SPECIAL SOUTH GATE CITY COUNCIL
SPECIAL SOUTH GATE CITY COUNCIL AGENDA

Tuesday, November 17, 2026 at 5:30 p.m.

SOUTH GATE COUNCIL CHAMBERS
8650 CALIFORNIA AVE
SOUTH GATE, CA 90280

DIAL-IN NUMBER 1 (213) 338-8477
MEETING ID: 883 6643 7124

VIEW MEETING LIVE ONLINE AT:
HTTPS://YOUTUBE.COM/@SOUTHGATECA90280

City Officials

MAYOR, Joshua Barron	**CITY CLERK,** Yodit Glaze
VICE MAYOR, Al Rios	**CITY TREASURER,** Jose De La Paz
COUNCIL MEMBER, Maria del Pilar Avalos	**CITY MANAGER,** Rob Houston
COUNCIL MEMBER, Maria Davila	**CITY ATTORNEY,** Raú l F. Salinas
COUNCIL MEMBER, Gil Hurtado	

If you would like to participate in this meeting, you can participate via the following options:

1. VIEW THE MEETING LIVE ONLINE AT: https://youtube.com/@SouthGateCA90280
Please allow up to 24 hours after the meeting for the archive to be available.
2. LISTEN TO THE MEETING ONLINE VIA ZOOM:
https://us06web.zoom.us/j/88366437124
To address the City Council press *9 to raise your hand and *6 to unmute yourself when instructed.
3. PARTICIPATE BEFORE THE MEETING by emailing the City Clerk at: yglaze@sogate.org no later than 4:00 p.m. on the day of the meeting. Please write "Public Comment" in the subject line.
4. ATTEND THE MEETING IN PERSON

***The disruption in service of any alternative method does not prelude the City Council or other legislative body from taking further action and moving forward on the agenda.**

Meeting Schedule

The regular meetings of the City Council are held on the second and fourth Tuesday of each month, closed session business will usually commence at 5:30 p.m., when scheduled, and general business session will commence at 6:30 p.m.

Brown Act

Agendas are drafted to accurately state what the legislative body is being asked to consider. The legislative body can take action on "all items" listed on the agenda and be in compliance with the open meeting laws. Under the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The governing body may direct staff to investigate and/or schedule certain matters for consideration at a future meeting.

City's Vision Statement

We envision a thriving, safe and inclusive community where everyone has the opportunity to access exceptional services, education and support to be resilient and live full, vibrant lives.

Public Communications

Public Comments on agenda items are limited to three (3) minutes. All comments are to be addressed directly to the Agency Members not to the members of the public.

Emails for public comment received prior to 4:00 pm on the day of the Council Meeting will be summarized by the City Clerk, not read in its entirety. A copy of the email will be provided to the City Council and will also be available at the City Clerk's Office for public review. A copy of each email will be recorded for public record and noted on the official minutes of tonight's meeting.

Call to Order/Roll Call

CALL TO ORDER: Joshua Barron, Mayor
ROLL CALL: Yodit Glaze, City Clerk

Public Hearing

1. Preferential Parking District on Firestone Plaza from Firestone Boulevard to Glenwood Place

The City Council will consider: (PW)

a. Adopting a Resolution approving and establishing a Preferential Parking District on Firestone Plaza from Firestone Boulevard to Glenwood Place, prohibiting parking between the hours of 4:00 PM and 10:00 PM, Monday to Friday;

b. Directing the Public Works Department to install parking restriction signage within 90 days of the approval of the Resolution;

c. Directing the City Clerk to notify the property owners on Firestone Plaza of the November 10, 2026, voting results; and

d. Appropriating $3,000 in Gas Tax Funds to install the parking restrictions.

Documents:

Item 1 Special.pdf

Consent Calendar Items

2. Agreement with Harper & Associates Engineering, Inc. for Construction Management and Inspection Services for the West Side Reservoir Tank Rehabilitation, City Project No. 742-WTR

The City Council will consider: (PW)

a. Approving an Agreement with Harper & Associates Engineering Inc., to provide construction management and inspection services for the construction of the West Side Reservoirs Tank Rehabilitation, City Project No. 742-WTR, in an amount not to exceed $280,418;

b. Appropriating $158,460 in Water Funds to Account No. 411-731-71-9925 to fully fund the construction of West Side Reservoirs Rehabilitation, City Project No. 742-WTR;

c. Authorizing the City Manager to approved amendments to the agreement up to the cumulative amount of $75,000 funded with Water Funds; and
Authorizing the Mayor to execute the Agreement in a form acceptable to the City Attorney.

Documents:

Item 2 Special.pdf

3. Approval of Amendment No. 1 to Contract No. 2021-116-CC with Global Paratransit, Inc. for GATE Fixed Route Transit Services

The City Council will consider: (PARKS)

a. Approving Amendment No. 1 to Contract No. 2021-116-CC with Global Paratransit, Inc. for GATE fixed route transit services, extending the term through June 30, 2027, setting the rate at $79.89 per vehicle service hour and the monthly bus lease payment at $5,000.00 effective November 1, 2026, and ending services at the close of business on March 7, 2027, unless continued by mutual written agreement, with compensation not to exceed $967,836.00 per year;

b. Ratifying the services provided by Global Paratransit, Inc. from July 1, 2026, through the effective date of Amendment No. 1, and the payments made for those services at the existing rate of $76.09 per vehicle service hour;

c. Authorizing the Mayor or City Manager to execute a written agreement with Global Paratransit, Inc. to continue services beyond March 7, 2027, through no later than June 30, 2027, if needed to avoid a gap in GATE service; and
Authorizing the Mayor or City Manager to execute Amendment No. 1 in a form approved by the City Attorney.

Documents:

Item 3 Special.pdf

Recommendations and Requests

4. Cancellation of the Regularly Scheduled City Council Meeting of November 24, 2026, and Authorization for the City Council Auditor to Review and Approve the Second Warrant Register in November 2026.

The City Council will consider: (CLERK)

a. Approving the cancellation of the regularly scheduled City Council Meeting of Tuesday, November 24, 2026; and

b. Authorizing the City Council Auditor to review and approve the second warrant register for November 2026.

Documents:

Item 4 Special.pdf

Adjournment

I, Yodit Glaze, City Clerk, certify that a true and correct copy of the foregoing Meeting Agenda was posted on November 12, 2026, at 7:25 p.m., as required by law.

Yodit Glaze

City Clerk

GENERAL NOTICE TO THE PUBLIC

The City Council adopted new rules relating to the conduct of the public meetings, proceedings, and business in the City of South Gate on July 12, 2022, (Resolution 2022-38-CC) and go into effect on August 1, 2022. Resolution #2022-38-CC is available at the City Clerk's Office.

MEETING SCHEDULE

Regular meetings of the City Council are held on the second and fourth Tuesday of each month, closed session meetings will commence at 5:30 p.m. unless posted otherwise on its agenda. The regular City Council meetings will commence at 6:30 p.m. Agendas are available at the following locations: City Clerk Office, Public Notice Boards at City Hall, and on the City's web page at https://www.cityofsouthgate.org

The Public can sign up to receive automatic notices of postings of agendas for the City Council or any other Commission or Board of the City of South Gate. Visit the City webpage and click on the Agenda & Minutes icon. That will take you the page where an individual can enter their email in the "Email Updates" box to register.

PUBLIC COMMENT/PARTICIPATION

Any person may request to address a legislative body during a public meeting. The Presiding Officer will call upon those present in the Council Chambers first. After all speakers in the Chambers have spoken, the Presiding Officer will call upon those participating via zoom or teleconference.

Speakers are limited to three (3) minutes on any item listed on the agenda, including public hearings. Under Comments from the Audience portion, speakers are also limited to a single three (3) minutes time limit. Comments from the Audience is initially limited to 45 minutes at each meeting. Any speaker still wishing to speak, that did not speak, will have an addition Comments from the Audience opportunity after the last business item is finished. The Presiding Officer may extend the time limit as long as there is no objection from the City Council as a body.

To ensure that the public is able to participate, the City provides the opportunity to submit their comments in person, virtually, email, phone call, mail and any other method which may become available. Methods of participation may be subject to change during other such times when a State of Emergency, Health Order or State Executive Order limits in-person participation.

CURFEW

In absence of a motion duly adopted by majority vote of the City Council, the Presiding Officer may adjourn the City Council meetings at 10:30 p.m. The Presiding Officer may ask the City Council if any agenda items listed should be continued or dealt with during the meeting. For those items to be continued, the City Council can direct the item be placed on the next City Council agenda or the current meeting may be adjourned to a time certain at which time the meeting shall be reconvened as an Adjourned Regular Meeting of the City Council and action upon the published agenda continued.

STAFF REPORTS

As a general rule, staff reports. or other written documentation are prepared/organized with respect to each item of business listed on the agenda. Meeting agendas and staff reports are available at least 72-hours prior to the scheduled regular City Council meeting and a minimum of 24-hours prior to a Special City Council meeting. There are times when the City Council receives written material. revised material after the posting of agendas, these materials are become a public record and will be available for public view within 72-hours after the meeting in which they were received. Those materials and any other public document can be inspected in the City Clerk's Office located at 8650 California Avenue, South Gate.

SERVICES TO FACILITATE ACCESS TO PUBLIC MEETINGS

In compliance with the American with Disabilities Act, if you need special assistance to participate in the City Council Meetings, please contact the Office of the City Clerk. Notification 48 hours prior to the City Council Meeting will enable the City to make reasonable arrangements to assure accessibility. For further information, please contact the Office of the City Clerk at (323) 563-9510 or via email

at yglaze@sogate.org.

Item No. 1

Office of the
South Gate City Clerk

NOV 12 2026

FILED

4:30pm

City of South Gate

CITY COUNCIL

AGENDA BILL

For the Special Meeting of: **November 17, 2026**

Originating Department: **Public Works**

Department Director: _____ *City Manager:* _____

for Arturo Cervantes *Rob Houston*

SUBJECT: PUBLIC HEARING - PREFERENTIAL PARKING DISTRICT ON FIRESTONE PLAZA FROM FIRESTONE BOULEVARD TO GLENWOOD PLACE

PURPOSE: To conduct a public hearing and consider establishing a Preferential Parking District on Firestone Plaza from Firestone Boulevard to Glenwood Place, in accordance with South Gate Municipal Code Section 8.12.090.

RECOMMENDED ACTIONS: The City Council will consider;

a. Adopting a Resolution approving and establishing a Preferential Parking District on Firestone Plaza from Firestone Boulevard to Glenwood Place, prohibiting parking between the hours of 4:00 PM and 10:00 PM, Monday to Friday;
b. Directing the Public Works Department to install parking restriction signage within 90 days of the approval of the Resolution;
c. Directing the City Clerk to notify the property owners on Firestone Plaza of the November 10, 2026, voting results; and
d. Appropriating $3,000 in Gas Tax Funds to install the parking restrictions.

NOTICING REQUIREMENTS: Notice of the public hearing was published in the South Gate Press, a newspaper of general circulation, on October 8, 2026. Notice was also mailed to properties within 500 feet of the proposed parking district.

FISCAL IMPACT: There is no impact to the General Fund. An appropriation of $3,000 in Gas Tax Funds to Account No. 212-713-31-6202 is required for installation of signs and posts. Approximately 54 parking permits are expected to be issued every two years. Permit application fees are estimated to generate approximately $4,320 every two years and are intended to offset the administrative cost of processing and issuing the permits.

ANALYSIS: In July 2026, the City received a petition from residents requesting establishment of a Preferential Parking District on Firestone Plaza from Firestone Boulevard to Glenwood Place.

In accordance with the Municipal Code, the Public Works Department conducted a survey of the 27 residential properties within the proposed district. A total of 19 properties voted in favor of

establishing the district, satisfying the requirement that at least two-thirds of the affected residences support its establishment.

The proposed parking restriction would prohibit parking without a permit between 4:00 PM and 10:00 PM, Monday through Friday. These hours were requested by the residents and are intended to improve access to on-street parking during periods of highest demand while continuing to allow unrestricted daytime parking outside of those hours.

If the proposed Resolution is adopted, the City will install the required signage and the district will become effective 31 days after the signs are installed. Pursuant to the Municipal Code, modifications to or elimination of the district will not be considered for two years following its establishment.

Staff recommends that the City Council establish the proposed Preferential Parking District based on the demonstrated support of the affected residents and compliance with the requirements of the Municipal Code.

BACKGROUND: Preferential Parking Districts are used by the City to address localized parking conditions in residential areas where on-street parking demand or other parking-related impacts affect the neighborhood. These districts allow the City to establish parking restrictions during specified hours while providing parking privileges to eligible permit holders.

South Gate Municipal Code Section 8.12.090 establishes the process for creating a Preferential Parking District. For a resident-initiated district, the process begins with a petition supported by at least two-thirds of the voters within the proposed district, with no more than one vote counted per parcel. The petition must also identify the requested parking restriction hours. The Public Works Department then conducts a survey to verify the required level of support, after which the matter is presented to the City Council at a noticed public hearing.

If approved, the City installs signs identifying the parking restrictions and eligible residents may apply for parking permits. For a parcel containing one single-family residence, up to two residential parking permits may be issued. A parcel with a permitted accessory dwelling unit may receive one permit for the primary dwelling and one for the first permitted ADU, with no more than two residential permits issued per parcel. Multifamily residential parcels are generally eligible for one residential parking permit issued to the property owner or condominium owners association.

A preferential parking permit allows an eligible vehicle to park within the district during the restricted hours but does not guarantee or reserve a specific on-street parking space. Other generally applicable parking restrictions, including street sweeping and the 72-hour parking limit, continue to apply.

The City Council establishes the boundaries of the district and the hours during which parking restrictions apply. The restrictions become enforceable on the 31st day after the required signs or markings are installed. The City currently has other preferential parking districts in place, with restrictions tailored to the parking conditions and preferences of each neighborhood.

Under California Vehicle Code Sections 22507 and 22507.5, the City is authorized to establish preferential parking districts to address parking-related conditions within neighborhoods. South Gate Municipal Code Section 8.12.090 implements that authority and establishes the local process for creating, modifying, and administering these districts.

ATTACHMENTS:

A. Proposed Resolution
B. Notice of Public Hearing
C. Vicinity Map

CC:ky

RESOLUTION NO. _____

CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE, CALIFORNIA, CONFIRMING THE VOTING RESULTS FOR ESTABLISHING A PREFERENTIAL PARKING DISTRICT ON FIRESTONE PLAZA

WHEREAS, City Council adopted Ordinance 2022-01-CC on March 8, 2022 amending Section 8.12.090 (Preferential Parking Districts) of Chapter 8.12 (Stopping, Standing, and Parking of Vehicles) of Title 8 (Traffic) of the South Gate Municipal Code;

WHEREAS, Subsection C of Section 8.12.090 (Preferential Parking Districts) stipulates that the City Council may create, terminate, and/or amend a preferential parking district, (a) upon receipt of a written petition signed by a two-thirds majority (sixty-six percent) of the voters in favor of creating, terminating, and/or amending a preferential parking district for the length of a street segment terminating at two intersections, and (b) after the Director of Public Works conducts a survey to verify the petition containing signatures and printed names and addresses of at least a two-thirds majority of the residents, one vote per parcel, within the existing or proposed district, and (c) upon holding a duly noticed public hearing on the proposed parking district;

WHEREAS, residents on Firestone Plaza have submitted a petition to the City signed by a two-thirds majority (sixty-six percent) in favor of establishing a parking district on Firestone Plaza from Firestone Boulevard to Glenwood Place;

WHEREAS, the Assistant City Manager/Director of Public Works conducted a survey of properties within the proposed parking district and verified the petition on ballots containing signatures and printed names and addresses of at least a two-thirds majority of the residents, one vote per parcel, in favor of establishing a parking district on Firestone Plaza from Firestone Boulevard to Glenwood Place;

WHEREAS, said survey was conducted by mail as well as by in-person visits to the properties within the proposed parking district after which the ballots were filed with the City Clerk's Office;

WHEREAS, a public hearing was duly noticed and held on November 10, 2026, to discuss the establishment of a parking district; and

WHEREAS, a majority of the City Council determined that the criteria for the establishment of a parking district has been met.

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

SECTION 1. Required Findings. The City Council finds that the establishment of a preferential parking district for Firestone Plaza from Firestone Boulevard to Glenwood Place is necessary to relieve overcrowding on this street. The overcrowding of parked vehicles in this area is the source of traffic congestion that has the potential for hazards, air pollution, and other adverse environmental impacts. These impacts have resulted in deterioration in the residential quality and character of the neighborhood to the detriment of residents and property values. A two-thirds majority of the residents in the proposed section of Firestone Plaza desire, agree to, and request preferential parking privileges. Therefore, the City Council finds that the establishment of a preferential parking district for Firestone Plaza is necessary to provide reasonably available and convenient parking for the benefit of the residents along this street segment.

SECTION 2. The City Council confirms the result of the survey received by the Public Works Department and filed them with the City Clerk's Office.

SECTION 3. Designation of District. The City Council resolves that Firestone Plaza shall be designated as Firestone Plaza from Firestone Boulevard to Glenwood Place.

SECTION 4. Designation of Parking Restrictions. The City Council further resolves that preferential parking restrictions on the Firestone Plaza Preferential Parking District shall be as follows:

No parking between the hours of 4:00 P.M. to 10:00 P.M. Monday to Friday, except by permit.

SECTION 5. The City Clerk is hereby directed to notify the property owners within the Firestone Plaza Preferential Parking District of the result of the ballots and the City Council's vote.

[Remainder of page left blank intentionally.]

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

PASSED, APPROVED and **ADOPTED** this **17th** day of **November 2026.**

CITY OF SOUTH GATE:

By: _____
Joshua Barron, Mayor

ATTEST:

By: _____
Yodit Glaze, City Clerk
(SEAL)

APPROVED AS TO FORM:

By: DRAFT 46 _____
Raul F. Salinas, City Attorney

Office of the
South Gate City Clerk

OCT 05 2026

FILED

CITY OF SOUTH GATE

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the City Council of South Gate, California will conduct a Public Hearing for the purpose of establishing a preferential parking district per Section 8.12.090 Preferential parking districts of the South Gate Municipal Code pertaining to the streets of Firestone Plaza from Firestone Boulevard to Glenwood Place. A copy of the map of the proposed district may be reviewed in the City Clerk's office during normal business hours. The Public Hearing is scheduled for:

DATE: November 10, 2026
TIME: 6:30 p.m.
LOCATION: COUNCIL CHAMBERS
SOUTH GATE CITY HALL
8650 CALIFORNIA AVENUE
SOUTH GATE, CA 90280

The Public Hearing meeting will be conducted in person and through videoconferencing without a physical location from which members of the public may observe and offer public comment. Any comments may be made in person at the hearing or in writing to the City Clerk or the City Council prior to the hearing.

You may access the hearings through YouTube. To access the live stream for the November 10, 2026, City Council Meeting, please visit the City of South Gate's YouTube page at www.youtube.com/@SouthGateCA90280.

