of pharmaceuticals must include a budget for the disposal of expired drugs within each fiscal year's POP for HSGP. The cost of disposal cannot be carried over to another FEMA grant or grant period.

EMS electronic patient care data systems should comply with the most current data standard of the National Emergency Medical Services Information System.

Recipients are reminded that school hardening is an eligible activity under SHSP and UASI. School hardening measures include but are not limited to:

i. Bullet resistant doors and glass;
ii. Hinge-locking mechanisms;
iii. Immediate notification to emergency 911 systems;
iv. Mechanisms that provide real time actionable intelligence directly to law enforcement and first responders;

v. Installation of distraction devices or other countermeasures administered by law enforcement; and
vi. Other measures determined to provide significant improvements to schools' physical security.

Additionally, SHSP and UASI funds may be used for equipment purchases related to state court cybersecurity, 911 call capabilities, alert and warning capabilities, and implementation of the REAL ID Act (Pub. L. No. 109-13).

Small Unmanned Aircraft Systems (sUAS) and critical emergency supply costs are allowable under this program. See the Preparedness Grants Manual for more information.

General Purpose Equipment
HSGP allows expenditures on general purpose equipment if it aligns to and supports one or more core capabilities identified in the Goal and has a nexus to terrorism preparedness. General purpose equipment, like all equipment funded under the HSGP, must be sharable through the EMAC[4] and allowable under 6 U.S.C. § 609, and any other applicable provision of the *Homeland Security Act of 2002*, as amended. Examples of such general-purpose equipment may include:

- Law enforcement/general use vehicles (OPSG only);
- Emergency medical services equipment and vehicles;
- Fire service equipment and vehicles, to include hose, pump accessories, and foam concentrate for specialized chemical/biological/radiological/nuclear/explosive (CBRNE) response;
- Interoperability of data systems, such as computer aided dispatch (CAD) and record management systems (RMS); and
- Office equipment for staff[5] engaged in homeland security program activity.

Controlled Equipment
For decades, the federal government has provided equipment to state, local, and tribal law enforcement agencies (LEAs) through federal grants. Some federal grant programs have assisted LEAs as they carry out their critical missions to keep the American people safe. The equipment acquired by LEAs through these programs includes administrative equipment, such as office furniture and computers. Some federal grant programs also may include military and military-styled equipment, firearms, and tactical vehicles provided by the federal government, including property covered under 22 C.F.R. Part 121 and 15 C.F.R. Part 774 (collectively, "controlled equipment").

[4]Except for American Samoa and the Commonwealth of the Northern Mariana Islands, which are not required to belong to EMAC at this time.
[5]This applies to all homeland security personnel and is not limited to M&A staff, and costs are to be captured outside the cap on M&A costs.

However, not all equipment that is considered controlled equipment is allowable under the HSGP. As noted in Section B of FEMA Policy 207-22-0002, Prohibited or Controlled Equipment Under FEMA Awards, certain equipment is prohibited and is not allowable under HSGP. Grant funds under this program may not be used for the purchase of equipment not approved by DHS/FEMA. For example, the purchase of tracked armored vehicles, camouflage uniforms, weapons, and weapons accessories, including ammunition, is generally not allowed with HSGP funds.[6]

For some controlled equipment that is allowable under the HSGP, additional documentation, justifications, reviews, and approvals are required, including but not limited to proof of policies and procedures to safeguard individuals' privacy, civil rights, and civil liberties. Contact your Preparedness Officer if you have questions concerning HSGP requirements for controlled equipment requests.

Grant funds under this program must comply with the aforementioned FEMA Policy 207-22-0002, Prohibited or Controlled Equipment Under FEMA Awards. As per this FEMA Policy, excepted or controlled equipment must remain in the possession of the original FEMA grant recipient and may not be transferred. The use of controlled equipment under a Memorandum of Understanding or other regional sharing agreement (see Section D.6 of this FEMA Policy) does *not* constitute a transfer of controlled equipment.

DHS/FEMA will continue to collaborate with federal agency partners to ensure that there is a consistent and reasonable approach to the restrictions placed on controlled equipment expenditures while continuing to support these investments when there is a justifiable need. Further, DHS/FEMA will continue to maintain an awareness of the evolving policy developments related to controlled equipment expenditures and keep grant recipients up to date on future developments.

Construction and Renovation
Construction and renovation costs to achieve capability targets related to preventing, preparing for, protecting against, or responding to acts of terrorism are allowed under this program. For construction and renovation costs to be allowed, they must be specifically approved by DHS/FEMA in writing prior to the use of any program funds. Limits on the total amount of grant funding that may be used for construction or renovation may apply. Additionally, recipients are required to submit SF-424C and SF-424D.

All proposed construction and renovation activities must undergo an

[6] FEMA issued Policy 207-22-0002 in response to Executive Order (EO) 14074, Advancing Effective, Accountable Policing and Criminal Justice Practices to Enhance Public Trust and Public Safety, which President Joseph R. Biden issued on May 25, 2022. EO 14074 directs the DHS to prohibit the use of grant funding to purchase certain types of military equipment by state, local, tribal, and territorial law enforcement agencies and to comply with and implement the recommendations stemming from EO 13688, which established prohibited equipment and controlled equipment lists.

Environmental Planning and Historic Preservation (EHP) review, including approval of the review from FEMA, prior to undertaking any action related to the project. Failure of a grant recipient to meet these requirements may jeopardize Federal funding. Please see the Preparedness Grants Manual for more information.

IV. Training and Exercises

Training and exercise costs are allowed under this program only as described in this funding notice and the Preparedness Grants Manual. Recipients are encouraged to consider tuition-free courses offered by FEMA first, before investing in training. For more information and a catalog of courses please refer to the National Preparedness Course Catalog at NTED.

Allowable training-related costs under HSGP include the establishment, support, conduct, and attendance of training specifically identified under the SHSP and UASI program and/or in conjunction with emergency preparedness training by other federal agencies (e.g., HHS and Department of Transportation [DOT]). Training conducted using HSGP funds should address a performance gap identified through an Integrated Preparedness Plan (IPP) or other assessments (e.g., National Emergency Communications Plan [NECP] Goal Assessments) and contribute to building a capability that will be evaluated through a formal exercise. Any training or training gaps, including training related to under-represented, diverse populations that may be more impacted by disasters, including children, seniors, individuals with disabilities or other access and functional needs, individuals with diverse culture and language use, individuals with lower economic capacity and other underserved populations, should be identified in an IPP and addressed in the state or high-risk urban area training cycle. Emergency preparedness training related to those training gaps, including related to under-represented, diverse populations that may be more impacted by disasters, is allowable. Recipients are encouraged to use existing training rather than developing new courses. When developing new courses, recipients are encouraged to apply the Analysis, Design, Development, Implementation, and Evaluation (ADDIE) model of instructional design.

Law Enforcement Readiness

SHSP or UASI grant funds may be requested and may be approved on a case-by-case basis for immigration enforcement training in support of the border security mission. Requests for training will be evaluated on a case-by-case basis and can only be used for certification in the section 287(g) program provided by DHS/ICE. SHSP or UASI subrecipients with agreements under section 287(g) of the *Immigration and Nationality Act* (INA) (8 U.S.C. § 1357(g)) to receive delegated authority for immigration enforcement within their jurisdictions may also be reimbursed for section 287(g) related operational activities with approval from FEMA on a case-by-case basis.

V. MAINTENANCE AND SUSTAINMENT

Maintenance and sustainment related costs are allowed under this program only as described in the Preparedness Grants Manual.

VI. TRAVEL

Domestic travel costs are allowed under this program, as provided for in this NOFO. International travel is not an allowable cost under this program unless approved in advance by DHS/FEMA. See the Allowable Cost Matrix in Section D.13.g above for more information on allowable travel activities under SHSP and UASI.

VII. PERSONNEL

Personnel hiring, overtime, and backfill expenses are permitted under this grant to perform allowable HSGP planning, organization, training, exercise, and equipment activities. All recipients and subrecipients of HSGP funds, including SHSP and UASI allocations, may not use more than 50% of their awards to pay for personnel activities unless a waiver is approved by FEMA. For more information on the 50% personnel cap, please see FEMA IB 421b, Clarification on the *Personnel Reimbursement for Intelligence Cooperation and Enhancement of Homeland Security Act of 2008* (Public Law 110-412) – the PRICE Act.

HSGP funds may not be used to support the hiring of any personnel to fulfill traditional public health and safety duties nor to supplant traditional public health and safety positions and responsibilities. The following definitions apply to personnel costs:

i. **Hiring**. State and local entities may use grant funding to cover the salary of newly hired personnel who are exclusively undertaking allowable FEMA grant activities as specified in this guidance. This may not include new personnel who are hired to fulfill any non-FEMA program activities under any circumstances. Hiring will always result in a net increase of Full Time Equivalent (FTE) employees.

ii. **Overtime**. These expenses are limited to the additional costs that result from personnel working over and above 40 hours of weekly work time as the direct result of their performance of FEMA-approved activities specified in this guidance. Overtime associated with any other activity is not eligible.

iii. **Backfill-Related Overtime**. Also called "Overtime as Backfill," these expenses are limited to overtime costs that result from personnel who are working overtime (as identified above) to perform the duties of other personnel who are temporarily assigned to FEMA-approved activities outside their core responsibilities. Neither overtime nor backfill expenses are the result of an increase of FTE employees.

iv. **Supplanting**. Grant funds will be used to supplement existing funds and will not replace (supplant) funds that have been appropriated for the same purpose. Applicants or recipients may be required to supply documentation certifying that a reduction in non-federal resources

occurred for reasons other than the receipt or expected receipt of federal funds.

Operational Overtime Costs
In support of efforts to enhance capabilities for detecting, deterring, disrupting, and preventing acts of terrorism and other catastrophic events, operational overtime costs are allowable for increased protective security measures at critical infrastructure sites or other high-risk locations and to enhance public safety during mass gatherings and high-profile events. In that regard, HSGP recipients are urged to consider using grant funding to support soft target preparedness activities. SHSP or UASI funds may be used to support select operational expenses associated with increased security measures in the authorized categories cited in the table below, but this table is not exhaustive. FEMA retains the discretion to approve other types of requests that do not fit within one of the categories of the table.

Authorized Operational Overtime Categories

	Category	Description
1	**National Terrorism Advisory System (NTAS)**	Security measures in response to an increase in the threat level under the NTAS to an "elevated" or "imminent" alert status. FEMA Information Bulletin No. 367, Impact of National Terrorism Advisory System on Homeland Security Grant Programs, remains applicable; therefore, advance authorization from FEMA is not required. Refer to National Terrorism Advisory System | Homeland Security (dhs.gov) for additional information on the NTAS.
2	**National Security Special Event (NSSE)**	Security measures for a designated NSSE. NSSEs are events of national or international significance deemed by DHS to be a potential target for terrorism or other criminal activity.
3	**Special Event Assessment Rating (SEAR) Level 1 through Level 4 Events**	Security measures required for SEAR Level 1 through Level 4 events as designated by DHS and included in the DHS National Special Events List, as defined below: • SEAR 1: A significant event with national and/or international importance that may require extensive federal interagency support. • SEAR 2: A significant event with national and/or international importance that may require some level of federal interagency support. • SEAR 3: An event of national and/or international importance that requires only limited federal support. • SEAR 4: An event with limited national importance that is managed at state and local level. NOTE: In cases where a threat of terrorism can be associated with a SEAR Level 5 event, the event planners should coordinate with their state or territory Homeland Security Advisor to seek re-adjudication of the SEAR rating. Operational overtime for security measures associated with such events will be considered for approval by FEMA if re-adjudication results in a SEAR 1 through 4 rating.

	Category	Description
4	**States of Emergency**	Declarations of states of emergency by the Governor associated with a terrorism-related threat or incident. This excludes Presidentially declared major disasters or emergencies where federal funding support for the proposed grant-funded activity is made available through the FEMA Public Assistance program or other federal disaster grants.
5	**National Critical Infrastructure Prioritization Program (NCIPP)**	Protection of Level 1 and Level 2 facilities identified through DHS's NCIPP based on a terrorism-related threat to critical infrastructure.
6	**Directed Transit Patrols**	Targeted security patrols in airports and major transit hubs based on a terrorism-related threat to transportation systems.
7	**Other Related Personnel Overtime Costs**	Overtime costs may be authorized for personnel assigned to directly support any of the security activities relating to the categories above. Examples include firefighters and emergency medical services personnel; public works employees who may be responsible for installing protective barriers and fencing; public safety personnel assigned to assist with event access and crowd control; emergency communications specialists; backfill and overtime for staffing state or major urban area fusion centers; state Active Duty National Guard deployments to protect critical infrastructure sites, including all resources that are part of the standard National Guard deployment package (note: consumable costs, such as fuel expenses, are not allowed except as part of the standard National Guard deployment package); contract security services for critical infrastructure sites; participation in Regional Resiliency Assessment Program activities, increased border security activities in coordination with USBP, etc.
8	**Operational Support to a Federal Agency**	Overtime costs are allowable for personnel to participate in information, investigative, and intelligence sharing activities related to homeland security/terrorism preparedness and specifically requested by a federal agency. Allowable costs are limited to overtime associated with federally requested participation in eligible activities, including anti-terrorism task forces, Joint Terrorism Task Forces (JTTFs), Area Maritime Security Committees (as required by the *Maritime Transportation Security Act of 2002*), DHS Border Enforcement Security Task Forces, and Integrated Border Enforcement Teams. In addition, reimbursement for operational overtime law enforcement activities related to combating transnational crime organizations in support of efforts to enhance capabilities for detecting, deterring, disrupting, and preventing acts of terrorism is an allowable expense under SHSP and UASI on a case-by-case basis. Grant funding can only be used in proportion to the federal man-hour estimate and only after funding for these activities from other federal sources (i.e., FBI JTTF payments to state and local agencies) has been exhausted.

All allowable operational overtime costs are also subject to the administration requirements outlined in the following subsection.

Administration of Operational Overtime Requests

i. Except for an elevated NTAS alert, SHSP or UASI funds may only be spent for operational overtime costs upon prior written approval by FEMA. The SAA must submit operational overtime requests in writing to its assigned FEMA Preparedness Officer. FEMA will consider requests for special event activities up to one year in advance. However such requests must be within the award's current POP and must not result in the need for a request to extend the period of performance. SAAs should contact FEMA Grants News by e-mail at fema-grants-news@fema.dhs.gov or by phone at (800) 368-6498, Monday through Friday, 9:00 AM – 5:00 PM ET, for clarification.

ii. All operational overtime requests must clearly explain how the request meets the criteria of one or more of the categories listed in the table above. Requests must address the threat environment as it relates to the event or activity requiring operational overtime support and explain how the overtime activity is responsive to the threat. Request letters sent to FEMA must be UNCLASSIFIED but may be labeled "For Official Use Only." If explaining the threat will require the sharing of classified information, the letter should state that fact. FEMA will then plan for the sharing of classified information through official channels;

iii. Post-event operational overtime requests will only be considered on a case-by-case basis, where it is demonstrated that exigent circumstances prevented submission of a request in advance of the event or activity;

iv. Under no circumstances may FEMA grant funding be used to pay for costs already supported by funding from another federal source;

v. States with UASI jurisdictions can use funds retained at the state level to reimburse eligible operational overtime expenses incurred by the state (per the above guidance limitations). Any UASI funds retained by the state must be used in direct support of the high-risk urban area. States must provide documentation to the Urban Area Working Group (UAWG) and FEMA upon request demonstrating how any UASI funds retained by a state would directly support the high-risk urban area; and

vi. FEMA will consult and coordinate with appropriate DHS components as necessary to verify information used to support operational overtime requests.

VIII. SECURE IDENTIFICATION

Secure identification costs are allowed under this program. SHSP funds may be used to support the implementation activities associated with the Western Hemisphere Travel Initiative (WHTI), including the issuance of WHTI-compliant tribal identification cards.

IX. Multiple Purpose or Dual-Use of Funds

Please see the Preparedness Grants Manual for information on multiple purpose of dual-use of funds under SHSP and UASI.

i. *OPSG Other Direct Costs*

Recipients must comply with all the requirements in 2 C.F.R. Part 200 (*Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*). In general, recipients should consult with their FEMA HQ Preparedness Officer prior to making any investment that does not clearly meet the allowable expense criteria. Funding guidelines established within this section support four of the five mission areas—Prevention, Protection, Mitigation, and Response—and associated core capabilities within the Goal. While Recovery is part of the Goal, it is not explicitly part of the HSGP. Allowable investments made in support of the national priorities, as well as other capability-enhancing projects must have a nexus to terrorism preparedness and fall into the categories of planning, organization, exercises, training, or equipment, aligned to building capability, closing capability gaps, and/or sustaining capabilities, as defined by CPG 201: THIRA/SPR Guide—3rd Edition (Comprehensive Preparedness Guide (CPG) 201, 3rd Edition (fema.gov)). Recipients are encouraged to use grant funds for evaluating grant-funded project effectiveness and return on investment. FEMA encourages recipients to provide the results of that analysis to FEMA.

I. Planning

Planning costs are allowed under this program only as described in this funding notice. See the Allowable Cost Matrix in Section D.13.g above for more information on allowable planning activities for OPSG.

II. Organization

Organization costs are allowed under this program only as described in this funding notice and the Preparedness Grants Manual. See the Allowable Cost Matrix in Section D.13.g above for more information on allowable organizational activities for OPSG.

III. Equipment

Equipment costs are allowed under this program only as described in this funding notice and the Preparedness Grants Manual.

OPSG equipment is intended to be incidental to the enhanced border security operations being performed. The grant is not intended to be used to outfit or supply general equipment to SLTT law enforcement agencies. Equipment must be relatable to and justified by the operational benefit it will provide. Each appropriate OPSG sector coordinator is required to keep an inventory of OPSG purchased equipment that includes at a minimum: 1) grant funding year; 2) purchase amount; 3) purchase date; 4) purchase quantity; 5) equipment ID; 6) source of funding for the property, including the Federal Award Identification Number; 7) who holds title to the property; 8) federal share percent of the

property; 9) location of the property; 10) use and condition of the property; 11) disposal date; and 12) brief disposal justification information and sale price if sold. Each Operations Order/FRAGO will require that each friendly force submit the equipment inventory for each Operations Order/FRAGO submission.

i. **Equipment Marking**. Because equipment purchased with OPSG funding is intended to be used to support OPSG activities, it **may** be appropriately marked to ensure its ready identification and primary use for that purpose. **When practicable**, any equipment purchased with OPSG funding **should** be prominently marked as follows: **"Purchased with DHS funds for Operation Stonegarden Use."**
ii. **Fuel Cost and Mileage Reimbursement.** There is no cap for reimbursement of fuel or mileage costs in support of operational activities. Subrecipients and friendly forces may not claim reimbursements for both mileage and fuel/maintenance for the same equipment at the same time.
iii. **Vehicle and Equipment Acquisition, Including Leasing and Rentals**. Allowable purchases under OPSG include patrol vehicles and other mission-specific equipment whose primary purpose is to increase operational capabilities on or near a border nexus in support of approved border security operations. A detailed justification must be submitted to the respective FEMA HQ Preparedness Officer prior to purchase.
iv. **Medical Emergency Countermeasures.** Allowable purchases under OPSG include narcotic antagonist pharmaceuticals, detection and identification equipment, safe storage and transportation, personnel protective equipment, and initial equipment training, as reflected in the AEL.

Requirements for Small Unmanned Aircraft Systems
Small Unmanned Aircraft Systems (sUAS) are allowable under the HSGP. See the Preparedness Grants Manual for more information.

General Purpose Equipment
HSGP allows expenditures on general purpose equipment if it aligns to and supports one or more core capabilities identified in the Goal and has a nexus to terrorism preparedness. General purpose equipment, like all equipment funded under the HSGP, must be sharable through the EMAC[7] and allowable under 6 U.S.C. § 609, and any other applicable provision of the *Homeland Security Act of 2002*, as amended. Examples of such general-purpose equipment may include:

- Law enforcement/general use vehicles (OPSG only);
- Emergency medical services equipment and vehicles;
- Fire service equipment and vehicles, to include hose, pump accessories, and foam concentrate for specialized

[7]Except for American Samoa and the Commonwealth of the Northern Mariana Islands, which are not required to belong to EMAC at this time.

chemical/biological/radiological/nuclear/explosive (CBRNE) response;
- Interoperability of data systems, such as computer aided dispatch (CAD) and record management systems (RMS); and
- Office equipment for staff[8] engaged in homeland security program activity.

Controlled Equipment

For decades, the federal government has provided equipment to state, local, and tribal law enforcement agencies (LEAs) through federal grants. Some federal grant programs have assisted LEAs as they carry out their critical missions to keep the American people safe. The equipment acquired by LEAs through these programs includes administrative equipment, such as office furniture and computers. Some federal grant programs also may include military and military-styled equipment, firearms, and tactical vehicles provided by the federal government, including property covered under 22 C.F.R. Part 121 and 15 C.F.R. Part 774 (collectively, "controlled equipment").

However, not all equipment that is considered controlled equipment is allowable under the HSGP. As noted in Section B of FEMA Policy 207-22-0002, Prohibited or Controlled Equipment Under FEMA Awards, certain equipment is prohibited and is not allowable under HSGP. Grant funds under this program may not be used for the purchase of equipment not approved by DHS/FEMA. For example, the purchase of tracked armored vehicles, camouflage uniforms, weapons, and weapons accessories, including ammunition, is generally not allowed with HSGP funds.[9]

For some controlled equipment that is allowable under the HSGP, additional documentation, justifications, reviews, and approvals are required, including but not limited to proof of policies and procedures to safeguard individuals' privacy, civil rights, and civil liberties. Contact your Preparedness Officer if you have questions concerning HSGP requirements for controlled equipment requests.

Grant funds under this program must comply with the aforementioned FEMA Policy 207-22-0002, Prohibited or Controlled Equipment Under FEMA Awards. As per this FEMA Policy, excepted or controlled equipment must remain in the possession of the original FEMA grant recipient and may not be transferred. The use of controlled equipment under a Memorandum of Understanding or other

[8]This applies to all homeland security personnel and is not limited to M&A staff, and costs are to be captured outside the cap on M&A costs.

[9] FEMA issued Policy 207-22-0002 in response to Executive Order (EO) 14074, Advancing Effective, Accountable Policing and Criminal Justice Practices to Enhance Public Trust and Public Safety, which President Joseph R. Biden issued on May 25, 2022. EO 14074 directs the DHS to prohibit the use of grant funding to purchase certain types of military equipment by state, local, tribal, and territorial law enforcement agencies and to comply with and implement the recommendations stemming from EO 13688, which established prohibited equipment and controlled equipment lists.

regional sharing agreement (see Section D.6 of this FEMA Policy) does *not* constitute a transfer of controlled equipment.

DHS/FEMA will continue to collaborate with federal agency partners to ensure that there is a consistent and reasonable approach to the restrictions placed on controlled equipment expenditures while continuing to support these investments when there is a justifiable need. Further, DHS/FEMA will continue to maintain an awareness of the evolving policy developments related to controlled equipment expenditures and keep grant recipients up to date on future developments.

Construction and Renovation
OPSG funds may not be used for any construction.

IV. Training and Exercises

Training and exercise costs are allowed under this program only as described in this funding notice and the Preparedness Grants Manual (e.g., related to EHP compliance). Recipients are encouraged to consider tuition-free courses offered by FEMA first, before investing in training. For more information and a catalog of courses please refer to the National Preparedness Course Catalog at NTED.

Law Enforcement Readiness
OPSG grant funds may be used to increase operational, material, and technological readiness of SLTT law enforcement agencies. The Delegation of Immigration Authority, Section 287(g) of the *INA* program allows a state or local law enforcement entity to enter into a partnership with Immigration and Customs Enforcement (ICE), under a joint Memorandum of Agreement (MOA), to receive delegated authority for immigration enforcement within their jurisdictions.

OPSG grant funds may be requested and may be approved on a case-by-case basis for immigration enforcement training in support of the border security mission. Requests for training will be evaluated on a case-by-case basis and can only be used for certification in the section 287(g) program provided by DHS/ICE. OPSG subrecipients with agreements under section 287(g) of the *INA* (8 U.S.C. § 1357(g)) to receive delegated authority for immigration enforcement within their jurisdictions may also be reimbursed for section 287(g) related operational activities with approval from FEMA on a case-by-case basis. For OPSG, subrecipients must be authorized by USBP Headquarters and Sectors, and operational activities must be coordinated through a USBP Sector.

V. Maintenance and Sustainment

Maintenance and sustainment related costs are allowed under this program only as described in the Preparedness Grants Manual.

VI. Travel

Domestic travel costs are allowed under this program, as provided for in this NOFO and in the Preparedness Grants Manual. International travel is not an

allowable cost under this program unless approved in advance by DHS/FEMA. See the Allowable Cost Matrix in Section D.13.g above for more information on allowable travel activities under OPSG.

VII. PERSONNEL

Personnel hiring, overtime, and backfill expenses are permitted under this grant to perform allowable HSGP planning, organization, training, exercise, and equipment activities. Under OPSG, overtime costs are allowable only in so far as they meet the intent of the program. All recipients and subrecipients of HSGP funds, including OPSG allocations, may not use more than 50% of their awards to pay for personnel activities unless a waiver is approved by FEMA. For more information on the 50% personnel cap, please see FEMA IB 421b, *Clarification on the Personnel Reimbursement for Intelligence Cooperation and Enhancement of Homeland Security Act of 2008 (Public Law 110-412 – the PRICE Act)*.

Further, changes in scope or objective also require FEMA's prior written approval pursuant to 2 C.F.R. § 200.308(c)(1). If the cost changes are allowable under the grant, a Fragmentary Order (FRAGO) must be submitted to Homeland Security Information Network (HSIN) to obtain FEMA's prior written approval of such changes in accordance with 2 C.F.R. § 200.308(c)(1). These modifications will be annotated in the annex section of the FRAGO.

OPSG funds may be used for domestic travel and *per diem*, including costs associated with the deployment/redeployment of personnel to border areas and for travel associated with law enforcement entities assisting other local jurisdictions in law enforcement activities. In addition, allowable costs include supporting up to six-month deployment of law enforcement personnel to critical Southwest Border locations for operational activities (travel costs must be in accordance with applicable travel regulations).

OPSG funds may be used to pay additional current part-time law enforcement personnel salaries to bring them to temporary full-time status. OPSG funds may support a Governor's request to activate, deploy, or redeploy specialized National Guard Units/Package and/or elements of state law enforcement serving as friendly forces to increase or augment specialized/technical law enforcement elements' operational activities. Costs associated with backfill for personnel supporting operational activities are allowable.

As with all OPSG personnel costs, OPSG grant funds will be used to supplement existing funds and will not replace (supplant) funds that have been appropriated for the same purpose. Applicants or recipients may be required to supply documentation certifying that a reduction in non-federal resources occurred for reasons other than the receipt or expected receipt of federal funds.

Operational Overtime Costs
OPSG funds should be used for operational overtime costs associated with law enforcement activities in support of border law enforcement agencies for enhanced border security. Overtime pay is for increased patrol time for certified public safety officers, along with limited support for other law enforcement direct support personnel (e.g., Communication Officers/Dispatchers, non-sworn patrol pilots, etc.). Overtime shall be reimbursed consistent with the non-federal entity's overtime policy and the requirements as stated below:

i. Overtime is time worked that exceeds the required number of hours during an employee's designated shift;
ii. Overtime must be worked to increase patrol capacity and be in support of identified and approved United States Border Patrol (USBP) border security operations;
iii. The OPSG overtime hourly rate of pay will be no more than the approved overtime rate per local law and policy and must be in accordance with applicable state and federal regulations;
iv. All overtime expenses under OPSG must be reasonable for the services rendered and conform to the non-federal entity's established written policy, which must apply to both federally funded and non-federally funded activities and comply with the other applicable requirements under 2 C.F.R. §§ 200.430-200.431; and
v. The non-federal entity may not utilize OPSG funding to pay for an employee's overtime hours or pay that exceeds 16 hours worked in any 24-hour period.

Intelligence Support
Per 6 U.S.C. § 609(a), OPSG funds may, as applicable and operationally beneficial, be used to pay salaries and benefits or overtime for personnel to serve as qualified Intelligence Analysts to enable and enhance information/intelligence sharing capabilities, as well as support existing intelligence analysts previously covered by OPSG funding. Qualified OPSG-funded intelligence analysts can be assigned to an applicable law enforcement facility/intelligence function as long as information/intelligence sharing is maintained. To serve as an OPSG-funded intelligence analyst, personnel must meet at least one of the following criteria:

i. Complete training to ensure baseline proficiency in intelligence analysis and production within six (6) months of being hired; and/or,
ii. Previously served as an intelligence analyst for a minimum of two years either in a federal intelligence agency, the military, or state and/or local law enforcement intelligence unit.

OPSG-funded intelligence analysts must demonstrate qualifications that meet or exceed competencies identified in the Common Competencies for state, local, and tribal intelligence analysts, which outlines the minimum categories of training needed for intelligence analysts. A certificate of completion of such training must be on file with the SAA and must be made available to the recipient's respective FEMA HQ Preparedness Officer upon request.

VIII. REGIONAL BORDER PROJECTS

Recipients are encouraged to prioritize the acquisition and development of regional projects on the borders to maximize interoperability and coordination capabilities among federal agencies and with state, local, and tribal law enforcement partners. Such regional projects include:

i. Communications equipment;
ii. Radio systems and repeaters;
iii. Integration with regional intelligence and information sharing effort (i.e., fusion centers):
    - Intelligence analysts.
iv. Situational Awareness equipment:
    - License Plate Reader Networks;
    - Visual detection and surveillance systems;
    - Sensor Systems;
    - Radar Systems (for air and/or marine incursions); and
    - Aircraft systems (manned or unmanned).

IX. TRANSPORTATION COSTS AND COSTS RELATED TO THE PROVISION OF ACUTE MEDICAL CARE

Vehicle, fuel, mileage, operational overtime, and other types of costs otherwise allowable under an OPSG award's HSGP NOFO are allowable where the costs are in support of the necessary transportation of individuals interdicted while carrying out allowable OPSG-funded activities or operations from the point of interdiction to an applicable law enforcement facility.

When transporting individuals interdicted in the course of carrying out allowable OPSG-funded activities or operations from the point of interdiction, non-Federal entities may charge vehicle, fuel, mileage, operational overtime, and other types of costs otherwise allowable under an OPSG award's HSGP NOFO associated with necessary transportation to provide acute medical care for individuals being transported from the point of interdiction. In such cases, non-Federal entities may also charge operational overtime for personnel that monitor a detained individual receiving acute medical care where the individual remains in the custody of the non-Federal law enforcement agency. Costs incurred beyond the acute phase of medical care (e.g., upon admission to the hospital, or after transfer from an acute care facility to the hospital) and costs incurred once the custodial responsibility of the individual is transferred to CBP are not allowable under OPSG.

Costs described above are allowable regardless of what entity or agency initially makes the interdiction. Personnel costs incurred by non-Federal law enforcement agencies eligible under OPSG (including deputies, corrections officers, or detention officers) for costs described above are allowable.

X. TEMPORARY OR TERM APPOINTMENTS

Temporary or term appointments are allowable under an OPSG award, so long as they comply with the following:

i. Subrecipients may utilize temporary or term appointments to augment the law enforcement presence on the borders. However, applying funds toward hiring full-time or permanent sworn public safety officers is unallowable;

ii. OPSG-funded temporary or term appointments may not exceed the approved period of performance:
   - For OPSG purposes, temporary appointments are non-status appointments for less than one year; and
   - For OPSG purposes, term appointments are non-status appointments for one year, extendable for one year as necessary.

iii. OPSG funding for temporary or term appointments may pay for salary only. Benefits are not allowable expenses for term or temporary employees;

iv. OPSG remains a non-hiring program. Appropriate uses of temporary or term appointments include:
   - To carry out specific enforcement operations work for ongoing OPSG-funded patrols throughout the Sector Area of Operation;
   - To staff operations of limited duration, such as OPSG-enhanced enforcement patrols targeting specific locations or criminal activity; and
   - To fill OPSG positions in activities undergoing transition or personnel shortages and local backfill policies (medical/military deployments).

v. OPSG term and temporary appointments must have all necessary certifications and training to enforce state and local laws. OPSG funds will not be used to train or certify term or temporary appointments except as otherwise stated in this NOFO and the Preparedness Grants Manual; and

vi. FEMA provides no guarantee of funding for temporary or term appointments. In addition to the terms of this NOFO, subrecipients must follow their own applicable policies and procedures regarding temporary or term appointments.

j. Unallowable Costs for SHSP, UASI, and OPSG

Per FEMA policy, the purchase of weapons and weapons accessories, including ammunition, is not allowed with HSGP funds. Grant funds may not be used for the purchase of equipment not approved by FEMA. Grant funds must comply with FEMA Policy 207-22-0002, Prohibited or Controlled Equipment Under FEMA Awards, and may not be used for the purchase of the following equipment: firearms; ammunition; grenade launchers; bayonets; or weaponized aircraft, vessels, or vehicles of any kind with weapons installed. Unauthorized exercise-related costs include:

- Reimbursement for the maintenance or wear and tear costs of general use vehicles (e.g., construction vehicles), medical supplies, and emergency response apparatus (e.g., fire trucks, ambulances); and
- Equipment that is purchased for permanent installation and/or use, beyond the scope of the conclusion of the exercise (e.g., electronic messaging sign).

i. **UNALLOWABLE COSTS FOR OPSG ONLY**

OPSG unallowable costs include costs associated with evidence collection, arrest processing, prosecution, and Traffic/DUI checkpoints, such as evidence documentation cameras, fingerprinting supplies, alcohol breathalyzers, portable work lights, traffic barricades, and similar law enforcement expenses. OPSG unallowable costs also include costs associated with staffing and general IT computing equipment and hardware, such as personal computers, faxes, copy machines, modems, etc. OPSG is not intended as a hiring program. Therefore, applying funds toward hiring full-time or permanent sworn public safety officers is unallowable. OPSG funding shall not be used to supplant inherent routine patrols and law enforcement operations or activities not directly related to providing enhanced coordination between local and federal law enforcement agencies. Finally, construction and/or renovation costs are prohibited under OPSG. Applicants should refer to IB 421b, or contact their FEMA HQ Preparedness Officer for guidance and clarification. Due to the nature of OPSG, exercise expenses are not allowable costs under OPSG.

E. Application Review Information

1. Application Evaluation Criteria

a. *Programmatic Criteria*

i. **RISK METHODOLOGY**

The risk methodology determines the relative risk of terrorism faced by a given area considering the potential risk of terrorism to people, critical infrastructure, and economic security. The analysis includes, but is not limited to, threats from violent domestic extremists, international terrorist groups, individuals inspired by terrorists abroad, and the assessment of vulnerabilities and potential consequences. DHS defines risk as: "potential for an adverse outcome assessed as a function of hazard/threats, assets and their vulnerabilities, and consequences." See DHS Lexicon Terms and Definitions: 2018 Edition – Revision 04, (Apr. 2018). The FEMA risk methodology is focused on three elements:

i. **Threat**: the likelihood of an attack being attempted by an adversary;
ii. **Vulnerability**: the likelihood that an attack is successful, given that it is attempted; and
iii. **Consequence**: the effect of an event, incident, or occurrence.

NOTE: The THIRA/SPR process is separate from the risk methodology and its results do not affect grant allocations.

The Risk Methodology is used to inform allocations under HSGP. For more information on the SHSP, UASI, and OPSG allocation processes, please see

Section B.1 of this NOFO, "Available Funding for the NOFO."

II. Application Evaluation Criteria

FEMA will evaluate the FY 2024 HSGP applications for completeness, adherence to programmatic guidelines, and anticipated effectiveness of the proposed investments. FEMA's review will include verification that each IJ and project:

- Aligns with at least one core capability identified in the Goal;
- Demonstrates how investments support building capability and/or closing capability gaps or sustaining capabilities identified in the THIRA/SPR process; and
- Supports a NIMS-typed resource and whether those assets are deployable/shareable to support emergency or disaster operations per existing EMAC agreements.

In addition to the above, FEMA will evaluate whether proposed projects are: 1) both feasible and effective at reducing the risks for which the project was designed; and 2) able to be fully completed within the three-year period of performance. FEMA will use the information provided in the application and after the submission of the first BSIR to determine the feasibility and effectiveness of a grant project. To that end, IJs should include:

- An explanation of how the proposed project(s) will achieve objectives as identified in the SPR, including expected long-term impact where applicable, and which core capability gap(s) it helps to close and how;
- A summary of the status of planning and design efforts accomplished to date (e.g., included in a capital improvement plan); and
- A project schedule with clear milestones.

Recipients are expected to conform, as applicable, with accepted engineering practices, established codes, standards, modeling techniques, and best practices, and participate in the development of case studies demonstrating the effective use of grant funds, as requested.

FEMA will also review any submitted National Priority Area-aligned IJs and projects to ensure they meet the minimum spend requirements. Additional information on how the National Priority Area IJs and projects will be reviewed for effectiveness is included in the Review and Selection Process section below.

b. ***Financial Integrity Criteria***

Prior to making a federal award, FEMA is required by 31 U.S.C. § 3354, as enacted by the Payment Integrity Information Act of 2019, Pub. L. No. 116-117 (2020); 41 U.S.C. § 2313; and 2 C.F.R. § 200.206 to review information available through any Office of Management and Budget (OMB)-designated repositories of governmentwide eligibility qualification or financial integrity information, including whether SAM.gov identifies the applicant as being excluded from receiving federal

awards or is flagged for any integrity record submission. FEMA may also pose additional questions to the applicant to aid in conducting the pre-award risk review. Therefore, application evaluation criteria may include the following risk-based considerations of the applicant:

i. Financial stability.
ii. Quality of management systems and ability to meet management standards.
iii. History of performance in managing federal award.
iv. Reports and findings from audits.
v. Ability to effectively implement statutory, regulatory, or other requirements.

c. ***Supplemental Financial Integrity Criteria and Review***

Prior to making a federal award where the anticipated total federal share will be greater than the simplified acquisition threshold, currently $250,000:

i. FEMA is required by 41 U.S.C. § 2313 and 2 C.F.R. § 200.206(a)(2) to review and consider any information about the applicant, including information on the applicant's immediate and highest-level owner, subsidiaries, and predecessors, if applicable, that is in the designated integrity and performance system accessible through the System for Award Management (SAM), which is currently the Federal Awardee Performance and Integrity Information System (FAPIIS).

ii. An applicant, at its option, may review information in FAPIIS and comment on any information about itself that a federal awarding agency previously entered.

iii. FEMA will consider any comments by the applicant, in addition to the other information in FAPIIS, in making a judgment about the applicant's integrity, business ethics, and record of performance under federal awards when completing the review of risk posed by applicants as described in 2 C.F.R. § 200.206.

2. Review and Selection Process

a. ***SHSP and UASI***

All proposed investments will undergo a federal review by DHS/FEMA to verify compliance with all administrative and eligibility criteria identified in the NOFO. The federal review will be conducted by FEMA HQ Preparedness Officers. FEMA HQ Preparedness Officers will use a checklist to verify compliance with all administrative and eligibility criteria identified in the NOFO. Recipients must be able to demonstrate how investments support building capability and/or closing capability gaps or sustaining capabilities identified in the THIRA/SPR process. IJs will be reviewed at both the investment and project level.

Emergency communications investments will be jointly reviewed by FEMA and CISA's Emergency Communications Division (ECD) to verify compliance with SAFECOM Guidance on Emergency Communications Grants (SAFECOM Guidance). FEMA and ECD will coordinate directly with the recipient on any compliance concerns and will provide technical assistance as necessary to help ensure full compliance.

Additional Effectiveness Evaluation Criteria for the National Priority Areas

FEMA will evaluate the FY 2024 HSGP IJs and projects submitted in support of the National Priority Areas for anticipated effectiveness. FEMA's review will include verification that each IJ or project meets the National Priority Area required spend percentages.

Cybersecurity investments will be reviewed by DHS/FEMA, CISA, and other DHS components as appropriate, for compliance with purposes and requirements of the priority investment area. Proposed investments will be reviewed for effectiveness using the criteria set forth in this NOFO.

Soft Targets/Crowded Places investments will be reviewed by DHS/FEMA, CISA, and other DHS components as appropriate, for compliance with purposes and requirements of the priority investment area. Proposed investments will be reviewed for effectiveness using the criteria set forth in this NOFO.

Information Sharing and Cooperation Investments will be reviewed by DHS/FEMA, DHS Office of Intelligence and Analysis, and other DHS components as appropriate, for compliance with purposes and requirements of the priority investment area. Proposed investments will be reviewed for effectiveness using the criteria set forth in this NOFO.

For additional information on Fusion Center requirements, please see the Preparedness Grants Manual.

Domestic violent extremism investments will be reviewed by DHS/FEMA, DHS Office of Intelligence and Analysis, DHS Center for Prevention Programs and Partnerships, and other DHS components as appropriate, for compliance with purposes and requirements of the priority investment area. Proposed investments will be reviewed for effectiveness using the scoring criteria set forth in this NOFO.

Community preparedness and resilience investments will be reviewed by DHS/FEMA and other DHS components as appropriate, for compliance with purposes and requirements of the priority investment area. Proposed investments will be reviewed for effectiveness using the scoring criteria set forth in this NOFO.

Election security investments will be reviewed by DHS/FEMA, CISA, and other DHS components as appropriate, for compliance with purposes and requirements of

the priority investment area. Proposed investments will be reviewed for effectiveness using the scoring criteria set forth in this NOFO.

FEMA will determine whether the proposed approach is clear, logical, and reasonable to address the priority areas of interest and contribute to a culture of national preparedness. This includes factors such as the objectives and strategies proposed to address the priority area, how the objectives and strategies overcome legal, political, or practical obstacles to reduce overall risk, the process, and criteria to select additional relevant projects, and the approach to monitor awards to satisfy the funding percentage allocations.

For applicants that elect to submit IJs and project-level details for the National Priority Areas at the time of application, effectiveness will be evaluated prior to award. If the projects are found to not sufficiently align with the National Priority Area(s), applicants may have funds placed on hold (up to 30%) until the projects are revised to satisfactorily address the National Priority Areas.

For applicants that elect to submit IJs and project-level details for the National Priority Areas as part of their December 2024 BSIR, they will have funds placed on hold in the amount of 30%. The hold will be released only after their December 2024 BSIR submission has been reviewed, projects related to the National Priority Areas deemed in alignment by DHS/FEMA, and the funding hold is removed by FEMA.

SAAs are still required to meet pass-through requirements even if funds are on hold related to the National Priority Areas.

To that end, IJs should include:

- How the proposed investment addresses the National Priority Area;
- An explanation of how the proposed projects were selected and will achieve objectives and strategies to build or sustain the core capability gaps identified in the SPR, including expected long-term impact where applicable; and
- A summary of the collaboration efforts to prevent, prepare for, protect against, and respond to acts of terrorism as well as anticipated outcomes of the project.

For FY 2024 SHSP and UASI investments and projects related to the National Priority Areas, effectiveness will be evaluated based on the following four factors:

- Investment Strategy (40%): Proposals will be evaluated based on the quality and extent to which applicants describe an effective strategy that demonstrates that proposed projects support the program objective of preventing, preparing for, protecting against, and responding to acts of terrorism, to meet its target capabilities, and otherwise reduce the overall risk to the high-risk urban area, the state, or the Nation.
- Budget (20%): Proposals will be evaluated based on the extent to which applicants describe a budget plan for each investment demonstrating how the applicant will maximize cost effectiveness of grant expenditures.

- Impact/Outcomes (40%): Proposals will be evaluated on how the investment helps the jurisdiction close capability gaps identified in its SPR and addresses the relevant National Priority Area outlined in this NOFO. Further, proposals will be evaluated on their identification and estimated improvement of core capability(ies), the associated standardized target(s) that align with their proposed investment, and the ways in which the applicant will measure and/or evaluate improvement.
- Past Performance (additional consideration): Proposals will be evaluated based on the applicants demonstrated capability to execute the proposed investments. In evaluating applicants under this factor FEMA will consider the information provided by the applicant and may also consider relevant information from other sources.

b. *OPSG*

Applications will be reviewed by the SAA and USBP Sector Headquarters for completeness and adherence to programmatic guidelines and evaluated for anticipated feasibility, need, and impact of the Operations Orders. For more information on Operations Orders and other requirements of OPSG, see section D.10 above and the Preparedness Grants Manual.

DHS/FEMA will verify compliance with all administrative and eligibility criteria identified in the NOFO and required submission of Operations Orders and Inventory of Operations Orders by the established due dates. DHS/FEMA and USBP will use the results of both the risk analysis and the federal review by DHS/FEMA to make recommendations for funding to the Secretary of Homeland Security.

FY 2024 OPSG funds will be allocated among the eligible jurisdictions based on risk-based prioritization using the OPSG Risk Assessment described above. Final funding allocations are determined by the Secretary of Homeland Security, who may consider information and input from various law enforcement offices or subject-matter experts within the Department. Factors considered include, but are not limited to threat, vulnerability, miles of the border, and other border-specific law enforcement intelligence, as well as the feasibility of FY 2024 Operations Orders to designated localities within border states and territories.

F. Federal Award Administration Information

1. Notice of Award

Before accepting the award, the AOR and recipient should carefully read the award package. The award package includes instructions on administering the grant award and the terms and conditions associated with responsibilities under federal awards. **Recipients must accept all conditions in this NOFO and the Preparedness Grants Manual, as well as any specific terms and conditions in the Notice of Award to receive an award under this program.**

See the Preparedness Grants Manual for information on Notice of Award.

FEMA will provide the federal award package to the applicant electronically via FEMA GO. Award packages include an Award Letter, Summary Award Memo, Agreement Articles, and Obligating Document. An email notification of the award package will be sent through FEMA's grant application system to the AOR that submitted the application.

Recipients must accept their awards no later than 60 days from the award date. The recipient shall notify FEMA of its intent to accept and proceed with work under the award through the FEMA GO system.

Funds will remain on hold until the recipient accepts the award through the FEMA GO system and all other conditions of the award have been satisfied or until the award is otherwise rescinded. Failure to accept a grant award within the specified timeframe may result in a loss of funds.

2. Pass-Through Requirements

Awards made to the SAA for HSGP carry additional **statutorily mandated** pass-through requirements. Pass-through is defined as an obligation on the part of the SAA to make funds available to local units of government, combinations of local units, tribal governments, or other specific groups or organizations. These entities are defined at 6 U.S.C. § 101(13) as:

- A county, municipality, city, town, township, local public authority, school district, special district, intrastate district, council of governments (regardless of whether the council of governments is incorporated as a nonprofit corporation under State law), regional or interstate government entity, or agency or instrumentality of a local government.
- An Indian tribe or authorized tribal organization, or in Alaska a Native village or Alaska Regional Native Corporation.
- A rural community, unincorporated town or village, or other public entity.

Four criteria must be met to pass-through grant funds:

- The SAA must make a firm written commitment to passing through grant funds to subrecipients;
- The SAA's commitment must be unconditional (i.e., no contingencies for the availability of SAA funds);
- There must be documentary evidence (i.e., award document, terms, and conditions) of the commitment; and
- The award terms must be communicated to the subrecipient.

Timing and Amount

The SAA must pass-through at least 80% of the funds awarded under SHSP and UASI to the above-defined local or tribal units of government within 45 calendar days of receipt of the funds. "Receipt of the funds" occurs either when the SAA accepts the award or 15 calendar days after the SAA receives notice of the award, whichever is earlier.

SAAs are sent notification of HSGP awards via the FEMA GO system. If an SAA accepts its award within 15 calendar days of receiving notice of the award in the FEMA GO system, the 45 calendar days pass-through period will start on the date the SAA accepted the award.

Should an SAA not accept the HSGP award within 15 calendar days of receiving notice of the award in the FEMA GO system, the 45 calendar days pass-through period will begin 15 calendar days after the award notification is sent to the SAA via the FEMA GO system.

It is important to note that the period of performance start date does not directly affect the start of the 45 calendar days pass-through period. For example, an SAA may receive notice of the HSGP award on August 25, 2024, while the period of performance dates for that award are September 1, 2024, through August 31, 2027. In this example, the 45-day pass-through period will begin on the date the SAA accepts the HSGP award or September 9, 2024 (15 calendar days after the SAA was notified of the award), whichever date occurs first. The period of performance start date of September 1, 2024 would not affect the timing of meeting the 45-calendar day pass-through requirement.

Other SHSP and UASI Pass-Through Requirements

The signatory authority of the SAA must certify in writing to DHS/FEMA that pass-through requirements have been met. ***A letter of intent (or equivalent) to distribute funds is not considered sufficient.*** A letter of intent is not a firm commitment and if issued before FEMA makes the award, then a letter of intent is also not unconditional since it is inherently conditioned on receipt of funds.

The pass-through requirement does not apply to SHSP awards made to the District of Columbia, Guam, American Samoa, the U.S. Virgin Islands, or the Commonwealth of the Northern Mariana Islands. ***The Commonwealth of Puerto Rico is required to comply with the pass-through requirement***, and its SAA must also obligate at least 80% of the funds to local units of government within 45 calendar days of receipt of the funds.

Under SHSP, the SAA may retain more than 20% of funding for expenditures made by the state on behalf of the local unit(s) of government, such as expenditures by the state in order to pass through goods or services to local unit(s) of government in lieu of cash. This may occur only with the written consent, such as a Memorandum of Understanding, between the SAA and the local unit(s) of government. Separate written consent is necessary for each local unit of government in which more than 20% of funding is retained on their behalf by the state. The written consent must specify the amount of funds to be retained and the intended use of funds, including whether any goods or services will be passed through in lieu of cash. It must also be signed by authorized representatives of both the state and the local unit of government.

States shall review their written consent agreements yearly and ensure that they are still valid. If a written consent agreement is already in place from previous fiscal years, DHS/FEMA will continue to recognize it for FY 2024, unless the written consent review indicates the local government is no longer in agreement. If modifications to the existing agreement are necessary, the SAA should contact their assigned FEMA HQ Preparedness Officer. However, even if a written consent agreement is in place from previous fiscal years, ***the SAA must still initially carry out the pass-through documentation for its FY 2024 award and comply with the four pass-through criteria described above before the written consent agreement can take effect for purposes of the FY 2024 funding***.

Additional OPSG Requirements
The recipient is prohibited from obligating or expending funds provided through this award until each unique and specific county-level or equivalent Operational Order/Fragmentary Operations Order budget has been reviewed and approved through an official electronic mail notice issued by DHS/FEMA removing this special programmatic condition.

3. Administrative and National Policy Requirements
In addition to the requirements of in this section and in this NOFO, FEMA may place specific terms and conditions on individual awards in accordance with 2 C.F.R. Part 200.

In addition to the information regarding DHS Standard Terms and Conditions and Ensuring the Protection of Civil Rights, see the Preparedness Grants Manual for additional information on administrative and national policy requirements, including the following:

- Environmental Planning and Historic Preservation (EHP) Compliance
- FirstNet
- National Incident Management System (NIMS) Implementation
- SAFECOM

a. *DHS Standard Terms and Conditions*
All successful applicants for DHS grant and cooperative agreements are required to comply with DHS Standard Terms and Conditions, which are available online at: DHS Standard Terms and Conditions.

The applicable DHS Standard Terms and Conditions will be those in effect at the time the award was made. What terms and conditions will apply for the award will be clearly stated in the award package at the time of award.

b. *Ensuring the Protection of Civil Rights*
As the Nation works towards achieving the National Preparedness Goal, it is important to continue to protect the civil rights of individuals. Recipients and subrecipients must carry out their programs and activities, including those related to the building, sustainment, and delivery of core capabilities, in a manner that respects and ensures the protection of civil rights for protected populations.

Federal civil rights statutes, such as Section 504 of the Rehabilitation Act of 1973 and Title VI of the Civil Rights Act of 1964, along with
DHS and FEMA regulations, prohibit discrimination on the basis of race, color, national origin, sex, religion, age, disability, limited English proficiency, or economic status in connection with programs and activities receiving federal financial assistance from FEMA, as applicable.

The DHS Standard Terms and Conditions include a fuller list of the civil rights provisions that apply to recipients. These terms and conditions can be found in the DHS Standard Terms and Conditions. Additional information on civil rights

provisions is available at https://www.fema.gov/about/offices/equal-rights/civil-rights.

Monitoring and oversight requirements in connection with recipient compliance with federal civil rights laws are also authorized pursuant to 44 C.F.R. Part 7 or other applicable regulations.

In accordance with civil rights laws and regulations, recipients and subrecipients must ensure the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment.

c. ***Environmental Planning and Historic Preservation (EHP) Compliance***
See the Preparedness Grants Manual for information on EHP compliance.

d. ***National Incident Management System (NIMS) Implementation***
In expending funds under this program, recipients that are state, local, tribal, or territorial governments must ensure and maintain adoption and implementation of NIMS, including implementation of important operational systems defined under NIMS, such as ICS. The state, local, tribal, or territorial government must show adoption of NIMS during any point of the period of performance. See the Preparedness Grants Manual for information about NIMS implementation.

e. ***Emergency Communication Investments***
If an entity uses HSGP funding to support emergency communications investments, the following requirements shall apply to all such grant-funded communications investments in support of the emergency communications priorities and recognized best practices:

- The signatory authority for the SAA must certify in writing to DHS/FEMA their compliance with the SAFECOM Guidance. The certification letter should be coordinated with the SWIC for each state and must be uploaded to FEMA GO at the time of the first Program Performance Report submission.
- All states and territories must designate a full-time SWIC who has the authority and resources to actively improve interoperability with emergency management and response agencies across all levels of government, to include establishing statewide plans, policies, and procedures, and coordinating decisions on communications investments funded through federal grants. Note that the designated full-time SWIC may also be the state's or territory's cybersecurity point of contact. SWIC status information will be maintained by CISA and will be verified by FEMA GPD through programmatic monitoring activities.
- By the period of performance end date, all states and territories must update the SCIP, with a focus on communications resilience/continuity, to include assessment and mitigation of all potential risks identified in the SCIP: natural disasters, accidental damage (human failures), intentional damage (sabotage, terrorism), cybersecurity, etc. Following the initial update, the SCIP should be updated on an annual basis. SCIP status information will be maintained by

CISA and will be verified by FEMA GPD through programmatic monitoring activities.

All states and territories must test their emergency communications capabilities and procedures (as outlined in their operational communications plans) in conjunction with regularly planned exercises (separate/addition emergency communications exercises are not required). Exercises should be used to both demonstrate and validate skills learned in training and to identify gaps in capabilities. Resilience and continuity of communications should be tested during training and exercises to the greatest extent possible. Further, exercises should include participants from multiple jurisdictions, disciplines, and levels of government and include emergency management, emergency medical services, law enforcement, interoperability coordinators, public health officials, hospital officials, officials from colleges and universities, and other disciplines and private sector entities, as appropriate. Findings from exercises should be used to update programs to address gaps in emergency communications as well as emerging technologies, policies, and partners. Recipients are encouraged to increase awareness and availability of emergency communications exercise opportunities across all levels of government.

States, territories, and other eligible grant recipients are advised that HSGP funding may be used to support communications planning (including the cost of hiring a SWIC, participation in governance bodies and requirements delineated above), training, exercises, and equipment costs. Costs for transitioning to the FirstNet network may also be eligible. More information regarding FirstNet can be found in the Preparedness Grants Manual.

f. ***Mandatory Disclosures***

The non-Federal entity or applicant for a Federal award must disclose, in a timely manner, in writing to the Federal awarding agency or pass-through entity all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. (2 CFR 200.113)

Please note applicants and recipients may report issues of fraud, waste, abuse, and mismanagement, or other criminal or noncriminal misconduct to the Office of Inspector General (OIG) Hotline. The toll-free numbers to call are 1 (800) 323-8603, and TTY 1 (844) 889-4357.

4. Reporting

Recipients are required to submit various financial and programmatic reports as a condition of award acceptance. Future awards and funds drawdown may be withheld if these reports are delinquent.

See the Preparedness Grants Manual for information on reporting requirements.

5. Monitoring and Oversight

The regulation at 2 C.F.R. § 200.337 provides DHS and any of its authorized representatives with the right of access to any documents, papers, or other records of the recipient [and any subrecipients] that are pertinent to a federal award in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the recipient's or subrecipient's personnel for the purpose of interview and discussion related to such documents. Pursuant to this right and per 2 C.F.R. § 200.329, DHS may conduct desk reviews and make site visits to review project accomplishments and management control systems to evaluate project accomplishments and to provide any required technical assistance. During site visits, DHS may review a recipient's or subrecipient's files pertinent to the federal award and interview and/or discuss these files with the recipient's or subrecipient's personnel. Recipients and subrecipients must respond in a timely and accurate manner to DHS requests for information relating to a federal award.

See the Preparedness Grants Manual for information on monitoring and oversight.

G. DHS Awarding Agency Contact Information

1. Contact and Resource Information

a. *Program Office Contact*

FEMA has assigned state-specific Preparedness Officers for the HSGP. If you do not know your Preparedness Officer, please contact FEMA Grants News by phone at (800) 368-6498 or by email at fema-grants-news@fema.dhs.gov, Monday through Friday, 9:00 AM – 5:00 PM ET.

b. *FEMA Grants News*

FEMA Grants News is a non-emergency comprehensive management and information resource developed by FEMA for grants stakeholders. This channel provides general information on all FEMA grant programs and maintains a comprehensive database containing key personnel contact information at the federal, state, and local levels. When necessary, recipients will be directed to a federal point of contact who can answer specific programmatic questions or concerns. FEMA Grants News can be reached by e-mail at fema-grants-news@fema.dhs.gov OR by phone at (800) 368-6498, Monday through Friday, 9:00 AM – 5:00 PM ET.

c. *Grant Programs Directorate (GPD) Award Administration Division*

GPD's Award Administration Division (AAD) provides support regarding financial matters and budgetary technical assistance. Additional guidance and information can be obtained by contacting the AAD's Help Desk via e-mail at ASK-GMD@fema.dhs.gov.

d. FEMA Regional Offices

FEMA Regional Offices provide some fiscal support functions, including cash analysis and financial monitoring for this program. The FEMA Grant Programs Directorate, Office of Grants Administration, is responsible for financial and programmatic management of this program, and provides technical assistance, as needed or requested.

FEMA Regional Office contact information is available at: https://www.fema.gov/fema-regional-contacts.

e. ***Equal Rights***
The FEMA Office of Equal Rights (OER) is responsible for compliance with and enforcement of federal civil rights obligations in connection with programs and services conducted by FEMA and recipients of FEMA financial assistance. All inquiries and communications about federal civil rights compliance for FEMA grants under this NOFO should be sent to FEMA-CivilRightsOffice@fema.dhs.gov.

f. ***Environmental Planning and Historic Preservation***
GPD's EHP Team provides guidance and information about the EHP review process to recipients and subrecipients. All inquiries and communications about GPD projects under this NOFO or the EHP review process, including the submittal of EHP review materials, should be sent to gpdehpinfo@fema.dhs.gov.

2. Systems Information

a. ***FEMA GO***
For technical assistance with the FEMA GO system, please contact the FEMA GO Helpdesk at femago@fema.dhs.gov or (877) 585-3242, Monday through Friday, 9:00 AM – 6:00 PM ET.

b. ***FEMA Preparedness Toolkit***
The FEMA Preparedness Toolkit (PrepToolkit) provides access to the tools and resources needed to implement the National Preparedness System and provide a collaborative community space for communities completing the Unified Reporting Tool (URT). Recipients complete and submit their THIRA/SPR, and other required assessments using the tools on PrepToolkit. For assistance, contact support@preptoolkit.fema.dhs.gov.

H. Additional Information

GPD has developed the Preparedness Grants Manual to guide applicants and recipients of grant funding on how to manage their grants and other resources. Recipients seeking guidance on policies and procedures for managing preparedness grants should reference the Preparedness Grants Manual for further information. Examples of information contained in the Preparedness Grants Manual include:

- Actions to Address Noncompliance
- Audits
- Case Studies and Use of Grant-Funded Resources During Real-World Incident Operations
- Community Lifelines
- Conflicts of Interest in the Administration of Federal Awards and Subawards
- Disability Integration
- National Incident Management System
- Payment Information

- Period of Performance Extensions
- Procurement Integrity
- Record Retention
- Termination Provisions
- Whole Community Preparedness
- Report Issues of Fraud, Waste, and Abuse
- Hazard Resistant Building Codes
- Other Post-Award Requirements

1. Termination Provisions

FEMA may terminate a federal award in whole or in part for one of the following reasons. FEMA and the recipient must still comply with closeout requirements at 2 C.F.R. §§ 200.344-200.345 even if an award is terminated in whole or in part. To the extent that subawards are permitted under this NOFO, pass-through entities should refer to 2 C.F.R. § 200.340 for additional information on termination regarding subawards. Note that all information in this Section H.1 "Termination Provisions" is repeated in the Preparedness Grants Manual.

a. ***Noncompliance***

If a recipient fails to comply with the terms and conditions of a federal award, FEMA may terminate the award in whole or in part. If the noncompliance can be corrected, FEMA may first attempt to direct the recipient to correct the noncompliance. This may take the form of a Compliance Notification. If the noncompliance cannot be corrected or the recipient is non-responsive, FEMA may proceed with a Remedy Notification, which could impose a remedy for noncompliance per 2 C.F.R. § 200.339, including termination. Any action to terminate based on noncompliance will follow the requirements of 2 C.F.R. §§ 200.341-200.342 as well as the requirement of 2 C.F.R. § 200.340(c) to report in FAPIIS the recipient's material failure to comply with the award terms and conditions. See also the section on Actions to Address Noncompliance in this NOFO. See also the section on Actions to Address Noncompliance in the Preparedness Grants Manual.

b. ***With the Consent of the Recipient***

FEMA may also terminate an award in whole or in part with the consent of the recipient, in which case the parties must agree upon the termination conditions, including the effective date, and in the case of partial termination, the portion to be terminated.

c. ***Notification by the Recipient***

The recipient may terminate the award, in whole or in part, by sending written notification to FEMA setting forth the reasons for such termination, the effective date, and in the case of partial termination, the portion to be terminated. In the case of partial termination, FEMA may determine that a partially terminated award will not accomplish the purpose of the federal award, so FEMA may terminate the award in its entirety. If that occurs, FEMA will follow the requirements of 2 C.F.R. §§ 200.341-200.342 in deciding to fully terminate the award.

2. Program Evaluation

Federal agencies are required to structure NOFOs that incorporate program evaluation activities from the outset of their program design and implementation to meaningfully document and measure their progress towards meeting agency priority goal(s) and program outcomes.

OMB Memorandum M-21-27, Evidence-Based Policymaking: Learning Agendas and Annual Evaluation Plans, implementing Title I of the Foundations for Evidence-Based Policymaking Act of 2018, Pub. L. No. 115-435 (2019) (Evidence Act), urges federal awarding agencies to use program evaluation as a critical tool to learn, improve equitable delivery, and elevate program service and delivery across the program lifecycle. Evaluation means "an assessment using systematic data collection and analysis of one or more programs, policies, and organizations intended to assess their effectiveness and efficiency." Evidence Act, § 101 (codified at 5 U.S.C. § 311).

As such, recipients and subrecipients are required to participate in a DHS-, Component, or Program Office-led evaluation if selected, which may be carried out by a third-party on behalf of the DHS, its component agencies, or the Program Office. Such an evaluation may involve information collections including but not limited to surveys, interviews, or discussions with individuals who benefit from the federal award program operating personnel, and award recipients, as specified in a DHS-, component agency-, or Program Office-approved evaluation plan. More details about evaluation requirements may be provided in the federal award, if available at that time, or following the award as evaluation requirements are finalized. Evaluation costs incurred during the period of performance are allowable costs (either as direct or indirect). Recipients and subrecipients are also encouraged, but not required, to participate in any additional evaluations after the period of performance ends, although any costs incurred to participate in such evaluations are not allowable and may not be charged to the federal award.

3. Financial Assistance Programs for Infrastructure

a. *Build America, Buy America Act*

Recipients and subrecipients must comply with the Build America, Buy America Act (BABAA), which was enacted as part of the Infrastructure Investment and Jobs Act §§ 70901-70927, Pub. L. No. 117-58 (2021); and Executive Order 14005, Ensuring the Future is Made in All of America by All of America's Workers. See also 2 C.F.R. Part 184 and Office of Management and Budget (OMB) Memorandum M-24-02, Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure.

None of the funds provided under this program may be used for a project for infrastructure unless the iron and steel, manufactured products, and construction materials used in that infrastructure are produced in the United States.

The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it

does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

For FEMA's official policy on BABAA, please see FEMA Policy 207-22-0001: Buy America Preference in FEMA Financial Assistance Programs for Infrastructure available at https://www.fema.gov/sites/default/files/documents/fema_build-america-buy-america-act-policy.pdf To see whether a particular FEMA federal financial assistance program is considered an infrastructure program and thus required to include a Buy America preference, please see Programs and Definitions: Build America, Buy America Act | FEMA.gov. and https://www.fema.gov/sites/default/files/documents/fema_build-america-buy-america-act-policy.pdf

b. ***Waivers***

When necessary, recipients (and subrecipients through their pass-through entity) may apply for, and FEMA may grant, a waiver from these requirements.

A waiver of the domestic content procurement preference may be granted by the agency awarding official if FEMA determines that:

- Applying the domestic content procurement preference would be inconsistent with the public interest.
- The types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality.
- The inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25%.

For FEMA awards, the process for requesting a waiver from the Buy America preference requirements can be found on FEMA's website at: "Buy America" Preference in FEMA Financial Assistance Programs for Infrastructure | FEMA.gov.

c. ***Definitions***

For BABAA specific definitions, please refer to the FEMA Buy America website at: "Programs and Definitions: Build America, Buy America Act | FEMA.gov."

Please refer to the applicable DHS Standard Terms & Conditions for the BABAA specific term applicable to all FEMA financial assistance awards for infrastructure.

4. **Report issues of fraud, waste, abuse**
   Please note, when applying to this notice of funding opportunity and when administering the grant, applicants may report issues of fraud, waste, abuse, and mismanagement, or other criminal or noncriminal misconduct to the Office of Inspector General (OIG) Hotline. The toll-free numbers to call are 1 (800) 323-8603, and TTY 1 (844) 889-4357.