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

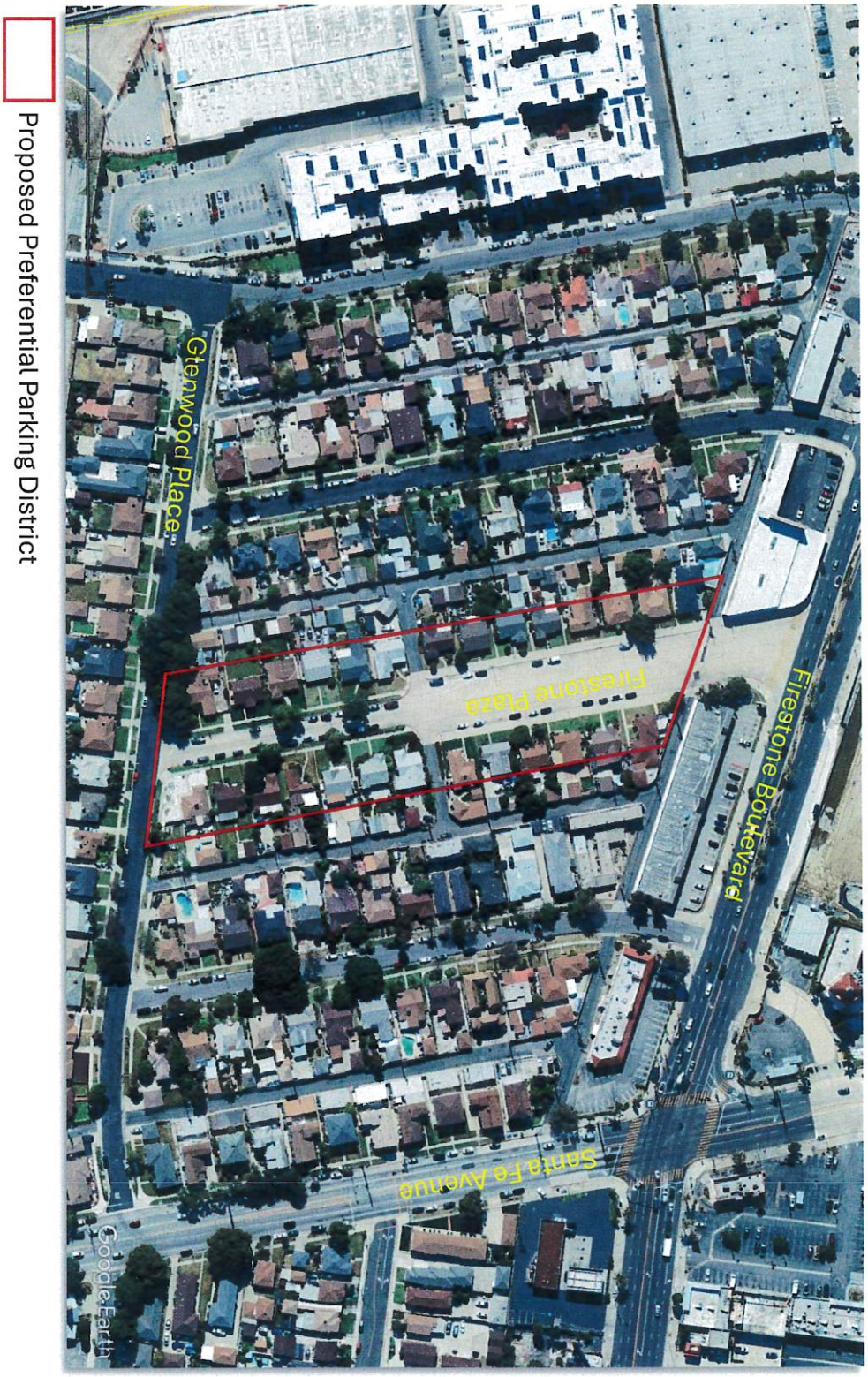
THIS NOTICE IS GIVEN by order of the City Clerk of said City and is dated October 8, 2026.

Yodit Glaze, City Clerk

Publication Date: October 8, 2026

Account Number: 100-701-31-6302

Exhibit C – Vicinity Map



Proposed Preferential Parking District

Office of the
South Gate City Clerk

NOV 12 2026
FILED
4:30pm

Item No. 2

City of South Gate
CITY COUNCIL

AGENDA BILL

For the Special Meeting of: **November 17, 2026**
Originating Department: **Public Works**

Department Director: _____ ***City Manager:*** _____
for Arturo Cervantes *Rob Houston*

SUBJECT: AGREEMENT WITH HARPER & ASSOCIATES ENGINEERING, INC., FOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE WEST SIDE RESERVOIR TANK REHABILITATION, CITY PROJECT NO. 742-WTR

PURPOSE: To award a professional services agreement to Harper & Associates Engineering, Inc. ("HAE"), to provide construction management and inspection services for the West Side Reservoirs Tank Rehabilitation Project ("Project"), which is scheduled to begin construction in January of 2027.

RECOMMENDED ACTIONS: The City Council will consider:

a. Approving an Agreement with Harper & Associates Engineering Inc., to provide construction management and inspection services for the construction of the West Side Reservoirs Tank Rehabilitation, City Project No. 742-WTR, in an amount not to exceed $280,418;
b. Appropriating $158,460 in Water Funds to Account No. 411-731-71-9925 to fully fund the construction of West Side Reservoirs Rehabilitation, City Project No. 742-WTR;
c. Authorizing the City Manager to approved amendments to the agreement up to the cumulative amount of $75,000 funded with Water Funds; and
d. Authorizing the Mayor to execute the Agreement in a form acceptable to the City Attorney.

FISCAL IMPACT: There is no fiscal impact on the General Fund. The proposed Agreement is in the amount of $280,418, proposed to be fully funded with Water Funds. A total of $3,288,977 in Water Funds is budgeted in the Fiscal Year 2026/27 Capital Improvement Program in Account No. 411-731-71-9925. A total of $158,460 in Water Funds is recommended to be appropriated, for a total project budget of $3,447,437.

ANALYSIS: Construction of the Project is scheduled to begin in January 2027 and is expected to take approximately ten months to complete. The services of a consultant are necessary to manage and inspect construction due to the technical expertise required, the complexity of the work, and the engineering resources needed to oversee construction activities throughout the duration of the Project.

Staff recommends awarding the proposed Agreement to HAE, which was selected through a competitive Request for Proposals process involving the City's on-call engineering services consultants. The proposed services include construction management and inspection, engineering support, and coating

inspection and testing to help ensure the Project is constructed in accordance with the approved plans, specifications, and contract requirements.

The proposed Agreement is in the amount of $280,418. Based on the scope of services, duration of construction, and specialized expertise required, staff determined that the proposed fee is reasonable and consistent with industry standards for a project of this magnitude.

BACKGROUND: The West Side Reservoir Tank Rehabilitation Project will address significant corrosion and deterioration identified at the City's two West Side water storage tanks. The Project includes recoating the tanks, rehabilitating the roof rafters, and improving roof access to restore and protect the facilities.

The Project has completed design and is now ready to proceed into the construction phase. Construction management and inspection services are needed to provide oversight of the work and ensure the improvements are completed in accordance with the approved plans, specifications, and contract requirements.

On September 27, 2026, a Request for Proposals (RFP) for construction management and inspection services was released to the City's on-call consultants and to Harper & Associates Engineering, Inc. On October 22, 2026, proposals were due and only one was received in the City Clerk's Office. The proposal was submitted by HAE in the amount of $294,638 and was negotiated to $280,418.

The proposal was reviewed by the Staff. The review criteria weighed a number of factors including fees, project manager and team qualifications, experience in similar projects, understanding of technical issues, comprehensiveness of the proposal, and experience in coating tanks projects. Based on the evaluation, HAE has the qualifications to provide the required services. HAE offers the following:

- **Reasonable Fees** – HAE's $280,418 fee proposal is reasonable. It is less than 10% of the project budget, which is the industry average.
- **Qualified Project Manager** – Has worked for over 25 years as a coating inspector and/or project manager verifying the quality of coating or lining inspection projects in water, wastewater, and petrochemical environments, and has been involved in over 1,000 tank projects.
- **Team Experience on Similar Projects** – HAE has more than 25 years of experience in design services as well as Inspector and Project Manager in steel tank recoating and rehabilitation projects for the City of Long Beach, Eastern Municipal Water District, Santa Clarita Valley Water Agency, etc.

Construction is planned to begin in January 2027 and be completed in ten months.

ATTACHMENTS:
A. Proposed Agreement (Including Exhibit A)
B. Vicinity Map
Exhibit A

GD:ky

AGREEMENT FOR PROFESSIONAL SERVICES FOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE WEST SIDE RESERVOIR TANK REHABILITATION, CITY PROJECT NO. 742-WTR BETWEEN THE CITY OF SOUTH GATE AND HARPER & ASSOCIATES ENGINEERING, INC.

This Agreement for Professional Services for Construction Management and Inspection Services ("Agreement") is made and entered into on November 17, 2026, by and between the City of South Gate, a municipal corporation ("City"), and Harper & Associates Engineering Inc. ("HAE"), a California corporation ("Consultant"). City and Consultant are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

RECITALS

WHEREAS, City desires to retain a qualified provider for certain services relating to Construction Management and Inspection Services for the West Side Reservoir Tank Rehabilitation ("Project"), City Project No. 742-WTR;

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

WHEREAS, based on such representation, City desires to contract with Consultant to perform the services as described in the Scope of Services attached hereto as Exhibit "A" of this Agreement.

NOW, THEREFOR, the Parties hereby agree as follows:

1. **SCOPE OF SERVICES.** City hereby engages Consultant, and Consultant accepts such engagement, to perform the services set forth in the Scope of Services as described in Exhibit "A" attached hereto and made part of this Agreement. The Scope of Services may be mutually amended from time to time by both Parties in writing.

2. **COMPENSATION FOR SERVICES.** The total amount of compensation for this Agreement shall not exceed the sum of **Two Hundred Eighty Thousand, Four Hundred Eighteen Dollars ($280,418.00)** as described in Consultant's proposal attached hereto as Exhibit "A." City shall pay Consultant for its professional services rendered and costs incurred pursuant to this Agreement. No additional compensation shall be paid for any other expenses incurred, unless first approved in writing by the Assistant City Manager/Director of Public Works or his/her designee.

   2.1 Consultant shall be required to attend meetings at City Hall as necessary in the delivery of the projects. Travel time between Consultant's office and City Hall shall not be billable. Consultant may request an exemption on a case-by-case basis, which shall be subject to City approval.

2.2 Consultant shall be paid in accordance with the schedule included in Consultant's proposal attached hereto as Exhibit "A." City shall pay Consultant within thirty (30) days of receipt of the invoice.

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

3. **TERM OF AGREEMENT.** This Agreement is effective as of November 17, 2026 and will remain in effect for a period of one (1) year from said date or until project completion, unless otherwise expressly extended and agreed to by both Parties in writing, or terminated by either Party as provided herein.

4. **CITY AGENT.** The Assistant City Manager/Director of Public Works ("Director"), or his/her designee, for the purposes of this Agreement, is the agent for the City. Whenever approval or authorization is required, Consultant understands that the Director, or his/her designee, has the authority to provide that approval or authorization.

5. **CONFLICT OF INTEREST.** Consultant represents that it presently has no interest and shall not acquire any interest, direct or indirect, in any real property located in the City which may be affected by the services to be performed by Consultant under this Agreement. Consultant further represents that in performance of this Agreement, no person having any such interest shall be employed by it. Within ten (10) days, Consultant agrees that it will immediately notify City of any other conflict of interest that may exist or develop during the term of this Agreement.

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

6. **GENERAL TERMS AND CONDITIONS.**

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

6.2 Termination for Cause.

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

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

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

6.2.2 In the event City terminates this Agreement in whole or in part as provided above in Subsection 6.2.1, City may procure, upon such terms and in such manner as it may deem appropriate, services similar to those terminated.

6.2.3 If this Agreement is terminated as provided above in Subsection 6.2.1, City may require Consultant to provide all finished or unfinished documents, data, studies, drawings, maps, photographs, reports, films, charts, sketches, computations, surveys, models, or other similar documentation prepared by Consultant. Upon such termination, Consultant shall be paid an amount equal to the value of the work performed. In ascertaining the value of the work performed up to the date of termination, consideration shall be given to both completed work and work in progress, to complete and incomplete drawings, and to other documents whether delivered to City or in possession of Consultant, and to authorized reimbursement expenses.

6.2.4 If, after notice of termination of the Agreement under the provisions of Subsection 6.2.1 above, it is determined, for any reason, that Consultant was not in default, or that the default was excusable, then the rights and obligations of the Parties shall be the same as if the notice of termination had been issued pursuant to Subsection 6.1. above.

6.3 Non-Assignability. Consultant shall not assign or transfer any interest in this Agreement without the express prior written consent of City.

6.4 Non-Discrimination.

6.4.1 Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, creed, gender, gender identity (including gender expression), color, religion, ancestry, sexual orientation, national origin, disability, age, marital status, family/parental status, or veteran/military status, in the performance of its services and duties pursuant to

this Agreement and will comply with all applicable laws, ordinances and codes of the Federal, State, and County and the City governments. Consultant will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, sex, national origin, disability, or age. Consultant will take affirmative action to ensure that all employment practices, including those of any subcontractors retained by Consultant to perform services under this Agreement, are free from such discrimination. Such employment practices include, but are limited to: hiring, upgrading, demotion, transfer, recruitment, recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

6.4.2 The provisions of Subsection 6.4.1 above shall be included in all solicitations or advertisements placed by or on behalf of Consultant for personnel to perform any services under this Agreement. City shall have access to all documents, data, and records of Consultant and its subcontractors for purposes of determining compliance with the equal employment opportunity and non-discrimination provisions of this Section, and all applicable provisions of Executive Order No. 11246 (relating to federal restrictions against discriminatory practices) is available for review and on file with the City Clerk's Office.

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

6.5.1 Workers Compensation Insurance as required by law. Consultant shall require all subcontractors similarly to provide such workers' compensation insurance for their respective employees.

6.5.2 Comprehensive general and automobile liability insurance protecting Consultant in amounts not less than $1,000,000 for personal injury to any one person, $1,000,000 for injuries arising out of one occurrence, and $500,000 for property damages or a combined single limit of $1,000,000, with an aggregate of $2,000,000. Each such policy of insurance shall:

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

b. Name and list as additional insured the City, its officers and employees.
c. Specify its acts as primary insurance.

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

e. Cover the operations of Consultant pursuant to the terms of this Agreement.

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

6.7 Compliance with Applicable Law. Consultant and City shall comply with all applicable laws, ordinances, and codes of the Federal, State, County and City governments, without regard to conflict of law principles.

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

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

6.8.2 Indemnification of CalPERS Determination - In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as, for the payment of any penalties and interest on such contributions which would otherwise be the responsibility of City.

6.8.3 Business License Required. According to Title 2.08.40 of the South Gate Municipal Code, a business license will be required prior to doing business within the City, even if the business is located outside of the City. Verification of a valid South Gate business license will be required prior to start of work and any fees associated with the acquisition or maintenance of such business license shall be the sole responsibility of Consultant.

6.9 Consultant's Personnel.

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

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

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

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

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

6.11 Legal Construction.

6.11.1 This Agreement is made and entered into in the State of California and shall in all respects be interpreted, enforced, and governed under the laws of the State of California without regard to conflict of law principles.

6.11.2 This Agreement shall be construed without regard to the identity of the persons who drafted its various provisions. Each and every provision of this Agreement shall be construed as though each of the parties participated equally in the

drafting of same, and any rule of construction that a document is to be construed against the drafting party shall not be applicable to this Agreement.

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

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

6.12 Counterparts. This Agreement may be executed in counterparts and, as so executed, shall constitute an agreement which shall be binding upon all Parties hereto.

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

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

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

6.16 Waiver; Remedies Cumulative. Failure by a Party to insist upon the performance of any of the provisions of this Agreement by the other party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such Party's right to demand compliance by such other Party in the future. No waiver by a Party of a default or breach of the other party shall be effective or binding upon such a Party unless made in writing by such Party, and no such waiver shall be implied from any

omissions by a Party to take any action with respect to such default or breach. No express written waiver of a specified default or breach shall affect any other default or breach, or cover any other period of time, other than any default or breach and/or period of time specified. All of the remedies permitted or available to a Party under this Agreement, or at law or in equity, shall be cumulative and alternative, and invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right of remedy.

6.17 Mitigation of Damages. In all such situations arising out of this Agreement, the Parties shall attempt to avoid and minimize the damages resulting from the conduct of the other Party.

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

6.19 Attorneys' Fees. The Parties hereto acknowledge and agree that each will bear his or its own costs, expenses and attorneys' fees arising out of and/or connected with the negotiation, drafting and execution of the Agreement, and all matters arising out of or connected therewith except that, in the event any action is brought by any Party hereto to enforce this Agreement, the prevailing Party in such action shall be entitled to reasonable attorneys' fees and costs in addition to all other relief to which that Party or those Parties may be entitled.

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

6.21 Notices. Any notice required to be given hereunder shall be deemed to have been given by email transmission with confirmation of delivery and depositing said notice in the United States mail, postage prepaid, and addressed as follows:

TO CITY:
City of South Gate
Arturo Cervantes, P.E.
Assistant City Manager/Director of PW
Public Works Department
8650 California Avenue
South Gate, CA 90280
E-mail: acervatnes@sogate.org
Telephone No.: (323) 563-9567

WITH COURTESY COPY TO:
City of South Gate
Yodit Glaze
City Clerk
City Clerk's Office
8650 California Avenue
South Gate, CA 90280
E-mail: yglaze@sogate.org
Telephone No. (323) 563-9511

TO CONSULTANT:
Harper & Associates Engineering Inc.
Krista Harper, P.E
Vice President
1240 E. Ontario Ave., Ste. 102-312
Corona, CA 92881
E-mail: krista@harpereng.com

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

6.23 Consultation with Attorney. Consultant warrants and represents that it has consulted with an attorney or knowingly and voluntarily decided to forgo such a consultation.

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

7. **CALIFORNIA LEVINE ACT DISCLOSURE STATEMENT.** In accordance with California SB1439 extended requirements under Government Code Section 84308, also known as the "Levine Act," a disclosure must be filed of political contributions totaling more than two hundred fifty dollars ($250) within the previous twelve (12) months, and for three (3) months following the date a final decision is made to award an agreement. Therefore, the City requires that Consultant fill out the California Levine Act Disclosure Statement form available on the City website and submit it to the City Clerk's Office prior to the approval of this Agreement.

8. **EFFECTIVE DATE.** The effective date of this Agreement is November 17, 2026, and will remain in effect through and until project completion, unless otherwise terminated in accordance with the terms of this Agreement.