5. **National Threat Evaluation and Reporting (NTER) Program Office**
   As the threat landscape continues to evolve, the DHS Office of Intelligence and Analysis (I&A) National Threat Evaluation and Reporting (NTER) Program Office empowers homeland security partners to adapt to new threats and prevent terrorism and targeted violence. NTER equips homeland security partners with tools and resources to identify, report, and mitigate threats of terrorism and targeted violence to keep the Homeland safe primarily through two lines of effort: the Nationwide Suspicious Activity Reporting (SAR) Initiative (NSI) and Behavioral Threat Assessment Integration.

   a. **Behavioral Threat Assessment Integration**
      NTER assists federal, state, local, tribal, and territorial (F/SLTT) partners with integrating a behavioral approach to violence prevention into their processes for identifying and mitigating homeland security threats of targeted violence, regardless of motive. Through training, partner capacity building, and information sharing, NTER supports the identification and mitigation of threats. The Office fills a national gap by providing a framework for Behavioral Threat Assessment and Management (BTAM) as a best practice for targeted violence prevention.
      - The Master Trainer Program certifies F/SLTT partners in the instruction of BTAM techniques and best practices. This instructor development and certification program prepares F/SLTT partners to engage their local communities and empowers homeland partners to help mitigate threats and aid in preventing acts of targeted violence. ·
      - Foundations of Targeted Violence Prevention eLearning: This one-hour eLearning empowers partners to recognize threats or potentially concerning behaviors; understand what behaviors may be displayed by a person who is on a pathway to violence; learn where to report information of concern; and understand how the information reported will be used to keep our communities safe.

   b. **Nationwide Suspicious Activity Reporting Initiative**
      The NSI is a joint collaborative effort by the U.S. Department of Homeland Security, the Federal Bureau of Investigation, and F/SLTT law enforcement partners. This initiative provides law enforcement with a tool to help prevent terrorism and other related criminal activity by establishing a national capacity for identifying, gathering, documenting, processing, analyzing, and sharing tips and leads. The NSI is a standardized process for identifying, reporting, and sharing suspicious activity in jurisdictions across the country.
      - SAR Standardized Technical Assistance Consultation Guide: This document provides an overview of the technical assistance and training services.

- Online SAR Training for Law Enforcement and Hometown Security Partners: To increase the effectiveness of this multifaceted approach, the NSI has developed training programs for frontline officers and hometown security partners on how to report identified suspicious activity to the proper authorities while maintaining the protection of citizens' privacy, civil rights, and civil liberties.
- Nationwide Suspicious Activity Reporting (SAR) Initiative (NSI) Fundamentals | Homeland Security (dhs.gov): This one-hour training course provides an interactive overview of the NSI. It provides users an understanding of the evaluation process used to determine whether identified behavior adheres to the Information Sharing Environment Functional Standard criteria, in accordance with privacy, civil rights, and civil liberties protections.

Cal OES
GOVERNOR'S OFFICE
OF EMERGENCY SERVICES

Fiscal Year 2024
Homeland Security Grant Program

California Supplement to the Federal Notice of Funding Opportunity

December 2024

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Federal Program Announcement

On April 16, 2024, the U.S. Department of Homeland Security (DHS)/Federal Emergency Management Agency (FEMA) issued the Fiscal Year (FY) 2024 Homeland Security Grant Program (HSGP), Notice of Funding Opportunity (NOFO) and the FEMA Preparedness Grants Manual.

Subrecipients must follow the programmatic requirements in the NOFO, FEMA Preparedness Grants Manual, and the applicable provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards located in Title 2, Code of Federal Regulations (C.F.R.), Part 200.

Information Bulletins

DHS issues Information Bulletins (IBs) to provide updates, clarification, and new requirements throughout the life of the grant.

Grant Management Memoranda

Cal OES issues Grant Management Memoranda (GMMs) which provide additional information and requirements regarding HSGP funds.

Purpose of the California Supplement

The FY 2024 HSGP California Supplement to the NOFO (State Supplement) is intended to complement, rather than replace, the NOFO and the FEMA Preparedness Grants Manual. Applicants are highly encouraged to thoroughly read the NOFO and the Preparedness Grants Manual before referring to the State Supplement. The State Supplement will emphasize differences between the FY 2023 and FY 2024 HSGP and highlight additional California policies and requirements applicable to FY 2024 HSGP.

Eligible Subrecipients

Eligible Applicants, referred to as Subrecipients, include Counties/Operational Areas (OAs), Urban Areas (UAs), State Agencies (SAs), Departments, Commissions, and Boards who have or can obtain appropriate state Department of Finance budget authority for awarded funds, and federally recognized tribes located in California.

Tribal Allocations	The NOFO strongly encourages Cal OES to provide HSGP funds directly to tribes in California. To implement this requirement, a special Competitive Funding Opportunity (CFO) will be issued to California's federally recognized tribes. All Subrecipients are encouraged to coordinate with tribal governments to ensure that tribal needs are considered in their grant applications.
Subrecipient Allocations	FY 2024 HSGP Subrecipient final allocations are provided in Attachment A and reflect reductions to Subrecipients who did not submit minimum thresholds for National Priority Areas, including Subrecipients opting out of the award altogether, and increases to Subrecipients that are helping meet statewide minimum level National Priority Area requirements.
Supplanting	Grant funds must be used to supplement existing funds, not replace (supplant) funds that have been appropriated for the same purpose. Subrecipients may be required to provide supporting documentation that certifies a reduction in non-federal resources that occurred for reasons other than the receipt or expected receipt of federal funds. Supplanting will result in the disallowance of the activity associated with this improper use of federal grant funds.
Public/Private Organizations	Subrecipients may contract with other public or private organizations to perform eligible activities on approved HSGP projects.
Debarred/ Suspended Parties	Subrecipients must not make or permit any award (subaward or contract) at any tier, to any party, that is debarred, suspended, or otherwise excluded from, or ineligible for, participation in federal assistance programs. Subrecipients must obtain documentation of eligibility before making any subaward or contract using HSGP funds and must be prepared to present supporting documentation to monitors/auditors. Before entering into a Grant Subaward, the Subrecipient must notify Cal OES if it knows if any of the principals under the subaward fall under one or more of the four criteria listed at 2 C.F.R. § 180.335.

Debarred/ Suspended Parties Cont.

The rule also applies to Subrecipients who pass through funding to other local entities.

If at any time after accepting a subaward, Subrecipients learn that any of its principals fall under one or more of the criteria listed at 2 C.F.R. § 180.335, immediate written notice must be provided to Cal OES and all grant activities halted until further instructions are received from Cal OES. The rule also applies to subawards passed through by Subrecipients to local entities.

Key Changes to the FY 2024 HSGP

National Priority Areas: There are six National Priority Areas (NPAs) for FY 2024. The primary change for FY 2024 is that only the Enhancing Election Security NPA maintains a 3% minimum spend. SHSP and UASI applicants must include one Investment Justification (IJ) for each NPA that has a minimum spend requirement, where applicable. For the NPAs with no minimum spend requirement, the Department of Homeland Security strongly encourages recipients to make investments in those areas as they are of critical national concern. For those NPAs that have an associated minimum spend, **all projects related to meeting the minimum spend for those NPAs must be included in the same IJ.**

The six NPAs, along with the relevant minimum spend requirement, are:

- Enhancing information and intelligence sharing and cooperation with federal agencies, including the Department of Homeland Security – NEW: no minimum spend;
- Enhancing the protection of soft targets/crowded places –NEW: no minimum spend;
- Enhancing cybersecurity – no minimum spend;
- Enhancing community preparedness and resilience – NEW: no minimum spend;
- Combating domestic violent extremism – NEW: no minimum spend ;
- Enhancing election security – 3% minimum.

Key Changes to the FY 2024 HSGP Cont.

Purchasing Under a FEMA Award: 2024 OMB Revisions: The Office of Management and Budget (OMB) has updated parts of the OMB Guidance for Grants and Agreements in Title 2 of the Code of Federal Regulations. These updates will apply to FEMA awards with an award date on or after October 1, 2024.

Key changes include updates to the federal procurement standards at 2 C.F.R. §§ 200.317 – 200.327, which govern how FEMA award recipients and subrecipients must conduct purchases under a FEMA award.

FEMA will update its policy and guidance documents to incorporate these revisions, but for now, please refer to the Purchasing Under a FEMA Award: 2024 OMB Revisions Fact Sheet for more information.

Details on all the 2 C.F.R. revisions can be found on the Federal Register's Guidance for Federal Financial Assistance webpage.

For more information on the federal procurement standards, visit Contracting with Federal Funds for Goods and Services Before, During and After Disasters | FEMA.gov.

FY 2024 National Priorities

DHS/FEMA annually publishes the National Preparedness Report (NPR) to report national progress in building, sustaining, and delivering the core capabilities outlined in the goal of a secure and resilient nation. This analysis provides a national perspective on critical preparedness trends for whole community partners to use to inform program priorities, allocate resources, and communicate with stakeholders about issues of concern.

HSGP Subrecipients are required to prioritize grant funding to demonstrate how investments support closing capability gaps or sustaining capabilities identified in the Threat Hazard Identification and Risk Assessment (THIRA)/Stakeholder Preparedness Review (SPR) process.

DHS/FEMA continually assesses changes to the threat landscape to further the National Preparedness Goal (NPG) of a secure and resilient nation. The following are national priority areas for FY 2024, including the corresponding percentage of funds required in each area:

- Enhancing information and intelligence sharing and cooperation with federal agencies, including DHS – no minimum;
- Enhancing the protection of soft targets/crowded places – no minimum;
- Enhancing cybersecurity – no minimum;
- Enhancing community preparedness and resilience – no minimum;
- Combating domestic violent extremism through enhanced intelligence collection & analysis, training, and community resilience – no minimum; and
- Enhancing election security – 3% minimum.

Subrecipients must spend a minimum of 30% of their SHSP and UASI awards across the six NPAs but have flexibility on how that funding is allocated. Only the Enhancing Election Security NPA has a minimum spend requirement of 3%. The remaining 27% can be allocated across any of the NPAs.

FY 2024 National Priorities Cont.

National Priority projects will be reviewed for effectiveness by DHS/FEMA and must be deemed effective prior to the obligation or expenditure of funds.

Projects requiring additional information for DHS/FEMA to determine effectiveness of the project, or projects deemed ineffective, will have a hold placed on their subaward pending submission of requested information and DHS/FEMA approval. Once a project is approved by DHS/FEMA, modifications to the project have special restrictions regarding modifications as indicated below:

Modifications which do not change the project scope and do not decrease the overall project budget can be processed via regular modification request.

Modifications which change the project scope or decrease the overall project budget will require DHS/FEMA approval and must be requested on the National Priority Project Modification Form.

Effectiveness will be evaluated by DHS/FEMA, Cybersecurity and Infrastructure Security Agency, DHS Office of Intelligence and Analysis, DHS Center for Prevention Programs and Partnerships, and/or other DHS components, as appropriate. FEMA will determine whether the proposed approach is clear, logical, and reasonable to address the priority areas of interest and contribute to a culture of national preparedness, based on the following four factors:

- **Investment Strategy (40%):** Projects will be evaluated based on the quality and extent to which the strategy effectively demonstrates supporting the program objective of preventing, preparing for, protecting against, and responding to acts of terrorism, to meet its target capabilities, and otherwise reduce the overall risk to the high-risk urban area, the state, or the nation.

- **Budget (20%):** Projects will be evaluated based on the extent to which a budget plan for each investment demonstrates how grant expenditures maximize cost effectiveness.

FY 2024 National Priorities Cont.

- **Impact/Outcomes (40%):** Projects will be evaluated on how this investment helps the jurisdiction close capability gaps identified in its Stakeholder Preparedness Review and addresses NPs outlined in the FY 2024 NOFO. Further, projects will be evaluated on their identification and estimated improvement of core capability(ies), the associated standardized target(s) that align with their proposed investment, and the ways in which improvements are measured and/or evaluated.

- **Past Performance (additional consideration):** Projects will be evaluated based on the Subrecipient's demonstrated capability to execute the proposed investments. Under this factor, FEMA will consider the information provided by the Subrecipient and may also consider relevant information from other sources.

A detailed description of allowable investments for each NP is included in the FY 2024 HSGP NOFO (Section A).

National Campaigns and Programs

Whole Community Preparedness – Subrecipients should engage with the whole community to advance individual and community preparedness and to work as a nation to build and sustain resilience. In doing so, Subrecipients are encouraged to consider the needs of individuals with access and functional needs and limited English proficiency in the activities and projects funded by the grant.

Subrecipients should utilize established best practices for whole community inclusion and engage with stakeholders to advance individual and jurisdictional preparedness and resilience. Subrecipients are encouraged to consider the necessities of all Californians in the activities and projects funded by the grant, including children, seniors, individuals with disabilities or access and functional needs, individuals with diverse culture and language use, individuals with lower economic capacity, and other underserved populations. Additional information regarding community preparedness and resilience is available through Individuals and Communities.

National Campaigns and Programs Cont.

Active Shooter Preparedness – DHS developed a comprehensive Active Shooter Preparedness website, which strives to enhance national preparedness through a whole-community approach by providing the necessary products, tools, and resources to help all stakeholders prepare for and respond to an active shooter incident. Subrecipients are encouraged to review the referenced active shooter resources and evaluate their preparedness needs.

Soft Targets and Crowded Places – States, territories, UAs, and public and private sector partners are encouraged to identify security gaps and build capabilities that address security needs and challenges related to protecting locations or environments that are easily accessible to large numbers of people on a predictable or semi-predictable basis that have limited security or protective measures in place, including town centers, shopping malls, open-air venues, outside hard targets/venue perimeters, and other places of meeting and gathering. For more information, please see DHS's Hometown Security Program.

Community Lifelines – FEMA created Community Lifelines to reframe incident information and impacts using plain language and unity of effort to enable the integration of preparedness efforts, existing plans, and identifies unmet needs to better anticipate response requirements. Additional information may be found at the Community Lifelines Implementation Toolkit website.

Strategic Framework for Countering Terrorism and Targeted Violence – DHS adopted the DHS Strategic Framework for Countering Terrorism and Targeted Violence which explains how the department will use the tools and expertise that have protected and strengthened the country from foreign terrorist organizations to address the evolving challenges of today.

National Campaigns and Programs Cont.

Countering Violent Extremism (CVE) Training - Foreign terrorist groups and individual terrorist thought leaders recruit or inspire Westerners to carry out attacks against western and U.S. targets, including individuals living in communities with the U.S. via, but not limited to, print, video, and social media, as well as through personal interaction. But we also know that violent extremism is not a phenomenon restricted solely to one community and that any effort to counter violent extremism must be applicable to all ideologically motivated violence. Efforts to provide information and training regarding CVE should emphasize the strength of local communities' approach.

National Cybersecurity Review

The National Cybersecurity Review (NCSR) is a required assessment for all Subrecipients of State Homeland Security Program (SHSP) and Urban Areas Security Initiative (UASI) funding to be completed between October 2024 and February 2025.

The NCSR is a no-cost, anonymous, and annual self-assessment designed to measure gaps and capabilities of state, local, tribal, territorial, nonprofit, and private sector agencies' cybersecurity programs.

Additionally, FEMA recognizes that some subawards will not be issued until after the NCSR has closed. In these cases, Subrecipients will be required to complete the first available NCSR offered after the subaward has been issued by Cal OES.

The Chief Information Officer (CIO), Chief Information Security Officer (CISO), or equivalent should complete the NCSR. If there is no CIO or CISO, the most senior cybersecurity professional should complete the assessment. Additional information may be found in IB 439 and 429a.

NIMS Implementation

Prior to the allocation of any federal preparedness awards, Subrecipients must ensure and maintain the adoption and implementation of the National Incident Management System (NIMS).

Law Enforcement Terrorism Prevention Activities

At least 35% of the grant funding under SHSP and UASI must be dedicated to Law Enforcement Terrorism Prevention Activities (LETPA). This required LETPA allocation can be from SHSP, UASI, or both and may be met by funding projects in any combination of the six NPAs and any other investments.

Allowable expenditures can be found in the authorizing legislation, Preparedness Grants Manual, Information Bulletin (IB) No. 473 Supplemental Guidance for LETPA Expenditures, the National Prevention Framework, and National Protection Framework.

For an activity to be counted towards the LETPA requirement, it must have a law enforcement terrorism prevention nexus. If an activity is listed in the authorizing legislation or can be directly tied to a capability in the National Prevention Framework or shared capability in the National Protection Framework, then it is presumed to have law enforcement nexus and be a LETPA. For all other claimed activities, nexus to law enforcement and terrorism prevention must be clearly explained.

Refer to IB 485 - FY23 LETPA Supplemental Guidance to the NOFO for further direction on how to account for LETPA activities, best practices for submitting LETPA investments, and information on how to distinguish LETPA from other activities .

Management and Administration

The Management and Administration (M&A) allowance for Subrecipients is set at a maximum of 5% for FY 2024 HSGP.

Indirect Costs

Indirect costs are allowable under the FY 2024 HSGP Grant Award.

Subrecipients with an indirect cost rate approved by their cognizant federal agency may claim indirect costs based on the established rate. Indirect costs claimed must be calculated using the base approved in the indirect cost negotiation agreement. A copy of the approved negotiation agreement is required at the time of application.

Indirect Costs Cont.

Indirect costs are in addition to the M&A allowance and must be included in the Grant Award application as a "Project" and reflected in the FMFW on the Indirect Cost Tab if being claimed under the award.

Indirect costs must be claimed no more than once annually, and only at the end of the Subrecipient's fiscal year. An exception to this rule applies if there is a mid-year change to the approved indirect cost rate; in this case, costs incurred to date must be claimed. At that time, a Grant Subaward Modification reflecting the rate change must also be submitted to Cal OES, along with a copy of the new Indirect Cost Rate Agreement.

The FEMA Preparedness Grants Manual, published by FEMA, states that State and local governments are **not** permitted to use the de minimis rate. These costs are allowable only when an exception is granted to the SAA by FEMA per 2 C.F.R. Part 200, Appendix VII, paragraph D.1.b. Subrecipients should not include these costs in their future applications until further notice. If necessary, subrecipients may work with their Grants Analyst to modify their existing projects to remove these costs that were included in their advanced application.

Organization Costs – Overtime

Operational overtime costs are allowable for increased security measures at critical infrastructure sites if associated with detecting, deterring, disrupting, and preventing acts of terrorism and other catastrophic events.

Pursuant to page 52 of the Fiscal Year (FY) 2024 Homeland Security Grant Program (HSGP), Notice of Funding Opportunity, all operational overtime requests must clearly explain how the request meets the criteria of one or more of the listed Authorized Operational Overtime Categories.

Requests must address the threat environment as it relates to the event or activity requiring operational overtime support and explains how the overtime activity is responsive to the threat.

Post-event operational overtime requests will only be considered on a case-by-case basis, where it is demonstrated exigent circumstances prevented

Organization Costs – Overtime Cont.

submission of a request in advance of the event or activity. Requests for overtime costs must be submitted to Cal OES via Allowability Request Log (ARL) Form at the time of application, if the activity will occur within one year of the final application submission. All subsequent requests must be submitted at least 60 days in advance of the activity.

All operational overtime costs must be formally pre-approved in writing by DHS/FEMA.

Personnel Cap

Pursuant to 6 U.S.C. § 609(b), SHSP and UASI funds may be used for personnel costs, totaling up to 50 percent of each fund source. A Subrecipient may request this requirement be waived by DHS/FEMA, via Cal OES. Requests for personnel cap waivers must be submitted separately for each fund source in writing on official letterhead, with the following information:

- Documentation explaining why the cap should be waived;
- Conditions under which the request is being submitted; and
- A budget **and** method of calculation of personnel costs both in percentages of the Grant Award **and** in total dollar amount (waivers must be calculated separately for SHSP and UASI, outlining salary, fringe benefits, and any M&A costs).

Subrecipient requests to exceed the personnel cap must be received by Cal OES at the time of application. Subaward modifications impacting the personnel cap will be reviewed on a case-by-case basis and may require the submittal of the above-mentioned information.

Please see IB 421b for more information on the waiver process.

Allowable HSGP equipment is listed on the FEMA Authorized Equipment List (AEL) website.

Equipment Typing/ Identification and Use	Subrecipients that allocate HSGP funds towards equipment are required to type and identify the capability associated with that equipment. The FEMA Resource Typing Library Tool (RTLT) can be used to help determine the type and capability. Per FEMA policy, the purchase of weapons and weapon accessories are not allowed with HSGP funds. Special rules apply to pharmaceutical purchases, medical countermeasures, and critical emergency supplies; refer to page A-10 of the FEMA Preparedness Grants Manual for additional information. Expenditures for general purpose equipment are allowable if they align to and support one or more core capabilities identified in the NPG, and in addition, are deployable/sharable through the Emergency Management Assistance Compact and allowable under 6 U.S.C. § 609. Refer to the NOFO and Preparedness Grants Manual for examples of allowable general-purpose equipment.
Equipment Maintenance/ Sustainment	Use of HSGP funds for maintenance contracts, warranties, repair or replacement costs, upgrades, and user fees are allowable as described in FEMA IBs 336 and 379, as well as Grant Programs Directorate (GPD) Policy FP-205-402-125-1.
Emergency Communications Projects	All Subrecipient emergency communications projects must comply with the SAFECOM Guidance on Emergency Communications Grants and describe in their FMFW how such activities align with the goals of the Statewide Communications Interoperability Plan.
Telecom Equipment and Services Prohibitions	Effective August 13, 2020, section 889(f)(2)-(3) of the John S. McCain National Defense Authorization Act for FY 2019 (NDAA) and 2 C.F.R. § 200.216, 200.471, and Appendix II to 2 C.F.R. Part 200 prohibit DHS/FEMA Recipients and Subrecipients (including their contractors and subcontractors) from using any FEMA funds under open or new awards for the following telecommunications equipment or services:

Telecom Equipment and Services Prohibitions Cont.

1) Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation, (or any subsidiary or affiliate of such entities);
2) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);
3) Telecommunications or video surveillance services provided by such entities or using such equipment; or
4) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the People's Republic of China.

Additional guidance is available in FEMA Policy #405-143-1, Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services

Prohibited and Controlled Equipment

Effective May 25, 2022, Executive Order (EO) 14074, Advancing Effective, Accountable Policing and Criminal Justice Practices to Enhance Public Trust and Public Safety, Section 12(a) of EO 14074 directs the Department of Homeland Security (DHS) to review its grant programs and, consistent with applicable law, prohibits the use of grant funding to purchase certain types of military equipment by state, local, tribal, and territorial law enforcement agencies (LEAs).

For all awards issued on or after January 1, 2023, the policy directly prohibits certain types of equipment outright (prohibited equipment), whereas other types of equipment may be controlled, or LEAs are required to submit certifications prior to purchase.

Even if equipment is listed as controlled equipment and is not outright prohibited, that does not automatically

Prohibited and Controlled Equipment Cont.

make it allowable under a particular FEMA program. Subrecipients should refer to applicable program guidance or contact your Grants Analyst to determine if a particular type of equipment is allowable under that program.

Additional information regarding Prohibited and Controlled Equipment is available on FEMA Policy 207-22-0002.

Small Unmanned Aircraft Systems

All requests to purchase Small Unmanned Aircraft Systems (SUAS) with FEMA grant funding must comply with FEMA Policy 207-22-0002 and include copies of the policies and procedures in place to safeguard individuals' privacy, civil rights, and civil liberties of the jurisdiction that will purchase, take title to, or otherwise use the SUAS equipment. The Authorized Equipment Listing for 03OE-07-SUAS details questions that must be included in the Aviation Request justification. Reference the Presidential Memorandum: Promoting Economic Competitiveness While Safeguarding Privacy, Civil Rights, and Civil Liberties in Domestic Use of Unmanned Aircraft Systems for additional information.

Subrecipients must submit Cal OES' UAS-Drone Request Form, Controlled Equipment Self-Certification Form and FEMA's Controlled Equipment Request Form for FEMA approval. Requests for drone/UAS accessories follow the same UAS process that requires FEMA review and approval.

FEMA approval is required before a SUAS can be purchased with HSGP grants funds.

Emergency Operations Plans

Subrecipients should update their Emergency Operations Plan (EOP) at least once every two years to remain compliant with the Comprehensive Preparedness Guide 101 version 2.0.

Conflict of Interest

To eliminate and reduce the impact of conflicts of interest in the subaward process, Subrecipients and pass-through entities must follow their own policies and procedures regarding the elimination or reduction of conflicts of interest when making subawards. Subrecipients and pass-through entities are also required to follow any applicable federal, state, local, and tribal statutes or regulations governing conflicts of interest in the making of subawards.

Subrecipients must disclose to their Grants Analyst, in writing, any real or potential conflict of interest as defined by the federal, state, local, or tribal statutes or regulations, which may arise during the administration of the HSGP subaward within five days of learning of the conflict of interest.

Build America, Buy America Act (BABAA)

Under FEMA financial assistance programs, the BABAA requirements apply to:

- New awards made on or after January 2, 2023,
- New funding that FEMA obligates to existing awards or through renewal awards on or after January 2, 2023; and
- Infrastructure projects.

Funds provided under this program may not be used for a project for infrastructure unless the iron and steel, manufactured products, and construction materials used in that infrastructure are produced in the United States.

The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Additionally, the Buy America preference does not apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

Build America, Buy America Act (BABAA) Cont.

When necessary, Subrecipients may apply for a waiver from these requirements. Additional information regarding the BABAA can be found on FEMA's website under Buy America Preference Buy America Preference.

FY 2024 Investments

The State prioritized the following investment strategies for the FY 2024 subawards:

1. Enhance Information and Intelligence Sharing and Cooperation with Federal Agencies, including DHS **(National Priority)**;
2. Enhance the Protection of Soft Targets/Crowded Places **(National Priority)**;
3. Enhance Cybersecurity **(National Priority)**;
4. Enhancing Community Preparedness and Resilience **(National Priority)**;
5. Combating Domestic Violent Extremism **(National Priority)**;
6. Strengthen Emergency Communications Capabilities Through Planning, Governance, Technology, and Equipment;
7. Enhance Medical and Public Health Preparedness;
8. Strengthen Information Sharing and Collaboration (non-Fusion Center);
9. Enhance Multi-Jurisdictional/Inter-Jurisdictional All-Hazards/Whole Community Incident Planning, Response & Recovery Capabilities;
10. Protect Critical Infrastructure and Key Resources (includes Food and Agriculture); and
11. Enhance Election Security **(National Priority).**

California Homeland Security Strategy Goals

The State prioritized the following California Homeland Security Strategy Goals for the FY 2024 subawards:

1. Enhance Information Collection, Analysis, and Sharing, in Support of Public Safety Operations Across California;
2. Protect Critical Infrastructure and Key Resources from All Threats and Hazards;
3. Strengthen Security and Preparedness Across Cyberspace;
4. Strengthen Communications Capabilities through Planning, Governance, Technology, and Equipment;
5. Enhance Community Preparedness;
6. Enhance Multi-Jurisdictional/Inter-Jurisdictional All-Hazards Incident Catastrophic Planning, Response, and Recovery Capabilities;
7. Improve Medical and Health Capabilities;
8. Enhance Incident Recovery Capabilities;
9. Strengthen Food and Agriculture Preparedness; and
10. Enhance Homeland Security Exercise, Evaluation, and Training Programs.

State Initiative Funding

For FY 2024, Cal OES shall retain 20% of the SHSP and 17.3% of the UASI funding for state initiatives.

"On Behalf Of"

Cal OES may, in conjunction with local approval authorities, designate funds "on behalf of" local entities who choose to decline or fail to utilize their subaward in a timely manner.

Public Alert and Warning

Cal OES encourages Subrecipients to consider the use of this funding to assist their jurisdiction's alignment with the State of California Alert and Warning Guidelines, developed pursuant to Senate Bill 833 of the 2018 Legislative Session.

Financial Management Forms Workbook

The FY 2024 Cal OES FMFW includes:

Grant Subaward Face Sheet – Use the Grant Subaward Face Sheet to apply for grant programs. The Grant Subaward Face Sheet must be signed and submitted in portrait format. An active UEI# (Formerly DUNS#) is required. UEI registration information is available sam.gov.

Authorized Body of 5 – Provide the contact information of Authorized Agents (AA), delegated via the Governing Body Resolution (GBR) or Signature Authorization Form, including staff related to grant activities. More than one person is recommended for designation as the AA; in the absence of an AA, an alternate AA can sign requests.

Project Ledger – The project ledger is used in the application process to submit funding information and is used for submitting cash requests, Grant Subaward Modifications, and assists with the completion of the Biannual Strategy Implementation Report (BSIR).

Planning Tab – Provides detailed information on grant-funded planning activities with a final product identified.

Organization Tab – Provides detailed information on grant-funded organizational activities.

Equipment Tab – Detailed information must be provided under the equipment description for all grant-funded equipment. AEL numbers must be included for all items of equipment. Always refer to the AEL for a list of allowable equipment and conditions, if any.

Training Tab – Provides detailed information on grant-funded training activities. All training activities must receive Cal OES approval prior to starting the event, including a Training Feedback number. The Training Request Form must be submitted and approved to obtain a Training Feedback number and should be submitted at **least** 30 days in advance.

Exercise Tab – Provides detailed information on grant-funded exercises.

Financial Management Forms Workbook Cont.

M&A Tab – Provides information on grant-funded M&A activities.

Indirect Costs Tab – Provides information on indirect costs.

Consultant-Contractor Tab – Provides detailed information on grant-funded consultants and contractors.

Authorized Agent Page – The AA Page must be submitted with the application, all cash requests, and Grant Subaward Modifications. The AA Page must include a valid signature on file with Cal OES and the date.

Subrecipient Grants Management Assessment

Per 2 C.F.R. § 200.332, Cal OES is required to evaluate the risk of non-compliance with federal statutes, regulations, and grant terms and conditions posed by each Subrecipient of pass-through funding. The Subrecipient Grants Management Assessment Form contains questions related to an organization's experience in the management of federal grant awards. It is used to determine and provide an appropriate level of technical assistance, training, and grant oversight to Subrecipients during the subaward. The questionnaire must be completed and returned with the grant application.

Application Attachments

Federal Funding Accountability and Transparency Act (FFATA) Financial Disclosure – Use the FFATA Financial Disclosure Form to provide the information required by the Federal Funding Accountability and Transparency Act of 2006.

Intelligence Analysts Certificates – Pursuant to the Preparedness Grants Manual, Cal OES must have certificates for completion of training for fusion center analytical personnel. Please provide copies of certificates for each intelligence analyst, if applicable.

UASI Footprint (UASIs Only) – The Urban Area Working Group (UAWG) establishes the 'footprint' of the UA. A map or list defining the footprint must be included with the application.

UAWG Member Roster (UASIs Only) – A list of all current UAWG members with positions or titles.

Indirect Cost Rate Agreement – If claiming indirect costs at a federally-approved rate, please provide a copy of the approved indirect cost rate agreement.

Standard Assurances

The Standard Assurances list the requirements to which the Subrecipients will be held accountable. All Applicants will be required to submit an electronic signed, copy of the FY 2024 Standard Assurances as part of their FY 2024 HSGP application. The required Standard Assurances can be found only in PDF format on the Cal OES website.

NOTE: Self-created Standard Assurances will not be accepted.

Program Standard Assurances Addendum

The Program Standard Assurances Addendum specifies additional requirements that Subrecipients must meet. All Subrecipients must submit an electronic signed Program Standard Assurances Addendum as part of the FY 2024 HSGP application. The required Program Standard Assurances Addendum can be found only in PDF format on the Cal OES website.

Operational Areas and Urban Areas

Governing Body Resolution – The GBR appoints AAs (identified by the individual's name or by a position title) to act on behalf of the governing body and the Applicant by executing any actions necessary for each application and subaward. All Applicants are required to submit a copy of an approved GBR with their grant application. Resolutions may be valid for up to three grant years given the following:

- The resolution identifies the applicable grant program (e.g., EMPG and/or HSGP);
- The resolution identifies the applicable grant years, (e.g., FY 2024, FY 2025, FY 2026; and
- Adheres to any necessary elements required by local protocols, rules, etc., if applicable.

Resolutions that only identify a single grant program will only be valid for that single program. Resolutions that do not identify applicable grant years will only be valid for the grant year in which the resolution was submitted.

Authorized Agent Information – For each person or position appointed by the governing body, identify the individual in the All changes in AA and contact information must be provided to Cal OES in writing. If the GBR identifies the AA by name, a new Resolution is needed when changes are made. If the GBR identifies the AA by position and/or title, changes may be made

Operational Areas and Urban Areas Cont.

by submitting a request on the entity's letterhead, signed by an existing AA. Cal OES will not accept signatures of an AA's designee, unless authorized by the GBR. A change to an AA's designee must be submitted on agency letterhead and signed by the AA, announcing the change to their designee.

Operational Areas Only

Approval Authority Body – OAs must appoint an Anti-Terrorism Approval Body (Approval Authority) to have final approval of the OA's application for HSGP funds. Each member of the Approval Authority must provide written agreement with the OA's application for HSGP funds. The Approval Authority shall consist of the following representatives, and additional voting members may be added by a simple majority vote of the following standing members:

- County Public Health Officer or designee responsible for Emergency Medical Services
- County Fire Chief or Chief of Fire Authority
- Municipal Fire Chief (selected by the OA Fire Chiefs)
- County Sheriff
- Chief of Police (selected by the OA Police Chiefs)

Urban Areas Only

Urban Area Working Groups – Membership in the UAWG must provide either direct or indirect representation for all relevant jurisdictions and response disciplines (including law enforcement, fire service, EMS, hospitals, public health, and emergency management) that comprise the defined UA. It also must be inclusive of local Citizen Corps Council and tribal representatives. The UAWG should also ensure the integration of local emergency management, public health, and health care systems into a coordinated sustained local capability to respond effectively to a mass casualty incident. Additional group composition criteria are found in the FEMA Preparedness Grants Manual.

Threat Hazard Identification and Risk Assessment – Subrecipients are required to submit a THIRA for all 32 core capabilities. Beginning in 2019, UAs are required to submit a THIRA every three years. An annual capability assessment will still be required.

Urban Areas Only Cont.	**Stakeholder Preparedness Review** – The SPR is an annual grant requirement for all states, territories, and UAs. It is an annual capability assessment, which helps jurisdictions identify capability gaps and prioritize investment requirements to reach the targets set in their THIRA.
Fusion Centers Only	All fusion center investments must align to, and reference, specific performance areas of the assessment that the funding is intended to support. Fusion Centers are also required to follow all Reporting and Administrative Metrics for California Fusion Centers, as set forth in the Governor's Homeland Security Advisor/Cal OES Director's letter dated March 16, 2016. These operational and administrative metrics set forth an integrated and coordinated approach for regular and proactive information and intelligence sharing between all fusion centers in the California State Threat Assessment System (STAS).
State Agencies and Tribes Only	State Agencies, and federally recognized tribes may submit the Signature Authorization Form in lieu of a GBR, signed by the most senior ranking official, such as the Secretary, Director, President, Chancellor, or Chairperson.

Application Submission	Subrecipients must submit an electronic copy of their completed FMFW to their Grants Analyst for review. After the application is approved, a completed copy of the FMFW, along with all other application components must be submitted, with official signatures, by the application due date. During the application process, if it is determined not all allocated funds can be expended by the end of the period of performance, please inform a Grants Analyst as soon as possible. The completed application should be received by Cal OES no later than the date provided in the FY 2024 HSGP Timeline, referenced as Attachment B.
Late or Incomplete Application	Late or incomplete applications may be denied. If an application is incomplete, the Grants Analyst may request additional information. Requests for late submission of applications must be made in writing to the Grants Analyst prior to the application due date. Cal OES has sole discretion to accept or reject a late or incomplete grant application.
HSGP Contact Information	The Grants Analyst Regional Assignments Map is linked and available on the Cal OES website under "Regional Assignments".
Subaward Approval	Subrecipients will receive a formal notification of award no later than 45 days after Cal OES accepts the federal grant award. The award letter must be signed, dated, and returned to Cal OES within 20 calendar days. Once the completed application, along with the signed award letter, is received and approved, reimbursement of eligible subaward expenditures may be requested using the Cal OES FMFW.

Payment Request Process

To request an advance or cash reimbursement of HSGP funds, Subrecipients must first complete a payment request using the Cal OES HSGP FMFW, returning it to the appropriate Grants Analyst. Subrecipients who fail to follow the workbook instructions may experience delays in processing the payment request.

Payments can only be made if the Subrecipient has an approved application.

Advances and Interest Earned on Advances

An Advance payment is a payment that is requested before Subrecipients have disbursed the funds for program purposes. Subrecipients may be paid an advance, provided they maintain a willingness and ability to maintain procedures to minimize the time elapsing between the receipt of funds and their disbursement. The timing and amount of advance payments must be as close as administratively feasible to the actual disbursements by the Subrecipient for project costs.

Federal rules require advances to be deposited in interest-bearing accounts. Interest earned in amounts up to $500 per year may be retained by Subrecipients for administrative expenses; any additional interest earned on federal advance payments must be returned annually to Cal OES.

Semi-Annual Drawdown Requirements

All Subrecipients must report expenditures and request funds at least semi-annually throughout the period of performance. Semi-annual drawdowns should occur by March and October of each calendar year following final approval of the subaward application, except for the final cash request, which must be submitted within 20 calendar days after the end of the period of performance.

Modifications

Post-award budget and scope modifications must be requested using the Cal OES HSGP FMFW v1.24, signed by the Subrecipient's AA, and submitted to the Grants Analyst.

The Subrecipient may implement grant modification activities, and incur associated expenses, only after receiving written final approval of the modification from Cal OES.

Modifications Cont.

Subrecipients must provide a written justification with all modification requests. The justification may be included in the body of the e-mail transmitting the request, or in a document attached to the transmittal e-mail. Please reference GMM 2018-17 for additional information regarding modification requests.

Modifications to NP Projects have additional restrictions as indicated below:

Modifications which do not change the project scope and do not decrease the overall project budget can be processed via regular modification request.

Modifications which change the project scope or decrease the overall project budget will require DHS/FEMA approval and must be requested on the National Priority Project Modification Form.

Training Requirements

All grant-funded training activities must receive Cal OES approval prior to starting the training event. Cal OES shall allow Subrecipients to develop a "placeholder" for future training conferences when an agenda has not been established at the time Subrecipient applications are due. Please work with a Grants Analyst and the Training Branch to identify a possible "placeholder" for these types of training activities.

When seeking approval of non-DHS/FEMA developed courses, course materials must be submitted with the approval requests. Conditional approvals are not offered.

Subrecipients must complete a Training Request Form and submit it electronically to the Cal OES Training Branch to be approved with a Training Feedback Number before beginning any training activities. This includes project components like travel to, materials for, or attendance in training courses. Training Feedback Numbers should be obtained no later than 30 days before the first day of the training or related activities. Requests that are submitted with less than 30 days prior to the start of the training or activity are not guaranteed to be approved in time and run the risk of training being unallowable. Training Feedback numbers must

Training Requirements Cont.

be included on the FMFW Training Ledger to be considered for reimbursement.

For more information on this or other training-related inquiries, contact the Cal OES Training Branch at (916) 845-8745 or Training@CalOES.ca.gov.

Exercises, Improvement Plans, and After-Action Reporting

Subrecipients should engage stakeholders to identify long-term training and exercise priorities. These priorities should address capability targets and gaps identified through the THIRA and SPR process, real-world events, previous exercises, and national areas for improvement identified in the NPR.

Subrecipients must report on all exercises conducted with HSGP grant funds. An After-Action Report (AAR)/Improvement Plan (IP) or Summary Report (for Seminars and Workshops) must be completed and submitted to Cal OES within 90 days after exercise/seminars/workshops are conducted. It is acceptable to submit an *Exercise Summary Report for Seminars and Workshops* in lieu of a full AAR/IP.

Please e-mail AAR/IPs and Summary Reports to:

- hseep@fema.dhs.gov
- exercise@caloes.ca.gov
- Olivia.Rudolphy@caloes.ca.gov

For exercise-related issues and/or questions, please email the Cal OES Exercise Team at exercise@caloes.ca.gov.

Exercise costs will not be considered for reimbursement until an AAR/IP is received by Cal OES.

Procurement Standards and Written Procedures

Subrecipients are required to conduct procurement activities in with documented procurement procedures that align with federal procurement standards outlined in 2 C.F.R. Part 200. In cases where there is a conflict between the local procedures and federal standards, the more stringent requirements must be followed. Additionally, subrecipients must implement written conflict of interest policies that govern the actions of employees involved in the selection, award, and administration of contracts. These policies should include provisions for disciplinary actions in the event of violations.

Procurement Thresholds

Under 2 C.F.R. Part 200, procurement thresholds are defined as follows:

- **Micro-purchase threshold**: This is the maximum amount for which purchases can be made without requiring competitive quotes or formal procurement processes, provided the price is reasonable. The micro-purchase threshold is set at **$10,000**.

- **Simplified acquisition threshold**: This sets the maximum amount for which federal procurement procedures may be simplified. The threshold is **$250,000**. For purchases at or below this amount, subrecipients may use streamlined methods, such as obtaining competitive price or rate quotations from an adequate number of qualified sources. Purchases exceeding $250,000 require more formal procurement procedures, including sealed bids or competitive proposals.

Subrecipients must adhere to these thresholds and, in cases of conflict between local procurement procedures and federal requirements, must apply the more stringent threshold.

Procurement Documentation

Subrecipients must maintain records that document the procurement process, including the rationale for the procurement method, contract type, contractor selection or rejection, and the basis for the contract price. To be allowable, costs must be properly documented. Acceptable documentation includes, but is not limited to:

- Solicitation materials (e.g., requests for quotes, bids, or proposals)
- Responses to solicitations (e.g., quotes, bids, or proposals)
- Independent cost estimates and post-solicitation cost/price analyses, if applicable
- Contract documents and amendments
- Evidence of required contract provisions
- Other documents mandated by federal regulations at the time the grant was awarded

Noncompetitive Procurement

All noncompetitive procurements exceeding the simplified acquisition threshold requires Cal OES **prior** written approval to be eligible for reimbursement. This method of procurement must be approved by the local Purchasing Agent prior to submitting a request for Cal OES approval. A copy of the Purchasing Agent's approval must be included with the Cal OES Request for Noncompetitive Procurement Authorization form. Cal OES may request additional documentation that supports the procurement effort.

Cal OES will not reimburse for any noncompetitive procurement contracts for any HSGP terrorism-related training, regardless of the cost of the training. Exceptions to this policy may be approved in limited circumstances, e.g., related to a procurement effort that has resulted in inadequate competition. Please refer to GMM2017-01A and GMM2021-05 for additional guidance.

Performance Bond

Due to the risks associated with delays in vendor delivery of large equipment procurements, DHS/FEMA allows Subrecipients to obtain a "performance bond" for items that are paid for up front to ensure delivery of the equipment within the grant period of performance.

Cal OES requires Subrecipients to obtain a performance bond when procuring any equipment item over $250,000, or for any vehicle, aircraft, or watercraft that requires full or partial payment **prior** to receiving the final product(s).

Performance Bond Waivers may be granted on a case-by-case basis and must be submitted to Cal OES prior to procurement.

Environmental Planning and Historic Preservation (EHP)

DHS/FEMA is required to ensure all activities and programs that are funded by the agency comply with federal Environmental Planning and Historic Preservation (EHP) regulations. Subrecipients proposing projects or activities (including, but not limited to, training, exercises, the installation of equipment, and construction or renovation projects) that have the potential to impact the environment, or a historic structure must participate in the EHP screening process. EHP Screening Memos must include detailed project information, explain the goals and objectives of the proposed

Environmental Planning and Historic Preservation (EHP) Cont.

project and include supporting documentation.

DHS/FEMA may also require the Subrecipient to provide a confidential California Historical Resources Information System (CHRIS) report in addition to the EHP Screening Form. Determination on the necessity of a CHRIS report is based upon information disclosed on the form. GrantAnalysts will provide additional instructions should this report be required.

EHP Screening Requests should be submitted to Cal OES as early as possible. All projects/activities triggering EHP must receive DHS/FEMA written approval prior to commencement of the funded activity.

Updated information may be referenced in the FEMA GPD EHP Policy Guidance.

Construction and Renovation

When applying for construction activity at the time of application, including communication towers, Subrecipients must submit evidence of approved zoning ordinances, architectural plans, any other locally required planning permits, and a notice of federal interest. Additionally, Subrecipients are required to submit an SF-424C Budget and Budget Detail that cites project costs. Communication tower construction requests also require evidence that the Federal Communications Commission's Section 106 review process was completed.

Subrecipients using funds for construction projects must comply with the Davis-Bacon Act. Subrecipients must ensure that their contractors or subcontractors for construction projects pay workers no less than the prevailing wages for laborers and mechanics employed on projects of a character like the contract work in the civil subdivision of the state in which the work is to be performed.

Project construction using SHSP and UASI funds may not exceed $1,000,000 or 15% of the grant subaward (for the purposes of limitations on funding levels, communications towers are not considered construction).

Construction and Renovation Cont.

Written approval* for construction must be provided by DHS/FEMA *prior to* the use of any HSGP funds for construction or renovation. *No construction activities (including site preparation, utility installations, and any groundbreaking activities) or equipment installations on existing structures, may begin until the EHP review process is complete.

Inventory Control and Property Management

Subrecipients must use standardized resource management concepts for resource typing and credentialing, in addition to maintaining an inventory by which to facilitate the effective identification, dispatch, deployment, tracking, and recovery of resources.

Subrecipients must have an effective inventory management system, to include:

- Property records that document description, serial/ID number, fund source, title information, acquisition date, cost, federal cost share, location, use, condition, and ultimate disposition;
- A physical inventory conducted at least every two years;
- A control system to prevent loss, damage, and theft of grant purchased equipment and supplies; and
- Adequate maintenance procedures to keep the property in good condition.

Equipment Disposition

When original or replacement equipment acquired under the HSGP is no longer needed for program activities, the Subrecipient must contact the Grants Analyst to request disposition instructions. See 2 C.F.R. § 200.313€.

Performance Reporting

Subrecipients must complete a BSIR each Winter and Summer using the DHS/FEMA Grants Reporting Tool (GRT) for all awards prior to FY 2024. All subsequent BSIR reports will be submitted in FEMA GO. BSIR must be completed for the duration of each subaward period of performance or until all grant activities are completed and the subaward is formally closed by Cal OES. Failure to submit a BSIR could result in subaward reduction, suspension, or termination.

Access to the BSIR for all awards prior to FY 2024 may be obtained through the GRT. To create a new account, please click the link that reads, "Register for an account" and follow the instructions provided. The Subrecipient will be required to

Performance Reporting Cont.

ensure up-to-date project information is entered. The Project Ledger in the FMFW may assist with the BSIR data entry process. For additional assistance with the GRT, please contact your Grants Analyst.

Extension Requests

Extensions to the initial period of performance identified in the subaward will only be considered through formal, written requests to your Grants Analyst. Upon receipt of the extension request, Cal OES will:

1. Verify compliance with performance reporting requirements by confirming the Subrecipient has submitted all necessary performance reports;
2. Confirm the Subrecipient has provided sufficient justification for the request; and
3. If applicable, confirm the Subrecipient has demonstrated sufficient progress in past situations where an extension was authorized by Cal OES.

Extension requests will be granted only due to compelling legal, policy, or operational challenges, must be project-specific and will only be considered for the following reasons:

1. Contractual commitments with vendors that prevent completion of the project within the period of performance;
2. The project must undergo a complex environmental review which cannot be completed within this timeframe;
3. Projects are long-term by design and therefore, acceleration would compromise core programmatic goals; and
4. Where other special circumstances exist.

To be considered, extension requests must be received no later than 60 days prior to the end of the Subrecipient's period of performance and must contain specific and compelling justifications as to why an extension is required. All extension requests must address the following:

1. Grant program, fiscal year, and award number;
2. Reason for delay;
3. Current status of the activity/activities;
4. Approved period of performance termination date and new project completion date;

Extension Requests Cont.

5. Amount of funds drawn down to date;
6. Remaining available funds, both federal and non-federal;
7. Budget outlining how remaining federal and non-federal funds will be expended;
8. Plan for completion, including milestones and timeframes for each milestone and the position/person responsible for implementing the plan for completion; and
9. Certification the activity/activities will be completed within the extended period of performance without any modification to the original Project Scope.

General questions regarding extension requirements and the extension request form, should be directed to your Grants Analyst. For additional information, please see IB 379. Extension requests for personnel and salaries do not meet the requirements of IB 379 and will not be granted. Subrecipients are expected to complete all grant-funded personnel activities by the end of the subaward period of performance.

Progress Reports on Grant Extensions

All Subrecipients that receive Cal OES approval to extend their FY 2024 Grant Subaward period of performance may be required to submit progress reports indicating completed and future project milestones on all extended projects. Progress reports must be submitted electronically to the Subrecipient's Grants Analyst. Deadlines for the submission of progress reports will be established at the time of extension approval.

Monitoring

Cal OES Grants Monitoring actively monitors Subrecipients, through day-to-day communications, programmatic site visits, desk, and on-site compliance assessments. The purpose of the compliance assessment is to ensure Subrecipients are in compliance with applicable state and federal regulations, grant guidelines, and programmatic requirements.

Monitoring activities may include, but are not limited to:

- Verifying entries recorded on the FMFW categories are properly supported with source documentation;
- Eligibility of and support for expenditures, typically covering two to three years of data;
- Comparing actual Subrecipient activities to those approved in the grant application and subsequent

Monitoring Cont.

modifications, including the review of timesheets and invoices as applicable;
- Procurements and contracts;
- Ensuring equipment lists are properly maintained and physical inventories are conducted;
- Ensuring advances have been disbursed in accordance with applicable guidelines; and
- Confirming compliance with Standard Assurances; and
- Information provided on performance reports and payment requests

NOTE: It is the responsibility of all Subrecipients that pass down grant funds to other entities, to maintain and utilize a formal process to monitor the grant activities of their subawards. This requirement includes, but is not limited to, on-site verification of grant activities, as required. It is common for Subrecipients to receive findings in a programmatic site visit or compliance assessment, which require a Corrective Action Plan (CAP) to be submitted by Subrecipients. Those Subrecipients who fail to submit a CAP, as required, shall have a "hold" placed on any future reimbursements until the "finding" is resolved.

Failure to Submit Required Reports

Periodic reporting is required by the grant. Subrecipients who miss a single reporting deadline may receive a letter addressed to their Board of Supervisors informing them of the failure to report. County OAs and tribes who fail to report twice consecutively may have subsequent awards reduced by 10% until timely reporting is reestablished; UASIs may have a "hold" placed on any future reimbursements.

Suspension/ Termination

Cal OES may suspend or terminate grant funding, in whole or in part, or other measures may be imposed for any of the following reasons:

- Failure to submit required reports.
- Failure to expend funds in a timely manner consistent with the grant milestones, guidance, and assurances.
- Failure to comply with the requirements or statutory progress toward the goals or objectives of federal or state law.
- Failure to make satisfactory progress toward the goals or objectives set forth in the Subrecipient application.
- Failure to follow Grant Subaward requirements or Special

Suspension/ Termination Cont.

Conditions.

- Proposing or implementing substantial plan changes to the extent that, if originally submitted, the application would not have been selected for funding.
- False certification in the application or document.
- Failure to adequately manage, monitor, or direct the grant funding activities of their Subrecipients.

Before taking action, Cal OES will provide the Subrecipient reasonable notice of intent to impose corrective measures and will make every effort to informally resolve the problem.

Closeout

Cal OES will close-out Subrecipient awards when it determines all applicable administrative actions and all required work of the federal award have been completed. Subawards will be closed after:

- All funds have been requested and reimbursed, or disencumbered;
- Receiving all applicable Subrecipient reports indicating all approved work has been completed, and all funds have been distributed;
- Completing a review to confirm the accuracy of reported information;
- Reconciling actual costs to subawards, modifications, and payments; and
- Verifying the Subrecipient has submitted a final BSIR showing all grant funds have been expended.

Records Retention

The records retention period is three years from the date of the Cal OES Grant Closeout letter, or until any pending litigation, claim, or audit started before the expiration of the three-year retention period has been resolved and final action is taken.

For indirect cost rate proposals, cost allocation plans, or other rate computation records, the start of the record retention period is dependent on whether the proposal, plan, or other

computation is required to be submitted to the federal government (or to the pass-through entity) for negotiation purposes. See 2 C.F.R. § 200.334(f).

Records Retention Cont.

In order for any cost to be allowable, it must be adequately documented per 2 C.F.R. § 200.403(g).

The Cal OES Grant Closeout Letter will notify the Subrecipient of the start of the records retention period for all programmatic and financial grant-related records.

If the State Administrative Agency's award remains open after the Subrecipient's submission of the final BSIR, Cal OES will complete any additional BSIR reporting required under the award on behalf of the Subrecipient.

Closed grants may still be monitored and audited. Failure to maintain all grant records for the required retention period could result in a reduction of grant funds, and an invoice to return costs associated with the unsupported activities.

If documents are retained longer than the required retention period, FEMA, the DHS Office of Inspector General, Government Accountability Office, and pass-through entity have the right to access these records as well. See 2 C.F.R. §§ 200.334, 200.336.

Attachment A – FY 2024 HSGP Allocations | 2024

*SHSP allocations reflect National Priority Area project adjustments

State Homeland Security Program (SHSP)				
Operational Area	Total Award		Operational Area	Total Award
ALAMEDA	1,453,851		ORANGE	2,718,746
ALPINE	75,998		PLACER	420,772
AMADOR	108,571		PLUMAS	91,008
BUTTE	248,256		RIVERSIDE	2,130,587
CALAVERAS	112,830		SACRAMENTO	1,400,136
COLUSA	93,346		SAN BENITO	130,337
CONTRA COSTA	1,042,148		SAN BERNARDINO	1,913,858
DEL NORTE	97,417		SAN DIEGO	2,830,483
EL DORADO	234,278		SAN FRANCISCO	775,892
FRESNO	927,408		SAN JOAQUIN	737,499
GLENN	96,159		SAN LUIS OBISPO	316,482
HUMBOLDT	187,964		SAN MATEO	696,626
IMPERIAL	226,248		SANTA BARBARA	446,265
INYO	90,923		SANTA CLARA	1,664,434
KERN	839,747		SANTA CRUZ	295,835
KINGS	202,266		SHASTA	226,214
LAKE	127,354		SIERRA	77,691
LASSEN	98,828		SISKIYOU	111,698
LOS ANGELES	8,300,952		SOLANO	448,956
MADERA	208,274		SONOMA	477,966
MARIN	288,172		STANISLAUS	535,072
MARIPOSA	89,272		SUTTER	158,389
MENDOCINO	150,140		TEHAMA	129,162
MERCED	315,459		TRINITY	88,432
MODOC	82,186		TULARE	475,346
MONO	86,086		TUOLUMNE	121,004
MONTEREY	437,680		VENTURA	770,793
NAPA	188,460		YOLO	261,139
NEVADA	159,879		YUBA	144,674
			*Total	37,165,648

Attachment A – FY 2024 HSGP Allocations | 2024

Fusion Centers	
Region	**Total Award**
SAN FRANCISCO BAY AREA	1,792,050
SACRAMENTO/CENTRAL VALLEY AREA	2,565,000
GREATER LOS ANGELES AREA	2,887,500
SAN DIEGO AREA	2,047,500
ORANGE AREA	835,000
***Total**	**10,127,050**

* SHSP allocations reflect National Priority Area project adjustments

Urban Areas Security Initiative (UASI) *A minimum of 35% of UASI funding must be for Law Enforcement Terrorism Prevention			
Urban Area	**Federal Allocation to State**	**Allocation to UASI**	**State Initiatives**
ANAHEIM/SANTA ANA AREA	4,712,190	3,896,981	815,209
BAY AREA	32,754,895	27,088,298	5,666,597
LOS ANGELES/LONG BEACH AREA	59,395,378	49,119,978	10,275,400
RIVERSIDE AREA	3,500,484	2,894,900	605,584
SACRAMENTO AREA	3,410,728	2,820,672	590,056
SAN DIEGO AREA	14,760,877	12,207,245	2,553,632
Total	**118,534,552**	**98,028,075**	**20,506,477**

Attachment B – FY 2024 HSGP Timeline | 2024

DHS/FEMA Announcement of 2024 HSGP NOFO	April 16, 2024
Cal OES Application Due to DHS	June 24, 2024
DHS Award to California	September 27, 2024
Subrecipient period of performance begins	September 1, 2024
2024 HSGP California Supplement release	November 2024
Subrecipient Workshops	October 2024
Subrecipient Awards (45 days from DHS award)	October 2024
Subrecipient Final Applications for FY24 Due to Cal OES	February 10, 2024
Subrecipient period of performance ends	May 31, 2027
Final Cash Requests due to Cal OES	Within twenty (20) calendar days after end of grant
Cal OES's period of performance ends	August 31, 2027

Subrecipient: _____ **FIPS#:** _____

Grants Analyst: _____

Financial Management Forms Workbook:

- ☐ Grant Award Face Sheet
- ☐ Authorized Body of 5
- ☐ Project Ledger
- ☐ Planning Tab
- ☐ Organization Tab
- ☐ Equipment Tab
- ☐ Training Tab
- ☐ Exercise Tab
- ☐ Consultant/Contractor Tab
- ☐ Management & Administration Tab
- ☐ Indirect Cost Tab
- ☐ Authorized Agent Sheet

Attachments:

- ☐ Original Counter-Signed Award Letter
- ☐ Governing Body Resolution (Certified)
- ☐ Standard Assurances
- ☐ Program Standard Assurance Addendum
- ☐ FFATA Certification
- ☐ Subrecipient Grant Management Assessment Form
- ☐ Indirect Cost Rate Negotiation Agreement
- ☐ Personnel Cap Waiver (If Applicable)
- ☐ Intelligence Analyst(s) Certificates (If Applicable)

UASI Only:

- ☐ UASI Footprint
- ☐ UAWG Roster

State Agencies and Tribes Only:

- ☐ Signature Authority Form (in lieu of Governing Body Resolution)

For Cal OES Use Only

Reviewed by: _____ Date: _____

Management Approval: _____ Date: _____

UEI ☐ LETPA 35% or >☐ M&A 5% or <☐

LOS ANGELES COUNTY/DEPARTMENT OF AUDITOR-CONTROLLER

EXHIBIT G

SHARED SERVICES DIVISION

GRANT PAYMENT REQUEST

SECTION A: SUBMITTING YOUR REQUEST

Please submit Grant Payment Request Form along with **legible** supporting documents to:

Grants@auditor.lacounty.gov

In the event e-mail is not available, you can mail your Grant payment request to (please do **not** fax or send duplicates):

Department of Auditor-Controller
Shared Services Division / Attn: Grants Unit
320 W. Temple Street, Room 380
Los Angeles, CA 90012

1. Grant Name & Year:

SECTION B: SUB-RECIPIENT'S INFORMATION

1. Sub-recipient's Name: (reimbursement check will be made payable to a payee entered here)	**3.** Taxpayer ID #:	**4.** Contact's Name:
2. Mailing Address (please let us know where you want your check delivered, including attention line if necessary):		**4.** Contact's phone:
		4. Contact's e-mail:

SECTION C: DETAIL PAYMENT REQUEST INFORMATION

1. SOLUTION AREA (e.g. equipment, training, planning, exercise, organization)	2. PROJECT # (e.g. 011.22)	4. EHP required? (Environmental & Historic Preservation)		5. VENDOR'S INVOICE # (Maximum of 5 invoices)	6. PURCHASE METHOD (including Training)			7.CLAIM AMOUNT (indicate the amount per each line)
		No	Yes (attach State Approval)		If Competitive, indicate the # of bids.	Non-Competitive Bid	Sole Source	
						8. TOTAL		$ 0.00 -

SECTION D: SUB-RECIPIENT'S CERTIFICATION

I certify that (please use the checkbox):

☐ **1.** I am the duly authorized officer of the claimant herein and this claim is in all respect true and correct. All expenditures were made in accordance with applicable laws, rules, regulations and grant conditions and assurances.

☐ **2.** All instructions for this form were followed and all the supporting documentation (per instructions) is included with this claim.

3. _____ _____
AUTHORIZED SIGNATURE DATE

4. _____ _____
AUTHORIZED PRINTED NAME AUTHORIZED TITLE

5. AUTHORIZED CONTACT INFORMATION **(If different from Section B)**:

PHONE # _____

E-MAIL: _____

SECTION E: FOR SSD USE ONLY

STAMP WITH RECEIVED DATE HERE:

ASSIGNED INVOICE NO.:

NOTE: This Form is intended for Internal SSD review purpose only.

Revised on April 2021

COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER / SHARED SERVICES DIVISION

INSTRUCTIONS TO COMPLETE THE GRANT PAYMENT REQUEST

Purpose of these instructions:

To assist sub-recipients in completing the Grant Payment Request. We appreciate your participation in this program, for questions or suggestions please use our e-mail below to contact us. **Please do not send these instructions to us, they are to be used for your guidance only.**

SECTION A: GENERAL INSTRUCTIONS FOR SUBMISSION OF GRANT PAYMENT REQUEST

In numeral **1** of this section, please enter the name and year of the grant program that you are submitting for payment. In addition, please help us expedite the process of your Homeland Security claims by:

- Completing the Grant payment request correctly and according to these instructions.
- Submitting your Grant payment request using our e-mail --> **Grants@auditor.lacounty.gov** (please do **not** fax documents).
- Sending your Grant payment request only once (we do not require original documents and duplicates will slow down our process).
- Using the checkboxes to ensure all the required supporting documents and files accompany your Grant payment request. Supporting documents are flagged for your convenience with a checkbox within the corresponding areas.
- Ensuring that all documents attached to your Grant payment requests are legible.
- Submitting Grant payment request timely. We do **not** guarantee the process of Grant payment requests that are submitted late or too close to the final due date. Reimbursable expenditures need to be charged within the performance period of the grant and submitted to us as soon as they are incurred.

SECTION B: SUB-RECIPIENT'S INFORMATION

The following numerals provide the instructions to fill in the corresponding numeral in the form:

1. Please enter the name of the agency requesting for payment. The name of the agency should be typed according to its signed agreement and as you need it to appear in the payee line of the reimbursement check.
2. Please enter the complete address (street number and name, city, zip code) and attention line where you will need to receive the reimbursement check. Please note that this is not necessary for L.A. County departments.
3. Please enter the tax ID of the governmental entity requesting payment. Please leave blank for L.A. County departments.
4. Please enter the information of the person that can assist us with detail claim questions.

SECTION C: DETAIL PAYMENT REQUEST INFORMATION:

In order to expedite your Grant payment request, in this area's grid, include a **maximum of five (5) invoices or reimbursements charges (one charge or one invoice per line)**. The invoices or charges need to share the same solution area, project #.

The following numerals provide the instructions to fill in the corresponding numeral in the form:

1. Enter the solution area corresponding to the claim. This information is found in the latest budget of the grant. Examples of solution areas are: equipment, training, planning or exercise.
2. Enter the project # corresponding to the claim. This information is found in the latest budget of the grant. An example of Item # is 17.020.
4. Check with an X under either yes or no according to the claim's Environmental & Historical Preservation (EHP) requirements from the State. EHP approval needs to be obtained from the State **prior** to the start of the project on certain equipment items (see AEL description) or training/exercise projects. Please attach the following:

   a) ☐ **State EHP Approval:** if required by the state for your claim.

SECTION C: (Continued)

5. If the expenditures that you are claiming were purchased thru a vendor or contractor, please enter the invoice # in the grid area. Please note that you are responsible for following acceptable purchasing policies and for documenting your procurement process. Additionally please include the following documentation with your claim:

a) ☐ **Copy of the invoice**: Please attach an invoice that provides sufficient information to be used as a cross reference with the items described in your grant line item and AEL #. When the invoice includes items that are not being claimed or that belong to different claims or grants, please circle and designate on the invoice the items that you are requesting for reimbursement. Each item circled must have a project #, a funding source, and a total. Purchase orders and price quotes will not be accepted in the place of the invoice.

b) ☐ **Copy of the purchase order**

c) ☐ **Print out of the corresponding AEL # (Authorized Equipment List number).** The AEL listing can be found at: https://www.fema.gov/grants/guidance-tools/authorized-equipment-list

d) ☐ **Proof of payment of the invoice:** The proof of payment for L.A. County Departments is the printout from e-CAPS showing that the check cleared the bank. The proof of payment for **other** than L.A. County Department is the corresponding copy of the bank's cleared check .

e) ☐ **Calculations for use tax paid:** When use tax is paid, clearly show the calculations of the use tax in the invoice included in your claim.

f) ☐ **Proof of payment of the use tax**: Please provide official documents which authenticate the remittance of the use tax to the state, the amount and the reference to the invoice being claimed.

g) ☐ **Federal Debarment Listing:** Please provide a screen print out of the queried Federal Debarment Listing at sam.gov/SAM/. The listing needs to be queried **prior** to the selection of the vendor.

6. If you are claiming services, supplies, training related costs, or any other type of items purchased thru a vendor or contractor or government agency, please indicate with an X the method that you used to acquire the items (do **not** leave blank or mark more than one). Please note that competitive bid, non-competitive bid or sole source are the only valid purchasing methods.

a) ☐ **Competitive Bid:** for projects that received more than one bid. Please indicate number of bids received (must be more than one).

b) ☐ **Non-Competitive Bid:** for single bid purchases of $250,000 or more (effective June 21, 2018) to a single vendor or a single project, please attach the approval from the State. The approval needs to be requested from the State **prior** to the start of the project.

c) ☐ **Sole Source:** for non-bid purchases of $250,000 or more effective (June 21, 2018) to a single vendor or a single project, please attach the approval from the State. The approval needs to be requested from the State **prior** to the start of the project.

7. Enter the amount of your claim after you verify that your budget is sufficient to cover your request. When the amount of the budget is not sufficient, please let your Program Coordinator know of the possible need for budget modification.

8. Enter the "Total Amount" by adding the subtotal claims included in each line.

SECTION D: SUB-RECIPIENT'S CERTIFICATION

The following numerals provide the instructions to fill in the corresponding numeral in the form:

1. Please read and check the box provided if you are an authorized signor.

2. Please read and check the box provided if you are an authorized signor.

3. Please sign the Grant payment request if you are an authorized signor of your agency.

4 & 5. When the authorized person is the same as the contact person in Section B you do not need to enter the authorized contact information. If the authorized person and the contact person in Section B are different, please enter all the fields in this area as requested.

ADDITIONAL ITEMS THAT YOU NEED TO ATTACH TO YOUR GRANT PAYMENT REQUEST:

For Equipment Claims:

a) ☐ **Equipment Inventory Listing (Print out & Excel File):** Please include both the printout of the listing and the corresponding excel file with your claim. The excel file is used to submit your claim with the state and the printout as backup document for audits. If there is no serial # for your equipment please assign a valid ID tag, or write "Consumable" (if it applies) or write N/A. please do NOT leave the corresponding space blank. *1 Please refer to the **Instructions to Equip Inty Tab for completion procedures of Equipment Inventory.**

Additionally, please enter the appropriate CBRNE Mission (Chemical, Biological, Radiological, Nuclear, or Explosive) in the column titled "Equipment Description & Quantity". This only applies to vehicles with AEL # 12VE-00-MISS (Vehicle Specialized Mission:CBRNE).

You need to inform us of any changes on the items above *1. This applies to each piece of equipment added in the Inventory Listing, including when the items are disposed and/or no longer useful. We will update the master inventory listing (per grant requirement) according to the information you give us. Please make sure that you include all the attachments that are necessary to provide us with the requested information.