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

CITY OF SOUTH GATE:

By: _____
Joshua Barron, Mayor

Dated: _____

ATTEST:

By: _____
Yodit Glaze, City Clerk
(SEAL)

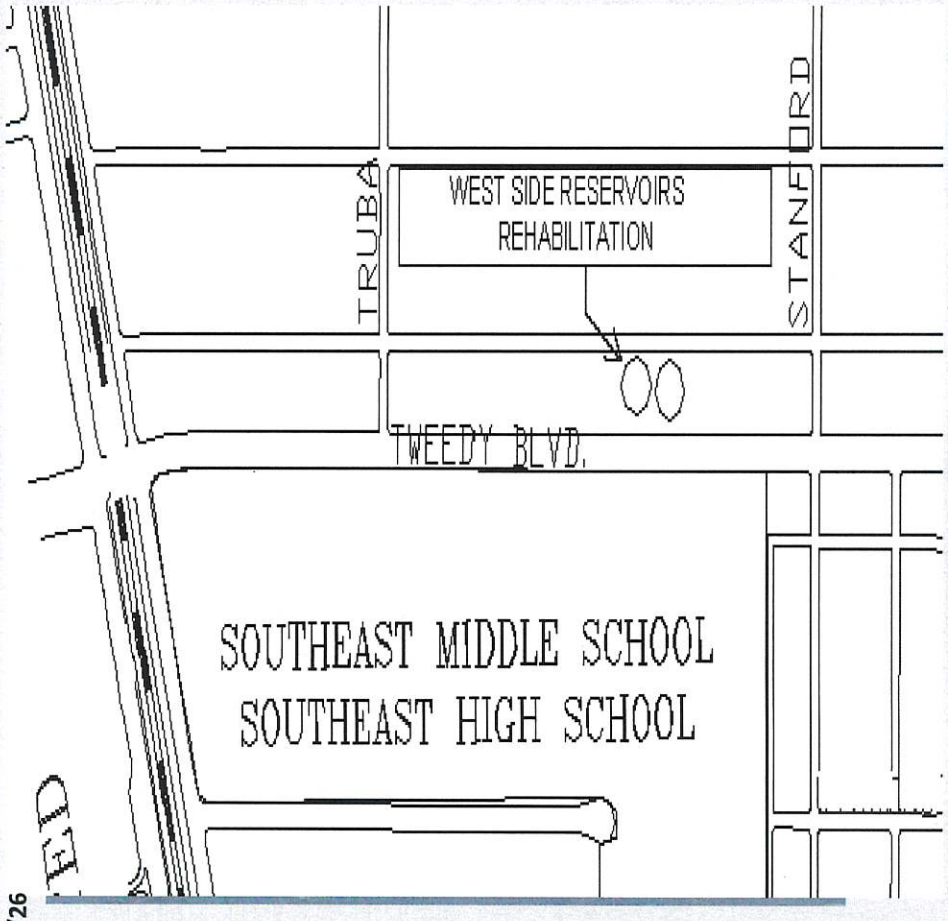
APPROVED AS TO FORM:

By: _____ DRAFT YG
Raul F. Salinas, City Attorney

HARPER & ASSOCIATES ENGIEERING INC:

By: _____
Krista Harper, Vice President

Dated: _____





Attachment B
Agenda Bill 11/17/26

WEST SIDE RESERVOIRS REHABILITATION, CITY PROJECT NO. 742-WTR	**ATTACHMENT B**	City of South Gate

HARPER & ASSOCIATES
ENGINEERING, INC.



Proposal: Construction Management and Inspection Services for the West Side Reservoirs Rehabilitation City Project No. 742-WTR

PREPARED BY:

Krista Harper
Vice President
1240 E. Ontario Ave. Suite 102
Corona, CA 92881

PRESENTED TO:

City of South Gate City Clerk
Attn: Engineering Division
8650 California Avenue
South Gate, CA 90280

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COVER LETTER

Thank you for the opportunity to submit the following comprehensive Proposal for Construction Management and Inspection Services for the West Side Reservoirs Rehabilitation. We are confident our firm offers the City an exceptional opportunity to take advantage of our corrosion engineering services with an outstanding array of technical talent and expertise.

The cost estimate, terms, and conditions of this Proposal are valid for ninety (90) days from receipt of Proposal. HAE will provide and maintain in full force and effect, while operating under an agreement with the City, a Comprehensive Liability insurance policy which shall include bodily injury and property damage coverage of $4,000,000 combined single limit, Automobile Liability insurance with limits of $2,000,000, Worker's Compensation insurance with limits of coverage as prescribed by law, and an Errors and Omissions Professional Liability policy with a minimum limit of coverage of $2,000,000. The insurance certificates will state "City of South Gate is an additional insured."

Please contact me at our office at 1240 E. Ontario Avenue, Suite 102, Corona, CA 92881 or (951) 372-9196, via FAX at (951) 372-9198, or e-mail at Krista@HarperEng.com regarding contract negotiations, binding the contract, any questions, or if additional information is required.

Respectfully submitted,
HARPER & ASSOCIATES ENGINEERING, INC.

Krista Harper

Krista Harper, P.E.
Vice President/Project Manager



CORPORATE DOCUMENTATION

Harper & Associates Engineering, Inc. (HAE) is pleased to submit this Proposal for Construction Management and Inspection Services for the West Side Reservoirs Rehabilitation. HAE is a C corporation incorporated in Corona, California. HAE is a corrosion and tank structural consulting engineering firm for water and wastewater facilities, operating since 1979. HAE would be considered a small business in comparison to many larger firms, but the decision was made early on to be a small firm that specializes in this unique field of engineering. By specializing, HAE has developed a comprehensive understanding of this field and the needs within the water and wastewater industry. The desire was to provide our clients with exceptional knowledge, high quality workmanship, and personalized service in all projects. The fact that HAE has successfully specialized in this unique field for over 45 years speaks well of the firm's reputation in the industry, integrity, financial stability, and resources.

As can be seen in the references provided, many clients have used our construction management and inspection services exclusively for their reservoir projects for many decades. We believe our long-standing service to a variety of public agencies throughout California, many on a continuous basis throughout our over 45 years in business, is a testimonial to the quality of services we provide. The primary assurance is the fact that all work will be done by highly qualified and experienced engineers and inspectors with an outstanding array of technical talent and expertise and who are uniquely familiar with water reservoir projects.

QUALIFICATIONS & EXPERIENCE

45 years of specialty experience

Harper & Associates Engineering, Inc. (HAE) is a corrosion and tank structural consulting engineering firm specializing in water reservoirs and related facilities, operating since 1979. HAE would be considered a small business in comparison to many larger firms, but the decision was made early on to be a small firm that specializes in this unique field of engineering. By specializing, HAE has developed a comprehensive understanding of this field and the needs within the water industry. The desire is to provide our clients with exceptional knowledge, high quality workmanship, and personalized service on all projects. The fact that HAE has successfully specialized in this unique field for over 45 years speaks well of the firm's reputation in the industry, integrity, financial stability, and resources to successfully accomplish projects.

As a firm that specializes in services for water storage tanks, we can provide turnkey projects for our clients from the initial evaluation and detailed report, to preparation of comprehensive technical specifications and plans, bid documents, and customized bidding and construction assistance, and finish the project with quality control inspection.

HAE's vast experience in this industry has also enabled us to provide each client with quick and efficient review of submittals, procedures, and RFI's, which keeps our management costs down. In addition, because of our efficient services, progress meetings are kept to a minimum, which saves the client's personnel time to work on other pressing matters.

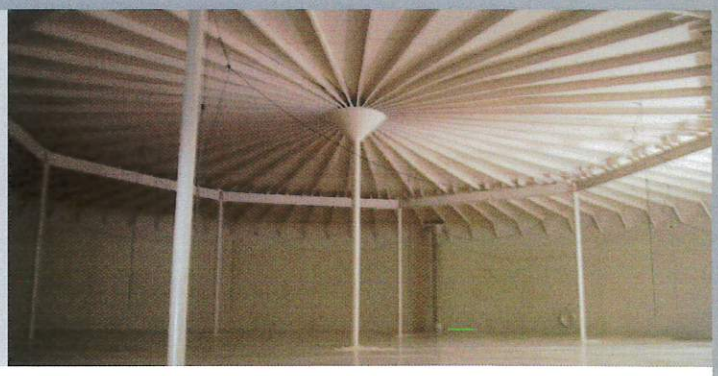
In 1979, HAE was the first engineering firm in Southern California to provide full-time quality control coating and paint inspection. In addition, our founder, William Harper, was a member of the original committee that formulated the NACE coating inspection program and testing. Since HAE was founded, we have been diligent in hiring highly qualified inspectors. Our inspectors not only have NACE certifications, but have field experience in coating and painting with many of our inspectors being either past foremen or superintendents for coating contractors.

As can be seen in the references provided, many clients have used our construction management and quality control inspection services exclusively for their tank projects for many decades. We believe our long-standing service to a variety of public agencies throughout California, many on a continuous basis throughout our over 45 years in business, is a testimonial to the quality of services we provide. We encourage this Agency to confer with any of the references included in this proposal. The primary assurance is the fact that all work will be done by highly qualified and experienced engineers and inspectors with an outstanding array of technical talent and expertise and who are uniquely familiar with water tank projects.

REFERENCES

SANTA MARGARITA WATER DISTRICT CLIENT SINCE: 2018

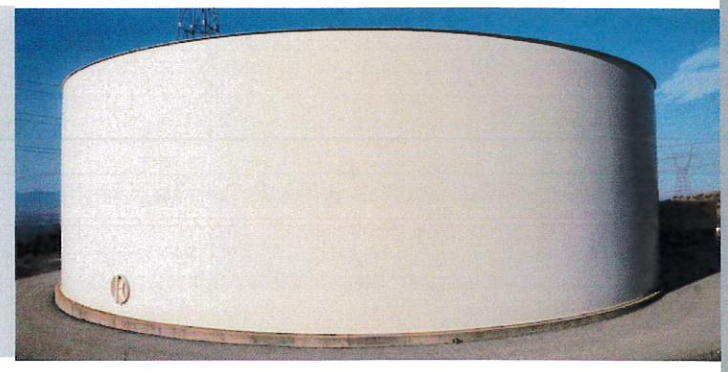
MS. TRICIA BUTLER
26111 ANTONIO PARKWAY
RANCHO SANTA MARGARITA, CA 92688
(949) 459-6554



Since 2018, HAE has been working with the District to rehabilitate various structures including, Clarifiers, Digesters, and the Sludge Holding Tank at the Chiquita Water Reclamation Plant. In addition, HAE evaluated 10 water reservoirs for the District. The projects included field investigation of interiors and exteriors for the corrosion protection, testing heavy metals, and preparation of reports with recommendations and cost estimates for each structure. Another project for the District is a full rehabilitation of their Plano A and B Reservoirs, this including evaluation, specifications, bidding assistance, construction management and quality control inspection.

VALLECITOS WATER DISTRICT CLIENT SINCE: 1995

MS. ALISON FISHER
201 VALLECITOS DE ORO
SAN MARCOS, CA 92069-1453
(760) 752 - 7156



In the last 10 years, HAE has completed six reservoir rehabilitation projects for Vallecitos, including evaluation, technical specifications and plans, bidding and construction assistance and quality control inspection. In addition, HAE just completed providing coating inspection for various structures as part of the Meadowlark Water Reclamation Facility expansion project.

GOLDEN STATE WATER COMPANY CLIENT SINCE: 1995

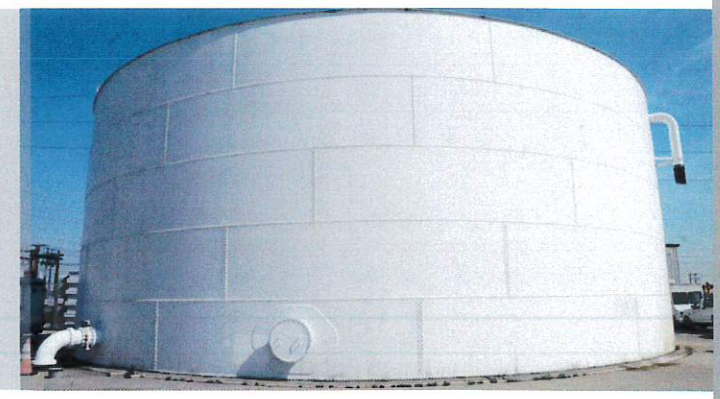
MR. KIRK PHILLIPS, P.E.
PROJECT ENGINEER
KIRK.PHILLIPS@GSWATER.COM
(909) 305-5427



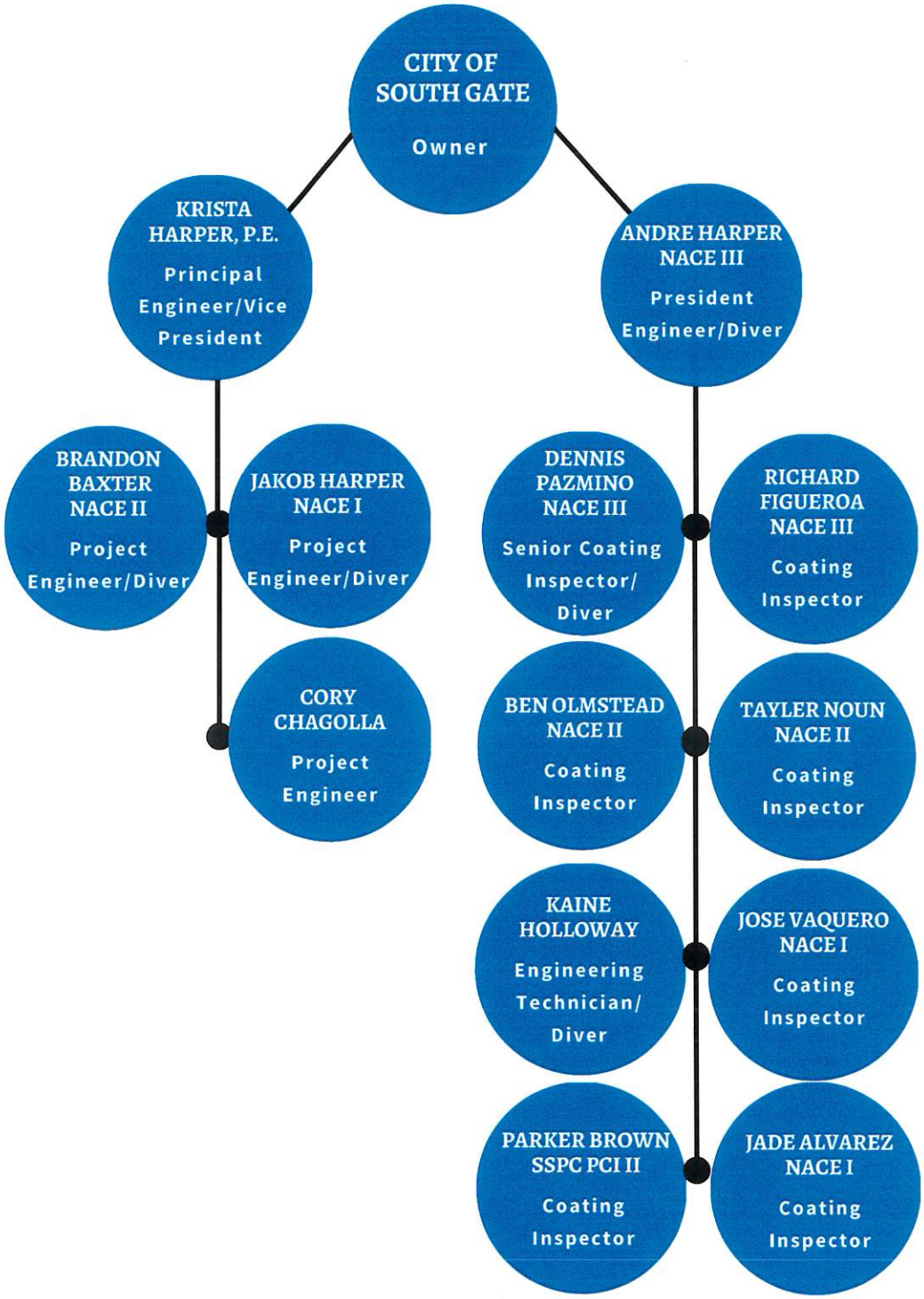
HAE has provided engineering services to Golden State Water Company (GSWC) for the past 31 years in Northern and Southern California. Over the years HAE has completed numerous different projects for the Company including reservoir rehabilitations from the design phase to coating inspection. HAE finished multiple projects in 2026 that included construction management and quality control inspection for the Wayhill, Government South, Doty B, and Holabird Rservoirs.

COACHELLA VALLEY WATER DISTRICT CLIENT SINCE: 1999

MR. AMER HASSOUNEH
75-515 HOVLEY LANE EAST
PALM DESERT, CA 92211
(760) 398-2651



HAE has been accomplishing reservoir projects for the District since 1999. HAE prepared the plans and specifications and provided quality control inspection and construction management for the rehabilitation of 20 reservoirs, including coating, painting, and structural safety upgrades. In addition, HAE has designed eight new reservoirs and provided the construction management and quality control inspection of five (5) of the reservoirs. HAE has had multiple projects with the District continuously throughout the last five years.



PROJECT TEAM

The following personnel will be the team for the City's project. Detailed qualifications are referenced in the Resumes.

PROJECT TEAM

Krista Harper, P.E., Principal Engineer /Project Manager

Ms. Harper, as Principal Engineer, will be responsible for QA/QC and will be the Project Manager. Ms. Harper is a Registered Civil Engineer in the State of California (C71280). For over 25 years, Ms. Harper has been Senior Project Manager for HAE, working extensively in both corrosion and structural engineering projects, primarily related to steel and concrete tank evaluations and rehabilitation.

Andre Harper, President and Field Operations

Mr. Harper will supervise all field operations. Mr. Harper holds a degree in engineering from California State Polytechnic University, Pomona, and is NACE Level III certified (55395). Mr. Harper has worked with HAE for over 25 years, performing the diving inspections of hundreds of tanks for the evaluation of coating, painting, and seismic/structural projects.

Brandon Baxter, Project Engineer and Diver

Mr. Baxter has been an Engineer and Diver for Harper & Associates Engineering, Inc. since 2014. He graduated from California Baptist University with his degree in Civil Engineering. He provides structural inspection and NACE level II coating and painting inspection for water reservoirs and wastewater treatment plants. In addition, Mr. Baxter is a lead diver for HAE's dive team and has logged over 350 dives. Mr. Baxter conducts field evaluations and prepares technical reports and photo surveys for corrosion evaluations of water reservoirs, wastewater treatment plants, pipelines, and pressure vessels.

Jakob Harper, Project Engineer and Diver

Mr. Harper has been an Engineer and Diver for HAE since 2020. He is a graduate of California Baptist University. Mr. Harper will be a Project Engineer who will assist with the field inspections, preparing the reports, technical specifications, and AutoCAD plans. Mr. Harper conducts field evaluations and prepares technical reports and photo surveys for corrosion evaluations of water reservoirs, wastewater treatment plants, pipelines, and pressure vessels. Mr. Harper is part of our dive team and NACE certified. Mr. Harper also conducts structural and quality control inspection.

Dennis Pazmino, Senior Coating Inspector, NACE III/CCI 1

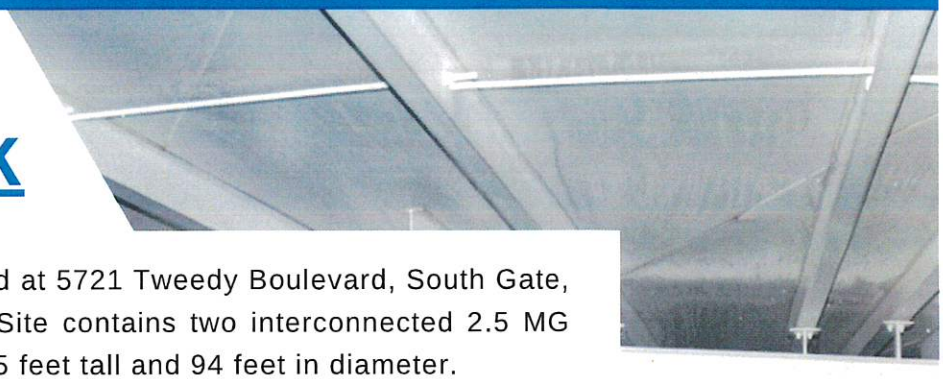
Mr. Pazmino has been a Quality Control Inspector for HAE since 2017. Mr. Pazmino is a NACE Level III Certified Coating Inspector (72441). He provided coating and painting inspection for dozens of reservoirs in the last decade for HAE. In addition, he provides ongoing supervision and training for other HAE inspectors.