For Training Claims:

a) ☐ **State Sole Source Approval:** If you are claiming training related costs thru a Non-Competitive Bid or Sole Source training provider, regardless the purchased amount, please attach the State's approval (effective December 03, 2018). The approval needs to be requested from the State prior to the start of the project.

b) ☐ **State-Sponsored Training Reporting Form (with the tracking request #):** Please add this form along with the Training Request Form Training Officer (POC), which you completed at the website, to the claim's backup documentation. All the backup documentation submitted for the training claim needs to agree with the training period and the detail description on the Training Reporting Form and the line item of the Grant. Training request #'s must be obtained from the State prior to the start of the project.

c) ☐ **Receipts and paid invoices:** please include the complete copy of the receipts and paid invoices with your claim for itemized costs such as air plane tickets, hotel stays, instructor's fees, workshop cost, facilities fees, consulting services, etc. Additionally, you will need to include the documents requested in numeral 5 under Section C.

If you are including **personnel cost** with your training claim, please add the following:

d) ☐ **Personnel List (Print out & Excel File):** Please include both the printout of the listing and the corresponding excel file with your claim. The excel file is used to submit your claim with the state and the printout as backup document for audits.

e) ☐ **Documents that certify completion of the training:** please attach supporting documents that show the class name, dates of training, # of hours of the training class, printed name and signature of individual taking the class and approval signature from supervisor or trainer (attach the information for backfilled positions also). Examples of documents that certify completion of training are:

- Attendance sheets (signed by employee and instructor)
- Sign in sheets (same as above)
- Signed training certificates

f) ☐ **Summary Listing of Charges:** Please use the **Training Summary Sheet** form provided in this claim packet that **clearly** shows the breakdown of the training charges per employee and that match the total claimed. This form includes the following: employee name, assignment, job title, date, salary, hours claimed, regular rate, overtime rate, employee benefits rate, claim amount per employee, clear calculations of amount claimed per employee and total (equal to the amount claimed).

Please ensure that the Training Summary Sheet is verified/approved by an authorized signatory, with printed name and title, and dated.

g) ☐ **Backup for the Benefits Rate:** If you are adding benefits to your claim, please make sure that you include the official calculation for the rate used.

h) ☐ **Timecards:** Include a printout of the corresponding timecards. Manual timecards need to indicate the # of hours charged per day to the grant, supervisor's signature, employee name and signature. Automatic system generated timecards need to be approved and include the name of the employee and hours charged per day to the grant.

i) ☐ **Explanation of timekeeping codes:** When the supporting documentation (timesheet, payroll register, etc.) includes timekeeping codes please provide a printout with the explanation of the usage as detailed as possible.

j) ☐ **Payroll register:** The payroll register needs to clearly support and explain the amount claimed per employee. It also needs to show the salary, hourly rate, employee benefits and overtime rate.

k) ☐ **Roster of backfilled positions:** When you are claiming overtime for a backfilled position, please attach the backfilled roster to your claim. The roster needs to include the name of the backfilling employees, a short description of duties performed, the corresponding employee whose duties were covered and the dates accordingly. Please make sure that the roster is signed and that you include documentation corresponding to the employee covered by the backfilling position.

For Planning Claims:

a) ☐ **Deliverable (or final product):** Please include with your claim the final product of the planning activity (deliverable) that was identified in the grant award.

b) ☐ **Signed Certificate of Completion:** The certificate of completion can be an e-mail confirming that the planning activity was completed.

c) ☐ **Invoices:** If your planning claim includes charges invoiced by vendors, please see requirements and documents you need to attach to your claim form under Section C (numeral 5 and numeral 6).

d) ☐ **Supporting Documentation for Personnel Cost:** When your planning claim includes personnel cost, please see d) to i) under Training Claim (supporting documents needed) and add to the documentation.

For Exercise Claims:

a) ☐ **Proof of State Approval of After Action Report (AAR):** In order for your AAR to be approved you have to submit it to the State using the ODP Portal (see link below), within 90 days after completion of the exercise. You need to notify the State when the AAR is uploaded so they can proceed with the approval process.

https://hseep.dhs.gov/DHS_SSO/

b) ☐ **Invoices:** If your exercise claim includes charges invoiced by vendors please see requirements and documents you need to attach to your claim form under Section C (numeral 5 and numeral 6).

c) ☐ **Supporting Documentation for Personnel Cost:** When your exercise claim includes personnel cost, please see d) to i) under Training Claim (supporting documents needed) and add to the documentation.

For Organization Claims: Please see above b) and c) under Exercise Claims

GRANT PROPERTY AND EQUIPMENT INVENTORY LISTING

GRANT NAME:
SUB-RECIPIENT: _____
DATE OF REPORT: _____

P. ___ of ___

Grant Year	Project Number	AEL No.	Description of Property	Serial # or Other ID #	SAFECOM Consult (Yes/No/NA)	Source of Property (SHSP or EMPG Grant Program)	Department (Title Holder)	Vendor Name	Invoice Number	Acquisition Date	Acquisition Cost	% of FED Participation	Location	Use & Condition (N=New, D=Deployed, O=Out of Service, L=Lost,	Disposition Date	Disposition Sale Price

N:Grants/Subrecipient Monitoring/Forms/Propery & Equipment Inventory Listing
Revised 12/2019

Equipment Inventory Listing
Procedures for Completion

OBJECTIVE: To provide an equipment inventory listing that links the State Homeland Security Workbook, to the Equipment Ledger and to the Equipment Listing to simplify the tracking and accountability; and to eliminate duplication and confusion.

Field	Date Element	Procedure
(1)	Grant Name	SHSP or EMPG
(2)	Sub-Recipient	Name of your agency
(3)	Date of Report	Date report completed {1}
(4)	Grant Year	Grant Year of funds used to purchase equipment
(5)	Project #	Project Number (from Grant Workbook Project Sheets)
(7)	AEL No.	Authorized Equip Listing No (from Grant Workbook)
(8)	Description	Description of the equipment
(9)	Serial # or Other ID #	Serial # or Other identification # used
(10)	Safecom consult	Fill out either by Yes, No, or N/A
(11)	Source of Property	Funding source, i.e, SHSP, EMPG, etc.
(12)	Title Holder	Name of agency (City/Department)
(13)	Vendor Name	Name of the vendor
(14)	Invoice Number	Invoice number
(15)	Acquisition Date	Date equipment acquired
(16)	Acquisition Cost	Cost of the individual equipment item
(17)	% of Fed Part	Fed participation in the cost of equipment
(18)	Location	Location of equipment
(19)	Use & Condition	Use & condition {2}
(20)	Disposition data	Date of disposition
(21)	Sale Price	Sale price, If applicable, or N/A for not applicable

The Equipment Inventory Listing must be completed in its entirety to meet the objective of the form.

Note {1}: This date should be the date the physical inventory of equipment was taken and the results reconciled with the equipment records (at least once every two years).

{2} Indicate: N = New, D = Deployed, O = Out of Service, L = Lost & S = Stolen

Distribution
Copy maintained in sub-recipient file
Copy forwarded to Shared Services Division

Training Summary Sheet

Grant Name _____
Jurisdiction Name: _____
Training Provider: _____
OHS Approved Course Title: _____
Non-SLGCP Course Title & OHS Tracking No. _____
(requires pre-approval thru OEM)
Date of Course: _____
Class/ Exercise Duration/Hours: _____

	EMP NO.	EMPLOYEE NAME	ASSIGNMENT	TITLE	TRAINING REQUEST # (for Training only)	TRAINING START DATE	TRAINING END DATE	SALARY	OT HOURS	REG RATE	OT RATE	OT PAY	Are you claiming for Employee Benefits?	Employee Benefits Rate	CLAIM TOTAL
1											$ -	$ -			$ -
2															
3															
4															
5															
6															
7															
8															
9															
10															
	GRAND TOTAL														$ -

Approved by: _____
Authorized Signature

_____ _____
Print Name and Title Date

EXHIBIT G

PLANNING ROSTER

Project	Planning Activity	Solution Area Sub-Category	Discipline	Funding Source	Total Cost	Total Claimed	Cash Request Number	Final Product
					-	-		
	GRAND TOTAL						**$**	

Approved by:

Authorized Signature

Print Name and Title

Date

EXHIBIT G

EXERCISE ROSTER

Project	Exercise Title	Funding Source	Solution Area Sub-Category	Discipline	Cash Request Number	Total Cost	Total Claimed	Conducted By	Date of Exercise	Exercise Type	Exercise Role	Date AAR entered into HSEEP
						-	-					
	GRAND TOTAL						**$**					

Approved by:

_____
Authorized Signature

_____ _____
Print Name and Title Date

8. Notes on Personnel Cost:

In general, costs associated with:

- Work performed under contract for a specific deliverable DOES NOT count against the personnel cap, however,
- Work performed under contract for an undefined period, such as for personnel costs supporting operational activities, including general planning, training or exercise activities DO count against the personnel cap; and
- Work performed by all non-contractor personnel, including for full- or part-time staff and operational overtime DO count against the personnel cap.

The following examples would not count towards the personnel cap:

- Vendor installation of a radio tower;
- Vendor training on new equipment purchased;
- Contractor hired to create an Emergency Operations Plan;
- Contractor hired to provide deliveries of ICS 400; and
- Contractor hired to assist with planning, training, evaluating, and reporting the effectiveness of a specific exercise.

The following examples would count towards the personnel cap:

- Contractor hired to be the State's WMD training instructor with no specific deliverables under contract;
- Contractor hired to facilitate unidentified number of exercises throughout the performance period;
- Contractor hired to be the part-time auditor of Homeland Security Grants throughout the year; and
- Contractor hired to be an intelligence analyst.

CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICES (Cal OES)

EXHIBIT G

Project	Employee Name	Project / Deliverable	Funding Source	Discipline	Solution Area	Solution Area Sub Category	Dates of Payroll Period	Total Salary & Benefits charged for this Reporting Period	Total Project Hours	REIMB Request #	Total Cost Charged to Grant
								-	-	N/A	-

Subrecipient Monitoring Instrument

Subrecipient Monitoring Instrument

PROJECT TITLE

Los Angeles County State Homeland Security Program
Monitoring Reports

A. FINANCIAL REPORTING REQUIREMENTS

Objective

To determine that the Subrecipient implemented corrective action to address findings noted in its Single Audit that is related to the Homeland Security Grant.

Verification	Yes	No	Comment
1. Was a Single Audit completed for Grant Year 2014-15 and 2015-16?			
2. If yes, did the Subrecipient forward a copy to the Homeland Security Grant Administrator (HSGA) by March 30th of the year following the audit?			
3. Did the Single Audit(s) identify findings related to the Homeland Security Grant? If yes, please continue. If no, please mark N/A and continue to Section B.			
4. Did the Subrecipient develop a corrective action plan that addresses the finding(s)?			
5. Did the Subrecipient send a copy of a corrective action plan to the HSGA?			
6. Did the Subrecipient implement the corrective action plan?			

B. TRAINING

Objective

To determine that the Training expenditures were appropriately documented and that the activities aligned with the project' s goals and objectives. If the Training activities involved employees, determine if the Subrecipient appropriately documented the Training expenditures using employee timecards, sign-in sheets, and certificates of training. If the Training activities involved using consultants or contractors, determine if the Subrecipient followed the appropriate procurement procedures to hire the consultants or contractors. Use Worksheets 1 and 3 (See Attachment E – Subrecipient Monitoring Worksheets).

Verification	Yes	No	Comments
1. Did the Subrecipient receive funding for Training expenditures? If yes, then continue. If no, continue to next section.			
2. Did the Subrecipient receive prior approval from the State either via email or other documentation and did it include the training course name and number?			
3. If the Training expenditures relate to the use of employees, did the Subrecipient appropriately document the Training expenditures using employee timecards, sign-in sheets and certificates of training?			
4. If Training expenditures relate to the use of consultants/contractors, did the Subrecipient follow proper procurement procedures to hire the consultants or contractors?			
5. Did the Subrecipient accurately report the Training expenditures in their accounting records?			
6. For Projects with overtime expenditures for Training:			
a. Did the Subrecipient maintain employee timecards to appropriately document the overtime expenditures?			
b. Did the Subrecipient accurately report the overtime expenditures in their accounting records?			

B. TRAINING (Continued)

Verification	Yes	No	Comments
7. For Projects with backfill expenditures for Training:			
a. Does the Subrecipient have documentation that the backfill expenditures were approved by the State?			
b. Did the Subrecipient appropriately document the backfill expenditures using employee timecards and sign-in sheets?			
c. Did the Subrecipient accurately report the expenditures in their accounting records?			
8. Were employee timecards utilized in Training activities signed and dated by the employee and direct supervisor?			
9. Were the Training expenditures consistent with the State approved grant award and/or post award modification(s)?			
10. Ensure the Subrecipient corrected areas of noncompliance that remain outstanding and were reported as findings in prior Grant Year monitoring reports submitted by HSGA:			
a. If the Project prior Grant Year monitoring report finding was resolved, explain resolution, and indicate such in the current report as resolved.			
b. If the Project prior Grant Year report finding is not resolved, indicate why it has not been resolved and what the Subrecipient is doing to resolve the prior year finding and indicate such in the current report.			

C. PLANNING

Objective

To determine that the Planning expenditures were appropriately documented and that the activities aligned with the project's goals and objectives. If the Planning activities involved employees, determine if the Subrecipient appropriately documented the Planning expenditures using employee timecards and sign-in sheets. If the Planning activities involved using consultants or contractors, determine if the Subrecipient followed the appropriate procurement policies. Use Worksheets 1 and 3 (See Attachment E – Subrecipient Monitoring Worksheets).

Verification	Yes	No	Comments
1. Did the Subrecipient receive funding for Planning expenditures? If yes, continue. If no, continue to next section.			
2. Did the Subrecipient appropriately document the Planning expenditures providing copies of the support documentation that indicated the efforts made to produce the final product and a copy of the product produced?			
3. If Planning expenditures relate to the use of employees, did the Subrecipient use employee timecards and sign-in sheets?			
4. If Planning expenditures relate to the use of consultants/contractors, did the Subrecipient follow proper procurement procedures to hire the consultants or contractors?			
5. Did the Subrecipient accurately report the Planning expenditures in their accounting records?			
6. For Projects with overtime expenditures for Planning:			
a. Did the Subrecipient maintain employee timecards to appropriately document the overtime expenditures?			

C. PLANNING (Continued)

Verification	Yes	No	Comments
b. Did the Subrecipient accurately report the overtime expenditures in their accounting records?			
7. For Projects with backfill expenditures for Planning:			
a. Does the Subrecipient have documentation that the backfill expenditures were approved by the State?			
b. Did the Subrecipient appropriately document the backfill expenditures using employee timecards and sign-in sheets?			
c. Did the Subrecipient accurately report the backfill expenditures in their accounting records?			
8. Were the employee timecards utilized in Planning activities signed and dated by the employee and direct supervisor?			
9. Were the Planning expenditures consistent with the State approved grant award and/or post award modification(s)?			
10. Ensure the Subrecipient corrected area of noncompliance that remain outstanding and were reported as findings in prior Grant Year monitoring reports submitted to HSGA:			
a. If the project prior Grant Year monitoring report finding was resolved, explain resolution, and indicate such in the current report as resolved.			
b. If the project prior Grant Year monitoring report finding is not resolved, indicate why it has not been resolved and what the Subrecipient is doing to resolve the prior year finding and indicate such in the current report.			

D. EQUIPMENT

Objective

To determine that the project Equipment expenditures are supported by invoices and that a listing of the Equipment/property is maintained by the Subrecipient. To determine that the purchases are aligned with the project's goals and objectives. Use Worksheets 2 and 3 (See Attachment E – Subrecipient Monitoring Worksheets).

Verification	Yes	No	Comments
1. Did the Subrecipient receive funding for Equipment expenditures? If yes, continue. If no, continue to next section.			
2. Did the Subrecipient maintain invoices to support the Equipment expenditures?			
3. Did the Subrecipient follow proper procurement procedures to purchase the Equipment and were the items listed in the federal "Authorized Equipment List" and/or "Standardized Equipment List"?			
4. Did the Subrecipient accurately report the Equipment expenditures in their accounting records?			
5. Did the Subrecipient maintain an Equipment inventory that listed the following: a) Description of Equipment, b) Serial number or other identification number, c) AEL number, d) Fund/source/grant year, e) Title holder, f) 100 percent of federal participation. If no, then identify percentage, g) Acquisition date, h) Acquisition cost, i) Quantity, j) Equipment location, k) Use and condition of Equipment, l) Disposal date and sale price of the Equipment			
6. Did the Subrecipient conduct an inventory of Equipment purchased with Cal/OES grant funds at least once every two years?			

D. EQUIPMENT (Continued)

Verification	Yes	No	Comments
7. Was the Equipment physically inspected to ensure: a. The Equipment existed and agreed to inventory listing?			
b. The Equipment worked and adequately trained staff are available to operate the Equipment?			
8. Did the Subrecipient maintain Equipment in a secure location?			
9. For property other than Equipment, i.e. supplies, did the Subrecipient have controls and accountability to safeguard and ensure that the items are used and solely for authorized purposes?			
10. For Equipment disposal, if any: a. Was the disposition consistent with federal regulations? b. What is the status of the proceeds received from the disposal?			
11. Did the Subrecipient have a policy for damaged, destroyed, lost or stolen Equipment including but not limited to informing the Cal/OES, steps to replace the Equipment and an investigative process?			
12. Were the Equipment expenditures consistent with State approval grant award and/or post award modification(s)?			
13. Ensure the Subrecipient corrected areas of noncompliance that remain outstanding and were reported as findings in prior Grant Year monitoring reports maintained by HSGA: a. If the project prior Grant Year monitoring report finding was resolved, explain resolution, and indicate such in the current report as resolved.			
b. If the project prior Grant Year monitoring report finding is not resolved, indicate why it has not been resolved and what the Subrecipient is doing to resolve the prior year finding and indicate such in the current report.			

E. EXERCISE

Objective

To determine that the Exercise expenditures were appropriately documented and the activities align with project's goals and objectives. If the Exercise activities involved employees, determine if the Subrecipient appropriately documented the Exercise expenditures using timecards and sign-in sheets. If the Exercise activities involved using consultants or consultants, determine if the Subrecipient followed the appropriate procurement procedure. Use Worksheets 1 and 3 (See Attachment E – Subrecipient Monitoring Worksheets).

Verification	Yes	No	Comments
1. Did the Subrecipient receive funding for Exercise expenditures? If yes, continue. If no, continue to next section.			
2. Did the Subrecipient receive prior approval from the State either via email or other documentation and did it include the Exercise course name and number?			
3. If the Exercise expenditures relate to the use of employees, did the Subrecipient appropriately document the Exercise expenditures using employee timecards, sign-in sheets, and certificates for Exercise?			
4. If the Exercise expenditures relate to the use of consultants/ contractors, did the Subrecipient follow proper procurement procedures to hire the consultants or contractors?			
5. Did the Subrecipient accurately report the Exercise expenditures in their accounting records?			
6. For Projects with overtime expenditures for Exercise:			
a. Did the Subrecipient maintain employee timecards to appropriately document the overtime expenditures?			
b. Did the Subrecipient accurately report the overtime expenditures in their accounting records?			
c. Did the Subrecipient accurately report the backfill expenditures in their accounting records?			
7. For Projects with backfill expenditures for Exercise:			
a. Does the Subrecipient have documentation that the backfill expenditures were approved by the State?			
b. Did the Subrecipient appropriately document the backfill expenditures using employee timecards and sign-in sheets?			

E. EXERCISE (Continued)

Verification	Yes	No	Comments
8. Were the employee timecards utilized in the Exercise activities signed and dated by the employee and direct supervisor?			
9. Were the Exercise expenditures consistent with the State approved grant award and/or post award modifications?			
10. Ensure the Subrecipient corrected areas of noncompliance that remain outstanding and were reported as findings in prior Grant Year monitoring reports:			
a. If the Project prior Grant Year monitoring report finding was resolved, explain resolution and indicate such in the current report as resolved.			
b. If the Project prior Grant Year monitoring report finding is not resolved, indicate why it has not been resolved and what the Subrecipient is doing to resolve the prior year finding and indicate such in the current report.			

F. ORGANIZATION

Objective

To determine that the Organization expenditures were appropriately documented and that the activities align with the project's goals and objectives. If the Organization activities involved employees, determine if the Subrecipient appropriately documented the Organization expenditures using employee timecards and sign-in sheets. If the Organization activities involved using consultants or contractors, determine if the Subrecipient followed the appropriate procurement policies. Use Worksheets 1 and 3 (See Attachment E – Subrecipient Monitoring Worksheets).

Verification	Yes	No	Comments
1. Did the Subrecipient receive funding for Organization expenditures? If so, continue. If no, continue to next section.			
2. If the Organization expenditures relate to the use of employees, did the Subrecipient document the expenditures using employee timecards, sign-in sheets, or with other support documentation that substantiated the expense?			
3. If the Organization expenditures relate to the use of consultants or contractors, did the Subrecipient follow proper procurement procedures to hire the consultants or contractors?			
4. Did the Subrecipient accurately report the Organization expenditures in their accounting records?			
5. For Projects with overtime expenditures for Organization:			
a. Did the Subrecipient maintain employee timecards to appropriately document the overtime expenditures?			
b. Did the Subrecipient accurately report the overtime expenditures in their accounting records.?			

F. ORGANIZATION (Continued)

Verification	Yes	No	Comments
6. For Projects with backfill expenditures for Organization:			
b. Does the Subrecipient have documentation that the backfill expenditures were approved by the State?			
c. Did the Subrecipient appropriately document the backfill expenditures using employee timecards and other payroll documentation?			
7. Were employee timecards utilized in Organization activities signed and dated by the employee and direct supervisor?			
8. Were the Organization expenditures consistent with the State approved grant award and/or post award modification(s)?			
9. Ensure that the Subrecipient corrected areas of noncompliance that remain outstanding and were reported as findings in prior Grant Year monitoring reports maintained by HSGA:			
a. If the Project prior Grant Year monitoring report finding was resolved, explain resolution and indicate such in the current report as resolved.			
b. If the Project prior Grant Year monitoring report finding is not resolved, indicate why it has not been resolved and what the Subrecipient is doing to resolve the prior year finding and indicate such in the current report.			

KEN

Del Amo Motorsports of Orange County

2401 Pullman St
Santa Ana CA 92705
949-642-4343

MONTEBELLO POLICE DEPT

Buyer's Order

Date
Deal No. 43874
Salesperson Dana Golightly
Lienholder NONE

H W C 323-500-3486 Email

I hereby agree to purchase the following unit(s) from you under the terms and conditions specified. Delivery is to be made as soon as possible. It is agreed, however, that neither you nor the manufacturer will be liable for failure to make delivery.

Unit Information

New/U	Year	Make	Model	Serial No.	Stock No.	Price (Incl factory options)
New	2026	POLARIS	R26RSE99BH	4XARSE996T8005426	P05426-1	$23,499.00

Parts and Labor: Price Qty Ext Price

Labor:

Notes:

Trade Information

Dealer Unit Price	$23,499.00
Parts & Accessories	$0.00
Labor	$0.00
Freight	$0.00
Dealer Prep	$2,595.00
CA Tire Fee	$7.00
Electronic Registration	$37.00
Cash Price	$26,138.00
Trade Allowance	$0.00
Payoff	$0.00
Net Trade	$0.00
Net Sale (Cash Price - Net Trade)	$26,138.00
Sales Tax	$2,748.80
Title/License/Registration Fees	$54.00
Document or Administration Fees	$85.00
Credit Life Insurance	$0.00
Accident & Disability	$0.00
Total Other Charges	$2,887.80
Sub Total (Net Sale + Other Charges)	$29,025.80
Cash Down Payment	$0.00
Amount to Pay/Finance	$29,025.80

Monthly Payment of $29,025.80 For 1 Months at 0.00% Interest

NOTICE TO BUYER: (1) Do not sign this agreement before you read it or if it contains any blank spaces to be filled in. (2) You are entitled to a completely filled in copy of this agreement. (3) If you default in the performance of your obligations under this agreement, the vehicle may be repossessed and you may be subject to suit and liability for the unpaid indebtedness evidenced by this agreement.

TRADE-IN NOTICE: Customer respresents that all trade in units described above are free of all liens and encumbrances except as noted.

*With Approved Credit. Interest rates and monthly payment are approximate and may vary from those determined by the lendor.

Customer Signature _____ Dealer Signature _____

Thank You for Your Business!

CHRISTIAN (BERTS) AZUSA

Hi Taylor,
Here is a link to one of the cars we spoke about.
the base model ranger

RANGER CREW SP 570 SAGE GREEN

- https://www.polaris.com/en-us/off-road/ranger/models/ranger-sp-570/ranger-crew-sp-570-sage-green-specs/

This car including all fee's will be $17,408
msrp $13,799
destination $725
dealer mark up -$1145
DMV doc $85
Tax $1654.17
License fee $54
Total cash price: ***$17,408***

2026 Polaris® Ranger Crew XP 1000 NorthStar Edition Premium

- https://www.polaris.com/en-us/off-road/ranger/models/ranger-xp-1000-northstar-edition/?model=ranger-crew-xp-1000-northstar-edition-ultimate

This car including all fee's will be $34,988.32
Sale price $29,999
destination $725
Dealer markup $855
DMV doc $85
Tax $3324.72
Lice fee 54
Total cash price : ***$34,988.32***

MOTO UNITED (CHRIS) BELLFLOWER

MOTO UNTD

Cash ☐ Files Present Date 11/02/2020

Name: Taylor LAPD SS# Sales Person. Chris Massey

Phone: Home: Cell: (323) 500-3486

Current Address:

Email: D.O.B.

Source: Phone Up Stock: P3T8301313

☑ New ☐ Used Year: 2026 Make: Polaris Model: Ranger Crew XP 1000 NorthStar Edition Ultimate

Description: Color: SUNSET RED

Purchase Price: Other 10.25 % 1 ☑ 2 ☑ 3 ☑ 4 ☑ Other 10.00 % 1 ☐ 2 ☐ 3 ☐ 4 ☐

	POLARIS RANG 1 ☑ 2 ☐ 3 ☐ 4 ☐							
	SUNSET RED 2026 Polaris Ranger Crew XP 1000 NorthStar Edition Ultimate P3T8301313							
	MSRP	Sale	MSRP	Sale	MSRP	Sale	MSRP	Sale
Price:	$36499.00	$33499.00	$	$	$	$	$	$
ADM:	$4995.00	$4995.00	$	$	$	$	$	$
ADM2:	$	$	$	$	$	$	$	$
Doc:	$85.00	$85.00	$	$	$	$	$	$
Accessories:	$	$	$	$	$	$	$	$
Labor:	$	$	$	$	$	$	$	$
Trade Amount:	$	$	$	$	$	$	$	$
Subtotal:	$41579.00	$38579.00	$	$	$	$	$	$
Tax:	$4261.85	$3954.35	$	$	$	$	$	$
Tire Tax:	$3.50	$3.50	$	$	$	$	$	$
Registration:	$300.00	$300.00	$	$	$	$	$	$
Total :	$46144.35	$42836.85	$	$	$	$	$	$
Rebate :	$	$	$	$	$	$	$	$
Final Total :	$46144.35	$42836.85	$	$	$	$	$	$

Trade In

Year: **Make:**

Model: **Mileage:**

Color: **Trade Amount:** $

Balance Due: $ **Phone:**

Owed To:

Cash Down: $

Payment: $

Customer Desired Payment: $

Notes:

I certify that the above information is complete and accurate. I authorize an investigation of my credit and employment history and the release of this information.

Dealership Approval: Customer Approval:

Note: This is a worksheet only. No order is valid without a signature from the dealer or authorized management personnel. Pricing excludes on unit displayed accessories unless otherwise specified and/or listed above. All deals expire on the last day of the month.

ITEM # 22

CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: David Sosnowski, Director of Recreation and Community Services

SUBJECT: **AUTHORIZE INCREASING THE NOT TO EXCEED AMOUNT ON THE BLANKET PURCHASE ORDER WITH GRAINGER**

DATE: June 10, 2026

RECOMMENDATIONS:

It is recommended that the City Council:

1. Authorize increasing the not to exceed amount on the existing blanket Purchase Order with Grainger by $10,000; and
2. Take such additional, related action that may be desirable.

FISCAL IMPACT:

A blanket purchase order currently exists with Grainger in the amount of $49,999. Staff is requesting an increase of $10,000 to the not-to-exceed amount in order to purchase field light bulb replacements — to $59,999. There are sufficient funds in the Fiscal Year 2025-26 Recreation Division budget for the purchase and a budget amendment is not required as part of the recommended actions.

BACKGROUND/DISCUSSION:

A purchase order was created for Fiscal Year 2025-26 with Grainger for the purchase of various items by the Transit, Public Works, Fire and Parks and Recreation Departments. Due to use of the vendor by multiple departments citywide, the purchase order has reached the $50,000 threshold and requires City Council approval to make any additional purchases (per the Montebello Municipal Code Section 3.20.090).

The Recreation and Community Services Department is requesting to increase the purchase order by $10,000 for the purchase of replacement field light bulbs at several

baseball fields. The current lighting systems at most of the city parks require metal halide bulbs and several lights are out and in need of replacement. Metal halide bulbs are in limited supply in California and only certain vendors have stock available due to State regulations on the sale of similar types of lights. Grainger has confirmed with staff that they have the light bulbs needed in stock. Upon approval by City Council to increase the amount of the purchase order, staff can proceed with the procurement of the equipment, ensuring sufficient supply of the light bulbs.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

It is recommended that the City Council authorize increasing the existing blanket purchase order with Grainger by $10,000 for the replacement of field lights at various City parks, to a new not-to-exceed amount of $59,999. Sufficient appropriations exist in the FY 2025-26 budget, therefore no budget amendment is neede as part of the recommended actions.

ATTACHMENT(S)

None

ITEM # 23

CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Luis Lopez, Police Chief

SUBJECT: **ACCEPTANCE OF BUREAU OF JUSTICE ASSISTANCE (BJA), PATRICK LEAHY BULLETPROOF VEST PARTNERSHIP (BVP) GRANT PROGRAM FUNDING**

DATE: June 10, 2026

RECOMMENDATIONS:

It is recommended that the City Council:

1. Approve the use of funding awarded to the Police Department by the Bureau of Justice Assistance (BJA), Patrick Leahy Bulletproof Vest Partnership (BVP) grant program in the amount of $7,295; and
2. Take such additional, related action that may be desirable.

FISCAL IMPACT:

The City of Montebello is being awarded $7,295 from the Bureau of Justice Assistance (BJA), Patrick Leahy Bulletproof Vest Partnership (BVP) program (Attachment B). The total expected cost for the purchase of ballistic vests is $14,589.. There is a 50% required match from the City in the amount of $7,295. The City's 50% match will come from the General Fund. There is sufficient funding included in the Police Department's proposed Fiscal Year 2026-27 budget for this required matching amount. The grant amount of $7,295 is in the proposed FY 2026-27 budget.

To keep up to date on safety requirements, a ballistic vest must be replaced every five years. It should be noted that the overall fiscal impact to the City of Montebello is reduced because the Police Department would have to purchase these vests at full replacement costs if the grant is not accepted. The department applies for this grant annually to assist with the purchase of new and replacement vests.

BACKGROUND/DISCUSSION:

The Patrick Leahy Bulletproof Vest Partnership (BVP), created by the Bulletproof Vest Partnership Grant Act of 1998, is a unique U.S. Department of Justice (DOJ) initiative designed to provide a critical resource to state and local law enforcement to help offset the cost of purchasing ballistic vests.

On May 14, 2026, the Police Department was awarded a BJA-BVP Grant in the amount of $7,295 (Attachment B). The performance period of the Grant is May 14, 2026 to August 31, 2027. Funding from this Grant has been approved for the reimbursement of half of the total cost of the purchase of National Institute of Justice (NIJ) compliant ballistic vests.

Every sworn police officer with the Montebello Police Department is issued a ballistic vest that they are required to wear while on duty. These vests have a manufacturers warranty of five years, at which time they must be replaced. This equipment is crucial in providing public safety personnel with live-saving equipment during the performance of their duties.

ENVIRONMENTAL:

N/A

ANALYSIS:

Montebello Police Department Policy 1024 states the guidelines for the proper use and replacement of body armor. Per policy, “all field officers in uniform shall wear their Department issued soft body armor at all times. The Administration supervisor shall ensure that body armor is issued to all officers when the officer begins service at the Montebello Police Department and that, when issued, the body armor meets or exceeds the standards of the National Institute of Justice. The Administration supervisor shall establish a body armor replacement schedule and ensure that replacement body armor is issued pursuant to the schedule or whenever the body armor becomes worn or damaged to the point that its effectiveness or functionality has been compromised.”

Best practice strategies will be implemented to ensure that Department equipment is issued to personnel as required per Policy 1024.

SUMMARY:

The Department has been awarded a BVP Grant in the amount of $7,295 (Attachment B). The Grant award will enable the Department to purchase and equip all sworn personnel with a uniquely fitted ballistic vest that shall be replaced on a 5-year replacement cycle per manufacturing specifications. It is critical that sworn personnel are provided with the necessary equipment to perform their duties in the safest manner. City Council is being asked to accept the Grant award, as further outlined in the attached award letter (Attachment B). The FY 2026-27 proposed budget will include the grant funding and General Fund matching funds, therefore, no budget amendment is required as part of the recommended actions.