Richard Figueroa, Coating Inspector, NACE III

Mr. Figueroa has been a Quality Control Inspector for HAE since 2023. Mr. Figueroa is a NACE Level III Certified Coating Inspector (78920). His experience includes providing inspection for recoating multiple tanks for Paradise Irrigation District. He provided inspection for the La Granada reservoir recoating project for which finished in 2025.

Tayler Noun, Coating Inspector, NACE II

Mr. Noun has been a Quality Control Inspector for HAE since 2022. Mr. Noun is a NACE Level II Certified Coating Inspector (104939). His experience includes providing coating inspection for multiple concrete structures during the Vallecitos Water District Meadowlark Plant improvement project. He provided coating inspection for Santa Margarita Water District at the Nicols Plant, Primary Clarifier, and other structures in 2024.



SCOPE OF WORK

The West Side Reservoirs site is located at 5721 Tweedy Boulevard, South Gate, CA 90280. The West Side Reservoirs Site contains two interconnected 2.5 MG steel tanks built in 1999. Each tank is 35 feet tall and 94 feet in diameter.



HAE will address all items outlined in the RFP to manage and coordinate all aspects of the project with the following items emphasized.

TASK 1 - CONSTRUCTION MANAGEMENT

1. Establish a work plan to set forth significant milestones and deliverables to ensure compliance with project goals and update on a regular basis.

2. Conduct a Pre-Construction meeting to enable all relevant parties to comprehend scope of project, implementation of specifications and City requirements. Prepare minutes of Pre-Construction meeting covering all aspects of contractor's questions and clarifications of project and present to all parties.

3. Assist City in review and approval of Contractor submittals, shop drawings, project procedures and construction phasing. Rejected submittals would be supplemented with an explanation of the reason for rejection and requirements for re-submittal.

4. Review requests for information and change orders, provide recommendations to the City. Prepare change orders including drawings, sketches and/or written descriptions and responses of the work for the project, as required.

5. Review all contractor invoices, inspection reports, inspector estimates of percent completion and make recommendations to the City for payment of contractor as appropriate.

6. Facilitate weekly progress meetings and informal meetings as necessary. Prepare agendas and minutes for the meetings which would include written response to questions and clarifications as needed.

7. Prepare and monitor construction schedule and revise/update schedule as required due to changes throughout project.

8. Maintain organized project files, including but not limited logging, tracking, and processing submittals, RFIs, RFCs, CCOs, etc.

9. Determine which agencies will be involved in the project, provide the necessary communication with the agencies, including utilities, government, city, and affected business owners.

10. Submit weekly status reports including statement of working days and accounting of construction costs.

11. Prepare the as-built drawings by updating the original drawings. Incorporate the red-line field markups fom the construction field set of drawings. HAE shall submit electronic set of drawings in PDF format at project completion.

TASK 2 - CONSTRUCTION OBSERVATION/INSPECTION

The objective of this item is to provide inspection services, which will help guarantee the project is completed in accordance with the PS&E, City standards, and the Greenbook to expedite the services as to not impact the project schedule.

1. Review PS&E at the beginning of the Project to obtain thorough understanding.

2. Attend all project meetings to enable all relevant parties to comprehend scope of project, implementation of specifications, and City requirements.

3. Daily Inspection Activity Reports - Shall identify daily start and stop times, size of Contractor's crew, equipment used, visitors to job site, climatic conditions throughout the day, quantity of materials used, work accomplished, periods of Contractor down time and cause, inspection procedures used and results, verification and recording of surface preparation, coating material batch numbers, mixing, thinning, application, and thickness. All entries shall be dated and timed.

a. Pictures shall be taken at key points in the project documenting the progress of the work.

b. Daily inspection reports, including diagrams of the coating work accomplished, shall be submitted to the City.

4. Notify the City if out-of-scope work is required prior to the Contractor performing the work.

5. Observe the Contractor for compliance with Cal/OSHA and job safety requirements. Inform the City of any concerns or problems concerning site or job safety observed. Direct the Contractor to comply with all safety orders.

6. Observe and note all deliveries of materials and equipment with respect to the Contractor's conformance to the contract documents and shop drawings.

7. Provide general inspection services as-needed for structural modifications.

8. Provide for and closely monitor all testing results to ensure compliance with the Project PS&E.

9. Assist City in final acceptance of project upon completion of all work by Contractor, including final job walk and punch list.

FIELD COATING AND PAINTING INSPECTION SERVICES

This is critical to the success of the project. Without full-time quality control inspection of the coating and painting operations, the City will be jeopardizing the 20 to 25 year life of the coating and painting systems. As can be seen below, the inspector provides critical services to verify the work is being accomplished in accordance with the specifications.

1. SURFACE PREPARATION INSPECTION - Physical inspection of blast cleaned surfaces to verify compliance with specification, removal of dust, etc.

a. Weather conditions will be verified by use of sling psychrometer to determine suitability of climatic conditions.

b. Surfaces will be observed to determine compliance with specifications.

i. Preliminary Cleaning - For Steel Surfaces

(a) Surfaces will be inspected to verify removal of grease, oil, chemicals, etc. after completion of solvent cleaning of surfaces.

ii. Abrasive Blast Cleaning

(a) Inspect blasted surfaces at the end of each day's shift to determine compliance with specification. Physical tests for surface profile will be performed using a K-T Surface Profile Comparator. At completion of blast cleaning each shift, areas not meeting specification will be re-blasted and tests again performed. This cycle will be repeated until surfaces are accepted for material application.

(b) Upon completion of above inspection, dust and other surface contaminants will be removed as specified and surfaces visually and physically inspected for compliance with specification.

2. MATERIALS APPLICATION INSPECTION - After approval of surface preparation, ongoing inspection monitors weather conditions, Contractor's application equipment and its operation, mixing of primer, and physical inspection of prime coat application, including spray techniques, cleanliness of surface, thickness, etc.

a. Weather conditions will be verified by use of or sling psychrometer to determine suitability of climatic conditions.

b. Contractor's equipment will be monitored to ensure operation will not contribute to any degradation of application (oil, moisture, etc.).

c. Applied materials will be inspected for compliance with specification and mixing/thinning operations will be monitored.

d. Surfaces will be re-inspected to verify no dust or other contaminants are on surfaces and remedial cleaning performed as required.

e. After approval of surfaces, application will be carefully monitored to verify materials are evenly applied at the proper thickness and with no overspray to interfere with adhesion.

3. FINISH COAT(S) INSPECTION - After approval of prime coat application, ongoing inspection monitors weather conditions, Contractor's application equipment and its operation, mixing of materials, and physical inspection of material application, including spray techniques, cleanliness of surface, thickness, etc.

a. Procedures outlined in 2. above will be repeated during application of additional materials, including careful examination of areas where cleaning penetrated coating film to verify edges of film have not lifted, curled, etc. Where defects exist, additional cleaning will be performed to bring area into compliance with specification and area will be recoated as required.

4. FINAL INSPECTION - Requires input at conclusion of finish coatings to ensure application, film continuity (holiday detection), and dry film thickness are in complete conformance with specification.

a. DRY FILM THICKNESS TESTING

i. The coating will be tested to determine if it has sufficiently dried to eliminate indentation of the probe into the coating, which subtracts mils from the correct reading. If the coating does deform, the testing will be postponed until the coating is firm enough to prevent deformation by the gauge.

ii. Dry film thickness measurements will be taken on 3' centers until it is determined deficient readings warrant more tests to truly indicate the thickness of the area. Testing will be performed as deemed necessary to accurately determine the thickness, regardless of what the Contractor may say. If widespread deficiencies are found, the Contractor will be advised to determine if they prefer inspector to proceed with testing after they apply additional material.

iii. After completion of the testing and after the Contractor has recoated all the deficient areas, tests on the recoated areas will be repeated until the minimum dry film thickness is obtained.

b. HOLIDAY DETECTION (INTERIOR ONLY)

i. After completion of dry film thickness testing, all surfaces will then be holiday detected, utilizing the specified detector.

ii. Holiday detection and marking of defective areas will be performed as noted above under "DRY FILM THICKNESS TESTING".

iii. All marked areas will then be repaired and holiday detection performed again. Re-detection and marking will continue until the surface is holiday-free, unless otherwise instructed by the Owner or his Representative.

TASK 3 - LABOR COMPLIANCE

1. Verify applicable DIR registration requirements and monitor contractor and subcontractor compliance with prevailing wage laws including certified payroll records and applicable apprenticeship requirements.

2. Conduct on-site employee interviews to verify compliance with prevailing wage laws and compare findings with certified payroll records.

3. Promptly notify the City of identified labor compliance issues, discrepancies, or potential violations.

4. Provide necessary documents to the City for project closeout.

TASK 4 - PROJECT CLOSEOUT

1. Coordinate a final walk-through with all affected stakeholders, prepare punch list, certify completion of the project after the contractor has corrected all deficient work.

2. Finalize record drawings, change orders and punch list items.

3. Prepare final reports and finalize and deliver all construction files to the City, including electronic versions of all drawings in PDF file format.

4. Recommend final acceptance of the Project after the contractor has corrected all deficient work and satisfied all contract conditions.

KRISTA HARPER, P.E.

VICE PRESIDENT



OVERVIEW

Ms. Harper, Vice President and Principal Engineer of Harper & Associates Engineering, Inc., has been working for the past 25 years extensively in corrosion and tank structural engineering projects, primarily related to steel and concrete tank evaluations and rehabilitation. Ms. Harper is responsible for quality assurance/quality control for all aspects of the firm including analysis of corrosion problems, preparation of specifications and plans, construction management, maintenance programs, inspection, and coordination with clients.

EDUCATION

BSCE, Construction Engineering
California State Polytechnic University, Pomona

2019 Inductee into the School of Engineering Hall of Fame

30 YEARS EXPERIENCE

C 71280 REGISTERED CIVIL ENGINEER

MEMBERSHIPS

American Water Works Association
Past Chairman of the Tanks, Reservoirs, Structures, Maintenance Committee and Past Chairman of the Corrosion Control Committee

National Association of Corrosion Engineers

Inland County Water Association

Southern California Water Utility Association

RECENT PROJECT EXPERIENCE

2026 - Sunny Slope Water Company - Reservoir 4
HAE is currently providing construction assistance and quality control inspection for the Water Company.

2026 - Coachella Valley Water District - Design for New Reservoir 7101-2
HAE provided specifications, bidding assistance, and construction assistance for the District and is currently providing quality control inspection.

2026 - Paradise Irrigation District - Recoating Three Tanks
HAE provided specifications, bidding assistance, and construction assistance for the District and is currently providing quality control inspection.

ANDRE HARPER

PRESIDENT



OVERVIEW

Mr. Harper, President of Harper & Associates Engineering, Inc., has been working for the past 25 years extensively in corrosion and tank structural engineering projects, primarily related to steel and concrete tank evaluations and rehabilitation. Mr. Harper is a Project Engineer for HAE responsible for overseeing all field operations and is the lead diver for diving inspections for the evaluation of coating, painting, and seismic/structural projects. Mr. Harper has performed over a thousand inspections of steel and concrete water tanks, wastewater treatment plants, elevated tanks, pressure vessels, and pipelines.

EDUCATION

BSCE, Construction Engineering
California State Polytechnic University, Pomona

Cal/OSHA Confined Space Certified
Dive Certified
CPR Certified

32 YEARS EXPERIENCE

CERTIFIED #55395 NACE LEVEL III

MEMBERSHIPS

American Water Works Association

National Association of Corrosion Engineers

Inland County Water Association

Southern California Water Utility Association

RECENT PROJECT EXPERIENCE

2026 - Vallecitos Water District - Rehabilitation of Various Structures
HAE provided Construction Management and Quality Control Inspection during the rehabilitation of various structures at the Meadowlark Water Reclamation Facility.

2025 - Golden State Water Company - Rehabilitation of Chadron Reservoir
HAE provided Construction Management and Quality Control Inspection

2023 - Cucamonga Valley Water District - Evaluation and Rehabilitation of Reservoir 1B
HAE provided Specifications, Construction Management, and Quality Control Inspection.

BRANDON BAXTER

ENGINEER
NACE II INSPECTOR
CERTIFIED DIVER



OVERVIEW

Mr. Baxter has been a Engineer and Diver for Harper & Associates Engineering, Inc. since 2014. He provides coating and painting inspection for water reservoirs and wastewater treatment plants. In addition, Mr. Baxter is a lead diver for HAE's dive team and has logged over 350 dives. Mr. Baxter assists in conducting field evaluations and preparing and editing technical reports and photo surveys for corrosion evaluations and preparation of technical specifications and plans for reservoir projects.

EDUCATION

BSE, Engineering
California Baptist University

NACE II Certified

11 YEARS EXPERIENCE

CERTIFIED #55401 NACE LEVEL II

REGISTRATIONS

NACE Level II Certified Coating Inspector

Confined Space Entry Certified

CPR Certified

Open Water Dive Certified

RELATED PROJECT EXPERIENCE

2024 - Vallecitos Water District - Coronado Hills Tank Rehabilitation
HAE provided specifications, bidding assistance, and construction assistance, and quality control inspection for the exterior refurbishment of the reservoir.

2026 - Golden State Water Company - Government South Reservoir Rehabilitation
HAE is currently providing specifications, bidding assistance, construction assistance, and quality control inspection for the District.

JAKOB HARPER

ENGINEER
NACE I
CERTIFIED DIVER



OVERVIEW

Mr. Harper has been an Engineer for Harper & Associates Engineering, Inc. since 2020. He provides engineering services for water reservoirs and wastewater treatment plants. In addition, Mr. Harper is one of the engineers part of HAE's dive team. Mr. Harper assists in conducting field evaluations and preparing and editing technical specifications and plans for a variety of projects including water reservoirs, wastewater treatment plants, pipelines, and pressure vessels.

EDUCATION

BSE, Engineering
California Baptist University

NACE I Certified

5 **YEARS EXPERIENCE**

CERTIFIED #105649 **NACE LEVEL I**

REGISTRATIONS

OHSA/Confined Space Entry Certified

CPR Certified

Open Water Dive Certified

American Water Works Association

RELATED PROJECT EXPERIENCE

2026 - Golden State Water Company - Acorn Tanks
HAE provided specifications, plans, construction assistance, and quality control inspection.

2025 - Sonoma County Water District - Cotati No. 3 Tank
HAE provided specifications, plans, and bidding assistance for the reservoir rehabilitation.

2024 - Crescenta Valley Water District - Goss Canyon No. 2 Reservoir
HAE provided specifications, plans, construction assistance, and quality control inspection.

DENNIS PAZMINO

NACE III COATING INSPECTOR/DIVER

OVERVIEW

Mr. Pazmino has been a Quality Control Inspector for Harper & Associates Engineering, Inc. since 2017. His experience includes working in wastewater facilities, potable water reservoirs, and commercial buildings. He is a NACE III inspector the highest qualification attainable. Mr. Pazmino also is a part of the HAE Dive team.

EXPERIENCE

Abhe & Svoboda, Inc.
2009 - 2017

R & R Painting
2004 - 2009

18 YEARS EXPERIENCE

CERTIFIED #72441 NACE LEVEL III

REGISTRATIONS

NACE Level III Certified Coating Inspector

Confined Space Entry Certified

SSPC Coating Application Specialist (CAS)

SSPC Lead Paint Removal Competent Person C3 Course

Certified Journeyman

Bilingual (Spanish and English)

CPR Certified

Dive Certified

RELATED PROJECT EXPERIENCE

2026 – Rowland Water District - Reservoir 7 Rehabilitation

2025 - Golden State Water Company - Wayhill Reservoirs

2024 - Vallecitos Water District - Richland Reservoir

2022 – Inland Empire Utilities Agency, Treatment Plant RP-4 Project

RICHARD FIGUEROA

NACE III COATING INSPECTOR

OVERVIEW

Mr. Noun has been a Quality Control Inspector for Harper & Associates Engineering, Inc. since 2023. He is a NACE III inspector the highest qualification attainable. Before this he worked in the painting industry as a quality control manager at a shop working g for Capital Industrial Coatings.

EXPERIENCE

10 YEARS EXPERIENCE

CERTIFIED #178920 NACE LEVEL III

REGISTRATIONS

NACE Level III Certified Coating Inspector

Confined Space Entry Certified

OSHA 10 & OSHA 30-Construction

RELATED PROJECT EXPERIENCE

2026 - Paradise Irrigation District - Rehabilitation of Three Tanks

2025 - City of Thousand Oaks - La Granada Reservoir Rehabilitation

2024 - Golden State Water Company - Holabird Tanks

TAYLER NOUN

NACE II COATING INSPECTOR

OVERVIEW

Mr. Noun has been a Quality Control Inspector for Harper & Associates Engineering, Inc. since 2022. Before this he worked in the painting industry. His experience includes inspecting in wastewater facilities, potable water reservoirs, and commercial buildings.

EXPERIENCE

National Coatings and Linings Foreman

10 YEARS EXPERIENCE

CERTIFIED #104939 NACE LEVEL II

REGISTRATIONS

NACE Level II Certified Coating Inspector

Confined Space Entry Certified

OSHA 10 & OSHA 30-Construction

CPR Certified

RELATED PROJECT EXPERIENCE

2025 - Vallecitos Water District - Meadowlark Treatment Plant Improvements

2024 - Santa Margarita Water District, Various Structures Rehabilitation

2023 - Chino Basin Desalter Authority, Containment Building Rehabilitation

2022 - Cucamonga Valley Water District, Reservoir 1B Rehabilitation

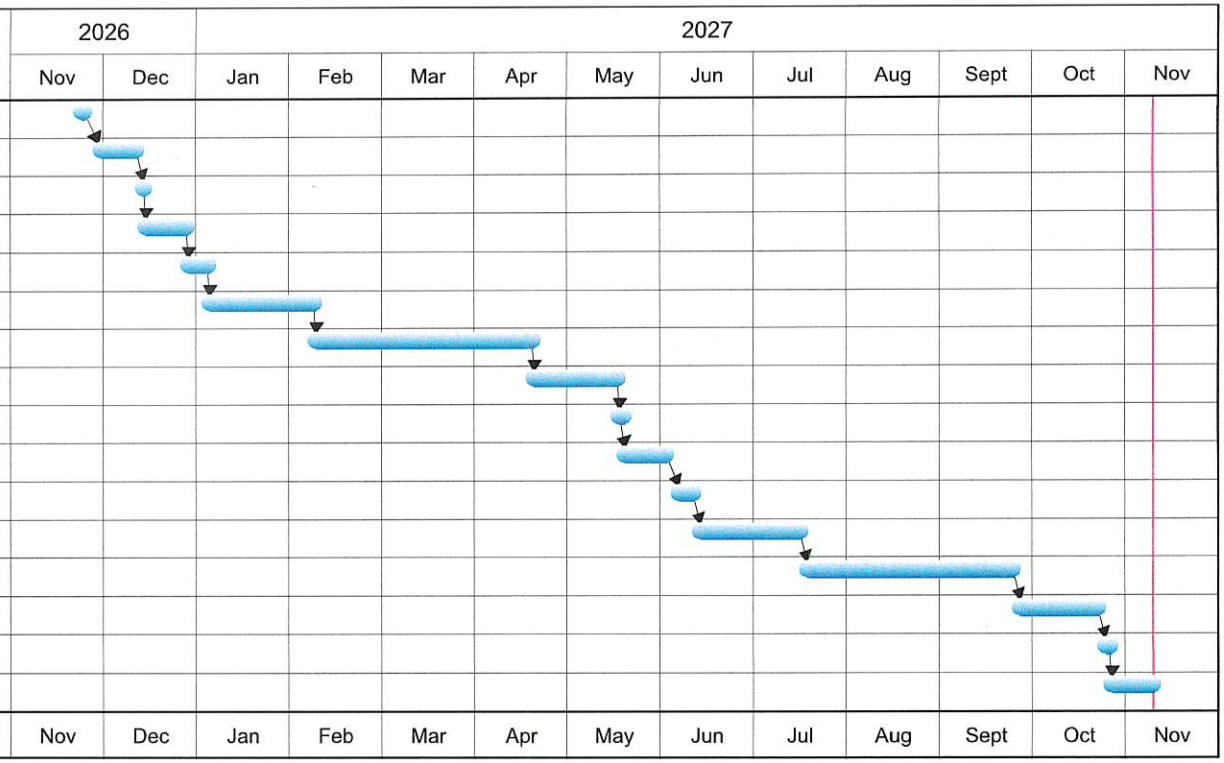
CITY OF SOUTH GATE
CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR WEST SIDE RESERVOIRS REHABILITATION PROJECT NO. 742-WTR
RESOURCE ALLOCATION MATRIX

	Description	Project Manager	Project Engineer	Construction Observer Structural Inspector	Coating Inspector	Clerical	
		Hours	Hours	Hours	Hours	Hours	
TASK							
1	Construction Management	160	125			60	
2	Inspection			216	1050		
3	Labor Compliance **	8	20			100	
4	Project Close Out	16	40			24	
	TOTAL HOURS BY JOB TITLE	**184**	**185**	**216**	**1050**	**184**	
	TOTAL PROJECT HOURS						**1819**

** Field interviews for labor compliance will be performed by the site inspector, so not additional cost is included in Task 3.

City of South Gate
West Side Reservoirs Rehabilitation Project No. 742-WTR
Construction Management and Inspection Services

	Activity Name	Duration (Days)	Start Date	Finish Date
1	Contract Award	1.00	11/24/26	11/24/26
2	Project Initiation	10.00	11/30/26	12/11/26
3	Preconstruction Meeting	1.00	12/14/26	12/14/26
4	Review Submittals	10.00	12/15/26	12/28/26
5	Procure Materials	5.00	12/29/26	1/4/27
6	Tank #1 Structural Work	25.00	1/5/27	2/8/27
7	Tank #1 Interior Coating	50.00	2/9/27	4/19/27
8	Tank #1 Exterior Paint	20.00	4/20/27	5/17/27
9	Install Cathodic Protection	2.00	5/18/27	5/19/27
10	Disinfection & Bac-T & VOC	10.00	5/20/27	6/2/27
11	Tank #2 Drain	5.00	6/7/27	6/11/27
12	Tank #2 Structural Repairs	25.00	6/14/27	7/16/27
13	Tank #2 Interior Coating	50.00	7/19/27	9/24/27
14	Tank #2 Exterior Paint	20.00	9/27/27	10/22/27
15	Install Cathodic Protection	2.00	10/25/27	10/26/27
16	Disinfection & Bac-T & VOC	10.00	10/27/27	11/9/27



CITY OF SOUTH GATE
CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE WEST SIDE RESERVOIRS REHABILITATION PROJECT NO. 742-WTR

	Description	Project Manager		Project Engineer		Construction Observer Structural Inspector		Coating Inspector		Clerical		Task Total	
		Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost		
	Hourly Rates		$215.00		$198.00		$155.00		$150.00		$72.00		
TASK													
1	Construction Management	160	$34,400	125	$24,750		$0		$0	60	$4,320	$63,470	
2	Inspection		$0		$0	216	$33,480	1050	$157,500		$0	$190,980	
3	Labor Compliance **	8	$1,720	20	$3,960		$0		$0	100	$7,200	$12,880	
4	Project Close Out	16	$3,440	40	$7,920		$0		$0	24	$1,728	$13,088	
	TOTAL PROJECT (ALL TASKS)											$280,418	

** Field interviews for labor compliance will be performed by the site inspector, so not additional cost is included in Task 3.

Full-time coating and paint inspection is based on 8 hours per day. Structural inspection is as needed. If work is accomplished in fewer days or hours, cost will be reduced accordingly. A 4-hour minimum will be charged for Inspector show-up time.

Office of the
South Gate City Clerk

NOV 12 2026
FILED
6:01 pm

Item No. 3

City of South Gate
CITY COUNCIL

AGENDA BILL

For the Special Meeting of: **November 17, 2026**
Originating Department: **Parks & Recreation**

Department Head: *Tina De La Rosa* ***City Manager:*** *Rob Houston*

SUBJECT: APPROVAL OF AMENDMENT NO. 1 TO CONTRACT NO. 2021-116-CC WITH GLOBAL PARATRANSIT, INC. FOR GATE FIXED ROUTE TRANSIT SERVICES

PURPOSE: The City Council is asked to approve Amendment No. 1 to the City's contract with Global Paratransit, Inc., the company that operates the GATE fixed route bus service in South Gate. The contract expired on June 30, 2026, and the amendment restores a valid contract so GATE service can continue while the City completes a competitive procurement for a new operator. The amendment raises the hourly rate by 5% to $79.89 and reduces the monthly bus lease payment Global pays the City to $5,000.00, for an estimated added cost of $23,855.40 through March 7, 2027, funded from the Prop A Transit Fund.

RECOMMENDED ACTIONS: The City Council will consider:

a. Approving Amendment No. 1 to Contract No. 2021-116-CC with Global Paratransit, Inc. for GATE fixed route transit services, extending the term through June 30, 2027, setting the rate at $79.89 per vehicle service hour and the monthly bus lease payment at $5,000.00 effective November 1, 2026, and ending services at the close of business on March 7, 2027, unless continued by mutual written agreement, with compensation not to exceed $967,836.00 per year;

b. Ratifying the services provided by Global Paratransit, Inc. from July 1, 2026, through the effective date of Amendment No. 1, and the payments made for those services at the existing rate of $76.09 per vehicle service hour;

c. Authorizing the Mayor or City Manager to execute a written agreement with Global Paratransit, Inc. to continue services beyond March 7, 2027, through no later than June 30, 2027, if needed to avoid a gap in GATE service; and

d. Authorizing the Mayor or City Manager to execute Amendment No. 1 in a form approved by the City Attorney.

SUMMARY: GATE is the City's fixed route bus service. It runs within South Gate on weekdays and Saturdays, with a $0.50 fare, and seniors and riders with disabilities who show a valid South Gate Dial-A-Ride ID card, and children under age four, ride free. Global Paratransit, Inc. (Global),

based in Gardena, has operated GATE since September 1, 2021, using six City-owned buses leased from the City. From July through September 2026, GATE carried 15,638 passengers over 2,478.36 revenue hours.

The contract term ended on June 30, 2026. Global has continued to operate GATE without interruption at the City's request, and the City has continued to pay at the existing rate. In November 2026, Global requested a rate increase, elimination of its bus lease payment, and a decision on the next operator contract before its vehicle insurance renews on March 7, 2027. Staff from the Department of Administrative Services and the Department of Parks & Recreation negotiated the proposed amendment with Global (Attachment A).

If approved, the new rate and lease payment apply to service provided on and after November 1, 2026. Global will provide service through the close of business on March 7, 2027, and the City will notify Global of its award decision on the new operator contract by February 5, 2027. If a new operator is not ready by March 7, 2027, the Director of Parks & Recreation may agree in writing with Global to continue service through no later than June 30, 2027. Staff recommends approval because the amendment keeps GATE running for residents, restores a valid contract, and limits the cost increase while the procurement is completed.

FISCAL IMPACT: The amendment adds an estimated $23,855.40 in net cost in Fiscal Year 2026-27 if service ends on March 7, 2027, and an estimated $45,277.13 if service continues through June 30, 2027. The added cost has two parts: the $3.80 per hour rate increase, and a $2,500.00 per month reduction in the bus lease revenue that Global pays the City through a credit on each invoice. GATE service is charged to the Prop A Transit Fund (221-480-33-6101), and lease revenue is recorded in account 221-4520. Sufficient funds are included in the FY 2026-27 Adopted Budget, and no appropriation is requested.

Cost Element	Nov. 1, 2026 to Mar. 7, 2027	Mar. 8 to June 30, 2027 (if continued)	Total
Rate increase ($3.80 per hour)	$13,290.88	$11,986.25	$25,277.13
Lease revenue reduction ($2,500.00 per month)	$10,564.52	$9,435.48	$20,000.00
Total Estimated Added Cost	**$23,855.40**	**$21,421.73**	**$45,277.13**

Source: Staff estimates based on an average of 826.12 revenue hours per month from Global Paratransit, Inc. invoices for July through September 2026. Partial months are prorated by service days for the rate increase and by calendar days for the lease reduction.

Including the amendment, the estimated FY 2026-27 cost of GATE service before farebox and lease credits is $530,861.06 if service ends on March 7, 2027, or $782,856.20 if service continues through June 30, 2027. Both amounts are below the annual not-to-exceed amount of $967,836.00 in the contract. These are one-time costs in FY 2026-27, and the amendment creates no commitment for future fiscal years. The cost of the next operator contract will be presented to the City Council with the procurement award. There is no impact to the General Fund, as GATE is funded entirely by the Prop A Transit Fund.

BACKGROUND: On July 13, 2021, the City and Global entered into Contract No. 2021-116-CC, Agreement for Transit Services for the Fixed Route Service (GATE) (the Agreement),

effective September 1, 2021, through June 30, 2026 (Attachment B). The Agreement set a rate of $72.47 per vehicle service hour, with annual increases tied to the Los Angeles area Consumer Price Index (CPI) and capped at 5% per year, and an annual not-to-exceed amount of $967,836.00. The Agreement also requires Global to lease the City's six 24-passenger GATE buses and to maintain them at its own cost. The lease payment, currently $7,500.00 per month, is deducted from each monthly invoice along with fares collected.

One rate increase was applied during the term, bringing the rate to the current $76.09 per vehicle service hour, and Global reports that no cost-of-living adjustment has been applied since 2023. The Agreement expired on June 30, 2026, and Global has continued to provide service. On November 10, 2026, Global requested elimination of the $7,500.00 monthly lease payment, a 5% rate increase for November 2026 through February 2027, and completion of the City's procurement by March 7, 2027, the renewal date of its insurance policy for the program. The Department of Parks & Recreation intends to issue a request for proposals (RFP) for a new GATE operator contract in late November 2026 and to award the contract by late February 2027.

ANALYSIS: Staff recommends the amendment as a short-term bridge that keeps GATE running, corrects the lapse in the contract, and holds the cost increase to a level supported by the price terms of the original Agreement.

Contract Terms

The amendment extends the term through June 30, 2027, but Global will stop providing service at the close of business on March 7, 2027, unless both parties agree in writing to continue. This date matches the renewal date of Global's vehicle insurance, which Global does not plan to renew without knowing whether it will receive the next contract. The rate is fixed at $79.89 per vehicle service hour with no further CPI increases. The lease payment drops to $5,000.00 per month, and it drops by another $1,250.00 for each bus the Director of Parks & Recreation agrees to take back because it can no longer be maintained at reasonable cost. Global releases any claim for rate adjustments for periods before November 1, 2026, provides a summary of its operating costs within 30 days, and assists with the transition to a new operator for up to 90 days, including the return of the buses and program records. The new rate and lease terms are interim and do not set terms for the new solicitation. All other terms of the Agreement remain in effect, including the City's right to terminate on 60 days' notice.

Pricing

The 5% increase is lower than what the Agreement's CPI clause would have produced if annual adjustments had been applied. According to the U.S. Bureau of Labor Statistics, the Los Angeles-Long Beach-Anaheim CPI for All Urban Consumers rose 3.3% in the 12 months ending August 2023, 2.9% in the 12 months ending August 2024, and 3.3% in the 12 months ending August 2025. Applying those increases to the current rate would have produced about $80.88 per hour, compared with $79.89 under the amendment. Global requested full elimination of the $7,500.00 lease payment, and the amendment reduces it by $2,500.00 instead. This recognizes that Global maintains the City's aging buses at its own cost, while invoiced weekday hours, which average about 32 hours per service day, indicate that fewer than half of the six leased buses are typically in service at one time.

Risks and Safeguards
The main risk is timing. If a new operator is not in place by March 7, 2027, GATE service would stop unless Global agrees to continue. To reduce this risk, the City commits to notifying Global of its award decision by February 5, 2027, and recommended action (c) allows the Director of Parks & Recreation to agree to continue service through June 30, 2027, without returning to the City Council. Because the new contract award is targeted for the February 23, 2027, City Council meeting, a new operator would have about two weeks to begin service, so a short continuation by Global may be needed. Global must keep all insurance required by the Agreement in place without a lapse while it provides service. The release of prior rate claims also removes the City's exposure for CPI adjustments that were not applied during the original term.

Alternatives Considered
The City Council could decline to approve the amendment. GATE would then continue without a valid contract, or the City would need to stop service or find an emergency operator, which would require time to hire drivers, arrange insurance, and transfer the buses. The City Council could instead approve Global's full request, which would cost the City an additional $5,000.00 per month in lease revenue compared with the proposed amendment.

ATTACHMENTS: A. Amendment No. 1 to Contract No. 2021-116-CC with Global Paratransit, Inc.
B. Contract No. 2021-116-CC, Agreement for Transit Services for the Fixed Route Service (GATE)

AMENDMENT NO. 1 TO CONTRACT NO. 2021-116-CC FOR TRANSIT SERVICES FOR THE FIXED ROUTE SERVICE (GATE) BETWEEN THE CITY OF SOUTH GATE AND GLOBAL PARATRANSIT, INC.

This Amendment No. 1 to Contract No. 2021-116-CC for Transit Services for the Fixed Route Service (GATE) ("Amendment No. 1") is made and entered into on _____, 2026 ("Effective Date"), by and between the City of South Gate, a municipal corporation ("City"), and Global Paratransit, Inc. ("Contractor"). City and Contractor are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

RECITALS

WHEREAS, on July 13, 2021, City and Contractor entered into Contract No. 2021-116-CC for Transit Services for the Fixed Route Service (GATE) ("Agreement"), effective September 1, 2021, in an amount not to exceed Nine Hundred Sixty-Seven Thousand Eight Hundred Thirty-Six Dollars ($967,836) per year;

WHEREAS, the term of the Agreement expired on June 30, 2026, and Contractor has continued to provide GATE fixed route services without interruption at the request of City from July 1, 2026, through the Effective Date of this Amendment No. 1;

WHEREAS, City intends to conduct a competitive procurement for GATE fixed route services and requires continued, uninterrupted service while that procurement is completed;

WHEREAS, Contractor has requested an adjustment to the hourly rate and relief from the monthly bus lease payment, citing increased insurance, fuel, maintenance, and labor costs; and

WHEREAS, City and Contractor desire to execute Amendment No. 1 to extend the term of the Agreement through June 30, 2027, provide that Contractor's services will end on March 7, 2027, unless the Parties mutually agree otherwise in writing, ratify services provided since July 1, 2026, adjust the hourly rate and monthly bus lease payment, and provide for an orderly transition at the conclusion of the Agreement, all under the terms and conditions of the Agreement except as modified herein.

NOW, THEREFORE, the Parties hereby agree as follows:

1. MODIFICATIONS TO AGREEMENT. The Agreement is amended as follows:

1.1 TERM OF AGREEMENT. Section 2.0 of the Agreement is amended to extend the term of the Agreement through and including June 30, 2027, unless earlier terminated as provided in the Agreement. Notwithstanding the term set forth above, Contractor shall stop providing transit services under the Agreement effective at the close of business on March 7, 2027 ("Service End Date"), unless the Parties mutually agree in writing to continue services beyond that date. Any such written agreement may be executed by the Director of Parks and Recreation on behalf of City and shall state the date through which services will continue, which shall not be later than June 30, 2027. If the Parties agree to continue services through June 30, 2027, City may further extend the term on a month-to-month basis for up to three (3) additional months by written notice from the Director of Parks and

Recreation to Contractor delivered no later than thirty (30) days before the term would otherwise end.

1.2 RATIFICATION OF SERVICES. The Parties agree that the Agreement remained in full force and effect, on its existing terms and conditions, from July 1, 2026, through the Effective Date. City ratifies and confirms all services performed by Contractor and all payments made by City under the Agreement during that period.

1.3 COST OF SERVICE. Section 7.1.4 of the Agreement is amended as follows:

(a) For Fixed Route services provided from July 1, 2026, through October 31, 2026, City shall pay Contractor at the rate of Seventy-Six Dollars and Nine Cents ($76.09) per vehicle service hour.

(b) For Fixed Route services provided on and after November 1, 2026, City shall pay Contractor at the rate of Seventy-Nine Dollars and Eighty-Nine Cents ($79.89) per vehicle service hour. This rate shall also apply to Additional Service Hours under Section 7.1.4.2 of the Agreement.

(c) The rate set forth in subsection (b) shall remain fixed for the remainder of the term, including any extension under Section 1.1 of this Amendment No. 1. The annual adjustment under Section 7.1.4.1 of the Agreement shall not apply during the term of this Amendment No. 1.

(d) The annual not-to-exceed amount set forth in Section 4.0 of the Agreement remains unchanged.

1.4 BUS LEASE PAYMENT. For services provided on and after November 1, 2026, the monthly lease payment for the City-owned buses under Section 7.1.8 of the Agreement shall be reduced from Seven Thousand Five Hundred Dollars ($7,500) to Five Thousand Dollars ($5,000) per month, to be deducted from the base amount due on each monthly invoice in accordance with Section 7.1.4.3 of the Agreement. If Contractor determines that a City-owned bus can no longer be maintained in safe operating condition at reasonable cost, Contractor may submit a written request to the Director of Parks and Recreation to remove that bus from service. If the Director approves the request in writing, the bus shall be returned to City and the monthly lease payment shall be reduced by One Thousand Two Hundred Fifty Dollars ($1,250) for each bus removed. Contractor's maintenance obligations under Sections 7.2.7 and 7.2.9 of the Agreement remain in effect for all buses in its possession.

1.5 PRIOR RATE ADJUSTMENTS. Contractor accepts the rates and lease payments set forth in this Amendment No. 1 as full and complete compensation for all services provided under the Agreement. Contractor waives and releases any claim against City for any rate adjustment under Section 7.1.4.1 or Section 7.1.4.4 of the Agreement for any period before November 1, 2026.

1.6 **OPERATING COST SUMMARY.** Within thirty (30) days after the Effective Date, Contractor shall provide City with a summary of Contractor's costs to operate the GATE program for Fiscal Year 2025-2026 and for July 1, 2026, through October 31, 2026, including labor, insurance, fuel, maintenance and parts, and administrative overhead, in a format reasonably acceptable to City. City's right of access to Contractor's records under Section 7.2.18 of the Agreement remains in effect.

1.7 **PROCUREMENT NOTICE.** City shall notify Contractor in writing of its intended award decision for GATE fixed route services no later than February 5, 2027. This notice does not obligate City to award a contract to any party by a particular date and does not limit City's rights under Section 6.1 of the Agreement. Contractor shall maintain all insurance required under Section 6.4 of the Agreement without lapse through the Service End Date, any continuation of services agreed to under Section 1.1 of this Amendment No. 1, and any period during which Contractor provides services under Section 1.8 of this Amendment No. 1.