ATTACHMENT(S)

1. Attachment A - Application Details
2. Attachment B - Award Letter

Application Summary

Date Submitted to BVP: 11/11/25
Application Status: Approved by BVP

Application Summary for FY 2025 Regular Fund

Applicant	Quantity	Total Cost	Date Submitted	Status
MONTEBELLO CITY	25	$15,809.24	11/11/25	Approved by BVP View Details
Grand Totals:	25	$15,809.24		

Award Summary for FY 2025 Regular Fund

Funds Type	Eligible Amount	Award	Date Approved	Status
Regular Fund	$15,809.24	$7,294.72	05/14/26	Approved by BVP
Grand Totals:	$15,809.24	$7,294.72		

APPLICATION DETAILS

APPLICATION DETAILS

NIJ#	Quantity	Unit Price	Extended Cost	Tax Shipping and Handling	Total Cost
BA-2000S-XT03	25	$572.28	$14,307.00	$1,502.24	$15,809.24
Grand Totals	**25**		**$14,307.00**	**$1,502.24**	**$15,809.24**

AWARD SUMMARY FOR FY2025 REGULAR FUND

Funds Type	Eligible Amount	Award	Date Approved	Status
Regular Fund	$15,809.24	$7,294.72	05/14/26	Approved by BVP
Grand Totals:	$15,809.24	$7,294.72		

RETURN

Dellibovi, Monique

From: OJP Service Portal <ojp@servicenowservices.com>
Sent: Monday, June 1, 2026 1:21 PM
To: Dellibovi, Monique
Subject: [External Email] CS0895429 - [EXTERNAL] Award Letter

External Sender - From: (OJP Service Portal <ojp@servicenowservices.com>)
This message came from outside your organization.

Hello Monique,

Thank you for contacting the BVP service desk. Below you will find the award notification for the FY25 BVP partnership program. Please let us know if there is anything else we can do.

Dear Applicant,

The Office of Justice Programs' Bureau of Justice Assistance (BJA) is pleased to inform you that your jurisdiction will receive an award under the fiscal year (FY) 2025 Bulletproof Vest Partnership (BVP) program. These funds have been posted to your account in the BVP System. A complete list of FY 2025 BVP awards is available online here: https://bja.ojp.gov/funding/fy25-bvp-awards.pdf.

Important: Jurisdictions *must* be registered and include updated banking information in the System for Award Management (SAM) to receive reimbursement.

For more information about renewing and updating your existing SAM registration, or registering in SAM as a new entity, please visit https://sam.gov/content/help.

The FY 2025 award may be used for National Institute of Justice (NIJ) compliant armored vests which were ordered after April 1, 2025. The deadline to request payments from the FY 2025 award is August 31, 2027 or until all available funds have been requested. Awards will not be extended past that date, and any unused funds will be forfeited.

As a reminder, body armor vests purchased with BVP funds must have been tested through the NIJ Compliance Testing Program and found to comply with the most current NIJ body armor standards, appear on the NIJ Compliant Products List as of the date the body armor was ordered, be uniquely fitted, and be made in the United States. In addition,

a written mandatory wear policy for uniformed patrol officers must have been in place at the time of application.

The federal portion of the costs for body armor vests purchased under the BVP Program may not exceed 50 percent. However, jurisdictions may request a financial or natural disaster hardship waiver during the payment request process and receive up to 100 percent of the cost of each body armor vest submitted for reimbursement. Additional information regarding match waivers can be found in the BVP FAQs. Detailed instructions on the process for requesting a waiver and the documentation required can be found in the Submitting Payment Requests in BVP User Guide.

Please contact the BVP Help Desk at 1-877-758-3787 or email vests@usdoj.gov if you have any questions regarding the above information. Please also visit the BVP website for additional information regarding the BVP Program.

Sincerely,

BVP Program Support Team
Bureau of Justice Assistance

You are receiving this email because you signed up for grants and funding information from the Office of Justice Programs. If you no longer wish to receive Funding News, you may update your Subscriber Preferences to remove your subscription.

Thank you

BVP Service Desk
Office of the Chief Information Officer (OCIO)
Office of Justice Programs (OJP)
U.S. Department of Justice (DOJ)
Toll Free: (877) 758-3787
Email: Vests.Vests@ojp.usdoj.gov
Web: http://www.ojp.usdoj.gov/bvpbasi/
Service Desk Hours
Monday through Friday: 8am–8pm EST

U.S. DEPARTMENT OF JUSTICE
OFFICE OF JUSTICE PROGRAMS

Ref:MSG7460968_nFW5pPPzp1xbHQtJ70no

PLEASE DO NOT CLICK ON UNKNOWN LINKS. Contact Montebello IT Division if you are unsure.

ITEM # 24

CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Michael Solorza, Director of Finance

SUBJECT: **ANNUAL APPROVAL OF CITY'S INVESTMENT POLICY**

DATE: June 10, 2026

RECOMMENDATIONS:

It is recommended that the City Council:

1. Adopt Resolution No. 26-44 approving the Investment Policy Statement for the City and Successor Agency as required by Government Code Section 53601 et al; and,
2. Take such additional, related action that may be desirable.

FISCAL IMPACT:

Approval of the updated Investment Policy Statement has no immediate fiscal impact. State Government Code requires annual review and approval of the investment policy by a City's governing body, even if no changes are made to the policy.

The attached policy has no updates for Fiscal Year 2026-27. Staff is bringing the policy for City Council review and approval so this process is aligned with annual budget development and adoption.

BACKGROUND/DISCUSSION:

State Government Code requires cities to have a City Council approved investment policy that guides the investment of idle cash. The policy is intended to provide specific criteria for the prudent investment of City and Successor Agency funds. The ultimate goal of the policy is to enhance the economic status of the City while protecting funds under management and meeting daily cash flow needs.

The City of Montebello has an investment policy statement most recently reviewed, approved and updated on June 25, 2025 (and prior to that, August 19, 2019, October 28, 2020, June 23, 2021, June 8, 2022, June 14, 2023 and June 12, 2024). Government Code requires an annual review and approval of the investment policy statement – even if no changes are made. The 2019 approval was the first time the City's investment policy was updated since 2011, with a previous update done in 2007. The irregular nature of review and updating of the policy required a much more thorough updating in October, 2020. Since then, each annual update has been routine, as the review process is aligned on an annual basis and coincides with budget review and adoption.

The updated version of the City's investment policy was submitted to the California Municipal Treasurers Association (CMTA) for consideration of their investment policy review and award program in 2020. The CMTA investment policy program utilizes public treasury officials to review public agency policies to ensure they comply with best practices and Government Code. For the first time in the City's history, the City's policy was submitted and passed the review with flying colors. Having passed this review process is one more indication of the progress made in achieving fiscal sustainability in Montebello.

The policy (Attachment B) fully incorporates Government Code Section 53601 et al allowable investments. There are no changes to the policy for FY 2026-27.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

The City Council is being asked to adopt Resolution No. 26-44 (Attachment A) approving the Investment Policy Statement of the City and Successor Agency (Attachment B). This approval continues the annual investment policy consideration so that it occurs regularly in June, in line with budget review and adoption.

ATTACHMENT(S)

1. ATTACHMENT A - Resolution No. 26-44 Investment Policy Update 06_10_2026
2. ATTACHMENT B - City Montebello FY 2026_27 Investment Policy ADOPTED

ATTACHMENT A

RESOLUTION NO. 26-44

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO ADOPTING AN INVESTMENT POLICY STATEMENT FOR THE CITY AND SUCCESSOR AGENCY

RECITALS

WHEREAS, State Government Code Section 53646(a) sets guidelines for how local officials should submit an investment policy; and,

WHEREAS, Government Code requires the investment policy to be considered, reviewed and approved annually at a public meeting; and,

WHEREAS, the Investment Policy Statement of the City and Successor Agency was last reviewed and considered by the City Council on June 24, 2025; and

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

SECTION 1. Investments of City funds shall be made in accordance with the Investment Policy Statement attached hereto as Exhibit A and made part hereof.

SECTION 2. The policies adopted by this resolution are in addition to and supplement any other legal requirements.

SECTION 3. The City Treasurer and/or Director of Finance shall deliver a copy of the Investment Policy Statement to any and all financial institutions which hold City and/or Successor Agency funds and investments.

SECTION 4: That the City Clerk shall certify to the passage and adoption of this Resolution and that the same shall be in full force and effect.

APPROVED AND ADOPTED THIS 10TH DAY OF JUNE 2026.

_____

Georgina Tamayo, Mayor

ATTEST: **APPROVED AS TO FORM:**

_____ _____
Christopher Jimenez, City Clerk Arnold M. Alvarez-Glasman, City Attorney

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

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 26-44 was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 10th day of June, 2026 and that said Resolution was adopted by the following vote, to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

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

DATE: _____ _____
Christopher Jimenez, City Clerk

City and Successor Agency
Montebello

Investment Policy
Fiscal Year 2026-27

Adopted by City Council
June 2026

City/Successor Agency of Montebello
Investment Policy

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1. INTRODUCTION

This Statement of Investment Policy ("Investment Policy" or "Policy") is intended to provide specific criteria for the prudent investment of City and Successor Agency funds. The ultimate investment goal is to enhance the economic status of the City while protecting funds under management and meeting the daily cash flow demands of the City and Successor Agency. This investment policy has been prepared in conformance with all pertinent existing laws of the State of California including California Government Code Sections 53600, et seq. (NOTE: throughout this Policy, it is understood that any reference to "City" is inclusive of the "Successor Agency.")

2. SCOPE

This investment policy applies to all of the City's idle cash invested in various vehicles and encompasses all monies under the direct oversight of the City Treasurer and Director of Finance and include the General Fund, Reserve Funds, Special Revenue Funds, Debt Service Funds, Capital Project Funds, Permanent Fund, Proprietary Funds, Trust and Agency Funds, including the Successor Agency to the Dissolved Montebello Redevelopment Agency, and any other funds that may be created. These funds are accounted for in the City of Montebello's Comprehensive Annual Financial Report (CAFR).

3. DELEGATION OF AUTHORITY

Authority to manage the City of Montebello's investment program is derived from California Government Code Section 53601 et al. The authority of the City Council to invest or reinvest monies of the City has been delegated by the City Council to the City Treasurer and Director of Finance until such time the delegation is revoked. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Director of Finance.

4. ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that conflicts with proper execution of the investment program or that impairs their ability to make impartial investment decisions. Employees and investment officials shall disclose any material financial interests that could be related to the performance of the City's investment policy annually with the California Fair Political Practices Commission or as necessary under the Political Reform Act and Government Code Section 1090 et seq.

5. PRUDENCE/PRUDENT INVESTOR STANDARD

The City's pooled investment program operates under the Prudent Investor Standard, Government Code Section 53600.3, and applicable State laws. When investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing public funds, responsible/delegated officials shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the City, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City.

Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired and sold as authorized by law. This affords a broad spectrum of investment opportunities so long as the investment is deemed prudent and permissible by the State of California, various bond indentures and this policy. It is the goal of officials so authorized under this Policy to strive to invest 100 percent of idle funds.

6. INTERNAL CONTROLS

The Director of Finance and/or his/her designee shall establish procedures that separate the internal responsibility for management and accounting of the investment portfolios. An analysis by an external independent auditor shall be conducted annually to review internal controls, account activity and compliance with policies and procedures.

7. INVESTMENT OBJECTIVES

The City's cash management system is designed to accurately monitor and forecast revenues and expenditures, thus enabling funds to be invested to the fullest extent possible. A diversified portfolio is maintained to accomplish the primary objectives in the order of safety, liquidity, and yield.

Safety: The safety/risk associated with an investment refers to the potential loss of principal, accrued interest or a combination of these. Credit risk is mitigated by monitoring financial institutions with which he/she will do business, and by careful scrutiny of the credit worthiness of the investment instruments as well as the institutions. Such resources as nationally recognized statistical-rating organization (NRSRO) services are utilized for this review. Mitigation of interest rate risk is sought through diversification of instruments as well as maturities.

Liquidity: The portfolio will be structured with sufficient liquidity to allow the City to meet anticipated cash requirements. This will be accomplished through the purchase of a diversity of instruments to include those with active secondary markets, those that can match maturities to expected cash needs, and the State Local Agency Investment Fund (LAIF) with immediate withdrawal provisions.

Yield: A competitive market rate of return is the third objective of the investment program after the fundamental requirements of safety and liquidity have been met. The portfolio shall be managed to consistently attain a market rate of return throughout budgetary and economic cycles. Whenever possible, and consistent with risk limitations and prudent investment management, the City will seek to augment returns above the market average rate of return through the implementation of active portfolio management strategies.

8. PERFORMANCE EVALUATION

Investment performance is continually monitored and evaluated by the City. Investment portfolio reports are generated on a monthly and quarterly basis and submitted to the City Council, City Manager, and Investment Committee. A quarterly Treasurer’s report is also presented to the City Council and Investment Committee.

9. DIVERSIFICATION

The City will diversify use of investment instruments to avoid unreasonable risks inherent in over-investing in specific instruments, individual financial institutions, or maturities.

Market price volatility shall be controlled through maturity diversification, as well as ensuring adequate liquidity is available to meet cash flow requirements, thereby precluding the need to sell instruments at a market loss.

Risk of default will be controlled by acquiring instruments such as Government Securities, or by diversifying the portfolio within the constraints and parameters of Section 17 of this Policy, Authorized and Suitable Investments.

10. PORTFOLIO SEGREGATION

Within the overall funds managed, bond proceeds held by fiscal agents or trustees shall also be segregated and invested in accordance with each indenture.

The primary purpose of any separately managed bond proceeds is to structure investment maturities to meet current and future liabilities. The preservation of principal and the maintenance of liquidity are the most important factors regarding the investment of bond proceeds. Portfolio yield is not a primary factor since the portfolio structure, eligible investment assets and maturity restrictions are governed by draws and expenditure schedules of the issues. Performance will be based upon maximizing permitted positive arbitrage within the context of principal preservation as a first priority (pre-1986 Tax Reform Act issuances) or minimizing or eliminating negative arbitrage (yield-restricted issues).

11. BOND ISSUANCE ARBITRAGE REBATE

The U.S. Tax Reform Act of 1986 requires the City to perform annual arbitrage calculations and rebate excess earnings to the U.S. Treasury for investment returns that exceed the allowable interest earnings limit of each bond issue. The arbitrage calculation process must be conducted for the investment of proceeds of bond issues sold after the effective date of this law. This arbitrage calculation will be contracted out to provide the necessary technical expertise to comply with this regulation. The City's investment position relative to the interest rate arbitrage restrictions is to have safety and the highest permitted return the law allows as the highest priority while ensuring the preservation of principal and liquidity.

12. QUALIFIED DEALERS

The City shall transact business only with Registered Investment Advisors, national or state-chartered banks, savings and loans, and broker dealers. The dealers should be primary dealers regularly reporting to the New York Federal Reserve Bank, or approved regional or secondary market dealers that qualify under the Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule).

Authorized officials of the City may direct a fiscal agent or trustee to execute investment transactions on behalf of the City for funds held by that fiscal agent or trustee.

The City will monitor broker/dealers and their firms to ensure they are in good standing with the appropriate regulatory agencies.

13. SAFEKEEPING OF SECURITIES

To protect against losses caused by the collapse of individual securities dealers, all securities owned by the City, including collateral for repurchase agreements, shall be held in safekeeping by a third party bank trust department acting as agent for the City under the terms of a custody agreement or, in the case of funds held by the fiscal agent or trustee, the fiscal agent or trustee shall segregate and report securities held on the City's behalf. Any trade executed by a dealer is required to settle on a delivery versus payment basis with the City's safekeeping agent.

Fiscal agents or trustees in receipt of City of Montebello bond proceeds will settle security transactions on a delivery versus payment method based upon instructions provided by the authorized City official or the City's investment advisor. The fiscal agents or trustees will issue monthly custodian statements evidencing securities held in safekeeping, including the receipt of interest and maturity proceeds, the disbursement of funds for the purchase of securities, and the receipt of any sale proceeds.

14. COLLATERALIZATION

All demand deposits, time deposits and repurchase agreements are to be fully collateralized with securities authorized by the California Government Code and the City.

- The cost value (book value) of collateral pledged for demand deposits must at all times be equal to or greater than the amount on deposit, plus accrued interest, in accordance with the following ratio:
    - U.S. Treasury Securities: 110%

- The cost value (book value) of collateral pledged for repurchase agreements must at all times be equal to or greater than the par amount, plus accrued interest, with the following ratios:
    - U.S. Treasury Securities: 102%
    - U.S. Government Agencies: 102%

- It is the policy of the City to require reports at least on a quarterly basis from institutions with which the City has pledged security interest. The adequacy of collateralization shall be monitored to ensure that balances are collateralized in accordance with the ratios approved herein.

- With regard to repurchase agreements, it is the policy of the City to initiate a margin call in the event pledged collateral falls below the appropriate ratio.

- Collateralized investments and deposits often require substitution of collateral. Any broker or financial institution requesting substitution must contact the City for approval in the event the counterparty to the transaction is not authorized under agreement with the City to make substitutions.

15. MAXIMUM MATURITIES

In accordance to California Government Code Section 53601, The City will not invest in any securities maturing more than five (5) years from the settlement date of purchase. If there is a desire to make investments longer than five years, express authority to make those investments, either specifically or as part of an investment program, must be approved by the City Council no less than three months prior to the investment.

16. INVESTMENT POOLS/MONEY MARKET MUTUAL FUNDS

A thorough investigation of any government sponsored pool and/or mutual fund is required prior to investing and on a continual basis. There shall be a questionnaire completed which will provide the following information:

- A description of eligible investment securities, and a written statement of investment policy and objectives.
- A description of interest calculations and how it is distributed, and how gains and losses are treated.
- A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- A description of who may invest in the program, how often and what size of deposits and withdrawals are allowed.
- A schedule for receiving statements and portfolio listings.

- A description of how the pool/fund utilizes reserves, retained earnings, etc.
- A fee schedule, including when and how fees are assessed.
- The eligibility of the pool/fund to invest in bond proceeds and special district funds, and a description of its practices.

17. AUTHORIZED AND SUITABLE INVESTMENTS

The City is governed by the California Government Code, Sections 53600 et seq. Within the context of these limitations and based on the cost at the time of purchase, the following investments are authorized:

INVESTMENT TYPE	MAXIMUM MATURITY	MAXIMUM SPECIFIED % OF PORTFOLIO	MINIMUM QUALITY REQUIREMENTS	GOVERNMENT CODE SCTIONS
U.S. Treasury Obligations	5 years	None	None	53601(b)
U.S Agency Obligations	5 years	None	None	53601(f)
State Obligations— CA And Others	5 years	None	None	53601(d)
CA Local Agency Obligations	5 years	None	None	53601(e)
Local Agency Bonds	5 years	None	None	53601(a)
Bankers' Acceptances	180 days	40%	None	53601(g)
Commercial Paper— Non-Pooled Funds (under $100 million of investments)	270 days or less	25% of the Agency's Money	Highest letter and number rating by an NRSROH	53601(h)(2)(C)
Commercial Paper— Non-Pooled Funds (minimum $100 million of investments)	270 days or less	40% of the Agency's Money	Highest letter and number rating by an NRSROH	53601(h)(2)(C)
Commercial Paper— Pooled Funds	270 days or less	40% of the Agency's Money	Highest letter and number rating by an NRSROH	53635(a)(1)
Negotiable Certificates of Deposit	5 years	30%	None	53601(i)
Non-negotiable Certificates of Deposit	5 years	None	None	53630 et seq.
Placement Service Deposits	5 years	50%	None	53601.8 and 53635.8
Placement Service Certificates of Deposit	5 years	50%	None	53601.8 and 53635.8
Repurchase Agreements	1 year	None	None	53601(j)
Reverse Repurchase Agreements and Securities Lending Agreements	92 days	20% of the base value of the portfolio	None	53601(j)
Medium-Term Notes	5 years or less	30%	"A" rating category or its equivalent or better	53601(k)

Mutual Funds And Money Market Mutual Funds	N/A	20%	Multiple	53601(l) and 53601.6(b)
Collateralized Bank Deposits	5 years	None	None	53630 et seq. and 53601(n)
Mortgage Pass–Through and Asset–Backed Securities	5 years or less	20%	"AA" rating category or its equivalent or better	53601(o)
County Pooled Investment Funds	N/A	None	None	27133
Joint Powers Authority Pool	N/A	None	Multiple	53601(p)
Local Agency Investment Fund (LAIF)	N/A	None	None	16429.1
Voluntary Investment Program Fund	N/A	None	None	16340
Supranational Obligations	5 years or less	30%	"AA" rating category or its equivalent or better	53601(q)
Public Bank Obligations	5 years	None	None	53601(r), 43635(c) and 57603

A. United States Treasury Obligations: Bills, Bonds, and Notes, or those for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no limitation as to the percentage of the portfolio that can be invested in this category.

B. United States Agency Obligations: Issued by United States Federal agencies or government-sponsored enterprise obligations, or other instruments, including those issued by or fully guaranteed as to principal and interest by Federal agencies or United States government-sponsored enterprises. Although there is no percentage limitation on these issues, the "prudent investor" standard shall apply to investments from a single agency.

C. State Obligations (California/Other States) and California Local Agency Obligations: Registered state warrants or treasury notes or bonds of the State of California or any of the other 49 states and bonds, notes, warrants or other evidences of indebtedness of any local agency within California, including bonds payable solely out of the revenues from a revenue producing property owned, controlled or operated by the state or local agency or by a department, board, agency or authority of the state or local agency.

D. Local Agency Bonds: Includes bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency or by a department, board, agency, or authority of the local agency.

E. Bankers' Acceptances: If purchased may not exceed 180 days to maturity or 40 percent of the cost (book) value of the portfolio. No more than 5 percent of the cost (book) of the portfolio may be invested in Bankers' Acceptances issued by any one bank. Prior to the purchase of any Banker's Acceptance, the portfolio manager shall review the rating of the issuing bank. Bankers' Acceptances of issuing financial institutions shall have both a short and long term rating in the highest category by at least one nationally recognized rating agency at the time of purchase.

F. Commercial paper (Pooled and Non-Pooled Funds): Ranked of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by NRSRO and issued by a domestic corporation having assets in excess of $500 million. The commercial paper must also have an “A” or better rating for the issuer’s debt, other than commercial paper, if any, as provided by a NRSRO. Purchase of commercial paper from corporations on negative credit watch by a major rating agency shall be prohibited. Purchases of eligible commercial paper may not exceed 270 days to maturity. Local agencies with less than one hundred million dollars ($100,000,000) of investments under management may invest no more than 25% in eligible commercial paper. Whereas, agencies having one hundred million dollars ($100,000,000) or more may invest no more than 40% in eligible commercial paper.

G. Negotiable and Non-Negotiable Certificates of Deposit (including Placement Service Deposits/Certificates of Deposit): Negotiable Certificates of Deposit are limited to 30% of the City’s monies which may be invested, with no maximum limit for Non-Negotiable Certificates of Deposit. Placement Service Deposits/Certifications of Deposit have a limit of 50% of the portfolio.

H. Repurchase agreements: The City may invest in repurchase agreements with banks and primary dealers with whom the City has entered into a master repurchase agreement that specifies terms and conditions of repurchase agreements. The maturity of repurchase agreements shall not exceed 365 days. In order to conform with provisions of the Federal Bankruptcy Code which provides for the liquidation of securities held as collateral for repurchase agreements, the only securities acceptable as collateral shall be securities that are direct obligations of, or that are fully guaranteed as to principal and interest by, the United States Government such as Treasury bills, Treasury notes or Treasury bonds with less than a five year maturity.

I. Reverse repurchase agreements/Securities Lending Agreements: The City may invest in reverse repurchase agreements only with those banks and primary dealers with whom the City has entered into a master repurchase agreement outlining terms and conditions of repurchase and reverse repurchase agreements.

J. Corporate medium term notes: Issued by a domestic corporation having an “A” or better rating criteria at time of purchase on its long-term debentures as provided by a NRSRO. The aggregate total of all purchased medium term notes may not exceed 30 percent of the cost value of the portfolio. No more than 5 percent of the cost value of the portfolio may be invested in corporate medium term notes issued by any one corporation. Commercial paper and bankers’ acceptance holdings shall be considered when calculating the maximum percentage in any issuer name.

K. Mutual Funds/Money market mutual funds: Having a rating of “AAA” or an equivalent by no less than two NRSRO with no load and maintained at $1 par value. No more than 20 percent of the cost value of portfolio value at time of purchase should be invested in this category, and the City's investment in any specific mutual fund will not exceed 10 percent of that mutual fund's total assets.

L. Mortgage Pass-through and Asset Backed Securities: A mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond. Securities eligible for investment under this subdivision shall be rated in a rating category of “AA” or its equivalent or better by an NRSRO and have a maximum

remaining maturity of five years or less. Purchase of securities authorized by this subdivision shall not exceed 20 percent of the agency's surplus moneys that may be invested pursuant to this section.

M. County Pooled and/or Joint Powers Authority Investment Funds: The city may invest in a joint powers authority organized pool that invests in the securities and obligations authorized in 53601(a) to (q) inclusive. There is no limitation as to the percentage of monies that can be invested in either a County or Joint Powers Authority pool

N. Local Agency Investment Fund: The City may invest in the LAIF established by the State Treasurer for the benefit of local agencies up to the maximum permitted by State law.

O. Voluntary Investment Program: This fund is created within the State Treasury for the receipt of voluntary deposits. The minimum deposit into this fund is $200,000,000 (two hundred million dollars).

P. Supranational Obligations: Securities of United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated "AA" or better by an NRSRO and shall not exceed 30 percent of the agency's moneys that may be invested pursuant to this section.

Q. Public Bank Obligations. Notwithstanding Section 53601, any local agency that does not pool money in deposits or investments with other local agencies that have separate governing bodies may invest in debt securities or other obligations of a public bank. Notwithstanding Section 53635, any local agency that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body, may invest in debt securities or other obligations of a local public bank. This investment option sunsets on January 1, 2026.

18. INELIGIBLE INVESTMENTS

Investments not described herein including, but not limited to, equity securities such as common stocks, preferred stocks, convertibles, inverse floaters, range notes and interest-only strips that are derived from a pool of mortgages are prohibited from use in this portfolio. The City is prohibited from entering into a margin agreement and/or borrowing on margin.

19. PORTFOLIO REPORTING

In accordance with California Government Code, Sections 53607 and 53646(b), the Director of Finance shall provide on a monthly and quarterly basis an investment portfolio report to the City Council. The quarterly report shall be presented to the City Council no later than sixty (60) days from the end of the prior quarter.

The report shall include a listing of each of the City's investments (a description that adequately describes the security), the purchase date, maturity date, cost basis, current cost value (book value), interest rate, weighted average maturity, current unrealized loss or gain and a listing of investment transactions that includes purchase/deposit and sale/withdrawal activity. Various investment types will be categorized and grouped in the same structure as the qualified investment categories identified in

this policy. The portfolio report shall include a statement certifying the ability of the City to meet its expenditure requirements for the next six months or provide an explanation as to why sufficient money shall, or may, not be available.

The investment portfolio report shall include market value information for all investments. A monthly market value will be obtained for each security owned by the City. For purposes of reporting, the market value of each security may be obtained from the City's custodian bank or other pricing source(s) utilized by the City's designated investment management firm (registered investment advisor).

The City shall record interest revenue on a modified accrual basis of accounting that is typical for reporting and recording of interest earnings. Securities held by a fiscal agent or trustee shall also be recorded on a modified accrual basis of accounting. The Director of Finance will report year-end investments in conformance with Governmental Accounting Standards Board (GASB) Statement Nos. 31, 40, and 72 and all current and relevant GASB pronouncements in effect.

20. REVIEW OF INVESTMENT PORTFOLIO

The securities held by the City must be in compliance with Section 17, Authorized and Suitable Investments, at the time of purchase. A quarterly review of investments will be done to identify any securities that are no longer in compliance.

21. INVESTMENT POLICY ADOPTION

The City Council shall review and adopt this Investment Policy by resolution annually.

GLOSSARY

AGENCIES – Agencies of the Federal government set up to supply credit to various classes of institutions (e.g., S&L's, small business firms, students, farmers, housing agencies, etc.) Examples include Federal Home Loan Mortgage Corporation (FHLMC), Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB), and Federal Farm Credit Bank (FFCB).

ASSET BACKED SECURITIES - Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

ASK/OFFER – The price at which securities are offered. (The price at which a firm will sell a security to an investor)

BANKERS' ACCEPTANCE (BA) – A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the issuer.

BASIS POINT – One one-hundredth of a percent (i.e., 0.01 percent)

BEAR MARKET – A period of generally pessimistic attitudes and declining market prices.

BID PRICE – The price at which a broker/dealer will buy securities from an investor.

BOND EQUIVALENT YIELD – The basis on which yields on notes and bonds are quoted.

BOOK VALUE (COST VALUE) – The purchase price of the security as recorded on the City's books.

BROKER – An individual or firm acting as intermediary by purchasing and selling securities for others.

BULL MARKET – A period of generally optimistic attitudes and increasing market prices.

CALLABLES – Securities that the issuer has the right to redeem prior to maturity.

CERTIFICATE OF DEPOSIT (CD) - A time deposit with a specific maturity evidenced by a certificate. Large denomination CD's are typically negotiable.

CMT – Constant Maturity Treasury – An index of the average yield on United States Treasury securities adjusted to a constant maturity.

COLLATERAL – Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) - The official annual financial report of the City. It includes combined statements for each individual fund and account group prepared in conformity with Generally Accepted Accounting Principles (GAAP). It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

CORPORATE MEDIUM TERM NOTE – A security issued by a corporation doing business in the U.S. with a maturity not to exceed five years.

COST VALUE (BOOK VALUE) – The purchase price of the security as recorded on the City's books.

COUPON – a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value; b) a certificate attached to a bond evidencing interest due on a payment date.

DEALER – An individual or firm acting as principal in a security transaction.

DEBENTURE - A bond secured only by the general credit of the issuer.

DELIVERY VS PAYMENT - Delivery of securities with a simultaneous exchange of money.

DEMAND ACCOUNT – An account with a commercial bank from which check withdrawals may be made at any time.

DERIVATIVES – Financial products that are dependent for their value on (or derived from) an underlying financial instrument, a commodity, or an index representing values of groups of such instruments or assets.

DISCOUNT – The difference between the cost price of a security and its par value when the cost is lower than par. A security selling below original offering price shortly after sale also is considered to be at a discount.

DIVERSIFICATION – Dividing investment funds among a variety of securities offering independent returns.

FEDERAL FUNDS RATE – Interest rate charged by one institution lending federal funds to another.

FEDERAL OPEN MARKET COMMITTEE (FOMC) – Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FINANCIAL ADVISOR – A firm or bank that acts in a financial advisory capacity with respect to a new issue of municipal securities pursuant to a written contract.

FISCAL AGENT – A financial institution which performs payment of principal and interest to bondholders, and certain administrative duties on the bond issuer's behalf.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD – The independent organization that establishes and improves standards of accounting and financial reporting for U.S. state and local governments.

INTERNAL RATE OF RETURN – Rate of return over the life of a security on variables.

LOCAL AGENCY INVESTMENT FUND (LAIF) – The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE – The price at which a security is trading, usually the liquidation value.

MASTER REPURCHASE AGREEEMENT – A written contract covering all future transactions between the parties to repurchase-reverse repurchase agreements that establishes each party's rights in the

transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

MONEY MARKET MUTUAL FUNDS – Open-ended mutual fund that invests in commercial paper, banker's acceptances, repurchase agreements, government securities, certificates of deposit and other highly liquid and safe securities, and pays money market rates of interest. The fund's net asset value remains a constant $1 a share, with the interest rate increasing or decreasing.

MORTGAGE PASS-THROUGH SECURITIES – A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION (NRSRO) – A rating organization designated by the SEC as being nationally recognized.

OFFER PRICE – The price at which a broker/dealer will offer securities to an investor.

OPEN MARKET OPERATIONS – Federal Reserve activity. Under the Federal Reserve Act, the Fed uses purchases and sales of Government and Federal Agency securities to add to or subtract from commercial bank reserves. Goals are to sustain economic growth, high employment and reasonable price stability.

PAPER GAIN OR LOSS – Term used for unrealized gain or loss on securities being held in a portfolio based on comparison of current market quotes and their original cost. This situation exists as long as the security is held while there is a difference between cost value (book value) and the market value.

PORTFOLIO – Collection of securities held by an investor.

PREMIUM – The difference between the cost price of a security and its par value, when the cost is higher than par.

PRIMARY DEALER – A group of government securities dealers that serve as trading counterparties of the New York Fed in its implementation of monetary policy. This role includes the obligations to: (i) participate consistently in open market operations to carry out U.S. monetary policy pursuant to the direction of the Federal Open Market Committee (FOMC); and (ii) provide the New York Fed's trading desk with market information and analysis helpful in the formulation and implementation of monetary policy. Primary dealers are also required to participate in all auctions of U.S. government debt and to make reasonable markets for the New York Fed when it transacts on behalf of its foreign official accountholders.

RATE OF RETURN – The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity; on a bond, the current income return.

REPURCHASE AGREEMENT (REPO) – A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate them for this.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO) – A reverse-repurchase agreement (reverse repo) involves an investor borrowing cash from a financial institution in exchange for securities. The investor agrees to repurchase the securities at a specific date for the same cash value plus an agreed upon interest rate. Although the transaction is similar to repo, the purpose of entering

into a reverse repo is quite different. While a repo is a straightforward investment of public funds, the reverse repo is a borrowing.

SAFEKEEPING – The service provided by banks and trust companies for clients when the bank or trust company stores the securities, takes in coupon payments, and redeems issues at maturity.