1.8 **TRANSITION ASSISTANCE.** If City selects a different operator, if services end on the Service End Date or any later date agreed to under Section 1.1 of this Amendment No. 1, or if the Agreement expires or is terminated for any reason, Contractor shall, for a period of up to ninety (90) days as requested by City ("Transition Period"):

(a) Continue to provide services at the rate in effect under Section 1.3 of this Amendment No. 1 and at existing service levels, if requested by City and agreed to by Contractor in writing;

(b) Cooperate in good faith with City and any successor operator to provide an orderly transition without interruption of service to riders;

(c) Return all City-owned buses, magnetic City logos, City radio equipment, and other City property in the same condition as received, reasonable wear and tear excepted, together with all maintenance records required under Section 7.2.7.2 of the Agreement; and

(d) Deliver to City all ridership, farebox, operating, and National Transit Database records and other program data maintained under the Agreement.

The obligations in this Section 1.8 survive the expiration or termination of the Agreement.

1.9 **INTERIM TERMS.** The rates and lease payments set forth in this Amendment No. 1 are interim terms intended to provide continued service during City's procurement process. They do not establish or limit the terms of any future solicitation or agreement for GATE fixed route services.

1.10 **NOTICES.** Section 6.18 of the Agreement is amended to provide that notices to City shall be addressed to the Director of Parks and Recreation, City of South Gate, 4900 Southern Avenue, South Gate, CA 90280, with a courtesy copy to the City

Clerk, City of South Gate, 8650 California Avenue, South Gate, CA 90280. Notices to Contractor shall be addressed as stated in the Agreement unless Contractor designates a different address in writing.

2. **EFFECT OF AMENDMENT.** Except as expressly amended herein, all other terms and conditions of the Agreement, including City's right to terminate under Section 6.1 of the Agreement, shall remain in full force and effect. In the event of any conflict between this Amendment No. 1 and the Agreement, this Amendment No. 1 shall control. City reserves the right to augment or reduce the scope of work as City deems necessary.

3. **CALIFORNIA LEVINE ACT DISCLOSURE STATEMENT.** In accordance with California SB 1439 extended requirements under Government Code Section 84308, also known as the "Levine Act," a disclosure must be filed of political contributions totaling more than two hundred fifty dollars ($250) within the previous twelve (12) months, and for three (3) months following the date a final decision is made to award an agreement. Therefore, City requires that Contractor fill out the California Levine Act Disclosure Statement form available on the City website and submit it to the City Clerk's Office prior to the approval of this Amendment No. 1.

4. **AUTHORITY.** Each person signing this Amendment No. 1 warrants that they have been duly authorized to do so on behalf of the Party for which they sign and that such Party is bound hereby.

5. **COUNTERPARTS.** This Amendment No. 1 may be executed in counterparts, each of which shall be deemed an original, together constituting one instrument. Signatures delivered by scanned PDF or by a commercially recognized electronic signature service shall be effective.

[The remainder of this page left intentionally blank]

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

CITY OF SOUTH GATE:

By: _____
Joshua Barron, Mayor

Dated: _____

ATTEST:

By: _____
Yodit Glaze, City Clerk
(SEAL)

APPROVED AS TO FORM:

By: _____ DRAFT YG
Raul F. Salinas, City Attorney

GLOBAL PARATRANSIT, INC.:

By: _____

Name: _____

Title: _____

Dated: _____

AGREEMENT FOR TRANSIT SERVICES FOR THE FIXED ROUTE SERVICE (GATE) BETWEEN THE CITY OF SOUTH GATE AND GLOBAL PARATRANSIT INC.

This Agreement for Transit Services for the Fixed Route Service (GATE) ("Agreement") is made and entered into on July 13, 2021, and effective September 1, 2021, by and between the City of South Gate, a municipal corporation ("City"), and Global Paratransit ("Contractor"). City and Contractor are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

RECITALS

WHEREAS, City desires to contract for certain services relating to demand response transit services and for limited fixed route transportation services;

WHEREAS, Contractor warrants to City that it has the requisite, skills, knowledge, qualifications, manpower, expertise and facilities to perform properly and timely the transit services required under this Agreement; and

WHEREAS, based on such representation, City desires to contract with the Contractor to perform the transit services as described in Exhibits "A & B" attached hereto and made a part to this Agreement.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1.0 SCOPE OF THE CONTRACTOR'S SERVICES. The Contractor agrees to provide the services and perform the tasks set forth in the attached Contractor's proposal along with approved City modifications, attached to and made part of this Agreement. The Scope of Work as stipulated in the proposal may be amended from time to time by way of a written directive from the City. In the event that there is a conflict between the terms of this agreement and the proposal, the scope of work and terms as stipulated in this Agreement shall prevail. The Parties acknowledge that changes to the scope may increase or decrease the overall contract cost or levels of service. Such changes will be determined solely based upon the unit cost provided within the proposal.

2.0 TERM OF AGREEMENT. This Agreement is **effective as of September 1, 2021** ("Commencement Date") and will remain in effect for a period of four years and 10 months. (4 years, 10 months) years **through and including June 30, 2026,** unless otherwise expressly extended and agreed to by both Parties in writing, or terminated by either party as provided herein.

3.0 CITY AGENT. The Director of Parks & Recreation, or his/her designee, for the purposes of this Agreement, is the agent for the City. Whenever approval or authorization is required, Contractor understands that the Director of Parks & Recreation, or his/her designee, has the authority to provide that approval or authorization.

4.0 COMPENSATION FOR SERVICES. The City shall pay the Contractor for its professional services rendered and costs incurred pursuant to this Agreement in accordance with

the Scope of Work's fee and cost schedule. The entire cost of services under this Agreement shall not exceed $967,836 per year or, if different, the amount budgeted by the City Council for such transit services in any applicable fiscal year of the City during the life of this Agreement ("Transit Budget"). To avoid cost overruns, and the possibility of expending General Funds from the City, the compensation paid to Contractor shall be managed to establish a contingency reserve from said amount in the sole discretion of the Director of Parks and Recreation to take into account periods of higher or seasonal activity in other parts of the year.

No additional compensation shall be paid for any other expenses incurred, unless first approved by the Director of Parks & Recreation or his/her designee. Services provided or debt incurred by the Contractor if in excess of the amount budgeted by the City Council per year shall be at the Contractor's own expense, without exception. Costs shall be evaluated monthly as part of regular progress meetings and levels of service modified with the consent of the CITY to ensure that annual costs remain within specified limits. All administrative fees and other expenses required to be incurred by the City for implementation of this Agreement, whether paid to Contractor or a third party, shall be paid considered part of the Transit Budget limit.

4.1 The Contractor shall submit to the City, by not later than the 10th day of each month, its bill for services itemizing the fees and costs incurred during the previous month. The City shall pay the Contractor all uncontested amounts set forth in the Contractor's bill within 30 days after it is received.

4.2 Annually, it is contemplated that the City shall approve, as part of the regular budget process, a total amount of funding to be made available to this program. Notwithstanding, if the City determines that this program shall not be funded in whole or in part, said determination shall set the amount of this Agreement. Contractor expressly understands and acknowledges that the Director of Parks and Recreation may require that a contingency reserve shall be set aside from the budgeted amount for said transport services provided under this Agreement to provide for periods of higher or seasonal activity, and to avoid the possibility of expending General Funds from the City for such services.

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

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

6.0 GENERAL TERMS AND CONDITIONS.

6.1 Termination. The City, at its sole discretion, may terminate this Agreement, with or without cause, by giving the other party sixty (60) calendar day's written notice of such termination and the effective date thereof.

6.1.1 In the event of such termination, all finished or unfinished documents, reports, photographs, films, charts, data, studies, surveys, drawings, models, maps, or other documentation prepared by or in the possession of the Contractor under this Agreement shall be returned to the City. If the City terminates this Agreement without cause, the Contractor shall prepare and shall be entitled to receive compensation pursuant to a final bill for transportation services rendered pursuant to this Agreement through the termination date. If the Contractor terminates this Agreement without cause, the Contractor shall be paid only for those services completed in a manner satisfactory to the City.

6.1.2 Notwithstanding the foregoing, the Contractor shall not be relieved of liability for damage sustained by virtue of any breach of this Agreement, and any payments due under this Agreement may be withheld to off-set anticipated damages.

6.1.3 Upon written notice to the Contractor by the City of the Contractor's failure to fulfill any term of this agreement, if the Contractor fails fully or satisfactorily to perform the Professional Services within the time specified herein and does not correct such failure within a period of ten (10) days after receipt of notice from the City specifying such failure, the City may provide written notice of termination to the Contractor specifying the effective date thereof.

6.1.4 If the City terminates this Agreement for cause, then:

6.1.4.1 The City may elect to procure services similar to those terminated upon such terms and in such manner as it may deem appropriate;

6.1.4.2 The Contractor shall upon demand by the City therefore promptly deliver to the City all finished or unfinished documents, reports, photographs, films, charts, data, studies, surveys, drawings, models, maps, or other documentation prepared by or in the possession or control of the Contractor and relating to the Professional Services; and

6.1.4.3 The Contractor shall be paid an amount equal to the value of the work performed. In ascertaining the value of the work performed up to the date of termination, consideration shall be given to both completed work and work in progress, and to other documents whether delivered to City or in possession of the Contractor, and to any authorized reimbursement expenses. Future profit or income for services or work not performed by Contractor as of the effective date of termination shall not be recoverable under any circumstances in the event of any early termination of this Agreement, regardless of whether the Agreement is terminated with or without cause.

6.1.5 The Contractor may, by giving written notice to the City of such termination and specifying the effective date thereof, terminate the whole or any part of this Agreement if the City fails to fulfill timely its obligations under this Agreement and does not correct such failure within a period of thirty (30) days after receipt of notice from the Contractor specifying the nature of such failure.

If the Contractor terminates this Agreement in whole or in part pursuant to this Section 6.1, then the Contractor shall be entitled to be paid compensation in accordance with the terms of this Agreement for any work satisfactorily completed hereunder. In ascertaining the value of the work performed up to the date of termination, consideration shall be given to both completed work and work in progress, provided such has been delivered to the City, and to any authorized reimbursable expenses.

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

6.3 Non-Discrimination. (1) Nondiscrimination - In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. § 12132, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, the Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.

(2) Equal Employment Opportunity - The following equal employment opportunity requirements apply to the underlying contract:

(a) Race, Color, Creed, National Origin, Sex - In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 et seq ., (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(b) Age - In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § § 623 and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(c) Disabilities - In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, the Contractor agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(3) The Contractor also agrees to include these requirements in each subcontract financed in whole or in part with Federal assistance provided by FTA, modified only if necessary to identify the affected Parties.

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

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

(b) Commercial General Liability Insurance, written on an "occurrence" basis with a minimum limit of liability of FIVE MILLION DOLLARS ($5,000,000) combined single limit per "occurrence" for bodily injury, personal injury and property damage. If the policy contains a general aggregate limit, then such aggregate limit shall not be less than FIVE MILLION DOLLARS ($5,000,000) and shall contain a per location aggregate limit.

(c) Business Automobile Liability Insurance, for all vehicles used in relationship to bus based services (defined as vehicles with a capacity exceeding ten (10) passengers including the driver) insuring all owned, non-owned and hired automobiles and blanket contractual liability coverage with a limit of liability of FIVE MILLION DOLLARS ($5,000,000) combined single limit per accident for bodily injury and property damage."

(d) Business Automobile Liability Insurance, for all vehicles used in other capacities than carrying passengers in support of the fixed route program, insuring all owned, non-owned and hired automobiles and blanket contractual liability coverage with a limit of liability of ONE MILLION DOLLARS ($1,000,000) combined single limit per accident for bodily injury and property damage."

(e) Each such policy of insurance referenced above shall:

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

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

3) Specify that the policy shall act as primary insurance.

4) Contain a clause substantially in the following words: "It is hereby understood and agreed that this policy shall not be canceled nor materially changed except upon thirty (30) days prior written notice to the City of such cancellation or material change."

5) Cover the operations of the Contractor pursuant to the terms of this Agreement and in the case of subcontractors, Contractor shall cause said subcontractors to provide evidence of insurance in the same amount and to the same extent as required of the contractor.

6.5 Indemnification. Contractor agrees to hold harmless, indemnify and defend the City, its employees, agents and affiliates, for any and all loss or liability of any nature whatsoever arising out of or in any way connected with Contractor's performance of this Agreement, including loss or liability caused by the City's negligence, except loss or liability caused by the City's sole willful conduct or active negligence.

6.6 Compliance with Applicable Law. The Contractor and the City shall comply with all applicable laws, ordinances and codes of the Federal, State, County and City governments.

6.7 Independent Contractor. This Agreement is by and between the City and the Contractor and is not intended, and shall not be construed, to create the relationship of agency, servant, employee, partnership, joint venture or association, as between the City and the Contractor.

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

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

6.9 Legal Construction.

(a) This Agreement is made and entered into in the State of California and shall

in all respects be interpreted, enforced and governed under the laws of the State of California.

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

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

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

(e) Contractor and City warrant and represent that prior to executing this Agreement that they each have consulted with an attorney, or have knowingly and voluntarily chosen not to seek such consultation regarding this Agreement.

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

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

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

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

right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right of remedy.

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

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

6.16 Attorneys' Fees. The Parties hereto acknowledge and agree that each will bear his or its own costs, expenses and attorneys' fees arising out of and/or connected with the negotiation, drafting and execution of the Agreement, and all matters arising out of or connected therewith.

6.16.5 DISPUTE RESOLUTION THROUGH MEDIATION AND BINDING ARBITRATION; WAIVER OF BENCH AND JURY TRIAL RIGHTS: In the event of a dispute arising out of, or in any way relating to, this Agreement, the Parties shall attempt to informally resolve the matter. If the matter cannot be resolved informally, the Contractor AND City agree that the dispute will be submitted exclusively to final and binding arbitration before the Judicial Arbitration and Mediation Service ("JAMS"), unless the Parties agree in writing to a different arbitration method or forum. The Parties agree that the arbitrator selected must be a retired judge or justice. The Parties expressly agree to waive any and all rights to a bench or jury trial, and that judicial recourse shall be limited to seeking provisional remedies (i.e., temporary restraining orders and/or preliminary injunctions), and to petitions seeking to compel arbitration of disputes.

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

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

TO CITY:
Steve Costley
Interim Director of Parks & Recreation
City of South Gate
4900 Southern Avenue
South Gate, CA 90280
TEL (323) 563-5494
scostley@sogate.org

TO CONTRACTOR:
Reza Nasrollahy
President
Global Paratransit Inc.
400 W. Compton Blvd
Gardena CA 90248
TEL (310) 715-7550
reza@global-paratransit.com

WITH COURTESY COPY TO:
Carmen Avalos, City Clerk
Office of the City Clerk
8650 California Avenue
South Gate, CA 90280
cavalos@sogate.org

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

7.0 SCOPE OF WORK. Terms cited in this scope of work may be outlined in greater detail in Attachments "A & B". In the event of a conflict, the terms of this Agreement shall govern over the Contractor's proposal

7.1 Fixed-Route Service Operation – Provide scheduled bus service to designated locations within the specified service area to reduce Demand-Response needs and supplement existing fixed route transportation services provided by Metro and surrounding cities. Connections and linkages to existing services shall be optimized. Scheduling and routing shall remain flexible to allow for changes in demand based upon seasonal needs and changing trends.

7.1.1 There will be no eligibility requirements for users of the Fixed-Route service.

7.1.2 Hours of Service – Fixed Route service routes and hours shall be determined by the Director of Parks & Recreation and may be updated as needed with 10 (ten) days written notice. The initial schedule, unless otherwise directed shall be:

Monday - Friday	6:00AM to 7:00PM
Saturday	8:00AM to 5:00PM

Services will not operate on the following Holidays:

Thanksgiving Day
Christmas Day
New Year's Day
Memorial Day
Independence Day
Labor Day

Specific operating hours, number of vehicles and routes provided shall be determined by the Contractor with the approval of the City in order to best meet the demands within the limited resources available. The City may, at its sole discretion, reduce the hours of service upon ten (10) days written notice to the Contractor including, without limitation, termination of all or any portion of this Agreement.

7.1.3 Fare Level - The charge for Fixed Route service will be $.50 (fifty cents) per one way trip. Children under the age of four (4) years of age (maximum of three per adult) and seniors and disabled customers who display a valid South Gate Dial-A-Ride ID card may ride for free. These fees shall be collected by the Contractor and credited to the City on the monthly invoice. The City reserves the right to change the fare or to issue passes, discount coupons or tickets to be used in lieu of cash fares. The City will be responsible for selling any special coupons or passes. The Contractor shall ensure that all drivers are aware of and adhere to the fare structure. Failure of a driver or employee to properly track all monies collected shall be a basis for disciplinary warnings and actions, including suspension or termination, in whole or in part, of this Agreement, in the City's sole discretion.

7.1.4 Cost of Service – The City shall pay the Contractor for Fixed Route services at a rate of $72.47 per vehicle service hour in accordance with actual service hours provided during the first year of this Agreement. The City shall not pay for travel or wait time prior to start of service or at the conclusion of service. The City shall not pay for breaks, refueling or any time when a bus is not actively serving the route. (Deadhead hours)

7.1.4.1 Subsequent year's rates will be increased according to the CPI for the Los Angeles/Long Beach area not to exceed 5% annually in any single year.

7.1.4.2 Additional Service Hours, either due to a one-time special request, emergency service or ongoing service expansion shall be at an initial rate of $72.47 per service hour for the first year. In subsequent years, this rate will increase based upon the CPI Index.

7.1.4.3 Monthly invoices shall include a detailed statement of operating hours and costs. A base amount due shall be clearly indicated. In addition, each monthly invoice shall indicate the total amount collected in the farebox for the month. This amount will then be deducted from the base amount due. Any bus lease payments due to the City shall also be indicated and deducted from the base amount due. A final adjusted amount due shall be clearly indicated for payment by the City.

7.1.4.4 The City recognizes that the Contractor has provided a five year COST PROPOSAL based upon certain economic assumptions. If, after the second year of the agreement, Contractor finds that verifiable and unforeseen economic factors beyond the Contractor's control have caused a significant increase to the Contractor's operating costs, the Contractor may make a onetime request for the City to renegotiate the per hour rates listed in the Contractor from that point forward. Contractor will be responsible to provide the City's representative with all relevant data and documentation to support the proposed changes to the COST PROPOSAL. Based upon a thorough evaluation of the data provided, the City's representative shall make a recommendation to the City Council regarding the Contractor's request. The decision of the City Council shall be final.

7.1.5 Service Area – The Fixed Route service will provide service within the boundaries of the City of South Gate. Routes may extend outside of South Gate only for the purpose of creating desired links to other local transit systems. Routes should not duplicate those provided by existing Metro service. All routes and schedules shall be approved in writing and in advance by the Director of Parks and Recreation or his/her designee.

7.1.6 Routes and Stops – The Contractor shall work with City staff including the Director of Parks & Recreation, City Engineer and others as required to prepare a proposed route and service schedule for the fixed route program including stop locations, number of vehicles, and goals and measurable performance standards to be used to evaluate the success of the program. The City shall work with the Contractor to implement any reasonable promotional program agreed upon by the City and Contractor to inform residents of this new service and as needed to inform residents of changes in service and to promote its use among South Gate residents, including the development of site furnishings and signage as determined appropriate by the City. At all times, the projected and actual costs of any proposed routes or service must remain within the budget limits approved by the City Council. The Contractor shall be responsible for any approval of routes by Metro and for ensuring that all service under this program meets all guidelines and requirements to ensure its eligibility under Proposition A funding.

7.1.7 Passenger Packages – Passengers traveling from shopping (grocery or otherwise) shall be allowed up to five packages per trip. Drivers are not required to assist passengers with packages.