SECURITIES & EXCHANGE COMMISSION (SEC) - Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15(C) 3-1 – See Uniform Net Capital Rule.

SPREAD – a) The yield or price difference between the bid and offer on an issue; b) the yield or price difference between different issues.

SUPRANATIONALS – International institutions formed by two or more governments that transcend boundaries to pursue mutually beneficial economic or social goals. There are three supranational institutions that issue obligations that are eligible investments for California local agencies: the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB).

SWAP – The sale of one issue and the simultaneous purchase of another for some perceived advantage.

TREASURY BILLS – A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months or one year.

TREASURY BONDS – U.S. Treasury securities that have initial maturities of more than 10 years.

TREASURY NOTES – Intermediate-term coupon bearing U.S. Treasury securities having initial maturities from one year to ten years.

TRUSTEE – A financial institution with trust powers that acts in a fiduciary capacity for the benefit of the bondholders in enforcing the terms of the bond contract.

UNIFORM NET CAPITAL RULE – Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities. Liquid capital includes cash and assets easily converted into cash.

WHEN ISSUED BASIS (WI) – A term applied to securities that are traded before they are actually issued with the stipulation that transactions are null and void if securities are not issued.

YIELD CURVE – Yield calculations of various maturities at a given time to observe spread difference.

YIELD TO MATURITY – The current coupon yield minus any premium above par, or plus any discount from par in the purchase price with the adjustment spread over the period from date of purchase to maturity.

CITY OF MONTEBELLO
REGULAR MEETING

MINUTES

WEDNESDAY, MAY 27, 2026 AT 6:00 PM

CITY HALL COUNCIL CHAMBERS
1600 WEST BEVERLY BOULEVARD
MONTEBELLO, CALIFORNIA

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OPENING CEREMONIES

CALL TO ORDER - 6:00 P.M.

Mayor Tamayo called the meeting to order at 6:01 p.m.

ROLL CALL

Members present were Mayor Tamayo, Mayor Pro Tem Romero, Councilmember Peralta, and Councilmember Melendez. City Treasurer Matanga was also present.

Councilmember Alonzo arrived during Closed Session.

City Clerk Jimenez was absent.

City Attorney Arnold Alvarez-Glasman, City Manager Raul Alvarez, Assistant City Manager Angelica Palmeros, Management Analyst Samantha Nevarez, and Department Directors Kimberly Guillen, Michael Solorza, Joseph Palombi, Ramon Figueroa, John Soria, David Sosnowski, Cesar Roldan, Fire Chief Pelaez, and Police Chief Lopez were present.

ANNOUNCEMENT OF CLOSED SESSION ITEMS

City Attorney Alvarez-Glasman announced the Closed Session Items.

PUBLIC COMMENTS ON CLOSED SESSION ITEMS

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

None.

CLOSED SESSION

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

Mayor Tamayo recessed the meeting into Closed Session at 6:02 p.m. to consider the following Closed Session items:

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Government Code Section 54956.9(d)(1)
Jesus Macias v. City of Montebello
Los Angeles Superior Court Case No: 25STCV37986

2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Government Code Section 54956.9(d)(1)
Hermes Carbajal vs. City of Montebello
Los Angeles Superior Court Case No. 26STCV02126

3. CONFERENCE WITH LABOR NEGOTIATORS
Government Code Section 54957.6
Agency Negotiators: Raul Alvarez
Employee Group: Montebello Police Management Association

4. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code Section 59456.9(d)(4)
Consideration of initiation of litigation in one matter

REGULAR SESSION - 7:00 P.M.

CLOSED SESSION REPORT

Mayor Tamayo reconvened the meeting at 7:10 p.m.

All five members were present to discuss all Closed Session items. City Attorney Arnold Alvarez-Glasman provided the following report to City Council: Item No. 3, a briefing was provided to City Council, no action was taken, and nothing further to report. City Council will reconvene in Closed Session following the Regular Session to discuss Item Nos. 1, 2, and 4.

INVOCATION

Led by City Treasurer Matanga.

PLEDGE OF ALLEGIANCE

Led by the Future Leader of Montebello, Miguel Moreno Venegas.

CORRECTIONS TO THE AGENDA - CITY MANAGER

None.

CEREMONIAL ITEMS/PRESENTATIONS

5. CITIZEN OF THE MONTH — LORRAINE RICHARDS
Presented by Mayor Tamayo.

6. CERTIFICATES OF RECOGNITION FOR MONTEBELLO BUS LINES EMPLOYEES PARTICIPATING IN THE 5-STAR, REGIONAL, AND INTERNATIONAL ROADEOS
Presented by Mayor Tamayo.

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7. EASTSIDE LIGHT RAIL EXTENSION PRESENTATION

Jill Liu, Countywide Planning Manager, and Lorena Sanchez, Community Relations Manager, presented the item.

8. PROPOSED FY 2026-27 BUDGET OVERVIEW

Director of Finance, Michael Solorza, presented the item.

9. CAPITAL PROJECTS FY 2026-27 PRESENTATION

Public Works Manager Vanessa Ramos presented the item.

PUBLIC COMMENTS ON NON-AGENDA ITEMS (30 MINUTES)

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

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

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

The City Clerk's Office acknowledged eleven(11) members of the public wishing to address the City Council. Speakers were provided three minutes to address the City Council and said speaker cards are on file at the City Clerk's office.

STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST

City Manager Alvarez announced the upcoming Food Distribution event with Supervisor Hilda L. Solis, scheduled for Friday, May 29, 2026.

He also announced the upcoming Bluff Road Fence Ribbon Cutting Ceremony, scheduled for Saturday, May 30, 2026.

PUBLIC HEARING

10. PUBLIC HEARING - RESIDENTIAL SOLID WASTE COLLECTION AND RECYCLING CHARGES ANNUAL RATE ADJUSTMENT

RECOMMENDATION: It is recommended that the City Council:

1. Conduct a Public Hearing and approve Resolution No. 26-36 establishing the residential solid waste collection and recycling rate for Fiscal Year 2026-27 (Attachment A) per Agreement No. 4279 between the City of Montebello and Arakelian Enterprises (dba Athens Services); and,
2. Direct staff to forward the Resolution to the Los Angeles County Auditor-Controller to place the revised charges on the property tax rolls; and,
3. Take such additional, related action that may be desirable.

Mayor Tamayo opened the Public Hearing at 9:18 p.m.

The City Clerk's Office acknowledged two(2) members of the public wishing to address the City Council. Speakers were provided three minutes to address the City Council, and said speaker cards are on file at the City Clerk's office. Both speakers asked clarifying questions.

Mayor Tamayo closed the Public Hearing at 9:21 p.m.

Mayor Pro Tem Romero motioned, seconded by Councilmember Peralta, to approve the item; the motion was approved unanimously.

REGULAR BUSINESS

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11. APPROVE AMENDMENT NO. 1 TO AGREEMENT NO. 4454 WITH INSIGHT STRATEGIES INC., FOR ORGANIZATIONAL HEALTH AND HIGH-PERFORMANCE ASSESSMENT SERVICES – PHASE II

RECOMMENDATION: It is recommended that the City Council:

1. Approve Amendment No. 1 to Agreement No. 4454 with Insight Strategies, Inc. for a one-year (1-year) term, and increase the total not-to-exceed amount for an additional $49,800, to implement Phase II – Agency Strategic Plan Development and Activation for Montbello Bus Lines (MBL); and
2. Authorize the City Manager to execute Amendment No. 1 on behalf of the City of Montebello; and
3. Authorize the City Manager and/or his designee to approve change orders for up to fifteen percent (15%) or $7,470, of the amended agreement amount; and
4. Amend the Fiscal Year 2025-26 adopted operating budget to increase appropriations by $57,720**,** in Account No. 600-90-900-6040.95 (Transit Fund, Administration, Contract Services - Other Professional Services); and
5. Take such additional, related action as may be desirable.

Teri Fisher, CEO and Managing Partner of Insight Strategies Inc., presented the item.

Councilmember Peralta motioned, seconded by Councilmember Melendez, to approve the item; the motion was approved unanimously.

12. AWARD PROFESSIONAL SERVICES AGREEMENT NO. 4418 TO WEST COAST ARBORISTS, INC. FOR URBAN FOREST MANAGEMENT PLAN GRANT IMPLEMENTATION SERVICES

RECOMMENDATION: It is recommended that the City Council:

1. Rescind the prior award of the professional services Agreement No. 4419 to TreePeople, Inc. for Urban Forest Management Plan grant implementation services due to the firm's formal withdrawal from the project; and
2. Award Professional Services Agreement No. 4418 to West Coast Arborists, Inc. in the amount of $597,500 payable from Cal Fire grant funds in Account No. 249-30-320-6040.10 (Cal Fire Urban Forestry Management, Public Works, Trees, Contract Services -utside Contracts); and
3. Authorize the City Manager to execute Professional Services Agreement No. 4418 in good faith; and
4. Take such additional, related action that may be desirable.

Cesar Roldan, Director of Public Works, provided a brief overview of the item.

Councilmember Peralta motioned, seconded by Councilmember Melendez, to approve the item; the motion was approved unanimously.

CONSENT CALENDAR

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

Mayor Pro Tem Romero pulled Item No. 19 for discussion.

Councilmember Melendez motioned, seconded by Councilmember Peralta, to approve Item Nos. 13-18 and 20-27; the motion was approved unanimously.

13. FISCAL YEAR 2026-27 CONFIRMATION OF ANNUAL TAX RATE FOR VOTER APPROVED INDEBTEDNESS

RECOMMENDATION: It is recommended that the City Council:

1. Review and adopt the attached resolution establishing property tax override rates on voter approved indebtedness for retirement expenditures for the Fiscal Year 2026-27; and,
2. Direct staff to forward the resolution to the Los Angeles County Auditor Controller within the required time limit; and

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

Councilmember Melendez motioned, seconded by Councilmember Peralta, to approve the item; the motion was approved unanimously.

14. AWARD AGREEMENT NO. 4484 TO VOLTAIRE ENGINEERING, INC. FOR CHET HOLIFIELD COMMUNITY GARDEN PROJECT (CP 945)

RECOMMENDATION: It is recommended that the City Council:

1. Award Agreement No. 4484 to Voltaire Engineering, Inc. for the Chet Holifield Community Garden Project (Sign) (CP 945) as the most responsive, responsible bidder for the amount of $342,879 payable from Account No. 221-70-744-6040.10 (Measure A Local, Parks and Recreation, Parks and Rec Capital Projects, Contract Services-Outside Contracts) and Account No. 250-70-744-6040.10 (Park Development, Parks and Recreation, Parks and Rec Capital Projects, Contract Services-Outside Contracts); and
2. Approve a 10% construction contingency in the amount of $34,287; and
3. Amend the Fiscal Year 2025-26 budget by increasing appropriations by $77,166 in Account No. 250-70-744-6040.10 (Park Development, Parks and Recreation, Parks and Rec Capital Projects, Contract Services-Outside Contracts); and
4. Authorize the City Clerk's Office to release all-other bidders' bonds; and
5. Authorize the City Manager to execute the Agreement No. 4484 and all change orders in good faith; and
6. Take such additional, related action that may be desirable.

Councilmember Melendez motioned, seconded by Councilmember Peralta, to approve the item; the motion was approved unanimously.

15. ACCEPTANCE OF RIO HONDO COASTAL SPREADING GROUNDS FENCE REPLACEMENT PROJECT (CP 884) – NOTICE OF COMPLETION

RECOMMENDATION: It is recommended that the City Council:

1. Accept the Rio Hondo Coastal Spreading Grounds Fence Replacement Project (CP 884) as completed by J&A Engineering Corporation; and
2. Approve the final contract amount with J&A Engineering Corporation for the Project in the amount of $1,234,400 including change orders; and
3. Approve the Final Total Project Budget (Attachment A); and
4. Authorize the City Clerk to execute, verify and file the Notice of Completion (Attachment B) with the Los Angeles County Registrar-Recorder; and
5. Authorize the release of the retention payment of $61,720 due to J&A Engineering Corporation following the mandatory waiting period from the date the Notice of Completion is recorded; and
6. Take such additional, related action that may be desirable.

Councilmember Melendez motioned, seconded by Councilmember Peralta, to approve the item; the motion was approved unanimously.

16. AUTHORIZE EXECUTION OF THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY (EPA) – REGION 9 ADMINISTRATIVE ORDER ON CONSENT

RECOMMENDATION: It is recommended that the City Council:

1. Authorize the City Manager to sign and execute the Administrative Order on Consent between the Unites States Environmental Protection Agency (EPA) – Region 9 and the City of Montebello; and
2. Take such additional, related action that may be desirable.

Councilmember Melendez motioned, seconded by Councilmember Peralta, to approve the item; the motion was approved unanimously.

17. AUTHORIZE EXECUTION OF AGREEMENT NO. 4417 WITH THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY (LACMTA) TO ACCEPT PROPOSITION C FULFILLMENT FUNDS FOR UNPROGRAMMED SURFACE TRANSPORTATION PROGRAM-LOCAL (STP-L) IN THE AMOUNT OF $188,392

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RECOMMENDATION: It is recommended that the City Council:

1. Authorize the City Manager to enter into a funding agreement with the Los Angeles County Metropolitan Transportation Authority (LACMTA) to receive Proposition C fulfillment funds for unprogrammed Surface Transporttion Program - Local (STP-L) in the amount of $188,392 and execute any subsequent agreements regarding this grant award; and
2. Find that the Lincoln Street Rehabilitation (Wilcox to 18th Street) Project (CP 946) is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301; and
3. Take such additional, related action that may be desirable.

Councilmember Melendez motioned, seconded by Councilmember Peralta, to approve the item; the motion was approved unanimously.

18. APPROVE SUBMISSION OF AN APPLICATION TO THE STATE OF CALIFORNIA NATURAL RESOURCES AGENCY FOR THE URBAN GREENING GRANT PROGRAM

RECOMMENDATION: It is recommended that the City Council:

1. Authorize staff to submit an application to the California Natural Resources Agency for the Urban Greening Grant Program to purchase trees; and
2. Authorize the City Manager to sign and execute all applicable documents associated with the submittal process; and
3. Take such additional, related action that may be desirable.

Councilmember Melendez motioned, seconded by Councilmember Peralta, to approve the item; the motion was approved unanimously.

19. APPROVE AMENDMENT NO. 2 TO AGREEMENT NO. 3836 WITH WEST COAST ARBORIST FOR CITYWIDE TREE GRID PRUNING, TREE REMOVALS, TREE PLANTING, AND EMERGENCY SERVICES

RECOMMENDATION: It is recommended that the City Council:

1. Approve Amendment No. 2 to Agreement No. 3836 between the City of Montebello and West Coast Arborists to add additional scope of work for the Part-Time Urban Forestry Program Advisor; and
2. Approve an amendment to the adopted Fiscal Year 2025-26 budget by increasing appropriations by $79,000 in Account No. 100-30-320-6040.15 (General Fund, Public Works, Trees, Contract Services - Tree Trimming); and
3. Authorize the City Manager to execute Amendment No. 2 on behalf of the City; and
4. Take such additional, related action that may be desirable.

Mayor Pro Tem Romero Councilmember Melendez motioned, seconded by Councilmember Peralta, to approve the item; the motion was approved unanimously.

20. APPROVE AMENDMENT NO. 1 TO AGREEMENT NO. 4100 WITH STAR-DUST TOURS, INC.FOR CHARTER BUS SERVICES

RECOMMENDATION: It is recommended that the City Council:

1. Approve Amendment No. 1 to Agreement No. 4100 with Star-Dust Tours, Inc. for an additional one-year term and to increase the annual not-to-exceed amount to $110,000; and
2. Authorize the City Manager to execute Amendment No. 1 on behalf of the City; and
3. Take such additional, related action that may be desirable.

Councilmember Melendez motioned, seconded by Councilmember Peralta, to approve the item; the motion was approved unanimously.

21. APPROVE ISSUING REQUEST FOR PROPOSALS, NO. 26-15 FOR DEMOLITION, ENVIRONMENTAL, REMEDIATION, SITE CLEARANCE AND GRADING SERVICES

RECOMMENDATION: It is recommended that the City Council:

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1. Approve issuing Request for Proposals (RFP) No. 26-15 for Demolition, Environmental Remediation, Site Clearance, and Grading (DESG) Services; and
2. Take such additional, related, action as may be desirable.

Councilmember Melendez motioned, seconded by Councilmember Peralta, to approve the item; the motion was approved unanimously.

22. APPROVE INCREASES TO THE NOT-TO-EXCEED AMOUNTS ON BLANKET PURCHASE ORDERS FOR CUMMINS PACIFIC LLC, INLAND KENWORTH INC, MUNCIE RECLAMATION AND SUPPLY COMPANY, RUSH TRUCK CENTERS OF CALIFORNIA INC, AND ZUTRA WATER CORPORATION

RECOMMENDATION: It is recommended that the City Council:

1. Approve increasing the total not-to-exceed (NTE) amount, from $127,320 to $177,320, on the Blanket Purchase Order with Cummins Pacific, LLC (Cummins Pacific), to purchase maintenance-related bus parts, for Fiscal Year 2025-26; and
2. Approve increasing the total NTE amount, from $100,000 to $150,000, on the Blanket Purchase Order with Inland Kenworth, Inc. (Inland Kenworth), to purchase maintenance-related bus parts, for FY 2025-26; and
3. Approve increasing the total NTE amount, from $100,000 to $150,000, on the Blanket Purchase Order with Muncie Reclamation and Supply Company (Muncie), to purchase maintenance-related bus parts, for FY 2025-26; and
4. Approve increasing the total NTE amount, from $100,000 to $150,000, on the Blanket Purchase Order with Rush Truck Centers of California, Inc. (Rush Truck), to purchase maintenance-related bus parts, for FY 2025-26; and
5. Approve increasing the total NTE amount from, $49,000 to $74,000, on the Blanket Purchase Order with Zutra Water Corporation (Zutra Water), to continue providing water delivery services for the City of Montebello for FY 2025-26; and
6. Amend the Fiscal Year 2025-26 adopted operating budget by increasing appropriations by $250,000 in Account No. 600-90-915-6080.50 (Transit, Corporate Shops, Vehicle Maintenance/Expenses Bus Parts) and $25,000 in Account No. 600-90-900-6000.20 (Transit, Administration, Supplies Non-Durable).

Councilmember Melendez motioned, seconded by Councilmember Peralta, to approve the item; the motion was approved unanimously.

23. APPROVE THE EMERGENCY PROCUREMENT OF GENETEC SERVER EQUIPMENT FROM R.L. CONTROLS LLC FOR THE TRANSPORTATION DEPARTMENT

RECOMMENDATION: It is recommended that the City Council:

1. Confirm the emergency procurement of Genetec server equipment from R.L. Controls LLC (R.L Controls) for the Transportation Department (Transportation); and
2. Take such additional, related action as may be desirable

Councilmember Melendez motioned, seconded by Councilmember Peralta, to approve the item; the motion was approved unanimously.

24. APPROVE AGREEMENT NO. 4415 WITH NEW FLYER OF AMERICA, INC. TO PURCHASE NINE, FORTY-FOOT, HEAVY DUTY COMPRESSED NATURAL GAS (CNG) TRANSIT BUSES

RECOMMENDATION: It is recommended that the City Council:

1. Approve Agreement No. 4415 with New Flyer of America, Inc. (New Flyer), to purchase nine (9), forty-foot (40'), Heavy Duty, Compressed Natural Gas (CNG) Transit Buses; using the base pricing and terms established in the Basin Transit / CALACT Contract #23-01 (Cooperative Contract No. 23-01), expiring on July 31, 2026; and
2. Authorize the City Manager and/or his designee to approve change orders for up to two percent (2%) of the total agreement amount; and
3. Amend the Fiscal Year 2025-26 adopted budget to increase appropriations by $2,437,986, in Account No. 600-90-915-6082 (Transit, Corporate Shop, Vehicle Purchases); and

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4. Take such additional, related action that may be desirable.

Councilmember Melendez motioned, seconded by Councilmember Peralta, to approve the item; the motion was approved unanimously.

25. APPROVE AGREEMENT NO. 4419 WITH NEW FLYER OF AMERICA, INC. TO PURCHASE THREE, FORTY-FOOT, HEAVY DUTY HYDROGEN FUEL CELL ELECTRIC TRANSIT BUSES

RECOMMENDATION: It is recommended that the City Council:

1. Approve Agreement No. 4419 with New Flyer of America, Inc. (New Flyer), to purchase three (3), forty-foot (40'), Heavy Duty Hydrogen Fuel Cell Electric Buses (FCEBs); and
2. Authorize the City Manager and/or his designee to approve change orders for up to two percent (2%) of the total agreement amount; and
3. Amend the Fiscal Year 2025-26 adopted operating budget to increase appropriations by $801,888, in Account No. 600-90-915-6082 (Transit, Corporate Shop, Vehicle Purchases) ; and
4. Take such additional, related action as may be desirable.

Councilmember Melendez motioned, seconded by Councilmember Peralta, to approve the item; the motion was approved unanimously.

26. APPROVAL OF MINUTES: MAY 13, 2026, CITY COUNCIL MEETING

RECOMMENDATION: It is recommended that the City Council:

1. Approve said Minutes as is.

Councilmember Melendez motioned, seconded by Councilmember Peralta, to approve the item; the motion was approved unanimously.

27. PAYMENT OF BILLS: ADOPT RESOLUTION NO. 26-34 APPROVING THE CITY WARRANT REGISTER OF DEMANDS DATED MAY 27, 2026

RECOMMENDATION: It is recommended that the City Council:

1. Adopt Resolution No. 26-34 approving the Warrant Register dated May 27, 2026.

Councilmember Melendez motioned, seconded by Councilmember Peralta, to approve the item; the motion was approved unanimously.

PUBLIC COMMENTS - CONTINUED

AB 1234 TRAVEL REPORTS

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

Councilmember Peralta, Councilmember Melendez, and Mayor Pro Tem Romero attended the ICSC Conference. During the conference, they met with businesses and property owners who may have an interest in locating or investing in the City.

COUNCIL/AGENCY ORALS

Announcements and requests for future agenda items.

- **Ric Alonzo, Councilmember**

DRAFT

- **Danielle Romero, Mayor Pro Tem**

- **Scarlet Peralta, Councilmember**

- **Salvador Melendez, Councilmember**

- **Georgina Tamayo, Mayor**

CLOSED SESSION - CONTINUED

Mayor Tamayo recessed the meeting into Closed Session at 10:14 p.m.

Mayor Tamayo reconvened the meeting at 11:12 p.m.

All five members were present to discuss all Closed Session items. City Attorney Arnold Alvarez-Glasman provided the following report to City Council: Item No. 1, a briefing was provided to City Council, no action was taken, and nothing to further to report; Item No. 2, a briefing was provided to City Council, no action was taken and nothing further to report.

ADJOURNMENT

The City of Montebello will adjourn to the next **Regular Meeting on June 10, 2026, at 6:00 p.m.,** which can be live-streamed at https://www.montebelloca.gov (Click on Live Stream).

I, Kimberly Guillen, Director of City Clerk Services for the City of Montebello, hereby certify that a copy of this agenda has been posted on or before **Sunday, May 24, 2026, no later than 6:00 p.m.**

_____

Kimberly Guillen, Director of City Clerk Services

Mayor Tamayo adjourned the meeting in memory of Rosie Broquez and her son, Atiel Borquez, as well as Yolanda Romero, mother of Vivian Romero. The meeting was adjourned at 11:15 p.m.

THE MINUTES OF MAY 27, 2026, ARE HEREBY APPROVED AND ADOPTED ON THIS 10TH DAY OF JUNE 2026.

EXHIBIT - CITY OF MONTEBELLO FORECASTED AGENDA

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

DRAFT

- **CITY OF MONTEBELLO FORECASTED AGENDA**

DRAFT

PLEASE NOTE: A SEPARATE CARD MUST BE SUBMITTED FOR EACH ITEM

CITY OF MONTEBELLO Request No. 1

SPEAKER CARD

Please Note:

Public Comment/Speaker Card must be submitted to the City Clerk's Office prior to **the statement of oral communications being read and/or 6:00 p.m., whichever is later.**

TYPE OF COMMENT: Closed Session ☐ Non-Agenda Item ☒ **AGENDA ITEM NO.** _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

MEETING DATE: 5-27-26 **TIME RECEIVED:** _____

SPEAKER'S FULL NAME: ZACHARY HUMBER **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: _____

NOTES: _____

ACCOMMODATIONS: _____

TRANSLATION NEEDED: No ☐ Yes ☐ Language: _____

RECEIVED BY STAFF: _____

PLEASE NOTE: A SEPARATE CARD MUST BE SUBMITTED FOR EACH ITEM

CITY OF MONTEBELLO ■ ■ ■ ■ Request No. 2

SPEAKER CARD

Please Note:

Public Comment/Speaker Card must be submitted to the City Clerk's Office prior to **the statement of oral communications being read and/or 6:00 p.m., whichever is later.**

TYPE OF COMMENT: Closed Session ☐ Non-Agenda Item ☑ **AGENDA ITEM NO.** _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

MEETING DATE: 5/27/23 **TIME RECEIVED:** _____

SPEAKER'S FULL NAME: NICHOLAS SWAVING **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: _____

NOTES: _____

ACCOMMODATIONS: _____

TRANSLATION NEEDED: No ☐ Yes ☐ Language: _____

RECEIVED BY STAFF: _____

PLEASE NOTE: A SEPARATE CARD MUST BE SUBMITTED FOR EACH ITEM

CITY OF MONTEBELLO Request No. 3

SPEAKER CARD

Please Note:

Public Comment/Speaker Card must be submitted to the City Clerk's Office prior to **the statement of oral communications being read and/or 6:00 p.m., whichever is later.**

TYPE OF COMMENT: Closed Session ☐ Non-Agenda Item ☑ **AGENDA ITEM NO.** _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

MEETING DATE: 5/27/26 **TIME RECEIVED:** _____

SPEAKER'S FULL NAME: Marcos Miranda **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: _____

NOTES: _____

ACCOMMODATIONS: _____

TRANSLATION NEEDED: No ☐ Yes ☐ Language: _____

RECEIVED BY STAFF: _____

PLEASE NOTE: A SEPARATE CARD MUST BE SUBMITTED FOR EACH ITEM

CITY OF MONTEBELLO ■ ■ ■ ■ Request No. 4

SPEAKER CARD

Please Note:

Public Comment/Speaker Card must be submitted to the City Clerk's Office prior to **the statement of oral communications being read and/or 6:00 p.m., whichever is later.**

TYPE OF COMMENT: Closed Session ☐ Non-Agenda Item ☒ **AGENDA ITEM NO.** _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

MEETING DATE: 05/27/24 **TIME RECEIVED:** _____

SPEAKER'S FULL NAME: Erica Rodriguez **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: _____

NOTES: _____

ACCOMMODATIONS: _____

TRANSLATION NEEDED: No ☐ Yes ☐ Language: _____

RECEIVED BY STAFF: _____

PLEASE NOTE: A SEPARATE CARD MUST BE SUBMITTED FOR EACH ITEM

CITY OF MONTEBELLO ■ ■ ■ ■ Request No. 5

SPEAKER CARD

Please Note:

Public Comment/Speaker Card must be submitted to the City Clerk's Office prior to **the statement of oral communications being read and/or 6:00 p.m., whichever is later.**

TYPE OF COMMENT: Closed Session ☐ Non-Agenda Item ☒ **AGENDA ITEM NO.** _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

MEETING DATE: 05/27/26 **TIME RECEIVED:** _____

SPEAKER'S FULL NAME: Isabel Carbajal **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: _____

NOTES: _____

ACCOMMODATIONS: _____

TRANSLATION NEEDED: No ☐ Yes ☐ Language: _____

RECEIVED BY STAFF: _____

PLEASE NOTE: A SEPARATE CARD MUST BE SUBMITTED FOR EACH ITEM

CITY OF MONTEBELLO [redacted] Request No. 6

SPEAKER CARD

Please Note:

Public Comment/Speaker Card must be submitted to the City Clerk's Office prior to **the statement of oral communications being read and/or 6:00 p.m., whichever is later.**

TYPE OF COMMENT: Closed Session ☐ Non-Agenda Item ☐ **AGENDA ITEM NO.** _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

MEETING DATE: 05-27-2026 **TIME RECEIVED:** _____

SPEAKER'S FULL NAME: Rosa Tamayo **PHONE:** [redacted] *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: _____

NOTES: _____

ACCOMMODATIONS: _____

TRANSLATION NEEDED: No ☐ Yes ☐ Language: _____

RECEIVED BY STAFF: _____

PLEASE NOTE: A SEPARATE CARD MUST BE SUBMITTED FOR EACH ITEM

CITY OF MONTEBELLO ■ ■ ■ ■ Request No. 7

SPEAKER CARD

Please Note:

Public Comment/Speaker Card must be submitted to the City Clerk's Office prior to **the statement of oral communications being read and/or 6:00 p.m., whichever is later.**

TYPE OF COMMENT: Closed Session ☐ Non-Agenda Item ☐ **AGENDA ITEM NO.** _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** Community Concerns

MEETING DATE: _____ **TIME RECEIVED:** _____

SPEAKER'S FULL NAME: Lynda Nicklas **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: MATCA 90640

NOTES: _____

ACCOMMODATIONS: _____

TRANSLATION NEEDED: No ☐ Yes ☐ Language: _____

RECEIVED BY STAFF: _____

PLEASE NOTE: A SEPARATE CARD MUST BE SUBMITTED FOR EACH ITEM

CITY OF MONTEBELLO

Request No. 8

SPEAKER CARD

Please Note:

Public Comment/Speaker Card must be submitted to the City Clerk's Office prior to **the statement of oral communications being read and/or 6:00 p.m., whichever is later.**

TYPE OF COMMENT: Closed Session ☐ Non-Agenda Item ☐ **AGENDA ITEM NO.** _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** Public Comment

MEETING DATE: _____ **TIME RECEIVED:** _____

SPEAKER'S FULL NAME: Will Cervera **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: _____

NOTES: _____

ACCOMMODATIONS: _____

TRANSLATION NEEDED: No ☐ Yes ☐ Language: _____

RECEIVED BY STAFF: _____

PLEASE NOTE: A SEPARATE CARD MUST BE SUBMITTED FOR EACH ITEM

CITY OF MONTEBELLO

Request No. 9

SPEAKER CARD

Please Note:

Public Comment/Speaker Card must be submitted to the City Clerk's Office prior to **the statement of oral communications being read and/or 6:00 p.m., whichever is later.**

TYPE OF COMMENT: Closed Session ☐ Non-Agenda Item ☒ **AGENDA ITEM NO.** _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

MEETING DATE: 5/27/2024 **TIME RECEIVED:** _____

SPEAKER'S FULL NAME: RAUL HUERTA **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: _____

NOTES: _____

ACCOMMODATIONS: _____

TRANSLATION NEEDED: No ☐ Yes ☐ Language: _____

RECEIVED BY STAFF: _____

PLEASE NOTE: A SEPARATE CARD MUST BE SUBMITTED FOR EACH ITEM

CITY OF MONTEBELLO Request No. 10

SPEAKER CARD

Please Note:

Public Comment/Speaker Card must be submitted to the City Clerk's Office prior to **the statement of oral communications being read and/or 6:00 p.m., whichever is later.**

TYPE OF COMMENT: Closed Session ☐ Non-Agenda Item ☑ **AGENDA ITEM NO.** _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

MEETING DATE: 5/27/26 **TIME RECEIVED:** _____

SPEAKER'S FULL NAME: Corey Chappell **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: _____

NOTES: _____

ACCOMMODATIONS: _____

TRANSLATION NEEDED: No ☐ Yes ☐ Language: _____

RECEIVED BY STAFF: _____

PLEASE NOTE: A SEPARATE CARD MUST BE SUBMITTED FOR EACH ITEM

CITY OF MONTEBELLO ■ ■ ■ ■ Request No. 11

SPEAKER CARD

Please Note:

Public Comment/Speaker Card must be submitted to the City Clerk's Office prior to **the statement of oral communications being read and/or 6:00 p.m., whichever is later.**

TYPE OF COMMENT: Closed Session ☐ Non-Agenda Item ☑ **AGENDA ITEM NO.** _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

MEETING DATE: 5/27 **TIME RECEIVED:** _____

SPEAKER'S FULL NAME: Marie Ledezma **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: _____

NOTES: _____

ACCOMMODATIONS: _____

TRANSLATION NEEDED: No ☐ Yes ☐ Language: _____

RECEIVED BY STAFF: _____

DocuSign Envelope ID: [redacted]

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS

EXECUTIVE BOARD

Edward A. Kelly
General President

Frank V. Líma
General Secretary-Treasurer

VICE PRESIDENTS

James Slevin
1st District

Mark Woolbright
2nd District

Jay Colbert
3rd District

Andrew Pantelis
4th District

Mahlon Mitchell
5th District

Mike Carter
6th District

Ricky Walsh
7th District

Mark Sanders
8th District

Michael Frainier
9th District

Stephen Gilman
10th District

Michael Glynn
11th District

Walter (Walt) Dix
12th District

Fred LeBlanc
13th District

Danny Todd
14th District

Chris Ross
15th District

James B. Johnson
16th District

TRUSTEES

Ron Glass

Scott Marks

Anthony Mejia

March 16, 2026

VIA ELECTRONIC DELIVERY

Hermes Carbajal
[redacted]

Zachary Humber
[redacted]

Dear Brothers Carbajal and Humber:

On March 3, 2026, a Pre-Trial Review Board consisting of the undersigned International Vice Presidents convened to consider Brother Zachary Humber's request to dismiss the charges filed against him by Brother Hermes Carbajal. Carbajal alleges that Humber violated IAFF CBL Article XV, Sections 2(2), 2(5), and 2(8). Carbajal alleges Section 2(2) was violated by Humber's "failure to properly represent and defend members in matters of employment, discipline, and union business." Carbajal alleges that Section 2(5) was violated when Humber committed "acts detrimental to the welfare of the Local through intimidation and chilling protected participations." And Carbajal alleges that Section 2(8) is violated by a Humber's "abuse of authority by leveraging the presidency to threaten career prospects tied to union involvement."