7.1.8 Vehicles – Lease of City Vehicles – The City currently owns six 24 passenger buses which are specifically painted and equipped for this program. Because of the distinctive appearance of these buses creates and identifiable image for the program, the Contractor is required to lease these buses for the operation of the program. Should the City acquire additional buses and request operation of additional vehicles or routes, Contractor may be required to lease these additional buses for operation of those additional services a separate lease agreement will be negotiated for the Contractor's use and operation of these vehicles as part of the fixed route service.

7.1.9 Backup vehicles will be provided by the Contractor. If not new, vehicles

should be in a condition so that they do not exceed the Federal Transit Administration (FTA) approved useful life in terms of miles during the initial term of this Agreement. The CITY reserves the right to inspect and accept or reject the proposed vehicles. The vehicles will be equipped with the following:

- Seating for at least 18 passengers.
- Two wheelchair tie downs.
- Wheelchair lift.
- Two-way radios.
- Magnetic CITY logos, provided by the City, must be used while in service as a GATE bus to assist in identifying any contractor owned vehicles as GATE vehicles.

7.2 General Operating Standards

7.2.1 The Contractor shall coordinate, manage, and control all necessary program activities which shall include: operating the services, vehicle maintenance and management personnel; providing driver and other personnel training; developing administrative procedures, performance statistics, and financial records; and developing methods to maximize service efficiency.

7.2.2 The Contractor shall not enter into agreement with any other party for use of equipment or personnel involved in the provision of this service without the approval of the City.

7.2.3 Contractor's Personnel and Subcontractors

7.2.3.1 The Contractor shall be solely responsible for the satisfactory work performance of all employees, and any of its subcontractors, as such performance was described by the RFP and any other reasonable performance standard that may be established by the City from time to time. The Contractor shall be solely responsible for payment of all employees' wages and benefits, and all subcontractors' costs. In addition, Contractor shall be required to pay all drivers of the Fixed Route a minimum of $18.75 per hour. Without any additional expense to the City, the Contractor shall comply with the requirements of employee liability, worker's compensation, employment insurance and Social Security. The Contractor shall hold the City harmless from any liability, damages, claims, costs and expenses of any nature arising from alleged violations of personnel practices, or any claims asserted by any subcontractor arising from or in any way related to services rendered in connection with this Agreement.

7.2.3.2 Training and performance standards for all personnel shall be in compliance with those standards and practices outlined in the attached Contractor's proposal. The City may, at its discretion, require additional training practices or standards for the Contractor's personnel if it is found that the proposed practices are not achieving the CITY's expectations.

7.2.3.3 City shall have the right to demand removal from the program, for

reasonable cause, any personnel furnished by the Contractor. The City must be notified promptly of new hires or reassignments of program personnel or sub-contractors.

7.2.4 Vehicle Operators

7.2.4.1 Vehicle operators shall work on a schedule that will ensure a consistent and overall high quality of service. Bus (11 passenger or greater) operators must have at least a valid California Class II or Class B (with appropriate endorsements) Driver's License and Medical Examination Certificate, as well as, any other licenses required by applicable federal, state and local regulations. All vehicle operators must meet the minimum standards listed below. Contractor shall comply with the hiring standards listed in their proposal including their background check policies and procedures.

- Not have been convicted of any felony or of a misdemeanor involving dishonesty, theft, vandalism, violence or moral turpitude. Background checks must include submittal of fingerprints to the Department of Justice.
- Not have been convicted of driving while intoxicated or under the influence of controlled substances within the preceding five years, or not have criminal charges pending for an offense for driving while intoxicated or under the influence of controlled substances.
- Not be addicted to the use of alcohol or controlled substances.
- Not be subject to outstanding warrants for arrest.
- Able to read, write and speak English. Bilingual skills in Spanish are highly desirable.
- Thorough knowledge of the service area street network.
- Sensitivity to passengers' needs, including assisting passengers, upon their request.
- Able to handle complaints and problems as required.

7.2.4.2 Vehicle operators must be trained in all operational procedures relating to the system. Training must include techniques for dealing with the public in a helpful and courteous manner, basic information about the route and the CITY of South Gate, and sensitivity and empathy training directed towards the needs of elderly and disabled passengers, in compliance with the Americans with Disabilities Act.

7.2.4.3 Vehicle operators shall be trained to operate all types of vehicles, wheelchair lifts, ramps, and securement systems, as well as, other equipment which they may be expected to use. This requirement pertains to all vehicle operators, both regularly assigned and relief vehicle operators.

7.2.4.4 While performing their duties, vehicle operators must maintain a clean and neat appearance and must be in a uniform acceptable to the City. Uniform shall include both shirt/blouse and slacks. Operators shall wear name tags clearly displaying their names while performing their duties. While jackets and hats are not required, they should, if worn, match the uniform, and jackets should display the drivers' name tag.

7.2.4.5 The Contractor shall conduct pre-employment DMV (Department of Motor Vehicles) checks of all personnel hired or contracted for service and shall join the California DMV Pull Notice Program, whereby the Contractor shall be notified of any activity on a vehicle operator's driving record. Any operator exceeding the California DMV point system or with a revoked or suspended license will not be allowed to operate the City service. Contractor shall notify the City of the results of these checks and whatever corrective actions taken, if any.

7.2.5 Maintenance Staff - Contractor shall supply a sufficient number of properly qualified personnel to maintain and service all Contractor-provided equipment used for the City's service. Contractor shall ensure all mechanics are properly trained in the operation and maintenance of the vehicles and equipment specified in the scope of the program. Contractor shall provide mechanics with ongoing training in order to keep abreast of new maintenance techniques and equipment.

7.2.6 Dispatching and Service Information Personnel - Contractor shall have capable and courteous personnel who are responsible for taking responding to telephone inquiries regarding transportation services. At least one bilingual (Spanish) dispatcher will be available during normal service hours with the ability to transfer calls to this dispatcher as needed.

7.2.7 Vehicles/Equipment

7.2.7.1 All vehicles shall meet the requirements as established in the appropriate sections of this Agreement for the various services provided. Designated vehicles must satisfy ADA requirements.

7.2.7.2 All vehicles and vehicle equipment required by this RFP shall be maintained by the Contractor in good repair and in a condition satisfactory to the City. Contractor shall assume all responsibility for the proper maintenance of the vehicles. It shall be the expressed responsibility of the Contractor to assume all coordination with the original manufacturer of the vehicles if necessary to keep the vehicles in safe and good operating condition. This shall include negotiating and processing all vehicle warranty claims through the manufacturer's own warranty department, and is responsible for collection of any monies, extended warranties, or credits as a result, for the length of time the warranty is in effect. Maintenance records for each vehicle will be maintained for a period of 3 years beyond termination of this contract and must be provided to the City on demand.

7.2.7.3 A preventative maintenance program must be established in accordance with the attached Contractor's proposal. Each vehicle must receive a daily pre-trip inspection by the operator prior to being placed in service. Daily pre-trip inspections must be supplemented by regular time and mileage maintenance inspections to ensure safe and proper operating condition of vehicles. Preventive maintenance inspections and servicing shall occur not less than every 3,000 miles or thirty days, whichever is less. A record of all such inspections shall be kept by Contractor and made available to the City.

7.2.7.4 Inspection of each vehicle shall be completed after its daily service to ensure

all lights are functioning, all seating is secure and that all tires, wheels, lugs, air brake systems (if applicable), wheelchair lifts and exit doors are in proper operating condition.

7.2.8 Applicable Codes and Regulations

7.2.8.1 All vehicles used for South Gate services shall be safe for operation on public streets and meet all the appropriate requirements in the California Vehicle Code. All parts of the vehicle and all equipment mounted on or in the vehicle shall conform to the Federal Vehicle Safety Standards and the California Code of Regulation, Title 13. Particular attention shall be directed to the California Highway Patrol Motor Carrier Safety Regulations.

7.2.8.2 The Contractor shall participate in and comply with the DMV Pull Notice Program.

7.2.8.3 Contractor shall pay for all applicable license fees for drivers, other personnel and vehicles.

7.2.9 Vehicle Maintenance

7.2.9.1 The Contractor shall provide and maintain appropriate vehicle storage and maintenance facilities for the garaging and servicing of the vehicles and vehicle equipment. Such facilities will be subject to inspection by the City.

7.2.9.2 At all times, the Contractor shall maintain all components of each vehicle including its body, frame, wheelchair lift, furnishing, mechanical, electrical, hydraulic or other operating systems in proper working condition free from damage and malfunction. The Contractor shall replace and repair immediately any vehicle damaged in any accident or otherwise damaged which impairs the proper and safe mechanical operation of the vehicle.

7.2.9.3 Recognizing that the safety of the passengers is paramount, the Contractor's maintenance staff shall not:

1. Install mismatched tires.
2. Perform partial brake relines without determining the cause of abnormal or premature wear.
3. Allow tires to wear more than 3/32 tread depth.
4. Replace a dead battery without testing charging system to ensure the battery will not go dead due to system malfunction.
5. Fail to ensure on a daily basis that each vehicle is in proper condition to pass all scheduled and unscheduled inspections.
6. Allow any reported wear item to go un-repaired that would not hold up until the next scheduled inspection. The emphasis must be on preventing breakdowns.

7.2.9.4 The Contractor, at its sole cost and expense, shall maintain stores of and provide

lubricants, repairs, parts and supplies required for the maintenance and operation of all vehicles utilized in providing services.

7.2.9.5 Vehicles must be kept clean including exterior washing at least once weekly and after every rain, with the vehicle interiors swept or vacuumed daily to remove all dirt and debris. All graffiti must be removed each day so that no vehicle leaves the storage facility with any graffiti. Etching on windows must be removed and replaced as soon as practical but no later than one month.

7.2.9.6 Contractor shall maintain an individual file for each revenue vehicle to include date of action and all preventive maintenance functions including warranty work and any other pertinent maintenance data, including but not limited to fuel, lubricants and other fluid use.

7.2.9.7 The Contractor shall dispatch a spare vehicle in the event of a vehicle breakdown. The maximum allowable response time from the moment a trouble call is received until a substitute vehicle arrives will be no more than 20 minutes.

7.2.9.8 The Contractor shall install a two-way radio communications system for the Fixed Route vehicles that will allow for the timely and efficient dispatching, coordinating and responding to service calls. The system may be of the Contractor's choice. The radio communication system must cover the routes of service, storage and maintenance facilities and the dispatch location without dead spots. Each revenue service vehicle as well as each administrative vehicle shall have a receiver/transmitter installed and operational. In addition, one hand-held mobile unit with a charger or fixed base station shall be provided for the City, for the purpose of providing communications between the dispatch office and revenue service vehicles during emergencies. Contractor shall be responsible for maintenance of the radio equipment to keep it in good operating condition, and must comply with all applicable federal statutes and regulations in connection with its use.

7.2.9.9 The Contractor shall notify the City of all accidents, both by telephone (within one hour) and in writing (by the close of the next business day).

7.2.10 Operational Emergencies

7.2.10.1 The Contractor shall be responsible for the enforcement of policies with regard to operational emergencies. The CITY may revise or establish additional policies. Contractor shall be responsible for the handling and resolution of all operational emergencies and contingencies including, but not limited to, the following:

1. Hazardous Conditions - Vehicle operators shall report all hazardous road conditions (i.e., downed trees, missing bus signs, graffiti on bus benches, malfunctioning signals, etc.) in the City to the Contractor's supervisor. Contractor, in turn, shall immediately notify the City of such conditions and shall take necessary precautions to safeguard passengers and personnel.

2. In-Service Vehicle Failures - Contractor shall require the vehicle operators to report any in-service vehicle failure to the Contractor's supervisor. The supervisor will attempt to ascertain the problem, use good judgment, and instruct the vehicle operator to take appropriate corrective action. If necessary, the supervisor will immediately send a spare vehicle to the location and the operator and passengers will change vehicle and continue in service. Contractor, if necessary, shall send a mechanic to the location in order to take corrective measures and/or supervise the towing of the vehicle. Contractor shall report any in-service vehicle failures to the City immediately and not later than the start of the next service day.

3. Wheelchair Lift Failure - Contractor shall be responsible for the proper operation and maintenance of all wheelchair lifts. Contractor shall require vehicle operators to report all in-service lift failures to the Contractor's supervisor. If the lift fails while attempting to board a wheelchair passenger, the supervisor shall promptly arrange for alternate transportation for the passenger in the wheelchair inconvenienced by the lift breakdown. If the lift fails while attempting discharge of a wheelchair passenger, the operator shall manually operate the lift and notify the supervisor. The supervisor shall arrange a vehicle change as quickly as reasonably possible following any lift failure. Contractor shall report all in-service lift failures to the City no later than the start of the next service day.

4. Passenger Disturbances - Contractor shall instruct vehicle operators to report nonpayment of fares; graffiti or other vandalism on the vehicles; pushing, shoving and other disturbing or dangerous conduct; and other serious passenger disturbances to the vehicle operator's supervisor or dispatcher. The supervisor shall use good judgment in handling the passenger disturbance by appraising the situation, issuing appropriate instructions to the operator and request law enforcement assistance if necessary.

5. Medical Assistance to Passengers - Contractor's employees shall use good judgment in responding to passenger accidents, injuries, or illnesses occurring on the vehicles. In the event of a passenger requiring medical assistance, the vehicle operator shall immediately advise the Contractor's supervisor by radio of the situation and location of the vehicle, and the supervisor shall notify the County Fire Department/Paramedics for assistance. An incident report shall be completed documenting the incident with a copy to the City no later than the start of the next service day.

6. Accidents - Contractor shall require all vehicle operators to report any accident or incident involving the vehicle to the Contractor's supervisor. The supervisor shall use good judgment in handling the situation, and shall immediately notify police or fire department if necessary. The supervisor shall report all accidents to City by telephone immediately. Both the operator and supervisor will complete an accident report approved by City with copy to the City no later than the start of the next service day. The Contractor shall submit all accident-related reports to the DMV as required.

7.2.11 Management - The Contractor shall be responsible for program management according to specified operating procedures. The City may establish additional requirements which

are reasonable for operation of this service after consultation with the Contractor. Further, the Contractor shall work closely with City staff in scheduling and management of resources to ensure the most cost effective operation while maintain customer service performance standards.

7.2.12 Operating Performance Standards and Penalties - The Contractor shall operate vehicles with due regard for the safety, comfort and convenience of passengers and the general public. To ensure that the Contractor's operation meets all requirements of the City, the City will set performance standards for its services. Contractor and the City shall meet periodically to evaluate performance of the system based upon these standards. If the standards are not fulfilling their intended purpose, they will be adjusted based upon recommendations made by Contractor with the concurrence and final decision by the City. Should it be found that the Contractor's performance has contributed to Contractor's failure to achieve these standards, Contractor shall take all reasonable actions requested by the City to correct deficiencies in performance. Should deficiencies persist, the City may assess liquidated damages. All liquidated damages assessed against the Contractor will be deducted from the monthly invoices by the same amount. The City's Director of Parks and Recreation shall maintain the right to assess liquidated damages against the Contractor, as set forth herein, based on the Contractor's failure to meet the established standards. Circumstances beyond the control of the Contractor, causing the Contractor to fail to comply with the stated performance requirement, will be considered as just cause on the part of the City not to assess liquidated damages against the Contractor.

7.2.12.1 Complaints – All complaints, whether received by the City or Contractor, shall be responded to by the Contractor within one week of the Contractor's receipt of the complaint, either written or verbal. The response shall be in writing and shall specifically address the complaint and explain the reason for the events which precipitated the complaint. A copy of each letter sent by the contractor responding to the complaints shall be sent to the City of South Gate.

The City and Contractor shall investigate and document all complaints or citizen concerns as part of program administration by collecting and sharing as much pertinent information regarding the complaint and the circumstances surrounding the complaint. The Contractor shall provide the City with appropriate documentation and justification on all complaints that Contractor feels are unwarranted or that have extenuating circumstances. The City shall determine appropriate actions to be taken as a result of complaints with the cooperation of the Contractor.

7.2.12.2 Customer service is very important in building ridership and support for this service. Service should be provided as scheduled or according to any adjusted schedule established by the City, including route modifications required as a result of special events or a declared emergency. Contractor shall not be held responsible for the failure to provide on time service due to weather, unavoidable vehicle malfunctions, and/or naturally occurring disasters.

A. The Contractor shall maintain satisfactory California Highway Patrol (CHP) terminal inspection throughout the life of the contract (proof of CHP certification is required). If the Contractor receives an unsatisfactory rating from the CHP, the Contractor shall notify the City

immediately and state what is being done to correct the deficiency.

The City reserves the right, at its sole discretion, to inspect and reject temporarily or permanently by notice to the Contractor, any vehicle the Contractor utilizes which the City deems unacceptable. In the event any revenue vehicle is rejected permanently by the City as a result of the vehicle's conditions, Contractor shall replace the vehicle with one that is acceptable to the City. Contractor shall be responsible for liquidated damages of $500 per day for service interruptions due to inadequate vehicles available.

B. If any regulatory agency or funding source penalizes the City for late, incomplete or inaccurate data which was the Contractor's responsibility to collect and/or provide to the City, the liquidated damages shall be the amount of the penalty and any administrative costs incurred by the City.

7.2.13 Contractor shall provide a Customer Service telephone line which shall be a toll-free call from anywhere within the City of South Gate. All personnel should be trained to respond accurately and professionally. All comments and complaints shall be reported to the City and logged on a mutually agreed upon complaint form. Whether received by the City or by the Contractor, the Contractor shall respond the next working day with a description of any follow-up action taken or anticipated. Contractor must have a facsimile machine compatible with the City's and email capabilities.

7.2.14 Fare Collection and Accountability

7.2.14.1 Total fare box revenues are to be retained by the Contractor, reported to City of South Gate, and deducted from the monthly cost of the service. Fare collection training shall be conducted by the Contractor, and proper fare collection shall be enforced by all project personnel.

7.2.14.2 The CITY may request and require the Contractor's assistance in applying for grants and funding opportunities to support or improve this service program. Unless otherwise stipulated or required by the granting agency, all funds received from grants received, National Transit Database (NTD) subsidy and other sources for the purpose of supporting or supplementing this program become property of the City, who, at its sole discretion, shall determine how best to use those funds.

7.2.15 Advertising on Vehicles - Only the City may decide whether or not to allow advertising on any vehicles providing service to the fixed route program. If advertising is allowed on these vehicles, any revenue from advertising on or in the vehicles will belong to the City. The City may, at its sole discretion, request that the Contractor manage said advertising program on the City's behalf. In such a case, the Contractor may be paid an appropriate management fee for these services. The City shall retain final authority over the types of advertising and specific ads that are acceptable. Contractor acknowledges that these warrants and representations constitute a material term of this Agreement, and that a failure to comply with such warrants and

representations shall be a basis for disciplinary warnings and actions, including suspension or termination, in whole or in part, of this Agreement, in the City's sole discretion.

7.2.16 Program Operational Records - Records and reports should be consistent with all National Transit Database (NTD) requirements, as well as all other reporting required by the Los Angeles County Metropolitan Transportation Authority (Metro). In addition, the City of South Gate may be required to provide statistical information in order to comply with other grant and legislative requirements. The City will use the information requested in this section to monitor and evaluate the productivity of the service. Information must be submitted to the City according to the reporting schedule to be established by the City. All reports shall be submitted to the City in a format approved by the City. The Program Manager will prepare and submit to the City, with appropriate back-up, no later than the tenth calendar day of each month, a summary report of operations for the service which will include at least:

7.2.16.1 Daily totals of passenger counts, revenue hours, total hours, revenue miles, total miles, farebox revenue, passenger types any other operating data collected, documenting any discrepancies in the reported number of passengers carried and the amount of fares collected by the operator.