Carbajal's charges allege that Humber has failed to represent members, retaliated against disfavored members, colluded with management, and abused his power to interfere with Local democracy. Carbajal lists events during which Humber allegedly failed to provide adequate representation to members during adverse employment actions ranging from placement on desk duty to termination. Carbajal alleges that Humber colluded with Department leadership to affect the Department's hiring and promotions, as well as crew assignments.

Carbajal also lists events where Humber allegedly retaliated against Local 3821 members. These events included alleged threats made to Local political rivals that they would not be promoted. Carbajal alleges that Huber orchestrated the demotion of Local 3821 members. Carbajal further alleges that Humber engaged in unsafe training and emergency operations, listing firefighting decisions made by Humber which are alleged to violate best practices or be unwise. Lastly, Carbajal alleges that Humber threatened members against running against him for President of Local 3821 and engaged in threats and intimidation tactics related to Local 3821 elections. Other than Carbajal, no other

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member of Local 3821 has filed charges against Humber or signed off on Carbajal's charges supporting Carbajal's allegations against Humber.

It must be noted that Carbajal and Humber both ran for elected positions on opposition slates in the recent Local 3821 elections. Humber was not re-elected as Local President. Carbajal was re-elected as Local Vice President. The candidate on Carbajal's slate won the position of Local President.

On January 12, 2026, Humber submitted a request for a Pre-Trial Review Board. Requests for statements on the charges were solicited from the parties. In Humber's statement, he responds to these charges by offering several procedural defects. Humber argues that the charges are overbroad and fail to identify discrete instances of misconduct, as required by IAFF CBL Art. XVI Sec. 2. Humber asserts that the content and context of the filing indicate Carbajal's retaliatory intent against him. Humber claims that the charges are outside the scope of Article XV. Humber submitted a copy of an email Carbajal sent to Local 3821 members on December 30, 2025, in the midst of Local 3821's election, to which Carbajal attached a copy of his IAFF Complaint against Humber. Carbajal did not submit a statement beyond what was included in his initial filing of the charges.

Article XVI, Section 5 of the IAFF Constitution and By-Laws empowers the Pre-Trial Review Board to dismiss charges that it concludes are "frivolous, retaliatory, or *de minimis*." The Board is not empowered to weigh evidence, determine the truth of allegations, or impose discipline; those functions are reserved for the Trial Board. After reviewing the statements and evidence submitted by the parties, we unanimously agree that Carbajal's charges are retaliatory, frivolous, or *de minimis* and, therefore, will be dismissed.

To dismiss charges as retaliatory, the Charged Party must show the charges were filed with a retaliatory purpose, rather than a legitimate purpose. This requires evidence that the stated basis for the charges was pretextual or that retaliation was a motivating factor for filing the charges. There is such evidence in this case.

It is problematic that in the midst of an election campaign where Humber and Carbajal were running on opposing slates that Carbajal filed a number of charges against Humber based on his performance as President of the Local that Humber allegedly directed at other members that were not filed or supported by those other members. It is further problematic that Carbajal then distributed the charges to all of the members during the course of the election. Such action has all of the hallmarks of retaliation, essentially Carbajal retaliating against Humber for running for re-election by filing charges against him in an effort to influence the outcome of the election.

Additional evidence of retaliation is that most of Carbajal's charges against Humber occurred more than six months from the time that he filed the charges, with some occurring well over one year old before Carbajal filed charges, well outside the six-month timeframe for filing charges required by the IAFF CBL. Carbajal chose not to file any of his charges when the purported wrongdoing occurred but instead waited until the heat of an election to file his charges. This further establishes that Carbajal

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had an ulterior motive with respect to the filing of his charges. Accordingly, we find that the charges are retaliatory.

To dismiss a charge as frivolous, the Charged Party must demonstrate that the charge cannot be established legally or factually, or there is no evidence to support it. A charge is frivolous when it lacks any arguable basis in law or fact. The record contains sufficient evidence that most of the charges filed against Humber are frivolous.

In addition to a number of his alleged violations being outside the six-month time limit for filing charges set forth in Article XVI, Section 1, Carbajal does not allege violations of IAFF CBL as his complaints cite to provisions and definitions of misconduct that are not found in the IAFF CBL. All of these charges, therefore, can be dismissed as frivolous because they cannot be maintained under the IAFF CBL.

Within Carbajal's Complaint are claims that Humber engaged in conduct unbecoming a member of the IAFF. If properly pled, these would allege a violation of IAFF CBL Art. XV, Sec. 1(L). This provision requires that charges of conduct unbecoming a member of the IAFF "shall be valid only when the charges are set forth in specific terms specifying the act or acts or conduct alleged to be unbecoming a member." Carbajal identifies several specific events which he alleges are conduct unbecoming a member of the IAFF. Many of these allegations occurred outside of the six month time period for filing charges and are dismissed on that ground.

The remaining allegations are very unspecific as to how they establish conduct unbecoming a member of the IAFF. For instance, Carbajal asserts that on August 4 and August 5, 2025, Humber engaged in a false counseling memorandum followed by baiting and attempted provocation of Carbajal. In addition, Carbajal claims that on November 18, 2025, Humber engaged in intimidation of an elected officer that demonstrates abusive conduct incompatible with the ethical duties of a Local president. Carbajal, however, fails to explain what the "baiting" or "abusive" conduct was or how it demonstrates that Humber intimidated an elected officer or acted in a manner unbecoming a member of the IAFF. Therefore, his charges are dismissed as frivolous for failure to specify the nature of his charges as required by the IAFF Constitution.

To dismiss charges as *de minimis*, the Charged Party must demonstrate that any violation had no or minimal negative impact on the Local or its members. This standard applies where the alleged misconduct is so minor that discipline would be unreasonable. The record contains sufficient evidence that the remaining charges against Humber are *de minimis*.

The allegations which are specified and within the six month time period are comments which Humber made to Carbajal including, "if you take the Union President spot…you can kiss your promotion goodbye." No evidence was presented that Humber, if he was defeated as Local President, would have any influence over employees' promotions. At most, Carbajal has alleged that political disagreements that he had with Humber regarding decisions Humber made as President of Local 3821

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during his tenure were Conduct Unbecoming a Member of the IAFF. These grievances are, at most, *de minimis*.

Because the conduct complained of by Carbajal within six months of filing his charges primarily amounts to criticisms of Humber's leadership as President of Local 3821, the proper forum to resolve a dispute over whether a Local president is effective in performing his or her job is typically through the democratic Local union election process. This is what happened here.

Local 3821 held an election, and the membership democratically decided that Humber should not remain as their president. Accordingly, the election has rendered the remainder of Carbajal's allegations regarding Humber's conduct during the election as moot.

For the foregoing reasons, the evidence demonstrates that the charges brought by Carbajal present as frivolous, retaliatory, or *de minimis*. Accordingly, as there is ample basis for the charges not proceed to trial, this PTRB unanimously dismisses all charges that Carbajal filed against Humber.

DocuSigned by:
Mark Woolbright
E4480F3C4AF7442...
Mark Woolbright, IAFF Vice President
District 2

Signed by:
Michael Frainier
F6242E20BAC04B2...
Michael Frainier, IAFF Vice President
District 9

Signed by:
Michael Glynn
BC90696AA06D41C...
Michael Glynn, IAFF Vice President
District 11

cc: Edward A. Kelly, IAFF General President
Frank V. Líma, IAFF General Secretary-Treasurer
Stephen Gilman, IAFF Vice President, 10th District
Wayne Murphy, IAFF Chief of Staff
Jim Brinkley, IAFF Chief of Operations
Peter Leff, IAFF General Counsel
Clark Gebhart, IAFF Legal Counsel
Corrine Griffin, IAFF Executive Assistant to the General President
Teresa Alva, IAFF Executive Assistant to the General Secretary-Treasurer
Hallie Miracle, IAFF Legal Department
Stephanie Griffiths, IAFF Legal Department

RESOLUTION NO. 26-38

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

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

SECTION 1. That the reference is hereby made to that certain Register of Audited Demand No.1613, consisting of 6 pages, and including:

Warrant No.

General: Check No. 611114 through 611226
ACH No. 11108 through 11183
Successor Check No. 1548

On file in the office of the City Clerk, the same having been audited and approved by the Assistant Director of Finance as required by law.

SECTION 2. That the said City Council having examined each such demand does hereby approve and direct the payment of same, as set forth in said Register, except the following Warrant No.

_____

_____

_____

SECTION 3. That the City Clerk shall certify to the passage and adoption of this Resolution and that the same shall be in full force and effect.

APPROVED AND ADOPTED ON THIS 10th OF JUNE 2026.

_____
Georgina Tamayo, Mayor

ATTEST: **APPROVED AS TO FORM:**

_____ _____
Christopher Jimenez, City Clerk Arnold M. Alvarez-Glasman, City Attorney

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

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 26-38 was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 10th day of June 2026 and that said Resolution was adopted by the following vote, to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

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

DATE: _____

_____
Christopher Jimenez, City Clerk

- Exhibit A – Warrant Register

City of Montebello
Register of Demands No. 1613
From Payment Date 05/15/26 - To Payment Date 05/28/26

WARRANT#	DATE	AMOUNT	ACCOUNT DESCRIPTION		VENDOR NAME
11108	05/21/2026	$9,939.13	SUPPLIES	3163	BANK OF AMERICA
11109	05/21/2026	$317.14	SUPPLIES	3163	BANK OF AMERICA
11110	05/21/2026	$490.53	TRAINING	3163	BANK OF AMERICA
11111	05/21/2026	$531.45	SUPPLIES	3163	BANK OF AMERICA
11112	05/21/2026	$31.25	SUPPLIES	3163	BANK OF AMERICA
11113	05/21/2026	$1,695.56	SUPPLIES	3163	BANK OF AMERICA
11114	05/21/2026	$175.02	SUPPLIES	3163	BANK OF AMERICA
11115	05/21/2026	$3,860.88	SUPPLIES	3163	BANK OF AMERICA
11116	05/21/2026	$103.60	SUPPLIES	3163	BANK OF AMERICA
11117	05/21/2026	$278.99	TRAINING	3163	BANK OF AMERICA
11118	05/21/2026	$660.02	SUPPLIES	3163	BANK OF AMERICA
11119	05/21/2026	$3,382.05	SUPPLIES	3163	BANK OF AMERICA
11120	05/21/2026	$439.68	SUPPLIES	3163	BANK OF AMERICA
11121	05/21/2026	$170.86	SUPPLIES	3163	BANK OF AMERICA
11122	05/21/2026	$154.70	SUPPLIES	3163	BANK OF AMERICA
11123	05/21/2026	$232.63	VEHICLE MAINTENANCE/EXPENSES	3163	BANK OF AMERICA
11124	05/21/2026	$321.00	VEHICLE MAINTENANCE/EXPENSES	3163	BANK OF AMERICA
11125	05/21/2026	$1,895.00	RETIREMENT	3730	AT RETIREMENT SERVICES LLC
11126	05/21/2026	$7,175.00	CDBG - ADMINISTRATION	38010	ADVANCED AVANT-GARDE CORPORATION
11127	05/21/2026	$831.64	SUPPLIES	2586	AMAZON CAPITAL SERVICES INC
11128	05/21/2026	$48,527.04	CONTRACT SERVICES	3016	ANTARES GOLF LLC
11129	05/21/2026	$254.15	ADVERTISING/PRINTING SERVICES	35980	SAEED RADMEHR
11130	05/21/2026	$2,257.53	VEHICLE MAINTENANCE/EXPENSES	45170	MONTEBELLO AUTO GROUP LLC
11131	05/21/2026	$3,915.97	SUPPLIES	10000	CLEAN SWEEP SUPPLY CO INC
11132	05/21/2026	$7,880.25	CONTRACT SERVICES	5253	CLIFTONLARSONALLEN LLP
11133	05/21/2026	$926.65	SUPPLIES	21690	COLUMBIA BUSINESS FORMS INC
11134	05/21/2026	$1,853.00	CONTRACT SERVICES	3285	DIANA E RAMIREZ DBA RAPID LEGAL CENTER
11135	05/21/2026	$480.00	SUPPLIES	3091	DOUBLE DIAMOND INVESTMENT GROUP INC
11136	05/21/2026	$1,111.42	VEHICLE MAINTENANCE/EXPENSES	1259	GRAFFITI SHIELD INC
11137	05/21/2026	$600.00	CONTRACT SERVICES	405	GREGORY C REUEL DBA GCR MARKETING NETWORK
11138	05/21/2026	$1,232.82	SUPPLIES	2059	HASA INC
11139	05/21/2026	$16,659.80	CONTRACT SERVICES	16760	LIEBERT CASSIDY WHITMORE
11140	05/21/2026	$10,328.52	SUPPLIES	26670	LIFE-ASSIST INC

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WARRANT#	DATE	AMOUNT	ACCOUNT DESCRIPTION		VENDOR NAME
11141	05/21/2026	$2,800.00	CONTRACT SERVICES	1585	DR ANGELICA LOZA-GOMEZ MD PC
11142	05/21/2026	$1,200.00	UNION DUES	64800	MONTEBELLO POLICE MANAGEMENT ASSOCIATION
11143	05/21/2026	$10,197.93	PREVENTIVE MAINTENANCE	3176	PHILS FIRE EXTINGUISHER CO
11144	05/21/2026	$7,217.00	CONTRACT SERVICES	5197	PMC PLUMBING
11145	05/21/2026	$677.88	UNIFORM EXPENSE	56260	PRUDENTIAL OVERALL SUPPLY
11146	05/21/2026	$1,306.30	ADVERTISING/PRINTING SERVICES	2594	THE SAUCE CREATIVE SERVICES CORP
11147	05/21/2026	$56,769.79	BUILDING IMPROVEMENTS	31270	STARBOARD TACK SUPPLY INC
11148	05/21/2026	$245.35	SUPPLIES	3110	TOMAS ALVARADO
11149	05/21/2026	$20,833.33	MISCELLANEOUS EXPENSE	4761	TREND SPORTS II LLC
11150	05/21/2026	$206.49	SUPPLIES	17180	FERNANDO VALLE
11151	05/21/2026	$478.01	SUPPLIES	19070	WALTERS WHOLESALE ELECTRIC CO
11152	05/21/2026	$602.41	SUPPLIES	3088	WAXIE SANITARY SUPPLY
11153	05/28/2026	$144.00	ADVERTISING/PRINTING SERVICES	3163	BANK OF AMERICA
11154	05/28/2026	$309.22	SUPPLIES	3163	BANK OF AMERICA
11155	05/28/2026	$4,631.78	SUPPLIES	3163	BANK OF AMERICA
11156	05/28/2026	$608.39	SUPPLIES	3163	BANK OF AMERICA
11157	05/28/2026	$40.10	FUEL	3163	BANK OF AMERICA
11158	05/28/2026	$41.26	FUEL	3163	BANK OF AMERICA
11159	05/28/2026	$1,796.37	TRAINING	3163	BANK OF AMERICA
11160	05/28/2026	$1,199.48	SUPPLIES	3163	BANK OF AMERICA
11161	05/28/2026	$2,982.54	CONTRACT SERVICES	3163	BANK OF AMERICA
11162	05/28/2026	$771.94	TRAINING	3163	BANK OF AMERICA
11163	05/28/2026	$398.02	TRAINING	3163	BANK OF AMERICA
11164	05/28/2026	$154.86	VEHICLE MAINTENANCE/EXPENSES	3163	BANK OF AMERICA
11165	05/28/2026	$2,195.01	RETIREMENT	58990	VISION SERVICE PLAN
11166	05/28/2026	$3,376.08	FRINGE BENEFITS	58990	VISION SERVICE PLAN
11167	05/28/2026	$2,893.02	VEHICLE MAINTENANCE/EXPENSES	3333	A & A FLEET PAINTING INC
11168	05/28/2026	$2,476.04	SUPPLIES	2586	AMAZON CAPITAL SERVICES INC
11169	05/28/2026	$2,561.09	SUPPLIES	62880	AMERICAN MARKER
11170	05/28/2026	$292.89	VEHICLE MAINTENANCE/EXPENSES	47980	AMERICAN MOVING PARTS
11171	05/28/2026	$9,611.83	CONTRACT SERVICES	3130	BLAIS & ASSOCIATES LLC
11172	05/28/2026	$958.00	MACHINERY & EQUIPMENTS	4617	CDCE INC
11173	05/28/2026	$3,955.64	CONTRACT SERVICES	2889	COMLOCK SECURITY GROUP INC
11174	05/28/2026	$59,559.23	OTHER GROUP INSURANCE PAYABLE	4110	DELTA DENTAL OF CALIFORNIA
11175	05/28/2026	$335.15	VEHICLE MAINTENANCE/EXPENSES	270	HARBOR DIESEL AND EQUIPMENT INC

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WARRANT#	DATE	AMOUNT	ACCOUNT DESCRIPTION		VENDOR NAME
11176	05/28/2026	$13,839.16	SUPPLIES	26670	LIFE-ASSIST INC
11177	05/28/2026	$312.21	VEHICLE MAINTENANCE/EXPENSES	1385	MUNCIE RECLAMATION AND SUPPLY COMPANY
11178	05/28/2026	$397.46	SUPPLIES	56260	PRUDENTIAL OVERALL SUPPLY
11179	05/28/2026	$198,147.23	IMPROVEMENTS OTHER THAN BUILDING - PAVING THE WA'	3908	SOUTHERN CALIFORNIA PRECISION CONCRETE, INC.
11180	05/28/2026	$255.90	SUPPLIES	31270	STARBOARD TACK SUPPLY INC
11181	05/28/2026	$22,242.20	UNIFORM EXPENSE	14350	SUN BADGE COMPANY
11182	05/28/2026	$324.87	SUPPLIES	3088	WAXIE SANITARY SUPPLY
11183	05/28/2026	$582.00	CONTRACT SERVICES	3140	WEX HEALTH INC
	ACH TOTAL	**$568,640.74**			
611114	05/21/2026	$2,214.00	UNIFORM EXPENSE	4217	1819 SUPPLY
611115	05/21/2026	$135.00	CONTRACT SERVICES	1674	1st JON INC
611116	05/21/2026	$1,445.00	CONTRACT SERVICES	5377	AGILE OCCUPATIONAL MEDICINE, PC
611117	05/21/2026	$2,267.68	UTILITY SERVICES	38380	AT&T
611118	05/21/2026	$127.84	UTILITY SERVICES	39550	AT&T
611119	05/21/2026	$10,573.48	UTILITY SERVICES	39550	AT&T
611120	05/21/2026	$224.70	UTILITY SERVICES	39550	AT&T
611121	05/21/2026	$4,051.74	UTILITY SERVICES	1732	AT&T CORP
611122	05/21/2026	$115,850.80	CONTRACT SERVICES	4831	BOWMAN CONSULTING GROUP LTD
611123	05/21/2026	$2,538.00	PUBLIC SAFETY	58240	STATE OF CALIFORNIA-DEPARTMENT OF JUSTICE
611124	05/21/2026	$924.05	UTILITY SERVICES	47580	CALIFORNIA WATER SERVICE COMPANY
611125	05/21/2026	$16,030.00	CONTRACT SERVICES	4833	CENTER FOR TRANSPORTATION AND THE ENVIRONMENT INC
611126	05/21/2026	$3,999.50	CONTRACT SERVICES	4797	CHILL ENTERTAINMENT
611127	05/21/2026	$3,812.50	CONTRACT SERVICES	4026	CODE CONSULTING GROUP, LLC
611128	05/21/2026	$2,687.45	CONTRACT SERVICES	4694	CRISTINA GARCIA
611129	05/21/2026	$160.00	CONTRACT SERVICES	8440	MARCOS CUELLAR
611130	05/21/2026	$6,406.93	CONTRACT SERVICES	4846	CWE
611131	05/21/2026	$800.00	CONTRACT SERVICES	4420	DF POLYGRAPH
611132	05/21/2026	$290.83	CONTRACT SERVICES	1894	ECONOMY RENTAL INC
611133	05/21/2026	$838.00	TRAINING	3392	EL CAMINO COLLEGE
611134	05/21/2026	$210.10	SUPPLIES	7610	EWING IRRIGATION PRODUCTS
611135	05/21/2026	$127.08	CONTRACT SERVICES	5256	FLOWATER, INC.
611136	05/21/2026	$2,165.02	VEHICLE MAINTENANCE/EXPENSES	29160	FORD OF MONTEBELLO
611137	05/21/2026	$881.86	SUPPLIES	5461	FUN EXPRESS, LLC

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WARRANT#	DATE	AMOUNT	ACCOUNT DESCRIPTION		VENDOR NAME
611138	05/21/2026	$13.39	UNIFORM EXPENSE	55650	GALLS LLC
611139	05/21/2026	$11,738.92	VEHICLE MAINTENANCE/EXPENSES	75590	ALHAMBRA MOTOR
611140	05/21/2026	$439.49	CONTRACT SERVICES	3036	HERITAGE-CRYSTAL CLEAN LLC
611141	05/21/2026	$1,099.48	SUPPLIES	2994	HOUSE OF WINNERS INC
611142	05/21/2026	$4,772.66	CDBG - HOUSING RIGHTS CENTER	1122	SOUTHERN CALIFORNIA HOUSING RIGHTS CENTER
611143	05/21/2026	$1,973.81	VEHICLE MAINTENANCE/EXPENSES	30190	IB AUTO PARTS INC
611144	05/21/2026	$5,057.88	CONTRACT SERVICES	4791	IN-N-OUT BURGER
611145	05/21/2026	$1,789.00	CONTRACT SERVICES	5198	ION SECURITY & FIRE SYSTEMS INC.
611146	05/21/2026	$322.52	MACHINERY & EQUIPMENTS	993	IVA SOLUTIONS INC
611147	05/21/2026	$15,000.00	CONTRACT SERVICES	3302	JACOB GREEN & ASSOCIATES INC
611148	05/21/2026	$300.00	CONTRACT SERVICES	1681	JAIME RODRIGUEZ
611149	05/21/2026	$750.00	CONTRACT SERVICES	4198	KEEN LOS ANGELES
611150	05/21/2026	$30.00	SUPPLIES	9200	LOS ANGELES COUNTY ASSESSOR OFFICE
611151	05/21/2026	$96.00	UTILITY SERVICES	1627	MARCOM COMMUNICATIONS SYSTEMS
611152	05/21/2026	$70.00	PARKS AND RECREATION	5462	LILIAN MARIN
611153	05/21/2026	$175.00	CONTRACT SERVICES	4111	MBM FUEL TANK TESTING AND EQUIPMENT
611154	05/21/2026	$146.68	TRAVEL & MEETINGS	2316	SALVADOR MELENDEZ
611155	05/21/2026	$29.72	SUPPLIES	5204	MONTEBELLO ACE HARDWARE
611156	05/21/2026	$1,456.86	CONTRACT SERVICES	1597	PACIFIC COAST ELEVATOR CORP DBA: AMTECH ELEVATOR SERVICES
611157	05/21/2026	$450.00	TRAINING	979	PRADO FAMILY SHOOTING RANGE
611158	05/21/2026	$1,000.00	MAIL/ POSTAL EXPENSE	697	QUADIENT FINANCE USA INC
611159	05/21/2026	$609.11	MACHINERY & EQUIPMENTS	4968	R&S OVERHEAD DOORS OF SO-CAL INC
611160	05/21/2026	$260.00	CONTRACT SERVICES	4952	DEBORAH LYNN RIVERA
611161	05/21/2026	$2,091.55	CONTRACT SERVICES	2874	RPW SERVICE, INC
611162	05/21/2026	$10,038.70	UTILITY SERVICES	14730	SAN GABRIEL VALLEY WATER CO
611163	05/21/2026	$2,460.80	VEHICLE MAINTENANCE/EXPENSES	54300	SHAK ENTERPRISES INC
611164	05/21/2026	$3,107.11	UTILITY SERVICES	51430	SOUTH MONTEBELLO IRRIGATION DISTRICT
611165	05/21/2026	$28,238.60	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
611166	05/21/2026	$632.08	VEHICLE MAINTENANCE/EXPENSES	168	SOUTHERN COACH MFG CO INC
611167	05/21/2026	$19,800.00	CONTRACT SERVICES	5387	STANTEC ARCHITECTURE INC.
611168	05/21/2026	$2,769.45	CONTRACT SERVICES	3397	STERICYCLE INC
611169	05/21/2026	$4,218.24	MACHINERY & EQUIPMENTS	6230	SYMPRO INC
611170	05/21/2026	$96.33	TRAVEL & MEETINGS	4281	GEORGINA TAMAYO
611171	05/21/2026	$4,908.70	VEHICLE MAINTENANCE/EXPENSES	60710	THE AFTERMARKET PARTS COMPANY LLC
611172	05/21/2026	$2,080.00	CONTRACT SERVICES	3206	THE COUNSELING TEAM INTERNATIONAL

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WARRANT#	DATE	AMOUNT	ACCOUNT DESCRIPTION		VENDOR NAME
611173	05/21/2026	$9,586.00	BUILDING IMPROVEMENTS	5358	TOILET PARTITIONS EXPERTS, INC.
611174	05/21/2026	$71,449.74	CONTRACT SERVICES	1639	TRANSTECH ENGINEERS INC
611175	05/21/2026	$7,081.36	SUPPLIES	69680	TRIANGLE SPORTS INC
611176	05/21/2026	$624.33	CONTRACT SERVICES	5322	TURBO DATA SYSTEMS, INC.
611177	05/21/2026	$219,274.91	MACHINERY & EQUIPMENTS	1188	TYLER TECHNOLOGIES INC
611178	05/21/2026	$3,734.95	UTILITY SERVICES	72570	US TELEPACIFIC CORP
611179	05/21/2026	$312.22	CONTRACT SERVICES	4003	VEOLIA WTS SERVICES USA, INC.
611180	05/21/2026	$56.87	SUPPLIES	4593	VESTIS GROUP INC
611181	05/21/2026	$900.00	CONTRACT SERVICES	2000	VITAL MEDICAL SERVICES LLC
611182	05/21/2026	$12,825.43	CONTRACT SERVICES	40860	WEST COAST ARBORISTS INC
611183	05/21/2026	$161.00	CONTRACT SERVICES	3006	ASBURY ENVIRONMENTAL SERVICES
611184	05/21/2026	$7,815.50	CONTRACT SERVICES	3731	YUNEX LLC
611185	05/28/2026	$135.00	CONTRACT SERVICES	1674	1st JON INC
611186	05/28/2026	$97.32	UTILITY SERVICES	39550	AT&T
611187	05/28/2026	$3,182.75	VEHICLE MAINTENANCE/EXPENSES	278	ATLAS RADIATOR INC
611188	05/28/2026	$1,610.00	CONTRACT SERVICES	5108	CALIFORNIA ASBESTOS CONSULTANTS
611189	05/28/2026	$1,350.00	CONTRACT SERVICES	28120	STATE OF CALIFORNIA DEPARTMENT OF INDUSTRIAL RELATIONS
611190	05/28/2026	$115.44	UTILITY SERVICES	47580	CALIFORNIA WATER SERVICE COMPANY
611191	05/28/2026	$100.00	GENERAL GOVERNMENT	5466	FERNANDO CASTILLO
611192	05/28/2026	$131.85	UTILITY SERVICES	55830	CHARTER COMMUNICATIONS
611193	05/28/2026	$4,182.60	MACHINERY & EQUIPMENTS	13360	DELL MARKETING LP
611194	05/28/2026	$672.00	PERMITS AND FEES	72580	LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEALTH
611195	05/28/2026	$672.00	PERMITS AND FEES	72580	LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEALTH
611196	05/28/2026	$672.00	PERMITS AND FEES	72580	LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEALTH
611197	05/28/2026	$683.99	SUPPLIES	7610	EWING IRRIGATION PRODUCTS
611198	05/28/2026	$180.00	GENERAL GOVERNMENT	5464	FIRST BAPTIST OF MONTEBELLO
611199	05/28/2026	$200.00	CONTRACT SERVICES	5412	RUBEN FLORES DBA FROSTBITE ICE CREAM
611200	05/28/2026	$364.00	CONTRACTORS	5361	FREE ENERGY SERVICES
611201	05/28/2026	$941.02	UNIFORM EXPENSE	55650	GALLS LLC
611202	05/28/2026	$250.00	GENERAL GOVERNMENT	4533	JUAN MANUEL GARCIA
611203	05/28/2026	$1,806.89	VEHICLE MAINTENANCE/EXPENSES	33720	GILLIG LLC
611204	05/28/2026	$11,191.44	CONTRACT SERVICES	5199	INTANGLES USA INC
611205	05/28/2026	$400.00	CONTRACT SERVICES	2769	KATALINA BELTRAN
611206	05/28/2026	$10,740.85	CONTRACT SERVICES	4810	LA COUNTY DEPARTMENT OF PUBLIC WORKS
611207	05/28/2026	$1,484.54	CONTRACT SERVICES	23460	MOTOROLA SOLUTIONS INC

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WARRANT#	DATE	AMOUNT	ACCOUNT DESCRIPTION		VENDOR NAME
611208	05/28/2026	$79,195.29	CONTRACT SERVICES	4428	PALADIN TECHNOLOGIES USA INC
611209	05/28/2026	$371.54	VEHICLE MAINTENANCE/EXPENSES	5221	PARTS AUTHORITY LLC
611210	05/28/2026	$10,375.97	LEASE PAYMENT	2357	PNC BANK NATIONAL ASSOCIATION
611211	05/28/2026	$450.00	TRAINING	979	PRADO FAMILY SHOOTING RANGE
611212	05/28/2026	$250.00	GENERAL GOVERNMENT	5467	ERIK RAMOS
611213	05/28/2026	$371.13	VEHICLE MAINTENANCE/EXPENSES	54300	SHAK ENTERPRISES INC
611214	05/28/2026	$2,490.89	MACHINERY & EQUIPMENTS	1937	SHI INTERNATIONAL CORP
611215	05/28/2026	$29,329.44	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
611216	05/28/2026	$2,956.57	UTILITY SERVICES	40520	SOUTHERN CALIFORNIA GAS CO
611217	05/28/2026	$9,945.00	SUPPLIES	2073	STOVER SEED COMPANY
611218	05/28/2026	$14,023.46	VEHICLE MAINTENANCE/EXPENSES	60710	THE AFTERMARKET PARTS COMPANY LLC
611219	05/28/2026	$91,872.98	CONTRACT SERVICES	1639	TRANSTECH ENGINEERS INC
611220	05/28/2026	$1,760.87	VEHICLE MAINTENANCE/EXPENSES	4961	TRI-STATE PUBLIC SAFETY LLC
611221	05/28/2026	$3,681.60	SUPPLIES	2611	TURBOSCAPE INC
611222	05/28/2026	$2,639.89	MACHINERY & EQUIPMENTS	1188	TYLER TECHNOLOGIES INC
611223	05/28/2026	$3,987.00	VEHICLE MAINTENANCE/EXPENSES	2701	VARGAS DIESEL INC
611224	05/28/2026	$1,800.00	CONTRACT SERVICES	5406	LUIS VASQUEZ
611225	05/28/2026	$250.00	GENERAL GOVERNMENT	5465	ELIZABETH VERA
611226	05/28/2026	$52.04	SUPPLIES	33390	WHITTIER FERTILIZER COMPANY
	CHECK TOTAL	**$937,573.31**			
1548	05/21/2026	$2,255.00	CONTRACT SERVICES	15180	SCS FIELD SERVICES
	SUCCESSOR TOTAL	**$2,255.00**			
	GRAND TOTAL	**$1,508,469.05**			

City Council Forecasted Agenda Calendar - June

June 24, 2026 - City Council and Public Finance Authority Meeting

Item #	Description	Session	Department	Presenter
	Home 2 Suites LRB	Regular Session	Finance	Michael S.

June 24, 2026 - City Council

Item #	Description	Session	Department	Presenter
	Citizen of the Month -	Presentation	Public Affairs	David S.
	Oath of Office - Kalina Fierro	Presentation	Public Affairs	David S.
	Schurr HS Transit Club Presentation and Scholarship	Presentation	Public Affairs	David S.
	COR - Schurr High School Baseball Team	Presentation	Public Affairs	David S.
	Levy of the Proposed Annual Assessments for the City of Montebello's Natasha Lane Sewer and Storm Water Assessment District No. 2005-2 for Fiscal Year 2026-2027	Public Hearing	Public Works	Cesar Roldan
	Resolution Regarding Montebello's Intention to Establish an Enhanced Infrastructure Financing District	Regular Business	Planning	Joe P.
	Brown Act Updates Pursuant to Senate Bill 707	Regular Business	Admin.	Kim Guillen
	Safe, Clean Water Program Municipal Program Audit Requirements Corrective Actions	Consent	Public Works	Cesar Roldan
	Crimson Pipeline Franchise Agreement	Consent	Planning	Joe P.
	Authorize Issuing Request for Proposal No. 26-XX for Red Light Camera Services	Consent	Police	Chief Lopez
	Authorize Issuing Request for Proposals No. 26-XX for Crossing Guard Services	Consent	Police	Chief Lopez
	Minutes	Consent.	Admin	Kim Guillen
	Reso No. ___ Warrant Register	Consent.	Finance	Michael S.