7.2.16.2 Operational problems, accidents, incidents and passenger complaints and any actions taken regarding these events. Passenger complaints related to safety or serious operational deficiencies shall be reported by phone to the City no later than the next working day following Contractor's receipt of the complaint.

7.2.17 Results of documentation may indicate the need for changes in the level of service or in operational or routing modifications. The provider shall cooperate with the City to improve the transportation operation and maintain flexibility so that service modifications may be implemented quickly.

7.2.18 City Access to Records - The City, or any of its duly authorized representatives, upon reasonable written notice, shall have access, for the purpose of audit and investigation, to any and all original books, documents, papers and records of the Contractor which pertains to the contract. Said original books, documents, papers and records must be retained by the Contractor in the Southern California Region for three years following final payment under the contract.

7.2.19 Marketing/Public Outreach

7.2.19.1 The City shall be responsible for public relations as well as the production of schedules and marketing and other promotional materials.

7.2.19.2 Contractor must refer all media requests to the City and may not provide any information without prior approval by the City.

7.2.19.3 Contractor shall cause drivers and supervisors to cooperate and comply with reasonable requests by the City to distribute notices, schedules or other promotional materials to passengers in connection with the services provided. The City may also request the Contractor's personnel to collect data from passengers by handing out survey forms.

7.2.19.4 The Contractor shall participate in the City's special events as requested by the City. These events may require the Contractor to display service vehicles in addition to providing manpower for a display booth for distributing brochures regarding the City's transit services. The Contractor shall, with at least 10 days' notice from the City, provide buses for transportation of participants of City events up to a maximum of 40 vehicle service hours per year at no additional cost to the City.

7.2.20 Operating During a Declared Emergency

7.2.20.1 Upon declaration of any emergency by the City Manager or his designated representative, the Contractor may be responsible for a number of transportation-related activities, including the development of emergency travel routes, and the coordination with other agencies supplying common carrier services. In the event of a declared emergency, the Contractor shall make available all program vehicles to the City, report to a designated City parking area immediately and deploy vehicles in a manner described by the Director of Public Works or his designee as part of the City's Emergency Response Plan.

7.2.20.2 The City shall be obligated to compensate the Contractor for services which significantly exceeds the normal expense of operating the service during such period of declared emergency. The Contractor shall be required to document and maintain all emergency-related services as requested by the City and provide these documents to the City at the declared conclusion of the emergency.

8.0 Federal Transportation Authority (FTA) Compliance Language.

8.1 In the event that any or all of this agreement may be paid for using Federal Transportation funds provided directly by the FTA or as a pass through by another agency with funding originating from the FTA, the following requirements will be required. In the event that federal funding is used to pay for all or part of this project and any part of this section is found to be in conflict with any other section within this agreement, the terms and wording in this section will prevail.

8.2 Buy America - The contractor agrees to comply with 49 U.S.C. 5323(j) and 49 C.F.R. Part 661, which provide that Federal funds may not be obligated unless steel, iron, and manufactured products used in FTA-funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver. General waivers are listed in 49 C.F.R. 661.7, and include final assembly in the United States for 15 passenger vans and 15 passenger wagons produced by Chrysler Corporation, and microcomputer equipment and software. Separate requirements for rolling stock are set out at 49 U.S.C. 5323(j)(2)(C) and 49 C.F.R. 661.11. Rolling stock must be assembled in the United States and have a 60 percent

domestic content.

8.3 The Contractor agrees to comply with all applicable requirements of the Americans with Disabilities Act of 1990 (ADA), as amended, 42 USC 12101 et seq.; section 504 of the Rehabilitation Act of 1973, as amended, 29 USC 794; 49 USC 5301 (d); and any implementing requirements FTA may issue. These regulations provide that no handicapped individual, solely by reason of his or her handicap, be excluded from participations in, be denied the benefits of, or be subjected to discrimination under any program or activity included or resulting from this Agreement.

8.4 Contract Work Hours and Safety Standards

8.4.1 Overtime requirements - No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

8.4.2 Violation; liability for unpaid wages; liquidated damages - In the event of any violation of the clause set forth in paragraph (1) of this section the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of $10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.

8.4.3 Withholding for unpaid wages and liquidated damages - The Contractor shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.

8.4.4 Subcontracts - The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraphs (1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section.

8.5 Charter Service Operations - The contractor agrees to comply with 49 U.S.C. 5323(d) and 49 CFR Part 604, which provides that recipients and subrecipients of FTA assistance are prohibited from providing charter service using federally funded equipment or facilities if there is at least one private charter operator willing and able to provide the service, except under one of the exceptions at 49 CFR 604.9. Any charter service provided under one of the exceptions must be "incidental," i.e., it must not interfere with or detract from the provision of mass transportation.

8.6 School Bus Operations - Pursuant to 69 U.S.C. 5323(f) and 49 CFR Part 605, recipients and subrecipients of FTA assistance may not engage in school bus operations exclusively for the transportation of students and school personnel in competition with private school bus operators unless qualified under specified exemptions. When operating exclusive school bus service under an allowable exemption, recipients and subrecipients may not use federally funded equipment, vehicles, or facilities.

8.7 Energy Conservation - The contractor agrees to comply with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

8.8 Clean Water –

8.8.1 The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq . The Contractor agrees to report each violation to the Purchaser and understands and agrees that the Purchaser will, in turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office.

8.8.2 The Contractor also agrees to include these requirements in each subcontract exceeding $100,000 financed in whole or in part with Federal assistance provided by FTA.

8.9 Anti-Lobbying - Contractors who apply or bid for an award of $100,000 or more shall file the certification required by 49 CFR part 20, "New Restrictions on Lobbying." Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on its behalf with non-Federal funds with respect to that Federal contract, grant or award covered by 31 U.S.C. 1352. Such disclosures are forwarded from tier to tier up to the recipient.

8.10 Access to Records - The following access to records requirements apply to this Contract:

8.10.1 Where the Purchaser is not a State but a local government and is the FTA Recipient or a subgrantee of the FTA Recipient in accordance with 49 C. F. R. 18.36(i), the Contractor agrees to provide the Purchaser, the FTA Administrator, the Comptroller General of the United States or any of their authorized representatives access to any books, documents, papers and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts and transcriptions. Contractor also agrees, pursuant to 49 C. F. R. 633.17 to provide the FTA Administrator or his authorized representatives including any PMO Contractor access to Contractor's records and construction sites pertaining to a major capital project, defined at 49 U.S.C. 5302(a)1, which is receiving federal financial assistance through the programs described at 49 U.S.C. 5307, 5309 or 5311.

8.10.2 Where the Purchaser is a State and is the FTA Recipient or a subgrantee of the FTA Recipient in accordance with 49 C.F.R. 633.17, Contractor agrees to provide the Purchaser, the FTA Administrator or his authorized representatives, including any PMO Contractor, access to the Contractor's records and construction sites pertaining to a major capital project, defined at 49 U.S.C. 5302(a)1, which is receiving federal financial assistance through the programs described at 49 U.S.C. 5307, 5309 or 5311. By definition, a major capital project excludes contracts of less than the simplified acquisition threshold currently set at $100,000.

8.10.3 Where the Purchaser enters into a negotiated contract for other than a small purchase or under the simplified acquisition threshold and is an institution of higher education, a hospital or other non-profit organization and is the FTA Recipient or a subgrantee of the FTA Recipient in accordance with 49 C.F.R. 19.48, Contractor agrees to provide the Purchaser, FTA Administrator, the Comptroller General of the United States or any of their duly authorized representatives with access to any books, documents, papers and record of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts and transcriptions.

8.10.4 Where any Purchaser which is the FTA Recipient or a subgrantee of the FTA Recipient in accordance with 49 U.S.C. 5325(a) enters into a contract for a capital project or improvement (defined at 49 U.S.C. 5302(a)1) through other than competitive bidding, the Contractor shall make available records related to the contract to the Purchaser, the Secretary of Transportation and the Comptroller General or any authorized officer or employee of any of them for the purposes of conducting an audit and inspection.

8.10.5 The Contractor agrees to permit any of the foregoing Parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

8.10.6 The Contractor agrees to maintain all books, records, accounts and reports required under this contract for a period of not less than three years after the date of termination or expiration of this contract, except in the event of litigation or settlement of claims arising from the performance of this contract, in which case Contractor agrees to maintain same until the Purchaser, the FTA Administrator, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto. Reference 49

CFR 18.39(i)(11).

8.10.7 FTA does not require the inclusion of these requirements in subcontracts.

8.11 Federal Changes - Contractor shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between Purchaser and FTA, as they may be amended or promulgated from time to time during the term of this contract. Contractor's failure to so comply shall constitute a material breach of this contract.

8.12 Clean Air –

8.12.1 The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. §§ 7401 . The Contractor agrees to report each violation to the Purchaser and understands and agrees that the Purchaser will, in turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office.

8.12.2 The Contractor also agrees to include these requirements in each subcontract exceeding $100,000 financed in whole or in part with Federal assistance provided by FTA.

8.13 Recovered Materials - The contractor agrees to comply with all the requirements of Section 6002 of the Resource Conservation and Recovery Act (RCRA), as amended (42 U.S.C. 6962), including but not limited to the regulatory provisions of 40 CFR Part 247, and Executive Order 12873, as they apply to the procurement of the items designated in Subpart B of 40 CFR Part 247.

8.14 No Obligation by the Federal Government.

8.14.1 The Purchaser and Contractor acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this contract and shall not be subject to any obligations or liabilities to the Purchaser, Contractor, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying contract.

8.14.2 The Contractor agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

8.14.3 Program Fraud and False or Fraudulent Statements or Related Acts.

8.14.4 The Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. § § 3801 et seq . and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 C.F.R. Part 31, apply to its actions pertaining to this Project:

Upon execution of the underlying contract, the Contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying contract or the FTA assisted project for which this contract work is being performed. In addition to other penalties that may be applicable, the Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the Contractor to the extent the Federal Government deems appropriate.

8.14.5 The Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. § 5307, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1) on the Contractor, to the extent the Federal Government deems appropriate.

8.14.6 The Contractor agrees to include the above two clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

8.15 Suspension and Debarment - This contract is a covered transaction for purposes of 49 CFR Part 29. As such, the contractor is required to verify that none of the contractor, its principals, as defined at 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905, are excluded or disqualified as defined at 49 CFR 29.940 and 29.945.

The contractor is required to comply with 49 CFR 29, Subpart C and must include the requirement to comply with 49 CFR 29, Subpart C in any lower tier covered transaction it enters into.

8.16 Contracts Involving Federal Privacy Act Requirements - The following requirements apply to the Contractor and its employees that administer any system of records on behalf of the Federal Government under any contract:

8.16.1 The Contractor agrees to comply with, and assures the compliance of its employees with, the information restrictions and other applicable requirements of the Privacy Act of 1974, 5 U.S.C. § 552a. Among other things, the Contractor agrees to obtain the express consent of the Federal Government before the Contractor or its employees operate a system of records on behalf of the Federal Government. The Contractor understands that the requirements of the Privacy Act, including the civil and criminal penalties for violation of that Act, apply to those individuals involved, and that failure to comply with the terms of the Privacy Act may result in termination of the underlying contract.

8.16.2 The Contractor also agrees to include these requirements in each subcontract to administer any system of records on behalf of the Federal Government financed in whole or in part with Federal assistance provided by FTA.

8.17 Disputes - Disputes arising in the performance of this Contract which are not resolved by agreement of the Parties shall be decided in writing by the authorized representative of CITY. This decision shall be final and conclusive unless within ten (10) days from the date of receipt of its copy, the Contractor mails or otherwise furnishes a written appeal to the City Manager. In connection with any such appeal, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the City Manager shall be binding upon the Contractor and the Contractor shall abide be the decision.

8.17.1 Performance During Dispute - Unless otherwise directed by CITY, Contractor shall continue performance under this Contract while matters in dispute are being resolved. Unless otherwise directed by City, Contractor shall continue performance under this Contract while matters in dispute are being resolved.

8.17.2 Should either party to the Contract suffer injury or damage to person or property because of any act or omission of the party or of any of his employees, agents or others for whose acts he is legally liable, a claim for damages therefore shall be made in writing to such other party within a reasonable time after the first observance of such injury of damage.

8.17.3 Unless this contract provides otherwise, all claims, counterclaims, disputes and other matters in question between the City and the Contractor arising out of or relating to this agreement or its breach will be decided by arbitration if the Parties mutually agree, or in a court of competent jurisdiction within the State in which the City is located.

8.17.4 The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by the City or Contractor shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

8.18 Transit Employee Protective Act - The Contractor agrees to the comply with applicable transit employee protective requirements as follows:

(a) General Transit Employee Protective Requirements - To the extent that FTA determines that transit operations are involved, the Contractor agrees to carry out the transit operations work on the underlying contract in compliance with terms and conditions determined by the U.S. Secretary of Labor to be fair and equitable to protect the interests of employees employed under this contract and to meet the employee protective requirements of 49 U.S.C. A 5333(b), and U.S. DOL guidelines at 29 C.F.R. Part 215, and any amendments thereto. These terms and conditions are identified in the letter of certification from the U.S. DOL to FTA applicable to the FTA Recipient's project from which Federal assistance is provided to support work on the underlying contract. The Contractor agrees to carry out that work in compliance with the conditions stated in that U.S. DOL letter. The requirements of this subsection (1), however, do not apply to any contract financed with Federal assistance provided by FTA either for projects for elderly individuals and individuals with disabilities authorized by 49 U.S.C. § 5310(a)(2), or for projects for non-urbanized areas authorized by 49 U.S.C. § 5311. Alternate provisions for those projects are set forth in subsections (b) and (c) of this clause.

(b) Transit Employee Protective Requirements for Projects Authorized by 49 U.S.C. - § 5310(a)(2) for Elderly Individuals and Individuals with Disabilities

- If the contract involves transit operations financed in whole or in part with Federal assistance authorized by 49 U.S.C. § 5310(a)(2), and if the U.S. Secretary of Transportation has determined or determines in the future that the employee protective requirements of 49 U.S.C. § 5333(b) are necessary or appropriate for the state and the public body subrecipient for which work is performed on the underlying contract, the Contractor agrees to carry out the Project in compliance with the terms and conditions determined by the U.S. Secretary of Labor to meet the requirements of 49 U.S.C. § 5333(b), U.S. DOL guidelines at 29 C.F.R. Part 215, and any amendments thereto. These terms and conditions are identified in the U.S. DOL's letter of certification to FTA, the date of which is set forth Grant Agreement or Cooperative Agreement with the state. The Contractor agrees to perform transit operations in connection with the underlying contract in compliance with the conditions stated in that U.S. DOL letter.

(2) The Contractor also agrees to include the any applicable requirements in each subcontract involving transit operations financed in whole or in part with Federal assistance provided by FTA.

8.19 Disadvantaged Business Enterprises

a. This contract is subject to the requirements of Title 49, Code of Federal Regulations, Part 26, *Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs.* The national goal for participation of Disadvantaged Business Enterprises (DBE) is 10%. A separate contract goal has not been established for this procurement.

b. The contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of this DOT-assisted contract. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as City deems appropriate. Each subcontract the contractor signs with a subcontractor must include the assurance in this paragraph (see 49 CFR 26.13(b)).

c. Contractor will be required to report its DBE participation obtained through race-neutral means throughout the period of performance.

d. The contractor is required to pay its subcontractors performing work related to this contract for satisfactory performance of that work no later than 30 days after the contractor's receipt of payment for that work from the City. In addition, the contractor may not hold retainage from its subcontractors.

e. The contractor must promptly notify City, whenever a DBE subcontractor performing work related to this contract is terminated or fails to complete its work, and must make good faith efforts to engage another DBE subcontractor to perform at least the same

amount of work. The contractor may not terminate any DBE subcontractor and perform that work through its own forces or those of an affiliate without prior written consent of City.

8.20 Incorporation Of Federal Transit Administration (FTA) Terms -_FTA has developed the following incorporation of terms language- The preceding provisions include, in part, certain Standard Terms and Conditions required by DOT, whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by DOT, as set forth in are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Agreement. The Contractor shall not perform any act, fail to perform any act, or refuse to comply with any (name of grantee) requests which would cause (name of grantee) to be in violation of the FTA terms and conditions.

8.21 Drug and Alcohol Testing

The contractor agrees to establish and implement a drug and alcohol testing program that complies with 49 CFR Parts 653 and 654, produce any documentation necessary to establish its compliance with Parts 653 and 654, and permit any authorized representative of the United States Department of Transportation or its operating administrations, the State Oversight Agency of (name of State), or the (insert name of grantee), to inspect the facilities and records associated with the implementation of the drug and alcohol testing program as required under 49 CFR Parts 653 and 654 and review the testing process. The contractor agrees further to certify annually its compliance with Parts 653 and 654 before (insert date) and to submit the Management Information System (MIS) reports before (insert date before March 15) to (insert title and address of person responsible for receiving information). To certify compliance the contractor shall use the "Substance Abuse Certifications" in the "Annual List of Certifications and Assurances for Federal Transit Administration Grants and Cooperative Agreements," which is published annually in the Federal Register.

[Remainder of page left blank intentionally.]

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

CITY OF SOUTH GATE:

By: _____
Al Rios, Mayor

Dated: 09-02-21

ATTESTED:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By: _____
Raul F. Salinas, City Attorney

GLOBAL PARATRANSIT INC.:

By: _____
Reza Nasrollahy, President

Dated: 8/26/21

Item No. 4

Office of the
South Gate City Clerk

NOV 12 2026
FILED
4:30pm

City of South Gate

CITY COUNCIL

AGENDA BILL

For the Special Meeting of: **November 17, 2026**
Originating Department: **Office of the City Clerk**

City Clerk: _____ ***City Manager:*** _____
Yodit Glaze *Rob Houston*

SUBJECT: CANCELLATION OF THE REGULARLY SCHEDULED CITY COUNCIL MEETING OF NOVEMBER 24, 2026, AND AUTHORIZATION FOR THE CITY COUNCIL AUDITOR TO REVIEW AND APPROVE THE SECOND WARRANT REGISTER IN NOVEMBER 2026.

PURPOSE: To obtain approval to cancel the November 24, 2026, Regular City Council Meeting and authorize the City Council Auditor to review and approve the second warrant register in November 2026.

RECOMMENDED ACTION: The City Council will consider:

a. Approving the cancellation of the regularly scheduled City Council Meeting of Tuesday, November 24, 2026; and
b. Authorizing the City Council Auditor to review and approve the second warrant register for November 2026.

FISCAL IMPACT: There is no fiscal impact; however, this action allows for timely payment of the City's obligations.

ANALYSIS: If the City Council were to wait until the first meeting in December 2026 to approve the second warrant register in November, vendors would have to wait an extra three weeks to be paid, potentially causing them hardship and some invoices would become past due causing the city to pay late fees and penalties.

BACKGROUND: It is under the discretion of the City Council to cancel a regularly scheduled meeting. Therefore, in order to pay vendors in a timely manner without incurring late fees and penalties or causing undue hardship on vendors, the city has consistently processed a second warrant register in November and release the checks prior to City Hall closing for the holidays.

If the City Council approves the cancellation of the second City Council meeting in November, staff request that the City Council also authorize the City Council Auditor, Vice Mayor Rios, to review and approve the second warrant register in November 2026. The proposed timeline for the second warrant register is:

Task	**Date**
Run Checks	November 16, 2026
Submit to City Council Auditor	November 17, 2026
Mayor Signs Checks	November 16, 2026
City Council Auditor Review and Approves	November 17, 2026
Mail Checks	November 25, 2026

ATTACHMENT(S): None